

N Patterson
16 September 2011
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Exhibit: NP1-6

IN THE MATTER OF THE LEVESON INQUIRY

WITNESS STATEMENT OF NICOLE PATTERSON

I, **NICOLE PATTERSON**, Barrister, of Express Newspapers, The Northern & Shell Building, Number 10 Lower Thames Street, London, EC3R 6EN, **WILL SAY AS FOLLOWS:**

- A. I am the Head of Legal of Express Newspapers. I make this statement in response to a request of the Leveson Inquiry (the "Inquiry") pursuant to a letter dated 8 August 2011. A copy of this letter can be found at pages 1-5 of Exhibit "NP1".
- B. I confirm that all matters in this statement are true and, unless I specify to the contrary, are based upon my own knowledge and a review of the relevant documents. Where matters are not within my own knowledge, I state the source and believe the same to be true.
- C. There is now produced and shown to me a paginated bundle of documents marked as Exhibits "NP1", "NP2", "NP3", "NP4" "NP5" and "NP6". References to documents in this witness statement are references to documents in these exhibits.
- D. For convenience, I have reproduced as subheadings the questions asked of me in the 8 August letter.

Question 1: Who you are and a brief summary of your career history in the media and as a lawyer

1. I qualified as a Barrister in 1995. I practiced at the Criminal Bar until 1998 when I joined the litigation department of what is now DLA Piper. I took two years out to have children and my career at Express Newspapers began in 2002, when I started working as an in-house night lawyer, working approximately 3-4 shifts per month.
2. In May 2006 I began working three days per week as a Legal Advisor.
3. In January 2008 I left Express Newspapers to join the media litigation team at Addleshaw Goddard and then returned to my former position in June 2008 to work full time. I took over from Stephen Bacon as Head of Legal in May 2011.

Question 2: What your responsibilities as in house legal advisor are?

4. I am responsible for giving advice on the pre-publication and publication of articles in the newspapers, namely Daily Express, Sunday Express, Daily Star and Daily Star Sunday.
5. I am responsible for the conduct of any litigation regarding the newspapers. I have regular contact with the Press Complaints Commission as well as other in-house lawyers, to keep up-to-date on current issues and to share information. I am a committee member of The Media Lawyers Association.
6. There are approximately 18 Lawyers working in the legal department, two full time, one part time and approximately 16 Night Lawyers. We maintain regular interaction amongst ourselves. It is my responsibility to make sure that the night lawyers are up-to-date with current issues and complaints.

7. It is my responsibility to make sure that the whole Group is aware of current legal complaints, injunctions and other issues that affect us. I circulate Group-wide warnings as they affect our output and make sure that there is continued co-operation between us.

Question 3: Whether you have ever been asked to advise upon the legality of methods of obtaining information including (but not limited to) phone hacking, computer hacking and "blagging"? If so, please give the best particulars that you can about who sought the advice, when, in what context and the advice that you gave.

8. I have never been asked to advise about phone hacking, computer hacking or "blagging." I was once asked to advise (and without waiving any privilege in that advice) upon a story in which the Sunday Express intended to run on baggage handlers at Gatwick Airport. The newspaper wanted to put an undercover reporter into the airport as a baggage handler. I was approached by a reporter with an application form for security clearance to be permitted to go airside. I advised the reporter on how to complete the application form as honestly as possible. That was the extent of my involvement on the matter. Other lawyers may have dealt with subsequent issues but I had no other dealings with the story.
9. The example above is very much a snapshot of the extent of any advice I provide with regards to how information is gathered. If I am given a story where legal issues arise it is usually clear that the reporters or journalists have spoken to someone but there has never been a question regarding phone hacking or computer hacking. We tend to follow an old fashioned journalistic approach.

Question 4: What training, guidance and policies have been provided to you by your employer in order to enable you accurately to advise upon the legality of methods of obtaining information (including keeping up to date)? Do you consider that it has been adequate?

10. I am required to undertake 12 hours of Continuing Professional Development to retain my practicing certificate. As well as this, the Legal Department will attend a variety of

courses which are paid for by the Company. This will include seminars and training afternoons. Most training, guidance and policies are related to media, including Data Protection and privacy issues relating to social networking. I worked with Stephen Bacon, the former Head of Legal, who had been with the Company for circa 30 years and he provided me with the training I required to be an in-house lawyer for the newspaper. At the beginning I received training in my role as a night lawyer from other experienced duty lawyers, all practicing barristers like myself.

