

Witness name: Tony Gallagher
Dated: 14 October 2011
Filed in response to a notice dated 8 August 2011

The Leveson Inquiry into the culture, practices and ethics of the press

WITNESS STATEMENT OF TONY GALLAGHER
EDITOR, THE DAILY TELEGRAPH
14 OCTOBER 2011

I, Tony Gallagher of 111 Buckingham Palace Road, London SW1W 0DT, will say as follows:

1. I make this witness statement in response to the Leveson Inquiry's notice dated 8 August 2011 (the "**Notice**"). In accordance with the terms of the Notice, and save where I have stated otherwise, this statement addresses my experience at Telegraph Media Group Limited ("**TMG**").

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

2. I am the editor of the Daily Telegraph, a national daily broadsheet newspaper published by TMG. I have spent my entire career working in the newspaper industry, starting with my first role as a trainee reporter at the Southern Evening Echo in Southampton in 1985. From there, I moved to the South West News Agency in Bristol in 1987, before joining Today in 1988. I joined the Daily Mail in 1990 as a reporter, eventually graduating to News Editor, and became the Assistant Editor in 2006.
3. I left the Daily Mail in October 2006 to take up a position as Head of News at the Daily Telegraph. I became Deputy Editor in September 2007, and assumed my current position as Editor in November 2009.

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Question 2: How you understand the system of corporate governance to work in practice at the newspaper where you are employed with particular emphasis on systems to ensure lawful, professional and ethical conduct.

4. TMG maintains a clear distinction between the editorial function and commercial operations. The editorial teams determine what is published in each of TMG's three print-based publications (the Daily Telegraph, Sunday Telegraph, and the Telegraph, our international weekly edition) and on the Telegraph's website. The function of the commercial teams is to ensure the smooth and efficient operation of the business.
5. As the editor of the Daily Telegraph, I am ultimately responsible for what is published in the newspaper each day. I report directly to Murdoch MacLennan (TMG's Chief Executive). Although he naturally takes an interest in what is on the editorial agenda, editorial decision-making is left to me. I work alongside the Executive Editorial Team, lead by Editorial Executive Director, Richard Ellis and Managing Editor, Ian Marsden. The Executive Editorial Team oversees all editorial cost centres, and is responsible for the financial and administrative aspects of the newsrooms. They control the editorial budget, manage relationships with external suppliers, and oversee editorial staffing issues
6. All editorial staff members, and all contributors employed on retainer, are required by their contracts to comply with the Editor's Code of Practice issued by the Press Complaints Commission (the "PCC Code"). The PCC Code is the touchstone for journalistic professionalism, and is taken very seriously at the Daily Telegraph. As explained below, all our graduate trainees are given training on the PCC Code, and it features in the ongoing training provided to reporters.
7. In addition to being required to comply with the PCC Code, there are a number of other provisions in the standard form employment contract and staff handbook that help to ensure lawful, professional and ethical conduct. Staff members are contractually required to act in a way that

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will not bring the paper into disrepute. The staff handbook, which is available to all employees on the intranet, makes clear that any suspected misconduct or wrongdoing should be reported. TMG has a whistle blowing policy that encourages employees to raise any concerns they may have, and assures employees that any concerns will be investigated confidentially. The staff handbook also contains specific policies relating to particular areas of legal risk, including a Data Protection Act policy, internet and email policy, and expenses and procurement policies (which address the risk of bribery). The terms of employment are enforced through a disciplinary procedure, which also appears in the staff handbook. TMG's core principles of ethical and legal conduct have recently been summarised in one document, an editorial code of conduct, which was issued a few weeks ago to all editorial staff by the Chief Executive.

8. The Daily Telegraph is organised into a number of departments on the editorial side, including news, foreign news, features, comment, fashion, sport, pictures, travel, motoring, gardening, and culture. In addition, there are non-content generating departments (e.g. production and design). Four people sit above the heads of department: me, Deputy Editor Benedict Brogan, Assistant Editor Chris Evans, and Executive Editor Mark Skipworth. Strictly speaking, all heads of department report directly to me, although on a day-to-day basis they also report to the Deputy Editor, the Assistant Editor, and the Executive Editor.
9. The structure of each department varies, but the journalists in each department ultimately report to their head of department. The heads (or editors) of the larger departments are assisted by deputy editors. The newsroom, for instance, is run by News Editor, Matthew Bayley and his deputy, Steven Swinford. They report to Assistant Editor, Chris Evans, although the News Editor also holds meetings with me, at least twice daily. Beyond this, I regularly talk directly to reporters about the stories they are working on.

