

HOUSE OF COMMONS
ORAL EVIDENCE
TAKEN BEFORE THE
HOME AFFAIRS COMMITTEE

**UNAUTHORISED TAPPING INTO OR HACKING OF MOBILE
COMMUNICATIONS**

TUESDAY 19 JULY 2011

SIR PAUL STEPHENSON

DICK FEDORCIO

JOHN YATES

Evidence heard in Public

Questions 645 - 975

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Oral Evidence

Taken before the Home Affairs Committee

on Tuesday 19 July 2011

Members present:

Keith Vaz (Chair)
Nicola Blackwood
Mr James Clappison
Michael Ellis
Lorraine Fullbrook
Dr Julian Huppert
Steve McCabe
Alun Michael
Bridget Phillipson
Mark Reckless
Keith Vaz
Mr David Winnick

Examination of Witness

Witness: **Sir Paul Stephenson**, Acting Commissioner, Metropolitan police, gave evidence.

Chair: Order. May I welcome Sir Paul Stephenson? Sir Paul, you are still the Commissioner of the Metropolitan Police.

Sir Paul Stephenson: That is my understanding, Chair.

Chair: Excellent. I refer everyone present to the Register of Members' Financial Interests. In particular, for the purposes of this session, I declare that I met you, and we were both guests, at the police bravery awards, which were hosted by the Police Federation and sponsored by *The Sun*; that you and I both know Stephen Purdew, the owner of Champneys; and that I was invited to the News International summer party recently, but I did not attend. Are there any other interests that Members need to declare, directly or indirectly?

Alun Michael: Chair, I attended the police bravery event. I am not sure whether that is a declarable interest, but I did. For the avoidance of doubt, my son is the chief executive of the North Wales police authority.

Q645 Chair: Thank you very much. Sir Paul, thank you for coming. Can I place on record my appreciation to you? I know that these are difficult times, but when I spoke to you last Thursday and invited you to attend this Committee meeting, you did so readily, agreeing the time immediately. You said to me that if events progressed, you would have to make a statement during that time, but I appreciate the fact that you have always come to Parliament first and been prepared to answer questions from Members of this House, specifically members of this Committee.

Can you tell the Committee why you resigned, bearing in mind—we have all read your statement very carefully—that there has been, in your words, no impropriety in what has happened; that you feel that you have done absolutely nothing wrong; and that you have had no direct involvement as far as the two investigations and the so-called review of the investigation are concerned? You felt that you should resign. Why did you do so?

Sir Paul Stephenson: You say that you and everyone else has read, or heard, my statement, and I am quite sure that you did; I think I was quite explicit about the reasons. I think I was very clear. When I took this post, I made it very clear that I would never, or never willingly, allow the story to be about me, the leader, as opposed to what the people who work for me do. I was always very clear about that. I saw the consequences of that previously and the distraction it can cause, and I think that that is wrong. A leader should always be looking to that. That is the first thing. Clearly, there were significant stories about me.

In the context of the job that I do, I might have considered it for a little longer, but I think we are in extraordinary times. We are in the Olympic year, and we have a short run-up to the Olympics. It is a very sad decision for me, but in the run-up to the Olympics, if there is going to be continuing speculation around the position of the Commissioner, and stories continue to distract, then if I was going to do something, I had to do it speedily. In the words of William Shakespeare—I hope I quote him right—“If ’twere best it were done, ’twere well it were done quickly”. I had to take a decision, on behalf of the organisation, to allow the relevant authorities, if they were going to put someone else in place in time, to have a firm hold on the helm and lead the Met through its biggest challenges; I had to do it quickly. It is regrettable, but I had to do that in the Olympic year.

Q646 Chair: We will come on, in this session, to explore the issue of your relationship with Mr Wallis and why you employed him. We have other witnesses coming in later. We will then look into the previous investigations and your role in that, but if we could first just concentrate further on the resignation. When I spoke to you at about 6 o’clock on Thursday, resignation did not seem to be in your mind. You had met the Mayor, and you had spoken, I assume, to the Home Secretary. Is it that they did not give you the support to stay on following the conversations with them? You did not sound as if you were in a resignation mood when you spoke to me. When did you make up your mind that you had to go?

Sir Paul Stephenson: There has been much speculation on whether I was supported or not. I have to say that I have received the full support of the Home Secretary, the Mayor, Kit Malthouse, and, as far as I am aware, the Prime Minister. I have seen the comments that they have made since my regulation. I guess I became much clearer when I was contacted on Saturday about the Champneys story, for which I am not apologetic at all, by the way. When I became aware that Mr Wallis—I know you will understand this, Chair, but I have to remind everyone that while he has been arrested and bailed, I should say nothing that prejudices his rights—was in some way connected with Champneys, I thought that that was a very difficult story. It was very unfortunate for me. I had no knowledge previously. That, together with everything else, made me think, “This will be a significant story. It will continue. If I am going to be a leader and do the right thing by my organisation, I think I have to do something that is very painful.”

Q647 Chair: But as far as you are concerned, nobody asked you to go. You made this decision yourself. Neither the Mayor, the Home Secretary, nor the Prime Minister felt that your position was untenable. You have told this Committee just now that they gave you support for the work that you were doing. Is that right?

Sir Paul Stephenson: That is absolutely right, Chair. In reality, when I spoke to the Home Secretary and the Mayor, the Mayor accepted it very reluctantly; he thought it was wrong, and he said that to me again the following day. The Home Secretary was clearly very shocked and very saddened. She also stated that she regretted my decision. It was my decision and my decision only, Chair—no one else’s. If I may say so, it was against the advice of many, many colleagues, and indeed my wife.

Q648 Chair: Did any of them say, “Please don’t go, please stay. You have more work to do”?

Sir Paul Stephenson: That was the implication that I took from the response of the Mayor. I would describe him, without being overly emotional, as being almost emotional. He was very cross; he didn’t want it to happen, and he made it very clear that he thought it was wrong.

Q649 Chair: We will continue on this vein, and colleagues will ask questions on this. Can I deal with the issue of the one or two lines that you put in your resignation statement concerning Mr Coulson, and the comparison between Mr Wallis and Mr Coulson in respect of your employment of Mr Wallis? We will explore with Mr Fedorcio later what happened concerning that matter.

Specifically—this has excited a lot of interest—you made reference between what you did and the employment of Mr Coulson by the Prime Minister. It seemed that you may have been taking a bit of a swipe at the Prime Minister, bearing in mind the fact that you said that the Prime Minister had employed somebody who had resigned, but Mr Wallis had not resigned, as a result of the *News of the World*. That has excited a lot of comment. Here you were resigning, and there was the Prime Minister just carrying on. Were you upset by the fact that you were treated differently, or appeared to have been treated differently?

Sir Paul Stephenson: Chair, we always live in a world where the media speculate and interpret, and this has been a particularly febrile time. I was taking no such swipe at the Prime Minister. I was trying to make something absolutely clear. I agree with the Prime Minister when he says that this was entirely different. Of course the employment of Mr Coulson and the employment by the Met of Mr Wallis are entirely different.

Can I correct an inaccuracy here? Mr Wallis was never employed to be my personal assistant or to provide personal advice to me—I know we will go into this later. It was a very minor matter; he was employed to provide advice to the head of DPA—you will see him later on. Through that, he would give me some occasional advice. He had a very part-time, minor role. That is one of the reasons it was different from Mr Coulson, and it certainly was not a public-facing role. What I was trying to get across was simply this: when Mr Coulson resigned—at that time, he said he resigned, and time will tell, to do the honourable thing and, if you will, be the leader and take responsibility—by definition, he associated his name with hacking. That is simply and blindingly obvious. I was trying to draw the contrast that I had no reason to doubt Mr Wallis’s integrity. I had no reason at all to link him with hacking. I had no reason to associate his name and hacking together until—we will come on to this—January 2011, when I first saw his name in the public domain.

Chair: Indeed.

Sir Paul Stephenson: That is the difference. I meant not to impugn the Prime Minister, or anyone, by it; I was just trying to give an example to show that Mr Wallis’s name never, ever came into hacking, and it was never a consideration for me.

Q650 Chair: Indeed. We will come on to your relationship with Mr Wallis, but for this part, if we can concentrate on your resignation statement, and we will then come on to the relationship with Mr Wallis.

Q651 Mark Reckless: Sir Paul, many of the public feel that people in senior positions too rarely take responsibility by resigning, and will welcome your having done so. Are you concerned that that may have been undermined by what is being widely interpreted as a personal attack on the Prime Minister?

Sir Paul Stephenson: All I can do is tell the truth, Mr Reckless, and I told the truth in my statement. I did it to the best of my ability. I cannot, as is plainly obvious, control the way in which the media spin or interpret things. I am just saying here and now that I made no personal attack on the Prime Minister.

Q652 Mark Reckless: Well, Sir Paul, that is certainly how I interpreted your statement. Isn't one rather significant difference that you, as Commissioner of the Metropolitan Police, should have been responsible for leading the criminal investigation?

Sir Paul Stephenson: First, I would have to remind you of the evidence that Lord Blair gave to this Committee. I think he tried to describe the work of the Commissioner. If I might do that, that might put in context your question. We receive 6 million calls a year. We deal with over 800,000 crimes every year. I manage risk, and I look to the things that are most risky, as to wanting more briefings. I do not investigate crime, but I do make enquiries where it is high risk. When I took office as Commissioner, I did ask for a detailed briefing on the night stalker. That man had committed hideous crimes, raping elderly people. It had gone on for many years and it was a stain on our professional reputation. Therefore, I wanted a detailed briefing. I instructed that more resources be put into it, and we had a success.

I did ask, and continue to ask, for detailed briefings on the murder of Stephen Lawrence, because we still did not have a proper outcome to that. I did put in place weekly and daily briefings on counter-terrorism. I never for one moment asked a question about phone hacking. I had no reason to suspect it was not a successful operation. I had no reason to think it was not finished, and I had no reason to suspect—

Q653 Chair: We will come on to the investigation shortly. Mr Reckless, if we can stick with the resignation for the moment.

Q654 Mark Reckless: Sir Paul, a lot of other people did ask those questions. I personally would like to give credit to *The Guardian* newspaper and the role that it played in that, as well as a number of our colleagues.

Sir Paul Stephenson: I said the same thing in my resignation speech.

Q655 Mark Reckless: Good. You also, in your resignation speech, seemed to at least imply that the Prime Minister was in some way compromised and that you could not share what you were suggesting was operational information with him, but isn't it also the case that you did not disclose the appointment of this PR consultant previously either to the public or to Labour Ministers?

Sir Paul Stephenson: I certainly did not imply at all that the Prime Minister could not be trusted. I think if you look at my speech, that is quite clear. Why did I not tell the Prime Minister before Wallis's name was connected with phone hacking? I would have no reason to.

I had no reason to connect Wallis with phone hacking. I had no reason to question his impropriety. Nothing had come to my attention. I had no knowledge of the previous inquiry, and I had no reason to inquire of the police inquiry, and I had been given assurances by a senior-grade chief constable that there was nothing new. I had no reason to disclose a very minor contract, which was very part-time, of someone working for my DPA and giving me occasional advice. I had no reason to disclose that.

When he did come into the frame, or at least became a name, all I was saying in my resignation speech was that it seemed to me eminently sensible not to impugn the Prime Minister's character, but to consider whether it was right to allow anyone to ask any questions later, because I'd given him operational information that someone could suggest that because of his relationship with Coulson, and Coulson's relationship with Wallis, somehow that could open up a charge of impropriety. *[Interruption.]* No, I think there is something very relevant here. My understanding is that it was exactly the advice of a senior official in No. 10, so we don't compromise the Prime Minister.

Q656 Chair: That you should not tell him?

Sir Paul Stephenson: That is my understanding. Mr Yates might be able to answer that later on. My understanding is, and I think it's a very sensible position, that a senior official in No. 10 guided us that we should not compromise the Prime Minister. That seems to me to be entirely sensible.

