Day 9 - AM  Leveson Inquiry  29 November 2011

1 (Pages 1 to 4)

1 worked there on a full-time freelance basis for two years. More than two years, really.
2 Q. Thank you, Mr Peppiatt. The documents show that your NCTJ you obtained in February 2008 and that you worked for the Mail on Sunday in the financial year 2008/2009.
3 We know that you resigned from the Daily Star, I think, in March 2011; is that correct?
4 A. Yes.
5 Q. Can you remember approximately when you started to work for them?
6 A. Well, it would be sort of two years previous to that, I suppose. I suppose I left Ferrari -- it would probably be February 2009, perhaps. Yeah, February 2009, probably.
7 Q. Can you explain, please, the basis on which you were working for the Daily Star, sort of contractually?
8 A. I mean, I suppose it was a casual basis. You know, they didn't have any obligation to give me work beyond a week-to-week basis. However, many reporters in the industry are employed on that basis. You have the expectation that you will be working the next week.
9 There was a rota that runs for ten weeks at the Daily Star at least, so you're not beginning the week thinking: "Am I going to get work?" It is regular and, as I said, it is typical within the industry that that occurs.
10 Q. Were you paid on a daily basis or some other basis?
11 A. I was given a day rate, and I was paid on a weekly basis for that.
12 Q. You don't have to answer this question. Are you able to tell us what that rate is or would you prefer not to?
13 A. No, no. £118 a day, and that was for an eight-hour day. Any hours over that, you may get paid extra. I think it went up to sort of £136 for nine hours, £140-something for 10 and so forth. Anything over 12 hours was sort of double pay.
14 Q. Were you paid bonuses for particular stories?
15 A. You would occasionally sort of get a bonus. It wasn't sort of titled as such, but there would be discretionary payments made at times, yes.
16 Q. Can I deal with issues of corporate governance at the Daily Star, which you cover in the second paragraph of your statement. You explain there was little or nothing in the way of documents or official policies governing conduct. Were you provided with a copy of the PCC code?
17 A. I was the day that the Desmond titles dropped out of the PCC. I don't quite know why on that particular day they were -- they were distributed, but that was the only time that it was sort of left on the desk, so to speak.
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23 Q. Can you remember approximately when you started to work for them?
24 A. Well, it would be sort of two years previous to that, I suppose. I suppose I left Ferrari -- it would probably be February 2009, perhaps. Yeah, February 2009, probably.
25 There was nothing sort of said beyond it being handed over.
Q. Do you have a view or insight as to what level of approbation or otherwise those at the Daily Star regarded the PCC and its code?
A. Well, it was just not something that's brought up in reference to stories. You know, there are certain sort of implicit considerations. I say in my statement about you don't go barging into hospitals, etc. It's things that you sort of know from your training anyway, but certainly there was never a discussion that I remember of: "Can we run this story? How should we run this story?" in reference to the PCC code itself.

And certainly the Daily Star had numerous run-ins with the PCC while they were a member, and it was never sort of referenced in a negative manner, sort of: "Oh, we are deeply shamed"; it was just a shrug of the shoulders, slap of the wrist, and then start again the next day.

Q. You say as well editorial decisions -- this is in the third paragraph, fourth line: 
"...are dictated more from the accounts and copyright, etc. rather than how you should conduct yourself.
A. Certainly. The Daily Star is a right-wing tabloid, so they have an ideological perspective on certain issues, say immigration or national security or policing. And so whatever a story may be, you must try and adhere to that ideological perspective.

Q. You've probably answered it. Editorial decisions dictated more from the accounts and advertising --
A. I'd add to that that they have phone lines sort of every day in the paper, and certainly there are certain issues which would come up which would elicit a lot of callers, and that was seen as a good sort of barometer of what was popular. This was -- leading up to my resignation, there was a story about the English Defence League and the story itself, you know, referenced the English Defence League but it wasn't about the English Defence League itself, but a sort of phone line was set up saying, "Do you agree with the EDL's policies?"

Now, there were no EDL policies in the story but 99 per cent of people calling back said they did, and this was sort of 2,000 callers. Now, that was a lot for the Daily Star because there were days when it was less than 10 callers ever called up so, that was sort of: "Right, we need to have more of these stories." So it was more of a sort of financial decision -- "This will sell us more papers if we keep sort of banging this drum" -- than it was a journalistic one.

Q. Thank you. You say at the bottom of the first page, that private investigators were not routinely employed to your knowledge. You give one possible example at the top of the second page. Could you assist us with that, please, Mr Peppiatt?
A. There was a rumour that Stephen Gerrard had got a 16-year-old pregnant, which completely turned out to be untrue. I'll say, but I was sent up to Liverpool to find out whether there was any veracity to this and I needed some help finding addresses of some names that were floating around on message boards, etc. and I called up a senior person and said, "Look, this is the name. Can you -- is there anything you can do to help?"
<table>
<thead>
<tr>
<th>Page 9</th>
<th>Day 9 - AM Leveson Inquiry 29 November 2011</th>
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<tbody>
<tr>
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<td>And they came back with a list of addresses, a list of phone numbers to call.</td>
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<td>Now, as I say in my statement, there's not necessarily anything illegal on that. I did look myself on TraceSmart, which is sort of a database which journalists use. It's electoral registers and things like that. If you ever don't tick the box, you may end up on the TraceSmart register.</td>
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<td>This was in addition to that, these particular addresses. That was the only instance that I sort of had a thought: &quot;Well, I wonder where that's come from?&quot;</td>
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<td>But certainly I would say that the Daily Star did not really use private investigators and I don't think that was so much some sort of ethical decision as a financial one. Their budget is significantly smaller than some of their rivals and often they're quite happy just to follow up other people's news rather than sort of be too bothered about actually getting genuine exclusives themselves. You know, it's expensive to get private investigators, et cetera. I just don't think there was the money for it.</td>
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<td>5</td>
<td>Q. You take this up about ten lines down the second page. I'll read this out: &quot;The majority of stories appearing in the Daily Star are sourced from the news wires or plagiarised from other newspapers, particularly the Daily Mail, which is such a heavy influence that for the most part it dictated the Daily Star's news agenda.&quot; Do you have any evidence of that, Mr Peppiatt?</td>
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<td>6</td>
<td>A. I do, yeah. I mean, if you -- I suppose clearly any journalist who reads the Daily Star can tell a lot of the stuff tends to be from the Daily Mail the day before and put on their website. The same line will be taken on the stories. This is a -- you know, this has consequences, because the Daily Mail don't always get things right, but certainly &quot;If the Daily Mail say it, therefore it's good enough for us&quot; was very much the sort of line taken.</td>
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<td>So as a journalist, you know, if I see a Daily Mail story I've been given to rewrite in Daily Star style, you know, for me to then research where they've got their information, and if I find out that in fact that information has been distorted or is inaccurate, for me to then approach the news desk and say, &quot;Actually, I've found out this Daily Mail story is just not standing up&quot;, you'd be sort of kicked back to your seat fairly robustly. You know, that's not the point. This is, you know: the Daily Mail said it; write it.</td>
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<td>8</td>
<td>This is not a truth-seeking enterprise. Much of tabloid journalism is not truth-seeking primarily. It is -- as I said to the seminars, it's ideologically driven and it is impact-driven. That's the most important thing. You know, how is the most aggressive way we can frame this story to try and sensationalise and sell our paper?</td>
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<td>9</td>
<td>Q. You deal with other sources in the self-same paragraph of your statement. Can I deal with the issue of news agencies or agency reporters and the point you make that there is, you say, an obvious financial incentive in making your stories stand out from the crowd, so the pressure or temptation is to spin or embellish a story. Are you saying that that occurs in relation to what news agencies do?</td>
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<td>A. First of all, news agencies play a vital role in our sort of media landscape or press landscape, because they are sort of located in sort of far-flung regions, some of them, that staff reporters from newspapers aren't covering. They often pick up the local papers, they'll find stories that may be of interest to the national press, but they're under a great deal of pressure. You know, every year lots of them go out of business, and obviously certain big stories will attract numerous sort of agencies or -- agencies are under pressure to get their stories noticed. It comes through the news wires to the newspapers -- the national newspaper desks as just a stream of stories.</td>
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<td>Now, you want to get yours noticed and get yours in the paper because you don't get paid otherwise, so obviously there are occasions when the temptation is there to maybe give things a bit of extra spin. And once it's been spun, it will often arrive at the reporter of the newspaper's desk, who is then encouraged to give it an extra spin, and before you know it, then the subs get hold of it and it's given a bit more spin, and then the news desk gets -- you know, it gets through to the -- and they might give it an extra spin on the news and before you know it, the story which the agency has filed bears very little similarity to what you started with. You know, everyone sort of adds their little impression to it.</td>
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<td>Q. Yes. I suppose you really are left with a googly rather than a straight ball.</td>
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it's throughout the media really -- PR is a huge
influence, a huge influence. There are more PRs than
there are journalists. You get into your inbox every
day dozens upon dozens upon dozens of press releases
from various companies all trying to get in the paper,
get their brand mentioned, and they will incentivise
this for you. I say in my statement that in two years
I went on four free holidays, you know, from PR
companies in order to sort of give their stories an
extra push. I was not alone in this, and certainly the
higher up the chain you were, the greater the incentives
that may be offered.

The thing about PR stories is they will often come
in the form of, say -- I'll give you an example: more
Brits than ever are holidaying in the Mediterranean this
year. 45 per cent of everyone in Britain who is going
on holiday is going to go to the Mediterranean,
20 per cent are going to America, you know, 1 per cent
is going to Australia.

Now, that will then be represented as a new story.
It will be -- you'll get the name of, say, Travelocity,
a website, into that story to get their brand mentioned,
but the veracity of where that survey has come from --
is it representative, how many people were asked -- are
simply not questions you're encouraged to ask. You

know, you just take it at face value: "Yeah, I'm sure
that will do for us." Because as I say, it's not about
necessarily finding the truth of something; it's simply
sort of filling the hole.

Q. Another source you mentioned -- this may or may not be
unremarkable: stories obtained from phone-ins or emails
from the public?

A. Yeah.

Q. Are members of the public or were members of the public
paid for the information they gave?

A. Almost always, yes. You know, there are sort of -- in
tabloids, there's what we call a "come on", which
is -- it will say, "We pay for tips and information",
and a phone number to call. And certainly you'd have
members of the public call up. Most of the time it was
ruinous. There would be occasions when a good story
would come through, and often one of the first questions
that you'd be asked is: "How much can I get for this?"
As a reporter, you don't like to commit too early and
you try and sort of get the story out of them first.
But certainly logic dictates that when people are
calling up saying, "How much will this make?" and your
response is often: "It depends where in the paper it
is -- if it's a front page, it pays a lot more than
page 26", the minute you introduce that financial
incentive, people go: "Maybe I should pump this up a bit." You know, that's probably what people do, and
yet again they probably give you a selective version of
events and then the reporter themselves gives that a bit
of a spin and yet again, we're in the same process of it
moves up the chain, getting an extra spin and an extra
spin.

Don't think that just because a reporter's name is
on top of a story they necessarily have anything like
the last word on how it turns out. I mean, I would say
less than -- you know, less than half the time any story
that my name was -- it would have been changed to some
degree or other and sometimes to quite a large extent.

Sometimes, you know, the single line which you thought
was vital because that gave it sort of maybe just a --
just held it on the right side of accuracy or truth, is
removed because maybe the subeditor doesn't actually
know the full story, they're just seeing the copy and
they need to fit it within that space and they think:
"That's superfluous, get rid of it." So sometimes you
would cringe. You would read what -- and you'd go:
"That was a bad line to take out", but it's too late.

