

Dear Jonathan,

As you know, after the call for information stage has concluded we will be entering the validation and verification of the assessment process.

I thought it would be helpful for us to provide you with a list of questions we currently have in relation to the IMPRESS application, whilst we await the responses to the second call for information.

I therefore set out a number of questions below based on the information that you provided in your original and amended documentation. Further questions may arise depending on your answers or as a result of the call for information in due course:

1        Criterion 1: *“the Chair and members of the Board must be appointed in a genuinely open, transparent and independent way”*

Could you confirm how many of the successful candidates for the original Board applied as a result of advertisement/publicity as opposed to being proactively contacted to apply for the roles?

2        Criterion 3: *a ‘fair and open process for appointment’* of the appointments panel.

We presume from your response to the issues raised the call for information that the members of the original appointment panel were selected from among those that were subject to the ‘targeted approach’ by the IMPRESS Project. However, the panel was subsequently reconstituted and could you therefore comment on the decision to include the Chair and one Board member as members on the reconstituted appointment panel in the light of this criterion?

3        Criterion 6: *“Funding for the system should be settled in agreement between the industry and the Board, taking into account the cost of fulfilling the obligations of the regulator and the commercial pressures on the industry”*.

We will want to discuss the matter of your approach more generally in due course but for the time being it appears that the Regulatory Scheme Agreement (clause 4.1) allows the tariff schedule to be amended annually. Is there any provision requiring IMPRESS to consult participants before amending those tariffs (as opposed to the overall budget)? If not, was this considered?

Also, could you please provide a copy of the current tariff schedule?

4        Criterion 6 *‘Funding settlements should cover a four or five-year period and should be negotiated well in advance.’*

*Indicators:*

- *The regulator adopts policies and mechanisms to ensure that funding arrangements cover the prescribed period and undertakes reviews in an appropriate time.*
- *The timing for negotiating funding settlements is not such as to create a concern that the negotiation would impact on the independence or perceived independence of the Board.*

Could you confirm the process and timing for reviewing your funding prior to the end of the current four-year funding period?

5 *Criterion 9 – appropriate internal governance and complaints: indicator*

Could you confirm how IMPRESS will ensure that the subscriber's complaints mechanisms manage conflicts of interest?

6 *Criterion 10 – adequate and speedy complaints mechanism*

As you know, the issue of your scheme requirement for complaints to be dealt with within 21 days was raised by some respondents to the call for information who claimed that this was an inadequate time period. In response you have stated that there is provision to extend the time limit by the publisher obtaining agreement from IMPRESS under clause 4.5 of the regulatory scheme. This clause refers to 'exceptional circumstances'. However, the material in your Induction Pack implies that the timeline is automatically extended when it is necessary to obtain further information, and in particular neither your model complaints process chart nor your model complaints procedure<sup>1</sup> appear to make reference to the need to obtain the agreement of IMPRESS to an extension. These last two documents also contain provision for the publisher to close the complaint if the complainant fails to provide further information within 14 days but this is not reflected in the regulatory scheme. Finally, the model complaints process chart refers to the need to write to the complainant within 21 working days of the further information being received; however, we presume that you mean calendar days?

Could you please clarify the position on these issues? Also if publishers are required to obtain the agreement of IMPRESS to any extension, then who would have authority to grant this on behalf of IMPRESS and how would any such request be dealt with sufficiently speedily? How would 'exceptional circumstances' be interpreted?

6 *Criterion 21 The Board should publish an annual report....*

The annual report template that you provided (document 40 with your application) does not appear to contain provision for all of the information required by this criterion.

In particular, there seems to be no provision for:

- *(b) (i) identifying which complaints where multiple complaints*
- *(c) a summary of any investigations carried out and the result of them;*  
*d) a report on the adequacy and effectiveness of compliance processes and procedures adopted by subscribers*

Further, in relation to *b ii) articles in respect of which it has considered complaints to be without merit, and (iii) articles in respect of which it has considered complaints to be with merit, and the outcomes reached, in aggregate for all subscribers and individually in relation to each subscriber* whilst your template does separate complaints into those with or without merit it does not provide any additional information in relation the outcomes reached or identify which articles they refer to.

Please confirm that your annual report will contain the full information required by this criterion.

7 *Criterion 22 – Arbitration process*

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<sup>1</sup> See appendix 2, clause 10 of your Induction Pack

Could you please confirm that your scheme complies in all material respects with the Arbitration Act 1996?

Please confirm how your arbitration scheme “directs appropriate pre-publication matters to the courts” as required by the criterion?

Finally, could you provide further detail on how your plan to subsidise the costs of arbitration for smaller publishers will operate?

### **Validation/verification meeting**

Our assessment process envisages that we will have a meeting with you to complete the validation process. As the example evidence column in our matrix indicates, we will look at details of actual practice where possible. As you are now in the position of assessing applicants for membership, we will wish to inspect a sample of documentation involved in those applications on our visit. This will allow us to give assurance to the Board that the processes that you have described for approving your members are being followed. We will not of course, publish details of any individual applications or refer to them in documentation in any way that could lead to the applicant being identified or any commercially sensitive information being revealed.

I will be in touch again once the second call for information has closed.

Yours sincerely,

Susie Uppal  
Chief Executive  
Press Recognition Panel