

Private and Confidential

LEVESON INQUIRY RESPONSE FROM STUART HIGGINS:

Opening Remarks

I am happy to answer all the questions as required by the Leveson Inquiry to the best of my ability and in as helpful a way as possible. But I will be very dependent on my recollections which may fall short on detail. I left the Sun in June 1998, over 13 years ago, after occupying various positions (*detailed below*) and I am afraid that it is inevitable that my recollection will not be as clear as it would have been before the passage of such time.

I have no documents in my possession which can aid me in this process apart from my Service Agreement (*dated 11th August 1994*) and one or two other documents referred to below. I enclose a copy of the Service Agreement for the Inquiry's consideration, given that in my view, it is an important document which spells out the Duties (Clause 4) of the Editor and the expectations and demands of News International in carrying out that role.

You will see the opening phrase of this clause contains the phrase 'use his best endeavours to promote the success and reputation of The Sun and the interests of News International'. While much of that clause is relevant to matters to be considered by the Inquiry, the most salient sub-clauses are:

4.2.2 endeavour so far as he can to obtain accurate and authentic information upon all matters and questions dealt with in The Sun.

4.2.3 take all reasonable precautions to prevent the insertion in any issue of The Sun of any libellous, blasphemous or immoral matter or advertisements or of any contribution or matter infringing the copyright or other rights of any other person, save that Mr Higgins will not be in breach of this or any other clause in this Agreement if, in the reasonable exercise of his discretion as Editor of The Sun, any such matter is supplied, furnished, written or published and, having taken such reasonable precautions, Mr Higgins does not know that such material is actionable

or, knowing either, has grounds to believe that there is a defence to any action brought or that no action will be brought."

While not constituting definitive, or even helpful, evidence for the Inquiry, I do think it is important for me to state that I consider my time as Editor of The Sun as the highlight of my hugely enjoyable and rewarding career at News International, which allowed me the good fortune to work alongside some of the most brilliant, conscientious, hard-working journalists that have ever worked in national newspapers, many of whom continue to do so today with continued success.

For ease of reference, I repeat before each section of my response the issues the Inquiry has asked me to address.

Who you are and a brief summary of your career history in the media

- 1) My name is Stuart Higgins. I started my journalistic career at a freelance agency based in Bristol called Arblasters of Bristol around 1976. I joined The Sun newspaper in 1979 as the newspaper's West Country reporter or 'district man' based in Bristol and covering news for The Sun in the West Country and South Wales. I was then asked to work in New York from the News International Bureau, which served various Murdoch-owned newspapers around the world. I returned from New York to work at the Sun in London where I worked in various positions starting in the Features Department, where I became Assistant Features Editor, then Assistant News Editor, then eventually Deputy Editor under Kelvin MacKenzie around 1990 before being appointed Editor in 1994. I was the Acting Editor of the News of the World for six weeks in 1993 when the Editor was ill. I won The Scoop of the Year in the British Press Awards and What the Papers Say in 1994 for a story about the Queen ordering the then Princess of Wales and the Prince of Wales to divorce.

I resigned from my position as Editor in June 1998. Since then I have worked in Public Relations. (I am afraid I have no specific documents which chart the precise dates of the positions I occupied at The Sun so if other documents are available to the Inquiry which are at odds with my chronology, I would happily accept their accuracy)

How you understand the system of corporate governance to work in practice at the newspaper where you were employed with particular emphasis on systems to ensure lawful, professional and ethical conduct

- 2) In my experience editing The Sun, the 'corporate governance' aspect of the day to day business of the newspaper was shaped principally by the disciplined culture of the newspaper and the individual knowledge and responsibilities of journalists who worked for The Sun. In practice this is difficult to define. For the Editor - and certainly

in my specific case - there was a clear line of responsibility and reporting 'down the corridor' for me which led directly to the Chief Executive Officer, Les Hinton, The Chief Operating Officer, Doug Flynn, and ultimately Mr Rupert Murdoch. All three were very active in overseeing the newspaper's activities at all levels whether editorial, marketing or advertising and were in contact through telephone or face to face on a day to day basis.