Q. You've covered a range of source material, if one can
fairly describe it as such. What about the role of
investigative reporting at the Star. You use the term

"traditional" in inverted commas. Is much of that going
on?

A. Not as much as should be. It's a fairly desk-bound job.
It's probably -- I suppose there is this preconception
of journalists out and about, meeting contacts and sort
of -- it's simply not really true these days. It is
a very desk-bound -- you're on your computer most of the
time, and as I said, for the Daily Star, they were happy
to follow up other people's. When I say as well the
editorial agenda being decided from the accounts
department, this plays into it, because it's a lot more
expensive to put a reporter on a story for days on end
investigating and trying to get to the -- to the truth
of something, than it is just to make a knee-jerk
judgment, embellish a few source quotes, take a punt in
the dark and move on to your next story. Because, you
know, there are certain days you've have eight, nine
stories to do in eight hours. You can't investigate
anything properly in that time. You'd just -- you're
forced to just rely on whatever's in front of you and
make a lot of assumptions and that's pretty much it.

Q. In the middle of the third page of your statement,
31034, you deal with a phenomenon of the overplayed
headline. You give one example from the Daily Star:

"TV Cowell is 'dead'."

Page 16
<table>
<thead>
<tr>
<th>Page 17</th>
<th>Page 18</th>
<th>Page 19</th>
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<tbody>
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<td>1 We know he's alive and well. The point you're making is that the story was about him leaving the X Factor. I think; is that right?</td>
<td>1 that anyone can't complain. If you're offended, you know, as a Muslim about that story, you'll probably be told: &quot;Sorry, I don't see how it affects you directly&quot;, and I think that's pretty disgraceful, really.</td>
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<td>2 A. Yes, it was. I can give you a few others, if you like, -- which -- I thought you may ask this question. It depends how long you've got.</td>
<td>2 Q. The complaint, we can infer, came from a concerned member of the public, although we don't know the identity of the individual named.</td>
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<td>3 LORD JUSTICE LEVESON: Actually, we do know a name.</td>
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<td>4 A. &quot;Chile mine to open as theme park&quot;, &quot;Angelina Jolie to play Susan Boyle in film&quot;, &quot;Bubbles to give evidence at Jacko trial&quot; -- that's his monkey -- &quot;Jade's back in Big Brother&quot; -- she was dead at the time. Obviously we have the likes of &quot;Maddie's body stored in freezer&quot;, which we've heard already. &quot;Grand Theft Auto Rothbury&quot; -- that was the Raoul Moat killing. There was going to be a computer game based around it. Completely untrue.</td>
<td>4 MR JAY: We have his name.</td>
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<td>5 &quot;Brittany Murphy killed by swine flu&quot; -- wasn't the case. &quot;Maccy versus Mucka on ice&quot;, which was Paul McCartney and his ex-wife were apparently going to show down on Dancing on Ice. Never transpired.</td>
<td>5 LORD JUSTICE LEVESON: We also know that he didn't represent the council or the Exchange Centre.</td>
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<td>6 Then we have the likes of &quot;Muslim-only public looos&quot;, which in my letter I raise. Completely untrue as well.</td>
<td>6 MR JAY: Yes. I draw the inference he's just a concerned member of the public, but that may or may not be right.</td>
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<td>7 LORD JUSTICE LEVESON: These are real headlines?</td>
<td>7 A. He may. I don't know, to be honest, no.</td>
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<td>8 A. These are real headlines. Yes, I know.</td>
<td>8 While we're on this topic, may I just add that, you know, in recent months we've had Big Brother and we've had the Health Lottery launched by the Desmond group, and there has been overwhelming coverage. I think within the first two weeks of August, there were</td>
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<td>9 MR JAY: The Muslim-only public loo story, which you do specifically refer to, was that piece you wrote; is that right, Mr Peppiatt?</td>
<td>9 MR JAY: We've seen it, Mr Peppiatt.</td>
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<td>10 A. I wrote the follow-up piece the next day. It was a front-page story the first day. The next day I was tasked with writing a follow-up piece which was saying that we'd managed to block these toilets being built. Yet again, a front-page story. The fact that these toilets were never going to be built as declared in the first place was irrelevant. We were -- we'd blocked something that was never going to happen and we knew that, but we thought we'd turn it into somehow a Daily Star campaign success. You know, it certainly wasn't the case.</td>
<td>10 LORD JUSTICE LEVESON: Thank you.</td>
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<td>11 Obviously on the day that the first story was written, it was very clear that these toilets were not tax-payer funded. They were not Muslim-only. Anyone could use them. There was going to be a single squat toilet in a block of about 12 in a private shopping centre in Rochdale. The council had made great efforts to explain to us these terms but it had already been decided by the senior editors that this was going to be a front-page story and so it was. It was one of the few times that the PCC stepped in to this sort of thing, but it was typical. I mean, this is just one example. The PCC did step in, an apology was printed, but the fact is that the next day, it should have been an apology printed, not another front page gloating about our success in stopping these toilets, is kind of a pertinent point, I suppose.</td>
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<td>12 Q. If you could keep it to the Daily Star and give us three other good examples, please.</td>
<td>12 Q. You mention the PCC. It is right to say that there was a complaint brought by Mr Adam Sheppard against the Daily Star under clause 1 of the code, the accuracy provision, and the PCC upheld it on 27 September 2010. The relevant document I'm handing in. (Handed)</td>
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<td>Q. Thank you. The bottom of page 31034. This is the Matt Lucas story. Can you just tell us a little bit about that, please, Mr Peppiatt?</td>
<td>Q. We know you resigned from the Daily Star because you've told us, and indeed you wrote an open letter to Mr Desmond which was published in the Guardian; is that right? It's under our tab 5.</td>
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<td>A. Matt Lucas' ex-husband -- I think they were the first couple to marry as a gay couple, but they separated some time after -- he committed suicide, which was certainly a tabloid sort of story. On that day, we got a phonecall through to the news desk from a member of the public saying he had information about Luke McGee -- sorry, that was the gentleman's name -- and this call was passed to me and I noted down what he was saying, which were quite sort of sensational claims about that he'd spent a lot of money on alcohol and drugs in the lead-up to his death, millions of pounds he'd sort of blown, and I sort of said to him, &quot;Can we meet up?&quot; He said he was out of town. I said, &quot;What proof can you give -- how do I know that you're not just sort of making this up?&quot; He said, &quot;I can't meet you, you'll just have to take my word for it&quot;, you know, that sort of thing. And I was sort of, &quot;I'll pass it on to the news desk&quot;, because that's what you do. So I sort of wrote down what he'd said, I passed it on to the news desk and they said, &quot;Write it up&quot;, and I said, &quot;Surely I need to meet the man first, you know, we don't know that --&quot; and it was just, &quot;Write it up.&quot;</td>
<td>A. That's true, yeah.</td>
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<td>I said, &quot;Surely I need to meet the man first, you know, we don't know that --&quot; and it was just, &quot;Write it up.&quot;</td>
<td>MR JAY: Sir, in your bundle, page 3 is missing. I'm going to hand it up.</td>
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<td>So there was a front-page story about him spending a lot of money on drugs before his death. You know, I think that there was certainly the consideration that the man is dead, therefore you can't really libel him.</td>
<td>LORD JUSTICE LEVESON: Thank you. I think I have one now.</td>
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<td>Q. But there was litigation over the story?</td>
<td>MR JAY: Thank you. Did you ever get a reply from Mr Desmond?</td>
<td></td>
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<td>A. There was. That was breach of privacy, I think, from Matt Lucas himself. But it wasn't -- but, you see, it wasn't actually Luke McGee's family, Luke McGee being dead. You can say pretty much what you want about him because he's dead. That was the slightly callous perspective that was taken and I'd like to apologise to Luke McGee's familiar because I'm not -- you know, I accept responsibility for the fact that no one held a gun to my head and made me write that and the next day another hurtful story too, and I feel very, very ashamed.</td>
<td>A. I'm still waiting.</td>
<td></td>
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<td>Q. Thank you. You deal with a wider point in the middle of the next page, 31035, but it's one you've in part developed already: the number of reporters, indeed the paucity of reporters on the Daily Star. Could you comment on that for us, please, and elaborate a little bit?</td>
<td>Q. You say a number of things in the letter, some of which you've given in evidence today, so we needn't repeat them. For example, the EDL story, the Muslim lavatory story. What about on the second page? This sounds a bit flippant, the proposal to Susan Boyle. What was that about, the mock proposal to Susan Boyle?</td>
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<td>A. Yeah. When I said -- you mentioned about investigative</td>
<td>A. I suppose it is of interest because it's sort of -- it's been interesting for me and very difficult, I'd say, as well, over the last week, hearing celebrities and sort of members of the public come up and talk about their privacy being invaded, being harassed. You know, to hear it from that perspective, you know -- there is very much -- I think you caricature people and you make them not so much human beings as just your target on a story, and certainly it hammers home -- I think it's a very hard-nosed reporter on Fleet Street who can't recognise that sometimes the treatment is not humane, and I think that Susan Boyle is a good example of probably when I overstepped the mark with harassment.</td>
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<td>Page 22</td>
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**Day 9 - AM Leveson Inquiry** 29 November 2011