11. As Head of Legal, I ensure that my department works within, and to the standards set by the Editor's Code of Practice incorporated into the Press Complaints Commission Code of Practice. Those of us who deal with complaints and litigation have the Code to hand at all times.

Question 5: Whether you have ever been asked to advise upon the legality of paying public servants (including police constables) for information either in cash or kind. If so, please give the best particulars that you can about who sought the advice, when, in what context and the advice that you gave.

12. I confirm that I have never been asked to advise upon the legality of paying public servants (including police constables) for information either in cash or kind until the passing of the Bribery Act 2010, when I was asked to advise on a small payment of £50 to a member of the House of Commons staff in relation to a tip.

Question 6: What training, guidance and policies have been provided to you by your employer in order to enable you to accurately to advise on issues of bribery and corruption? Do you consider that it has been adequate?

13. The legal team attended an in-house seminar in June 2011 on the Bribery Act 2010, which was presented by a senior partner from Simons Muirhead & Burton. The editorial legal department contributed to the company's policy about the Bribery Act 2010.

14. I believe that the training provided by the Company has been adequate. I believe that I am also in a strong position to advise upon issues of bribery and corruption because of my former practice as a criminal lawyer.

Question 7: Have you had input into any internal inquiry into phone hacking, computer hacking and "blagging" or bribery or corruption? If so, please describe the same, setting out your role and the outcome?

15. When the News of the World phone hacking scandal broke in its current guise in July 2011, the Company decided to carry out an internal inquiry to ascertain if any employees of the newspapers had carried out any phone hacking or corruption or used private investigators for a particular purpose. The first meeting took place on 26 July 2011. I have been leading the inquiry. The completion date is presently unknown as we are still at a very early stage.
16. Our internal investigation has focused on the payment of external contributors in order to investigate our use of private investigators. I have been particularly concerned with any large or unexplained payments. At present I have found no evidence, nor do I have any knowledge of computer hacking, phone hacking or bribery having taken place at any of our newspapers. I have not come across any information that has led me to believe that any of our newspapers have engaged in such activity.
17. I have asked our Accounts Department to source records for payments to a number of agencies that we have used and continue to use. The names of these agencies were provided to me by the Editors and News Editors at the Daily and Sunday Express and Daily Star Sunday, following our meeting on 26 July 2011. This is not, nor is it intended to be, an exhaustive list. It is what we have been able to accomplish in the time allowed.
18. Our Accounts Department have provided me with a list of payments from 1 January 2005 to date, together with our total spend per year for five search agencies:

- a. Express Locate International;

- b. J.J.Services;
 - c. LongmereConsultants;
 - d. Searchline; and
 - e. SystemsSearches
19. As I understand the system for commissioning of, and payment of, external providers, any story of interest in editorial meetings will be followed up by the commissioning editor who will instruct an in-house reporter to write and research the story or they may instruct a freelance reporter to write the story. The reporter may instruct a search agency to find any contact details that he or she may need in order to interview a subject or to do further research on the story.
20. When a reporter needs to find this information they will use sources that are freely available to them and only when time is running short or they do not have access to the relevant directories will they commission a search agency to do the work. It appears that most of this work is undertaken for very little money and each search will attract a set fee or set of fees, if the work is more time consuming, the vast majority of which are below £500.
21. As I understand it, the fee for such a search will be submitted as an invoice by the search agency or will be entered on our lineage books by the commissioning editor. All of these lineage books are subject to check by departmental heads, cost controllers and the Managing Editor's office and Group Editorial Director in the first instance and then the Group Managing Director and Finance Director.
22. At Exhibit NP2, I attach copies of payment summaries for each of the above named companies at showing the total payment for each agency per year. To put these payments into context, the total spend in 2005 on the above five companies was £110,700.69 out of an annual editorial budget of approximately £55 million, a little over 0.2% of the budget.
23. To facilitate the Inquiry, and as part of our own inquiry, I asked our Accounts Department to search for random samples of the lineage sheets, invoices and associated articles. I attach copies of these at Exhibit NP3. It is difficult to tell from the sheets and invoices

what the relevant companies were searching for, who asked for the search to be undertaken and to which story in the newspaper it relates. There are many searches that do not result in publication of an article and some articles have multiple date references and multiple articles to which they may possibly relate.

24. Where there are no lineage sheets or copy invoices, I attach, at Exhibit NP4, a list of payment summaries together with relevant articles where available, and at NP5 a short list of possible descriptions and page references.
25. At Exhibit NP6, I attach an alphabetical payment summary of all cash expenses claimed by staff, showing, where possible, a full description of the expense.

