

THE PRESS STANDARDS BOARD OF FINANCE LIMITED

Strictly private and confidential

Minutes of meeting of Directors held at Halton House, London, on Friday, 20 October 2006 at 11am.

PRESENT

Tim Bowdler (Chairman), Robin Burgess, Nicholas Coleridge, Paul Dacre, Leslie Hinton, David Newell, Steve Oram and James Raeburn.

IN ATTENDANCE (for item 10):

Sir Christopher Meyer (PCC Chairman), and Tim Toulmin (PCC Director).

1. APOLOGIES

Apologies for absence were intimated on behalf of Ian Locks and Clive Milner.

2. MINUTES

The minutes of the Annual General Meeting and the Directors' meeting held on 22 June 2006, copies of which had been previously circulated, were approved.

3. MATTERS ARISING

3.01 Press Complaints Commission: The Chairman reported that he was in continuing dialogue with Christopher Meyer on the subject of succession planning. It was helpful that Bishop John Waine would continue as a public member for one further year.

The Chairman also confirmed that payment of fees arising from newspaper serialisation rights of Sir Christopher's book had been made to three charities.

4. PRESS COMPLAINTS COMMISSION

The Board noted the appointment of Colleen Harris, the Commission for Racial Equality's Director of Strategy and Communication and former Press Secretary to the Prince of Wales, as a public member of the PCC from 1 August.

5. EDITORIAL AUDIO VISUAL GUIDANCE NOTE

The Board, having reaffirmed its agreement in principle to extend the PCC's remit to include editorial audio-visual material, considered the draft of the guidance note prepared by Ian Beales and Tim Toulmin for the Code Committee following consultations with on-line editors.

Paul Dacre expressed concern about the structures of regulatory control in instances where a newspaper website carried broadcast material supplied by such as ITN or Sky News which was subject to regulation by Ofcom. He considered it vital that the PCC remit should be carefully defined in terms of copy reasonably within the control of the Editor.

Following a full discussion, it was agreed that the Code Committee should complete its deliberations on the draft guidance note. The document would also be considered by a small group of industry representatives convened by the Secretary prior to consultation with the trade associations.

6. CODE COMMITTEE

Les Hinton reported on other matters considered by the Code Committee at its meeting on 12 October, including the Information Commissioner's report "What price privacy?" and the related Department for Constitutional Affairs consultation paper proposing custodial sentences of up to two years for deliberate and wilful misuse of personal data in contravention of the Data Protection Act. While discussions would continue with the Information Commissioner on possible responses, the Committee had taken the view that it would be inappropriate for it to respond to the DCA consultation.

The Board in concurring with the Committee's decision on the DCA consultation, also noted that both matters were under consideration by a group of industry representatives who planned to submit a co-ordinated response from the trade associations and the Society of Editors.

7. PRESS FREEDOM

The Board noted a letter, dated 11 August, from Murdoch MacLennan to his fellow members of the NPA Council and copied to others including the PressBoF Chairman. It set out his increasing concern about the weight and volume of current threats to press freedom, citing the use of anti-terrorist legislation against journalists, the Department for Constitutional Affairs consultation (see preceding item), the proposed Coroners Bill and proposals for the introduction of a privacy law and a press council with statutory recognition in the Republic of Ireland.

8. FINANCE

8.01 Treasurer's Report: The Board noted the Treasurer's Report to 18 October (tabled).

8.02 Registration Fees: The Board considered a letter dated 5 October from the PCC Chairman setting out the Commission's forecast of expenditure for 2006 and its budget for 2007. The forecast indicated that expenditure, excluding depreciation and dilapidation and fitting-out costs associated with the move from Salisbury Square to Halton House, at £1.732 million would come in below budget.

The Treasurer in a separate paper said that having examined the PCC's budget for 2007 with Tim Toulmin he considered it be fair and realistic. In light of the strengthened overall financial position he recommended no increase in registration fees for 2007.

The Board approved the proposal together with changes to the circulation bandings for regional and Scottish daily titles to arrest reducing registration fees from falling circulations.

9. OTHER COMPETENT BUSINESS

9.01 Home Office consultation: David Newell proposed PressBoF should consider an expected Home Office consultation document on payments to criminals for writing their memoirs. It was likely to have significant implications for self regulation.

Sir Christopher Meyer and Tim Toulmin joined the meeting.

10. PRESS COMPLAINTS COMMISSION

The Chairman having welcomed Christopher Meyer and Tim Toulmin to the meeting expressed the Board's appreciation of the Commissions financial management and its ability to operate within budget. He also referred to the draft guidance note on editorial audio-visual material as a helpful step forward. The Board was asking the Code Committee to progress it further given that there were still some difficult areas to address. The Secretary had also been asked to convene a meeting of industry representatives prior to consultation with the trade associations.

Sir Christopher said he welcomed the industry's reaffirmation of its agreement in principle while recognising that some detailed work on the guidance note was still required. He and Tim Toulmin then reported on a number of issues including the key findings of an Ipsos-MORI survey commissioned by the PCC which showed strong public endorsement for the structure of the PCC (majority of public members plus editors). Respondents had also placed corrections and apologies well ahead of fines as effective remedies for complainants.

They noted some work might need to be done with the Scottish National Party given its strong showing in the polls for next year's elections to the Scottish Parliament. In Ireland it was understood that proposed legislation on privacy and defamation had been shelved at least temporarily and that meantime the National Newspapers of Ireland was pushing ahead with establishing a press complaints commission.

They also reported that the PCC would host the annual meeting of the International Press Councils in Edinburgh in September 2007.

David Newell drew the attention of the PCC representatives to the expected Home Office consultation document on payments to criminals for writing their memoirs.

The Chairman thanked Sir Christopher and Tim Toulmin for their contribution to the meeting.

11. NEXT MEETING

To be advised.