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10. Every day, the Daily Telegraph newsroom produces a newspaper containing, on average, 80-100 stories in the main section. In addition, stories are published throughout the day on the Telegraph website, usually by reporters who self publish their own stories. With the advent of digital media, the instantaneous 24-hour news environment creates a constant pressure for news output. We compete in this environment, not only with other national newspapers, but against online sources of news. Decisions often need to be made quickly, and it is essential that everyone is able to trust the people they work with, and that we can rely on team members to exercise good judgment. Accordingly, a critical part of ensuring that the newspaper conducts itself legally and ethically is choosing the right people, and investing in their ongoing development

11. Reporters come to work for the Daily Telegraph in one of two ways: we either recruit them as graduate trainees, or we hire experienced journalists with established track records. Graduate trainee positions at the Daily Telegraph are highly sought after. Each year, following a rigorous selection process, we hire approximately 5 trainees out of an applicant pool of approximately 1,000. Graduate trainees are sent on a seven-week training course run by the Press Association, which includes sessions on law and ethics, the PCC code, and legal issues in media. Trainees then complete a number of work placements with regional papers, before starting at TMG where they are attached to a range of departments for six months, allowing us to determine if they are talented enough to be offered staff positions. The Daily Telegraph also hires experienced journalists from a range of different backgrounds, including specialist journalists, and journalists from rival national papers, regional papers, and news agencies. All applicants go through an interview process and are subject to background and reference checks. I understand these checks are conducted by an external organisation on TMG's behalf.

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12. TMG's human resources department organises ongoing training opportunities for reporters across a range of topics, including legal and ethical issues in the media. Specific training is provided in relation to any important developments in the industry. For example, all heads of department have recently received training on the Bribery Act 2010.
13. Ethical and legal issues that arise through the daily process of identifying and publishing stories are addressed through constant peer review and legal referral. Online stories are typically self-published by reporters. In print, before anything is published in the Daily Telegraph, numerous pairs of experienced eyes will have read the story. Any concerns or issues will be raised with the reporter or discussed at one of the editorial conferences during the day, described further below. If any mistakes are subsequently identified, these may be corrected online and in print as necessary.
14. Legal risks, including potential PCC Code violations, are addressed through the referral of stories to TMG's in-house editorial legal team. Anyone, from the most junior reporter to the Editor, can refer a story for legal review. There are no written rules governing which stories require legal sign-off: it is a question of judgment. In practice, we err on the side of caution, and TMG's legal team reviews between approximately 50-100 stories each day.
15. Although there are no rules governing which stories are referred for legal review, as a matter of course, most contentious stories are referred to legal. For example, I would expect that any story alleging serious wrongdoing or criminality would be sent for legal review. I also expect that any particularly sensitive stories, or stories based on potentially controversial sources of information (e.g. government leaks) will be referred to legal. When these types of stories come across my desk, I often check with the Assistant Editor or the reporter that they have been reviewed by legal. In addition, journalists seek ad hoc advice from the in-house legal team,

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- who can often be involved 2-3 weeks before publication, providing general and specific advice.
16. Occasionally, an external body such as the PCC or a government entity will contact the Telegraph (and other media organisations) asking us not to publish a particular photograph or story, or asking us to exercise caution in relation to a particular story. For example, the Foreign & Commonwealth Office recently asked media organisations to be careful about what we printed in relation to the British woman kidnapped in Kenya in order not to compromise her safety or the rescue efforts underway. Such external requests typically come through me, the Executive Director, Editorial (Richard Ellis), or TMG's Editorial Legal Director (Adam Cannon). Assuming there is a good basis for the external request, we will of course comply voluntarily, and the person who receives the request will make sure the right people are made aware of it.
 17. On the financial side, the editorial departments undertake a comprehensive annual budgeting exercise, and detailed budgets are agreed by the Executive Director, Editorial, and each Editorial Head of Department before the start of every year. We are required to work within agreed budgets as approved by the Board. A detailed departmental management report highlighting variance against budget, and prior year is produced by desk for all cost categories. The Editorial Executive Team plays a key role in ensuring the editorial side of the business operates within our agreed budgets.
 18. All expenditure has to be signed off by someone with the appropriate level of financial authority. Authority levels are generally restricted to heads of department and senior editorial staff. Any financial commitments in excess of those authority levels must be authorised by the Managing Editor, the Executive Director, Editorial, or if higher, by the Finance Director. Spending is also governed by procurement and expenses policies, which are available to all employees on the intranet.

