J. CHAPMAN STATEMENT TO THE CULTURE, MEDIA AND SPORT SELECT COMMITTEE 11 AUGUST 2011

My career at News International

I joined News International as Director of Legal Affairs in July 2003. The role has overall responsibility for all corporate and commercial legal matters within News International and, both when I joined and when I left, reported to the Chief Financial Officer, who in turn reports to the Chief Executive.

Responsibility for editorial legal matters within News International is wholly separate from that for corporate and commercial legal matters. Throughout my time at News International, Mr. Tom Crone had overall responsibility for editorial legal matters in his role as Legal Manager, News International. This role reported at the same level in the organisation as myself, latterly to the Chief Financial Officer.

I was, thus, never "top legal officer" at News International (for example, as referred to in Mr. James Murdoch's answer to question 189).

On 23 June this year, I notified News International that I wished to leave the company. This was entirely at my own instigation, had never been suggested to me or discussed with me previously by News International, and was for personal reasons unconnected with the News of the World voicemail interception issue.

Evidence given to the Committee on 19 July 2011

I wish to make it clear at the outset that I do not in any way seek to suggest that any of those giving evidence on 19 July intended to mislead the Committee in evidence given by them relating to myself or the 2007 review of certain emails carried out in News International and then by Harbottle & Lewis (the "2007 Email Review"). None of them has any first-hand knowledge whatosever of the circumstances of the 2007 Email Review, so they must have been wholly reliant on what they were told about this by others. Regrettably, this has, in my opinion, led to serious inaccuracies in what the Committee has been told.

Investigations and inquiries after the Goodman/Mulcaire arrests in August 2006

I am surprised and extremely concerned that, in the evidence given to the Committee on 19 July, the 2007 Email Review was deliberately put on a similar footing to, and given the same importance in terms of News International's supposed reliance upon it, as the original police investigation and the PCC inquiry. This is the first time, to my knowledge, this has occurred and I believe this to be very misleading.

At this point, it is worth looking at the question from the Chairman (question 154) which triggered the first of many references in the evidence to the 2007 Email Review. The Chairman

refers to evidence taken by the Committee in 2009 from Messrs. Kuttner, Crone, Myler, Coulson and Hinton and states "All of them told us that there had been a thorough investigation and no evidence had ever been found that anybody else was involved. That clearly was not correct. Were any of them lying to this Committee?"

The answer given to this question by Mr. James Murdoch ("The company relied on three things for a period of time up until the new evidence emerged...the company relied on the legal opinion of outside counsel that was brought in related to those matters, who, with respect to their review, had issued a clear opinion that there was no additional illegality other than the two individuals involved before") introduces what seems to me to be the new approach by News International of linking the 2007 Email Review with the police investigation and the PCC inquiry, and this approach continues in a very clear pattern in the answers given by Mr. James Murdoch to questions 339 and 362, and is further reinforced in Mr. Rupert Murdoch's closing statement (after question 418).

I thought it might be instructive to look at all references made by the individuals named in question 154 in their 2009 evidence to "investigations" or similar processes following the Goodman/Mulcaire arrests and have set these out, for the convenience of members of the Committee, in the Appendix to this statement (I have put specific references to the 2007 Email Review in bold). It seems to me that none of these individuals gives most weight to the 2007 Email Review and that, in particular, none of them in any way seeks to put it on a similar footing to, or to give it the same importance in terms of News International's supposed reliance upon it as, the original police investigation and the PCC inquiry.

In fact, generally, considerable emphasis appears to be given to an investigative exercise carried out by a firm called Burton Copeland who were apparently brought in by the News of the World in 2006 (see, for example, the answers given to questions 1394, 1395 and 1396 by Mr. Crone and Mr. Myler). I should note that I was not told about this exercise at the time and have no information about it, other than what is in the 2009 evidence. In fact, there is an earlier reference to this exercise in Mr. Hinton's evidence to the Committee on 6 March 2007 (ie before the 2007 Email Review took place) when he is asked by Mr. Whittingdale (question 95) "You carried out a full, rigorous internal inquiry, and you are absolutely convinced that Clive Goodman was the only person who knew what was going on?", his reply being "Yes, we have and I believe he was the only person, but that investigation, under the new editor, continues".