Q657 Chair: Sir Paul, were you not involved in the Damian Green issue? Did you not tell the Mayor on that occasion, before Mr Green was arrested, that he was going to be arrested? Was he not compromised, bearing in mind the fact that he knew Mr Green, and that he then spoke to the then Leader of the Opposition about it? How can you have done that in that case, but not in this?

Sir Paul Stephenson: I think there are a couple of obvious differences there. First, I might have told the Mayor, but I did not tell the Prime Minister. Secondly, quite frankly, we had a new relationship, and it has always been my practice that when something very significant is going to happen, at the time it is going to happen, to sight the chair of the police authority—that was the Mayor at that time—so that they are not taken by surprise when they are doorstepped by reporters. I certainly didn't tell him well in advance. I work very hard not to compromise anyone, and if I may say so, I make sure that my people do not compromise me.

With regard to Wallis, because there was this, if you like, contact, I made sure that they told me what I needed to know. It was only several weeks ago that I first became aware that Wallis was a suspect; it was only early last week that I was told that Wallis may be arrested; and it was only on Thursday morning that I was told that he was being arrested that day, and he was under arrest.

Q658 Keith Vaz: We will come on to this, but I thought you said that Operation Weeting was happening in a box, and that you were not being kept informed of what was happening in Operation Weeting. When you appeared before this Committee two weeks ago, you said that these were questions to be asked of Sue Akers. Are you being kept informed by Sue Akers of who is going to be arrested?

Sir Paul Stephenson: She would inform me of a key suspect like that, and she just told me that he became a suspect.

Q659 Chair: So you knew on Sunday, for example, that Rebekah Brooks was going to be arrested before she was arrested?

Sir Paul Stephenson: Yes.

Q660 Chair: How long before?

Sir Paul Stephenson: Maybe a day, maybe two days.

Q661 Chair: Two days before, you knew?

Sir Paul Stephenson: I really can't remember, but a day or two days, and that is entirely proper.

Chair: I see. Can we stick to resignation for the moment? Michael Ellis?

Q662 Michael Ellis: Sir Paul, you didn't feel you could tell the Home Secretary.

Sir Paul Stephenson: I am very aware of the political exchanges over the employment of Mr Coulson. Why would I want to risk anyone being accused of any compromise? I would not suggest for one moment that the Home Secretary or the Prime Minister would say anything, but why would I risk that compromise? As I say, my understanding is that that was the advice from a senior official in No. 10, and we would agree with that. It is very sensible not to compromise people, or not to leave people open to any suggestion of compromise when they don't need to be.

Q663 Michael Ellis: Was it not a question of keeping it secret from the Home Secretary and from the Prime Minister? With great respect, Sir Paul, as Commissioner of the Metropolitan Police, you're on a very substantial salary, and you have very great responsibilities. You, and no doubt your predecessors, have had to tell Home Secretaries and Prime Ministers a lot of unpleasant things over many years. Why was this a matter that you felt you could not disclose? This has been interpreted negatively.

Sir Paul Stephenson: I am fully aware that it has been interpreted negatively; that has been brought home to me, but let me remind you that prior to Wallis becoming a name in connection with hacking, the first time, to my knowledge, that I ever heard his name in relation to hacking was in an article in January 2011 when I was still off sick. I had never heard him connected at all before, publicly or indeed—

Q664 Keith Vaz: We understand. You have made that point. We will come on to Mr Wallis in a second; we are on the resignation at the moment.

Sir Paul Stephenson: I think it's relevant, Sir. It is about the contract, and Mr Wallis is about the contract. Prior to that, I had absolutely no reason and no concern, so why would I raise with anyone a very minor contract? I don't raise any other contracts; I had no concern about Mr Wallis. When there was some concern, albeit very light, why would I then compromise, or allow the Prime Minister any suggestion of compromise, even though I do not for one minute think he would? Why would I be so clumsy?

Q665 Michael Ellis: But News International was being investigated by the Metropolitan police at that time, was it not?

Sir Paul Stephenson: At which time?

Michael Ellis: Well, at the time of Mr Wallis's hiring. Was it not being investigated?

Sir Paul Stephenson: No. There was no investigation.

Q666 Michael Ellis: The difference is that you were investigating News International at a later stage, were you not?

Sir Paul Stephenson: We started investigating News International in January 2011. The first investigation started, I think, in December '05, and I think it ended in January '07.

Chair: We will come on to the investigations and Mr Wallis's employment in a moment. Bridget Phillipson?

Q667 Bridget Phillipson: To continue that, do you think that you should have been alerted sooner about the conflict concerning Mr Wallis? If you do, who would have been responsible for sharing that with you?

Sir Paul Stephenson: I do not know that anybody could have alerted me sooner. As I have said, there was no suggestion from anywhere that Mr Wallis was involved. Don't forget I heard senior News International people say that this was a tiny few; they said nobody senior was aware of this. I had no reason to suspect that the original investigation was not successful. I had no information from it or responsibility for it, so I am not sure that anybody was able to say that there was a potential conflict of interest—if indeed there was—apart, perhaps, from Mr Wallis himself.

Q668 Bridget Phillipson: It just struck me when listening to your resignation that perhaps if the Metropolitan police had volunteered that information sooner—I appreciate that there was a criminal investigation ongoing—your resignation may not have been necessary. It gave the perception of there being a conflict, even if there was not necessarily a conflict. Should the Met have volunteered that sooner, and might that have made a difference to your resignation?

Sir Paul Stephenson: As I think I put in my letter to the Home Secretary, the contracting of Neil Wallis became of relevance only when his name became linked with the investigation. Prior to that, that was not the case. When it became part of the investigation, to go public without actually having the evidence would taint him, because why would we be doing it? When he became a suspect, it would tell him that he was a suspect, which would be bad for the operation. I know that it is very embarrassing for me, but I would prioritise the integrity of this operation over my personal embarrassment.

Chair: Indeed. We will come on to the integrity issue in a moment. Lorraine Fullbrook, a question on the resignation.

Q669 Lorraine Fullbrook: Sir Paul, I find it very strange that the Prime Minister and Home Secretary said before your resignation that this case should be investigated as far as it should go, even if it goes right to the top. In your resignation statement, you said that you did not want to compromise the Prime Minister. You are a policeman first and foremost. Why would you not have told them prior to your resignation? The Home Secretary found out about Wallis only last Thursday.

Sir Paul Stephenson: Why wouldn't I have told him what?

Lorraine Fullbrook: You are a policeman; it is your job.

Sir Paul Stephenson: Why wouldn't I have told the Prime Minister what?

Lorraine Fullbrook: You said in your resignation statement that you did not want to compromise the Prime Minister in any way by revealing or discussing a potential suspect who clearly had a close relationship with Mr Coulson. You are a policeman—why wouldn't you?

Sir Paul Stephenson: I think I have answered that—because I would not want to open the Prime Minister, or anybody else, to any such compromise. By the way, I do not recall sharing information about any other suspect, or any other operation, with the Prime Minister or the Home Secretary.

Q670 Lorraine Fullbrook: But is there anyone else with whom you do not wish to discuss suspects, and whom you may compromise?

Sir Paul Stephenson: I think I have given a pretty open and full answer. You might not like the answer, but I am simply saying that I would not—this seems to be in line with advice that we have received from senior officials—by discussing this particular operation, because of the unique circumstances and the exchange over Mr Coulson's employment at No. 10, want to open the Prime Minister, or anyone else, up to such compromise, or to any allegations, as fanciful as they might be.

Q671 Chair: So in respect of other suspects, when you were told, for example, that Rebekah Brooks was going to be arrested, you did not tell the Mayor about that, or anyone else?

Sir Paul Stephenson: I most certainly did not.

Chair: I call Julian Huppert.

Sir Paul Stephenson: Sorry, may I make an important point? I would not want to tell the Mayor for exactly the same reason. I would not want to compromise the Mayor, and besides that, that is the difference between governance and operational independence.

Q672 Chair: I am still a bit puzzled, because you did tell the Mayor about Damian Green, but nobody else.

Sir Paul Stephenson: I do not think there is any puzzle there. It has been my practice, at the time of making a very significant arrest where they are likely to be doorstepped and surprised, to do that. I hardly think that people were that surprised, and I do not think the Mayor would have been so naive.

Q673 Dr Huppert: Your resignation statement was long and full. It seems to me that one of the big issues that it raises is the question about the morale of the Met going forward. I was stopped last week by a Met police officer who described his embarrassment with senior police in the Met. There is a real concern about morale. A number of changes, such as the Winsor changes, are happening to the police, and they feel that there is one set of rules for them and a different set of rules for senior police. You are presumably not going to be the person to clear this mess up from the morale side, but is there something that you could have added to your statement, or that you should say to whoever takes over about what they can do to restore that morale in the Met?

Sir Paul Stephenson: Well, of course, my statement was for both public and private consumption. I have done a separate message for my own people in the organisation, and I will do another message to them before I go. I have spoken to many police officers since my resignation, and they have spoken about their pride that somebody was willing to do something and, even though they did not feel that they had done anything wrong, was willing

to walk away when it might interfere with the discharge of their duties in a very difficult year. In a funny old way, in many areas of the organisation, there is great pride. I would point to what we are doing in Operation Weeting, because we do have to restore some confidence.

Q674 Chair: We will come on to Operation Weeting.

Sir Paul Stephenson: No, but it is about morale, Sir. We have to ensure that Operation Weeting restores the public's faith in us around the phone-hacking issue. That is what we need to do.

Chair: We will come on to that, I promise.

Q675 Nicola Blackwood: I wonder whether I could take you back to your resignation statement, where you stated that you had no reason to suspect “the alleged involvement of Mr Wallis in phone hacking”, and that you had “no knowledge of the extent of this disgraceful practice”, “the repugnant nature of the selection of victims”, or its “reach into senior levels.” However, in the year you met—or have been reported to have met—Mr Wallis, 2006, the ICO produced a report that said: “Investigations by the ICO and the police have uncovered evidence of a widespread and organised undercover market in confidential” police information. “Among the ‘buyers’ are many journalists looking for a story. In one major case investigated by the ICO...evidence included records of information supplied to 305 named journalists working for a range of newspapers.” In its follow up report, it listed the *News of the World* as one of those newspapers, 228 transactions of positively identified phone hacking and 23 journalists. Do you not think that that might have alerted you to the fact that Mr Wallis might have been involved in phone hacking at that time?

Sir Paul Stephenson: No, I do not. I have to take you back to what I said earlier. First, that report obviously mentioned the *News of the World* and many other newspaper publications.

Nicola Blackwood: Yes, it does.

Sir Paul Stephenson: Some newspaper publications with apparently—

Nicola Blackwood: 31 in a readily readable table.

Sir Paul Stephenson: But some newspaper organisations apparently had a worse problem. Mr Wallis was certainly not named in that.

Q676 Chair: We will move on to Mr Wallis. If you can just deal with your resignation statement.

Sir Paul Stephenson: I think that was the question—about Mr Wallis. Mr Wallis was not named in there. I come back to what I said when I took over as Prime Minister: I prioritise risk.

Chair: Commissioner. When you took over as Commissioner. There is no vacancy as yet.

Sir Paul Stephenson: There is no vacancy, and I am not yet prepared for that office. My goodness me, what am I saying?

When I became Commissioner, I looked at the risks, and I looked at those high-profile risks, and I have to say that of course it is regrettable with hindsight when we see the repugnant nature of this, and some of the victims who have been selected here. Of course I support John Yates's statement about if he had known then what he knows now, but there was no reason for that to be on my desk. Even with that report, there was no reason to put that above the night stalker, who had not been caught after many years, the counter-terrorism

operations, and the murder of Stephen Lawrence—major, major cases. They were priorities for me. Phone hacking was not, even with that report.

Q677 Steve McCabe: In the case of Mr Wallis, in your own words, he is an acquaintance of yours, and someone with whom you have had a relationship for professional purposes for over five years. He was a personal friend of Assistant Commissioner Yates, and Mr Fedorcio says that you and Mr Yates were both consulted on letting the contract at the Met to Mr Wallis. Is it not strange that when you accepted the hospitality at Champneys, you did not know that Mr Wallis also had a business contract with it, and that no one at the Met sought to provide you with that information?

