

BOARD MEETING ON WEDNESDAY 10 JUNE 2015 AT 10.30

Gate House, 1 Farringdon Street, London EC4M 7LG

MINUTES

Present: Sir Alan Moses (Chairman)
Kevin Hand
Rick Hill
Anne Lapping
Martyn Lewis
Charles McGhee
Mehmuda Mian
Bill Newman
Keith Perch
Richard Reed
Charlie Wilson

Attending: Elizabeth Bardin - Governance Manager and Minute-taker
Richard Best - Deputy Chairman, Complaints Committee
Charlotte Dewar - Director of Operations
Niall Duffy – Director of External Affairs
Alistair Henwood - Arbitration Project Researcher - **Minute 9**
Matt Tee, Chief Executive

Apologies: None were recorded

1. Declarations of Interest

None were declared.

2. Minutes of the Board Meeting of 26 March 2015

The Minutes of the meeting held on 26 March 2015 were agreed and signed as a true and accurate record.

3. Matters Arising

The Chairman welcomed Mehmuda Mian to the Board, Elizabeth Bardin as Governance Manager and his P.A., and Niall Duffy, Director of External Affairs.

4. Chairman's Report

The Chairman reported to the Board that a number of meetings had taken place with those in the newspapers' legal departments deputised to deal with changes to the regulations. He remained confident that resolution would be reached. The Chairman had had a meeting with Murdoch MacLennan, acting Chairman of the Regulatory Funding Company, who he had found to be very helpful and supportive. Murdoch was optimistic that a good conclusion would be reached for IPSO.

The Chairman reported that the Press Recognition Panel had begun its consultation on how it would assess regulators. The document was available for Board members. The Chairman observed that the Recognition Panel seemed prepared to regulate on paper, regardless of whether a regulator was regulating any publications. The consultation and events that the Recognition Panel were running seemed very concentrated on hyper-local publications.

The Chairman stressed that while the Recognition Panel conducted its consultation it was important that IPSO sustain its momentum. Recent developments, including the review of the complaints process, the continuing and valuable contributions of Richard Best, the Deputy Chairman of the Committee, the excellent work done by the Director of Operations, the Director of External Affairs and the production of the arbitration consultation document, showed that IPSO was up and running and working as a regulator, effectively and efficiently handling and adjudicating complaints.

The Chairman reported that on recent visits to various newspaper offices, including the Kent Messenger, the Claverley Group and a visit to the Scottish press, a warm and appreciative welcome was extended, and great support was in evidence.

5. Chief Executive's Report

The Board noted the Chief Executive's written report.

He estimated that the provision of the promised iPad service, enabling the receipt of Board papers electronically for those members who chose this option, would take place before the summer.

Press Recognition Panel

The Chief Executive suggested that the Board take a formal position on the PRP consultation. The Board agreed.

DECISION: The Board decided that IPSO should not respond to the Press Recognition Panel consultation paper.

6. Director of Operations' Report

The Board noted the Director of Operations' Report, and a discussion followed.

6.1 Complaints and Enquiries

The Director of Operations presented the figures on complaints and inquiries received. The Board made the point that it was important to be able to present the figures in a way that was understandable to the public and which gave greatest insight into what had happened to each complaint and inquiry IPSO received.

DECISION: The Board asked the Director of Operations to continue to refine the presentation of numbers of complaints received and outcomes.

ACTION: CD

6.2 Time Taken – Appendix B

The Director of Operations presented information about the average days taken to resolve complaints. She explained that the original

targets set were estimates and that, in the light of experience, it would be good to review the issue to be sure that IPSO was allowing a realistic time for complaints that involved a full investigation, while ensuring that complainants were reaching resolution as quickly as reasonably possible.

6.3 Jurisdiction Dispute

The Board received an update on discussions regarding IPSO's jurisdiction.

The Board recorded its thanks for the work carried out by the Director of Operations.

7. Report from the Complaints Committee and Complaints Review

The report by the Deputy Chairman of the Complaints Committee was noted by the Board. The Deputy Chairman reported that although not overwhelmed by the workload, the Committee was nonetheless kept very busy. The Chief Executive suggested expanding the weekly update with decisions and updates.

DECISION: The Board decided to expand the weekly update

ACTION: MT

Standards

The Chairman informed the Board that when the Standards function was in place, points and themes would be looked at and fed down to the Committee, and that compliance guidelines and thematic issues would emerge from this exercise for the Committee's consideration.

External Review

The Chief Executive informed the Board of IPSO's intention to commission an external review of the complaints process and practices. It is expected that the reviewer will be appointed as soon as possible, and will be someone with a regulatory background. It is hoped that the report will be available to the Committee and the Board in September.

The Board asked about training, education and guidance for the Complaints Committee, and the Chairman said that there was a limit to the amount of guidance that could be given in this area, and that members feel able to reach autonomous decisions.

The Chief Executive stated that in order that everyone felt free to speak openly about the process, the review would be an internal document.

The Board approved the Chief Executive's proposal and recorded its thanks to the Deputy Chairman of the Complaints Committee for his excellent work on his report.

8. Finance Report

The Chief Executive apologised for the late distribution of the papers, and explained that this had occurred because the Finance and Audit Committee meeting and the Board meeting were only two days apart. The Board noted the Report and Addendum. The Chief Executive reported that following a meeting with the Regulatory Funding Committee it was agreed that it would seek a multi-year funding deal, to coincide with the contracts that commit publishers to IPSO.

An enquiry was raised about the proposed reserve figure, and the Chief Executive explained that this was advised as being prudent and correct.