Although the Chairman's question 154 to Mr. James Murdoch on 19 July mentions the evidence of five individuals in 2009, two of these (Mr. Coulson (who had left by the time of the 2007 Email Review) and Mr. Kuttner) only mention the Burton Copeland investigative exercise and, of the others, I think it fair to say that they give more weight to that exercise than to the 2007 Email Review. Even Mr. Hinton's evidence – and he gave instructions for the 2007 Email Review to be carried out – refers in more than a passing manner to the Burton Copeland investigative exercise. In response to Mr. Farrelly's question 2168 (see the Appendix), for example, his reply includes a clear reference to the Burton Copeland exercise: "We brought in a firm of solicitors and there were many, many conversations with the police, and not involving me. There was never firm evidence provided or suspicion provided that I am aware of that implicated anybody else other than Clive within the staff of the *News of the World*". At one

point, Mr. Hinton seems even to confuse the Burton Copeland investigative exercise and the 2007 Email Review (see his answer to question 1206 in the Appendix).

Question number 154 from the Chairman on 19 July seems to have triggered an almost automatic response from Mr. James Murdoch whereby he refers to the 2007 Email Review as something upon which News International placed a very great degree of reliance that Goodman was working alone. No reference is made anywhere in the 19 July evidence to the work apparently done by "probably the leading firm in this country for white collar fraud" (Tom Crone responding to question 1388 – see the Appendix).

I do not understand why the Burton Copeland investigative exercise is no longer referred to by News International. Nor do I understand why the 2007 Email Review (which, as I will discuss later, was relatively limited in its scope and terms of reference) has now apparently become so hugely significant in the story of the News of the World and News International's response to the events of 2006. I also had a strong overall impression from the 19 July proceedings that the process of providing evidence to the Committee seemed to focus unduly on disparagement of the way in which the 2007 Email Review was carried out, and of those individuals who carried it out, and that, as a result, less was learned about what was done or not done in response to the Goodman and Mulcaire arrests and their aftermath than the Committee might perhaps have wished.

The nature of the 2007 Email Review

To my knowledge, the 2007 Email Review was never intended to be a general internal inquiry or investigation into the issue of voicemail interception at the News of the World. To characterise and hold it out as such now, and to refer to it on several occasions in the same context as a major police investigation and an inquiry by a regulatory body, seems to me to be very misleading.

The 2007 Email Review only came about as a result of the very specific circumstances of the internal disciplinary process involving Clive Goodman, and its scope and terms of reference were determined by that process and not by any other factor (Mr. James Murdoch actually partially recognises this in his answer to question 344). Due to the ongoing police investigation, I will not comment further on these circumstances but, as a result of such circumstances, Mr. Hinton, the Chief Executive, asked Daniel Cloke, the then head of human resources, to carry out a review of emails between Mr. Goodman and five other individuals (whose names are known to the Committee and the public). I was asked to assist in that exercise.

The fact that the 2007 Email Review was carried out by the head of human resources and myself (as the employment lawyer for News International) demonstrates the context in which the review was carried out. Had there not been an ongoing disciplinary process involving Mr. Goodman in April 2007, there would have been no 2007 Email Review, and thus no internal exercise that News International could now purport to put on a similar footing to, and give the same importance as, the original police investigation and the PCC inquiry.

The 2007 Email Review started over eight months after the Goodman/Mulcaire arrests (unfortunately, Mr. Rupert Murdoch's reply to question 169 is thus incorrect (unless he is

referring to Burton Copeland) – "eventually, we appointed – very quickly appointed – a very leading firm of lawyers in the City to investigate it further"). This seems to me to be a very long delay if the review was intended as a general internal investigation into the issue of voicemail interception at the News of the World (nor would such an investigation normally require an internal disciplinary process as a trigger). I would also suggest, perhaps, that some of the more evident differences between the 2007 Email Review and such an investigation might also be that: - (i) the review did not examine email traffic between Mr. Goodman and several other key senior reporters and editorial executives, current and former, at the News of the World (Mr. Farrelly correctly notes this in, for example, question 342 and I note that, in his answer to question 341, Mr. James Murdoch appears not to know why the 2007 Email Review was limited to the specific individuals it looked at), (ii) the review did not examine emails from and to Mr. Mulcaire and (iii) to state the obvious, it was simply a review of emails (so did not include, for example, staff interviews and a review of cash payments).