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Question 3: What your role is in ensuring that the corporate governance documents and all relevant policies are adhered to in practice. If you do not consider yourself to have been/be responsible for this, please tell us who you consider to hold that responsibility

19. As the editor, I am ultimately responsible for ensuring that the Daily Telegraph does not publish stories that breach the PCC Code or any relevant legal provisions.
20. Every so often, a particular issue will arise that requires specific instructions or reminders to be given to all reporters. When this happens, I (or another senior news executive) will issue what is referred to as an "editorial directive". This is typically in the form of an email circulated to all reporters (or sometimes just heads of department if appropriate). For example, a couple of years ago, a number of media outlets (including the Telegraph's website) reported on a suicide involving a chainsaw, prompting censure from the PCC. I circulated a note to all reporters reminding them of the PCC rule against excessive detail when reporting on suicides because of the issue of copycat suicides, and asked that all suicide reports be referred to the legal department.
21. Another recent example is the increase in subject access requests TMG received under the Data Protection Act following the MPs expenses story. I circulated an email reminding people that any subject access request should immediately be referred to the legal department, and that effective steps should be taken to preserve the relevant information.
22. The Executive Director, Editorial is responsible for ensuring compliance with procurement and expenses policies, and is responsible (together with the human resources team) for managing disciplinary issues.

Question 4: Whether the documents and policies referred to above are adhered to in practice, to the best of your knowledge;

23. The culture of the Daily Telegraph is one of excellence and professionalism. I believe our reporters take pride in what they do, and we are conscious of the responsibility we have to the public to report the news fairly and accurately. As far as I am aware, everyone at TMG takes the PCC Code very seriously. It is inherent in the nature of journalism that difficult decisions have to be made quickly, and we may sometimes make decisions that others disagree with. However, to the best of my knowledge, everyone working for the Daily Telegraph strives to comply with the PCC Code.
24. The Daily Telegraph employs approximately 500 editorial staff. In common with all large employers, from time-to-time there will be staff members who do not live up to expectations. These situations are normally resolved between the staff member in question and their line manager or head of department, occasionally with my input. The Executive Editorial Team and TMG's human resources department will become involved if there is a more serious issue. I understand that TMG's company secretary will provide the Inquiry with details of any relevant disciplinary issues that have arisen in recent years.
25. Despite best efforts to comply with the PCC Code, every so often complaints are made against the Daily Telegraph to the Press Complaints Commission, and are only upheld on rare occasions. The vast majority are complaints alleging we have published inaccurate or misleading information. It goes without saying that the aim is always to ensure that everything we publish is accurate and not misleading. These complaints tend to be resolved amicably. This could involve any of the following: suspension of the story online, a note on the library file, clarification, retraction, or the publication of an apology, unless, of course, the story is accurate.

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26. Occasionally, legal proceedings are threatened against the Telegraph. As with PCC complaints, most threatened legal action involves an allegation that the Telegraph has published inaccurate information that is misleading or defamatory. We also occasionally receive legal complaints relating to breach of copyright, or failure to comply with the terms of an injunction. All legal claims and threatened legal action are dealt with by TMG's lawyers, and are often resolved out of Court. I am not aware of any legal claim or threatened action that has involved an allegation of the Telegraph using illegal methods of obtaining information.
27. I am not aware of any systemic issues of non-compliance with any TMG policies and procedures falling within the terms of reference.

Question 5: 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;

28. Different Editors will each have their own style and approach in how they go about filling their publications and different practices may have been adopted in the past. However, since my time as Editor of the Daily Telegraph there has been no change in editorial practices although as noted above in paragraph 7, TMG has recently issued a new editorial code of conduct. This code does not reflect any substantive change in practice or policy, but rather draws together TMG's existing core principles of ethical and legal conduct in one summary document for the benefit of editorial staff and to reinforce the importance of observing the required standards of journalistic ethics.

