

PRESS RECOGNITION PANEL

Minutes of the meeting of the Panel with the Financial Times, held at the Financial Times' offices, One Southwark Bridge, London SE1 9HL

Present:

From the Financial Times

Lionel Barber, Editor

James Lamont, Managing Editor

Nigel Hanson, Senior Legal Counsel

Greg Callus, Editorial Complaints Commissioner

From the Press Recognition Panel

Dr David Wolfe QC, Chair

Carolyn Regan, Board Member

Susie Uppal, Executive Director

Holly Perry, Head of Governance (taking notes)

Welcome and introductions

1. Lionel Barber (LB) welcomed Panel to the meeting, and introduced his colleagues James Lamont (JL), Nigel Hanson (NH) and Greg Callus (GC).
2. Following introductions, DW set out the planned format for the meeting. This was one of a series of meetings which the Board was holding in order to seek early input to how the Panel could give life to the Royal Charter recognition criteria. To date, there had been a wide range views on many of the key issues.
3. In terms of timescales, the Panel had now started preparing documentation setting out proposals for how it intended to go about the task of receiving and considering applications for recognition. The Panel expected (between May and July 2015) to consult widely on those proposals before publishing them in final form later in the summer of 2015.
4. In addition to the points set out in writing by the Panel in advance of the meeting¹, the Chair emphasised that the Panel would very much welcome input from the Financial Times (FT) on the proposals for assessing applications for recognition. Regardless of whether or not there were any

¹ The Panel wrote to the Financial Times setting out the areas for discussion ahead of the meeting; details of the points covered in discussions with all publications are published on the Panel's website: <http://pressrecognitionpanel.org.uk/word/wp-content/uploads/2015/05/Letter-to-newspapers.pdf>

formal applications for recognition, the Panel's processes and guidance was likely to be regarded as a reference point. The Panel wanted its approach to be helpful, useful and well informed. It was hoped that the FT would be willing to assist on this basis.

5. The expectation was that the meeting would provide a forum for free and frank exchange of views. The meeting was being held in private, however a note of the key points discussed would be agreed by the attendees prior to publication on the Panel's website.

Discussions

Background and context

6. LB explained that the FT considered that it is in a different position to other broadsheets, and was first and foremost digital and international.

LB acknowledged the Panel's work and added that the FT would be willing to contribute if it could.

7. The international factor was a significant one for the FT. The figures illustrated the change over the past decade and the shift in the business model.
8. The main competition was international – including publications such as the New York Times and Bloomberg. In such a fiercely competitive environment, the FT placed a high premium on accuracy. Publishing false and misleading information could lead to the risk of being sued, and many of the FT's readers were powerful, rich and capable of holding the FT to account in this way. As such, there was a serious business and commercial imperative to ensure good conduct and responsible journalism at the FT.

Complaints and the editorial code

9. The FT's editorial code (which was an expanded code, but which included the Editors' Code of Practice) had been strengthened in recent years, and prior to the Leveson inquiry.

Regulatory mechanism

10. The FT had been a member of the Press Complaints Commission, but had not joined IPSO. The FT decided to establish what it considered to be a credible and rigorous alternative. It had therefore established an internal model, appointing Greg Callus as the Editorial Complaints Commissioner, having

taken soundings from global counterparts. While the process was still in its infancy, and the work to establish the lines of demarcation was ongoing, the FT did not see itself currently wanting to move away from the in house model, which seems to it to be fit for purpose and working well so far.

Editorial Complaints Commissioner – role and process

11. GC explained that his role was to adjudicate complaints, and his work was overseen by an Appointments and Oversight Committee. This Committee was entirely independent of Editorial functions at FT and FinPub titles. The members of the Committee were:
 - Baroness Wheatcroft, former journalist and businesswoman, who chaired the Committee;
 - Professor Ian Hargreaves, former editor and now Chair of Digital Economy at Cardiff University; and
 - John Ridding, president of Pearson Professional and Chief Executive of the FT.
12. The process was appellate, and complainants were required to refer their complaint to the Editor in the first instance (who liaised closely with NH, as Senior Legal Counsel). GC was not a senior journalist, and was not involved in editorial activities in any way.
13. While assertions were made that the process being internal by implication meant that it could not be independent, the FT saw significant advantages in its being internal to the newspaper, for example, having direct access to editors and journalists.
14. The FT considered its approach to complaints handling to be rigorous to date. Process has been improved, and the visibility of complaints handling across the FT has been raised.
15. While the FT would pay some regard to the recognition criteria they were not its primary benchmark. Rigour and effectiveness were vital. DW noted that the FT's practice could inform the Panel's work including the formulation guidance on the recognition criteria.

