



PRESS RECOGNITION PANEL BOARD MEETING

23rd meeting of the Press Recognition Panel
09:00, Tuesday 20 September 2016
Mappin House, 4 Winsley Street, London W1W 8HF

AGENDA

Board meeting – public session

- | | | |
|--|--------|---------------|
| 1. Welcome | Chair | 09:00 |
| 2. Apologies for absence | Chair | 09:00 |
| 3. Declarations of interest | Chair | 09:00 |
| 4. Minutes of the meeting held on 23 August 2016
outstanding actions and matters arising
<i>For approval</i> | | 09:00 – 09:05 |
| 5. Chief Executive's Report - September 2016
Paper PRP43(16)
<i>For noting</i> | SU | 09:05 – 09:15 |
| 6. Finance report - September 2016
Paper PRP44(16)
<i>For decision</i> | SU/JS2 | 09:15 – 09:20 |
| 7. Update on the process for the appointment
of an independent Member of NomCo
Paper PRP45(16)
<i>For comment</i> | DW/CR | 09:20 – 09:30 |
| 8. Any other business
<i>Including comments from the floor</i> | Chair | 09:30 – 09:30 |
| 9. Close of public meeting | | 09:30 |

Board meeting – confidential session

- | | | | |
|------------|---|----------|---------------|
| 10. | Final draft annual report on the success / failure of the recognition system
Paper PRP46(16)
<i>For decision</i> | SU/PN/CR | 09:35 – 10:00 |
| 11. | Changes to the way PRP discharges its duties under 11.9
Paper PRP47(16)
<i>For noting</i> | SU | 10:00 – 10:05 |
| 12. | Proposals for organisation design for future years
Paper PRP48(16)
<i>For decision</i> | SU | 10:05 – 10:30 |

A private session of the Board only will follow

(10:30 – 11:00)

Date and time of next meeting: Tuesday 25 October 2016, at Mappin House, 4 Winsley Street, London W1W 8HF, starting at 10:00. Latest version of the forward plan of Board business is attached.

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PRESS RECOGNITION PANEL

**Minutes of the 22nd meeting of the Press Recognition Panel Board
held on 23 August 2016 held at 9 – 10 Portland Place, London W1B 1PR**

Present: Dr David Wolfe QC (Chair), Harry Cayton, Emma Gilpin-Jacobs, Carolyn Regan, Harry Rich and Tim Suter

In attendance: Susie Uppal (Chief Executive), Holly Perry (Head of Governance), Paul Nezandonyi (Head of Communications and Stakeholder Management), Camilla Capotorto (Business and Research Officer), Patrick Reeve (Temporary Application Manager) (paragraphs 11 to 17), Caroline Roberts (Head of Regulatory Affairs), Simon Edward (Regulatory Affairs Manager), Megan Archer (JS2 Ltd) (to paragraph 30) and Adam Gibbs (JS2 Ltd) (to paragraph 30)

BOARD MEETING – CONFIDENTIAL SESSION

Paragraphs 1-10 redacted

BOARD MEETING – PUBLIC SESSION

Welcome

11. The Chair **welcomed** Members and attendees to the 22nd meeting of the Press Recognition Panel Board.
12. The Chair also **welcomed** the individuals who were in attendance, who had indicated that they were happy to be named as having been present:

From IMPRESS:

- Walter Merricks, Chair
- Jonathan Heawood, Chief Executive Officer
- Ed Proctor, Chief Operating Officer
- Rachel Knight, Consultant Head of Business Development
- Iain Christie, Board Member
- Máire Messenger Davies, Board Member
- Fiona Davis-Coleman, PR and Communications Consultant
- David Robinson, Board Member

- Deborah Arnott, Board Member
- Brigit Morris, Policy and Complaints Officer

Other attendees:

- Greg Callus, FT Editorial Complaints Commissioner
- James Connal, Capital PR
- Simon Carne, Business Consultant
- Freddy Mayhew, Press Gazette
- Gez Sagar, BBM Campaigns
- Nathan Sparkes, Hacked Off
- Dr Evan Harris, Hacked Off
- Professor Julian Petley, Brunel University London and NUJ
- Natalie Davis, Head of Press Policy, DCMS
- Natalie Fairchild, Student, De Montfort University
- Mandy Cormack, member of the public
- Peter Wright, Associated Newspapers
- Ed Taylor, Head of Corporate Affairs, Telegraph Media Group
- Owen Meredith, Head of Public Affairs, PPA
- Matt Rogerson, Head of Public Policy, GNM
- Sashy Nathan, 89up
- Pdraig Reidy, 89up
- Chris Clark, Make Public
- Chris Elliott, ethical journalism network / consultant to IMPRESS
- Paul Sinker, NMA
- Dominic Harris, Press Association
- Anthony Longden, freelance journalist and media consultant
- Grace Ogden, Hacked Off
- Bella Ritche, Hacked Off
- Marilyns Flajoliet, Hacked Off
- Max Templer, Britain Thinks
- Anthony Smith, Member of the Public (Hacked Off member)
- David Alden, Member of the Public (Hacked Off member)
- Tom Kelly, Daily Mail

13. The Chair **proposed** to take the agenda items for the public session out of order, starting with the IMPRESS application for recognition.

IMPRESS application for recognition – Paper PRP42(16)

14. The Chair thanked everyone who was in attendance for showing such an interest in the PRP's work, and reminded attendees that this was a meeting of the Board that was open to the public, not a public meeting. There

would, as was standard for PRP Board meetings, be an opportunity for questions at the end of the meeting.

15. The Chair proceeded to make an announcement, which was subsequently published on the PRP's website:

In the confidential session of our meeting this morning the Board had its first opportunity to discuss as a Board what further action, if any, it should take in the light of correspondence received in the last few days, in particular from organisations including the News Media Association, Associated Newspapers, 89up, the Professional Publishers Association, and the Scottish Newspaper Society.

