



## PRESS RECOGNITION PANEL BOARD MEETING

28<sup>th</sup> meeting of the Press Recognition Panel  
09:00, Tuesday 28 February 2017  
Mappin House, 4 Winsley Street, London W1W 8HF

### AGENDA

#### Indicative timings

#### Public session

- |    |   |          |               |
|----|---|----------|---------------|
| 1. | <b>Welcome</b>  | Chair    | 09:00         |
| 2. | <b>Apologies for absence</b>  | Chair    | 09:00         |
| 3. | <b>Declarations of interest</b>   | Chair    | 09:00         |
| 4. | <b>Minutes of the meeting held on 26 Jan 17, outstanding actions and matters arising</b><br><i>For noting</i> | Chair    | 09:00 – 09:05 |
| 5. | <b>Chief Executive’s Report – February 2017</b><br>Paper PRP06(17)<br><i>For noting</i>                       | SU       | 09:05 – 09:10 |
| 6. | <b>Finance report – January 2017</b><br>Paper PRP07(17)<br><i>For noting</i>                                  | SU/JS2   | 09:10 - 09:15 |
| 7. | <b>Governance Policies Review – Part 2</b><br>Paper PRP08(17)<br><i>For decision</i>                          | CR       | 09.15 – 09:30 |
| 8. | <b>Appointment of the Senior Independent Board Member</b><br>Paper PRP09(17)<br><i>For decision</i>           | SU/Chair | 09:30 – 09:40 |
| 9. | <b>Any other business and close of public session</b><br><i>Including comments from the floor</i>             | Chair    |               |

#### Confidential session

- |     |   |    |               |
|-----|---|----|---------------|
| 10. | <b>Chief Executive’s Report – February 2017</b><br>Paper PRP06(17)<br><i>For noting</i> | SU | 09:45 – 09:55 |
|-----|---|----|---------------|

- |            |   |    |               |
|------------|---|----|---------------|
| <b>11.</b> | <b>Draft Business Plan and Budget</b><br>Paper PRP10(17)<br><i>For discussion</i> | SU | 09:55 – 10:10 |
| <b>12.</b> | <b>Draft Consultation Paper on Fees</b><br>Paper PRP11(17)<br><i>For decision</i> | CR | 10:10 – 10:30 |
| <b>13.</b> | <b>Any other business</b>   |    |               |
| <b>14.</b> | <b>Board and CE only Session</b>  |    | 10:35 – 10:50 |
| <b>15.</b> | <b>Board only Session</b>   |    | 10:50 – 11:20 |

Date and time of next meeting: Tuesday 28 March 2017, at Mappin House, 4 Winsley Street, London W1W 8HF, starting at 10:00 (ARC meeting 08:30-10.00).

**PRESS RECOGNITION PANEL**  
**Minutes of the 27<sup>th</sup> meeting of the Press Recognition Panel Board**  
**held on 26 January 2017 at Mappin House, 4 Winsley Street, London W1W 8HF**

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

**In attendance:** Susie Uppal (Chief Executive), Paul Nezandonyi (Head of Communications and Stakeholder Management), Caroline Roberts (Head of Regulatory Affairs) and Simon Edwards (Regulatory Affairs Manager), Saima Ansari (Executive Administration Manager), Adam Gibbs and John Speed (JS2 Ltd)

**BOARD MEETING – PUBLIC SESSION**

**Welcome**

1. The Chair **welcomed** Members and attendees to the twenty seventh meeting of the Press Recognition Panel Board.
2. The Chair also **welcomed** James Connal (Capital PR) as the member of the public who was in attendance and content to be named as having been present.

**Declaration of members' interests**

3. There were no new interests to declare as of today's date. The Chair mentioned he had been at two social gatherings and the attendees included Paul Farrelly and Sashy Nathan separately. No interaction took place. The Chair had also turned down an invitation to attend the Queen's Garden Party later this year to avoid any misunderstandings about the PRP's independence.

**Minutes of the meeting held on 20 December 2016, outstanding actions and matters arising**

4. The minutes of the meeting held on 20 December had been circulated

earlier to the Board and these were recorded as factually correct. The Chair would sign a copy for the records.

5. The Chief Executive explained that in relation to Action 5 of the log of outstanding actions, the FAQs had now been updated on the website. Board members' appraisals are due to be arranged on behalf of the Chair shortly (Action 6 refers). The log of outstanding Board actions was **noted** and **agreed**.
6. The Board **noted** that there were no other matters arising that were not covered elsewhere on the Agenda.

#### **Chief Executive's Report – January 2017 – Paper PRP01(17)**

7. The Board received a paper which provided an update on Executive activity since the last Board meeting on 20 December 2016.
8. The Chief Executive updated the Board on matters since her report was drafted:
  - The first post recognition meeting with IMPRESS was held on 18 January 17. Impress has consulted on and ratified a new Standards Code which would need to be assessed against the criteria. They have also confirmed that they had provided details of the PRP's whistleblowing service to IMPRESS' members.
  - The PPA and the solicitors acting for the NMA have sent in information which they say relates to IMPRESS' compliance with the Charter. This, as is the case of any information gathered or received, is being considered in accordance with the PRP's process on reviews. The Board agreed that this was the correct process.
  - We will be serving the Acknowledgement of Service and Summary Grounds of Resistance to the JR bought by the NMA against the PRP today or tomorrow.
  - The Chief Executive thanked the Board for their input into the framing of the PRP's response to the Government consultation on section 40 of the Crime and Courts Act 2013.
  - The Chief Executive thanked the Board for their input to the factsheet on myths and facts which had received positive feedback from several sources.
  - A minor typographical error was corrected in para 12 (the date should be January 17 and not 16). The meeting with Natalie Davis, Head of Policy from the Department of Culture, Media and Sport, had been arranged at her behest to go over the specific areas that had been covered in the meeting with SofS on 19 December 2016. The note of the meeting on 19 December 2016 was still with Secretary of State and

will be published on our website as soon as it is agreed. Harry Cayton observed that Secretary of State had not expressed any opinion at that meeting.

- The Secretary of State had said, in statements made by her officials and elsewhere, that no action will be taken in response to the consultation pending the outcome of the judicial review of the consultation (R on the application of Hames and others). Given this would cause delay to the determination of the issue, the Executive would be proceeding with the consultation on charging and the Board would have a draft to consider at its February meeting.
- The meeting with Lord Fairfax (as an interested peer) had been arranged at his request and was part of our approach of engagement with all and any interested parties.
- Meetings were being held with JS2 and Comis to review the service they had provided over the last year and also to consider our requirements post April.

9. The Board **noted** with thanks the contents of the Chief Executive's report.

#### **Finance Report December 2016 – Paper PRP02(16)**

10. The Board received a paper which provided an update on the financial position as at 31 December 2016.

11. The following points were raised in discussion:

- The Board **noted** the latest financial position as at 31 December 16 and noted that the Management Accounts covered 9 months to December 2016 and not 10 months as stated.
- The actual figures in December as expected correlate closely following the reforecast in November 2016.
- Megan Archer has retired from JS2 and the Chair planned to write formally to thank her for her work with the PRP.
- The upper payment limit of £150,000 for the Chair and Harry Rich on Handlesbanken online banking were noted.
- The Board were satisfied that we continue to meet the guidance in the Treasury handbook 'Managing Public Money'. It was observed that this handbook did state that 'nothing in this guidance should discourage the application of sheer common sense'. The PRP continues to apply shared best practise and common sense to its approach.

Post Meeting Note: The Chair wrote to thank Megan Archer on 7 February 2017.

#### **Plans for Annual Governance Framework Review – Paper PRP03(17)**

12. The Board considered the first tranche of policies that included all those

that broadly relate either to information and communications or to conduct and employment terms and conditions. The Chief Executive explained that the review availed an opportunity to stream line and consolidate the policies whilst ensuring that they remained fit for purpose.