Questions 6 and 7:

-Where the responsibility for checking sources of information (including the method 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 clarity

- 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);

29. Responsibility for checking sources primarily lies with the reporter who is writing the story. They are expected to judge whether information is reliable, verify facts, and make any appropriate inquiries. Sourcing reliable information is a critical part of being a journalist. However, every person in the newsroom who sees that story has a responsibility to ask questions if needed. The extent to which reporters are questioned about their sources depends on the story, the source, and the seniority and experience of the reporter involved.
30. It may be helpful to explain briefly how the Daily Telegraph operates day-to-day. Every day involves a continuing dialogue, structured around a series of formal meetings. The Assistant Editor and I attend all formal daily meetings wherever possible, as does the Deputy Editor unless he has another pressing commitment. The first meeting of the day is at 9.30am, with all heads of department other than the News Editor. At this meeting, we discuss the important themes of the day and possible features for the next day's paper. At 11am we hold the features conference where we discuss leader ideas, readers' letters and any other ideas executives may have. The first news conference of the day is at 12pm and is attended by all heads of department. At this meeting we run through the day's events and the stories our reporters are working on, and start to make decisions about what is going to appear in the following day's paper. This is followed by the leaders' conference at 3pm where I discuss the leader – our opinion – with assorted key commentators at the

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paper. The final news conference is at 4pm where departmental heads update me with fresh stories and I seek to determine the running order of stories for the paper. It is important to stress that, given the pace of news gathering, I will also be told about stories at other times during the day, especially after conference and as deadline approaches to transmit the paper to the printers.

31. Every day there will be about 80-100 stories in the main section of the paper, and these stories will have been selected from as many as 2,400 stories seen during the course of the day by different people. I do not know every detail of the source of every piece of information in every story. The vast majority of stories that come across my desk are based on obvious and non-controversial sources of information. A large part of the Daily Telegraph's news function is reporting on events (for example, the recent riots in London, events in Libya, and government policy announcements). Similar stories will be on the wires, and I am unlikely to ask any questions about where the information has come from.
32. On the other hand, if I read a story and it makes me think "where did that come from", I will almost certainly ask the question. I do this partly out of interest as I like to know who our reporters are talking to. More importantly, I need to be comfortable that everything we are publishing is accurate and is not going to create a legal problem for TMG. Although I am perfectly willing to publish stories that I know will be controversial, the circumstances need to be carefully considered beforehand. I do not want to be taken by surprise. I am also conscious that newspapers get fed inaccurate information, so in some cases my concern will be that the Telegraph may be "being used".
33. There is no hard and fast rule about when I will ask questions about a source or a method used to obtain information – it is a question of judgment. I regularly ask at daily editorial conferences where particular stories have come from, and most of the time I do not need to ask any

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more questions. However, if I see a story that is likely to be explosive, or prompt questions about where we got the information from (for example, in the case of stories based on government leaks), I will nearly always ask further questions.

34. Whether I ask further questions depends not only on the information in question, but the reporter involved. I tend to ask more questions of a junior reporter than a senior reporter in whom I have a great deal of trust. I may not necessarily ask reporters to name their source, as in many cases reporters will want to keep their source confidential even within the newsroom, but I do like to talk to the reporter face-to-face. In some cases, I will ask reporters to tell me who their source is, or describe the source's position, on a confidential basis.
35. The Daily Telegraph takes a similar approach to content that is submitted by freelance journalists, ad hoc contributors, or columnists. In some cases we may ask questions or cross check the information against other sources, but it depends very much on the information provided, the nature of the story, and the person who has supplied the information (who will have a vested interest in making sure their story is right if they want to maintain a long term relationship with the Telegraph). We would be comparatively less likely to ask an experienced freelancer with whom we had an established relationship about their sources. On the other hand, we would be very cautious before printing anything controversial that came from a relatively unknown contributor.
36. In short, whether or not I am comfortable publishing a story without knowing the precise source and method depends on the story, the nature of the information, and the reporter involved. I will often consult, or check that someone else has already consulted, the legal team for their views before publishing a story with a confidential and potentially controversial source.