The manner in which the 2007 Email Review was carried out

Disparagement of the 2007 Email Review and those individuals who carried it out is readily apparent in the evidence given on 19 July (it can also be seen, for example, in coverage in a News International newspaper, The Times, which has clearly carried material purposely briefed from News International sources both before and after the 19 July Committee session). There is even a suggestion of a "cover-up", implying perhaps some kind of misfeasance (Mr. Rupert Murdoch, in his answer to question 365, erroneously suggests, for example, that I had had a "report" of some kind from Harbottle & Lewis for a number of years which I had told nobody about but was rightly corrected by Mr. James Murdoch on this allegation, though Mr. Farrelly repeats the suggestion in question 524).

Mr. Cloke and I reviewed a large number of emails with the aim of determining whether there was any reasonable evidence in those emails that a limited and specified number of individuals knew about Mr. Goodman's voicemail interception activities. In order to carry out the review, Mr. Cloke and I were, I recall, given, on our respective computers, access to all those emails through an electronic folder of emails assembled by News International's IT department. We carried out our reviews separately but conferred on our findings and discussed a number of emails which potentially required further review. Incidentally, to my knowledge, Mr. Myler was not involved in this exercise in any way, despite indications to the contrary both by Mr. James Murdoch and Mr. Rupert Murdoch in their evidence.

We carried out the review carefully and diligently and found no such evidence within those emails, and I recall Mr. Cloke reported this back to Mr. Hinton. Mr. Hinton then requested that external counsel – it was agreed this would be Harbottle & Lewis – carry out a review of the same emails for the same purpose. Harbottle & Lewis were given, I believe, access to exactly the same folder of emails which we had reviewed on their own IT system and so reviewed exactly the same emails. This answers part of Mr. Farrelly's question (346) to Mr. James Murdoch as to "the extent of the information that was given to [Harbottle & Lewis] out of the totality of information that was available".

Neither Mr. Cloke nor myself, nor Harbottle & Lewis, were tasked with looking for evidence of any other potentially illegal activities in the 2007 Email Review. I believe there was no suggestion at that time that anything other than voicemail interception was an issue. I note at this point the questions and answers at 184 -186 in the Committee's proceedings on 19 July. Due to the ongoing police investigation, I will not comment on any specific emails included within the 2007 Email Review. However, had I, in carrying out the 2007 Email Review, come across what I considered, within my then knowledge of criminal law (and I am not trained or experienced in criminal law), to be material evidence of either voicemail interception or any other criminal activity, I would, of course, have reported upon it immediately to my employer. I am sure Mr. Cloke and Mr. Abramson would say exactly the same. Why would that ever not be the case, given that we were two senior executives of News International, with no affiliations to the News of the World or its staff, and that the Harbottle & Lewis part of the 2007 Email Review was carried out by the Mr. Lawrence Abramson, who was Managing Partner, and a very senior and well-respected lawyer.

The Harbottle & Lewis review

I now turn to the question of the various archived emails provided to News International by Harbottle & Lewis several months ago. I do not believe the evidence given to the Committee on 19 July demonstrates any understanding or knowledge of how these came into existence. As I have indicated earlier, Mr. Rupert Murdoch refers to them as a "report" in his answer to question 365, as does Mr. Farrelly in his question 324 and Mr. James Murdoch in his answer to question 363. These and other references in the evidence imply a structured file with some apparent overall purpose. A typical definition of "report" is "an account or statement describing in detail an event, situation, or the like, usually as the result of observation, inquiry, etc." I am not simply relying on semantics here – the emails in the Harbottle & Lewis archive are not a "report" and were not intended to be so.

I believe the existence of a number of emails printed off from all those constituting the original folder provided electronically to Harbottle & Lewis might probably be explained simply in the context of how that firm went about its review of all the emails, although the Committee may, of course, wish to seek a first-hand account of this from the lawyer who was instructed with carrying out of the 2007 Email Review at Harbottle & Lewis.

