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Special Advisers

24 February 2010

Home Secretary

## PRESS STANDARDS PRIVACY AND LIBEL

### Issue

You asked for advice on the extract of the above Culture, Media and Sport Select Committee's report relating to the News of the World phone hacking allegations.

### Timing

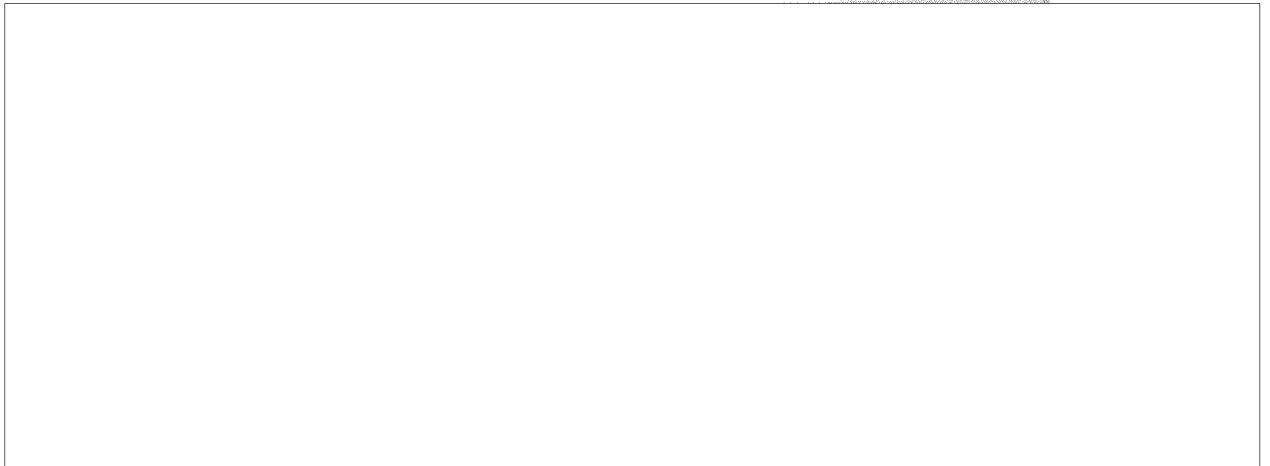
2. Immediate. The report has been published today

### Summary

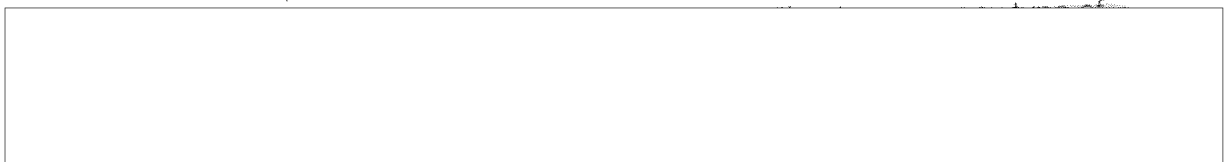
3. The Committee's report examines the balance between personal privacy and freedom of the press with particular reference to the role and effectiveness of the Police Complaints Commission (PCC). The Committee used several major stories as case studies, including the News of the World voice-message hacking allegations that resulted in the conviction and imprisonment of a journalist and a private investigator in 2007. Background set out more fully at Annex A.
4. The Committee's main criticism of this episode is reserved for the **News of the World (NoTW)** with a conclusion that the extent of hacking and knowledge of it in the organisation must have been far more widespread than was ever publicly acknowledged or came to light through the police investigations. This has triggered renewed interest in the episode. There is implied, although not direct, criticism of the **MPS** to the extent that they did not more vigorously pursue possible leads and interviews with NoTW staff in 2006 to uncover the extent of possible activity. The **Home Office** is not mentioned directly but the Committee suggests that the Regulation of Investigatory Powers Act (RIPA) is amended to cover all hacking of phone messages.