Audit and Risk Committee

The Chairman of the Audit and Risk Committee proposed that the Board **approve** the papers provided. The Board **accepted and agreed the recommendations**.

The subject of the proposed change of Auditor was broached, and it was pointed out that that this was normal practice. It was generally agreed that running an appointments process for auditors was good practice every five years, and that the present Auditor, Saffrey Champness, had been in place for seven years. The letter of representation was referred to, which had been accepted and agreed by the Audit and Risk Committee, and awaited the Board's approval.

DECISION: The Board duly approved the letter of representation.

The number of risks on the risks register was questioned, and assurance was given by the Chief Executive that this was correct at this stage, and that the risks listed would reduce over time.

The Board expressed its gratitude to the Chairman of the Audit and Risk Committee for the extensive but necessary work carried out for the meeting.

The meeting was adjourned for a break at 12 noon and recommenced at 12.13 p.m.

Alistair Henwood joined the meeting at 12.15

9. Arbitration Report and Proposal

The Chairman introduced a discussion on the report. AH's report identified different arbitration schemes, only one of which fully solved the problem of publishers being able to decide not to arbitrate where a claimant could not afford to go to court (advance commitment to arbitration in every case).

The Chairman addressed the issue of consultees and applicable questions. AH reported that he had spoken to a number of individuals and company representatives before writing his consultation document and report, and went on to list those names for the Board.

The question arose as to whether Scotland and Northern Ireland could be part of IPSO's arbitration remit, given the differing cost implications relating to the relevant provisions in the Crime and Courts Act 2013 in the different jurisdictions. AH also stated that any arbitration process could be streamlined and provide a different process to the court scheme.

The Chairman indicated that there was a danger of confusion in the public mind, about when the public might use arbitration and when they might use IPSO's complaints procedures.

Costs

The issue of costs was addressed, and AH said that arbitration should be cheaper for both sides. The best arbitration schemes tend to be faster and less formal, with costs being reduced as a result, and certainly being lower than court fees. The Chief Executive asked about the specific cost to IPSO, and AH stressed that costs at this stage had not been investigated, and so he could not give a definitive answer. He indicated that any costs to IPSO might include the initial setup and maintenance.

The Chairman concluded that as IPSO was empowered to conduct a pilot scheme, it was right to begin the consultation and responses would be collated for consideration. He emphasised that there was a reputational concern, and this could not be answered by an off the shelf arbitration package.

The Board expressed its thanks to AH for the producing a comprehensive report.

DECISION: The Board approved the Consultation document and agreed to begin consultation.

ACTION: AH to send letter and consultation document and collate responses.

Alistair Henwood left the meeting at 12.47 p.m.

10. Communications Strategy

The Director of External Affairs introduced the communications strategy. He listed the key points for future development as being:

- Enhancing our digital presence
- Improving IPSO's education and outreach work
- Creating an effective communications function
- Positioning our senior management team as authoritative voices on press regulation
- Communicating with the Board and Complaints Committee
- Developing a targeted public affairs strategy

There would be a large focus on putting across the message of trust, transparency, honesty and integrity.

When asked when the KPIs might be available, ND confirmed that an update would be produced at the next Board meeting.

DECISION: The Board approved the strategy.

ACTION: ND to report regularly to the Board

11. Short Paper on Standards Issues

The Chairman introduced the paper provided by Anne Lapping, who emphasised ND's piece on education and outreach work. The Board thanked Anne for her contribution.

12. Editors' Code Review

The Board discussed the Editor's Code and the changes that might be proposed as part of the current review.

The Board expressed its wish that IPSO have a proactive role in the next Editors' Code review. The opportunity had passed this time but should be taken in the future.

DECISION: The Board agreed that all future reviews of the Editor's Code should involve IPSO from the beginning.

ACTION: Chairman/Chief Executive to raise this at the Editors' Code Committee.

13. Options for Annual External Review

The paper was noted by the Board, who agreed that an external review was a good plan, and would measure the independence and effectiveness of the organisation.

The Board asked that the Appointments Panel be asked to appoint an individual of obvious independence to oversee the External Review and to publish the report in their name.

DECISION: The Appointments Panel to recruit a suitably experienced and independent individual to lead a team to conduct an external review.

ACTION: MT

14. Proposals for Annual Reports from Publishers

A draft statement was provided setting out the purpose of the annual statement requirement, and the Board was invited to agree its contents.

The Director of Operations presented draft guidance to be issued to member publishers to assist them in compiling annual statements.

The Board was invited to agree that member publishers should submit the first set of annual statements, covering the period 8 September 2014 to 31 December 2014 on a transitional basis, by 11 September 2015.

DECISION: The Board agreed a statement setting out the purpose of the annual statement requirement, the guidance to editors, and the proposed submission date

ACTION: The Chairman to write to publishers with notification of submission deadlines for initial annual statements, enclosing the draft guidance.

15. Future Board Meetings

The Board noted the proposed list of an increased number of Board Meetings each year to eight, from 2016, and agreed to submit notice of their availability to the Governance Manager at the earliest possible opportunity.

DECISION: The Board agreed to hold eight Board Meetings in each year from 2016.

16. Any Other Business

East Anglia Publications

Keith Perch reported that following a visit to East Anglia he had seen that locals were promoting their business with IPSO, which was very important.

The Board expressed its thanks to KP for his solid research.

Ros Altmann

The Chairman noted that Ros Altmann had resigned from the Board when she became a minister. A new Board member would be appointed.

17. Date of Next Meeting

The next Board Meeting will take place on Wednesday 30 September 2015 at 10.30 a.m.

The meeting finished at 1.45 p.m.

Elizabeth Bardin
Governance Manager
15 June 2015