Those organisations made points about the processes we have followed to IMPRESS' application.

Before turning to how we propose to act on those points, I would remind people that we operate and are governed by the Royal Charter. It leaves it to the Board to decide on how to discharge its function. The Board decided at the outset it would operate as openly and transparently as possible. With that in mind, in 2015 when developing guidance on our policy and procedures for processing applications we consulted generally on our proposals, and also on our proposals for additional indicators to provide additional guidance on the recognition criteria.

This year, when developing our procedures for cyclical and ad hoc reviews we consulted generally on our proposals. We have also undertaken a call for information (not seeking general comment or views but seeking information which might not otherwise be available to us) on the IMPRESS application for recognition; which we repeated when they materially amended their application.

Most recently, we have been consulting widely as part of the preparation for the report which we will later in the year lay before Parliament and the Scottish Parliament, as required by the Charter.

It has not however been our practice to undertake such specific additional consultations or seek additional public input when we consider how to interpret elements of the Charter, as we must do.

In particular, on an almost daily basis the PRP reaches a view on the legal meaning and requirement of one or other aspect of the Charter - it is after all our governing document. We then act on the view we reach, sometimes, but not always, specifically also setting out in public our view on the point in

question. That is entirely different from the situation where we are considering and developing Board policy/procedures, on which we have, as above, undertaken specific consultations or when processing a specific recognition application in relation to the factual contents of which we have issued a call for information.

However, the organisations I mention have raised a concern that the indicative view on the interpretation of aspects of the Charter which we expressed earlier in the summer after our second call for information might have prompted them or others to provide us with additional information about the IMPRESS application had it been known at the time of our second call for information.

Mindful of that, and keen to ensure that everybody has the fullest opportunity to respond so that we have the fullest possible basis to take a robust and independent decision on IMPRESS' application, the Board has today decided today to defer its consideration of the IMPRESS application to allow a further 20 working day call for information. The call for information seeks additional information relating to IMPRESS' application as it now stands in the light of the indicative view on the interpretation of Charter criteria which we have previously provided.

We expect to open that process in the next few days. And the Board will consider responses at a further Board meeting at the earliest opportunity. We obviously regret any inconvenience today's decision will cause either to people here today or to others keen that we should make a swift decision on the application.

Our priority as a Board is to make a robust decision as required of us by the Royal Charter and we are proceeding accordingly. We will make that decision on the basis of full information and consideration of all issues as we reasonably can.

16. The Chair invited the members of the public who were in attendance to make any observations and to raise any questions.

Mandy Cormack, member of the public – commended the PRP on its openness and transparency in all its dealings and in spite of having travelled from the west country that morning, was supportive of the stance the PRP was taking

Peter Wright, Associated Newspapers – asked three separate questions:

- (a) why the PRP had decided to hold the meeting in August;
- (b) why it had given only two weeks' notice; and

(c) why it considered more time was needed to make the decision on IMPRESS' application

The Chair responded that the decision to consider the application in August flowed directly from the published process timelines, and the Board's imperative to consider the application at the very earliest opportunity. The Board's meeting dates were published very far in advance on the PRP website. In relation to why more time was needed, the Board had had the opportunity in its confidential session earlier in the morning to consider, for the first time, the letters received from stakeholders – including Associated Newspapers. There was nothing more to say other than what had been explained in the statement.

17. The ordinary business of the Board subsequently resumed, with the following members of the public remaining in attendance:

- James Connal, Capital PR
- Nathan Sparkes, Hacked Off
- Paul Sinker, NMA
- Anthony Longden, freelance journalist and media consultant
- Marilys Flajoliet, Hacked Off
- Lidija Katic, member of the public

Declarations of interest

18. The Head of Governance reported that Emma Gilpin-Jacobs was no longer a trustee of Maidenhead Synagogue and that the register of interests on the PRP's website had been updated accordingly.

Minutes of the meetings held on 28 June 2016 and 8 May 2016, outstanding actions and matters arising

19. The minutes of the meeting held on 28 June 2016 were **approved**. The Chair would sign a copy of the minutes as a correct record.

20. The log of outstanding Board actions was **noted** and **agreed**.

21. The Board **noted** that there were no other matters arising that were not covered elsewhere on the agenda.

Chief Executive's Report – August 2016 – Paper PRP40(16)

22. The Board received a paper which provided an update on executive activity

since the last Board meeting on 28 June 2016.

23. The following points were raised in discussion:
- the Chief Executive **reported** that in relation to staffing, Saima Ansari would be taking up the post of Executive Office Manager on 12 September, replacing Holly Perry who was due to leave the PRP on 21 September;
 - that other than the correspondence listed under paragraph 10 of the report, a number of other letters had been received, including from the News Media Association, Associated Newspapers, 89up, the Professional Publishers Association, and the Scottish Newspaper Society as referenced in the Chair's statement. Copies of all the correspondence and replies had been placed on the PRP's website;
 - the Chief Executive **reported** that she and the team had met Comis Technology Ltd, the PRP's outsourced IT providers, to consider the issues in relation to Egnyte. Comis were now investigating the issues and a further meeting was planned in early September to consider solutions to the problems that had been encountered.
24. The Board **noted** the contents of the Chief Executive's report.

Finance Report August 2016 – Paper PRP41(16)

25. The Board received a paper which provided an update on the financial position as at 31 July 2016. The Board **welcomed** Adam Gibbs of JS2 Ltd to the meeting.
26. The following points were raised in discussion:
- the Board **noted** the deficit for the period ended 31 July 2016, which was £239,312 against the forecast of £285,954 which had created a variance of £45,842;
 - the Board **noted** an explanation of why key variances had arisen, including from underspend in relation to the website and visuals and the accounting treatment of the rent free period, as detailed against the relevant budget lines;
 - the Board **noted** that an element of the contingency budget of £30,000 had now been utilised (£5,040, on legal fees).
27. The Board **noted** the latest financial position as at 31 July 2016.