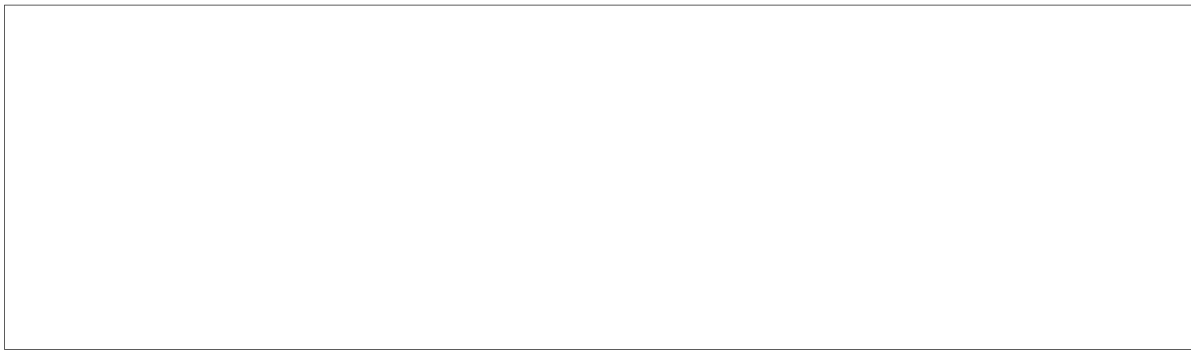
5. The hacking allegations were first investigated in 2006 by the MPS leading to the prosecution by the CPS of two individuals for unlawful interception (s1 RIPA). However the media subsequently speculated that many celebrities or high profile individuals may have been subject to phone tapping. The investigation was therefore reviewed by John Yates of the MPS in 2009, and the original prosecution decisions were also reviewed by the DPP. Both concluded that proper decisions had been taken at the time based on the available evidence and likelihood of securing proper convictions. The story has continued however, sporadically, to attract interest and speculation.

6. You asked specifically about correspondence between the Home Office and the MPS in 2009. The Home Office worked closely with the MPS and DPP to establish the facts about and extent of the original investigation and the review. However it was important that this was done in a way which did not interfere with or second guess the police operational judgements. Consequently, correspondence was limited to factual questions concerning progress, and for example passing on questions raised by MPs in relation to David Hanson's statement.



Consideration





Handling

11. This case was high profile at the time and has continued to attract comment periodically, with persistent attempts to discover how many private individuals might have been affected. The MPS has steadfastly refused to speculate on how many people might have been affected, referring instead to a small number of individuals for whom they have specific evidence and who they have directly alerted to possible hacking. The Report's publication has reignited interest in this particular issue and Chris Huhne has tabled a PQ today - asking about the number of individuals warned by the MPS about possible tapping of their telephones. This mirrors one he asked in December last year.

12. The publication of the report will reignite interest in the story. DCMS has been taking the lead on media inquiries, but the specific mention of RIPA legislation and its ability to protect victims of data theft is likely to focus attention on the Home Office and whether the law needs to be changed.

13. Press Office recommends agreeing the statement copied below to address possible inquiries specifically around RIPA and sharing with other government departments and the police. We will continue to refer general inquiries to DCMS, and inquiries about the investigation to the Met.

"The police already have a range of powers available to deal with data theft. We will study the findings of the committee carefully, [but will not hesitate to change legislation if needed]."

Clearance

14. Cleared with OSCT, Press Office and MoJ.



## Background

The Guardian newspaper ran a story on Thursday 9 July 2009, with follow-up in subsequent days, alleging that News International had paid out £1m to keep secret its illegal methods of obtaining material for stories – tapping of mobile phone voicemails and blagging of other personal information of thousands of public figures.

The story stemmed from the jailing of the News of the World Royal Editor, Clive Goodman, in 2007 for hacking into the mobile phones of staff in the Royal Household. At the time News International said Mr Goodman had been acting without their knowledge. A private investigator, Glenn Mulcaire, was also jailed for tapping the phone of Gordon Taylor, Chief Executive of the Professional Footballers' Association.

The Metropolitan Police investigation leading to the convictions started in 2006 after concerns were reported in December 2005 to its Royalty Protection Department by members of the Royal Household at Clarence House. It focused on alleged security breaches within telephone networks over a significant period of time. The investigation initially focused on complaints from three people within the Royal Household.

Mr Gordon Taylor sued the owners of the News of the World on the basis that its senior executives must have been aware of the actions. It was reported that an out-of-court settlement was reached and The Guardian claimed that the information from the case which would have exposed allegations of widespread phone-hacking by News of the World journalists (not just Mr Goodman) was then suppressed by the police and the High Court.

Commenting on the original police investigation, Assistant Commissioner John Yates, said on 9 July 2009 that Goodman and Mulcaire's targets ran into hundreds of people, but that the MPS inquiries showed that they used the tactic against a smaller number of individuals, and that in the vast majority of cases there was insufficient evidence to show that tapping had actually been achieved, and that where there was clear evidence that people had been the subject of tapping, they were contacted by the police.

The Director of Public Prosecutions said on 9 July that the CPS would urgently examine the material supplied to the CPS by the police three years ago and that he would issue a further statement as soon as the review had been completed "in a matter of days".

During the exchanges in the House of Commons following an Urgent Question on 9 July when David Hanson made a short statement, and during exchanges following the repeat statement in the Lords, concern was raised about the role of the Press Complaints Commission. There was some confusion following the PCC's statement on 9 July that it would be reviewing material already considered. Rather, it was concerned that it might have been misled in 2007 during its inquiry across the British Press into the use of subterfuge by journalists, or that they were not told everything at that time.