The Panel's reporting function

16. FT colleagues raised questions about the Panel's intended approach in relation to reporting annually to Parliament on the state of regulation of the press. DW clarified that the first report would be due on the first anniversary of the Panel being in a position to take receipt of applications, so likely to be autumn 2016. The Panel had not yet formulated its intended approach or

taken a view – whether to be minimalist or to provide wider narrative on the broader context and environment.

17. GC requested clarification as to the approach in that reporting which the Panel would take to relevant publishers who were not members of an approved regulator. DW responded that the Panel had not taken a view as yet but would need to ensure the full range of organisations – both large and small – were taken account of.

Royal Charter criteria

18. DW explained that the threshold in a regulator meeting the criteria is sufficiency, not “good practice”.
19. NH asked how rigorously the Panel would assess the criteria. DW responded that the Panel would take a clear line – only if all 28 criteria were met would a regulator be recognised. If a regulator met 27 of the 28 criteria, it could not be approved – the Charter did not allow for a lower assessment of ‘good enough’
20. NH asked about the Panel’s approach to arbitration. The criterion made reference (at 22e) that arbitration needed to operate under the principle that it would be free for complainants to use. There were different ways that arbitration could be provided, and therefore considerable scope for interpretation. DW responded that the Panel did not intend to be prescriptive, but would set out some indicators or indicative outcomes. Overall, there were some criteria set out in the Royal Charter which were clear and precise, and others which were far less so (e.g. whistleblowing helpline, arbitration), where indicators or indicative outcomes in Panel guidance would aim to assist regulators. These were the criteria which the Panel would be most grateful for assistance with.

Future of the Panel

21. NH asked whether the Panel’s future would be affected if after the first year’s report the Panel had still not received an application. DW explained the Panel’s security of tenure, as enshrined in the Royal Charter. The Panel would effectively last in perpetuity, although there were other timescales which also impacted, such as the provisions of the Crime and Courts Act 2013. The Panel had been granted Exchequer funding for its first three years, and after this the expectation was for it to be self-funded. If no applications were received, the Panel would adopt a holding position. The Royal Charter and Crime and Courts Act required it to exist, even if only so that the Board could meet annually to write the annual report.

22. In relation to independence, DW emphasised that the Panel's independence from government was unparalleled. In this sense, the Royal Charter had delivered a very significant element which would not have been delivered through statute.

Other questions

23. JL asked whether the Panel would recognise multiple regulators. DW responded that the Royal Charter certainly allowed for this, and referred to regulators in the plural. Leveson's preference had been for a single regulator, covering the entire sector, but this had not proved realistic, particularly in the outer bands of the interpretation of 'relevant publisher'. For example, it was possible that bespoke regulator(s) would emerge for particular parts of the sector, such as hyperlocals. The Panel's challenge was to create a process which aimed to fit all the variables, and guidance which was flexible, and which contemplated a range of potential bodies.
24. LB asked for the Panel's position on digital publication. DW responded that the Panel's position – and indeed the Royal Charter's – was neutral. There was nothing in the definition of 'relevant publisher' which was tied to any particular publishing format. Some smaller organisations, even those relying on volunteer staff and editors, could be 'relevant publishers' within the definition, depending on what they did. The Panel acknowledged that the process of corrections was very different in digital, which did add significant complexity and was an area which the Panel might need to look at more closely.
25. NH raised a point in relation to the Panel's imminent consultation. It would be important to invite international comment and input, e.g. from the New York Times, Wall Street Journal, Reuters and Bloomberg. NH added that with the nod towards licensing under the press recognition process, there were fears among representatives of media organisations internationally about how this development in the UK might be seized upon by governments in countries where there is less press freedom. He said the World Association of Newspapers [WAN-IFRA] recently sent a delegation to the UK to raise concerns, and in that context he asked whether the Panel would be consulting such groups over its process. DW responded that all other suggestions for whom the Panel should approach would be welcomed.

Additional information

26. At the end of the session, GC remained with Panel attendees to run through some specific points and questions in relation to the criteria for recognition.

Closing comments

27. DW concluded the session by inviting the FT attendees to submit additional information as they wished. DW thanked the FT for hosting the meeting and for offering such important insights at a critical time for the Panel. It was hoped that the dialogue would continue.