Closing discussion

28. The Chair invited the members of the public who were in attendance to

make any observations and to raise any questions.

29. No further questions were raised.

Any other business

30. The Board formally **noted** the Finance Report for July 2016 which had been circulated by correspondence (Paper PRP37 (16) referred). There was no further business

BOARD MEETING – CONFIDENTIAL SESSION - RESUMED

Paragraphs 31-34 redacted

Meeting close

35. There was no further business.

Date and time of next meeting

36. The next scheduled meeting of the Board would take place on Tuesday 20 September 2016 at Mappin House, 4 Winsley Street, London W1W 8HF.

¹ The Audit and Risk Committee meeting was subsequently rescheduled to 24 October 2016, 16:00 to 17:30.

PRESS RECOGNITION PANEL

Log of outstanding Board actions as at 14 September 2016

Actions completed from previous meetings have been removed from the log

*Items **highlighted in yellow** are confidential*

Actions outstanding from the meeting held on 23 August	
Paper PRP39(16) Quarterly review of PRP risk register	
1.	Risk register to be updated with the amendments agreed during the discussion <i>Progressing</i> – <i>the risk register will be updated and will next be considered in detail by the Audit and Risk Committee at its 25 October 2016 meeting</i>
Paper PRP42(16) IMPRESS application for recognition	
2.	Board decision on the IMPRESS application to be deferred until the completion of a further call for information <i>Progressing</i> – <i>the call for information was launched on 24 August 2016 and will close on 23 September 2016. The final timing of the Board meeting will depend on the responses received, and whether time will need to be allowed in the process for IMPRESS to comment</i>
Paper PRP38(16) Draft annual report on the success / failure of the recognition system	
3.	Confidential
4.	Confidential

Actions outstanding from the meeting held on 8 July 2016 (joint with ARC)	
Paper PRP36(16) Draft Annual Report & Accounts 2015/16	
5.	JS2 Ltd to undertake further consideration to using the fullest and most meaningful journal descriptors in the description field <i>Progressing</i> - <i>this action has been delegated to the Audit and Risk Committee - the Committee will receive an update on progress from JS2 Ltd at its 25 October 2016 meeting. The Board will receive an update on progress after the 25 October 2016 meeting as part of the report from the Chair of the Committee</i>
Any other business	

6.	<p>Report to be prepared for the 25 October 2016 meeting of the Audit and Risk Committee on the timetable and plan for the 2016/17 audit, taking into account the lessons learnt from the 2015/16 audit.</p> <p>Progressing - this action has been delegated to the Audit and Risk Committee, who will consider the timetable at its 25 October 2016 meeting. The Board will receive an update on progress after the 25 October 2016 meeting as part of the report from the Chair.</p>
Actions outstanding from the meeting held on 28 June 2016	
Paper PRP30(16) Process for the appointment of an independent Member of the Nominations Committee	
7.	<p>Reference to be made in the candidate pack to giving candidates the opportunity to speak to the independent member of the Audit and Risk Committee, Kathryn Cearns</p> <p>Progressing – item 7 on today’s agenda refers</p>
8.	<p>Competencies against which the recruitment would be conducted to be revised to reflect the Board’s comments and reconsidered by the Board</p> <p>Progressing – item 7 on today’s agenda refers</p>
9.	<p>The timetable for the appointment of the independent member to be adjusted to manage Board Members’ availability</p> <p>Progressing – item 7 on today’s agenda refers</p>
Paper PRP33(16) State of Recognition Report update: initial draft	
10.	<p>Launch of state of recognition report to be proactive, including a public launch event</p> <p>Progressing – item 10 on today’s agenda refers</p>
11.	Confidential
Paper PRP34(16) Draft plans for annual Board evaluation 2016	
12.	<p>Proposals for reviewing Board performance for 2016 to be progressed, and dates for Board Members’ appraisals to be agreed</p> <p>Progressing – Board evaluation questionnaire dispatched on 7 July 2016 and the responses have been analysed. A paper on the outputs will be scheduled (timetable allowing) for the October Board meeting given two Board members are away for the September meeting.</p>
Paper PRP35(16) High level assumptions on the PRP’s design for future years	
13.	Confidential
Actions outstanding from the meeting held on 28 April 2016	
Paper PRP15(16) Final Draft Business Plan and Budget 2016/17	
14.	<p>Reviewing the PRP’s needs in respect of office space - PRP contractually tied in to the current office until November 2016. The Board have the opportunity of considering options when it considers the organisational design for future years in September 2016.</p>