13. The proposals were not designed to downgrade our commitment and the revisions would be carefully assessed to ensure that the policies were not weakened.
14. The following points were discussed and agreed in respect of each policy:
  - The content of the policy on Openness, Transparency and Consultation would be updated to reflect agreed working practices and incorporated as appropriate to the revised Mission and Approach, Board Rules of Procedure and our Communications Strategy;
  - Terms and Conditions would be drafted for the Board as anticipated in the letters of appointment;
  - the Terms and Conditions would incorporate the content of the policies on Confidentiality, Political Activity (expanded to incorporate other activities restricted by the Charter); and Indemnity for Civil Liability;
  - the Publication Scheme would be retained, as would the policies on Equality, Diversity and Inclusion; Gifts and Hospitality; and Expenses, with the recommended amendments for each;
  - the content of the policy on Declarations of Interest would be incorporated in our Board Rules of Procedure when these are revised and reflected in the Terms and Condition as appropriate;
  - the content of the policy on Expressions of Views would be incorporated in the Communications Strategy, when this is revised;
  - the contents of the Welsh Language policy would be incorporated in our Communications Strategy when this is revised, and the principles of the PRP's inclusive and accessible approach to stakeholder engagement incorporated in our Mission and Approach and Equality, Diversity and Inclusion;
  - the Anti-bribery policy for the PRP would be simplified as recommended; and
  - the Gifts and Hospitality policy would be simplified significantly to be proportionate and combined with the expenses policy, with minor amendments to the latter.
15. The Executive will consider how the principles in the policies concerning political activity and indemnity for civil liability will be drafted to continue to apply to staff and implement accordingly.
16. The policies that were being absorbed into other policies or combined would be brought back to the Board for endorsement as part of the future tranches for review.

**Proposed Process for Variations Submitted by Approved Regulators**  
– Paper PRP(04)17

17. The Chief Executive explained that the PRP needed to ensure that we had a process by which we could consider amendments made by an approved regulator to the way it met the criteria. When designing the application process the PRP agreed that it would be useful to have a process which incorporated third part feedback before the matter was considered by the Board. What was being proposed in the paper was something very similar to that – that we add a mechanism under which 3<sup>rd</sup> parties could provide relevant information, to assist the assessment and the Boards decision making.
18. Turning to the process of ad hoc reviews, the Chief Executive explained that the process currently in place was that the Board would have to make a decision to commence an ad hoc review before the Executive could put out a call for information seeking 3<sup>rd</sup> party information. This new variation process would allow us to seek 3<sup>rd</sup> party information at the point of initial assessment which would inform the Executive analysis before a decision was made by the Board.
19. The Board discussed the possible risks. Putting out a call for information may give the impression that the Board had made a decision to undertake an ad hoc review when this would not be the case. It was agreed that the Charter did not specifically set out how changes to the way an approved regulator met the criteria should be dealt with. It seemed therefore that the process would have to flow out of the PRP's ad hoc review process. The bar for commencing an ad hoc review was a high one so the best option seemed to be to link it to the preliminary assessment process.
20. The Board **agreed** that a consultation on the proposed changes should be held for a period of 6 weeks. The Board **agreed** to delegate the approval of the consultation wording to the Chair and the Chief Executive.

**Any other business and close of public session**

21. James Connal questioned whether the Minutes would have more detail concerning the confidential items as agreed at the last Board meeting in December 2016.
22. The Chair commented the Minutes would be more fulsome than they had been in the past.

## **BOARD MEETING – CONFIDENTIAL SESSION**

### **Minutes of the meeting held on 20 December 2016, outstanding actions and matters arising**

23. The confidential section of the Minutes was recorded as factually correct and it was noted that the confidential items of the Actions Log were up to date.

24. redacted

### **Chief Executive's Report – January 2017 – Paper PRP01(17)**

25. redacted

### **Quarterly Risk Register Review – Paper PRP05(17)**

26. redacted

27. The risk register is to be updated in line with these amendments.  
Post meeting note: the risk register has been updated and will be provided for consideration at the Board meeting in April 17.

### **Any other business and close of confidential session**

28. redacted

### **Date and time of next meeting**

29. The next scheduled meeting of the Board will take place at 09:00 on Tuesday 28 February 2017 at Mappin House, 4 Winsley Street, London W1W 8HF.

Drafted: Saima Ansari  
Executive Administration Manager

Signed: Dr David Wolfe QC  
Chair

Dated: 20 February 2017



## PRESS RECOGNITION PANEL

Log of outstanding Board actions as at February 2017

*Actions completed or addressed by Papers from subsequent meetings have been removed from the log*

<b>Actions outstanding from the meeting held on 28 June 2016</b>	
<b>Paper PRP34(16) Draft plans for annual Board evaluation 2016</b>	
	<ul style="list-style-type: none"><li><i>Dates for Board Members appraisals to be agreed.</i></li></ul>
	<i>Action to be closed – appraisals for Board Members were held in February 2017.</i>



## PRESS RECOGNITION PANEL BOARD

### CHIEF EXECUTIVE'S REPORT – FEBRUARY 2017

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**Meeting:** 28 February 2017

**Status:** for noting

**Lead responsibility:** Susie Uppal,  
Chief Executive

**Contact details:** 07790034348 or  
020 3443 7072

#### **Purpose**

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1. The purpose of this paper is to provide an update to the Board on Executive activity since the last Board meeting on 26 January 2017.
2. The Board is invited to **note** the contents of the Chief Executive's report.

#### **Executive Summary**

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3. The Board is being updated in respect of organisational matters that have progressed since the 26 January 2017 Board meeting.

#### **Background and analysis**

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#### **Delivery highlights / business plan update / key projects update**

#### Judicial Review

4. We have filed and served our Grounds of Resistance and have received notification that the court has granted leave for the JR to proceed.

#### **Consultations**

5. We are currently consulting on the proposed amendment to our Ad Hoc and Cyclical Review process. The consultation closes on 23 March 2017.

## **Stakeholder engagement**

### Stakeholder meetings

6. The note of the PRP's meeting with Karen Bradley MP, Secretary of State for Culture, Media and Sport, on 19 December 2016 has been published on our website and a copy is attached at Annex A.
7. The note of the Chair's meeting with Lord Attlee on 12 January 2017 has been published on our website and a copy is attached at Annex B.
8. The Chair and I met with Lord Carlile on 8 February 2017. A note of the meeting has been published on our website and a copy is attached at Annex C.
9. The Chair's meeting with Lord Blunkett has been postponed from 1 February 2017 to 1 March 2017.
10. I met with Jonathan Heawood, Ed Proctor and Brigit Morris from IMPRESS on 14 February 2017 to explain our risk matrix and to go through the proposed change to our guidance on Ad Hoc and Cyclical Reviews detailed in our consultation paper published 8 February 2017. IMPRESS will be submitting their response to the consultation in due course.

### Correspondence

11. On 8 February 2017, Sir Alan Moses, Chair of IPSO, appeared on Radio 4's Today Programme and misstated the PRP's position in relation to the requirements under the Charter and the recommendations of Lord Leveson. I wrote to Matt Tee, Chief Executive of IPSO to correct the statement made, and to ask him to ensure that the PRP was not misrepresented in the future. A copy of my letter is attached at Annex D. IPSO's response is attached at Annex E. The letters have been published on our website.
12. On 8 February 2017, Tony Gallagher, Editor-in-Chief of The Sun, appeared on Radio 4's Today Programme and stated concerns about political interference in press regulation following IMPRESS being recognised by the PRP. Given our ongoing aim to understand the views of everyone affected by the PRP's work, I have written to Mr Gallagher inviting him to clarify his statement. A copy of my letter will be published on our website.

## **Research update**

13. Annex F includes an update on key external matters relevant to our work.

## PRP06(17)

### Corporate services update

#### Premises

14. The tenancy agreement for the current office has been extended from 30 April 2017 to 31 May 2017 at the current rate. I am in the process of determining our ongoing needs in terms of office space.

#### IT

15. I met with Robert Walton, Managing Director of Comis, on 1 February 2017 to review our IT services. Comis has worked hard to resolve the difficulties that were experienced last year by the staff and the current standard of service is good. We will be entering into a new contract with Comis on the same terms and conditions.
16. We discussed the cyber security requirements that should be in place to ensure that our work continues to have the requisite level of security needed.  
Redacted
17. Redacted
18. Redacted
19. Redacted

#### PRP website

20. The PRP's website experienced a minor security breach on 6 February 2017. Alterations were made to two news stories by a hacker. With the first story, the headline was changed to 'HACKED BY THEWAYEND' and the body of the story was replaced with 'PrivateHackers Was Here'. On the second story, the headline was changed to 'BY W4L3XZY3'.
21. Redacted.
22. Steps have been taken to reduce the potential of future breaches.
23. We have no reason to believe that this was anything other than a random attack. 'Thewayend' is a 'known' anonymous hacker/hacking group that target websites.
24. Our website does not hold any confidential or sensitive information.

## **PRP06(17)**

### Insurances

25. I have reviewed and renewed our insurance policies for the coming year.

### JS2 Ltd

26. We continue to be satisfied by the advice and support provided by JS2 Ltd as our finance advisers. We have reviewed the monthly fee and have agreed a reduction for the coming year. Should our requirements change we will revisit the fee in November 2017.