<table>
<thead>
<tr>
<th>Page 25</th>
<th>Page 26</th>
<th>Page 27</th>
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<td>about an attractive female. They're quirky stories.</td>
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<td>And the news desk had had absolutely no luck all day</td>
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<td>finding anything of this ilk which would fit, and so the</td>
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<td>news editor of the day came over and said, &quot;Right,</td>
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<td>anyone, I don't care what it is, first person to give me</td>
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<td>a page 3 story, 150 quid&quot;, and I came up with that.</td>
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<td>And I mean, the thing about someone like Kelly Brook</td>
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<td>is -- the story itself, it's not damaging to her</td>
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<td>reputation. It's quite in the public domain that she</td>
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<td>is -- takes a while to get ready. She's spoken about</td>
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<td>this openly. She's someone who tends to take -- you</td>
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<td>know, tabloid stories about her she tends to just</td>
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<td>13</td>
<td>ignore, and you know this as a reporter, that she's not</td>
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<td>litigious, and you know it's the sort of story she'd</td>
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<td>probably laugh off.</td>
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<td>There are frequent stories which aren't really</td>
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<td>knocking stories, that are just fictitious, that</td>
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<td>a celebrity wouldn't think it was worth pursuing</td>
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<td>a lawsuit over because where's the damage? You know,</td>
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<td>you've spoken about the fact that you take a long time</td>
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<td>to get ready, or, as we've heard many times, afterwards:</td>
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<td>&quot;We made a mistake but it was done in good faith.&quot;</td>
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<td>Well, no, it's simply playing the game and walking that</td>
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<td>sort of tightrope of: what can we get away with?</td>
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<td>1</td>
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<td>I think in my evidence to you I mention the sort of</td>
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<td>1</td>
<td>difference between sort of a legal sense of truth and</td>
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<td>a moral one. I think it's an important distinction.</td>
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<td>2</td>
<td>Q. Yes, tell us about that, please.</td>
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<td>A. The legal sense of truth is sort of: what can we get</td>
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<td>away with saying? That's sort of the legal sense. The</td>
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<td>moral sense would be more: what would be a fair way to</td>
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<td>represent this? What would be an accurate way to</td>
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<td>represent this?</td>
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<td>Now, tabloid newspapers have no interest in the</td>
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<td>moral sense. All they want to do is think: what can we</td>
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<td>get away with saying? How far with we push the</td>
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<td>11</td>
<td>boundaries and get away with it? As you see when you</td>
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<td>have these monsterings of people, it's sort of: how far</td>
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<td>with we push it? If one newspaper pushes the line,</td>
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<td>everyone rushes to fill the void behind them. It's just</td>
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<td>15</td>
<td>a matter of: what can we get away with saying? There's</td>
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<td>no consideration of: what are the ethics? What are the</td>
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<td>moral considerations? I'm sure I'll be lambasted by</td>
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<td>some tabloid editors for saying that, but I'm sick of</td>
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<td>19</td>
<td>them stepping forward and going: &quot;Moral considerations</td>
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<td>are at the forefront of our mind&quot;, because they're</td>
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<td>21</td>
<td>certainly not.</td>
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<td>22</td>
<td>Q. At the end of this open letter, the Guardian prints</td>
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<td>23</td>
<td>a statement from the Daily Star. It's 02122 on our</td>
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<td>numbering. They say this:</td>
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7 (Pages 25 to 28)
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<th>Page 29</th>
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| 1. "Richard Peppiatt worked purely as a casual reporter at the Daily Star for almost two years."
2. Do you agree with that?
3. A. No. Well, other than the "almost two years". If you check my first byline and my last byline, it strings out well over two years, but anyway, I'll let them off.
4. They're not great with accuracy.
5. Q. "Recently he became unhappy after he was passed over for several staff positions."
6. Is that right?
7. A. No. Would you like me to explain why that's not right?
8. Q. Yes.
9. A. Certainly anyone who knows me, at that time I was very, very down. I was very much looking -- my eyes were firmly on the door. I was very unhappy in my job. The idea that I would have wanted a staff job there is very preposterous to anyone who knows me. Staff jobs do occasionally come up and it was given to a fellow reporter, but it tends to be that whoever's been there longest gets the staff position that came up. Now, I was three or four down the line. I would never have expected a staff job and this particular girl had been forced for a good six months, on a daily basis, to make up stories about Jordan or come up with lines about Jordan. They weren't all untrue, but a lot of them were very heavily spun indeed and that culminated in Katie Price turning around on Twitter and accusing her of having an STD, which saw a backlash of abuse. She was very, very upset that she was getting so much abuse online and she was ready to quit, and it was sort of a peace offering from the paper to give her a staff position. The idea that I somehow was unhappy about that -- you know, the woman deserved that staff job very much indeed.
10. Q. Thank you, and then the statement continues:
11. "He refers to a Kelly Brook story. In fact, he approached and offered the newspaper that story, vouched for its accuracy and then asked for and received an extra freelance fee for doing so."
12. Is that right?
13. A. No. Certainly not. For the reasons I've just explained to you, the editor was fully aware that this story was cock and bull, and -- I mean, look at the story itself.
14. There's not a single named source in it. You know, any sort of -- you know, this is a -- in the whole thing, there's not a single named source at all, and if you were a news editor who was trying to do their job thoroughly, you would say, "Well, who is your source? Why is there no one backing this up officially?"
15. But of course, those questions don't get asked.
16. I mean, lots of tabloid stories where you will not see a single name attached to them because they're pretty much made up or based on such scant speculative information as to be essentially untrue.
17. And to me, the net effect on the person who is the subject of that story is the same. Whether it's completely plucked out of the air or is based on a caller calling in with a bit of information and you think, "Oh, stick it in the paper, I'm sure it's true", doesn't make any difference to the subject of that story. They still read it and as we've seen in the last week, it upsets them, it causes issues. You know, where has this come from? Is it from my friends? Those weren't considerations that I ever had when I was a tabloid reporter, and much to my detriment I didn't think like that.
18. Q. The statement continues:
19. "Since he wrote his email, we have discovered that he was privately warned very recently by senior reporters on the paper after suggesting he would make up quotes."
20. Is that true?
21. A. No, not at all, and I welcome them to provide any evidence whatsoever that that is the case. As with the last thing, if they can provide evidence of me applying for a job or being offered to apply for a job or me showing interest in a job, I welcome that. I equally welcome any documents that show that I was warned about anything. I mean, I probably have been warned about making up quotes, but probably not good enough ones.
22. Q. I continue:
23. "Regarding the allegations over the paper's coverage of Islam, he was only ever involved in a very minor way with such articles and never voiced either privately or officially any disquiet over the tone of the coverage."
24. Is that right?
25. A. No, not at all. I mean, I think at last count there were something like 15, 16 stories that I use now when I do talks and lectures, you know, that I wrote involving -- you know, Muslim-bashing stories is what I would call them -- which I analyse with students. I don't know what they think a minor way is, but no, it's certainly not true, and as for did I express disquiet, I certainly did towards the end when I was very much sort of really disheartened with what was going on, but about a year beforehand, there had been a casual reporter like myself who had expressed disquiet over the tone of the coverage and because she did that, she was given every anti-Muslim, every anti-immigrant
Day 9 - AM Leveson Inquiry 29 November 2011

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<th>LORD JUSTICE LEVESON: Thank you.</th>
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<td>2</td>
<td>A. Yes.</td>
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<td>Q. You've provided it recently, so recently we're handing it up now. (Handed)</td>
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<td>LORD JUSTICE LEVESON: Thank you.</td>
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<td>A. This is the classic example of the creation of a tabloid story. It was the headline is &quot;Airports facing turban warfare&quot;, and it was a line in the Sunday Telegraph that said that Muslims may be planning to disguise themselves as Sikhs and plant bombs in their head dress. It was just a throw-away line in a story that wasn't even about that but this was seized upon by the news editor of the day and I was told to write this story. So I called up the Home Office, called up the police, security sources, to try and get some sort of veracity to this, and was told: &quot;Never heard of it. Never heard of it at all.&quot; How it should work is that that kills it, that you can go over to the news desk and say, &quot;Maybe the Sunday Telegraph have got this wrong. I certainly can't stand it up. We should move on.&quot; But it's already been decided that the story's running, so instead what you do is you say, &quot;A security source said ...&quot; and run a load of quotes from a security source which are just made up off the top of my head, fulfilling the preordained news line, and then you need to get some sort of official quote. So then I called up Inderjit Singh, director of the Network of Sikh Organisations and said to him: &quot;We've been hearing that Muslims are planning on disguising themselves as Sikhs. What do you think of this?&quot; So you add this veneer of legitimacy by getting a quote off someone by telling them something that you know is probably not true, but then you've got your story.</td>
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<td>LORD JUSTICE LEVESON: Can we just look at this for a moment, Mr Peppiatt. You talked about some parts of it being made up. So the line, you say, from the Telegraph that there was a fear of it comes out of the first paragraph. Then there's what the security source said, which you say you made up; is that right?</td>
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<td>LORD JUSTICE LEVESON: Then:</td>
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<td>&quot;Osama Bin Laden is even believed to have sent two plots that have been --</td>
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<td>LORD JUSTICE LEVESON: Then:</td>
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<td>&quot;The new fears come after the terror alert level was raised last weekend from substantial to severe.&quot;</td>
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<td>LORD JUSTICE LEVESON: Then:</td>
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<td>Is that accurate?</td>
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<td>LORD JUSTICE LEVESON: Then there's a comment about:</td>
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<td>&quot;Osama Bin Laden is even believed to have sent two beautiful women suicide bombers to target this week's anti-terror summit in London.&quot;</td>
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<td>17</td>
<td>LORD JUSTICE LEVESON: Then there's a comment about:</td>
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<td>Is that true or not?</td>
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Page 37

A. Well, the only reason I included that was because they
certainly tried to play down how -- you know, I was told
recently that: "Oh, you've only ever written 200 stories
for us", which is -- you know, I felt if they're going
to accuse me of sort of overplaying my role there,
I wanted to include that to show that yes, I did write
that many stories. I mean, I said 900 when I did my
Leveson seminar because some search engines come up with
more, like 950, this one comes up with 850 and I kind of
just stuck it down the middle there.

LORD JUSTICE LEVESON: That's in the name Richard Peppiatt,
is it?

A. It is.

MR JAY: So there may be more under some pseudonyms. Is
that possible?

A. Yes, certainly. There would have been stories I'd
written which weren't under my name, or stories that I'd
helped out with that went under someone else's name.

So, you know.

Q. Thank you.

A. It's not an exact science.

Q. And then you refer to a blog (?) of Professor Greenslade
which was in the Guardian and which we've printed out
and which was available. I'll hand up a copy of it.

I don't think it's necessary to dwell on it. It speaks
Page 39

for itself, really. (Handed)

LORD JUSTICE LEVESON: Thank you.

MR JAY: Can I deal with what happened to you after
resigning from the Daily Star, the main paragraph on the
last page of your statement. You tell us that you
suffered a campaign of harassment and threats. Could
you elaborate on that, please?

A. I resigned -- I resigned on a Monday, and I leaked this
to the Guardian and it didn't get published in the
Guardian until the Friday. This was a slight sort of
annoyance -- not annoyance, but it certainly was sort of
a stressful period because I'd kind of -- the Guardian
had been in contact with the Daily Star and they seemed
to be of the impression that I'd tried to publish this
letter but no one wanted to publish it and, you know,
"You're an idiot", basically, "for even thinking that
anyone would care what you've got to stay", and then on
the Friday they published it.

About sort of four or five hours before it was
published, the sort of phone calls and text messages
began. So at the time, you know, the fact that I'd
resigned in the manner I did was not in the public
domain. The only people who knew about it were my very
close confidantes and the Daily Star and the Guardian.

So certainly at that time, I had no doubt as to where it
Page 40
I was coming from. I did initially think that they'd leaked my phone number and my address to the English Defence League because I didn't think that -- you know, I thought that they'd want to distance themselves from this sort of behaviour. I know now that's not the case, that it wasn't anything to do with the English Defence League, but they knew where I lived, they knew my phone number and as these -- you know, I was getting many, many phone calls every day, some of them very threatening. You know: "You're a marked man until the day you die", "RD will get you", which I believe is a reference to Richard Desmond, through to the just silly like: "We're doing a kiss-and-tell on you."

I can't remember off the top of my head exactly what some of the more sort of aggressive ones were, but certainly it worried me enough to get my girlfriend to move out for a couple of days because I didn't know at the time where it was coming from and just the sort of frequency all through the night made me sort of think, well, for her safety it's best that she sort of lets this cool off.

Q. Were the police involved, Mr Peppiatt?
A. I think "prolifically" would be a bit of a stretch. Just broadsheet press. Is that right?

Q. Pardon me?
A. Not a fan, I suppose, would be the quick summary of that.

Q. You tell us that the police have traced the source of this harassment and given the individual a warning, but there's also civil litigation outstanding which perhaps we shouldn't therefore go into.

A. No. The person is linked to the tabloid world, long-established.

Q. Thank you. We, in fact, have provided you, I think, under tab 9 of the bundle we've put together, with various more reflective pieces you have written, published, for example, in the Guardian on Mr Mosley's case. This is a piece published on 11 May 2011, seven or eight pages into our tab 9. I'm not going to read these out, but just to indicate that we've been considering these and reading these.

A. Okay.

Q. There's another piece on 31 March 2011, again in the

A Guardian, called "A green light for the red tops". This is about libelling the dead and touches on the evidence you've given in relation to the Lucas McGee matter.

Then there's a piece in the Independent later on, "Confessions of a red top reporter", published in the Independent on Sunday on 27 March 2011. In that piece you deal with the Susan Boyle matter, if I can so describe it.

Finally in tab 9, a piece in the New Statesman, 14 April 2011, where you express some views about the PCC.