For me, as Editor, this amounted to a robust, strong and effective structure which never left me unsure or unaware of the weight of my responsibilities in producing or trying to produce the best possible newspaper every day I edited the paper. Indeed, that weight was very much the determining factor in trying my best to ensure we got it right every night, because, in short, I regarded it as my responsibility and my personal and professional reputation and career was on the line if we got it wrong or had acted in any improper manner to obtain a story, a photograph or interview.

It may not be helpful to the Inquiry to talk in generalities but I do believe that this sense and culture of responsibility – while not constituting a rigid written down 'code of practice' or 'protocol' - was important and effective in governing the behaviour of Sun journalists.

A job on The Sun at this time was considered to be very prestigious and precious and, while there is always an eagerness and enthusiasm amongst every ambitious journalist to see their byline in The Sun the next day, I believe it was substantially outweighed by the desire to get the story right and to have obtained the story through legitimate and appropriate means.

While appreciating that this does not come anywhere near the 'Corporate Governance' systems and methods we are familiar with today I do believe that this culture or environment was very effective in ensuring as far as possible that journalistic conduct was lawful, professional and ethical.

It may not be useful for the Inquiry for me to recollect in this vague manner but I believe that at this time and at various times the Press Complaints Commission issued various new guidelines which were distributed to all journalists at The Sun to remind them of those guidelines and rules. (It is also important to note that as Editor I did have a strong and close working relationship with the PCC through its various senior Directors such as Mark Bolland and Guy Black whose wise counsel and experience was often sought and heeded on such matters as privacy concerning photos of private homes or children as well as legal matters.) When I left as Editor of

The Sun in 1998 I received the attached letter from the Chairman of the PCC, Lord Wakeham, commending my commitment to the PCC Code of Practice.

As well as the self-imposed discipline or culture of the newspaper, I would submit that the 'corporate governance' process was backed up by The Sun's in-house Legal Department which was tasked with asking tough questions about the source of material – both editorial and photographic - BEFORE publication of significant, prominent or controversial stories. This also applied specifically to headlines and the content of stories where there may be a possible legal issue.

Separately, from time to time all newspapers received requests for privacy e.g. from the Royal Family. I have found amongst my papers one example of this, namely a Confidential letter from the Prince of Wales' Private Secretary dated 2 June 1998 relating to Princes William and Harry (copy enclosed). To the best of my recollection, we always respected such requests when I was Editor.

As Editor, and as far as I can recall, I never published a story against the specific advice of the Legal Department but there were some very tough discussions which, in all candour, turned on the desire to achieve the maximum 'edge' to the story through its content and headline without being sued.

In other words, the question was: 'how far can we go without risking a writ?'. I accept that this approach may not be seen by the Inquiry as responsible as it may hope but that is the nature of the beast in the competitive tabloid market. Sometimes we misjudged it and that was a collective responsibility of the legal and editorial teams. Also, just because a writ or the legal proceedings were announced or launched it did not necessarily mean it had validity or would be followed up.

I should also add that individual editors, such as News Editors, Sports Editors, Features Editors and Picture Editors were fully entitled to, and expected to, take disciplinary measures against any individual member of staff who was deemed to have acted in an improper manner, and this may or may not be followed up by the Managing Editor. This may or may not have been known by the Editor.

I think it is also important to highlight the impact of criticism on a newspaper like The Sun, whether it was a story which turned out to be inaccurate or criticism or public sanction of news-gathering methods. Such infringements were leapt upon with glee by the opposition newspapers as well as the tabloid-loathing broadsheets and, of course, the broadcasters were happy to wade in to attack The Sun and, in turn Mr Murdoch. While cynics may argue any publicity of this type is good publicity, it was

potentially damaging to the newspaper in terms of its credibility and very damaging to internal morale.