### Organisational Design

27. At the end of March and through to the end of May 2017, the Executive will be transitioning to the flexible organisational design consisting of fixed and variable staffing resource to meet the business need as efficiently and effectively as possible. I am keeping Harry Rich (the Board member with financial responsibility) abreast of the financial implications of this. Further to Comis' recommendation, and given the aging IT hardware, the Executive will be procuring suitable IT with business warranty for the fixed personnel.

### Implications

28. The implications of decisions taken by the Board as set out in this paper are as follows:
- Budget – any budget considerations are referenced in individual Board papers. There are no specific implications in addition to the issues referenced;
  - Legislation – no specific implications;
  - Resources – any resourcing considerations are referenced in individual Board papers. There are no specific implications other than these;
  - Equality, Diversity and Inclusion – no specific implications.

### **Devolved Nations**

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

### **Communications**

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30. Communications issues are dealt with at paragraphs 6 to 12 of the Paper. There are no other issues to report which have communications implications, so far as I am aware.

**Risks**

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31. There are a range of risks involved in the areas of work covered in this Paper.

**Recommendations**

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

**Attachments**

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**Annex A – Note of the PRP's meeting with Karen Bradley MP, Secretary of State for Culture, Media and Sport**

**Annex B – Note of the PRP's meeting with Lord Attlee**

**Annex C – Note of the PRP's meeting with Lord Carlile**

**Annex D – Letter from the PRP to IPSO**

**Annex E – Letter from IPSO to the PRP**

**Annex F – Update on key external matters**

## **PRESS RECOGNITION PANEL**

### **Note of the meeting of the PRP with Karen Bradley MP, Secretary of State for Culture, Media and Sport, on 19 December 2016 at Department for Culture, Media and Sport**

David Wolfe, Chair of the Press Recognition Panel (PRP), was invited to meet with Karen Bradley MP, Secretary of State for Culture, Media and Sport. The note below covers the conversation that took place.

#### **Attendees**

##### *DCMS*

Karen Bradley MP - Secretary of State for Culture, Media and Sport  
Stephen Darke - Private Secretary to Secretary of State  
Aidan Corley - Special Advisor to Secretary of State  
Paul Oldfield - Deputy Director for Media Policy  
Natalie Davis - Head of Press Policy

##### *PRP*

David Wolfe (DW) - Chair  
Harry Cayton - Board member  
Susie Uppal (SU) – Chief Executive

The Secretary of State welcomed the PRP. As this was their first meeting, the Secretary of State was keen to hear about the organisation and its work.

DW explained:

1. The process of his, the PRP Board's and SU's appointment, and emphasised how independent of Government and external influence this was.
2. The PRP have a policy of openness and transparency and had engaged in a wide scale consultation before the process on how the PRP would process applications was finalised.
3. Having met with many people and organisations over the last two years, the sheer range and number of 'relevant publishers' had become clear. The Charter framework applied equally to traditional publishers and online publishers.
4. The PRP opened for applications in September 2015 and it has since consulted on how to deal with cyclical and ad hoc reviews.
5. The PRP received and dealt with an application for recognition from IMPRESS which involved three public calls for information and a decision by the PRP Board. After a very thorough process, IMPRESS was recognised and the PRP would now be keeping that under review.

6. The Charter allows for multiple regulators. The option for relevant publishers is not therefore that they need to join IMPRESS or stay outside of the system. If publishers don't want to join IMPRESS but want to fall within the system of recognition, and take advantage of the benefits this brings, it was within their gift to set up their own regulator, which could apply for recognition.
7. The PRP was not susceptible to influence by any person or organisation. The process followed in determining IMPRESS' application was entirely independent and IMPRESS was recognised because it met the 29 criteria. The Secretary of State confirmed that neither she nor any other politicians or part of government or the state had any ability to steer us in our role in relation to applications or at all.
8. In that context, the PRP struggled to understand the suggestion that it was somehow under Government or political control.
9. In respect of the Charter criteria, it was important to understand that to gain recognition, all the criteria had to be met. In fact, it was impossible to meet some and not all, as they were interconnected.
10. One of the criteria required the regulator to have an arbitration system. That criterion was of no more importance to the PRP than the others but as concerns have been raised about arbitration it may be useful to explain the key features of a Charter compliant arbitration system:
  - It must be mandatory, so it provides the public with a low-cost way of raising legal issues;
  - It must be free for complainants to use;
  - It can allow claims to be struck out for legitimate reasons (including on frivolous and vexatious grounds);
  - It can charge an admin fee for the cost of assessing the initial application; and
  - If providing such an arbitration scheme causes serious financial harm to local and regional publishers, we can review the requirement when we carry out a cyclical review of the regulator.
11. There had been allegations that section 40 contravenes Article 10 of the Human Rights Act 1998 (Freedom of Expression). The PRP had specifically sought further information about this but the legal advice produced by those making the allegation did not relate to section 40 at all. It related to exemplary damages and were arguments that had been aired and considered before the legislation had been passed.

## **PRESS RECOGNITION PANEL**

### **Note of the meeting of the PRP with Lord Attlee on 12 January 2017 at the House of Lords**

#### **Attendees**

Lord Attlee  
David Wolfe (DW), Chair of the PRP  
Paul Nezandonyi, taking the note

#### **Discussion**

DW briefly explained the PRP's functions under the Royal Charter. He explained that the PRP's role was to assess regulators against the recognition criteria, but that the PRP was not involved in the creation of the criteria. The PRP had no power or control over publishers and what they published.

DW confirmed that the PRP was satisfied that the Charter criteria were complete and effective, and the PRP had identified no changes that it would make, if it had the option.

DW explained that in 2015 the PRP consulted publicly on its approach to assessing applications for recognition from press regulators.

DW explained how arbitration operated under the Charter, and how arbitration was different to a publisher's complaints system. Arbitration was about legal issues, while complaints related to breaches of a regulator's standards code. Under the Charter, arbitration should be easy for the public to access, and the process should not be complicated. The recognition framework was designed to give ordinary people easy access to affordable legal remedies, if they faced wrongdoing by the press.

DW added that under section 40 of the Crime and Courts Act, publishers who joined an approved regulator would be protected from having to pay legal costs, if they were sued.

There was a discussion about corrections. DW explained that the Charter required the board of an approved regulator to have the power to direct corrections to be published with equal prominence to the original story, and to order apologies. The Charter also required the board of an approved regulator to have the power to launch an investigation if there were suspected serious or systemic breaches of the standards code.

There was a discussion about IMPRESS' funding. DW explained that the fact of funding did not compromise an approved regulator's independence. What mattered was the potential for a funder to have influence over a regulator. DW added that the Charter required IMPRESS to always have a four year funding agreement, and the PRP would review this as part of its ongoing cyclical review process.

DW explained how he and the PRP Board were appointed and he reiterated that no one at the PRP was appointed by the state. There was no ministerial involvement in

the PRP, and mechanism for external interference. DW explained that when he met the Secretary of State for Culture, Media and Sport recently, he confirmed with her that she have no influence over him or the PRP's work. DW explained that the Royal Charter gave the PRP security of tenure.

## **PRESS RECOGNITION PANEL**

### **Note of the meeting of the PRP with Lord Carlile at his offices on 8 February 2017**

David Wolfe, Chair of the Press Recognition Panel (PRP), was invited to meet with Lord Carlile. The note below covers the discussion.

#### **Attendees**

Lord Carlile (LC)

David Wolfe (DW), Chair of the PRP

Susie Uppal (SU), PRP Chief Executive

1. LC stated that whilst there was anxiety as to what should happen about the commencement of section 40 of the Crime and Courts Act 2013, the appetite for its immediate implementation may be hampered by some people's views about IMPRESS, and the existence of IPSO, to which a large number of print publishers were wedded and some thought were credible. He was however concerned about the local and regional media who could be broken by one libel action brought against them by a wealthy individual.
2. DW stated that the PRP had responded to the Government's consultation on section 40. Lord Leveson had produced a report and the recognition framework required section 40 to be implemented for it to work as intended. What was commonly forgotten was that the system when operational would provide two limbs - a mandatory mechanism under which ordinary people could bring legal causes for action and incentives/disincentives for those who subscribe to a recognised regulator and those who do not. If section 40 was not put fully into place then the decision would be to abandon those things. In respect of IPSO, DW's understanding was that they were not offering a mandatory scheme and that the extent of relevant publishers extended significantly beyond their members. In addition to those commonly spoken about (the Independent, the FT and the Guardian) there was significant local and regional press and large online publishers such as Ladbible, Pink News and Huffington Post who also sat outside.
3. LC commented that the system did not cover other important matters such as prepublication litigation, serious cases which may be better suited for court rather than arbitration and the role of conditional fee agreements.
4. DW replied that Lord Leveson had already considered many of these issues and others and had already come to conclusions. Some may disagree with those conclusions but that it is not for the PRP to revisit them.

