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## The Press Standards Board of Finance Ltd

### **PRESSBOF EXCLUDES NORTHERN & SHELL PUBLICATIONS FROM THE PRESS INDUSTRY'S SELF REGULATORY SYSTEM**

The Press Standards Board of Finance (PressBoF) - the newspaper and magazine industry body responsible for the financing of the Press Complaints Commission (PCC) and the industry's compliance with self regulation - has moved to exclude the newspaper and magazine titles owned by the Northern & Shell Group from the system of industry self regulation. These titles include The Daily Express, Sunday Express, Daily Star, Star on Sunday and OK! magazine.

PressBoF's move follows a decision by the publisher - the second occasion on which this has happened since 2008 - that it no longer wishes to pay the voluntary industry levy to support the work of the PCC. Every effort was made by the PressBoF Board to reverse that decision before Northern & Shell's membership of the system lapsed on 31<sup>st</sup> December 2010.

This decision means that the Northern & Shell titles will now automatically cease to be covered by the work of the PCC, which will as a result of the publisher's decision no longer deal with complaints from members of the public about them, or of the Editors' Code Committee.

The PCC will be issuing a press notice on how it will handle any complaints that are received about Northern & Shell titles.

Lord Black of Brentwood, Chairman of PressBoF, said:

"This deeply regrettable decision to exclude Northern & Shell from the system was taken only as a last resort following the publisher's decision not to pay the industry levy which funds the work of the PCC. Payment of this levy is a vital sign not just of a publisher's commitment to the Code of Practice and the ethical standards contained in it, but also of a commitment to the protection of the public, as it is the levy which allows the PCC to deal with complaints it receives free of charge.

"The rest of the industry - covering the overwhelming majority of the newspapers and magazines produced in the UK - remains totally committed to effective self regulation, to the Code of Practice, and to the work of the independent PCC under the Chairmanship of Baroness Buscombe. As a result, the PCC's funding will be unaffected by the move, and the public will continue to receive the exceptionally high standards of service that have become the hallmark of the Commission."

#### **NOTES**

1. PressBoF, whose Board comprises senior newspaper and magazine industry executives, is responsible for setting the remit of and funding arrangements for press self-regulation in the United Kingdom.
2. The Press Complaints Commission (PCC) is an independently-run body which enforces the terms of the Editors' Code of Practice. It has a Board of 17 members - seven editors and 10 members of the public (including the Chairman).
3. PressBoF raises the funding for the PCC through the payment of a levy - also referred to as registration fees - by national and regional newspaper and magazine publishers for each title they publish, substantially based on circulation and frequency of publication. Although the levy is voluntary, compliance has always been extremely high.
4. Since it was established in 1991, the industry, through PressBoF, has invested £33 million in the work of the PCC.

5. This is the second time in three years that Northern & Shell has refused to pay the industry levy. In January 2008, after Express Group Newspapers was ejected from membership of the Newspaper Publishers Association following disagreements over unpaid fees, the company intimated that it would not pay the levy even though the grounds for its decision were unrelated to the self-regulatory system. The company paid no levy from 1 January 2008 until 15 February 2009 (amounting to nearly £200,000) when it agreed to resume payment.
6. The House of Commons Culture, Media and Sport Committee in its report *Press standards, privacy and libel*, published in February 2010, was highly critical of Northern & Shell's actions when it concluded: "*we believe that the fact that the Express Group did not pay subscriptions into the self-regulatory system for a prolonged period is deplorable, even though the PCC continued to issue judgements on articles in Express Group papers.*"
7. For more information, please call Lord Black of Brentwood (Chairman of PressBoF) on 0207 931 3806 or Jim Raeburn (Secretary of PressBoF) on 0131 535 1064.