A. Not a fan, really, the brief summary.

Q. Pardon me?
A. Not a fan, I suppose, would be the quick summary of that piece.

Q. I merely identify those to make it clear that we've considered these and it's plain that in the spring of this year you were writing quite prolifically in the broadsheet press. Is that right?

A. I think "prolifically" would be a bit of a stretch. Bits and pieces. You know, there's certainly a -- I don't think I've done my -- I've got a limited range of papers who I can write for, much more limited than perhaps before, but yes. My bank manager would say not prolific enough, certainly.
Q. You provided me with some material you would like to refer to. Some of it, I'm afraid, we can't refer to because of its nature and I haven't shared it with relevant people, but there is something I think I can refer to and Mr Dingemans has seen it and I'm going to hand it up. This is a little bundle of five pages which I showed you before, but I can provide you with another copy, should you need to see it. (Handed)

A. Yes. No, I mean, this was an occasion when I complained about the news value of a PR story that I was being asked to write. I just didn't see any value in it whatsoever. It was a fairly offhand comment, I think, that I think I made to the news desk: "Why are we even bothering? Why are you bothering to make me write this rubbish?" And it didn't go down very well and so -- you see the times on it. It was sort of -- we leave about 6 o'clock. I was told to stay behind and was sent numerous really pointless PR stories, just being told to write them, something about -- jam-making at Argos was one of them. Various things that were never going to make the paper, but it was just an attempt -- you know: "How dare you question our judgment?"

I merely included this as illustrative of the sort of atmosphere in which many reporters work at tabloids. It's not a nursery school and I'm not complaining because I didn't go into it thinking it would be a nursery school. However, I think it's useful to the Inquiry to understand that we are cannon fodder on the front line, and it's a problem because you have news editors -- you have editors who aren't the ones having to hammer on people's doors repeatedly. They aren't the ones who have to stretch the facts and cringe as they stick their byline above some stuff that they know is hugely distorted, but they have no option to do. We get the flak because it's our byline above it, but we are working very much under instruction. That's not to absolve anyone of personal responsibility. I certainly don't absolve myself of any for the things that I did, but I think it -- I think that just to contextualise sort of where we're at at the moment. There's a lot of buck passing. When newspapers make mistakes, you have the editors, as you've heard in recent sort of months, as Leveson et cetera has come to the fore: "Oh, we make mistakes but we try and correct them. We try our hardest."

Yesterday, Hugh Whittow, in the Common Select Committee, on Privacy, he said over the Chris Jefferies case, which I thought was really cold -- he said, "We make mistakes, we paid out, we move on."

Well, Chris Jefferies doesn't move on. His life has been irreparably changed and that is the attitude: "We make mistakes." But no one wants to take responsibility for those mistakes and the reason is because there's not an individual who you can point the finger to and say is responsible, because it's a culture. Everyone has their hand in there somewhere and that's why you don't see people being fired, because it would be unfair to fire a reporter for that, because all the way up the chain people are putting their hand in and changing things and twisting things. It's a problem with the whole system.

Q. I have a few more questions for you, Mr Peppiatt, but they come, as it were, from elsewhere.

A. Sure.

Q. One of the core participants. You have notice of these questions. I hope you have.

A. No, I don't believe so. Fire away.

Q. Once I've put them to you, I think they may become familiar.

First of all -- and I think we've covered this -- you were only retained, is this right, as a casual daily shift rate worker, £150 a day for an eight-hour shift?

Q. Do you agree with that?

A. No. £118. Oh sorry, yes, I have seen these questions. Page 45

Page 46

No, I know the questions you're referring to, yes.

Q. Did you have the right to turn down shifts and not turn up to work at all?

A. The same right that you have not to turn up today, I suppose, as a human being of free will.

Q. Thank you. The next question is: when you started working, you were, were you not, provided with the copy of the Editors' Code of practice? Do you remember that?

A. No.

Q. We know that new copies of the code are published from time to time. Each time that a new copy is published, were you provided with a copy, Mr Peppiatt?

A. Not to my recollection at all, no. As I said, the only time that I remember a copy being passed around was when we'd dropped out of the PCC, which I remember joking with colleagues that it was quite amusing that this had appeared in the office on the very day that we had decided no longer to be part of regulation. The PCC code for, you know, was kind of irrelevant then, because we're not going to be part of it. I just thought it was quite funny. That's why I remember it.

Q. Part of your training, presumably, in relation to your certificate in journalism was to emphasise the need for accurate and truthful stories, and the point is being made, and therefore I put it to you: how do you Page 47

Page 48
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<th>Page 49</th>
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<tr>
<td>1. It's news to me. As I said, I welcome any documents</td>
<td>1. You're going to complain to the very person that you're complaining about. It doesn't -- you know, you are kind of -- you either take it on the chin or you walk -- or you leave. And, you know, I do question my own moral judgment and moral behaviour and the fact I stayed as long as I did, but there are so few jobs for reporters in the current climate. You know, the Mirror laid off 25 per cent of their journalists earlier this year. But once you've got full-time work, you have to think very carefully about sort of sacking it in because you don't know where the next opportunity is going to come from. It really is -- there are so many good reporters who are floating about, trying to get a bit of work here and there, and that system plays right into the hands of the tabloid newspapers' agenda because they know that they can push people to do more and more outrageous things, to forget about their training more and more, because they need to earn a living. And I certainly felt financially I couldn't afford not to be working, and so I put that before my own ethics and I'm, as I said, ashamed.</td>
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<td>2. So I can't reconcile the two at all. And, you know, I certainly -- I lost -- I lost perspective of what part of a very powerful organisation that tended to kick downwards at people who were easy targets.</td>
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Q. Is this a fair summary of your evidence on this point, suggesting that there is evidence that Northern & Shell, who are, of course, responsible for the Express and the Star, have hacked into phones, in particular your phone?

A. Not directly, no. Obviously I know the person who did it. They are not, as far as I know, on the payroll of Northern & Shell. As I said, there are civil proceedings so I don't want to say too much, other than they got this information about me from someone, and it seems very, very likely that it was from Northern & Shell. On top of that, this person I've never met. He has no personal, as far as I can imagine, gripe with me, but I look where is the motive to try and convince me to shut up and I know exactly where the motive is and has been. You know, it's not just been that. There's been generally, for the last nine months, an attempt to blacken me in some way or another, either at -- you know, often behind the scenes, you know, rumours about myself that have been sort of fed into the sort of rumour mill of Fleet Street, much of it untrue. Occasionally a little bit of it true, but 99 per cent is just rubbish and it's an attempt to make sure that if you're going -- I think it's an attempt to discourage others from speaking out. "We will make sure you don't work again. We'll make it as hard as possible for you to work again if you cross us."

Q. You deal in your statement -- we didn't cover this in evidence -- about one celebrity of particular interest to the Star, Katie Price, on one occasion appearing in public without a wedding ring. One knows of other examples where that's happened, and the inference is drawn that the marriage is on the rocks. That's a possible inference, isn't it?

A. Yes, I think I included that as an example of the speculative nature. You take one fact and you blow that up into a front story. Just because someone appeared -- yes, you could make the inference her marriage is in crisis, but if you're going to stretch that to 700 grand leaps in judgment and speculate and guesswork, that's a strong word -- propaganda. The twisting, agenda-driven nature of it bears more similarities to propaganda that journalism.

Q. Then the point is made generally -- and I'll ask you to comment on it, or perhaps you already have -- that here is you at the time quite often making up a story, but did you express any concern about what you were doing with those higher up?

A. It's part of the -- it's not -- it's part of the culture. I mean, you're sort of questioning the very fundamental basis which your job is based on. I mean, it's sort of at that ridiculous -- to raise it, you'd just be looked at like, you know: "Go and do something else for a living then."

Q. We've probably covered that one at least twice or three times so perhaps I shouldn't even have asked you about it.

Can I deal with the issue of phone hacking. Are you properly journalistic. Just taking a PR release and turning it into news is not journalistic. It's more advertorial. I think one question that's not really tackled very often is: what do we actually want from journalism? What is journalism? I think a lot of what is actually in papers is not necessarily that journalistic. Just because it's in a newspaper, one goes: well, it's journalism. I think that's a leap of judgment currently which is being made. But a lot of it, it either bears more towards the advertorial and -- it's a strong word -- propaganda. The twisting, agenda-driven nature of it bears more similarities to propaganda that journalism.

A. I mean, you know, I'm no legal expert, but that seems very, very likely that it was from Northern & Shell. On top of that, this person I've never met. He has no personal, as far as I can imagine, gripe with me, but I look where is the motive to try and convince me to shut up and I know exactly where the motive is and has been. You know, it's not just been that. There's been generally, for the last nine months, an attempt to blacken me in some way or another, either at -- you know, often behind the scenes, you know, rumours about myself that have been sort of fed into the sort of rumour mill of Fleet Street, much of it untrue. Occasionally a little bit of it true, but 99 per cent is just rubbish and it's an attempt to make sure that if you're going -- I think it's an attempt to discourage others from speaking out. "We will make sure you don't work again. We'll make it as hard as possible for you to work again if you cross us."

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A. Yes.

Q. You have provided a statement of truth at the end of that statement. Is this your evidence to the Inquiry?

A. Yes.

Q. The reason, Mr Davies, we're calling you early is that you obviously provide us with a lot of general assistance in relation to phone hacking and about journalistic practices in general, and the rest of the Guardian's evidence will, as it were, come early in the new year.

So we understand who you are, for those who don't know, you are a freelance journalist who has been working under a part-time contract for the Guardian for some considerable time; is that right, Mr Davies?

A. Yes, since 1989, but I was a staff reporter for some years in the early 1980s at the Guardian.

Q. Aside from working for the Guardian as a special correspondent, what else do you do?

A. Occasionally I drift into making television documentaries as an onscreen reporter and I also had a phase when I wrote feature films and I write books. I'm currently writing one about -- or trying to write one about the phone hacking. It's driving me mad.

Q. Thank you. The book which all of us have read, "Flat Earth News", that came out in 2008; is that right?


Q. You do tell us a bit about your journalistic training in your statement, and this may be of interest to us. It was between 1976 and --

A. '78.

Q. With a scheme for university graduates which was run by the Mirror group.

A. Yes.

Q. Can you expand upon that just a little --

A. The Mirror group then owned a little group of newspapers down in Devon and Cornwall and they had a training scheme which was based in Plymouth. I think it was regarded as a pretty good scheme, and they spent a couple of months teaching us basic skills, shorthand, typing, newspaper law, and then they sent us out to work on these local papers and then, after whatever it was, a couple of years, if you passed your proficiency test, they hiked you up to London to one of the Mirror group's national papers to work on what they called an attachment for a couple of months. I was very keen to work on the Sunday People, which was in those days quite a different creature to the paper it is now. Specifically, they had just uncovered an intense bout of corruption among police officers in Central London, particularly the porn squad, which was heroic work, really brilliant stuff, and I wanted to part of that.

So after that training scheme, I went to work briefly for the Sunday People and it may or may not be relevant, bearing in mind some of what Richard Peppiatt was just saying, but I got bullied at the paper. It was a particular executive who just thought -- he couldn't tell the difference between leadership and spite and I couldn't cope, so I fled, which is why I'm no longer in the Mirror group.

Q. In terms of your training, you said that you covered newspaper law, which may well have been a bit different in the mid-1970s compared to what it is now. Did you cover ethical issues at all?

A. Actually not very much, I would say. That doesn't mean to say I'm an unethical person, but I do not remember saying, but I got bullied at the paper. It was a particular executive who just thought -- he couldn't tell the difference between leadership and spite and I couldn't cope, so I fled, which is why I'm no longer in the Mirror group.