5. DW did agree with LC's analysis that local press could be bankrupted by a wealthy litigant under the current costs regime (i.e. without section 40 in force); and whilst some had claimed that the alternative of mandatory arbitration would be too expensive for local publishers, the Charter system required a front-end filter (to dispose of vexatious and frivolous claims) and included a safety valve in that such publishers could be exempted from having to be part of a mandatory scheme if it appeared to the PRP that it would cause serious financial harm. In addition to that, the regulator could charge a small admin fee which could be disapplied by the PRP at the cyclical review stage, if it was causing serious financial harm.
6. LC asked why IPSO would not apply for recognition.
7. DW said that the PRP could do no more than refer to what IPSO and some of its members had said. Some describe it as a "theological" aversion. Tony Gallagher had said on the Today Programme today that it was because of fears that it would give MPs control over what newspapers publish. DW explained that PRP does not understand that suggestion. The PRP couldn't be more independent and so there was no substance to the any argument that, in practice, the system amounted to state control or anything like it. Even the Secretary of State had confirmed that she has no influence whatsoever over the PRP's decisions. DW noted the Irish system in which the Minister has a direct role.
8. DW explained that, even putting aside the fact that IPSO is unlikely to apply for recognition, the PRP would not anyway be properly able to undertake such an assessment against the Charter's recognition system without a lot more information than is presently in the public domain.
9. LC contemplated whether the PRP could have refused to grant recognition to IMPRESS despite the PRP considering that IMPRESS met the recognition criteria. DW said that the PRP did not consider that legally possible.
10. LC asked about funding. DW said that there was nothing in the Charter which precluded third party funding and that having looked very carefully, the PRP was satisfied that IMPRESS' funding was guaranteed for 4 years and that it did not impact on independence.
11. LC said that he had also looked at the funding agreements and that it appeared that IMPRESS funding was well distanced from IMPRESS.
12. LC commented that the world and interest in all this may have moved on.
13. LC and DW agreed that it may be useful to continue the dialogue with some of the lawyers from both Houses of Parliament and LC would see if something could be arranged.



Press Recognition Panel  
Mappin House  
4 Winsley Street  
London W1W 8HF

Matt Tee  
Chief Executive  
IPSO

Sent by email only.

9 February 2017

Dear Matt,

I am writing to you having heard Sir Alan's interview on Radio 4's Today Programme yesterday morning. During the interview, he stated:

"The PRP, the recognition panel, has imposed a condition for recognition which Leveson never recommended, which requires every newspaper to pay for the whole of the cost of arbitration, win, lose or draw."

Lord Leveson recommended that the arbitral process should be free for complainants to use (save for a power to make an adverse order for the costs of the arbitrator if proceedings are frivolous or vexatious).

The Royal Charter at Recognition Criteria 22 sets out the requirements of an arbitral process, which amongst other things (such as arrangements for claims to be struck out for legitimate reasons, including on frivolous and vexatious grounds) requires the process to operate under the principle that arbitration should be free for complainants to use (this doesn't preclude the charging of a small administration fee in limited circumstances).

It is therefore obviously incorrect to say that the PRP itself has imposed any such condition and the position as to Lord Leveson's recommendation is also misstated.

Please ensure that the PRP is not misrepresented in the future.

Yours sincerely

Susie



Susie Uppal  
Chief Executive  
Press Recognition Panel

Cc Radio 4 Media Show

Susie Uppal  
Chief Executive  
Press Recognition Panel  
Mappin House  
4 Winsley Street  
London W1W 8HF

Dear Susie

I am responding to your letter of 9 February.

I do not accept that the PRP has been misrepresented.

Alan's comments referred to the decision by the Press Recognition Panel to impose, as a condition of recognition, a requirement that arbitration must be compulsory for publishers not only with respect to participating in the scheme as a whole, but also in relation to each individual claim brought against a publisher.

The idea that Charter-compliant arbitration must be compulsory with respect to individual claims represents the PRP's interpretation of the Charter; the Charter itself is silent on the issue of whether publishers may decline to arbitrate individual claims.

To my knowledge, this interpretation was promulgated for the first time in your 'Decision Following the Consultation on Proposals for Recognition of Press Self-Regulators' Paper, published in September 2015. The reasoning given was as follows:

"The criterion 22 obligation is to provide an arbitration route for members of the public, which would not be the case if publishers could opt out generally or on a case by case basis."

The document entitled: 'PRP Board decision in respect of the application for recognition for IMPRESS' published on 21 November 2016 commented further that:

"We agree with IMPRESS that the compulsory nature of the scheme for publishers is the intention of the criterion".

IPSO disagrees with the PRP's position that a requirement for the availability of "an arbitration route" constitutes a stipulation that arbitration should be mandatory in relation to individual claims. Indeed, the Leveson Report, from which the Charter criteria were adapted, noted, in recommending that an arbitration service should be provided by a new regulator, that "neither publishers nor complainants can be forced to use [a system of arbitration]" and found that the new regulator "should offer publishers the right to use the system".

The effect of this interpretation is compounded by the fact that the Royal Charter goes beyond Leveson's recommendations in that it rules out any possibility that a publisher could recover costs from arbitration, by ensuring the parties bear their own costs subject to a successful complainant's costs or expenses being recoverable.

In these circumstances, Charter-compliant arbitration requires publishers to arbitrate in every case under a scheme that obligates them to pay for the whole of the arbitration, without the possibility of recovering any costs, win, lose or draw. The fact that a small administrative fee may be payable by the Claimant under Charter compliant arbitration is insignificant in this regard, as the publisher's costs and fees are likely to run into the thousands.

Alan was perfectly entitled to draw a contrast between this position – which is conditioned on the decision by the PRP to impose a requirement that a compliant arbitration scheme be mandatory for each claim – and the arbitration pilot scheme operated by IPSO.

Yours sincerely

A handwritten signature in black ink that reads "Matt Tee". The signature is written in a cursive style and is underlined with a single horizontal line.

Matt Tee  
Chief Executive

**Update on key external matters**

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

**Commercial Landscape**

2. The general press landscape continues to be defined by falls in profits and dwindling circulation, but there are positive signs in some areas.
3. At the start of February, regional newspaper group Johnston Press warned of the “severe headwinds” facing news publishing as it revealed revenue was down 14% on a like for like basis in 2016.
4. Guardian Media Group said that it expected to spend another £90m by the end of the financial year in April, up £30m on previous estimates, but it maintained that its three-year plan to turn its finances around is ahead of schedule. In 2005 the Guardian was selling around 400,000 copies per day. Its latest ABC figure shows an average daily sale of 161,091 copies.
5. Hyperlocal newspaper City Matters has announced plans to increase its distribution by up to 5,000 copies following its launch five months ago. City Matters currently puts out around 15,000 free copies each week and says it is already close to breaking even.
6. The BBC And NMA have moved forward with plans for a partnership that includes the creation of 150 local democracy reporters. The plans also include the creation of a News Bank- including audio and video - and a Data Journalism Hub. The partnership will be funded by an investment from the BBC Licence Fee of up to £8million a year for the duration of the BBC’s new Royal Charter.
7. Social media-driven news website TheLADbible is recruiting 40 new employees in the UK ahead of plans for global expansion next year. The additional roles will bring TheLADbible’s total workforce up to 160 employees across London and Manchester

**Academic and research**

8. A study published at the end of January 2017 found that while UK print newspapers are read for an average of 40 minutes per day, online visitors to the websites and apps of those same newspapers spend an average of just 30 seconds per day. Published by Professor Neil Thurman of City, University of London and LMU Munich, the study, Newspaper consumption in the mobile age, shows that 89% of newspaper reading is still in newsprint, with just 7% via mobile devices and 4% on PCs. Thurman said: “Scale those numbers up and you can see why newspapers still rely on print for the vast majority of the attention they receive.”

## Political

9. The Culture, Media and Sport Committee has launched a parliamentary inquiry into the issue of fake news. The inquiry plans to probe into the "widespread dissemination, through social media and the internet, and acceptance as fact of stories of uncertain provenance or accuracy". Damian Collins, chairman of the committee, said that the fake news trend was "a threat to democracy and undermines confidence in the media in general".
10. On 1 February 2017, Lord Lexden asked the following parliamentary question of Department for Culture, Media and Sport: To ask Her Majesty's Government whether the Press Recognition Panel is entitled, under powers granted to it by the Royal Charter, to advocate changes to English law.
11. Lord Keen of Elie answered Lord Lexden's question on 14 February 2017: The purpose of the Press Recognition Panel is to carry on activities relating to the recognition of self-regulators in accordance with the terms of the Royal Charter. The Press Recognition Panel is not prohibited from publishing information regarding the press self-regulatory framework delivered by the Royal Charter.