Sir Paul Stephenson: First, I am completely baffled as to how anyone in the Met would have the information that he had a relationship with Champneys.

Q678 Steve McCabe: In pure business terms—let's forget about what happened to Mr Wallis subsequently—the Commissioner of police is having free hospitality at this establishment; there is a business connection between the Metropolitan police and Mr Wallis; and Mr Wallis also has a clear business connection with Champneys. Isn't it strange? I think you said in your resignation statement that you are “dependent to a great extent on others providing the right information and assurances”. Would you not have thought that someone should have at least taken the trouble to point out to you that in accepting this hospitality, you were accepting hospitality at an establishment where there was a business connection between an individual who was already under contract to the organisation that you run?

Sir Paul Stephenson: The only way we would know that is if Mr Wallis declared it to someone. I know of no one who knew that Mr Wallis was actually connected with Champneys—absolutely no one.

Q679 Steve McCabe: Did you ask anyone at the Met, before you accepted the hospitality, if there was anything you should know?

Sir Paul Stephenson: About Mr Wallis and Champneys?

Q680 Steve McCabe: No, did you ask anyone at the Met, before you accepted the hospitality, if there was anything you should know that might suggest that it was not the smartest thing to do?

Sir Paul Stephenson: Absolutely not, and I don't agree with you about “not the smartest thing to do”. Could I remind you, Sir, that I was recovering from a serious injury and a serious illness? I was wheelchair-bound and in pain, and my intention was to come back to work as soon as possible.

Q681 Steve McCabe: Sir Paul, I use that term given the fact that there was a connection between Mr Wallis and the place where you had your hospitality. He had a business connection with that establishment, and he was also being employed by your organisation. That is the point that I am making. I am not asking you to justify whether or not you went there to recuperate; I am asking whether it is appropriate to have accepted hospitality at an establishment where Mr Wallis had a business connection, while he was also under contract to your organisation. In normal circumstances, is that not the sort of thing you would expect your senior officers to know?

Sir Paul Stephenson: No, it would not, because we would have to go into it—

Q682 Steve McCabe: Even if one of them was a personal friend?

Sir Paul Stephenson: Personal friend of whom?

Q683 Steve McCabe: Mr Yates describes Mr Wallis as a personal friend.

Sir Paul Stephenson: Mr Yates will have to tell you whether he knew of his connection with Champneys. I am very confident that he would not have known that, but that is up to Mr Yates.

Q684 Mr Winnick: I have a couple of questions, Sir Paul. First, I just want to clarify matters regarding Mr Wallis, whom we are coming on to, as the Chair said. Mr Wallis was the deputy editor of the *News of the World* when Andy Coulson was the editor, was he not?

Sir Paul Stephenson: Yes, that is true.

Q685 Mr Winnick: So obviously, if Mr Wallis was involved in phone hacking and all the rest, clearly, his boss was Andy Coulson.

Sir Paul Stephenson: He was the deputy editor and Coulson was the editor.

Q686 Mr Winnick: I just wanted to get that on the record, because there seems to be some sensitivity on the part of a few members of this Committee. Can I come on to the question of the health spa? I am not questioning your integrity, Sir Paul—I want to make that quite clear. If I was, I would say so. Leaving aside the position of Mr Wallis and the rest of it, let me put it as clearly as possible: was there not a situation where it was inappropriate for any police officer—whether it was the most senior officer, like yourself, or a police constable or a sergeant, as the case may be—to receive such substantial hospitality?

Sir Paul Stephenson: In these circumstances, I do not think so, Sir. The owner of Champneys is a family friend connection. It was a generous offer. I paid for many treatments. It enabled me to get back to work very quickly. I do not think it was inappropriate in those circumstances. I think it was damnably unlucky, frankly, that it seems Wallis was connected with this. That was devastating news when I heard it.

Mr Winnick: Leaving aside Wallis, during your time as Commissioner, if it came to the notice of the Met, and then it came up to you, that a constable or sergeant had received free meals at a restaurant, as the case may be—nowhere near the sort of hospitality that you received, which I understand amounted to some £12,000—wouldn't there be some question marks about the person involved, a police officer, receiving such hospitality? Why was he being offered meals free of charge and the rest of it? Wouldn't there be questions? Wouldn't his superior ask him, "What's the relationship with the person providing you with such free meals?", or free hospitality, as the case may be?

Chair: Thank you, Mr Winnick. Sir Paul?

Sir Paul Stephenson: Mr Winnick, you and I would agree that there most certainly would be if, one, there wasn't a good reason for doing it and, two, it was done secretly. This was declared. Even though there was no need to do that against the policy, I put it in my hospitality register, and it was not a secret.

Q687 Mr Clappison: Paul, we have some questions to ask you, but before we do, can I put on record my appreciation of the work that you have done as Metropolitan Commissioner and the work of the officers who have served under you? As far as Champneys is concerned, I have absolutely no problem with what you have said about that, and I do not want to ask you any questions about it—I completely accept the explanation you have given—but there are some questions that you will understand we need to ask in the light of our inquiry, particularly about the relationship between the police and the press, which is going to be subject to Lord Leveson.

One thing that strikes me, looking at this in the round, if I can take it that way, is the extent of the connection between yourself and other Metropolitan officers and News International, and particularly the amount of times you met them and had lunches or dinners with them. I understand from the Metropolitan Police Authority that you had 18 lunches or dinners with the *News of the World*, and seven or eight dinners with Mr Wallis himself over about a five-year period. Can you explain to us why it was necessary to have that amount of lunching and dining with the *News of the World* and News International? Did the same thing happen with other newspaper groups?

Q688 Chair: Before you answer that, Mr Clappison is referring to this document, which I am sure you have seen. It is a freedom of information request. We will let you see it, so that you know what we are talking about.

Sir Paul Stephenson: I really do not need to see it, Sir. I accept whatever is in the document. I have declared all my contacts. I really do not need to see it, but thank you very much.

Chair: Indeed. That is what he is talking about.

Sir Paul Stephenson: First, let me go back to what I said previously. There is a reason why the Metropolitan Police Commissioner must meet with the media to try to promote and enhance the reputation of the Met, talk about the context of policing and, if you will, make sure there is a relationship there. What I would say, coming out of this matter, is that it is quite clear to me that we need to change the way we do it. Although I am right at the end of my term now, I have already put in place changes in the way that we have to do this, because I think we need to be much more transparent and explain what we are doing better. It was I who asked Elizabeth Filkin yesterday if she would come in and be the independent adviser—I told the Home Office about that—so that she can now advise us not just on transparency, but on the ethical underpinnings of why we do things with the media. When we talk about *News of the World* or News International, can I put it in a little context?

Q689 Chair: Is it going to be long?

Sir Paul Stephenson: No, it is not, Sir. Between 2005 and 2010, 17% of my contacts with the press involved *News of the World*. That is 17% of all my contacts. I understand that *News of the World* represents some 16% of press readership. In the same period, 30% of my contacts with the press involved News International. That sounds like an extraordinary percentage, but I am told News International represents 42% of press readership. If I am going to maintain a relationship with the media—I make no criticism here, but it was not my decision to allow News International to be so dominant in the market—and if I am going to talk to the media, and they have 42% of the readership in this country, who am I going to talk to?

Q690 Mr Clappison: Did you have lunches or dinners with other newspaper groups, such as *The Daily Telegraph* or the *Daily Mail*, which have significant readerships as well?

Sir Paul Stephenson: Yes. I think that is what it is indicating: 30% of my contacts were with News International. The other 70% were with other newspapers.

Q691 Mr Clappison: One of the meetings you did have was with *The Guardian*.

Sir Paul Stephenson: Twice.

Q692 Mr Clappison: Yes, twice. *The Guardian* carried a report a day or two ago that you had a meeting with them to try to persuade them that the coverage of phone hacking was exaggerated and incorrect, and that you had a meeting to that effect in December 2009. Is that right?

Sir Paul Stephenson: Yes.

Q693 Mr Clappison: So you are telling us that you had not looked into this particularly before January 2010, because it was only at that stage that alarm bells rang when you found that there might be a connection with Mr Wallis?

Sir Paul Stephenson: January 2011.

Q694 Mr Clappison: January 2011. This was in December 2009. Before going to see a newspaper such as *The Guardian* to try to persuade it that it was getting it wrong and that it was all exaggerated, I presume that you must have looked back over the evidence and over the case to be able to be in a position to give it that assurance?

Sir Paul Stephenson: No, I am the Commissioner of the Met; I have many people assisting me, and I have senior-grade chief constables such as Mr Yates. Mr Yates—I am quite sure that he will give this evidence—gave me assurances that there was nothing new coming out of *The Guardian* article. I think that I have a right to rely on those assurances, and I had no reason at all to doubt the success of the first operation. I went to *The Guardian* because it continued to run the campaign. I think that I acknowledged in my speech that we should grateful to it for doing that. I went to it because I did not understand the claim.

Chair: Final question.

Q695 Mr Clappison: One of the things that has come out to us, and that came out during the course of the last hearing, was that in the meantime, since 2006, there have been a lot of homemade inquiries by individuals who thought that they had been hacked and who had taken individual legal action privately to obtain information about themselves from the *News of the World* and News International. That has all been coming to light. Were you aware of that when you went to see *The Guardian* in December 2009 and if you were, what did you think of it?

Sir Paul Stephenson: I cannot tell you whether I was aware of other people making claims. What I can tell you is that in going to *The Guardian*, I wanted to have an exchange with it. I wanted to understand what it was saying. I wanted to say, “I am receiving these assurances. I don’t understand why you don’t accept those assurances.” Coming out of that, it was quite clear to me that it did not accept those assurances, so I suggested to the editor of *The Guardian* that he see John Yates because I wanted to keep that dialogue going.

Q696 Chair: Thank you. Let us move on to your relationship with Mr Wallis and his employment, following on from the conflict of interest point. Does it not seem a little odd—you are a very distinguished police officer—that the *News of the World* seemed to have an ex-employee working for the Leader of the Opposition and that the *News of the World* had an ex-employee working for you? Did it not strike you as a little bit odd that whether by coincidence or deliberately the former editor of the *News of the World* ends up with the Leader of the Opposition and the deputy editor of the *News of the World* ends up with the Metropolitan Police Commissioner? I accept what you said about Mr Wallis—that there was no implication that he was involved in phone hacking when you took him on. We will come on to the circumstances of that. We accept what you said, Sir Paul, because it has not been recorded anywhere else. But is that not a little odd because at some stage you would have met the Leader of the Opposition, before he became Prime Minister, and Mr Coulson would have been with him, and Mr Coulson would have known, would he not, that Mr Wallis was working for you? It is inconceivable that Mr Coulson would not have known that Mr Wallis had a contract with the Metropolitan police.

Sir Paul Stephenson: My recollection is—I think that I am right in saying this—that I do not think I ever met Mr Coulson at all before Mr Cameron became Prime Minister.

Q697 Chair: Did you meet Mr Cameron before he became Prime Minister?

Sir Paul Stephenson: I think I did—yes, I did. I think that I had one meeting with him.

Q698 Chair: But it is inconceivable that Mr Coulson would not have known that one of the people working for you was his ex-mate at the *News of the World*. You knew that Andy Hayman had got another job because he writes a column for News International. This kind of thing must be discussed.

Sir Paul Stephenson: I am sure that if this was a close relationship between Mr Coulson and Mr Wallis they would discuss it. I think that I met Mr Coulson once. I certainly did not meet Mr Coulson and Mr Wallis together at all and I had no discussions about it.

Q699 Chair: But is it conceivable that they would not have known about each other's jobs?

Sir Paul Stephenson: It seems to me that if they were friends it is inconceivable that they would not talk.

Chair: Let us go on to the contract.

Sir Paul Stephenson: Sorry, may I make a point? It is a distortion to say that Mr Coulson worked for the Prime Minister—

Chair: The Leader of the Opposition.

Sir Paul Stephenson: —and that Mr Wallis is working for me. Mr Wallis was not working directly for me. This was a minor part-time role through which I received some occasional advice.