Question 8: How you understand the system of corporate governance to work in practice at the Daily Express, Sunday Express, Daily Star and Daily Star Sunday newspapers owned by your company with particular emphasis on systems to ensure lawful, professional and ethical conduct.

26. There are no written policies that I am aware of other than a staff manual, to which we all have access. Human Resources provided the manual to all employees whose employment pre-dated the acquisition of Express Newspapers by Northern & Shell. Post acquisition, the manual is available from Human Resources.
27. There is a very firm hierarchy within each newspaper and every employee is aware of who their line manager or supervisor is. Each Editor is responsible for their own employees, and they all work within the Editor's Code of Practice, the Press Complaints Commission Code and their own ethical and commercial practices. Every employee had access to Company HR policies, in particular their terms of employment. Our Managing Editor sends out regular emails relating to Company policy on, for example, the use of Twitter and other social networking tools.
28. With regard to the day-to-day operation of the newspapers, the Editors and News Editors are responsible for the content of their respective papers. They commission their own stories. A piece may be written by an in-house or a freelance journalist. If a piece is

sourced from a freelancer, the News Editor may agree a fee with the reporter for the story, the story will then be prepared and it is not until it is finished that it is referred to me or my team for pre-publication approval. If the reporter requires guidance in writing the story, they will come and seek our advice. If I have any concerns about privacy, defamation or other issue, I certainly query the source and veracity of the information.

29. Before articles are referred to me they are generally considered at editorial meetings, occurring throughout the day. At these meetings the Editor and their teams of News and Sub-Editors will discuss any unusual articles and the source of such information.
30. I believe that expenses are submitted through the News Editor and in turn to the Managing Editor's office. We do not have a system of petty cash and all expenses are accounted for, as illustrated by Exhibit NP6, referred to in paragraph 25 above.

Question 9: What is your role is in ensuring that the system of corporate governance and all relevant policies are adhered to in practice. If you do not consider yourself to have any responsibility for this, please tell us who you consider to hold that responsibility;

31. It is not part of my role to supervise corporate governance. That is a matter for the editors and commissioning editors. I have described my role in answer to Question 2. I am concerned with the content of the story, and how the information was obtained but it is not something over which I have any influence until the story is presented to me for legalling, unless there is some issue brought to my attention in advance of the story being written.

Question 10: Whether the documents and policies referred to above are adhered to in practice, to the best of your knowledge.

32. I am not able to answer this question as this is the responsibility of the Editors and Commissioning Editors of the stories. I know from the News Editors and reporters that I deal with on a daily basis that they know the parameters of their roles. They are well aware of the law. They know how information is to be gathered. They are well read and

experienced. I have never heard a report of any reporter acting inappropriately, nor has any such information been relayed to me.

Question 11: Whether these practices have changed, either recently as a result of the phone hacking media interest or prior to that point, and if so, what the reasons for the change were.

33. I do not think that our practices have changed as a result of the phone hacking media interest. We are confident that we do not phone hack or computer hack, nor do we instruct others to do so on behalf.
34. I do not consider that Express Newspapers has been complacent in light of the phone hacking scandal. There is certainly a deep awareness of the issues. We simply do not have the budgets to carry out such methods of investigative journalism, nor would we consider doing so. The Legal Department would certainly not sanction such behaviour.

Question 12: Where the responsibility for checking sources of information (including the methods by which the information was obtained) lies: from reporter to news editor/showbiz editor/royal editor to editor, and how this is done in practice (with some representative examples to add to clarity.)

35. As I have previously mentioned, the editorial meeting in the morning will determine from day to day which stories will appear in the newspapers. In terms of forward planning, this would be a matter for the Editor and journalists. The Legal Department is unlikely to be involved unless some issue were raised. The reporter would be responsible for the story and the information within it, then the News Editor and Editor would make his or her enquiries. I would only make my enquiries on the story if the information appears problematic or if it is not publishable in the manner it was first presented. In that situation, I would ask them to confirm the source or confirm some other issue at hand. I would say a large proportion of our copy comes from news agencies. We use about fifteen or so established and reputable news agencies on a day to day basis. If we get a story from them and there are issues I need to address, I go back to them and ask, for example, where a particular quote or piece of information came from?

Question 13: To what extent an editor is aware and should be aware, of the sources of the information which make up the central stories featured in the Daily Express, Sunday Express, Daily Star and Daily Star Sunday newspapers each day (including the method by which the information was obtained).