## PRESS RECOGNITION PANEL BOARD

### FINANCE REPORT – JANUARY 2017

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**Meeting:** 28 February 2017

**Status:** for noting

**Lead responsibility:** Susie Uppal, Chief Executive

**Contact details:** Susie Uppal, Adam Gibbs (JS2)

#### Purpose

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1. The purpose of this paper is to update the Board on the finance and banking position as at 31 January 2017.
2. The Board is invited to **note** the latest financial position.

#### Background and analysis

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##### 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 January 2017 is attached at Annex A.
5. A reforecast of the results to 31 March 2017 was circulated to the Board for the November 2016 Board meeting. Actual results are compared to the reforecast rather than the approved budget.
6. The deficit for the period ended 31 January 2017 is £589,762 against the November 2016 forecast of £574,991. This represents a negative variance of £15,208 on forecast to the year to date and a positive variance of £42,793 on the original budget for the year to date. 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. The Board will have noted that an application for Judicial Review has now been made. This will have an impact on the forecast for HR and legal costs. Legal costs of £6,000 were incurred in January 2017. The Board will be kept notified of changes.

## **PRP07(17)**

8. JS2 Ltd will be in attendance at the meeting to answer any detailed questions about the format that Board Members may have.
9. The Board is invited to **note** the latest position regarding the Panel's finances.

### **Devolved Nations**

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

### **Communications**

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

### **Risks**

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12. 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**

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13. The Board is asked to **note** the latest financial position.

### **Timeline for future work**

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

### **Attachments**

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## **Annex A – Management accounts as at 31 January 2017**

# **Press Recognition Panel**

## **MANAGEMENT ACCOUNTS**

10 Months to January 2017

**Press Recognition Panel**  
**Period ended 31 January 2017**

	<b>10 Months to January 2017</b>			<b>Full year to March 2017</b>	
	<b>Actual</b>	<b>Nov 16</b>		<b>Budget</b>	<b>Nov 16 Forecast</b>
		<b>Forecast</b>	<b>Variance</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>					
Bank Interest	3,892	3,455	437	2,400	3,855
<b>Total Income</b>	<b>3,892</b>	<b>3,455</b>	<b>437</b>	<b>2,400</b>	<b>3,855</b>
<b>Expenditure</b>					
<b>Board costs</b>					
Board Salaries & NIC	54,367	54,368	(1)	66,024	65,422
Board Travel & Subsistence	305	214	91	1,200	314
<b>Total Board Costs</b>	<b>54,672</b>	<b>54,582</b>	<b>90</b>	<b>67,224</b>	<b>65,736</b>
<b>Communications</b>					
Consultation Events & Launch	-	-	-	6,000	-
Consultation Document & Translation	14,673	9,261	5,412	28,950	10,561
					Additional costs of State of Recognition including reprinting
Website & Visuals	6,135	7,024	(889)	5,784	7,517
<b>Total Communications Costs</b>	<b>20,808</b>	<b>16,285</b>	<b>4,523</b>	<b>40,734</b>	<b>18,078</b>
<b>Overheads</b>					
Salaries & NIC	357,531	357,962	(431)	393,788	406,791
HR & Recruitment	8,810	6,389	2,421	26,864	23,233
Serviced and Virtual Offices	80,495	78,980	1,515	111,912	94,060
Meeting rooms	6,068	6,631	(563)	8,886	7,961
Travel & Subsistence	86	360	(274)	1,800	560
Information Technology	6,508	5,936	572	3,812	7,038
IT hardware	-	-	-	1,200	1,200
Audit & Accountancy	22,967	22,315	652	44,208	42,603
Printing & Stationery	9,768	9,392	376	9,280	9,962
Insurance	5,268	5,240	28	9,368	8,872
Legal	14,400	8,400	6,000	30,000	20,000
					Additional costs relating to Judicial Review
Subscriptions & publications	4,910	4,756	154	4,512	6,020
Finance Charges	186	180	6	300	230
Sundry expenses	1,177	1,038	139	1,800	1,338
	<b>518,174</b>	<b>507,579</b>	<b>10,595</b>	<b>647,730</b>	<b>629,868</b>
<b>Total Expenditure</b>	<b>593,654</b>	<b>578,446</b>	<b>15,208</b>	<b>755,688</b>	<b>713,682</b>
<b>(Deficit) for the period</b>	<b>(589,762)</b>	<b>(574,991)</b>	<b>(14,771)</b>	<b>(753,288)</b>	<b>(709,827)</b>
<b>Reserves Bfwd</b>	<b>1,954,072</b>	<b>1,954,072</b>		<b>1,954,072</b>	<b>1,954,072</b>
<b>Reserves Cfwd</b>	<b>1,364,310</b>	<b>1,379,081</b>		<b>1,200,784</b>	<b>1,244,245</b>

**Press Recognition Panel**  
**Period ended 31 January 2017**

	<u>Jan-17</u>		<u>Mar-16</u>	
	£	£	£	£
<b>Current Assets</b>				
Current account	89,295		35,458	
Deposit account	288,305		1,932,826	
Barclays account	<u>1,003,386</u>		<u>5,000</u>	
<b>Cash at bank</b>		1,380,986		1,973,284
Prepayments	17,944		18,222	
Other debtors	-		1,521	
Third Party Deposit	<u>12,530</u>		<u>14,194</u>	
<b>Sundry debtors</b>		30,474		33,937
<b>Creditors: amounts falling due within one year</b>				
Trade creditors	13,317		9,952	
Credit card	775		1,064	
Social security and other taxes	12,725		13,390	
Pensions	5,760		-	
Sundry creditors and accruals	<u>14,573</u>		<u>28,743</u>	
		47,150		53,149
<b>Net Current Assets</b>		<u><u>1,364,310</u></u>		<u><u>1,954,072</u></u>
<b>Funds brought forward</b>				
Funds at 31 March 2016		1,954,072		730,710
Surplus/(deficit) for the period to date		(589,762)		1,223,362
		<u><u>1,364,310</u></u>		<u><u>1,954,072</u></u>



## PRESS RECOGNITION PANEL BOARD

### ANNUAL GOVERNANCE FRAMEWORK REVIEW

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**Meeting:** 28 February 2017

**Status:** for approval and decision

**Lead responsibility:** David Wolfe,  
Chair and Susie Uppal,  
Chief Executive

**Contact details:** Caroline Roberts,  
Head of Regulatory Affairs

#### Purpose

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1. This paper reviews the second tranche of policies in the PRP's governance framework. It recommends a revised approach for some policies, and suggests maintaining others but with recommended revisions.

#### Background

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2. At the Board's meeting on 20 December 2016, it was agreed that a review of all policies should be undertaken. The initial policy framework was developed at the time the PRP was established over two years ago. The purpose of the review is to check whether the policies still meet our needs or require amending in any way, and also to identify any opportunities for simplification or consolidation. The first tranche of policies, broadly relating to information and communications, and conduct, were considered at the Board's meeting on 26 January 2017.

#### Analysis

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3. The second tranche of policies includes all those that broadly relate either to information and communications, or to conduct and employment terms and conditions (apart from policies regarding Board remuneration, and Board succession, which have been deferred to the March Board meeting).
4. For each separate policy, we have considered whether the content is up to date and fit for purpose, whether the content can be simplified in any way, incorporated in another related policy, and / or can be captured better elsewhere.

5. The policies are listed in the following table, with a proposed approach for each. The policies are detailed in Annex A to this paper, with proposed revisions marked in track changes where appropriate.