Q. The concept that we've been talking about in the context of hacking.

A. Yes.

Q. Fair enough. You're mainly interest in reporting, you training scheme.

A. Yes.

Q. What brought you into becoming interested in the issue of hacking.

A. Well, I'm a quite a Catholic, eclectic agenda, as it were. So it's falsehood and distortion in the news media. So it's a particular executive who just thought -- he couldn't tell the difference between leadership and spite and I couldn't cope, so I fled, which is why I'm no longer in the Mirror group.

Q. Aside from working for the Guardian as a special correspondent, what else do you do?

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Q. Thank you. The book which all of us have read, "Flat Earth News", that came out in 2008; is that right?

A. Yes.
of phone hacking?

A. I think a fluke. I was very interested in falsehood and distortion in the media, which became this book, "Flat Earth News". The research for that meant that I had to go and talk to reporters from other newsrooms to get the story behind stories, to understand what was going wrong. Those reporters started talking to me about illegal information-gathering techniques, stuff which I just, naively, wasn't aware of, and that therefore formed a chapter in the book about the "dark arts", as they call them.

When the book was published in January 2008, I was on the Today programme and also, up against me, so to speak, was Stuart Kuttner, the then managing editor of the News of the World, and when I tried to summarise the chapter about the dark arts, he ridiculed me. "I don't know what --" this is in summary: "I don't know what planet Mr Davies thinks he's living on but it's not one I recognise. This happened once at the News of the World, the reporter was sent to prison and that's it."

That was a statement which, I think it is fair to say, is soundly false, and the result was that it provoked somebody I had never heard of into getting in touch with me and saying, "I heard Kuttner on the radio."

You need to know the truth."

And this person started to provide me with very solid and detailed information about what had been going on in the News of the World. This is back in January/February 2008.

So you understand, the pattern of my work would be I would usually have three or four big projects going at a time, because they hit roadblocks. Project A can't proceed unless I can talk to person A. He's on holiday, so we'll proceed with projects B, C and D.

So I started to work part-time on that, gathering bits and pieces from different places over a period of -- actually, it turned into 18 months before I had something that was worth printing, which was the Gordon Taylor story in July 2009. So the short answer to your question is I stumbled into it accidentally.

Q. No, that's very clear, Mr Davies. In terms of the chronology of the stories, the Inquiry fully understands. It has read a massive amount of material, including an e-book which the Guardian has published.

I'm not sure you're aware --

A. Oh yes. That's just a collection of stories which the Guardian hats published.

Q. Yes. It's a helpful summary to the not fully initiated of the chronology. I'm not going to ask you about specific sources, for quite obvious reasons, but in relation to phone hacking, are you able to assist us at all, or at least the nature of your sources and perhaps the number of your sources?

A. Of phone hacking? Okay.

LORD JUSTICE LEVESON: I want to know about the whole thing in terms -- I'm sure Mr Jay will turn to it -- and in particular I would like to know about how journalists work on a story, how they validate what they're going to say and how they check up on the sources that they use.

The reason I'm asking you this is because your book contains a great deal of material which you've obtained from other people, which a lawyer would call obvious hearsay.

A. Right.

LORD JUSTICE LEVESON: That doesn't mean to say it's wrong, but I am keen that people understand and that I fully understand precisely how you got to the conclusion you reach --

A. Okay.

LORD JUSTICE LEVESON: -- and how solidly based that conclusion is. I've probably summarised Mr Jay's next 15 questions.

A. But there's a lot in there.

LORD JUSTICE LEVESON: There is, and I'm happy to leave it to you and him to sort it out.

A. If I try to start with the generality, which is what you're asking me, I think. First of all, set aside the kind of time-limited churnalistic activity which I describe in the book and which Richard Peppiatt has been talking about. If you give a reporter time, the most essential working asset for our trade, then I would say it works like this: that I'm looking for evidence to discover the truth and I would expect to find that evidence initially on two primary routes. The first is the public domain, which I would define as everything I'm allowed to know simply because I asked for it. And the public domain has got much bigger in the last few years, so this involves, for example, conventional public records, Companies House and much more else, the use of the Freedom of Information Act to uncover, again, what you're allowed to know simply because you ask for it, and of course the use of the Internet. So all that's there in the public domain. That is, from a reporter's point of view, low-hanging fruit.

The second primary route -- is this the right approach? Is that what you want me to --

LORD JUSTICE LEVESON: Yes, definitely.

A. The second primary route is the most important stuff we can do, which is human sources, and I mean, I've never...
**Day 9 - AM**

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<th>Page 65</th>
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<td>Day 9 - AM Leveson Inquiry 29 November 2011</td>
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| 1 | known an interesting story where everything you needed to know was available on the first route, in the public domain. It's kind of almost a definition of a good story -- in fact, this is an old newspaper maxim. News is what someone somewhere doesn't want you to know. So if they're concealing it, you won't find it out there on the public domain. You have to have human sources. The most difficult, skilful, interesting, important stuff that reporters do is finding human sources and motivating them to help. It's a terrible interesting area from a reporter's point of view. |
| 2 | So that's where the mass of work goes on. If that doesn't yield what you want, there are other secondary routes to getting information, one of which I learnt from Harry Evans, who was probably the best journalist this country has produced since the war. In his memoir, he describes how, on several occasions, he got his journalists to persuade people to sue because he could see that they couldn't get to the bottom of the barrel and get evidence simply from those two primary routes, and if there were legal actions ongoing, the judge might order disclosure into the public court of material that would help them to see the truth. Learning from that lesson in this particular story of the phone hacking, I certainly did whatever I could to hook up public figures who had been -- or anybody who had been a victim, allegedly, of hacking with the lawyers who might take their case forward so that eventually something would pop out in open court. |
| 3 | So in general terms, it's those three routes. Am I answering your question? |
| 4 | LORD JUSTICE LEVESON: Yes. |
| 5 | A. Then I think we went to the point about how a lot of this is unattributable, and this comes back again to that point. If news is what someone somewhere doesn't want you to know, then very often at the point where you start to motivate a human source, you run into a genuine problem on their part. They will say, "Look, if I talk to you and they realise I've done this, I will lose my job or my career or I will be beaten up or I will be arrested or some terrible thing is going to happen", and it's a very sensitive moment. You have to make these people safe. |
| 6 | The first step almost all the time is about a guarantee of anonymity. "They won't know you've talked to me." That's actually quite a complicated piece because it isn't simply a question of saying, "I won't put your name in the paper." It also means I have to filter the material they give me because if I publish too much it would become clear by implication as to who they are. |
| 7 | In this particular context, if we come back to something I mentioned briefly that Richard Peppiatt mentioned and I know the NUJ have mentioned, it's a very important part of this picture that there is a culture of bullying in some Fleet Street newspapers, and so it's not just a question of "I'll lose my job". It's nastier than that, and the fear is real, and therefore you would have a high proportion of these sources saying, "I will talk to you but only on this condition of anonymity", and I appreciate that's very difficult for the Inquiry. |
| 8 | It means that I've been able to look not only at the public domain sources but to deal with the human sources, and then, to answer a question you asked, to see how it overlaps. If you have, say, 10 or 15 different former reporters from the News of the World each independently sketching essentially the same picture, it's a reasonable judgment that any human being using common sense would come to, to say, "These people are telling me the truth." If, in addition, you can find other evidence from the our routes, you'll be all the more solid. |
| 9 | LORD JUSTICE LEVESON: I understand that and the explanation, I think, is tremendously important not just for me but for anybody who's following this Inquiry, |

| 10 | because it then goes on you to the question in relation to the topics about which you are going to be asked, how overlapping that information is. |
| 11 | A. Mm-hm. |
| 12 | LORD JUSTICE LEVESON: I think that was one of Mr Jay's questions. How many people are we talking about? Not to identify them -- |
| 13 | A. Understood. |
| 14 | LORD JUSTICE LEVESON: -- but to seek to validate the conclusions that you've reached, as opposed to an individual person who comes and says X and then somebody else says, "Well, that's rubbish. It's not X." |
| 15 | A. Okay. So I think you were asking specifically about the phone hacking story? |
| 16 | MR JAY: Yes. |
| 17 | A. If we start there. |
| 18 | MR JAY: Yes. |
| 19 | A. There's a loose assembly of about, I would think, between 15 and 20 former News of the World journalists who have talked, on condition of anonymity, in detail to me or a researcher who was working for me, and they've been a tremendously important engine driving the story forward. Separately, within the private investigation |
| 20 | industry, profession, there are some -- I suppose you |

| 21 | Page 67 |
| 22 | Page 66 |
LORD JUSTICE LEVESON: And to get to grips with what is the culture, practice and ethics of the press, inevitably I'm looking at all the material, and each editor will come along and tell me what they want to say, but therefore I have to get some handle on validity and indeed weight. You know, I'm sure, that I'm concerned about anonymous evidence and hearsay is actually a form of anonymous evidence, so I can only test it through you.  

A. Yes. I accept that there is that difficulty with what I'm talking about. Indeed, it is a bit difficult to talk about it in such general terms. Sometimes you can have several sources very precisely saying the same thing. On other occasions, you have a source who -- one source is saying it very precisely, the other person is confirming it in more general terms, and then you may have bits and pieces of public domain or whatever.

Q. Are you talking to those close to the police or within the police?  
A. I think "close to" would be fair. 

Q. "Close to". In terms of quantity, though -- for example, if you're talking about a particular title -- you mention a number of titles in chapter 7 -- how many reporters are you speaking to before you have, as it were, a critical mass which would justify he you putting it in print?

A. I would say a dozen. In almost all cases, around about a dozen, perhaps a little more.

LORD JUSTICE LEVESON: That's in relation to each title?

A. Correct, and they tend to be former rather than current.

Q. "Close to". In terms of quantity, though -- for example, if you're talking about a particular title -- you mention a number of titles in chapter 7 -- how many reporters are you speaking to before you have, as it were, a critical mass which would justify he you putting it in print?

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LORD JUSTICE LEVESON: That's in relation to each title?