Q700 Chair: Excellent. Let us look at that role. Were you one of the people who were consulted when Mr Fedorcio offered him the contract to work as a consultant? You have 69 press officers in the Metropolitan police, but you needed another consultant.

Sir Paul Stephenson: I think it is 45.

Q701 Chair: Forty-five? Perhaps it is the cuts. Has the number gone down?

Sir Paul Stephenson: It is 45.

Q702 Chair: But you needed an extra consultant? Were you consulted before he was appointed?

Sir Paul Stephenson: Yes, I was. Just let me say with the benefit of what we know now, I am quite happy to put it on the record that I regret that we went into that contract. I quite clearly regret it because it is embarrassing.

Chair: Indeed.

Sir Paul Stephenson: This was at a time when Mr Fedorcio's deputy was long-term absent with a very serious illness.

Q703 Chair: You were consulted or asked whether this was a good idea.

Sir Paul Stephenson: I would take it further: I said to Mr Fedorcio, "I do think you need additional support here." Neil Wallis would be someone known to me. When Neil Wallis's name came up, I would have no concerns about that—he may well be a suitable person. Mr Fedorcio would have mentioned that name to me, but then I know that Mr Fedorcio would go away and go through a proper procurement process.

Q704 Chair: So you were consulted. You even suggested his name.

Sir Paul Stephenson: No.

Q705 Chair: You did not.

Sir Paul Stephenson: No. I do not think that I suggested his name.

Q706 Chair: You were consulted, but you did not make the final decision, or did you?

Sir Paul Stephenson: No. I was not involved in the procurement process, but I have to say that I would not be discomfited by the fact that Mr Wallis came out of that process because I knew nothing to his detriment, and he provided advice.

Q707 Chair: It is argued in the media that actually the Metropolitan police went out and asked Mr Wallis to do this job. Is that correct?

Sir Paul Stephenson: I think that you would have to ask Mr Fedorcio of how he managed that procurement process.

Q708 Chair: We will very shortly. Did you know that Mr Wallis' daughter was employed at the Met?

Sir Paul Stephenson: No, I do not think that I knew that until very recently—at the weekend.

Q709 Chair: When did you know?

Sir Paul Stephenson: I think that it was even the weekend or something like that.

Q710 Chair: Obviously, lots of people worked for the Met, so you do not know every single person. Is that what you are saying?

Sir Paul Stephenson: That may well be an accurate characterisation.

Q711 Dr Huppert: Coming back to the declarations and hospitality registers, what is in them is very interesting. There is no information about the value of various meals, which is a thing to look at for the future. A sandwich dinner is very different from a rather nice dinner. What I also cannot find is a declaration of hospitality at Champneys. We have already discussed to some extent whether that was appropriate or not to accept, but surely it should have been publicly declared. Can you point to where that would have been declared?

Sir Paul Stephenson: When I came back from being sick, I made sure that it was put in the hospitality register—the publication scheme for the previous quarter. It is in my hospitality register, and it will be published at the end of the next quarter.

Q712 Dr Huppert: When did you start and finish receiving that hospitality?

Sir Paul Stephenson: When I came back from being ill, is the relevant issue.

Q713 Dr Huppert: Which day was that?

Sir Paul Stephenson: I think that I came back on 15 April.

Q714 Dr Huppert: So we will see it when that is finally published.

Sir Paul Stephenson: In the next quarter's publication, yes.

Q715 Michael Ellis: Commissioner, you are playing down the role of Mr Wallis. You said that it was a minor role. He was on £1,000 a day, was he not? Two days a month. Would you say it was a minor role?

Sir Paul Stephenson: I am told—I can certainly look at the process—he was the cheapest person available out of the three people contacted.

Q716 Michael Ellis: You said in an answer to an earlier question that you did meet with *The Guardian*—was it the editor-in-chief of *The Guardian*—whilst employing Mr Wallis.

Sir Paul Stephenson: I have to look at the dates. I know that I have met with Mr Rusbridger on two occasions.

Q717 Chair: He had a consultancy from 2009 to 2010.

Sir Paul Stephenson: Can you remind me of the dates? If it is there and it says that I met him at the same time, then I did.

Q718 Michael Ellis: December 10th 2009.

Sir Paul Stephenson: Fine.

Q719 Michael Ellis: Did you put pressure on Mr Rusbridger or anybody else at *The Guardian* to lay off the phone-hacking story?

Sir Paul Stephenson: I did not put pressure to lay off. They were continuing to run a series of articles, whilst I was getting assurances that there was nothing new in this. They seemed to disagree, so it seemed entirely appropriate—I could understand that—that I meet with them and represent to them what I was being told—that it was nothing new and I had no reason to doubt the first inquiry. They were clearly not going to listen to that, so I suggested that they meet with John Yates so we could further try to iron this out.

Q720 Michael Ellis: *The Guardian* understood from you that the phone-hacking story that they were working on was inaccurate, incorrect and wrongly implied that the force was party to a conspiracy, whereas, in fact, the story was correct.

Sir Paul Stephenson: To my knowledge then, and to my knowledge now, the force was not engaged in a conspiracy.

Q721 Michael Ellis: But the story was not inaccurate or incorrect.

Sir Paul Stephenson: If the suggestion was that the Metropolitan police were engaged in a conspiracy, I have no information to support that, and I do not believe that it is the case.

Q722 Lorraine Fullbrook: I want to continue in that vein if I can, Sir Paul. You met with the editor-in-chief of *The Guardian* on 10 December, complaining that you believed they were over-egging the investigation of phone hacking. You wrote to the editor on February 2010 and, in it, you actually say, “Once again, it presents an inaccurate position of our perspective and continues to imply that the case has not been handled properly and that we are party to a conspiracy.” They are your words in a letter. Following that, Mr Yates had a meeting on 19 February. Was Mr Wallis, who was employed in October 2009, consulted about these meetings or letters before you went to see *The Guardian*?

Sir Paul Stephenson: Absolutely not. He did not work in my office or for me. I have never had a conversation with Mr Wallis about phone hacking. I have never been present where anyone else has had a conversation with Mr Wallis about phone hacking. He was not employed for anything to do with phone hacking.

Q723 Lorraine Fullbrook: You did not take advice from him prior to the meetings. Did you inform him of the discussions after the meetings?

Sir Paul Stephenson: I would not take advice from Mr Wallis at all about meetings or inform him about any meetings that I was having. That was not the purpose of the support that he was giving to Dick Fedorcio. My understanding is that he was employed to give media support to Mr Fedorcio, which is nothing to do with my administration, my meetings, or any investigations.

Q724 Lorraine Fullbrook: It is normal, when you take on a contractual person, to look at their background. Would it not be normal, when you are taking on someone to provide you with PR experience or consultancy, to ask who their other clients are?

Sir Paul Stephenson: You would have to ask Mr Fedorcio. You say that it would be normal. I have no role whatsoever in procurements for any contracts. I do not play any role in procurement. I think it is better that way, and I played no role in this procurement decision.

Q725 Mr Winnick: I believe that he was employed from September 2009 to October 2010, Commissioner. Was that not the period when the decision was taken not to pursue further the allegations of phone hacking?

Sir Paul Stephenson: I cannot tell you when the decision was taken; you have to ask Mr Yates. I think it came up in July 2009, and when it did, Mr Yates stated that there was nothing new.

Q726 Mr Winnick: Yes. He was employed, as I understand it, between October 2009 and September 2010.

Sir Paul Stephenson: So the decision not to go further was taken before that employment.

Q727 Mr Winnick: But obviously he was known to be a former deputy editor of the *News of the World*. Following on from what Lorraine Fullbrook has asked, does it not seem amazing that while the Met had already looked into phone hacking and decided on the date that you said not to pursue the matter any further, the person who was involved actively in the paper that was accused of phone hacking—the deputy editor of the *News of the World*—was taken on by the Met? Do you not see any contradiction whatsoever?

Sir Paul Stephenson: I do not see any contradiction because, as I have already said, I had no reason whatsoever to think that there was anything wrong with the original investigation, which, for all intents and purposes, was successful. I had no knowledge of any other information that we held, and I received assurances that there was nothing new in the information coming from *The Guardian* in 2009. I had no reason to be concerned about Mr Wallis. I heard senior News International figures say that it was a rogue few and that senior people did not know about it. Why would I have any reason to have any suspicion about Mr Wallis?

Q728 Mr Winnick: Because phone hacking was a matter that the Met was supposed to be looking into. There have been serious allegations. There was a decision not to pursue the matter further in 2009, and yet the deputy editor of the *News of the World*, the very paper that was accused of phone hacking—rightly, as it turned out—was employed by the police, which was supposed to be investigating phone hacking. You see absolutely nothing wrong with that at all?

Sir Paul Stephenson: No. If I can remind you, Mr Winnick, the police were supposed to investigate phone hacking between December 2005 and, I think, January 2007, when two people were convicted. As far as I was aware, that was a successful investigation.

Q729 Chair: But on 9 July, you asked Mr Yates to look at it again. A few weeks later, Mr Wallis was given his job. We accept that there was no evidence, but you are a police officer with years of experience. Surely you would think to yourself, “It’s very odd that a former News International employee is working with the Leader of the Opposition and another is working with me.” It is almost like a fashion accessory—people leave the *News of the World* and come to work for the police or politicians, and your officers, such as Andy Hayman, leave the police force and go to work for News International. You must have read some of Mr Hayman’s columns in *The Times* at some stage. Did you not have any suspicions about this? I accept that there was no hard evidence, but you are a police officer. Surely you would have had suspicions.

Sir Paul Stephenson: Mr Vaz, there was no evidence available to me, not “no hard evidence”. Secondly, Mr Hayman was not in the Met when I was Commissioner; he was in the Met when I was Deputy Commissioner. And no, I do not read Mr Hayman’s columns.

Q730 Chair: You did not know that he worked for *The Times*.

Sir Paul Stephenson: I know he works for *The Times*, but you asked, “Don’t you read his columns?”—no, I do not.

Chair: I am sure he will be very upset to hear that.

Q731 Mr Winnick: No regrets?

Sir Paul Stephenson: Gosh. I have already said that now that the information has come out, of course I regret that the contract was taken on.

Q732 Nicola Blackwood: Sir Paul, we read that Mr Yates has been a close friend of Mr Wallis for about 12 years. One newspaper characterises that, “Yates thought Wallis was a fantastic guy...really one of the very best journalists around. The strange thing is that Wallis was regarded as a monster by lots of people in the newsrooms he worked in, but Yates had the utmost respect for him.” Do you feel that in some of the decisions that were made around the hacking inquiry, some of the personalities might have been blinded by friendship? Was some judgment clouded because of relationships with News International journalists?

Sir Paul Stephenson: I genuinely have no reason to believe that. Of course, you have asked questions, and you will be asking more questions of Mr Yates. I have genuinely no reason to believe that. Mr Clarke was the first inquirer—a man of huge integrity. I have no reason to believe that that was not a successful investigation. I had no reason to doubt the assurances given by Mr Yates and I have no reason to believe that his judgment was impaired. You have to ask Mr Yates that, and I cannot characterise the nature of their friendship, or the nature of what other people believe of Mr Wallis. I am not that close to him.

Q733 Nicola Blackwood: But when we discussed Mr Yates’s assessment of the material in 2009, we asked him whether he felt a need to do the minimum in order to get the review off his desk as quickly as possible and focus on more important things. He answered that that probably was the case. To what extent is it possible that his relationship with a News International journalist might have coloured that judgment in some way? Knowing Mr Yates, to what extent do you think that might have been possible?

Sir Paul Stephenson: I think I have answered that—knowing Mr Yates, I have no reason to believe that whatsoever. I have huge amounts of faith in Mr Yates and I have no reason to believe that that is the case.

Chair: We will be seeing him shortly. Quick questions from Members, and then we must move on to the investigations.

Q734 Steve McCabe: Sir Paul, I apologise for dwelling on Mr Wallis, but you must see why it has become significant now. You told us that he was appointed because Mr Fedorcio needed some short-term support. But he was appointed to work in specialist operations with the directorate of public affairs and the Commissioner’s office to provide strategic communication advice and support. What was he there to do for you in your office?