<b>Policy</b>	<b>Proposed revision or approach</b>
<p>Board Rules of Procedure (December 2014) Annex A – Pages 1-6 with proposed revisions</p>	<p>We propose updating the Board rules of Procedure for Board Meetings to incorporate the procedure regarding declaration of interest, (as agreed at the board meeting on 26 January 2017), minor changes to the procedure regarding publication of minutes (as agreed at the Board meeting on 20 December 2016), and other minor changes as indicated. We have amended the rules to clarify the Board’s preference to receive Board papers in hard copy, as was agreed at the Board’s meeting on 23 January 2015.</p> <p>The Board is asked to reconsider whether to continue with paper-based agenda packs or to consider electronic working.</p>
<p>Audit and Risk Committee TORs (June 2015)</p>	<p>The Audit and Risk Committee Terms of Reference were agreed in June 2015, and 6 meetings have taken place. We recommend that the Audit and Risk Committee should review the Terms of Reference in the first instance at their next meeting (28 March 2017), and the document has therefore not been included in the annex. Any recommended amendments can then be considered by the PRP Board at the Board meeting the following month.</p> <p>The PRP Board’s current forward plan schedules a review of the PRP’s draft Risk Management Policy at the April Board meeting. We recommend that this should also be considered first by the Audit and Risk Committee in March, prior to consideration by the PRP Board.</p>
<p>Nominations Committee TORs (February 2016)</p>	<p>The PRP Board agreed these Terms of Reference in February 2016 with a commitment</p>

	<p>to review each year. However, the Committee has not yet met, and an independent member of the committee was appointed in December 2016. We recommend that when the Nominations Committee holds its first meeting, a decision should be taken then about an appropriate time for reviewing the Terms of Reference. We therefore recommend that it is too early to consider reviewing this document, and it has not been included in the Annex.</p>
<p>Mission and Approach (January 2015) Annex A – Pages 6-7 with proposed additions</p>	<p>At the Board’s meeting on 26 January 2017, it was agreed to incorporate the principles of our policy on Openness, Transparency and Consultation, and the principles of our policy on Equality, Diversity and Inclusion in the PRP’s Mission and Approach. We have updated the Mission and Approach to reflect these changes</p>
<p>Corporate social responsibility policy (October 2015) Annex A – Pages 7-9</p>	<p>The PRP’s current policy on Corporate Social Responsibility (CSR) doesn’t add anything beyond what we have already committed to elsewhere – for example it replicates our values and behaviours from our mission statement; our objectives and funding from our Business Plan, and our organisational values. Where organisations choose to adopt a CSR policy this tends to encompass principles such as commitment to community engagement, diversity and inclusivity, charitable giving, volunteering, ethical considerations in procurement and the sourcing of suppliers, environmental sustainability, and investment in employees. We already have a clear commitment to equality, diversity and inclusivity in a specific policy. As we are reliant on outsourced provision for most office services, we are unable to make any significant commitment to sustainability, and we are not in a position to commit to volunteering or charitable giving, given our small size and current reliance on government funding. Our Communications Strategy will clarify how we will seek to educate and inform the public regarding press regulation. Given this context, we</p>

	therefore propose rescinding the policy. However we also recommend amending our procurement policy (due to be reviewed in March) to include sustainability and ethical considerations.
Working in Scotland and Northern Ireland (December 2014 version) Annex A – Pages 9-10	The PRP's role as defined by the Charter is UK wide. Our Mission and Approach defines the principles of how we work, including ensuring that all those with an interest in our work or potentially impacted by it have a say. This includes stakeholders in Scotland and Northern Ireland. Our Communication Strategy will define the details of the process in Scotland and Northern Ireland, so we do not need to maintain these separate policies.
Arrangements for fixing the PRP's seal (August 2015 version – minor amendments) Annex A – Page 10	This policy sets how the PRP validates documents with the affixing of a seal. Our Communication Strategy will define the details of the process in Scotland and Northern Ireland, so we do not need to maintain these separate policies.

### **Devolved Nations**

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6. There are no specific issues identified at this stage of the Paper.

### **Communications**

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7. The governance policies are published on the PRP's website. As these are reviewed, they will be amended on the website.

### **Risks**

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8. There are significant reputational risks if the Panel does not adopt adequate governance procedures and policies, and maintain and review these on a regular basis.

### **Recommendations**

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9. The Board is asked to consider the following recommendations:
  - i. The Board's Rules of Procedure should be amended to incorporate declarations of interest and other minor changes as indicated;

## PRP08(17)

- ii. Whether to continue with hard copies of Board papers, or to move to reviewing documents electronically;
- iii. The Audit and Risk Committee (ARC) Terms of Reference should be reviewed by ARC at its meeting on 28 March 2017, and ratified by the PRP Board at the next opportunity;
- iv. The PRP's draft Risk Management Policy should be reviewed by ARC at the meeting on 28 March 2017, and then considered by the PRP Board as planned in April.
- v. At the Nominations Committee's (NOMCO's) first meeting, the appropriate time for a review of NOMCO's terms of reference should be decided;
- vi. The PRP's Mission and Approach should be amended to incorporate the principles of PRP's policies on Openness, Transparency and Consultation; and on Equality, Diversity and Inclusion;
- vii. The PRP's Corporate Social Responsibility policy should be rescinded, as in its current form it only replicates commitments made elsewhere and adds nothing new. However, the PRP's procurement policy should be amended to incorporate ethical and sustainability considerations;
- viii. The principles enshrined in the PRP's policies on working in Scotland and Northern Ireland should be incorporated in the Communications Strategy, when this is updated;
- ix. The Policy for affixing the Common Seal should incorporate minor amendments.

## **Rules of procedure for meetings of the Press Recognition Panel Board**

### **Recommendation: amend to incorporate declarations of interest and other minor changes as indicated**

#### Introduction

The Press Recognition Panel (the ~~Panel~~PRP) came into being on 3 November 2014 under the provisions of the Royal Charter on self-regulation of the press.

#### Frequency of Meetings

The Board shall meet at least five times in each financial year, and frequently enough to discharge its functions.

An emergency meeting of the Board may be called by the Chair where in their opinion an urgent matter has arisen, or following receipt of a written request, signed by at least two Board Members, setting out the reason why a special meeting is required.

The Board may also hold development and strategy events. The purpose of such events will be to provide an opportunity to reflect more thoroughly on strategy and key issues and also to develop its working practices.

#### Notice of Meetings

Board meetings will normally be called well in advance and with a minimum of 28 days' notice. A Board meeting may exceptionally be called at shorter notice. Notice of a Board meeting will be given to Board Members in writing (including by email). Failure to receive notice of a Board meeting will not invalidate that Board meeting or any business transacted at it.

By the end of September each year, a schedule of meetings of the Board (and any committees established by the Board) for the following calendar year will be proposed for the Board's approval.

#### Agenda and papers

The agenda and papers for Board meetings will normally be circulated at least five clear working days in advance of the meeting by email and post.

The agenda and papers (other than those relating to items to be discussed in the ~~strategic session or~~ confidential sessions) for Board meetings will be placed on the ~~Panel's PRP's~~ website at the same time as being provided to Board Members. In the interests of transparency and in order to enable what would otherwise be confidential items to be discussed in public, the Chair may determine – exceptionally – that papers relating to matters scheduled to be discussed in public session should not be published in advance of meetings;

The papers for each meeting shall comprise:

an agenda approved by the Chair which shall indicate the matters to be discussed at the meeting;

a copy of the agreed or draft minutes of the last Board meeting;

the Chief Executive's report;

the Finance Report;

such other supporting documents and information relevant to the matters to be discussed as the Chair may think appropriate.

Non receipt of papers by individual Board Members will not invalidate a Board meeting or any business transacted at that meeting.

Where a meeting of the Board is called at short notice the ~~Board Secretary~~executive shall distribute notice of the meeting and the papers relating to the business to be transacted at the earliest practical opportunity. Papers will be distributed by email.

With the permission of the Chair, papers may exceptionally be tabled at a Board meeting or circulated after the agenda is dispatched.

#### Executive attendance at meetings

Members of the executive (and relevant advisers) will normally attend meetings (or the relevant part of meetings) of the Board to support the consideration of specific items of business. On occasion executives may be asked to withdraw from the meeting for specific items of business.

#### Other attendees at meetings

Meetings of the Board will be open for public attendance but it will not be permissible for people attending to record or film a meeting or any part of it without the express permission of the Board given in advance.

Members of the public who wish to attend will be asked to notify the Board in advance of their wish wherever practicable so that appropriate arrangements can be made to accommodate the meeting.

The public may be excluded from that part of a meeting which the Chair, or the Board, decides should be held in confidence given the nature of the subject matter, such as where the discussion relates to the personal affairs of an individual or to matters which would attract legal professional privilege, or, exceptionally, where the Board decides that its evaluation of the issues involved could be prejudiced by being held in public.

The Chair may decide to exclude from a meeting any members of the public who disrupt or interfere with the progress of the meeting.

The Board may invite other individuals to attend meetings of the Board, for example the Board may wish to hear a particular stakeholder's point of view on a matter. The invitation may be for the entire meeting or for a specific item(s); the invitee is not obliged to attend. Any individual attending a Board meeting in this capacity will not be entitled to vote and may be asked to withdraw from the meeting at any point.

## Quorum

Any decision made by a properly constituted meeting of the Board satisfying the requirements of these procedure rules shall be deemed to be a decision made by the Board.

In order to ensure that there has been proper input to, and scrutiny of, decisions it is necessary to have a quorum for meetings of the Board. The quorum for meetings of the Board shall be 50% of the Board Members (including the Chair) appointed at that time; when calculating this figure any fractions should be rounded down.

If a Board Member cannot participate in a discussion and/or voting on any matter as a result of a declaration of interest they will not count in the quorum for that item.