A. Correct, and they tend to be former rather than current.
1 come from people who are off the record.

2 LORD JUSTICE LEVESON: It may be inevitable for the reasons
3 that you've identified.
4 A. There is going to be a gap, isn't there, between what
5 I know and what I can show you.
6 LORD JUSTICE LEVESON: Yes. I understand.
7 Right, I won't interrupt you again, Mr Jay, or at
8 least probably won't. Possibly won't.
9 MR JAY: We'll come back to this when we look at chapter 7,
10 but can I deal with your more general evidence about
11 systems at the Guardian. This is your witness
12 statement. At paragraph 5, you say:
13 "The Guardian has a particularly clear commitment to
14 ethical journalism."
15 A. Mm-hm.
16 Q. In terms of accountability, the chain -- or the line
17 provided to all journalists, including journalists in
18 your position?
19 A. Yes. There's actually -- the Guardian has its own code
20 and the PCC is part of it as an appendix.
21 Q. And the NUJ code, again, is a separate code, I believe;
22 is that right?
23 A. Yeah. I think it's fair to say it's less often referred
24 to, but in terms it's more or less the same.
25 Q. In terms of accountability, the chain -- or the line
Page 73

1 going up from you is the news editor and then, if
2 necessary, the editor in-chief; is that right?
3 A. Yes.
4 Q. That presumably is standard practice in the whole of the
5 industry with minor deviations?
6 A. Yes, I would think so, and I think I made the point in
7 there that the people who, generally speaking, are
8 enforcing the code aren't the PCC or the NUJ or
9 whatever. They're in the background. It's the news
10 desk, the features desk, whatever that you're working
11 for, who are going to say, "Hang on a minute."
12 Q. You say in paragraph 6 that the concept of public
13 interest is particularly slippery.
14 A. Mm-hm. Paragraph 6? Oh yes, I'm with you.
15 Q. "Slippery" can mean a number of things. What are you
16 seeking to convey by the use of that --
17 A. What I'm trying to say is that -- first of all, if we
18 all get over the first hurdle that we understand
19 operating in the public interest means we're operating
20 in the interests of the public, trying to tell them
21 something that is good, that they need to know. In
22 operational day-to-day terms, it's terribly difficult to
23 know exactly where the boundary lines are, and so
24 sometimes this is a legal point. Section 55 of the Data
25 Protection Act says you have a public interest defence.
Page 74

1 If I'm working on a particular story in particular
2 circumstances, do I or do I not have the public interest
3 on my side? The answer very often is: I don't have the
4 faintest idea because we don't know where the boundary
5 lines are. Not because I'm not thinking about it and
6 not because the Guardian aren't interested; we don't
7 know quite where the lines are supposed to lie. And
8 that problem, I think, applies across the board and
9 over again to any ethical question that reporters face.
10 The answer tends to be: well, it would be all right if
11 it was in the public interest, but we're stymied because
12 in reality we don't -- I mean, there are some cases
13 where it's clear. They're so far over the boundary line
14 that we know that the public interest is on our side or
15 it isn't on our side, but very often, it isn't clear and
16 personally, I would like it if somebody set up, by
17 statute, a public interest advisory body that I or
18 a member of the public or a private investigator could
19 go to and get high-quality advice which would be
20 confidential, but in the event of a dispute, a criminal
21 prosecution or a civil action, I would be able to
22 produce that advice and say, "Well, look, this is what
23 I was told." So they'd have no prior restraint on me,
24 but I would have some guidance which was weighty in the
25 event of a dispute.
Page 75

1 Q. I've received a message, Mr Davies. It's no fault of
2 anybody's. I think you're going slightly too fast for
3 our transcriber.
4 A. Sorry. I'll try to slow down.
5 Q. One notch only. Your evidence is coming across very
6 clearly, but it does have to be written down.
7 A. Okay.
8 Q. Can I seek to analyse what you've just said in this way.
9 Is the problem that in many cases you don't know where
10 the public interest lies because you don't know what the
11 truth of the story is or you don't know where your
12 investigations might lead, and so --
13 A. No.
14 Q. No?
15 A. That's not the problem. The problem is that we don't
16 know where the boundary line is, so ...
17 Well, one way of approaching it is this. Different
18 journalists have completely different definitions. So
19 people from the News of the World will tell you, in all
20 sincerity, that it was in the public interest that they
21 exposed Max Mosley's sex life. I profoundly and
22 sincerely disagree with them. I do not think that was
23 in the public interest.
24 Now, I understand that the courts came down, so to
25 speak, on my side of the argument. They still haven't
persuaded those other journalists that they're wrong.
They sincerely believe that the boundary line is in a different place and there have been some cases -- for example, the John Terry case -- where the courts themselves have danced on both sides of the line, at first saying the story about John Terry having an affair is confidential and then jumping over the line and saying, "No, actually, it's in the public interest that this be disclosed," and if the courts aren't clear, how am I supposed to be the clear, the hack with the notebook?

Q. Yes.
A. It's not about not knowing the details of the story; it's about not knowing what the rule is in operational terms. Does that make sense?

Q. It does and it doesn't because you, of course, are not writing this type of story. You're writing a different type of story. Are you able to assist us with perhaps even a hypothetical example or an accurate example, sufficiently anonymised, where the moral dilemma or the ethical dilemma is laid bare for us?
A. Well, we had a huge problem with the Wikileaks stuff. Because in the middle of all this phonehacking, I went off and persuaded Julian Assange to give all this material to the Guardian and the New York Times and
Page 77

Der Spiegel, and it rapidly became apparent that that material contained information which could get people on the ground in Afghanistan seriously hurt. They were implicit identified as sources of information for the coalition forces.
I raised this with Julian very early on and he said, "If an Afghan civilian gives information to Coalition forces, they deserve to die. They are informers. They are collaborators." And there were huge tussles between the journalists and him -- actually, maybe this isn't a terrible good example because I would say emphatically it's absolutely clear that we couldn't publish that information and didn't, but he did. I would love to have been able to go to a specialist advisory body and say, "Where is the public interest here?" in order to be able to show it to him, to persuade him.
The other example I gave in the statement was that although the Data Protection Act has a public interest defence, which in principle would allow me, in some circumstances, to blog information from a bank account or the DVLA, I've never ever used it because I wouldn't feel safe, because I don't know where the Information Commissioner is going to say the boundary line is. All I know is that he said in principle he would expect to see very strong public interest before
Page 78

he would acknowledge the validity of that defence.
Is this making sense?

LORD JUSTICE LEVESON: Yes, I understand exactly what you're saying.
A. There's another example I've just thought of. We have to be a bit careful about this because this is information that's not been published. About six years ago, there was a senior politician in this country whose child attempted suicide. This is a story which we have never published and it's very, very debatable as to whether or not we should have done. You will hear journalists debating it because it became politically significant for that politician's career that the child had done this, and yet we never reported it.
Or another one: should we or should we not have reported the fact that Prince Harry was fighting in Afghanistan? That's probably a better example. You remember this? Prince Harry was sent to Afghanistan. Before he went, the army and the palace called in newspapers and said, "This is what we're doing. We're going to send Harry to Afghanistan. Will you please black it out, not report it?" And newspapers agreed not to publish it on the basis that if they did, it would bring down extra fire on him and the other people in his squadron and we didn't want to be responsible for that.

LORD JUSTICE LEVESON: I'm happy to have more examples.
A. That looks pretty like good thinking. On the other hand, it meant that we were colluding in what then became PR story, because when the story was finally released, the headline was "Harry the hero", but in fact we had offered him an extra layer of protection by doing that, and what I --

LORD JUSTICE LEVESON: I'm not sure that's right, actually.
A. But the crucial words are -- you said, "I'm not sure that you're r right."

LORD JUSTICE LEVESON: Oh yes, that's because I'm polite.
A. But I would say, without any hint of politeness, I'm not sure, you see, what was right then. I tell you, my initial reaction to that was that we were right to suppress the information for the safety of those people involved. After I'd thought about it for a few days, I changed my mind and thought it was wrong that we did that and the fact -- the collusion factor was part of it. There's another example --

LORD JUSTICE LEVESON: I'm happy to have more examples because this is tremendously important, and I am going to want to come back at the end of your evidence to talk about the bodies that you think ought to be in place, as
Page 80

(Pages 77 to 80)
I'm sure Mr Jay, the structures that you think ought to be in place. But can I just say this: that you've mentioned a story that didn't enter the public domain. I absolutely would not want anybody to report what you've said and then to start reinquiry as to whether that's sensible, as to who it might be or anything. That is not the purpose of this Inquiry and I hope that everybody will take that point extremely seriously. I'm sorry, I --

A. You're right. I also feel the same way.

LORD JUSTICE LEVESON: Right.

MR JAY: Thank you.

A. Mr Davies, you deal with some other general evidence about systems in the Guardian, which others doubtless will give as well, but can I just touch on one issue in paragraph 9, namely legal advice and in-house lawyer.

LORD JUSTICE LEVESON: Well -- please do.

MR JAY: Thank you.

LORD JUSTICE LEVESON: Right.

A. By the lawyer, yeah, for contempt or any other issues.

Q. For defamation and accuracy; is that right?

A. Mm-hm.

Q. All your stories presumably are checked?

A. Mm-hm.

21 A. By the lawyer, yeah, for contempt or any other issues.

20 Q. For defamation and accuracy; is that right?

19 A. Mm-hm.

18 Q. All your stories presumably are checked?

17 A. Mm-hm.

16 Q. For defamation and accuracy; is that right?

15 A. By the lawyer, yeah, for contempt or any other issues.

14 Q. For defamation and accuracy; is that right?

13 A. Mm-hm.

12 Q. All your stories presumably are checked?

11 A. Mm-hm.

10 Q. For defamation and accuracy; is that right?

9 A. Mm-hm.

8 Q. All your stories presumably are checked?

7 A. Mm-hm.

6 Q. For defamation and accuracy; is that right?

5 A. Mm-hm.

4 Q. All your stories presumably are checked?

3 A. Mm-hm.

2 Q. All your stories presumably are checked?

1 A. Roughly speaking, yes.

and Glasgow. So you've been able to publish newspapers and reach that very, very dense, highly populated market.

So you have a hugely competitive national newspaper market. When you compare it to the United States, a population, say, five times the size, scattered over a huge geographical area, so you couldn't possibly print a newspaper in New York, put it on a train and reach LA.

They grew up with city papers, not national papers, by and large, and you get one or two in each city.

I hope this is relevant, but if you look at our national newspaper market, the first -- (a) that is very important. I don't know whether there's a more commercially newspaper competitive market in the world. And within that market, the popular newspapers rely overwhelmingly on selling the papers to earn their income. The broadsheets, as they've always traditionally been called, by contrast rely far more on advertising, selling advertising space to get their income.

So within that highly competitive market, it's the popular newspapers that are trying to sell in the millions where that commercial imperative is at its most intense, and it gets passed down through the ranks, as I think Richard was trying to describe and is often reinforced which the bullying which I have a referred to.

The broadsheets have less commercial imperative. Still they have to sell copies to justify their advertising income, but not as many copies. It isn't as intense and within that less intense end of the market, a newspaper like the Guardian that's owned by a trust is less intense again in its commercial pressure. It is nonetheless there -- we have to survive -- but it's mitigated.

Does that make sense?

LORD JUSTICE LEVESON: Yes, certainly. Again, I'm interrupting. I shouldn't do that. But at one stage I'm going to want you to talk about the different imperatives, if you can, that face broadsheets like the Guardian, which has one type of audience, and the mid-market or tabloid end, which has a different type of audience, sells many, many more copies, and whether the same considerations which you've been discussing really apply to the different types of story that these different newspapers promote.

A. But do you want me to talk about that now or --

LORD JUSTICE LEVESON: Well -- please do.

A. To take you up on -- because I think I've given the answer already, which is that the commercial
considerations are reduced in the broadsheet paper, and in particular the broadsheet paper owned by the trust.
What I'm arguing for is that -- journalism doesn't begin with checking facts. There's a prior stage of selective judgment. What subjects should we cover? Having decided to cover this subject, what angle should we take? What priority do we give it in the bulletin or the paper? At what length, with what language? This is all highly selective. How should we make those selective judgments? Overwhelmingly, they are made on commercial grounds. So we want the story which is quick and cheap to do, which is why we recycle agency copy and other people's stories. We want the story that will sell papers, so therefore you pick the sexiest possible way of telling it.

The problems that are associated with that I think spread across the spectrum. I'm not exempting the Guardian from problems. We have run stories which were clearly false. The Jersey children's home -- do you remember that, a couple of years ago -- where the idea was that the police had evidence that children had been killed and buried in the ruins of an old children's home on the isle of Jersey. That's a classic of what Richard was trying to describe earlier. The evidence for the truth of that proposition is screaming its falsehood.

So, for example, the police said, "We have been looking into the ruins of this building and we have found a cellar which is exactly like the cellar which is described by our survivor witnesses." It's "very dark". Cellars are dark. It means nothing. Then they said, "And in this cellar we found a bath", and it's quite alarming, this, the sort of hints of torturing. "It's actually bolted to the floor", as though everybody's bath was mobile. It's silly. It doesn't make any sense.

