

[Redacted]

From: Guy Black [Redacted]
Sent: 20 July 2010 12:16
To: [Redacted]
Subject: Draft
Attachments: Draft letter to the PM on CFAs.doc

Dear Kate

It was very good to talk.

Draft attached as discussed.

Happy to talk again whenever you would like. I am out of the office on Friday in an area of Wales where there seems (blissfully!) to be no mobile coverage. So either Thursday afternoon or Monday would be perfect.

Enjoy your few days of relative quietude!

As ever
Guy

--
Lord Black of Brentwood
Executive Director

[Redacted]

DRAFT TO THE PRIME MINISTER

Rt Hon David Cameron, MP,
Prime Minister,
10 Downing Street,
London,
SW1

[July 2010]

Conditional fee arrangements

We would be very grateful for your help and intervention over a matter which is of profound and pressing importance to the newspaper industry at national and regional level.

We know you are familiar with the issues surrounding Conditional Fee Arrangements (CFAs), which are causing not just enormous financial distress to an industry which is already in a very serious commercial position, but also threatening freedom of expression. On local newspapers in particular, the chilling impact of CFAs means that matters of public interest are often not being reported because of the real threat that a CFA action would be so expensive that it might put a newspaper out of business.

CFAs have undergone significant study and scrutiny and there are plans for long term reform, which we welcome. And, of course, we also welcome the Coalition's commitment to reform of our libel laws, which may impact on this area. But all of those are some considerable way in the distance, and the problem of CFAs is serious and immediate. The danger that they might actually put a newspaper out of business is real.

It was for that reason, as you know, that the previous Government, with welcome support from the Conservative Party, proposed – following lengthy and thorough consultation – to introduce a Statutory Instrument capping success fees in CFA cases to 10%. This simple measure would have provided immediate relief to the industry, without *in any way* limiting access to justice, which is of course enormously important.

The Order to implement the SI passed the House of Lords – following an attempt by the former Speaker Lord Martin to stop it – and went to the Commons shortly before the election. Despite your own very welcome support, the Order was then rejected in the Delegated Legislation Committee on 30th March, following what appeared to be a shameful ambush by Labour whips, almost certainly as a result of some MPs' bitterness over the press's role in the expenses imbroglio. There was then no time to resuscitate it before the election.

The Conditional Fee (Amendment) Order remains on the Order Paper. Our understanding is that it does not need to return to the Lords and could therefore be implemented without delay if it was simply reintroduced into the Commons and approved.

We have, of course, raised this issue with Ken Clarke, who has promised to look into it for us. But in view of the huge significance of the issue and its urgency – both for the freedom of the press and the financial viability of the regional newspaper industry – we wanted to raise it directly with you.

It is tantalising that an overdue reform of such importance – on which there has been seemingly endless consultation and which has the support of both major parties - is so close, but yet so far. We do hope you can help us with this piece of unfinished business, and would be very grateful for anything you can do.

Etc.

Paul Dacre
Rebekah Brooks
Murdoch MacLennan