The existence of a number of emails in isolation from all the others in the folder suggests to me that a colleague of Mr. Abramson was tasked with doing an initial sweep of the emails and printing off from the electronic folder anything whatsoever that he or she felt should be looked at more closely. I would surmise that these would then have been reviewed more closely by/with Mr. Abramson, with the benefit of the context provided by the emails around them on the electronic folder.

I should make it absolutely clear that neither I, nor in my belief anyone else at News International, was aware of the existence of this retained collection of some of the emails until earlier this year when they were provided to News International. There was no reason why we would be. It was not a report or dossier which Harbottle & Lewis wished to bring to News International's attention as part of the 2007 Email Review (after all, all the emails in question were ones which had been previously reviewed internally at News International). It was simply part of their own internal working process and something they were perfectly entitled to do as part of their task – I had never instructed them not to print off emails or retain any so printed off. This, of course, means that there was no cover-up of the existence of these emails. At this point, addressing Mr. Farrelly's question 362, in the context of those emails printed and retained by Harbottle & Lewis, therefore, nobody kept Mr. James Murdoch or any other News International/News Corporation executive from being in "full possession of the facts".

There is, of course, one obvious consequence of the current existence of these emails (which, as I have said, I believe were probably selected for printing simply because they were thought to require further review) in complete isolation from the context provided by the many other emails around them in the original electronic folder. That is that it is very easy to presume, without the benefit of that context, that all or many of them point to something sinister. It would appear, however, that by looking at them in the context of lengthy email "conversations" in the original electronic folder, Harbottle & Lewis were able to satisfy themselves that the letter of 29 May 2007 could be given to News International (thereby, of course, drawing the same conclusion as Mr. Cloke and myself).

I should conclude this section by noting that there is a suggestion in Mr. Farrelly's questioning to Ms.Brooks (see question 530, for example) that I somehow told Harbottle & Lewis what to write in their letter. There have also been suggestions in certain elements of the media to this effect. Whilst an element of negotiation on the terms of a legal opinion is not unusual, there is simply no way that a very senior and well-respected lawyer would let anyone tell him how to write an opinion unless he was comfortable with it! Ms.Brooks very rightly picks this up in her answer to question 533. As I have stated earlier, Mr. Cloke and I believed that we had come across no reasonable evidence of knowledge by others of voicemail interception in the emails reviewed in the 2007 Email Review, so clearly we would have hoped that Harbottle & Lewis would share that view.

Conclusion

The 2007 Email Review was relatively limited in its scope and terms of reference, occurring purely in an employment-related context. It simply cannot reasonably be held out or characterised as the type of wider internal investigation that evidence given to the Committee on 19 July suggests it was. For that evidence to have focussed to such an extent on the review and the manner it which it was conducted (including, for example, such serious misconceptions as the existence of a Harbottle & Lewis "report" separate to the 29 May letter) could be said to be a diversion from the very important issue of what the News of the World and News International did or did not do in response to the events of August 2006 and their aftermath. In my view, this cannot be conducive to the Committee's aim of establishing the truth.

APPENDIX TO J. CHAPMAN STATEMENT

RELEVANT EXTRACTS FROM EVIDENCE TO CMS SELECT COMMITTEE

COLIN MYLER/ TOM CRONE - 21 JULY 2009

Q1383 Paul Farrelly: Mr Myler, I do not want to take up too much time because lots of other people want to come in, but I wanted to explore the basis for the evidence you gave the PCC, I believe, in February 2007 just after you arrived at the *News of the World*. At that stage what stage had investigations reached at the *News of the World* to your knowledge, because you gave the evidence to the PCC?

Mr Myler: What had happened internally?

Q1384 Paul Farrelly: Yes.

Mr Myler: I think the first thing to remember is that as soon as Mr Goodman and Mr Mulcaire were arrested News International had an outside firm of solicitors to absolutely oversee the investigation to cooperate with the police, to be a bridgehead, to give whatever facility the police required. It was completely hands-off, if you like, for transparency from the company's point of view. It was a nine month investigation. At the end of that nine months two people were convicted, tried and went to jail. No other member of the *News of the World* staff was questioned. It is important, if you would allow me to say so, that John Yates's statement on 9 July after the first *Guardian* story appeared says this: "This case has been the subject of the most careful investigation by very experienced detectives. It has also been scrutinised in detail by both the CPS and leading counsel. They have carefully examined all the evidence and prepared the indictments—-"

Q1385 Paul Farrelly: We have seen this; we have this in evidence.