Sir Paul Stephenson: He was not appointed to work in my office; he never worked in my office—I do not recall him ever coming into my office.

Q735 Steve McCabe: But Mr Fedorcio says that was one of the roles that he was given—is that not true?

Sir Paul Stephenson: He was appointed to support Mr Fedorcio and to give me occasional advice on speeches.

Q736 Steve McCabe: Occasional advice on speeches.

Sir Paul Stephenson: Well, speeches was the main thing—

Q737 Steve McCabe: That was all.

Sir Paul Stephenson: —occasional advice on speeches, but it was very much about the media. And he did not work in my office or directly to me.

Chair: We will explore this with Mr Fedorcio.

Q738 Mr Clappison: You will appreciate that we have to ask you questions about what went wrong with the inquiry and the review. You have been giving us a full account of what you knew when but—

Sir Paul Stephenson: I suspect that is why I am here, sir.

Q739 Mr Clappison: Indeed. People looking at this in the round would see this as an obvious question. Knowing that Mr Yates was a great friend of Neil Wallis—he had known him for a long time—and that Neil Wallis had been the deputy editor of *News of the World* at the time of the original phone-hacking allegations, did you not think that there might appear to be a conflict of interests in asking Mr Yates to do the investigation at that point?

Sir Paul Stephenson: I think that you are conflating several things. First, I have to repeat: I had absolutely no reason to doubt Mr Wallis at all, so I cannot see how there was a conflict. I knew that Mr Yates was a friend of Wallis, but that was not relative to what I was asking him to do. The only reason I asked Mr Yates to do it was because he was in charge of the business group that originally did the investigation.

Q740 Mr Clappison: The review was to look at whether the original investigation had got it right and whether phone hacking was more extensive than had originally appeared, and you went on to give *The Guardian* assurances. Mr Wallis had been an employee of News International and had been in the *News of the World* newsroom at the same time as the deputy editor. Surely that created a conflict of interest, did it not, or the appearance of one? Members of the public will want to ask this.

Sir Paul Stephenson: Well, of course, your statement is not the case, sir. Can I remind you what I asked Mr Yates to do? I read from—

Chair: We will be coming to the investigation in a second.

Sir Paul Stephenson: I know, but what was said was not accurate. Quite simply, I did not ask Mr Yates to review it; I asked him “to establish the facts of that case and look into that detail and I would anticipate making a statement later today perhaps.”

Q741 Mr Clappison: On that basis, how did you feel confident, given that a very limited review had been carried out—that is what you knew—to go to *The Guardian* and tell it that it had got it all wrong, when it was said that its story was exaggerated?

Sir Paul Stephenson: Mr Clappison, there was absolutely no reason to think that the original investigation was not a success. There were people sent to prison because of it. Mr Yates looked at it. I asked a senior-grade chief constable to have a look at it, and he came to the view that there was nothing new in it.

Q742 Chair: Right, Sir Paul, let us just move on to those three investigations, because Members want to ask you about them. This is critical, of course, to the other reason why you resigned. In respect of the first investigation, with hindsight—you mentioned hindsight when you resigned on Sunday—do you accept now that the so-called Hayman-Clarke investigation was not as thorough as you would have expected, otherwise much of what we are seeing now would have come out then? Do you accept that now?

Sir Paul Stephenson: First, I would not characterise it as the Hayman-Clarke investigation. I heard the evidence given to this Committee; it is quite clear to me that the investigation was run by a man of great integrity, and that is Peter Clarke. Secondly, do I accept—

Q743 Chair: Are we assuming that Mr Hayman is not a man of great integrity?

Sir Paul Stephenson: I am not saying that; I am saying the man who ran the investigation had great integrity. Mr Hayman did not run that investigation. That was quite clear to me from the evidence he gave to you. Secondly, do I accept that there is material that is repugnant there, which, with hindsight, should have come into an investigation? Yes, I do. Thirdly, I have listened to Mr Clarke. Do I accept the reasons why he set the narrow parameters? I actually think that is for Mr Clarke to justify, and I do think it is a matter for the judicial review.

Q744 Chair: Let us go on, then, to the second review—Mr Michael will ask questions on this—and the reason why you asked John Yates to do a review. This was 9 July. We have had evidence from John Yates. He said he took eight hours to look at the evidence. What were your expectations? When you asked him to do this, how long did you expect him to take?

Sir Paul Stephenson: I had no expectations of how long. Again, I go back to my statement. Even in my letter to you, I missed out the last word in my statement, which was, “I would anticipate making a statement later today perhaps.” I anticipated that statement would be about letting people know where we were up to, but I had no anticipation of what the time scales would be. I asked a senior-grade chief constable, which is what an Assistant Commissioner is, to take another look—just take a look—and come to a conclusion.

Chair: Thank you. Mr Michael.

Sir Paul Stephenson: I made that statement to—

Chair: Mr Michael will pursue this.

Q745 Alun Michael: In July 2009, when you asked John Yates to take a fresh look at the material in respect of phone hacking, what did you expect that fresh look to involve?

Sir Paul Stephenson: I am sorry to say this again, Mr Michael—the *Guardian* article was a big story on Radio 4 as I was travelling to Manchester; I had no knowledge of it. I did not have a great deal of expectation, other than asking the person who was in charge of the old

business group that investigated it to have a look at what was in that paper and say, “Is there any reason for us to do anything else?” It was that simple.

Q746 Alun Michael: Did you expect at that time, and would you have expected in retrospect, that the material would be reviewed?

Sir Paul Stephenson: No, I would not. Unless there was a reason to doubt the original investigation, and, regrettably, we did not have any reason to doubt the original investigation, I would have expected Mr Yates to look at the new information, if it was new information, coming to light and to come to a view—did it materially alter the position or open new lines of inquiry? Mr Yates came to a view that there was no new information in there.

Q747 Alun Michael: So, let me get this straight. Essentially, you did not think there was anything to be discovered?

Sir Paul Stephenson: Well, it was not whether I thought there was or not. I asked Mr Yates to look at it.

Q748 Alun Michael: But we now know that there was a mass of material—I underline the words “mass of material”—that was not reviewed at that time. Does that surprise you in retrospect?

Sir Paul Stephenson: In terms of Mr Yates’s explanation, it does not surprise me, but these are questions and matters—I know he has already spoken to you about it—that you have to put to Mr Yates. I am not surprised that he had no reason to suspect the original investigation was not successful. It is very regrettable that that information was there in police possession.

Q749 Alun Michael: Could you help us a little bit on how decisions are taken? In retrospect, we know that the original material was looked at to seek information for the potential prosecutions that were being pursued. We also know there was a mass of other material that, in consequence, led to serious investigations. We heard from Mr Clarke that the reason that there was not greater investigation of that mass of material was because—I accept this point—there was massive pressure on him and his officers to deal with a whole set of potential terrorist threats and investigations. In retrospect, do you think that the issue should have been accelerated or escalated to your attention, or that of your deputy, in order to review the decision not to go further into the examination of the mass of material that was there?

Sir Paul Stephenson: Unless what we are saying is dishonest, we had no reason to doubt the success of the original investigation.

Q750 Alun Michael: But the original investigation, as we have been told in this Committee, was a narrow one. As I indicated, we now know that there was a mass of material that may not have been relevant to the individuals being investigated at that time, but was extremely relevant to the mass of concerns that have come out since. At some point, as we understand it, the decision was taken that the resources were not available to undertake that.

Sir Paul Stephenson: I was going to go on to say, to the second part of your question, that I would have no way of knowing what the parameters were of that original investigation, or indeed that it was so narrowly drawn—or, indeed, that it was a resourcing issue. I was not involved in that original investigation, and I had no knowledge.

Q751 Alun Michael: Don't you think that that should have been escalated to your attention at that time?

Sir Paul Stephenson: I don't see how it could have been, because I guess neither did anybody else currently have that knowledge.

Q752 Alun Michael: In September 2010, we were asking whether or not there was a fresh investigation. At that time, Mr Yates was not able to give a yes or a no. Did you believe that there was a new investigation going on at that stage?

Sir Paul Stephenson: From recollection—Mr Yates would have to confirm this—I think that Mr Yates was looking again, scoping it. I think that followed disclosures in *The New York Times*.

Q753 Chair: He did brief the Mayor of London, with a very heavy briefing, that there was no new evidence, which meant that the Mayor made his “codswallop” statement, in which he said that this was a politically motivated attempt to regenerate this issue. That is what Mr Yates said to the Mayor. Did he say that to you? What did he do? Did he ring you up and tell you the results?

Sir Paul Stephenson: First, I don't think Mr Yates said to the Mayor, “This is a load of codswallop.”

Q754 Chair: No, that is what the Mayor said.

Sir Paul Stephenson: But there's an implication there; I don't think Mr Yates would have said that. Secondly, you would have to ask Mr Yates. I know that Mr Yates did brief the Mayor; how heavy it was I really don't know.

Q755 Chair: But did Mr Yates brief you?

Sir Paul Stephenson: Did Mr Yates what?

Chair: Brief you at the end of the eight hours?

Sir Paul Stephenson: He gave me—

Chair: A verbal briefing?

Sir Paul Stephenson: I think it would have been a verbal briefing. I was in Manchester and he was in London.

Q756 Chair: So he rang you and told you, “I have tried to establish the facts”—that is what your press release says—“and this is my result.”

Sir Paul Stephenson: From memory, I don't know whether he told me the result before he announced it, but that would not be a problem to me. I gave him the job to do, and he did the job.

Q757 Chair: Did he mention the bin bags? In his article in *The Sunday Telegraph* last week and to this Committee, he mentioned evidence being put in bin bags.

Sir Paul Stephenson: I don't recall.

Q758 Chair: So you have never heard of the fact that there were all these documents in bin bags until now—or have you heard?

Sir Paul Stephenson: Well, I think I heard of it before today.

Q759 Chair: When did you find out that massive evidence was being kept?

Sir Paul Stephenson: The only way I could have found out was when the investigation was reopened, and Weeting started in January 2011. Of course, I returned to work in April.

Q760 Chair: Is it correct that after six years it is the policy of the Met to dispose of evidence that is no longer required? What is the policy of the Met?

Sir Paul Stephenson: I couldn't give you the detailed policy, but I can let the Committee have a note afterwards.

Chair: Would you, because I am very keen to know?

Sir Paul Stephenson: I'll get someone to let the Committee know.

Q761 Nicola Blackwood: Sir Paul, you have repeatedly said that you had no reason to think that the first investigation had not been completely successful, and that there were no further leads to follow up. Peter Clarke, when he gave us evidence, likened the original investigation to a complex fraud, in that there were over 11,000 documents, and it was necessary to set very narrow parameters in order to be able to use the evidence effectively and gain prosecutions; necessarily, a lot of the evidence had to not be examined for possible additional indictments. Due to the fact that there were problems of resources and a very high terror threat level at the time, there was the decision not to have an exhaustive analysis following immediately afterwards in 2005-06. Was that not disclosed to you in 2009, giving you the sense that perhaps it would be necessary in 2009 to do more than one day's review in order to assess those 11,000 documents?

Sir Paul Stephenson: No, absolutely not. Phone hacking did not become a priority to me in 2009.

Q762 Nicola Blackwood: I understand that phone hacking did not, but the nature of the evidence that was in your possession was not revealed to you by your officers?

Sir Paul Stephenson: No.

Chair: Julian Huppert. Could we have brief questions, because we have other witnesses?

Q763 Dr Huppert: I will do my best, Chair. The *Evening Standard* is reporting that the Neville whose name appeared in some of that information was a source, and was providing information to the Met—code name George, I think, source 281—and that in exchange he was given confidential information from the police national computer. If that is true, it raises even more concerns about what is happening to police information; are they giving it to journalists? This was about a Labour MP, unnamed in the story. There are questions about information being given, and there are questions about the close connection with News International as well. If that is correct, would you have been aware of it? Would Mr Yates have been aware of it? Would it have affected the decision not to work out who Neville was, when I think most of us think it was relatively obvious who it was?

