

THE IMPRESS PROJECT

For the press – for the public

Wilfrid Vernor-Myles
Independent Press Regulation Trust
C/o Hunters Solicitors
9 New Square
Lincoln's Inn
London WC2A 3QN

By email: wvm@hunters-solicitors.co.uk

8 July 2015

Private and confidential

Dear Mr Vernor-Myles,

We have not yet had an opportunity to meet, but I have followed the development of the Independent Press Regulation Trust (IPRT) with great interest. As you know, I prepared a report on the public benefit in independent press regulation for the use of the Charity Tribunal and I am delighted to see that the Tribunal has now directed the Charity Commission to enter IPRT on the register of charities.

I am writing in the hope that you and your fellow Trustees will be able to provide financial assistance towards the establishment and support of IMPRESS: The Independent Monitor for the Press (IMPRESS), a self-regulatory body for the press which has been designed in accordance with the recommendations and principles set out in the Leveson Report.

The charitable purpose of any such financial assistance would be to promote, for the benefit of the public, high standards of ethical conduct and best practice in journalism and the editing and publication of news in the print and other media, having regard to the need to act within the law and to protect both the privacy of individuals and freedom of expression. As the Charity Tribunal has confirmed, this purpose is analogous to that of charities which promote the ethical and moral improvement of the community.

As you know, the Royal Charter on Self-Regulation of the Press (the Charter) requires any prospective self-regulatory body to ensure that funding settlements 'cover a four or five year period' and are 'negotiated well in advance'. The Press

THE IMPRESS PROJECT

For the press – for the public

Recognition Panel (PRP) has proposed the following indicators for assessing whether a regulator meets these criteria:

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

With these indicators in mind, I would like to propose a funding agreement in two phases, as follows:

Phase One: Start-up (October 2013 – March 2016)

The two-and-a-half-year start-up phase is nearing completion, under the aegis of The IMPRESS Project, a company limited by guarantee (registration no. 8768595). In the course of this year, operations will transfer from The IMPRESS Project to IMPRESS: The Independent Monitor for the Press, which has recently been registered as a Community Interest Company (registration no. tbc). We will then complete the establishment of IMPRESS; secure the PRP's recognition that IMPRESS meets the Charter criteria; and prepare to commence regulatory operations, initially for a small number of small, independent news publishers.

The total budget for phase one is approximately £1.1m, of which £370,000 has already been raised. The outstanding budget is therefore approximately £730,000. We would be grateful for your support at the earliest opportunity, as our existing funds have been allocated and we need to take immediate steps to invest in staff, premises, IT, stationery and all the other elements of a Charter-compliant regulator. An expenditure forecast for the financial year 2016-17 is provided in the attached Business Plan.

Phase Two: Operational (April 2016 – March 2020)

This four-year phase will cover the first period of the regulator's operation. We anticipate slow but steady growth in the scale of IMPRESS's activities during this period, as news publishers see the benefits of independent press regulation.

The IMPRESS Project

Registered Office: Acre House, 11-15 William Road, London NW1 3ER. Registered in England No 8768595

www.impressproject.org

THE IMPRESS PROJECT

For the press – for the public

In order to secure the PRP's recognition that IMPRESS meets the Charter criteria, we will need to provide evidence that we have adequate funding for a 'four or five year period', as set out above. However, we cannot rely on income from regulatory fees, which will be negligible in the early years. We agree therefore with the Charity Tribunal that 'the charity sector is uniquely placed to be able to offer both the mechanism and the means by which a benefit to the community as a whole can be achieved.'

Our total budget for these four years is approximately £5.8m. An expenditure forecast is provided in the attached Business Plan. We expect to cover a proportion of these costs through regulatory fees but we will be dependent on donations for the bulk of our expenditure.

We expect to make a submission to the PRP with all the necessary evidence of our compliance with the Charter on or before 1 October 2015. Therefore, we would be immensely grateful if we could finalise a funding agreement for the period 1 April 2016 – 31 March 2020 before that date. In the meantime, we would be grateful for the IPRT's financial assistance with the costs of completing the start-up phase.

Whilst we believe that (in light of the Charity Tribunal's decision regarding the IPRT) the purposes of The IMPRESS Project and IMPRESS: The Independent Monitor for the Press are charitable, neither body is yet registered as a charity. However, we can confirm that any financial assistance provided by the IPRT would be restricted to the charitable purpose set out in this letter and no other purpose.

I hope that you and your fellow Trustees agree that financial support along these lines would be an appropriate way of pursuing the charitable purpose of IPRT. We would be happy to meet to discuss this proposal in more detail.

Yours sincerely,



Jonathan Heawood
Founding Director