	Progressing – an update is provided in the CEO’s report at Item 5 of today’s Agenda.
Paper PRP16(16) State of Recognition Report update	
15.	Confidential
16.	Confidential
Any other business	
17.	Board only meetings to take place on roughly a quarterly basis at the end of the confidential session of a Board meeting Progressing – added to the agenda plan on a quarterly basis – next update scheduled for ten minutes at the end of the 20 September 2016 meeting
Actions outstanding from the meeting held on 22 March 2016	
Board strategic session, 22 March 2016 (confidential)	
18.	Confidential
Actions outstanding from the meeting held on 23 February 2016	
Outstanding actions	
19.	Review of PRP governance framework to be re-considered in December 2016, at the stage of the annual review of the framework, on the basis that by this stage, the policies will have been more thoroughly ‘tested’ Progressing – added to the log of Board business for December 2016, alongside the annual review of the governance framework
Actions outstanding from the meeting held on 17 December 2015	
Paper PRP70(15) Plans for annual Governance Framework review	
20.	Staff training on policies to be repeated on an annual basis, to ensure that the content of policies remains live in colleagues’ minds Progressing – Refresher training has been diarised for autumn 2016
Actions outstanding from the meeting held on 18 November 2015	
Paper PRP64(15) – Finance Report November 2015	
21.	Formal review of the PRP’s banking arrangements to take place in the latter part of 2016, involving Harry Rich Progressing – scheduled for report to the Board’s meeting on 25 October 2016 as per the forward plan of Board policies
Paper PRP65(15) – Review of Board Members’ remuneration	
22.	A further review of remuneration rates to take place in autumn 2016, on the basis that at that point, the Board will have made decisions about the PRP’s work plan and future resourcing requirements which will determine the workload and frequency to Board meetings to the end of 2017 Progressing – scheduled for report to the Board’s meeting on 25 October 2016 as per the forward plan of Board policies



PRESS RECOGNITION PANEL BOARD

CHIEF EXECUTIVE'S REPORT – SEPTEMBER 2016

Meeting: 20 September 2016

Status: for noting

Lead responsibility: Susie Uppal,
Chief Executive

Contact details: 07790034348 or
020 3443 7072

Purpose

1. The purpose of this paper is to provide an update to the Board on executive activity since the last Board meeting on 23 August 2016.
2. The Board is invited to **note** the contents of the Chief Executive's report.

Executive Summary

3. The Board is being updated in respect of a number of organisational issues that have been progressed since the 23 August 2016 Board meeting.

Background and analysis

Delivery highlights / business plan update / key projects update

IMPRESS application for recognition

4. IMPRESS decision Board meeting – streaming statistics
The public part of the Board's meeting on 23 August 2016 was live-streamed.
The viewing statistics are as follows:

First part of the meeting during which the Board considered IMPRESS' application:

95 live views

209 replay views

Total 304 views

PRP43(16)

Remainder of the meeting:

30 live views

128 replay views

Total 158 views

5. In respect of the IMPRESS application, the Board's decision was to defer the consideration to allow a third call for information for additional information relating to IMPRESS' application as it now stands, and in the light of the PRP's indicative interpretation of some terms of the Charter. This further call for information was issued on 24 August 2016 and will run until 23 September 2016.

Operational processes

6. We have been making administrative preparations and developing systems than can be brought into effect should the PRP approve a self-regulator of the Press.
7. PRP Feedback line. We are drafting a feedback process and form for our website to help individuals who might wish to provide feedback to the PRP on the performance of regulators and those who subscribe to them. We are keen to ensure that these meet equality and diversity requirements so people can provide feedback in the manner most convenient to them as individuals. People will be able to provide feedback to the PRP by telephone, on line by post.
8. Whistleblowing hotline. We have been negotiating with providers for a PRP whistleblowing hotline that could be used by approved regulators and those working for the regulated community. So far we have narrowed our search to quotes from 3 possible. The costs range for £750-950 per year.
9. These services will be provided in addition to our stated willingness to meet with anyone who has in an interest in our work.

State of recognition report

10. *Confidential.*

Research update

11. **Annex A** includes an update on key external matters relevant to our work.

Stakeholder engagement

Stakeholder meetings

12. On 1 September 2016 Paul Nezandonyi (Head of Communications and Stakeholder Management) and I met with Evan Harris, Joint Executive Director of Hacked Off. Evan requested the meeting so that he could understand the Board's reasons for deferring its meeting to consider IMPRESS' application for Recognition. We simply reiterated what had been said in the statement at the time.
13. David Bond, Media Correspondent at the FT, has requested a meeting with the Chair. The meeting is planned for 14 September 2016.
14. Paul and I attended a Westminster Media Forum seminar on 13 September 2016. The event was titled 'Digital news media: content strategies, monetisation challenges and priorities for regulation.'

Correspondence

15. On 30 August 2016 I received a letter from Evan Harris, Joint Executive Director of Hacked Off, regarding our State of Recognition report and a copy os attached at **Annex B**. I have acknowledged receipt of the letter.
16. On 8 September 2016 we were contacted by Dr Gordon Neil Ramsay on behalf of Lord David Lipsey, who chairs an informal series of discussions among peers on press regulation, post-Leveson. Gordon asked whether representatives of the PRP would be interested in addressing a small group of peers to give a short talk, followed by questions, sometime this autumn. We are currently exploring the basis on which the meeting would take place and considering the request.

Corporate services update

Staffing update

17. Holly Perry's leaving date (from her role as Head of Governance,) was brought forward from 21 September 2016 to 7 September 2016 so that she could commence her new role of Trust Board Secretary at the West London Mental

PRP43(16)

Health NHS Trust slightly earlier. Saima Ansari will join the executive team on 13 September 2016, in her role as Executive Administration Manager.

Premises

18. The Board will recall that I gave notice on our room at the beginning of August as Spaces were unable to allow us to remain on a rolling contract. Also prices had risen over the year and were considerably higher if we were to enter a contract with a shorter term than 1 year.
19. Spaces indicated that room availability was limited but offered us a couple of options. After discussing with the Chair and our Board member with specific responsibility for financial matters, Harry Rich, we opted for a 7-person room at a discounted rate of £6300 per month plus VAT (from £6521 plus VAT) for 6 months at which time we will be in a position to review the PRP's future requirements again. We obtained prices for other available space locally and established that Spaces' proposal was competitive. Also by way of comparison it offers us a saving of just under £2k a month on what we were quoted for a 6-month contract on our current room (£8280).
20. We will be moving to our new room on 3 November and will remain in our current room until that time.