Sir Paul Stephenson: I certainly would not have been aware of it. I strongly suspect Mr Yates would not have been aware of it, but I certainly would not have been aware of it.

Chair: We will speak to Mr Yates.

Q764 Bridget Phillipson: Sir Paul, we are aware of the comments you made publicly that day regarding asking Mr Yates to establish the facts of the case, but what discussions did you actually have with Mr Yates when you rang him up? Presumably you instructed him to do this above and beyond making a statement publicly. He would not have been aware to do something just from a public statement.

Sir Paul Stephenson: Yes, I told him could he have a look at it.

Q765 Bridget Phillipson: Did you advise him as to what practical steps that might involve?

Sir Paul Stephenson: No, I would not advise a man of Mr Yates's experience and a senior-grade chief constable on the practical steps of how to decide whether there was more in this or not.

Q766 Bridget Phillipson: At what point were you aware of the ongoing civil action, taken by a number of individuals, that was drawing out further information?

Sir Paul Stephenson: I really could not help you with that. I do not know at what point I was aware, but I do have to say that against the other priorities on my desk, that still would not have made it a priority. What would have made it a priority on my desk was if I had known about the hideous nature of some of those.

Q767 Bridget Phillipson: Just one final question. Returning to the comments that you made at the start regarding not wanting to compromise the Prime Minister—correct me if I am wrong—you said that you spoke to a No. 10 official who told you not to share that information with Mr Cameron. Is that correct?

Sir Paul Stephenson: First, let me make it quite clear that I do not believe that the Prime Minister would be compromised. All I was trying to do was guard him against any accusations that he might. It was simply that. Secondly, I did not say that a senior official told me. It is my understanding that that is consistent with the advice from a senior official, but I think Mr Yates might be able to say more.

Q768 Bridget Phillipson: Who was that senior official? Do you know?

Sir Paul Stephenson: I do not have the identity.

Q769 Bridget Phillipson: Who had that conversation?

Sir Paul Stephenson: Can I suggest that you might want to ask Mr Yates?

Chair: We will ask Mr Yates.

Q770 Mark Reckless: To the extent that Mr Yates felt that he was perhaps expected to do only the minimum with this review, or whatever it is to be described as, is that not understandable? I know, Sir Paul, that you are now saying that the reference to a statement was a technical one—it was just something formal that might happen later that day—but do you understand why it might be that Mr Yates could have felt under pressure to produce quick results, when you had told your colleagues at the ACPO conference: “I have asked Assistant

Commissioner John Yates to establish the facts of that case and look into that detail, and I would anticipate making a statement later today”?

Sir Paul Stephenson: If I could finish that, “later today, perhaps” is what I said. No, I do not think that that would put pressure on. I think it does make a difference, because it might be that Mr Yates could not make a statement later that day. There was a big story in the headlines, and lots of people were asking questions about it, and I was trying to indicate that we would say something more about it. I do not think that that put pressure on Mr Yates, and I do not think that Mr Yates would accept such pressure.

Q771 Mark Reckless: Well, we will ask him. Do you not think that because you said that the statement would be made later that day—whether “perhaps” or not—John Yates was going to be under pressure to produce a result, and that the public might well think that the decision at the Met not to reopen this investigation was made at the top?

Sir Paul Stephenson: The first part of your question I have just answered: I do not think that would put pressure on somebody of Mr Yates’s experience. I cannot answer as to what the public might think on that. It is something that we would do. If a big story is running early in the morning on Radio 4, we would generally try to put something out as soon as possible as to what we were doing about that big story.

Q772 Chair: And that would come from your press office?

Sir Paul Stephenson: It might come from the senior investigating officer. It might come from a senior officer. It might come from whoever was relevant to make such a statement.

Chair: Thank you. Michael Ellis has a quick supplementary question. We have other witnesses.

Q773 Michael Ellis: Yes. You told Yates to take another look. It was a cursory look, and you knew it to be a cursory look, because he gave you a report on it only later in the day. Is that right?

Sir Paul Stephenson: Well, I was aware that, later on in the day, he said he didn’t think there was anything new.

Q774 Michael Ellis: Had *The Guardian* told you that there was more to it than had, at that time, been in the public domain?

Sir Paul Stephenson: All I can do is take you back to the fact that Mr Yates looked at it, and he did not think there was anything new. I would expect him to look at it and make that decision.

Chair: We will ask Mr Yates. Nicola Blackwood?

Q775 Nicola Blackwood: Sir Paul, we know what your formal request to Mr Yates was regarding the review. I wonder whether you had any off-the-record discussions that might have given him a suggestion as to the parameters that you would prefer him to use for his review. Were there any discussions or any informal remarks that you might have made to him that would have suggested that he do the minimum of work on this particular issue?

Sir Paul Stephenson: Sorry, any what?

Q776 Nicola Blackwood: Any informal remarks that you might remember having with him about this investigation.

Sir Paul Stephenson: No, I don't think I had any. We would have had a discussion on the telephone. I would have asked him to pick it up and do his job.

Chair: Alun Michael. Final question.

Q777 Alun Michael: You have referred on a number of occasions now to senior members of your team as—I think I quote you correctly—senior chief constables. A chief constable is the chief police officer in charge of a police force—a role you have occupied in the past in Lancashire. These are members of your team; they are not independent chief officers of police in that sense, are they? They are accountable to you. The implication of what you said seems to suggest that the Met operates as a series of baronial empires, almost. Would you like to clarify that?

Sir Paul Stephenson: I certainly would. Some might say that might have been the case in the past, but it is certainly not the case now. All I am trying to do is set the context, and the context is, when people are asking me, “Did you supervise John Yates? Did you give him guidelines?”, I think John Yates would accept that he is a senior grade equivalent to chief constable. He is one of the most senior grades in the land. He has extraordinary experience. It is that context that I am trying to set.

Q778 Alun Michael: That is a helpful clarification, but it is in that context, I think, that we are expressing some surprise, as you were the chief officer responsible, with a deputy to stand in if you were otherwise occupied, that some of these matters were not escalated for consideration at that level by these very experienced senior members of the Metropolitan police team.

Sir Paul Stephenson: I think I have given as full an answer as I possibly can as to why this would not be seen as a priority, until such time as we had what we thought was new and additional information. My understanding is that new and additional information came in January '11—of course, I was away at the time—and it was that that started Operation Weeting.

Q779 Alun Michael: But questions were already being asked the previous year. We were already asking whether there was a fresh investigation, so outside the Met, there does seem to have been a belief that there was material to be examined.

Sir Paul Stephenson: When you ask those questions, my understanding is Mr Yates was saying that there was a scoping exercise based on *The New York Times* information. You would have to ask Mr Yates or perhaps Mr Godwin, who was standing in for me; they reopened the investigation. My understanding is it was on the basis of the new disclosures from News International, but I cannot be sure about that; I was not there.

Q780 Chair: May I ask two questions, in conclusion, that are in the public domain? Alex Marunchak—a name that probably you were not familiar with, but you became familiar with yesterday—was an ex-*News of the World* journalist who was employed as a translator. Did you know that before yesterday?

Sir Paul Stephenson: I have over 50,000 employees.

Q781 Chair: Do you know of anyone else who is a former employee of the *News of the World* who now works for the Met, or is this a question we should put to others?

Sir Paul Stephenson: It was in the letter that you sent to me last week.

Chair: It was.

Sir Paul Stephenson: I will try to be as helpful as possible. Without providing information that would unfairly identify individuals, I understand there are 10 members of the DPA staff who have worked for News International in some capacity in the past, in some cases as journalists, and in some cases undertaking work experience with the organisation. I can't help you beyond that. If you want to make further inquiries, I guess you will have to—

Q782 Chair: Ten in the press department?

Sir Paul Stephenson: Ten members of DPA staff—Mr Fedorcio is giving evidence—

Q783 Chair: What is DPA?

Sir Paul Stephenson: The Department of Public Affairs, which includes media.

Q784 Chair: So in his staff, there are 10 out of 45?

Sir Paul Stephenson: Yes. That is the information I have got.

Q785 Chair: We will ask him in a moment, but you have just given us this information—presumably you have just discovered this.

Sir Paul Stephenson: You asked the question, so I tried to do you the courtesy of an answer.

Q786 Chair: We are most grateful. In respect of Sean Hoare, do you have any information other than what we have seen in the public domain?

Sir Paul Stephenson: None whatsoever.

Q787 Chair: You have nothing to tell us?

Commissioner, this might be the last time you appear before the Select Committee as Commissioner. May I ask you where you think your resignation—and the resignation of John Yates—which I think we accept was a shock, leaves the service that you have been involved with for so many years? You have had many years of distinguished service. Every person who has spoken about you since your resignation refers to you as an honourable man and as a person of integrity. I am still a little bit puzzled why you have resigned, bearing in mind that you have had no involvement in the investigation or in Mr Wallis's appointment, other than being consulted, and Mr Wallis did not do very much for you. Given that you have resigned, which is now a fact, where does this leave the Met?

Sir Paul Stephenson: There are two issues there: where it leaves the Met; and you are still a little bit puzzled as to why I resigned. Let me say where it leaves the Met. Clearly, these are huge events—regrettable events—and I would say that I sincerely regret that Mr Yates has gone. I think that the work that he has done, particularly in counter-terrorism in this country, is splendid. We are the poorer for his passing, frankly. However, the Met will recover. The Met has more than 50,000 people, the vast majority of whom are decent, honest, hard-working professionals who will actually be well led. The interim arrangements have been put

in place and I am very confident that they will work very well. I sincerely regret going, but I am confident that the Met will maintain and grow—

Q788 Chair: Has the Met been damaged by all this very badly?

Sir Paul Stephenson: It has certainly not been helpful. Having a Commissioner resign cannot be helpful, however good, bad or indifferent the Commissioner is.

Q789 Chair: But do you think that trust can be restored, in respect of what can happen in the future?

Sir Paul Stephenson: I most certainly do. I think we need to make changes in how we handle the media. Some of those changes have already been made, and that is why I appointed Elizabeth Filkin yesterday, with her approval, to come in and give us independent advice. I do think that we need to handle the media differently in the future—much more transparently—and we have already put those arrangements in place, and more will be done in the Met.

You still thought it a little bit odd, why I resigned. I think that I gave you a very fair and full answer, and that I gave a very fair and full statement. You mentioned that this might be the last time I appear before you. Well, this is almost certainly my final professional engagement after 36 years of policing. To try to assist you, I am not going to add to my resignation speech—I think it was rather lengthy, and it is now a matter of public record—but it is safe to say that, contrary to much ill-informed media speculation, I am not leaving because I was pushed, just to confirm what I said earlier, and I am not leaving because I have anything to fear or am threatened. I am not leaving because of any lack of support from the Mayor, the Prime Minister or indeed the Home Secretary. Until the point of informing them of my resignation, their support was very strong, and afterwards their comments were most generous.

I am going because I am a leader. Leadership is not about popularity, the press or spinning; it is about making decisions that put your organisation, your mission and the people you lead first. It is about doing things that will make them proud of their leaders, and that is very different from being popular with them. It is about making decisions that might be difficult and personally painful; that is leadership, and that is why I am going.

Chair: Sir Paul, as always, you have been very courteous to this Committee. You have answered questions for more than an hour and a half. On behalf of the Committee, may I wish you the best of luck for the future? Thank you for coming in.

Examination of Witness

Witness: **Dick Fedorcio**, Director of Public Affairs and Internal Communication, Metropolitan police, gave evidence.

Q790 Chair: Mr Fedorcio, you have heard most, if not all, of the evidence, so I think we will go straight into it without long introductions. I will go straight to the questions, if I may?

Can you tell us the position that you hold in the Metropolitan Police Service? What is the job that you do?

Dick Fedorcio: I am the Director of Public Affairs, which means that I am responsible for the Met's media relations. I am responsible for corporate internal communication; I am responsible for marketing and I am responsible for e-communications.

Q791 Chair: And in respect of these matters—we specifically want to talk about these matters—were you the person who signed off the contract to employ Mr Wallis?