What your role is in ensuring that the corporate governance documents and all relevant policies were adhered to in practice. If you do not consider yourself to have been responsible for this, please tell us who you consider to hold that responsibility

- 3) My specific role in ensuring there was a process of 'Corporate Governance' must be seen in light of my answer given above. It is important to remember that every journalist who worked at The Sun had done some kind of formal journalistic training, which included detailed study of the law and was also subject to some kind of contractual agreement with News International similar to my own which is very detailed in terms of the duties and responsibilities of the journalist and expectations of their employer. *(I was also slightly different as an Editor as I had always worked on The Sun since 1979 and I'd like to think I knew how the newspaper worked on every level and those that worked under me when I became Editor knew very clearly what was expected of them)*

As detailed in my answer above I considered myself to have overall responsibility for 'corporate governance' of the journalistic staff, whether that was conduct in carrying out their jobs or the methods deployed in doing their work. This was reinforced by the Managing Editor and individual editors of departments. (You may consider this irrelevant but I would cite the lack of condemnatory Press Complaints Council adjudications and libel actions against The Sun during my tenure as being important evidence to consider on this question and possibly supporting the systems and their effectiveness during this period. I am sorry I cannot back this up with documents or other evidence but I am sure such documents maybe available from the Press Complaints Commission.)

Whether the documents and policies referred to above were adhered to in practice, to the best of your knowledge.

- 4) As explained above the term 'documents and policies' probably does not best suit the processes and methods operating at this time, I nevertheless believe they did create an environment and culture of responsible journalism – both in the conduct of journalists and methods of news-gathering, reporting, interviewing and taking photographs to the best of my knowledge and to the best of my recollection of a period over 13 years ago. In practice there were accepted and understood standards and procedures which journalists adhered to.

Whether these practices changed, and if so when and what the reasons for the change were.

- 5) This is again very difficult for me to recall specifically but at the latter end of my time as Editor there were increasing issues and sensitivities about the conflict between Public Interest and the Interest of the Public and the use of photographs of children. These were probably the earliest debates on privacy matters which have come to the fore in more recent years. It is also important to appreciate that The Sun had to be sensitive and recognise societal and cultural changes, such as increasing so-called political correctness, more sexual tolerance, a changing society in terms of multi-cultural communities and so on. While these aspects may not fall into the remit of the Inquiry they need to be recognised as having helped to shape the way a newspaper like The Sun operated and adapted and how it maintained its position as an influential market leader with the highest daily circulation in the world.

These were practices and considerations which were taken on board by senior editors but more specifically by myself as The Editor in consultation with senior staff and, where necessary, the Legal Department. In terms of the reasons for any change or new guidance on practices, it is again important to remember that no-one, especially me, ever wanted to publish a story that was wrong or a story which may have turned out to have been obtained by improper means, however big and sensational that story might have been.

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

- 6) In my opinion the responsibility for checking sources of information ultimately lies with the Editor before publication because the Editor is ultimately responsible for publication of the story regardless of the sources. However, it is totally impractical for the Editor to be aware of the sources of every story. In every case I expected the News Editor or his senior colleagues to know the source of story and to have questioned the reporter about the source or sources. In practice, reporters, especially senior specialists such as Crime, Defence, Showbusiness, Political and Royal would tend to be very protective about their personal sources.

These 'sources' may have been people who had been nurtured and cultivated as 'good contacts' over many months or even years because of their access to information or knowledge; their reliability in providing good tips or information; or their position within an organisation which in itself was newsworthy. In these cases it was not unusual for the individual reporter to ask to speak to me directly rather than

the News Editor and to confide the source of the story and I would be the only person to know. The test was that I had to be satisfied as to the quality of the information and the legitimacy of the source.

It would be wrong – in my opinion - to give specific named instances but, by way of example:

- (1) A story from a political leader or party may be offered to the Sun's Political Editor because they would like it to have a 'soft-landing' in the Sun rather than be the subject of a sensational expose in another newspaper.
- (2) A new initiative or plan within the Royal Family may be offered up to the newspaper to 'test the water' of public reaction – The Sun was and is an important temperature test of public opinion
- (3) A certain celebrity may have their own reasons to give the Showbusiness Editor a story about themselves but not wish to be seen as the source of the story, perhaps because it portrays them in a positive light.

Lastly, and more prevalent now than in my time as Editor, is the role of PR's who offer up all sorts of titbits (*for free!*) about their clients in order for them to receive good, positive publicity. Usually this is to Showbusiness Editors or popular gossip columns such as Bizarre in the Sun.

In all these cases the quality of the sources of the information was unimpeachable because we or I specifically knew exactly where it had come from.