Mr Myler: With respect, can I just finish this one sentence: "No additional evidence has come to light since this case has concluded; I therefore consider that no further investigation is required".

Q1388 Paul Farrelly: Who were the solicitors who handled the investigation?

Mr Crone: Burton Copeland. They are probably the leading firm in this country for white collar fraud.

Q1389 Paul Farrelly: Did that investigation go wider than investigating the circumstances because the court case was coming up of the Mulcaire/Goodman connection? Did it go wider and ask people such as the deputy editor, the managing

editor, the news editor, the chief reporter as to whether they had been involved in any way with Mr Mulcaire? Did it go wider?

Mr Crone: Sorry, this is for me?

Q1390 Paul Farrelly: No, this is to Mr Myler because Mr Myler gave evidence to the PCC.

Mr Myler: I think Mr Crone is the best person to answer.

Q1391 Paul Farrelly: This is the basis of the evidence you gave to the PCC.

Mr Myler: Mr Crone was there. This arrest took place, I believe, in August 2006. I think you should allow Mr Crone—-

Q1392 Paul Farrelly: To your knowledge, did that investigation go wider?

Mr Myler: Wider than what?

Q1393 Paul Farrelly: Than simply the relationship between Goodman and Mulcaire. Did the people either interview them or ask them to come forward under the basis of an amnesty if they had done something wrong to reveal themselves? Did it go to the accounts department?

Mr Myler: I do not know whether or not the police---

Q1394 Paul Farrelly: No, it is not the police. It is the News International investigation when you arrived. I want to know what your knowledge was of how far the remit went?

Mr Myler: My recollection was that a very thorough investigation took place where there was a review of everything from how cash payments were processed. You have to remember that the Mulcaire contract, which the judge in the Goodman/Mulcaire trial said was absolutely above board and legal, meant that the staff had access to him 24/7. He was conducting enquiries perfectly legally and lawfully that meant journalists could call him for checks on electoral rolls or whatever. As I understand it, the inquiry was thorough; and to the executives that were there at the time they were happy with that.

Q1395 Paul Farrelly: Mr Crone, how wide was the inquiry? You understand the questions I am asking?

Mr Crone: Yes. I got back the Tuesday after the arrests. They were arrested on one Tuesday and I was there the week after. By the time I got back, which must have been August 15, Burton Copeland were in the office virtually every day or in contact with the office every day. My understanding of their remit was that they were brought in to go over everything and find out what had gone on, to liaise with the police—

Q1396 Paul Farrelly: Everything to do with Mulcaire and Goodman?

Mr Crone: Yes, but what you have got to realise is, at the time the only case being looked at was an access of a Royal household—voicemails. The other names did not become known to us or, as far as I know, anyone else apart from the prosecution and the police, and the defence lawyers probably knew slightly earlier; the other names did not come out until November 29, which is five months later. What I think was being enquired into was what had gone on leading to the arrests; what, in the relationship with Mulcaire, did we have to worry about. Burton Copeland came in; they were given absolutely free-range to ask whatever they wanted to ask. They did risk accounts and they have got four lever-arch files of payment records, everything to do with Mulcaire, and there is no evidence of anything going beyond in terms of knowledge into other activities.

Q1397 Paul Farrelly: I want to wrap-up fairly shortly. When the other names came into the frame after November 29, did the remit of the investigation in News International broaden?

Mr Crone: Yes, to some extent but the questions had already been asked. Was anyone involved with Mulcaire, or doing this, that or the other? Burton Copeland had looked at all of the financial records; <u>and there was subsequently an email check done which</u> <u>went to 2,500 emails; and that produced no evidence either.</u>

Q1405 Philip Davies: Can I just explore a bit further the idea about how many people at News International were involved in what was going on because, coming back to the point that Paul made, the idea that it was one rogue maverick journalist appears now to be a somewhat discredited theory. Given that the people who have been the victims of this—people like Gordon Taylor, Elle Macpherson—have nothing to do with the Royal Family, as Paul mentioned, surely that in itself would indicate to people that this must be going beyond Clive Goodman who was the Royal Editor; because why on earth would Clive Goodman be interested in the taped conversations of Gordon Taylor and Elle Macpherson?