Dick Fedorcio: Yes.

Q792 Chair: Why did you employ Mr Wallis, knowing full well that during your tenure as Director of Public Affairs, there had been many, many questions about the *News of the World*—the phone hacking allegations? You knew, obviously, about the Peter Clarke investigation. You even knew about the Yates investigation because I think that you organised the press to be outside Scotland Yard—your Department did—when he made his statement saying that he was not taking matters further. Why did you employ him knowing this?

Dick Fedorcio: Can I say, Chairman, I am keen to be as open and helpful as I can to the Committee today, but as you will be aware, only a couple of hours ago I was informed that I had been referred to the Independent Police Complaints Commission for investigation? I have not been able to take legal advice in that time, so I hope that you will bear with me and perhaps guide me if you feel I am straying into areas that may cause me problems in the future.

Q793 Chair: All our witnesses have been referred to the Independent Police Complaints Commission and that did not stop the Commissioner, so you can take your guidance from him. This is a Committee of Parliament, which is sovereign. We can take evidence from whomever we want until someone is charged with a criminal offence. There is no risk of you being charged with anything, is there?

Dick Fedorcio: I don't believe so.

Q794 Chair: Excellent. So feel free to answer our questions.

Dick Fedorcio: The point that I was making is that I have not had the opportunity to take independent legal advice, whereas others may have done.

Q795 Chair: Specifically, if you could answer our questions. We are not keen on long statements. We know the facts, or the background anyway. You can give us the facts. You took the decision to employ Mr Wallis. You have 45 people working in your press office, but you needed another consultant. Why Mr Wallis, bearing in mind that Mr Clarke had just completed an investigation in 2006 and Mr Yates had conducted a review at the express request of the Commissioner. Why did you give this to the man who was the deputy editor of the *News of the World*?

Dick Fedorcio: Where shall I start? The need that I had for external advice and support came about, as the Commissioner explained earlier, because my deputy was undergoing recuperation and recovery from a quite serious illness. Even today, he is yet to return to full work. This meant that I was working—effectively doing two jobs—at the top of the Department. It was the strategic level of work that I was working on. I was under great pressure, working long hours and I felt that I needed some help and assistance. In fact, the Commissioner suggested that I should look and find such help.

Q796 Chair: We understand that, so tell us why you found him.

Dick Fedorcio: I had been looking for some time to find someone who I felt had the right experience, background and knowledge to provide that assistance to me. Over a period

of time I spoke to a number of colleagues—the professionals outside the organisation whom I know—to seek their views on how I could go about this. I came to the view in the end that what I needed was what I call a retainer contract. It was a contract that would give me access at short notice to someone as an adviser and that—

Q797 Chair: We understand all that, but why him?

Dick Fedorcio: I am coming to that.

Q798 Chair: Why Mr Wallis?

Dick Fedorcio: I needed that contract in place to enable me to move quickly if or when I needed to get advice. One of the names that was put to me was Neil Wallis following his departure from the *News of the World*.

Q799 Chair: Who put that name to you?

Dick Fedorcio: I was aware of it. I cannot remember who, to be honest. But I was made aware that he, having left the *News of the World*, was available for consultancy work. He was setting up on his own and was therefore available. I saw Mr Wallis—

Q800 Chair: Whom you had never met before?

Dick Fedorcio: No. I had met Mr Wallis on a number of occasions. I should say that I know Mr Wallis as a business colleague. I have known him since 1997.

Q801 Chair: As a business colleague?

Dick Fedorcio: As a business colleague. By that I mean that I am at the Metropolitan police as the Director of Public Affairs. At that stage he was deputy editor of *The Sun*.

Chair: Right.

Dick Fedorcio: That is when I first met him and I have known him through his various—

Q802 Chair: Isn't he a professional person, not a colleague, but someone you dealt with regularly?

Dick Fedorcio: A professional colleague, yes.

Q803 Chair: When you say business colleague we thought you were in business together.

Dick Fedorcio: Sorry, yes, I should have said a professional colleague.

Q804 Chair: So you had known of him.

Dick Fedorcio: I know him, but he is not a personal friend whom I socialise with out of work. I want to make that clear. I have seen him on a number of occasions over those years. I have known him in the various senior roles that he has fulfilled.

Q805 Chair: But you were aware of the background of all the phone hacking investigations. You were aware of that on 9 July, just a few months after he was appointed. When did you actually give him the contract?

Dick Fedorcio: The contract was awarded at the end of September 2009.

Q806 Chair: And Mr Yates finished his review on 9 July.

Dick Fedorcio: Two months earlier, yes.

Q807 Chair: Eight weeks after the review was completed you gave him a contract.

Dick Fedorcio: Yes.

Q808 Mr Winnick: So you knew all about phone hacking allegations before Mr Wallis was appointed. That is quite clear.

Dick Fedorcio: What I knew was that the Metropolitan police investigation had taken place. I knew the decisions of the Metropolitan police around that and all the statements that had been made by the Metropolitan police. I was aware of the media coverage that had taken place. It was in that context that I made that decision.

Q809 Mr Winnick: And two people had been convicted and sent to prison over phone hacking.

Dick Fedorcio: In 2006—2007, I think—when that took place, some two and half years earlier.

Q810 Mr Winnick: I speak as a layman not a journalist, but wouldn't the first question one would ask of Mr Wallis be, "Since you were the deputy editor of the *News of the World*, the very paper at the centre of the allegations over phone hacking, can you tell us, Mr Wallis, what you know about phone hacking?" Did you ask that question?

Dick Fedorcio: If I could explain the route I got to him very quickly. Having considered him as a consultant and someone I could take on among the other names that I had in mind, I spoke to John Yates and advised him what I was thinking of doing. John Yates conducted a form of due diligence on Mr Wallis. He can probably explain that to you later better than I can. As far as I am concerned, Neil Wallis gave John Yates categorical assurance that there was nothing in the previous phone hacking matters that could embarrass him, John Yates, the Commissioner or the Metropolitan police.

Q811 Mr Winnick: As I understand it, you did not ask Mr Wallis for the information, or the question I assumed would be put, because he had been asked by Mr Yates. Is that right?

Dick Fedorcio: Yes. Mr Yates made me aware of that.

Q812 Mr Winnick: So, what did Mr Yates actually say to you? Did he say it was perfectly all right to employ Mr Wallis, because Mr Wallis was in no way involved with phone hacking, because he told him so?

Dick Fedorcio: I can't remember the actual words or the conversation.

Q813 Chair: No, but was that roughly what he said? Was the purport of what he said what Mr Winnick has just put to you?

Dick Fedorcio: He said to me that as far as he was concerned, having spoken to Mr Wallis, there was nothing that could embarrass any of us in that appointment.

Q814 Mr Winnick: How long have you been involved in public relations?

Dick Fedorcio: 40 years this year.

Q815 Mr Winnick: And it would not have occurred to you, with all your vast experience, to put the question yourself to Mr Wallis, bearing in mind how much phone hacking, even then, had been in the news, with court convictions and people being sent to prison due to phone hacking connected with the *News of the World*? It wouldn't have occurred to you simply to say to Mr Wallis, "Let's get the position quite clear. It is a very sensitive job we are taking on in the Met and so on. Can you tell me anything about what happened when you were deputy editor of the paper?"

Dick Fedorcio: I think Mr Yates asking Mr Wallis that on one occasion is more than enough times.

Q816 Mark Reckless: You are head of public affairs and you say that your responsibilities include marketing, and that you needed Mr Wallis as another PR consultant. I may be naive, but would it not be better if the Met concentrated on catching criminals?

Dick Fedorcio: The Met is concentrating on catching criminals.

Q817 Mark Reckless: Why do have these 50-odd—or whatever it is—people in PR? Has that not just grown too big? Why not just concentrate on the basics?

Dick Fedorcio: I do not believe so. Like it or not, the media have a strong interest in policing. They put significant demands on the Metropolitan police, wanting information out of the police officers doing their investigations. If we were not in place, the police officers would be spending their time trying to deal with that approach. By having press officers in place, we are able to take the pressure off the investigating officers, so that they can get on with their jobs. In the main, press officers cost less than police officers, so we are a cheaper option as well.

Q818 Mark Reckless: Could at least some savings be made in your department?

Dick Fedorcio: There are always savings to be made, and my department has contributed to savings over the past 10 years, every year.

Chair: Dr Huppert. Could we make it quick, please?

Q819 Dr Huppert: Indeed. Mr Fedorcio, you are clearly the main contact at the Met with some of these journalists. Freedom of information requests from Dee Doocey revealed your name all over meetings with people from News International. It is important to be transparent about these things, and the Met has a publication scheme about hospitality, as we have already discussed. When I look online, however, the entire directorate of public affairs has apparently received no gifts or hospitality since March 2009. Even back then, only 12 lunches or breakfasts are declared for the entire directorate, and tickets to Wembley but not to Twickenham. What is going on? Were you trying not to tell the public about those meetings,

and why were they not declared openly and transparently as the rules say you ought to have been doing?

Dick Fedorcio: Until recently, only the Commissioner and the Deputy Commissioner's hospitality registers were published on the website. Work is now being done to backdate all the rest of the organisation's hospitality registers at a senior level for the last three or four years, and I anticipate those being published shortly. That was not my responsibility; that was a recent decision taken to expand the publication of hospitality.

Q820 Dr Huppert: But it seems rather bizarre that there would be this January-March window. It does not say anything about who received a gift, who it was from or what the value was. Do you at least accept, particularly given current public concern, that it is simply outrageous that there is not a record of key contacts between senior people at the Met like yourself, and these journalists? It is not recorded in any way publicly and that should have been a priority to look at once you realised that there was a key issue.

Dick Fedorcio: I think you will find that my hospitality is connected with the Commissioner, or whoever I had been with. It may not be on the DPA site—

Dr Huppert: It is not on the Commissioner's site either. I have all of that printed out here as well, and your name is not listed.

Dick Fedorcio: Sorry. Okay—within the books, within the Met.

Q821 Chair: Will you supply us with a list? That would be very helpful. Lorraine Fullbrook, on the employment of Mr Wallis.

Lorraine Fullbrook: Mr Fedorcio, specifically on the employment of Mr Wallis, did you go out to tender for this contract?

Dick Fedorcio: Initially, my understanding at the time of the procurement boards was that the option of a single tender was in place. I asked and inquired about that, and was then given advice by the procurement department that this would require three quotes because of its size and scale. At that stage, I went and got three quotes, and of those three quotes, Mr Wallis was by far the cheapest.

Q822 Lorraine Fullbrook: You said that you employed Mr Wallis because you needed to beef-up your department, but you said your deputy was so good. Why then would you feel the need to employ Mr Wallis for two days a month?

Dick Fedorcio: My deputy was off sick.

Q823 Lorraine Fullbrook: So two days a month would help that would it? There was nobody else; the number three in your department was not good enough to take that position.

Dick Fedorcio: The person at the next level was still relatively new in post. My professional assessment was that I needed external help that was not available internally.

Q824 Lorraine Fullbrook: So out of the 45 people in your department, you felt that there was nobody available to give the kind of expertise that Mr Wallis would give you?

Dick Fedorcio: Not at the senior level that I was looking for.

Q825 Lorraine Fullbrook: Is it not the case that you employed Mr Wallis to help you with the fall-out from the *News of the World* phone hacking scandal?

Dick Fedorcio: Not at all. If I may be very clear, the work that I employed Mr Wallis to assist with, and the sort of work that I was involved in, would have been about corporate policy matters. Issues of investigation and of operational activity are dealt with by the press officers and the 45 staff. I do not get involved in operational or investigative matters.

Q826 Lorraine Fullbrook: You never discussed the phone hacking scandal with Mr Wallis. Is that what you are saying?

Dick Fedorcio: No. Never.

Q827 Chair: But as the Director of Public Affairs, you sit on a management team and you must know lines to take. Surely you could not possibly do your job if you did not know about what was happening in the Metropolitan police, and on a daily basis someone would give you a complete set of cuttings as to where the Metropolitan police was involved.