So then the problem that occurred on all newspapers across the whole spectrum is it's too good a story to knock down. So it's exactly what Richard was saying. A reporter from any paper is sent out to Jersey to follow up on this story. The reporter who rings up and says, "Actually, this is crap, there's just no evidence for this at all", they will not be thanked. It's a great story.

I actually ran a piece in the Media Guardian, saying, "What are we talking about?" I was speaking about this in public meetings. I actually bet one meeting my left finger if the story was true, but nevertheless we carried on running it. So it's a problem that spreads to some degree across Fleet Street, commercial judgments.

Q. Then you say:
   "For the sake of completeness ..."
   That occasionally a meal or a drink is bought, as you might expect. The question is probably so obvious it goes without saying, but what are the ethical ramifications of paying for stories?
A. Generally speaking?
Q. Yes, and why don't you pay for stories?
A. I've said in the statement that I think the issue is not primarily ethical. I'm not one of those people who says chequebook journalism is inherently evil. I think it's a practical question. So if you go back to my business about the human sources on that primary route, the key thing we have to do -- sometimes easy, sometimes terribly difficult -- is to motivate people to talk to us. People of -- like I have to be able to get the 12-year-old child prostitute to talk to me, and the police officer who is trying to arrest her, and the social worker who can't control her, and the pimp who's taking money off her. All of them I have to persuade to talk to me, and the way to do that with success is to find a motivation and build a relationship. It's the most exciting, interesting thing in reporting. If you pay -- and this is why I say it's practical, not ethical -- (a) there is a chance that you're giving...
it's paying to -- I don't know, it was partly to
A.  Yes, it was the only example I could think of where I'd
course, equivalent to the pathetically small amounts
no more than £20 to the children involved, which is, of
people decided they want to help.  That, I think, is
where the problem is.  You see, practical rather than
ethical.
There's a subsidiary point where clearly if you --
if a journalist or anybody else is offering to pay money
in contravention of the Bribery Act, then there's
a legal problem, clearly.
Q.  As regards the specific example you've given about child
prostitution -- you cover this in detail in
paragraph 20, which is 03000.  You make it clear that in
order properly to investigate that case, you were paying
no more than £20 to the children involved, which is, of
course, equivalent to the pathetically small amounts
they would obtain from those purchasing their services.
A.  Yes, it was the only example I could think of where I'd
paid people.  It isn't actually paying to motivate them.
It's paying to -- I don't know, it was partly to
compensate them for the money they weren't earning, but
I said in here too, I just -- I'd rather they got 20
quid from me than from some businessman doing something
horrible on his way home.  I mean, these are children
we're talking about.
Q.  On public interest -- you've covered this already --
paragraph 21, the bottom of the same page, you refer to
the kind of ethical mist.  You've told us about the
difficulties with Section 55, although no journalist has
ever sought to rely on it.
But you do provide us with two specific or three
specific examples on the next page, 03001.
A.  Oh yeah, I'd forgotten about these.
Q.  The first of these is so famous we need not dwell on it
overmuch, but this is an internal News of the World
email which you supplied to the CMS Select Committee
in July 2009.
A.  Yes, and the point is I redacted --
Q.  You redacted the transcripts.
A.  Yes, to protect the privacy of those involved.
Q.  Then you refer, in the next example:
"The Guardian was offered a story about a former
cabinet minister whose voicemail was hacked."
You felt that that went too far in terms of a breach
of privacy?
25 Q.  Now may I come to Flat Earth News.

23 A.  Yes, and along the way there was some slippery

22 Q.  Professor Greenslade talks about the McCanns.

21 A.  Mm-hm.  131 the top right, yes.

20 Q.  Professor Greenslade talks about the McCanns.

19 A.  Glenn Mulcaire.  There's a misunderstanding, I think,

18 around the way that he operates.  He doesn't actually,

17 on the whole, do the listening to the messages himself.

16 Most of that is done by the journalist themselves.

15 Mulcaire's job was to enable them to do that where there

14 was some problem, because he's a brilliant blagger, so

13 he could get information, data, from the mobile phone

12 company.  And occasionally I think he did special

11 projects.  I think perhaps the royal household would be

10 an example.

9 So if you ask who hacked Milly's voicemails, the

8 "According to one source, this had a devastating

7 effect."

6 We heard about that directly from the Dowlers.

5 A.  Yes.

4 Q.  You're not going to tell us who that source is, so

3 I won't even ask you, but --

2 A.  It's better not to.

1 Q.  Thank you.  A bit later down, you refer to a senior

source familiar with the Surrey Police investigation.

10 A.  Yes.

9 Q.  Can I ask you this question, without naming anybody: do

you happen to know who it was who hacked into

Milly Dowler's voicemails?

14 A.  There's two stages to this.  The facilitator was

Glenn Mulcaire.  There's a misunderstanding, I think,

around the way that he operates.  He doesn't actually,

the on the whole, do the listening to the messages himself.

Most of that is done by the journalist themselves.

Mulcaire's job was to enable them to do that where there

was some problem, because he's a brilliant blagger, so

he could get information, data, from the mobile phone

company.  And occasionally I think he did special

projects.  I think perhaps the royal household would be

an example.

So if you ask who hacked Milly's voicemail, the

answer is that Mulcaire facilitated the hacking by one

or more News of the World journalists and our

understanding of the facts is that it was one or more of

the News of the World journalists who then had to delete

the messages in order to enable more to come through.

Q.  That's helpful.  I think that's as far as we can

properly take it but it explains one or two statements

which have been put in the public domain at the time

that the Dowlers' evidence was given to this Inquiry.

Before I come to the dark arts and your book, may

I deal with a couple of points in relation to the PCC.

Under tab 2, you'll find, I hope, some evidence you gave

to the Select Committee on 21 April 2009, together with

Professor Greenslade.  You were, as it were, a double

act on that day and I think he's in the room today.  We

can read that carefully for ourselves.  Indeed, some of

us have done beforehand.

Just alight upon something you've said.  At page 131

at the top right-hand side, Mr Davies.

A.  Mm-hm.  131 the top right, yes.

Q.  Professor Greenslade talks about the McCanns.

A.  Are you sort of there in the middle of that column?

Q.  Yes.

A.  The McCanns were a classic case?

Q.  Yes.  Just noting that and we'll skim-read that, but

that may or may not chime with evidence we heard last

week.  Indeed it probably does.  But at the bottom of

the page, question 434, you were asked:

"How effective do you think the PCC is in upholding

standards?"

Without reading this out, Mr Davies, what in summary

did you say to this Inquiry about the effectiveness of

the PCC?

A.  In relation to the McCanns specifically?

Q.  More generally, I think.

A.  I think that the history of the PCC's performance

undermines the whole concept of self-regulation.

Re-reading this evidence, because you sent it to me at

the end of last week, I noticed that I was speaking up

for self-regulation, but I wouldn't any more.  I don't

think this is an industry that is interested in or

capable of self-regulation.

I think probably at this point I was at the edge of

that conclusion, but hadn't quite come to it.  I think

I felt that perhaps the problems which I'd seen in the

PCC, particularly with handling the original outbreak of

phone hacking in 2006/7, the McCann case and the

Max Mosley case, might have been the result of the

particular chair and the particular director, and for me

there was a turning point in -- this is April '09.  We

published the Gordon Taylor story in July, and

in November, the PCC published the second report on

phone hacking. Different personnel, different chair.

The former -- well, I think the same director, but the

man who is now director was involved in the production

of that report, Stephen Abell, who I regard as a good

man.

But the report was terrible.  Just an awful piece of

work.  You know, my editor resigned from the code

committee in protest.  He went on the radio and said,

"This is worse than useless", which I think was an

understatement.  And that shifted me across the line.

I just think -- I do not trust this industry to regulate

itself.  I say this as I love reporting.  I want us to

be free.  You have a huge intellectual puzzle in front

of you.  How do you regulate a free press?  But it

obviously doesn't work.  We're kidding ourselves if we

think it would, because it hasn't.

Q.  This is the report, which is no longer on the PCC

website, which referred to, I paraphrase, some of the

Guardian's more dramatic claims not being borne out by

the evidence or words to that effect?

A.  Yes, and along the way there was some slippery

behaviour, slippery handling of evidence.

Q.  Now may I come to Flat Earth News.
A. Mm-hm.

LORD JUSTICE LEVESON: Just before you start, it's not just an intellectual puzzle, Mr Davies, because it has to work and it has to work for everybody. It has to work for the press and it has to work for the public.

A. Yes.

LORD JUSTICE LEVESON: So it has some real practical issues, A. Yes. I think the point you've just made there is terribly important, that in the past what has tended to happen is that whatever debate may have occurred -- for example, in the Calcutt commissions, the model that has emerged has been dominated by the needs and thinking of Fleet Street, and no system that is designed within that shape is going to succeed and be stable. It has to take account of the victims of the media. That's the crucial first step. We have to stop only thinking about the freedom of the press and build in satisfactory ways for those people to get remedy.

LORD JUSTICE LEVESON: Well, I hope that that thinking has started, and I was impressed by some of the contributions in that regard that were made at the seminars.

A. Mm-hm.

LORD JUSTICE LEVESON: Because it's something that your business has to think about and help me work out.

A. Mm. We're going to come to this later, did you say?

LORD JUSTICE LEVESON: I think we are, yes.

MR JAY: I have it in mind as sort of the -- not the coda to your evidence, but at a later stage early in the afternoon.

A. Okay.

Q. Sorry, but before I come to Flat Earth News, may I just ask you a couple of questions about one piece, which is under tab 5 in the bundle, Mr Davies.

A. Yes.

Q. It's a piece you wrote on 27 January 2011 in the Guardian.

A. Hang on, there's lots of pieces in this tab.

Q. Yes.

A. What's it about?

Q. It's called "News of the World phone hacking, Nick Davies' email to MPs". It's about a dozen pages into tab 5?

A. I've found it.

Q. It's a six-page piece. I think what you're doing here -- but correct me if I'm wrong and it's clear that this is what you're doing. You sent some information to the Select Committee and you're just publishing it in an article in the Guardian; is that right?