Finances

21. I met with Board Member Harry Rich and John Speed, our Accountant for our quarterly finance meeting on 12 September 2016. Some changes to how the PRP discharges its duties under 11.9 of the Royal Charter are proposed. A separate paper on today's agenda refers.

Implications

22. The implications of decisions taken by the Board as set out in this paper are as follows:
 - Budget – no specific implications in addition to the issues referenced;
 - Legislation – no specific implications;
 - Resources – no specific implications;
 - Equality, Diversity and Inclusion – no specific implications.

Devolved Nations

23. There are no implications/differences in relation to the areas of work covered in this paper and the devolved nations.

Communications

24. Communications issues are dealt with at paragraphs 12 to 16 of the paper.
There are no other issues to report which have communications implications, so far as I am aware.

Risks

25. There are a range of risks involved in the areas of work covered in this paper.

Recommendations

The Board is asked to **note** the contents of the Chief Executive's report.

Attachments

Annex A: Update on key external matters

Annex B: Letter from Evan Harris, Hacked Off, to Susie Uppal, 26th August 2016

Annex A

Update on key external matters

The update on key external matters is a research-informed piece based on a sample of information available on the public domain.

Commercial Landscape

- OC&C Strategy Consultants published a report - "Is Content King After All?" - which examines "the pattern of platform insurgence, the likely impacts on brands and how traditional news businesses should respond." It highlights how online platforms will become "more powerful in controlling the flow and consumption of news traffic". It notes that:
 - The transition from the traditional to the digital age has cost the UK newspaper industry £3.5bn in lost revenues since 2005, and that "the emergence of platforms in the distribution landscape does present a serious threat to publishers". As a result, it believes the UK news industry could lose £500m in revenue to online platforms over the next 10 years.
 - 41 per cent of UK millennials now rely on social media/shared content for their news.
 - A typical news site today receives around 20% of its total visits from social media sites, although this can be as high as 50% for some digital native brands.
 - In several countries, news aggregation platforms already play a dominant role. In Korea, the news aggregator "Naver" is the most popular destination for news, with a weekly reach of 66% of the adult population. In Japan, Yahoo is the most popular news destination.

The full report can be found at: <http://www.occstrategy.co.uk/insights/ghi/is-content-king-after-all>

- The New York Times notes the increasing importance of sponsored content to the revenue structure of online publishers. Sponsored content is a paid form of content that includes written stories, videos or podcasts that resemble journalistic content. It highlights that the Atlantic expects three-quarters of its digital ad revenue to come from sponsored content in 2016, and that Slate, the web publisher, believes half of its ad revenue comes from sponsored content. It also claims that several major newspapers, including The New York Times, believe sponsored content to be an important part of their strategies.
- According to Business Insider, former Guardian editor Alan Rusbridger believes that Facebook took away up nearly £20m of the newspaper's digital advertising revenue last year. Rusbridger noted that whilst Facebook may

present opportunities for publishers, "they are taking all the money" because "they have algorithms we don't understand". He also noted that "this is going to get worse because they have a means of distribution which we simply can't cope with and the more people switch on to these devices, the more problematic that question is going to get."

- Facebook made changes to its 'Trending' news feature by automating it through algorithms.
- US news and gossip website Gawker.com shut down after 14 years due to legal issues.
- Campaign reports that the UK national newspaper industry has appointed the Arena Media UK founder Steve Booth to lead an investigation into "whether their commercial operations could work more closely together". Booth told Campaign-
"structurally the media landscape has changed dramatically. We're working on the assumption that newsbrands could be better represented with a shared agenda than a competitive one. They've got enough competition on the outside. Something radical needs to happen."
- According to Press Gazette, the Telegraph Media Group, publishers of the Daily and Sunday Telegraph, remains the most profitable broadsheet newspaper publisher.
- According to the FT, BuzzFeed has separated its operations into individual news and entertainment arms. It is reported that Jonah Peretti, the chief executive of BuzzFeed, believes the split will simplify operations and "allow us to be better at entertainment and better at news", and fits in with BuzzFeed's "shift to becoming a cross-platform media company".

Political

- The Culture, Media and Sport Committee held an evidence session – "Dealing with complaints against the Press" on 13 September 2016. The Committee took evidence from the IPSO Chairman and Chief Executive to consider its position since IPSO took over from the Press Complaints Commission in 2014 and in light of the Leveson Inquiry's findings. The Committee is planning to take further evidence from the Press Recognition Panel and Impress at a later date in the autumn.



PRESS RECOGNITION PANEL BOARD

FINANCE REPORT – AUGUST 2016

Meeting: 20 September 2016

Status: for noting and agreement

Lead responsibility: Susie Uppal, Chief Executive

Contact details: Susie Uppal, Adam Gibbs

Purpose

1. The purpose of this paper is to update the Board on the finance and banking position as at 31 August 2016
2. The Board is invited to **note** the latest financial position and invited to **agree** with amendments to finance arrangements set out in section (9).

Background and analysis

Finance

3. At the meetings held on 5 and 18 December 2014, the Board noted that finance reports would be added to the agenda for each Board meeting.
4. A bank-reconciled set of management accounts as at 31 August 2016 is attached at Annex A.
5. Results are being compared to the budget as circulated to the Board in April 2016.
6. The deficit for the period ended 31 August 2016 is £297,530 against the August 2016 forecast of £354,730 which has created a positive variance of £57,200. Details and an explanation of why key variances have arisen are detailed against the relevant budget lines (as requested by the Board at the 26 May 2015 meeting).
7. JS2 Ltd will be in attendance at the meeting to answer any detailed questions about the format that Board Members may have.
8. The Board is invited to **note** the latest position regarding the Panel's finances.