I am not sure whether this fits into the parameters of this question but in my view it is very important for the Inquiry to understand that, perhaps uniquely, because of its high circulation the massive army of readers of The Sun are also an important and never-ending source of stories, tips, photos, ideas – many of which are not of interest or turn out to be untrue. However, many turn out to be good stories which may be published after being checked out.

It's difficult to be specific about the range of these calls as they could be a 'tip off' about a celebrity wedding or marriage split; some kind of very complicated scandal where the caller claimed to have evidence or paperwork; inside knowledge of a topical story or a person or people in the news. Without stating the obvious such calls - and there were hundreds every day (*I had worked on the newsdesk and had*

first-hand experience of the deluge) - had to be checked out thoroughly before publication which can take days rather than hours and even then may turn out to be nonsense. I highlight this in the case of The Sun because I do believe there is a perception in certain quarters that someone tells the newspaper something and the next minute it is in the newspaper in one form or other. That is simply not the case.

Added to this, of course, is the general view that 'chequebook journalism' is rife and that a story, a tip, a photo is worth thousands of pounds especially for newspapers such as The Sun. This clearly acted as a great incentive to readers to offer up information/photos at a price. *(The call is more direct today than ever – see bottom of Page Two of The Sun – "Get Cash for Your Stories, call 020 7782 4100." This is the direct line for the Sun Newsdesk)*

The story count for The Sun (*number of actual stories in the newspaper every day*) is enormous, I think around 700, which could be anything above a single paragraph. Many of these stories/photos are submitted/offered by a reliable country-wide network of freelance journalists and freelance agencies who work under the same Code of Practice as newspapers and are paid for. These stories maybe published as submitted by the agency or further developed and investigated (*checked out*) by a Sun Staff reporter if they are well-liked by the News Editor and stand a good chance of publication. Other stories emanate from reputable agencies such as The Press Association.

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 your newspaper each day (including the method by which the information was obtained).

- 7) In my personal view the Editor should be fully aware of the sources of the information of the most prominent stories in the paper and – in most cases – the methods by which the story has been obtained.

Your question describes the 'central stories' which is a difficult definition by which to prioritise sources. I would probably describe these stories as those which are 'controversial, sensational, exclusive or agenda-setting.'

These are the stories which tend to be on the front page of The Sun and are designed to catch the eye of the casual buyer at the news stand. The Editor is deliberately selecting this type of story to push next day sales and win a circulation edge over its key competitors.

It must be remembered that a considerable amount of the daily content in The Sun does actually reflect the actual news of the day, whether it's a court case, a human interest story, political biff-bat of the day, celebrity stories/gossip, crime of the day etc and that many of the stories which appear in the Sun every day appear in every other newspaper in some form or other. The Sun may give the story an extra spark or more eye-catching headline but its source and content is indisputable and uncontroversial.

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.

- 8) It may not be the right answer here but 'ethics' is not necessarily – in my opinion - the right word to apply to the print media. But if by 'ethics' you are happy to substitute 'standards' or 'right conduct' then clearly there is a crucial role for such principles in the print media. Without wishing to repeat my earlier answers I think most journalists and to my personal knowledge those I worked with at The Sun clearly understood the boundaries in which they could work; the methods they could use and which were acceptable because of the culture and discipline of the newspaper and specifically within the 'newsroom' which was always the engine room of the newspaper. Again, without the advantage of documents to support this I would ask the Inquiry to consider the Sun's record in this area during my time as Editor through legal actions or Press Complaint Commission adjudications.

The extent to which you, as an editor, felt any financial and/or commercial pressure from the proprietors of your newspaper or anyone else, and whether any such pressure affected any of the decisions you made as editor (such evidence to be limited to matters covered by the Terms of Reference).

- 9) There are a couple of aspects to this question, which I will take in order. As a tabloid Editor in particular, but in the case of any Editor for that matter, I do not believe you can do your job properly if you do NOT feel commercial pressure from the proprietors or other senior executives.