Mr Myler: No evidence, Mr Davies, has been produced internally or externally by the police, by any lawyers, to suggest that what you have said is the truth, is the case. Can I just make the point that Mr Farrelly touched upon. In the course of talking to executives when I arrived to go through obviously what had happened—as I said, I conducted this inquiry with Daniel Cloke our Director of Human Resources—<u>over 2,500 emails were accessed because we were exploring whether or not there was any other evidence to suggest essentially what you are hinting at. No evidence was found; that is up to 2,500 emails.</u>

Q1476 Mr Hall: I am quite intrigued about the fact that you said that you did a thorough trace through 2,500 emails. It occurred to me that there is a very good saying: "Don't put anything in an email that you don't want to see on the front page of the *News of the World*!" Were you not surprised that you did not find anything?

Mr Myler: <u>The investigation, actually, was done by one of our internal lawyers and</u> <u>our IT department, and they are not affiliated to one title; they work across the</u> <u>company and they are just told to do the search. As I said, it was overseen by our</u> <u>Director of Human Resources, who I think is as impartial, if you like, as most people</u> <u>can be in that situation.</u>

ANDY COULSON/ STUART KUTTNER - 21 JULY 2009

Q1558 Mr Ainsworth: What would you like to have done?

Mr Coulson: It is difficult to say. I cannot give you a specific set of measures. To give you an example, once we knew that Clive Goodman had been arrested, obviously, we wanted to find out pretty quickly what had happened. So we instigated an internal inquiry; I brought in an independent set of solicitors with the primary purpose, I have to say, of trying to find out what happened in relation to Clive, and we discovered that these cash payments had taken place. So, yes, could I have tightened up the cash payment process? Maybe yes, and maybe I should have done.

Q1563 Alan Keen: Mr Kuttner, how did you see Mr Coulson fitting into the management control system? Do you feel guilty that you left him to sink, really? Do you feel he should have known more about the payments that were being made, or did you feel that was not really his job and he was a journalist first and not a manager?

Mr Kuttner: First things first: I deeply regret the circumstances in which Andy Coulson left the *News of the World*. He was a very fine editor of that newspaper and it was a very unhappy, traumatic time for the management of what I will call "my newspaper", although I do not edit it. Do I think that Andy Coulson should have been told more, could have been given more information, that I left him down? No, I do not. He has said that he and I were deceived. There are in life, I am afraid, people who engage in such activity. In the grand scheme of things, with thousands and thousands of payments for stories, pictures, features and articles and sports reports going through our systems, and, as you have heard from previous witnesses, the entirely valid, legitimate Mulcaire contract, a relatively small but regrettable number of false cash payments were created and were approved, on the whole—not always but generally—by me, unknowing, and in those circumstances, as I said a few moments ago, I think the arrests and what followed, and the bringing in of the independent lawyers, right from the start, was, in my long experience, one of the most traumatic and unhappy events that I have known in newspapers.

Q1663 Mr Farrelly: Can I just ask you about Clive Goodman. You say you were deceived. How was Clive Goodman able to pay £12,300 to Glenn Mulcaire? Was it actually in readies or did it go through the accounts department in a masked way?

Mr Kuttner: I think the answer to the first part is it was in cash, it was a cash payment. The answer to the second part is that it was all accounted for in the documentation and that is the material that either directly on their own account to the investigating police

team, or through Burton Copeland, the solicitor who was looking into these things at News International, was all disclosed.

Q1719 Tom Watson: When you found out about the arrests. Presumably you commissioned an inquiry?

Mr Coulson: Yes. Obviously we wanted to know internally very quickly what the hell had gone on. Then I brought in Burton Copeland, an independent firm of solicitors to carry out an investigation. We opened up the files as much as we could. There was nothing that they asked for that they were not given.

HINTON – 15 SEPTEMBER 2009

Q2106 Chairman: Can I this afternoon welcome Les Hinton who is giving evidence to the Committee from New York. Les is currently the Chief Executive Officer of Dow Jones but was the previous Executive Chairman of News International at a time when the Committee previously took evidence in its last inquiry into self-regulation of the press. Les, thank you for making yourself available this afternoon. May I start by referring back to the evidence which you gave to the Committee in March 2007 because at that time in relation to the Clive Goodman affair you said that there had been a full rigorous internal inquiry, that you were convinced that Clive Goodman was the only person that knew what was going on but that the investigation continued. Can you say what the final outcome of that investigation was and if it remains the case that you are convinced that only Clive Goodman knew about the tapping of phones by Glenn Mulcaire?