Finance arrangements

9. There are two amendments to the PRP's finance arrangements necessitated by staff changes:
 - i. Credit cards are now held by David Wolfe (as before) and Caroline Roberts (instead of Holly Perry) with limits of £2,500 per month. These will only be used for incidentals and only for urgent expenditure only - when invoicing is not possible. The decision to incur the expenditure must generally be agreed according to delegated financial limits set (accepting that there will always be some instances when prior approval is not possible).
 - ii. The Executive Administration Manager will be responsible for checking invoices and sending them through to JS2 after the Chief Executive has authorised payment.
10. The Board is invited to **agree** with the above amendments.

Devolved Nations

11. There are no specific implications/differences in relation to the areas of work covered in this paper and the devolved nations.

Communications

12. There are no specific communications implications to draw out.

Risks

13. A robust and defensible position in relation to the Panel's finances is required in order to avoid reputational damage and to ensure compliance with *Managing Public Money*.

Recommendations

14. The Board is asked to **note** the latest financial position and invited to **agree** with the amendments to finance arrangements as outlined in section(9).

Timeline for future work

15. JS2 Ltd will continue to provide updates on the Panel's financial position at monthly meetings of the Board.

Attachments

Annex A – Management accounts as at 31 August 2016

Press Recognition Panel

MANAGEMENT ACCOUNTS

5 Months to August 2016

Press Recognition Panel
Period ended 31 August 2016

	5 Months to August 2016			Explanation	Year to March 2017
	Actual £	Budget £	Variance £		Budget £
Income					
Bank Interest	1,565	1,000	565		2,400
Total Income	1,565	1,000	565		2,400
Expenditure					
Board costs					
Board Salaries & NIC	27,184	27,485	(301)		66,024
Board Travel & Subsistence	64	500	(436)		1,200
Total Board Costs	27,248	27,985	(737)		67,224
Communications					
Consultation Events & Launch	-	-	-		6,000
Consultation Document & Translation	3,930	12,330	(8,400)	Costs of £6,000 associated with final State of Recognition report originally anticipated in August have not yet been incurred. Document design and interactive web form costs came in under budget. £960 budgeted for a separate interactive web form are now not expected until later in the year.	28,950
Website & Visuals	288	3,730	(3,442)	Budgeted costs for web form for feedback on regulator and upgrades not yet incurred.	5,784
Total Communications Costs	4,218	16,060	(11,842)		40,734
Overheads					
Salaries & NIC	189,486	195,864	(6,378)	Costs relating to temporary Application Manager role delayed due to 2nd call for information.	393,788
HR & Recruitment	3,854	6,735	(2,881)	Budgeted costs of £3,500 for facilitated training day not incurred.	26,864
Serviced and Virtual Offices	40,248	46,630	(6,382)	The majority of the underspend relates to the accounting treatment of the rent free period. Total variance is anticipated to be £7,300 by the end of the year.	111,912
Meeting rooms	2,784	4,231	(1,447)		8,886
Travel & Subsistence	-	750	(750)		1,800
Information Technology	3,259	1,810	1,449		3,812
IT hardware	-	1,200	(1,200)		1,200
Audit & Accountancy	11,130	11,040	90		44,208
Printing & Stationery	7,844	7,845	(1)		9,280
Insurance	2,627	2,825	(198)		9,368
Legal	5,040	30,000	(24,960)	Only part of £30,000 contingency used to date.	30,000
Subscriptions & publications	1,118	1,880	(762)		4,512
Finance Charges	71	125	(54)		300
Sundry expenses	168	750	(582)		1,800
	267,629	311,685	(44,056)		647,730
Total Expenditure	299,095	355,730	(56,635)		755,688
(Deficit) for the period	(297,530)	(354,730)	57,200		(753,288)
Reserves Bfwd	1,954,072	1,954,072	-		1,954,072
Reserves Cfwd	1,656,542	1,599,342	57,200		1,200,784

Press Recognition Panel
Period ended 31 August 2016

	<u>Aug-16</u>		<u>Mar-16</u>	
	£	£	£	£
Current Assets				
Current account	41,295		35,458	
Deposit account	613,308		1,932,826	
Barclays account	<u>1,001,059</u>		<u>5,000</u>	
Cash at bank		1,655,662		1,973,284
Prepayments	14,051		18,222	
Other debtors	1,080		1,521	
Third Party Deposit	<u>14,194</u>		<u>14,194</u>	
Sundry debtors		29,325		33,937
Creditors: amounts falling due within one year				
Trade creditors	6,851		9,952	
Credit card	198		1,064	
Social security and other taxes	14,701		13,390	
Sundry creditors and accruals	<u>6,695</u>		<u>28,743</u>	
		28,445		53,149
Net Current Assets		<u><u>1,656,542</u></u>		<u><u>1,954,072</u></u>
Funds brought forward				
Funds at 31 March 2016		1,954,072		730,710
Surplus/(deficit) for the period to date		(297,530)		1,223,362
		<u><u>1,656,542</u></u>		<u><u>1,954,072</u></u>



PRESS RECOGNITION PANEL BOARD

UPDATE ON THE PROCESS FOR THE APPOINTMENT OF AN INDEPENDENT MEMBER OF THE NOMINATIONS COMMITTEE

Meeting: 20 September 2016

Status: for decision

Lead responsibility: David Wolfe, Chair

Contact details: Caroline Roberts,
croberts@pressrecognitionpanel.org.uk
020 3443 7072

Purpose

1. The purpose of this paper is to provide an update for the Board on the process for appointing an independent member of the PRP's Nominations Committee, following discussion at the Board's 28 June 2016 meeting. The reason for the delay is twofold: the Board's 21 July 2016 meeting was cancelled, and ordinary business of a non-urgent nature scheduled for the 23 August meeting was postponed to 20 September owing to the planned consideration of the IMPRESS application at that meeting.
2. At the Board's 23 February 2016 meeting, it was agreed that an independent member should be recruited or co-opted to the Committee, particularly for the first phase of the re-appointment cycle, as all Board Members' terms come to an end at the same time, on the basis that it would be helpful to have advice and an external perspective from an individual independent of the PRP¹.
3. The Board is invited to:
 - **agree** the revised competencies against which the recruitment will be conducted; and
 - **agree** the revised timetable for the appointment of the independent member.