A newspaper is, after all, a commercial commodity in the same way as a loaf of bread and my job was not just to try to sell newspapers but to sell more newspapers than my rivals such as The Mirror and the Daily Mail. I considered myself to be an Editor/journalist first and foremost rather than an astute businessman trying to make money for News International, but Mr Murdoch and his senior colleagues were running a successful business in a competitive market. I was very aware that The Sun was a very successful business not just in terms of circulation but in terms of

advertising and that The Sun was vitally important in supporting less successful parts of the wider London-based business. Mr Murdoch, as the Proprietor, often talked about The Sun selling 5million copies a day, though he always discussed it in a very good natured and friendly manner. This did become a challenge and a personal aspiration but was never fulfilled during my stewardship (*Or ever. I think it reached 4.8m in 1997*) I never saw this as direct pressure from Mr Murdoch or his colleagues. They were all massively supportive and encouraging to The Sun (*allowing investment in staff, stories etc*), and to me personally.

There was enough self-imposed pressure in the job anyway as we were a team led by me to win what we regarded as an ongoing circulation war with the Mirror, especially under the Editorship of Piers Morgan between 1995 and 1998 (*an ex colleague from the Sun and ex Editor of the News Of the World*).

The other aspect of the question, which I may have misinterpreted but may be useful to the Inquiry is regarding the financial pressure on me as The Editor as well as my senior colleagues. The pressure was to meet budgets and that usually meant not overspending against a monthly budget which was drawn up to cover expenditure on news, photos, sport and features and expenses such as travel and hospitality and entertainment. Frequently, we would exceed this budget (*see clause 4. 2.6 of service agreement*) which led to various clampdowns when any monies spent over a certain amount had to be personally authorised by The Editor. These clampdowns would involve limits on travel costs, limits on entertaining as well as editorial costs.

This is important in demonstrating the robust 'financial governance' of the company which existed at the top in Wapping and made the Editor accountable and responsible financially as well as editorially. In reality, my over-riding goal every day was to produce a fantastic newspaper and if that cost money I wanted to be in a position to spend it on a big exclusive story or set of photos and this led to occasional disputes with management, some of which I won, some of which I lost.

I really believe that the only pressure that affected any editorial decision I made was self induced and driven by the overwhelming aim to produce the best newspaper the next day with the best stories, photos and features and beat the opposition. This pressure was infectious and created a winning spirit at The Sun, which I considered healthy, invigorating, professional and rewarding.

The extent of which you, as an editor, had a financial incentive to print exclusive stories (NB. It is not necessary to state your precise earnings).

- 10) There was no financial incentive or reward or circulation-related bonus for me as Editor to print exclusive stories (*Remuneration, Clause 7.1 and 7.2 of Service Agreement*) Any pay rise I received – as far as I know – was within the gift of the Chief Executive Officer, Les Hinton or/and Mr Murdoch and 'performance-related.' I cannot recall ever being paid a one-off payment or bonus related to a single story or series of stories. However, I did authorise one-off bonus payments to individual journalists for their good work.

Whether, to the best of your knowledge, your newspaper 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 your newspaper or otherwise).

- 11) I do not believe and I am not aware that private investigators played any significant role in sourcing stories for The Sun during my time as Editor. I think this may have happened much later when technology opened up other avenues and opportunities for this group of people with these particular skills.

I am not aware of any payments to serving police, public officials or anyone associated with mobile phone companies.

However, I am aware that there were people such as ex policemen who were 'good contacts' for individual reporters who were considered good sources of information because of their own contacts. I do not know the specific nature of the information.

We certainly did use private investigators [redacted]

[redacted] to help us fully investigate the allegations that [redacted]

[redacted]. This involved secret filming and recording meetings and conversations which we had reason to believe supported the allegation that [redacted]

We believed this was in the public interest because of criminality. I believed then and still believe this was totally justified at the time and clearly all this sensitive and unfamiliar activity was carried out in close co-operation with the Sun's Legal Department and all evidence was eventually handed over to the police and a protracted legal process followed. The investigators would have been paid for their work but I cannot tell you how much as the investigation lasted a considerable time.

What your role was in instructing, paying or having any other contact with such private investigators and/or other external providers of information.