If a quorum is not available for the discussion of any matter(s) this will be recorded in the minutes and the decision made will be ratified at the next quorate meeting of the Board.

If a Board meeting becomes inquorate during the course of the meeting any decisions made will be ratified at the next quorate meeting of the Board. If those Members present at an inquorate meeting determine that a decision that falls to be taken by that meeting is of such significance that the decision should be taken by a quorum, that decision may be taken under the deferred decision provision (see below).

All or any of the Board Members may, in exceptional cases, participate in a Board meeting by video conference, telephone (or any communication technique that allows all persons participating in the meeting to hear each other) and this fact will be recorded in the minutes accordingly. Board Members participating in this manner will be deemed to be present at the meeting and shall be entitled to make decisions and to vote and be counted in the quorum.

Written comments on agenda items submitted by a Board Member who is absent will be circulated to those Board Members that are present and read out at an appropriate point in the meeting. This provision does not apply to Members who are not permitted to participate in a matter as a result of a declared conflict of interest.

## Chair

The Chair will preside over all Board meetings. In the absence of the Chair, whether this be temporarily on the grounds of a declared conflict of interest or otherwise, a Board Member, chosen from amongst those present, will chair the meeting. It is the responsibility of the Chair or member presiding at the meeting to:

decide the order in which Board Members will speak, ensuring that adequate views are sought in order to make informed decisions;

determine all matters of order, competency and relevancy;

decide which matters are or are not out of order in terms of the meeting;

determine whether a vote is required and how it is carried out;

maintain order in the meeting;

adjourn the meeting, if necessary, for whatever period of time they believe is appropriate.

### Declaration of Conflict of Interest

All Board Members must comply with the Panel's PRP's Terms and Conditions procedure regarding for declaration of conflictss of interest.

Any new interests or changes in interest already registered should be declared as soon as possible and recorded and minuted at the next PRP Board meeting.

Before any item is discussed at a Board meeting, each Board Member must disclose any conflict of interest that they believe may arise in relation to that item. If a Board Member is in any doubt as to whether a particular matter constitutes a conflict of interest, they should disclose it.

### Order of Business

The normal order of business at every meeting of the Board shall be:

where the Chair is not present and the Chair has not nominated a Board Member to chair the meeting, to select a Member to chair the meeting;

to receive any apologies for absence;

to consider any declarations of interest;

to deal with any matters arising from the minutes of the previous Board meeting in the order in which they appear;

to receive a report on any urgent decisions taken between meetings;

to consider such business as is set out on the agenda for the meeting;

to consider, at the discretion of the Chair, any items of other business.

The order of business may be varied by resolution of the Board at the Chair's discretion.

### Voting

Decisions of the Board will normally be made by consensus rather than by formal vote. Failing consensus, decisions will be made by a vote when:

the Chair (or in the Chair's absence the Member acting in that capacity) feels that there is a body of opinion amongst Board Members at the meeting that disagrees with a proposal or have expressed reservations about it and no clear consensus has emerged; or

a Board Member who is present requests that a vote be taken and this is supported by at least one other Board Member; or

the Chair feels that a vote is appropriate.

If a vote is taken, the number voting for, against and any abstentions shall be recorded in the minutes. The Chair will cast his/her vote at the same time as the Board. Voting shall normally take place by a show of hands or such other means of assent or dissent as the Chair deems appropriate.

In the event of an equality of votes, the Chair shall have a second and casting vote. The decision will be carried by a simple majority. The Chair's ruling as to the outcome of such a vote shall be final.

### Deferral of Decision

Any Board Member may propose to defer a decision on an agenda item in order that the Board can be provided with additional information to support the taking of that decision, or for any other reason. If this is agreed, the decision to defer, together with the reason for doing so, will be recorded in the minutes of the meeting together with a proposed timescale for returning the matter to the Board for consideration.

A deferred decision may be taken through email correspondence outside of the Board meeting, where this is agreed in the meeting.

All deferred decisions taken between Board meetings will be reported on and reflected in the minutes of the Board meeting subsequent to the decision being taken.

### Urgency

During the course of the ~~Panel's PRP's~~ business, matters may arise between scheduled Board meetings that require urgent Board approval or discussion and cannot be postponed until the next convened Board meeting. Where decisions that would ordinarily be taken at Board meetings have to be made on an urgent basis they may be taken by the Chair. A decision taken under this provision will be reported at the next Board meeting together with an explanation of the reasons for urgency. The decision will be recorded in the minutes of the Board meeting to which it is reported.

If the Chair considers the urgent decision to be of a significant nature, arrangements will be made for the matter to be decided or discussed via email or at an emergency Board meeting.

In the case of a decision made by email, in order for a recommendation to be approved, a response must be received from at least 50% of the Board Members appointed at that time. When calculating this figure any fractions should be rounded down. The majority of the responses received must be in favour of the recommendation.

### Governance and Records

Any point of order alleging a breach of these procedure rules shall be heard immediately. The Chair's ruling on the point of order shall be final.

The ~~Board Secretary~~ ~~executive~~ will be present at all meetings of the Board and any meetings of a committee of the Board to advise and record any decisions made. The Chair will agree any individual to act as ~~or deputise for the~~ Board Secretary.

The Board Secretary shall be responsible for ensuring that the minutes of the meeting, including a record of any resolution passed by the Board and any committee, are retained. The Chair (or in the Chair's absence Board Member acting in this capacity) will be asked to agree the minutes before they are presented to the Board for approval **at**

~~the next Board meeting~~ as soon as practicable; once approved the minutes will be signed by the Chair.

Once approved by the Board the minutes will be published on the PRP website, subject to the redaction of any discussion of matters considered by the Board to be ~~confidential~~ confidential, although the decisions taken in the public session will be published. The presumption will be for the maximum level of openness and transparency.

### Reserved Matters

Certain matters are reserved to the Board for decision. This does not preclude other matters being referred to the Board for decision.

Where it is a matter of judgement as to whether a matter is reserved to the Board or not, the Chair will make a determination and the matters reserved will be amended or clarified accordingly.

### **Mission and Approach**

#### **Recommendation: amend to incorporate the principles of PRP's policies on Openness, Transparency and Consultation; and on Equality, Diversity and Inclusion as indicated**

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 do this by:

- deciding whether or not a regulator who applies for recognition complies with the criteria set out in the Royal Charter;
- making sure, through review, that they continue to meet the criteria;
- withdrawing recognition if they don't; and
- reporting on any success or failure of the recognition system, including the impact of our work.

We will perform our duties:

- **independently**, using to the full the complete freedom we have from state, government or any other interest, and expressing our views honestly and courageously;
- **fairly**, guided by the principle of understanding the public interest, and always putting it first;
- **openly**, asking questions, using the widest possible range of evidence available to us to make our decisions, and explaining them clearly; and
- **transparently**, wherever possible holding our meetings in public, publishing our papers, and making our meetings formal and documented – ensuring that the public and those we serve can see how we are putting our principles into practice.
- **Inclusively: guided by the principles of equality and diversity as an employer, in the way we work with colleagues and stakeholders, and in the way we conduct our business**

We are committed to operating with the maximum degree of openness and transparency in all our dealings. We will also encourage openness and transparency on the part of other relevant organisations.

We are committed to ensuring that all those who are affected by our work have a say in how we operate.

We are committed to engaging with all stakeholders in a way which respects disabilities and language barriers.

When we consult, we will seek out, and listen to, the broadest range of views. We will speak plainly and promote the widest possible dialogue with all those with an interest in our work.

When we take decisions, we will always consider how regulation can best respond to the developments in the industry on which it will impact, and the changing reality of people's lives, behaviour and expectations.

We will be challenging where challenge is necessary; we will not seek out controversy but we will speak fearlessly.

Above all, we will ensure that we play a valuable, and valued, role in delivering a press independent of state regulation, but well-regulated in the public interest.

## **Corporate Social Responsibility (CSR) Policy**

**Recommendation: rescind, as this replicates commitments made elsewhere. However, the PRP's procurement policy should be amended to incorporate ethical and sustainability considerations**

### **Definition**

The EU Commission defines CSR as "the responsibility of enterprises for their impact on society". The UK Government defines CSR as "the voluntary actions that business can take, over and above compliance with minimum legal requirements, to address both its own competitive interests and the interests of wider society".

So CSR is something that we choose to do because we believe it is right to do so.

### **What is the requirement to develop a CSR Policy?**

There is no legal requirement to develop a CSR Policy. However, we believe it is right we should actively integrate the benefits of CSR in the way we work.

This policy confirms our commitment to acting in a responsible manner and to ensure our decisions take into account environmental, social, ethical and economic decisions where possible.