¹ It is generally regarded as best practice for Board Members not to participate in decisions about their own re-appointment. However, the Royal Charter does not allow for any other mechanism. Establishing a Nominations Committee with an independent member to advise the Board puts a little distance between the individuals concerned and the decision.

Background

4. This Board considered a paper setting out proposals for appointing an independent member of the PRP Nominations Committee at its meeting on 28 June 2016. The extract from the draft minutes refers, as follows:

Competencies

- a number of drafting changes were proposed to the essential and desirable criteria in order to ensure that candidates had knowledge and understanding of recruitment and selection;
- care would be taken to ensure that criteria were not included that were not strictly required, so as to ensure the widest possible pool of candidates – applications would be positively encouraged from candidates from a broad background;

Selection panel

- it was **agreed** that the selection panel would comprise Tim Suter, Harry Cayton and Emma Gilpin-Jacobs;
- the option of asking the Commissioner for Public Appointments to nominate an individual to sit on the selection panel was **considered**, but on balance was felt not to be necessary;

Candidate pack

- the proposed content of the candidate pack was **agreed** in principle, including the suggested day rate (£300) and time commitment (2 days in any year when the Board was recruiting new non-executive members);
- it was **agreed** that reference would be made in the candidate pack to giving candidates the opportunity to speak to the independent member of the Audit and Risk Committee, Kathryn Cearns;

Diversity monitoring

- the approach suggested in relation to diversity monitoring was **agreed** and there were no further observations on issues relating to equality, diversity and inclusion;

Advertisement

- the draft advert would be amended to reflect the changes **agreed** to the competencies;
- it was **agreed** that a broad range of media would be used to advertise the role;

Use of recruitment consultants

- the advantages and disadvantages of using recruitment consultants were considered. On balance, it was **agreed** that their use would be disproportionate, and the process would be managed internally;

Timetable

- the timetable would be amended on the basis that the Board would re-consider the competencies at the next routine meeting of the Board.

Analysis

Competencies of the independent member of the Nominations Committee

5. The following revised competencies are proposed, taking into account the feedback provided at the 28 June 2016 Board meeting. A revised person specification for the role is also attached at **Annex B**:

Essential criteria

- Recent and relevant knowledge and understanding of recruitment and selection
- Previous experience of non-executive appointments.
- Ability to provide specialist knowledge, support and information relevant to the work of the Committee.
- Experience of non-executive work, understanding the boundaries between Executive and non-executive responsibilities.
- Ability to listen, communicate and influence effectively.
- Ability to work effectively as part of a team.
- Analytical capacity, intellectual flexibility and sound independent judgement.
- Awareness of equality and diversity issues.

6. The following additional (desirable) competency is proposed:

Desirable criterion

It is desirable for candidates to have a general understanding of, and interest in, regulation and the work of the Press Recognition Panel.

7. The Board is invited to **agree** the revised competencies against which the recruitment will be conducted.

Timeline for future work

8. The revised proposed timeline is as follows:

- Selection Panel agrees process – w/c 26 September

PRP45(16)

- Candidate pack and advert circulated to Selection Panel – w/c 26 September
- Panel clearance of candidate pack and advert – w/c 3 October
- Launch – w/c 3 October
- Close – noon, Monday 31 October (minimum 4 weeks advisable)
- Sifting – w/c 7 November
- Short listing – w/c 7 November
- Interviews and due diligence checks leading to Selection Panel decision on appointment – w/c 14 November
- Submission of report to the Board – at the Board's 24 November 2016 meeting
- Appointment confirmed and announced – w/c 28 November
- Appointment takes effect – 1 December 2016

Implications

9. The recommended decision would have the following implications on:
 - 9.1 **Budget** – budgetary considerations will be dependent on the timing of any appointment, and also on advertising used;
 - 9.2 **Legislation** – appointments need to be made in line with the Royal Charter, related PRP processes and procedures (e.g. Equality, Diversity and Inclusion);
 - 9.3 **Resources** – there will be a small increase in the workload of the executive during the recruitment process (on the basis that the Board agreed at the 28 June 2016 meeting not to engage the support of recruitment consultants).

Devolved Nations

10. There are no implications for the devolved nations of these decisions. When agreeing the advertising, advert and candidate pack, thought will be given as to mechanisms to ensure maximum expose of the opportunity across the four nations of the UK.

Communications

11. Once agreed (and according to the timetable) the advert and associated candidate pack will be finalised and published on the PRP website.

Risks

12. It is preferable that the PRP complies with best practice wherever possible as well as current Codes and guidance. The process will need to comply with the requirements of the Royal Charter, the UK Corporate Governance Code.

PRP45(16)

Adherence to the policies and procedures mitigates against risk in relation to equality, diversity and inclusion as well as due process in making future appointments.

Recommendations

13. The Board is invited to:
- **agree** the revised competencies against which the recruitment will be conducted; and
 - **agree** the revised timetable for the appointment of the independent member.

Next steps

14. The next steps are as per the timeline at paragraph 8. The draft paperwork will be sent to selection panel - Tim Suter, Harry Cayton and Emma Gilpin-Jacobs – immediately after the Board meeting on 20 September, with a view to sign off by Monday 3 or Tuesday 4 October and launch of the campaign no later than 7 October 2016.