12) I can only recollect my personal dealings with the private investigators who worked on the [] story. I believe I personally authorised the payments for this work and clearly as the story developed The Sun made clear it would require the investigators to give evidence at a possible criminal trial. If there was substantial information submitted by what you describe as 'external providers of information' I would only be consulted about it if it was deemed to be a big story and required investment in terms of staff or money and/or there was a question as to the feasibility of whether it was worth pursuing. External providers of information – in my view – includes the readers and those groups of people described in my answer to Question Six. I cannot recall personally receiving tip-offs or stories from private investigators and I considered myself to have been very accessible as Editor, whether right or wrong

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 sources, what methods they were told to or permitted to employ in order to obtain the information and so on)

13) I think my previous answers cover this question. But for clarification my view at this time was that we could only use such methods of subterfuge – as deployed by private investigators – to investigate wrongdoing or criminality and within the Public Interest and as guided by the Sun's Legal Department. I am afraid I cannot recall any other such episodes of personal dealing or knowledge of private investigators. *(I am happy to be reminded and will do my best to help)*

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

14) As above.

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?

15) I have outlined the [] case where it could be argued that 'existing protocol/policy' was not adhered to because of the methods deployed ie secret

recording and filming. But I have also explained in detail the justification for departing from the protocol. As far as my editorship is concerned the publication in The Sun in 1996 of a fake video of the Princess of Wales and Major James Hewitt failed to follow the accepted protocol/practice. I believe I was personally responsible for that failure but I also believe I was the victim of a sophisticated hoax.

I am unsure as to the amount of detail you require on such a historic and possibly peripheral matter but I believed at the time I had done all humanly possible to check the authenticity of the video given the gravity and possible repercussions of such a story and engaged the help of experts and my most senior colleagues to ascertain its validity. My failure was to thoroughly check the original source of the video, as the information and detail had been supplied to a middleman, who I trusted and who had also been deceived.

The Sun devoted the first five pages to the 'world exclusive' story and the next day The Sun was universally criticised and slated and I offered to resign in writing.

I cannot help with other specific situations where protocol/policies were not followed. I would again point to departmental editors who may have such knowledge and orchestrated necessary disciplinary measures against individuals or simply reminded them of their conduct and responsibilities and secondly, the Press Complaints Commission verdicts or/and legal action or proceedings against The Sun for any such breaches of the Code of Practice.

The extent to which you were/are aware of protocols or policies operating at your newspaper in relation to expenses or remuneration paid to other external sources of information (whether actually commissioned by your newspaper or not). There is no need for you to cover 'official' sources, such as the Press Association.

- 16) As Editor I was very aware of the protocols and policies in regard to expenses and remuneration for external sources. Your description of protocols and policies will not resonate with journalists but there were rigorous systems in place aimed at accountability and responsibility at all levels. Journalists were required to submit expenses forms with details of any expenditure in relation to their duties, whether it was taxi fares, restaurant receipts or hotel bills. There also needed to be flexibility in that there may be occasion to pay a source in cash because we are competing with another newspaper for the information or photos or the interview. *(for instance, a witness to an incident for an exclusive interview or a photograph)* The newspaper contained hundreds of stories every day and many people had to be paid which was

largely the responsibility of the newsdesk although the sports desk and features department also were regularly paying freelances and contributors.

The payment may depend upon the story's position in the newspaper, (e.g. Page One exclusive) or may have been negotiated beforehand and would be honoured. Most of these negotiations would be with freelances or freelance agencies through the newsdesk and picture desk. These payments were submitted to the Managing Editor for approval and, in the latter stages of my Editorship, an accountant sat in the newsroom specifically to monitor financial payments and budget generally. As far as the Editor was concerned I would be consulted about significant payments which – in my recollection – could be as low as £3-£4000 and much higher. In the event of much higher, such as £20k and above, I would consult senior management, not least to verify my assessment of the value of the commodity in terms of helping to sell the newspaper. In fairness, my view would usually prevail.

As far as I am aware we did not have any freelances or 'external sources of information' on a retained arrangement but by paying well or above the going rate for good stories we hoped to create a loyalty with our suppliers and to be the first port of call for any good story.

The practice of your newspaper in relation to payment of expenses and/or remuneration paid to other external sources of information (whether actually commissioned by your newspaper or not). There is no need to cover 'official' sources such as the Press Association.