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37. One notable recent example of a story based on a highly controversial source is the series of stories we ran in June this year based on leaked Labour documents showing Ed Balls and Gordon Brown in a plot to overthrow Tony Blair. In that case, I wanted to know how we had come to be in possession of the documents, and I satisfied myself before we published the story that there was nothing illegal in our possession of the documents, the publication of which was clearly in the public interest.
38. Our reporters are occasionally involved in undercover operations, although this is comparatively unusual. I would expect anyone planning an undercover operation to discuss it in advance. I would also expect proposed undercover operations to be discussed with the editorial legal team. We are very much aware of what the PCC Code says about the use of subterfuge, and would always carefully consider whether it is in the public interest and whether the information could be obtained by other means.

Question 8: 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;

39. Ethics must spring from the purpose of newspapers in a free society: to act as a watchdog of those in government or positions of power. That duty must, of course, be balanced by respect for individual rights and compliance with the law. From this, it follows that ethical issues are a matter of balance. For me, the responsibilities that go along with the job include, naturally, compliance with the law but also with the letter and spirit of the Editors' Code. From time to time, it is apparent that I might have to push the Code or the law to its limits, especially where there is significant public interest at stake. That, with all its risks, is what a free press is all about and it is part of the balancing act that is part of my job.

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Question 9: 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)

40. I am under self-imposed pressure to produce a successful daily newspaper, but the pressure I feel is a journalistic pressure, not a pressure that is specifically financial or commercial. I want to produce a paper that people want to read, and I want the Daily Telegraph to be leading the news and breaking stories. I help to achieve commercial success for TMG by producing an excellent newspaper that people want to buy and advertisers wish to be associated with.

41. The Daily Telegraph is ultimately owned by Sir David Barclay and Sir Frederick Barclay. I have never felt any pressure from the owners nor from Aidan Barclay, Chairman of the Telegraph Media Group, to do something or refrain from doing something. They are absolutely scrupulous in leaving editorial decisions to me. As I have mentioned earlier, I report directly to Murdoch MacLennan, the Chief Executive of TMG. We are in regular contact and although he naturally takes an interest in the stories we are publishing, at the end of the day all editorial decisions are left to me subject, of course, to operating within budgetary constraints.

Question 10: The extent to which you, as an editor, had a financial incentive to print exclusive stories (NB. It is not necessary to state your precise earnings)

42. There is no financial incentive that is directly tied to printing exclusive stories. As a Senior Executive I am eligible to participate in the Company annual bonus scheme, and that scheme is based in part on financial targets (TMG operating profit and running the Daily Telegraph within budget) and in part on other key performance indicators (e.g. sales performance). Printing exclusive stories has an indirect impact on these financial targets, and accordingly on my bonus, in that the Daily

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Telegraph would not perform very well if we never published exclusive stories. However, publishing a successful daily broadsheet is about much more than printing exclusive stories. A newspaper is a package, and to be successful has to have the right combination of features, including events-based reporting, columns and opinion pieces, entertainment, and exclusive stories. In any event, I am not personally motivated by any financial incentive to print exclusive stories. I want to find and publish exclusive stories for journalistic reasons.

Questions 11 and 12

- 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);

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

43. The Daily Telegraph is generally not in the business of paying large sums for stories, the practice known in the trade as 'buy ups' for exclusive interviews and so forth. The Daily Telegraph is a broadsheet newspaper that operates within a limited budget. I am not opposed to purchasing information in the right circumstances, but in my view it is, generally, not necessary to spend large sums in order to publish the vast majority of stories in which our readers are interested.

44. Information can come to us from an almost infinite number of sources, including news agencies (regional, national, and international), press offices, members of the public, trusted sources, PR agents, leaks, freelance journalists etc., etc. Alternatively, our reporters go out and find stories for themselves. We regularly pay small amounts for research,

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information or external content. For example, we pay freelance journalists and news agencies, we buy serialisation rights to books, we regularly purchase photographs, we occasionally pay "tip off" fees for stories, and we have relationships with external search agencies who help find contact details for people our reporters are trying to contact. It is impossible for me to recall or provide details of all such payments.

45. The most significant exception to the Daily Telegraph's general practice of not paying significant amounts for stories is, of course, the MPs' expenses story. As the Inquiry will no doubt be aware, TMG paid £110,000 to obtain a disc containing the details of all MPs' expense claims. The story of how the Daily Telegraph came to acquire the disc, and the circumstances surrounding it, are covered in detail in the book "*No Expenses Spared*". At the time I was Deputy Editor but I was involved in the MPs expenses story from its inception, urging Robert Winnett, one of our senior reporters, to meet the individuals involved and establish the veracity and worth of the information.