Mr Hinton: Yes, Chairman. As you have already heard, when Colin Myler took over as Editor he continued studying the events there and <u>had the assistance, as you know, of a firm of solicitors, and I know from recollection he went through thousands of emails.</u> He never delivered any evidence that there had been anyone else involved. At the same time as that of course our biggest concern was that the *News of the World*, having gone through a pretty terrible time, that he was going to make absolutely certain that whatever lapses had happened in the past would not be repeated. I think he gave you some pretty detailed information about the measures that he took to be certain that everyone there was well aware of the rules and the boundaries, but, no, there was never any evidence delivered to me that suggested that the conduct of Clive Goodman spread beyond him.

Q2138 Adam Price: Well, did Clive Goodman in those negotiations in relation to his dismissal threaten to make public information which would have been damaging to the *News of the World*?

Mr Hinton: That was never suggested at the time.

Q2161 Mr Hall: <u>Repeated by you this afternoon and given in evidence previously</u> by Mr Myler, we are told that he looked extensively through about two and a half

thousand emails to see if he could find any other evidence that this was a more widespread practice within the *News of the World*.

Mr Hinton: If that is what he told you, I do not know.

Q2168 Paul Farrelly: I just wanted to respond to the point made about Mr Yates' evidence. We have asked you back here because we want to establish how you responded in the affirmative to the Chairman's question that you carried out a full rigorous internal inquiry and you said yes you had. Can I just ask you on what basis did you feel able to give that answer, that to your recollection Tom Crone said that various investigations had been undertaken internally as the facts established themselves as the charges and trial developed. Can you tell us on what basis you gave us that answer?

Mr Hinton: Okay. You have had the benefit of hearing the testimony of people that were much more closely involved in it than I, but when it all happened my first detailed conversation was with Andy Coulson and I said, "Andy, we have got make certain the extent to which this has been going on." He had numerous conversations, the charges were laid, he invoked the help of Tom Crone, who is a company lawyer with a lot of experience and who again was disassociated from this, and there was a decision to bring him in to meet people and to help the police with their enquiries to make sure that they were being properly informed and helped without people that might have an interest in what was being told. We brought in a firm of solicitors and there were many, many conversations with the police, and not involving me. There was never firm evidence provided or suspicion provided that I am aware of that implicated anybody else other than Clive within the staff of the News of the World. It just did not happen, Paul, and had it have happened then we would have acted. I cannot tell you the state of alarm that Andy was in when all this happened because he felt a massive burden of responsibility for it having happened on his watch, which is why in the end he decided to quit. That was leading up before Andy's departure. When Colin came in things were still very live but at that point everybody was pretty exhausted by it all. There were two things I wanted Colin to do: (a) keep speaking to people, keep looking around to see whether or not any of this had happened before and (b) to settle the staff down because most of them of course had had no involvement in this at all, this was just Clive, and to get people focused on doing their job and being proud of what they do. He had a two-fold issue, a leadership issue and the issue of cleaning up and making certain that we were doing everything we could. We co-operated a lot with the Press Complaints Commission and through our own commonsense to make certain that we had as thoroughly as possible made people aware of the need to behave very, very carefully in certain areas.

WRITTEN EVIDENCE FROM NI 2009 – PS 137

Are there any written reports, either internal or by the lawyers you appointed, of the investigations into the activities of Goodman and Mulcaire, or other inquiry agents? If so the Committee would be grateful for sight of these.

Answer

Any initial reporting on these matters was communicated orally.

In May 2007, as the Committee knows, all emails which were then on News International's IT systems between Clive Goodman and Andy Coulson, Stuart Kuttner, Ian Edmondson, Neil Wallis and Jules Stenson were identified and copied from the systems and reviewed by Jon Chapman and Daniel Cloke, before being passed to Lawrence Abramson, Managing Partner of Harbottle & Lewis, an external law firm, for further review.