### **Why do this?**

CSR forces us to look at the way we work through a different lens. It requires us to be innovative and to see if there is a better, more efficient way of delivering the requirements set out in the Royal Charter. It will help us become more effective and

reduce our cost of operating. Reviewing the effectiveness of the way we operate on a regular basis should be part of our continuous improvement cycle with the findings naturally feeding in to the state of recognition report we are required to provide annually to Parliament

### **Our impact**

The PRP was created by Royal Charter. By working with the industry in the area and enabling the implementation of the recognition criteria set out in the Royal Charter we should be able to improve press standards, whilst maintaining their freedom, and at the same time provide assurance and protection to the public

### **What are our objectives for 2015/16?**

Our objectives for this year reflect our focus on preparing to receive and consider applications for recognition from press self-regulators and on ensuring we have the basic systems and processes in place to operate effectively as an organisation. Details are set out in our Business Plan 2015/16 which is available on our website.

### **What are our values and behaviours?**

We will act:

**independently**, using to the full the complete freedom we have from state, government or any other interest, and expressing our views honestly and courageously

**fairly**, guided by the principle of understanding the public interest, and always putting it first

**openly**, asking questions, using the widest possible range of evidence available to us to make our decisions, and explaining them clearly

**transparently**, wherever possible holding our meetings in public, publishing our papers, and making our meetings formal and documented – ensuring that the public and those we serve can see how we are putting our principles into practice.

### **What do we spend?**

We have been granted Exchequer funds of £3m for the first three years of operation. Details of our annual expenditure are available in our Annual Report and Accounts (ARA) – our first year of operation was 2014/15 and our ARA for 2014/15 will be published in November 2015

### **Key Focus Areas**

#### **People**

We are very small organisation. It is essential that we recruit the right people, in the right way, to drive our objectives forward. We will review the staffing structure at appropriate points as we move from developing processes and procedures to becoming operational and able to receive applications.

We will ensure that we invest in our staff by providing appropriate training (where identified) to maximise their potential and that we provide a safe, flexible, and open working environment.

In return we expect our staff to:

Respect and value each other and our differences

Be supportive, kind and fair

Listen and collaborate

Look for innovative ways to achieve better results

Be trustworthy and professional

Be committed to achieving results

Be confident, calm and resilient

Be open and share knowledge and information

Enjoy what we do and working together

### **Our environmental impact**

As a very small organisation with very low variable costs we have a very small environmental footprint. We will seek to manage waste in a sustainable manner and will ensure that the processes we set up and manage and the information we require for recognition do not place unfair burdens on applicants. We will aim to store our files electronically (via the cloud) so as to reduce the need to print or retain hard copies.

### **Use of financial resources**

We will:

Ensure our operating efficiency through continuous evaluation of resources required.

Procure sustainably and effectively.

Be independent and fair in our choice of partners/suppliers

Pay suppliers according to mutually agreed terms and conditions

Review

This policy will be reviewed annually.

### **Policy on Working in Scotland / Northern Ireland**

#### **Recommendation: The principles should be incorporated in the Communications Strategy, when this is updated**

Once we have established the arrangements for receiving applications for recognition from press regulators, we are committed to receiving and considering applications from across the United Kingdom including Scotland and Northern Ireland. We seek to

engage with all relevant individuals and organisations with an interest in our work from across the UK.

### **Policy of fixing the panel's common seal**

#### **Recommendation: minor amendments as indicated**

The Royal Charter envisages that the Press Recognition Panel (PRP) will adopt a Common Seal:

*14.2 The Recognition Panel shall have a Common Seal. The Recognition Panel may alter its Common Seal or replace it with a new one.*

Under the provisions of the Charter, the Board determines that a document is duly executed by the Press Recognition Panel by the affixing of its common seal.

A document is validly executed by the Press Recognition Panel if it is signed on behalf of the organisation by a minimum of two authorised signatories.

Those authorised to give agreement to the fixing of the seal are the Chair, or any member of the Board and the ~~Executive Director~~Chief Executive (and in the ~~Executive Director~~Chief Executive's absence, any two members of the Board).

The seal should be fixed in the presence of a witness who can attest that the relevant authorisations have been granted. This will normally be the ~~Head of Governance~~Executive Administration Manager.

The sealing will be recorded by the ~~Executive Administration Manager~~Head of Governance in the register of sealings which is held at the PRP's registered office address. This will record the nature of the document being sealed, the names of the authorised signatories, the name of the witness and the date the seal was fixed.

Approved by the Board of the PRP, 25 August 2015



## PRESS RECOGNITION PANEL BOARD

### SENIOR INDEPENDENT BOARD MEMBER APPOINTMENT

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**Meeting:** 28 February 2017

**Status:** for decision

**Lead responsibility:** David Wolfe,  
Chair

**Contact details:** Saima Ansari,  
Executive Administration Manager

#### Purpose

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1. The Board is asked to:
  - **Review** the role description;
  - **Discuss** and **approve** the appointment of a Board Member as Senior Independent Board Member for a period of two years (1 April 2017 to 31 March 2019).

#### Background

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2. The Board considered a paper (PRP13(15)) about the appointment of a Senior Independent Director at its meeting on 25 March 2015 and agreed:
  - the role description at Annex A;
  - review of the role description every two years unless there is a need to review or amend sooner;
  - appointment of a member of the Board to the role for a period of two years (1 April 2015 to 31 March 2017); and
  - Tim Suter was nominated by Harry Cayton, the Board unanimously agreed to the appointment, and Tim accepted.
3. The Chair of the Board is the sponsor of this area of work, although the Royal Charter is clear that it is the responsibility of the Board to determine its governance arrangements.
4. It is recommended best practice that boards should appoint a Senior Independent Director from among their non-executives. The role description agreed by the Board at its meeting in March 2015 encapsulates the key responsibilities recommended through best practise. The description has not previously been reviewed or amended since agreement. As part of the review, it would be appropriate to update the terminology to remove reference to Director and substitute with Board Member to accurately reflect the nature of

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the role. The Board may wish to examine the responsibilities of the role again to ensure that they continue to meet the needs of the Board.

5. The Board may wish to discuss the future appointment strategy and consider whether the role should be rotated among the Board Members or whether they wish to re-appoint Tim Suter for a further two-year period. The 'Term of Office' will be updated following the Board's decision.

### Implications

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6. There are no implications on the Panel's reserves, budget, legislation, resources, or on equality, diversity and inclusion issues in relation to any decision or recommendation associated with this paper.

### Devolved Nations

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7. There are no implications for the devolved nations with regard to the recommendations in this paper.

### Communications

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8. There are no planned external communications. The Panel's website will need to be updated as necessary in line with the Board's decision.

### Risks

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9. There are no known risks associated with the recommendations in this paper.

### Recommendations

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10. The Board is asked to:
  - **review** and **agree** the role description;
  - **agree** the appointment or re-appointment of a Board Member to the role of Senior Independent Board Member for a period of two years (1 April 2017 to 31 March 2019).

### Timeline for future work

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11. A reappointment recommendation will be put to Board at the meeting in February 2019.

### Attachments

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**Annex A** – Senior Independent Director role description as agreed in March 2015

## **ROLE DESCRIPTION – SENIOR INDEPENDENT DIRECTOR**

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### **1. Purpose**

The Senior Independent Director's role is to:

- 1.1. act as a sounding board for the Chair of the Board;
- 1.2. serve as an intermediary for other Board Members; and
- 1.3. formally manage the appraisal of the Chair's performance annually.

### **2. Responsibilities**

The Senior Independent Director will:

- 2.1. act as sounding board for the Chair in any matter which the Chair may determine appropriate;
- 2.2. act as a trusted intermediary when necessary between the Chair and other Board Members;
- 2.3. be available to stakeholders if they have concerns which contact through the normal channels of the Chair or Chief Executive have failed to resolve or for which such contact is inappropriate;
- 2.4. convene and chair (once annually, as a minimum) a meeting of the Board without the Chair present to facilitate the annual appraisal of the Chair and on such occasions as are deemed appropriate;
- 2.5. act as a last resort internal contact point for whistle blowers who feel unable to raise concerns through such channels as are set out in the Panel's Whistleblowing (by staff) Policy;
- 2.6. report to the Board annually on the fulfilment of the responsibilities of the Senior Independent Director;
- 2.7. in the absence of the Chair for any prolonged period, perform the functions of the Chair as set out in the Royal Charter, and as set out in all Panel policies and procedures; and
- 2.8. chair the Remuneration Committee (once constituted).

### **3. Term of Office**

- 3.1. the term of office will be two years with the possibility of renewal for a further two years subject to Board approval. The maximum term of office will be four years; and
- 3.2. appointment or removal from office is a decision reserved to the Board.