36. I am not in a position to provide a definitive answer to this question. I have every reason to believe that each Editor is aware of the sources of the information which make up the central stories.

Question 14: The extent to which you consider that ethics can and should play a role in the print media, and what you consider 'ethics' to mean in this context.

37. I consider that ethics plays a very important role in the way in which print media procures stories and whether such stories are, or should be, published. In this context, I consider ethics to be the manner in which stories are sourced and the justifications for publishing.

Question 15: The extent to which you, as a legal advisor, felt any financial and/or commercial pressure from the proprietors of the above newspaper or anyone else, and whether any such pressure affected any of the decisions you made as legal advisor (such evidence to be limited to matters covered by the Terms of Reference).

38. I have never felt any financial and/or commercial pressure from the proprietor of the newspapers or anyone else when I make any decisions as legal adviser. I do my job to the best of my legal and professional ability.

39. There are occasions when we have difficult decisions to make about certain articles. This is more a question of time pressure concerning the volume of material we handle and the time we have before the newspaper goes to press. Myself, Stephen Bacon before me, and now my assistant have all had to deal with the same type of pressure regarding deadlines. I would say there are time pressures but certainly not commercial or financial pressures from the proprietor.

Question 16: The extent (in any) to which you, as legal advisor, had a financial incentive in the Daily Express, Sunday Express, Daily Star and Daily Sunday Star newspapers printing exclusive stories.

40. I confirm that I have not received any financial incentives in any of the newspapers printing exclusive stories.

Question 17: Whether, to the best of your knowledge, the Daily Express, Sunday Express, Daily Star and Daily Sunday Star newspapers used, paid or had any connection with private investigators in order to source stories or information and/or paid or received payments in kind for such information from the police, public, officials, mobile phone companies or others with access to the same: if so, please provide details of the numbers of occasions on which such investigators or other external providers of information were used and of the amounts paid to them (NB. You are not required to identify individuals, either within the above newspapers or otherwise.)

41. As I stated in answer to question 7, we are carrying out an internal inquiry into the use of private investigators. To the best of my knowledge, the use of private investigators and search agencies has been confined to seeking low levels of information such as current addresses, possibly phone numbers, where we want to interview a person quickly and we do not have their current contact details.

42. I am not aware of any of the newspapers making any unlawful payments to police, public officials or mobile phone companies. All payments are declared and monitored by our Managing Editor's office and every payment is accounted for.

Question 18: What your role was in instructing, paying, advising on, or having any other contact with such private investigators and/or other external providers of information including advising on any of these activities.

43. I have no role in instructing or paying private investigators or external providers of information and I have never been asked to advise on these activities, save for the current inquiry at Question 7.

Question 19: If such investigators or other external providers of information were used, what policy/protocol, if any, was used to facilitate the use of such investigators or other external providers of information (for example, in relation to how they were identified, how they were chosen, how they were paid, their remit, how they were told to check the sources, what methods they were told to or permitted to employ in order to obtain the information and so on.)

44. I am not able to provide an answer to this question as this is a matter for News Editors or Commissioning Editors.

Question 20: If there was such a policy/protocol, whether it was followed, and if not, what practice was followed in respect of all these matters.

45. This question is not applicable

Question 21: Whether there are any situations in which neither the existing protocol/policy nor the practice were followed and what precisely happened/failed to happen in those situations. What factors were in play in deciding to depart from the protocol or practice?

46. This question is not applicable

Question 22: The extent to which you are aware of protocols or policies operating at Daily Express, Sunday Express, Daily Star and Daily Star Sunday newspapers in relation to expenses or remuneration paid to other external sources of information (whether actually commissioned by the above newspapers or not). There is no need for you to cover 'official' sources, such as the Press Association.

47. I am not aware of any written protocols or policies in place for the payment to sources of information. This is entirely a matter for Editors and News Editors. I am aware that every expense claim must be accompanied by a receipt or a detailed explanation of the expense and that we do not have a petty cash facility for use by reporters.

Question 23: Whether you, or the Daily Express, Sunday Express, Daily Star and Daily Star Sunday newspapers (to the best of your knowledge) ever used or commissioned anyone who used 'computer hacking' in order to source stories, or for any other reason.

48. I confirm that I have never used or commissioned anyone who used computer hacking in order to source stories or for any other reason. I also confirm to the best of my knowledge and belief that the newspapers have never carried out such action.

STATEMENT OF TRUTH

I believe that the facts stated in this Witness Statement are true.

[Redacted Signature Box]

NICOLE PATTERSON

Dated: 16 September 2011