46. Daily Telegraph reporters and editors also routinely entertain potentially useful sources of information, including public officials and police officers. An essential part of being a reporter, and indeed, being the Editor is having connections with the right people, and part of developing those relationships inevitably involves a degree of entertainment. I expect that, for example, the Daily Telegraph's crime correspondent will be in regular contact with members of the police force. I expect this to include entertaining in the normal course of business (for example, lunch, dinner, or a drink after work). In the same way, I expect the business correspondent to have connections with influential people in the business world, and a sports writer to have connections with sports figures and organisations. The system for claiming back expenses and TMG's expenses policy operate as safeguards against expenses being used inappropriately.

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47. Other than as described above, I am not aware of anyone at the Daily Telegraph using or paying a private investigator to source stories (by which I mean a person privately hired to do background investigatory or detective work) since I have been Editor. To the best of my knowledge, during my time as Editor, the Daily Telegraph has never made a direct payment to a police officer or mobile phone company (other than for normal mobile phone services). With the exception of payments to public officials who produce content for the Daily Telegraph (for example, people like Kate Hoey MP and Boris Johnson), I am not aware of any direct payments being made to public officials.

Questions 13, 14 and 15

- 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);

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

- 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?

48. There are no formal policies that dictate the use of external providers of information as such. As I have explained above, there are almost infinite sources of information (freelance journalists, social media, personal contacts etc., etc). However, as I note in my answer to the next two questions, all editorial spending is controlled through the accounting system and is governed by procurement and expenses policies. Formal contractual arrangements (e.g. with suppliers and retainers) are managed by the Editorial Executive Director.

Questions 16 and 17:

- The extent to which you 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;

- 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;

49. As I have mentioned above, editorial spending at TMG is governed by a system of authority levels, and by procurement and expenses policies. The Editorial Executive Team manages the budget for each department and prepares monthly reports tracking expenditure against the budget. I understand TMG's financial systems will be explained in greater detail by TMG's Finance Director, Finbarr Ronayne, but I note that TMG's procurement and expenses policies, and its accounting systems, should act as safeguards against inappropriate spending.

Question 18: 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;

50. Deciding whether or not to publish a story that may have privacy implications is largely a matter of instinct and judgment, shaped by years of experience. Although I do not make editorial decisions by reference to any formal list of factors, it is fair to say that my decision will generally be influenced by such factors as:

- (A) the position of the person who is the subject of the story;
- (B) the nature of the information being revealed; and
- (C) whether there is legitimate public interest in the story.

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51. I believe politicians and people occupying other positions of public power clearly have to be held to account for their view and behaviour. Further, there will generally be some level of legitimate public interest in any potential story. However, whether dealing with national politicians or others in the public eye, there are clearly limits on what I will publish.
52. One example concerns the use of children in pictures. We very often hide their faces unless we have explicit permission to use them from their parents. For example, some weeks ago a husband and wife both fell to their deaths from a balcony in Morocco, leaving behind four orphaned children. There was a lot of interest in the story, and we included a family picture on the front page, but we pixelated the images of the children's faces. I did not feel comfortable publishing images of the children's faces in the newspaper in connection with this tragic event.
53. On the other hand, I had no qualms with the information we published in relation to the MPs' expenses stories (this was when I was deputy editor), even though we were publishing a lot of information bearing on how MPs conducted their personal lives (who they lived with, what food they bought, how they furnished their homes etc., etc). The public interest in understanding how MPs were spending taxpayers' money was overwhelming, and even greater in light of Parliamentary attempts to block public access to the information. At the same time, we were careful not to publish sensitive personal information such as bank account details and addresses.

Question 19: 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.;

54. I am not aware of the Daily Telegraph ever using or commissioning computer hacking to source a story or for any other reason.

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Document Requests

55. The Notice asks me to provide the Inquiry Panel with certain documents. TMG has centrally co-ordinated the search for documents falling within the scope of the notices received by all TMG employees, and I believe that any documents falling within the scope of this request will be included in the documents submitted by the company secretary.

I believe the facts stated in this witness statement are true



Tony Gallagher

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