- 17) The practice in terms of payments of expenses to 'other external sources of information' was straightforward in most cases. In terms of news, contributors would be paid once the news editor or a colleague had agreed the fee. Sometimes there would have to be a 'kill fee' paid when a story had been offered, usually exclusively, and then for some reason – usually the news agenda or change of heart - the story did not make the newspaper and the contributor lost the opportunity to offer the story elsewhere. In other cases, such as in the Features Department, a fee may be agreed for an article on a particular day and the contributor may be asked to submit an invoice. The Sun – as with other newspapers – at this time – may well have ended up paying for stories which never appeared but this was always done in good faith and a brilliant piece which may have been held over for day loses its appeal and topicality but the contributor should still be paid. I was always aware of the remuneration of "external sources" such as key columnists who were hired on a contractual basis. I understand the processes are much more rigorous today than they were 13 years ago which is the direct result of financial restraint, falling circulation and increased 'corporate governance.'

In respect of editorial decisions you have made to publish stories, the factors you have taken into account in balancing the private interests of individuals (including the fact that information may have been obtained from paid sources in the circumstances outlined under paragraph 11 above) against the public interest in a free Press. You should provide a number of examples of these, and explain how you have interpreted and applied the foregoing public interest.

- 18) The important issue of balancing Public Interest against Private Interests has become much more volcanic since I left the newspaper in 1998 and, in truth, was not such a delicate consideration then as it is today. My key consideration then may be deemed to be shallow by modern standards but the ultimate test was always whether the story was true.

In general terms as Editor I believe I was very conscious of not publishing anything which was hurtful or harmful to the families or friends of those who may be the victims of murder or other serious crimes. I believe we were sensitive about stories about the misdemeanours of children of well-known people. I cannot recall whether we began to pixillate the faces of children at this stage. Indeed, if my recollection is correct The Sun received recognition for its sensitive reporting of the horrendous murders in Dunblane.

Even at this time – before the onslaught of reality TV – well-known and famous people wanted to appear in newspapers like The Sun to promote their film; to promote their music or their book; or to improve their image. My opinion concurred with many other Editors at this time that it was difficult for such people to have it both ways – they could not turn off the oxygen tap of publicity as they wished just because there was a negative story.

When I was Editor I cannot recall injunctions, much less Super Injunctions, but there were libel actions and complaints which had to be dealt with. At the time I was very aware that a sex scandal, marriage split type story would sell very well the next day and in those days there was always an absolute rule that we would always give involved parties a right to reply. *(This is apparently not the case now because of the fear within newspapers of an injunction if anyone is contacted and given an opportunity to respond despite one of the basic tenets of decent journalism being the 'right to reply.'* As far as I can see this no longer exists and should be reinstated as a matter of urgency and fairness – in my opinion)

In terms of specific examples I am afraid I am dependent on recollection from over 13 years ago. Was the Sun's exposure of Chris de Burgh as a love cheat a fair story? Was he a public figure, had he pronounced on family values etc? Was he going to

sell a lot of papers? Was this in the Public Interest or Interesting to the Public? Undoubtedly, it was Interesting to the Public as demonstrated by the big sales spike after publication. But I do not believe in hindsight this was a legitimate story on the balance of Public Interest against private interest of individuals. I am sure there are other stories which I can use to demonstrate this 'conflict' but without researching the stories which fit into this category I cannot really help further. *(If there are other specific stories you would like me to consider I would be happy to do so.)*

Whether you, or your newspaper (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.

19) I have never commissioned or commissioned anyone else to use 'computer hacking' in order to source stories or for any other reason. At the point I left the Sun in June 1998 there was no email, which I realise does not make the question irrelevant but 'computer-hacking' was not a term I was familiar with or a method, legal or not, of pursuing a story or information that I knew. As far as I am aware I was never the recipient of information which had been obtained in this way. To be complete, I never authorised any kind of hacking, and so far as I am aware I never published a story resulting from such a practice.

If you cannot answer these questions, or take the view that they could be more fully answered by someone else, you must nonetheless provide answers to the extent that you can, and to the extent that you cannot you must provide the Inquiry as soon as possible with names of those who would be able to assist us further.

20) I hope I have answered the questions in the most candid and helpful way possible but I do recognise that my recollection in terms of detail may not be as helpful as that of other witnesses. Obviously, I will be happy to answer any supplementary questions which my response may trigger but I will still be constrained by my recollections, which are the best I can offer but I do hope are helpful