Attachments

Annex A – Revised draft competencies for the independent member of the Nominations Committee

Annex B – Revised draft advert

ANNEX A

REVISED PERSON SPECIFICATION FOR THE INDEPENDENT MEMBER OF THE PRP NOMINATIONS COMMITTEE (TO BE INCORPORATED INTO THE CANDIDATE PACK)



Independent member of the PRP's Nominations Committee

Role

The PRP's Nominations Committee is an advisory Committee of the Board of the PRP and its purpose is to:

- keep under review and make recommendations in relation to the processes for the appointment, re-appointment and appraisal of Board Members and any other non-executives engaged by the PRP e.g. the independent member of the Audit Risk Committee;
- make recommendations on appointments and re-appointment processes in line with agreed policy;
- identify and nominate candidates for the approval of the full Board to fill vacancies as and when they arise (operating as a Selection Panel, supplemented as necessary by other Board Members and/or an independent member);
- nominate for the approval by the full Board the re-appointment of any Board Member at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required; and
- make recommendations to the full Board in relation to extensions and emergency appointments and the disqualification, suspension and removal from office of the Chair and Board Members.

At least one member of the Committee is expected to have recent and relevant knowledge and understanding of recruitment and selection in order to provide independent challenge and scrutiny. The independent Member will play a key role in bringing an external perspective to the work of the Committee whilst providing advice, support and constructive challenge across all aspects of the Committee's activities.

Competencies

The successful candidate will be able to demonstrate:

Essential criteria

- Recent and relevant experience in recruitment and / or appointments.
- Previous experience of non-executive appointments.
- Ability to provide specialist knowledge, support and information relevant to the work of the Committee.
- Experience of non-executive work, understanding the boundaries between Executive and non-executive responsibilities.
- Ability to listen, communicate and influence effectively.
- Ability to work effectively as part of a team.
- Analytical capacity, intellectual flexibility and sound independent judgement.
- Awareness of equality and diversity issues.

Desirable criterion

It is desirable for candidates to have a general understanding of, and interest in, regulation and the work of the Press Recognition Panel.

Candidates will be expected to demonstrate high standards of corporate and personal conduct including impartiality, integrity and objectivity in the execution of the role and responsibilities. To ensure that these values are maintained by those in working for the PRP, the successful candidate will be required to subscribe to the PRP's governance and conduct policies.

The PRP strives to be as diverse as the public it protects and welcomes applications from everyone, regardless of age, disability, gender reassignment, race, religion or belief, ethnicity, sex, sexual orientation, marriage and civil partnership, pregnancy and maternity.

**ANNEX B
DRAFT ADVERT**



Independent Member – PRP Nominations Committee

The Press Recognition Panel is the independent body set up by Royal Charter to ensure that regulators of the UK press are independent, properly funded and able to protect the public. The Panel works in the public interest by supporting and promoting a free press in a free and fair society.

We are now seeking an individual to join our Nominations Committee as an independent Member. The independent Member will play a key role in bringing an external perspective to the work of the Committee whilst providing advice, support and constructive challenge across all aspects of the Committee's activities.

The successful candidate will have recent and relevant knowledge and understanding of recruitment and selection, allowing them to competently assist the Committee discharge its duties. You will be clear thinking and impartial, able to operate strategically, and provide specialist knowledge, support and information.

This is a part time role with a commitment of approximately two days per annum during the years when the PRP will be recruiting non-executive Members. The role is remunerated at £300 per day. The initial tenure will not exceed three years with the possibility of reappointment for a further three years. Most meetings are held in central London.

Closing date: noon, Monday 3 October 2016
Shortlisting: w/c 10 October (candidates not required)
Interview date: w/c 17 October

If you think you might have the combination of skills, enthusiasm and commitment that this role demands, please send in a copy of your CV together with a cover letter explaining how you meet the criteria set out in the person specification to suppal@pressrecognitionpanel.org.uk If you require any further information about the role or the process, please call Susie Uppal, Chief Executive on 020 3443 7072.

The PRP strives to be as diverse as the public it protects and welcomes applications from everyone, regardless of age, disability, gender reassignment, race, religion or belief, ethnicity, sex, sexual orientation, marriage and civil partnership, pregnancy and maternity.

PRESS RECOGNITION PANEL BOARD

FORWARD PLAN

NB allocation of items is indicative only – items may be moved if urgent or unexpected issues arise which require decision

Items for consideration at every business meeting:

- Draft minutes, actions and matters arising
- Finance Report

NB Date for the Board's consideration of the IMPRESS application is to be confirmed

2016 meeting dates		
	Business meeting	Confidential meeting
Tuesday 25 October	Possible date for IMPRESS application decision; Six-month rebalancing of the budget; Communications strategy update / review; Review of Board Members' remuneration; Annual review of banking arrangements	Verbal report from ARC meeting on 25 October 2016
Thursday 24 November		Quarterly review of risk register (post ARC); Draft ARC minutes (24 October 2016 meeting); Board only session
Tuesday 20 December	Annual Governance Framework review including reconsideration of proposals for an external review	
2017		
Thursday 26 January		Quarterly review of risk register

Tuesday 28 February	Re-appointment of Senior Independent Director	
Tuesday 28 March	Draft Annual Report and Accounts 2016/17	ARC report back (March 2017 meeting)
Tuesday 25 April		Quarterly review of risk register Risk management policy annual review
Tuesday 27 June		Plans for annual Board evaluation (External review)
Wednesday 23 August	Proposed meeting dates of the Board and ARC for 2018	Quarterly review of risk register
Tuesday 24 October	Six-month rebalancing of the budget; Communications strategy update / review; Annual review of banking arrangements	ARC report back (October 2017 meeting) Report on annual Board evaluation
Wednesday 20 December	Annual Governance Framework review including reconsideration of proposals for an external review	Quarterly review of risk register

Updated: 25 August 2016