Page 98

Page 99

Page 100
statutory requirement to reply within 20 working days.
That's why it didn't come through until January.
Q. We can guess what the primary source of the information was. It was Mr Mulcaire's notebook, presumably, was it?
A. Yes, I think it would be. There's a little bit of Goodman and a little bit of the third guy, but it's going to be mostly Mulcaire.
Q. And so we understand your methods, if I can so describe it, and you've told us about this earlier, the Freedom of Information Act is a tool at your disposal. How often, approximately, have you used it in order to obtain information in the context of the phone hacking issue?
A. Oh, on the phone hacking? Only two or three times. And it got very complicated because they were being blocked and knocked back and I had to take an appeal to the ICO. I would think it's a maximum of three different applications, but it may have been that they started as only one or two and split as different blockages occurred in the route. You see what I mean? One went all the way to the Information Commissioner's office before they gave in.
Q. Flat Earth News.
A. Mm-hm.
Q. Chapter 7.
A. Yes.
Q. We've photocopied relevant pages. I think they have been provided to the technician, but if not, we'll manage without them. At page 257 --
A. 257? That's before. Hang on, 257? Are you sure?
Q. Between, sorry, it's between 256 and 259, doesn't actually have a 257 at the bottom, but it's part 4 "Inside Story", "The Dark Arts" starts at 259.
A. Right.
Q. You caption it with a quote from Alastair Campbell, who will explain what he meant by that in more detail tomorrow.
A. Okay.
Q. 259, "The Dark Arts". You start off with a review of the Information Commissioner's work, the raids in relation to Mr Whittamore, as I was summarising to the Inquiry when I opened the formal part of this Inquiry on 14 November.
A. Do I have this right, Mr Davies, that quite a lot of this is material in the public domain, but it was boosted or bolstered and substantiated by Freedom of Information Act requests which you made of the Information Commissioner's office?
A. Not quite right. So you have the two reports on Operation Motorman that were published in 2006, freedom of information applications that were made by Michael Ashcroft, Lord Ashcroft, which then went into the public domain when they were replied to, so they're not mine, they were Lord Ashcroft's, and thirdly, direct contact between myself and a member of the Whittamore network. Possibly two members.
Q. Thank you.
A. And also I pestered the Information Commissioner's office until they were blue in the face for bits and pieces.
Q. And they --
A. Gave me bits and pieces, but not as much as I wanted, which is why the pestering went on. So it's that overlap thing again.
LORD JUSTICE LEVESON: That's what journalists do.
MR JAY: You'll understand, Mr Davies, that on Thursday we're going to be covering all of this with Mr Thomas.
A. Yes.
Q. Including Freedom of Information Act requests and an analysis of the 13,343 requests you refer to at page 260, so we're going into it all in considerable detail.
A. Yes.
Q. It may not be necessary to cover all the ground with you.
I'm asked to point out this to you, though. At the bottom of page 262, if you just bear with me. You say that the judge, who is His Honour Judge Samuels QC, asked a highly relevant question. This is when the case reached the Blackfriars Crown Court.
Q. -- Crown Court at Blackfriars, and the question was words to the effect: "Where are the journalists?"
A. Blackfriars Crown Court.
Q. -- Crown Court at Blackfriars, and the question was "Where are the journalists?"
A. Yes.
Q. But I'm asked to put to you that the prosecutor could and did explain that some journalists had been interviewed and the decision was taken that there was insufficient evidence to prosecute. Were you aware of that?
A. I am aware that journalists were interviewed. That's a statement of the fact; it isn't an explanation as to why neither they nor the newspapers were prosecuted. Do you see?
Q. Yes.
A. So that the prosecutor is simply restating the fact that this hasn't happened. The question is: Why? That's one
<table>
<thead>
<tr>
<th>Page 105</th>
<th>Page 106</th>
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| 1 of the things I was pestering the Information Commissioner's office about and this is one of the things this they did help me on. They explained, which did not come out in court -- and correct me if I've got this wrong, but I'm pretty sure that I'm right -- that when they were looking at this prosecution, they said to themselves, "If we prosecute the Fleet Street newspapers, first, they will hire very expensive QCs and we will have to do the same; secondly, they're going to tie us up in endless pre-trial argument, which again is going to be very expensive. We simply don't have the legal budget to do this."
| 1 explanation for the fact of the non-prosecution of the newspapers, I believe, was not expressed in court. |
| 2 LORD JUSTICE LEVESON: Don't you worry about anybody else you're saying. |
| 3 MR JAY: Are you able to tell us -- but if you can't, please confirm it -- who it was at the Information Commissioner's office who give you that explanation. |
| 4 A. You know the truth is I cannot remember whether I spoke to them on the basis that I wouldn't name them or not, but it was an authoritative figure who knew what they were talking about. I could check with the ICO and come back to you. I think it's probably all right, but I don't want to break the terms of the conversation. I simply can't remember. Do you want me to follow up on it? |
| 5 Q. Not at this stage, Mr Davies. It's something that I can take up with the relevant people on Thursday. |
| 6 A. Okay. |
| 7 Q. I'm just making a note on the transcript so that it doesn't fall within any gaps, in case I don't remember to. You deal generally with the issue of journalists over the next few pages to the top of page 265. |
| 8 A. Yes. |
| 9 Q. Presumably, Mr Davies, you, amongst others, would invite the Inquiry to take this up with the former Information Commissioner when he gives evidence on Thursday? |
| 10 A. The specific issue being: why didn't you prosecute the newspapers? |
| 11 Q. Yes. |
| 12 A. Yes. Have you -- am I allowed to ask, have you had access to the raw material that the ICO obtained from the Whittamore network? |
| 13 Q. I don't normally answer questions. |
| 14 A. I'm sorry. |
| 15 LORD JUSTICE LEVESON: It works the other way around here. |
| 16 A. What I'm trying to say is I did have access to that, as you can tell from some of the stories I wrote on all of it two years ago, and I'm not a lawyer, I'm a journalist, but it seemed to me surprising that there hadn't been a prosecution of the newspapers as well as the PI's. |
| 17 Q. The Inquiry has had access and the core participants have seen it to material provided by the Information Commissioner's Office which has not been made available for (inaudible). |
| 18 A. Okay. |
| 19 Q. May I bring you forward, but possibly back in time, to page 266 of "The Dark Arts" -- |
| 20 A. Yes. |
| 21 Q. -- where you embark upon a review of, really, the next 20 pages or so of a range of matters which, if you look at page 266, about a third of the way down, you say this: |
| 22 "It's never easy to look back from the midst of the epidemic and see how the germ first started to spread. There has always been a little dirty play, a little illegal stuff going on in the shadows of Fleet Street." And what you undertake here, do I have this right, Mr Davies, is a sort of historical review which brings a narrative forward, starting perhaps from the 1970s when the Commissioner at Scotland Yard, of course, was Sir Robert Mark, when he carried out a massive clean-up operation, as we all know, and you bring the story forward to more or less the present day; is that right? |
| 23 A. That's what I was trying to do, yes. |
| 24 Q. So I can understand the position then, when you mention Z, at page 267 -- |
| 25 A. Yes? |
| 26 Q. -- at about what point in time are we talking about? Is this the 1980s or some different time period? |
| 27 A. The timeframe of Z's activities on the behalf of Fleet Street? |
| 28 Q. Yes. |
| 29 A. Begins in the early 1980s, I think 1982, but early 1980s, and stretches forward into the very recent past. |
| 30 My belief is that he was still active at the time that... |

27 (Pages 105 to 108)
24 Q. The Inquiry doesn't really wish to go into the detail of this at this stage, although it's right to say that this
23 A. No. I think there's a possible -- at least five different
22 Q. Fair enough. The activities of these private
21 A. -- I haven't read it.
20 Q. At the start of the --
19 A. Okay.
18 Q. There are four examples given, which correlate with what
17 A. -- I haven't read it.
16 Q. Are you just saying.
15 A. No.
14 Q. Can I ask you though, please, about 271, the second
13 A. Yes. Right up the top?
12 Q. Yes.
11 A. Yeah, gotcha.
10 Q. Page 269, you mention a particular private investigator.
9 A.  -- I haven't read it.
8 A. Fair enough. The activities of these private
7 Q. Page 109
6 A. No.
5 Q. Can I ask you though, please, about 271, the second
4 A. No.
3 Q. The Inquiry doesn't really wish to go into the detail of this at this stage, although it's right to say that this
2 A. No, corruption of police officers is coming through
Q. Possibly a bit earlier, I'm told, because the Mail's offices moved to Kensington in 1989, and therefore if there's drinking at the Wine Press in Fleet Street, it must have been before then. Is that possible?

A. You've just identified the title. No, that doesn't make any sense at all, does it? The Wine Press are an innocent party in this. They're not responsible for what goes on in their bar, but Wine Press was a long-established watering hole for Fleet Street, particularly for Fleet Street crime reporters and police officers, and the fact that one particular newspaper moved several miles to the west doesn't change the fact that that's the pond where the fish are and the reporter from that newspaper is going to go back. Everybody's not going to follow them down the road. I'm confident this is post '89. In fact, I'm confident this is early and mid-1990s, as I described.

Q. I'm just putting a point to you. You have given the answer and that's fine, Mr Davies.

A. Correct.

Q. We're perhaps in the realm of another module of this Inquiry, but if I could be forgiven for asking you one question about it -- or perhaps not just one, maybe more than one -- are you able to give us any sense of the scale of this activity?

A. Z's activity?

Q. Towards the top of page 272, you refer to a particular matter, namely this is not just about breach of privacy. There were examples -- I can't remember whether I've given them in the book, I can remember one of them which I was given, but where active inquiries were impeded by the sale of this information.

Q. Towards the top of page 272, you refer to a particular title.

A. Mm-hm.

Q. You understand that there is a sensitivity about that?

A. Mm-hm.

Q. Can I understand, first of all, though, approximately when did the events you describe at this point on page 272 occur?

A. Hang on. I just have to read it so that I can catch up with you.

Q. Okay. I think we're here in the early and mid-1990s.

A. Do you remember I said there are different layers of detail, but there were three in particular who helped me on that aspect of it. These are former Mail reporters.

Q. Was it known where the money was going?

A. Absolutely clearly. This is where it gets terribly difficult because, for example, there was quite a lot of specific detail with this particular story. This is how we got the information. There was a clear indication of who the recipient detective was, so who it is that Z is passing the money to, how much was passed, but that's what I was saying earlier on; it's not just a question of concealing the identity of the journalist. If you disclose the precise detail, then by implication you identify the source.

Q. Page 273. You deal with one particular matter, namely access to a government database.

A. Mm-hm.

Q. The source you refer to with access to a government database, who was that person? I'm not asking you to identify the person, but give us some idea as to the modus operandi here. Can you help us?

A. As to who's talking to me?

Q. Yes.
1 A. It says: a reporter who has now left the Mail. Again, it's one of these things where you have a lot of different reporters who have worked there talk about the blagging of confidential data and then different individuals go into different elements of detail on it.

2 Q. Presumably then -- is this right, Mr Davies -- towards the bottom of page 273, it's the same point in relation to the Sunday Times; is that right?

3 A. The point being?

4 Q. That it's probably former Sunday Times reporters who are providing you with the information?

5 A. Yes. Again, you have about a dozen or 15 former reporters who are talking and overlapping to different degrees on different subjects.

6 Q. We note what you say at the top of page 274 about the routine use of private investigators?

7 A. Mm-hm.

8 Q. One expert blagger told you -- have I understood it correctly -- that he was working for the Sunday Times?

9 A. Yes. He's going back a bit.

10 Q. Back to about when?

11 A. I reckon late 80s, that particular person. He's one of your kind of senior figures who doesn't like the way it all took off.

12 Q. Then you refer, towards the bottom of page 274, to a former reporter of the Times who then brought proceedings against an employment tribunal. That's Mr David Connett, is it?

13 A. This is the Sunday Times. Correct, and I sat in on that Tribunal hearing and covered the evidence that came out. So that's public domain again.

14 Q. Yes, and the ruling of the employment tribunal again is a document in the public domain and we'll be looking at it in due course.

15 A. It may well be.

16 LORD JUSTICE LEVESON: Is that a convenient moment, Mr Jay?

17 MR JAY: Sir, it is. We are on track in terms of the overall timetable. I may need to conclude Mr Davies by about quarter to 3.

18 LORD JUSTICE LEVESON: Very good. I just want to remind everybody that although we're obviously looking at these title by title, it is no part of this part of the Inquiry to make decisions of fact about who did what to whom, and I repeat that at various points so that nobody should misunderstand the significance of what we're doing.

19 MR JAY: Thank you.

20 LORD JUSTICE LEVESON: Thank you very much. 2 o'clock. (1.01 pm)

21 (The luncheon adjournment)
Day 9 - AM Leveson Inquiry 29 November 2011

Page 131
Day 9 - AM

Leveson Inquiry

29 November 2011

Page 133