Dick Fedorcio: I didn't say that I didn't know; I said that I didn't have a discussion with Mr Wallis.

Q828 Chair: So you did know about the phone hacking. You did know that investigations were going on.

Dick Fedorcio: I knew that the initial investigation had taken place and that that had closed. I knew that Mr Yates had conducted that work in July, and I know that in January this year the investigation reopened.

Q829 Chair: We understand what happened in 2009, but you knew what happened on 9 July and the eight weeks that led to the issuing of the contract.

Dick Fedorcio: Yes. I was aware of that.

Chair: You knew that Mr Yates was conducting that so-called review, and you knew that Mr Yates was a personal friend of Mr Wallis, but you still relied on Mr Yates to give you the all-clear to employ Mr Wallis.

Dick Fedorcio: I accept the integrity of Mr Yates. He is a senior officer in the organisation.

Q830 Chair: But what about your integrity as someone who needed to show due diligence when you signed off this contract?

Dick Fedorcio: I was satisfied that the advice given to me by Mr Yates was reliable.

Q831 Steve McCabe: On the question of the contract, you say that, of the three people who tendered, Mr Wallis's company was by far the cheapest. Are the contract specification and the details of how it was advertised available? Could they be made available to the Committee so that we can see what he was being judged against? Have you retained that?

Dick Fedorcio: Yes, indeed. A contract of that size could be led by obtaining three quotes from potential suppliers within the Met rules. It was not advertised externally.

Q832 Steve McCabe: How did you obtain these three quotes? Did you phone up a couple of other people that you knew or did you write it down? I am just trying to figure out how he won the contract.

Dick Fedorcio: I prepared a short specification, which I e-mailed to the three people asking them to provide a costing for the work that I was looking for on a retainer basis, based on an assessment of around two days a month.

Q833 Steve McCabe: And that documentation is available? You could make it available to the Committee?

Dick Fedorcio: Well, that documentation is with the Independent Police Complaints Commission now.

Q834 Steve McCabe: One other thing. When you employ people on this or indeed any other basis, are they normally required to provide any disclosures of their other business details or connections?

Dick Fedorcio: There is a contract, but I cannot recall the details of the contract.

Q835 Steve McCabe: If you want somebody to work at the Met, you would not want someone who perhaps had connections to the criminal fraternity, so there must be some way that you ask people to provide a disclosure of their business connections. Is that right?

Dick Fedorcio: I know that in this case Mr Wallis had just left the *News of the World* and he was setting up on his own. At that stage, he was looking to obtain new contracts. As far as I was concerned—

Q836 Steve McCabe: So you made no attempt to find out what other business interests he might have had?

Dick Fedorcio: I asked who he was working with and at that stage he said, “I’ve just set up on my own. I am just starting my business.”

Q837 Steve McCabe: And is this recorded?

Dick Fedorcio: I doubt it.

Q838 Nicola Blackwood: Mr Fedorcio, when you asked Mr Yates to conduct the due diligence, was that a normal process? Would you normally have asked Mr Yates to conduct that due diligence? How did you select Mr Yates for that?

Dick Fedorcio: I was talking to Mr Yates for two reasons. One, I knew that he, being new in post in the specialist operations department, would particularly need some assistance at a senior level. Part of this work would assist him in doing it, so I spoke to him about it specifically because of his involvement in phone hacking. I was aware of the investigation or, in his case—

Q839 Nicola Blackwood: You thought it was a good idea for Mr Yates to do due diligence on a new employee from *News of the World*, because he had been investigating *News of the World* employees?

Dick Fedorcio: Mr Yates is a senior police officer in the Metropolitan police. I have no reason to doubt his integrity.

Q840 Nicola Blackwood: That is not what I asked. I asked why did you select Mr Yates to do due diligence on a new employee who you were considering a contract with?

Dick Fedorcio: Because in this case he was aware, or he had been leading the work on phone hacking—whatever was going on at the time—and I thought that was an appropriate place to do it.

Q841 Nicola Blackwood: When you selected him, were you aware that Mr Yates had been a close friend of Mr Wallis since 1998?

Dick Fedorcio: No. Not since 1998.

Q842 Nicola Blackwood: Did Mr Yates inform you that he had been a close friend of Mr Wallis since 1998?

Dick Fedorcio: I have only in the last few years picked that up.

Q843 Chair: In the last few years? Sorry, Mr Fedorcio, in answer to Nicola Blackwood, could we have a precise answer? You said to me previously that you knew he was a friend of Mr Yates.

Dick Fedorcio: I knew he was a friend, but I did not know they went back to 1998.

Q844 Chair: But you knew he was a friend.

Dick Fedorcio: I knew he was a friend.

Q845 Nicola Blackwood: At the time when you asked him to do due diligence, did you know that he was a close friend of Mr Wallis?

Dick Fedorcio: I knew he had contact with Mr Wallis. I could not say that he was a close friend, but I knew he was a contact.

Q846 Nicola Blackwood: Did you not think that it might not be appropriate for someone who was a close friend of a potential employee to do the due diligence exercise on that potential employee?

Dick Fedorcio: I had no reason to doubt Mr Yates's judgment.

Q847 Nicola Blackwood: Despite his integrity, it might have put him in a difficult position if he had discovered something?

Dick Fedorcio: I have no reason to doubt Mr Yates's integrity.

Q848 Nicola Blackwood: It is not about his integrity; it is about the position which he might have been put in.

Dick Fedorcio: I do not believe he was put in a position like that.

Q849 Chair: Mr Fedorcio, it is about your integrity and how you appoint people, not about Mr Yates's integrity. We will make our own conclusions on that. Miss Blackwood is asking you whether you think in hindsight you did the right thing.

Dick Fedorcio: With hindsight, as I know a number of my colleagues from the Met over the last week have said to you, lots of things would have been done differently, if we had known then what we know now.

Q850 Chair: But in respect of the appointment of Mr Wallis, would you reappoint him knowing what you know now?

Dick Fedorcio: Certainly not.

Q851 Michael Ellis: Who recommended Mr Wallis to you? You say you had a recommendation before you took him on.

Dick Fedorcio: I had been out; I am trying to think. In mid-August, I discovered that he was down working independently.

Q852 Michael Ellis: Was it someone from the *News of the World* or from News International?

Dick Fedorcio: I honestly cannot recall who said it. I speak to a lot of people.

Q853 Michael Ellis: Despite the scrutiny on this matter and despite obviously having given it some careful consideration, you cannot recall who suggested that you hire Mr Wallis.

Dick Fedorcio: At the end of the day—

Q854 Michael Ellis: Was it Rebekah Brooks?

Dick Fedorcio: Certainly not.

Q855 Michael Ellis: Was it anybody else at News International?

Dick Fedorcio: Not to my knowledge.

Q856 Chair: In answer to Mr Ellis's question, it could have been someone at News International, because you said you cannot remember.

Dick Fedorcio: I cannot remember, but I do not believe it was.

Q857 Michael Ellis: Were you particularly close to the *News of the World* and News International? Did your closeness, if you were close to them, cause friction with press officers under your control?

Dick Fedorcio: I read that suggestion in today's paper, which I am dismayed about, to be honest. The comments that they make suggest that I was placing stories with them. I must admit I have placed stories with all sorts of papers and all sorts of journalists.

Q858 Michael Ellis: Were you giving preference to the *News of the World* in placing stories?

Dick Fedorcio: Certainly not. You would know that different papers have different interests in different subjects, and you seek to operate within those.

Q859 Chair: Did you know that Mr Wallis's daughter worked at the Met?

Dick Fedorcio: I did not until yesterday.

Q860 Chair: That was the first time.

Dick Fedorcio: Yes.

Q861 Chair: Mr Wallis's contract ended when?

Dick Fedorcio: His contract was terminated on 7 September 2010.

Q862 Chair: Is it not the case that he was offered another contract?

Dick Fedorcio: Yes.

Q863 Chair: When was he offered the second contract?

Dick Fedorcio: The situation with my deputy, as I said, continued; he was not coming back. So I had had the first contract. I reviewed it at the end of that period—

Q864 Chair: Look at your notes, please, if you would, so that we get this absolutely right. How long did the first contract run?

Dick Fedorcio: The first contract ran until 31 March 2010.

Q865 Chair: When did it start and when did it end?

Dick Fedorcio: The contract was issued on 1 October.

Q866 Chair: And it ended?

Dick Fedorcio: That one on 31 March—sorry, can I correct myself? The contract had a long potential date. That was why I said that, initially, it was seven months with the option of an extension.

Q867 Chair: So 1 October to 31 March.

Dick Fedorcio: Yes.

Q868 Chair: And he was offered another contract on 1 September.

Dick Fedorcio: He was offered an extension before 1 April, for six months, to take him through to the end of August. On 1 September, he was offered another six months' extension, but things accelerated in the few days after that. If I can explain, on 1 September, *The New York Times* article appeared on the other side of the Atlantic, so that came over here later in the day. Over the following few days, the story developed in some ways, which operationally led Mr Yates to make some statements about looking at certain factors.

Q869 Chair: And then you terminated it.

Dick Fedorcio: On the evening of 6 September, reviewing the news coverage, I was determined that I needed to take steps to end the contract. I intended to do it the next morning. I actually received an e-mail from Mr Wallis just after 10 o'clock on the evening of the 6th, saying, "With what's going on here, I fear this is going to embarrass you, and I don't want to do that, so I wish to suspend the contract."

Q870 Chair: So you did not terminate it; he volunteered to terminate it.

Dick Fedorcio: He got there by a couple of hours, ahead of my getting to him to say, "I'm sorry, this is the end." I accepted his proposal and terminated the contract.

Q871 Chair: Can you clear up one other point in respect of the letter that you sent us concerning Andy Hayman? Mr Hayman has made it very clear that before he went to meetings, dinners etc. with News International, he spoke to you and that you said it was fine for him to go to these meetings. For the record, could you explain your position?

Dick Fedorcio: Certainly and I will try to do it briefly. I need to take this in reverse order, in the way that I wrote to you. The first I became aware of phone hacking taking place was when I returned home from a period of leave in August 2006. It was the only dinner that I attended, with Mr Hayman and representatives of News International. Before that was in April 2006, which was while the investigation was ongoing. I attended that dinner with no knowledge whatever of the phone hacking investigation taking place.

Q872 Chair: And Mr Hayman didn't tell you that the investigation was happening—even before the dinner?

Dick Fedorcio: No.

Q873 Chair: Did you go to the dinner together?

Dick Fedorcio: Yes.

Q874 Chair: Did he not mention on the way that he was doing a major investigation into phone hacking?

Dick Fedorcio: No. It would have been inappropriate for me to have been told. I am not briefed on operational matters until I need to know.

Q875 Chair: But were these matters not in the newspapers?

Dick Fedorcio: No. It was totally secretive. It became public on the arrest of Goodman and Mulcaire.

Q876 Chair: You never advised Mr Hayman not to attend any dinners with News International?

Dick Fedorcio: Not while there was a live investigation going on into them, no.

Chair: We have a final question from Lorraine.

Q877 Lorraine Fullbrook: Is it correct that you actually employed Mr Wallis before your deputy became ill?

Dick Fedorcio: No. My deputy became ill in the middle of February 2009.

Lorraine Fullbrook: Thank you.

Chair: We have a brief question from Mr Clappison.

Mr Clappison: This is on a different subject, which I have pursued already with a previous witness.

Chair: Okay, as long as it is brief.

Q878 Mr Clappison: It is very brief. I asked the Commissioner about the number of lunches and dinners that he had had with News International organisations, particularly *News of the World*. He told me that there was a strategy whereby you were trying to reach out to newspapers with a particularly high percentage of the market—I think he said 40% for News International. Were you aware of that strategy?

Dick Fedorcio: I would not accept the use of the word “strategy”. I deal with all of the media and I need to deal with them all of the time. The News International group of papers are a significant part of that, so naturally we would spend an amount of time with them.

Q879 Mr Clappison: Since then, I have seen a list of the hospitality accepted by the Commissioner, and as far as lunch or dinners are concerned—I am not talking about award ceremonies or parties or things like that—it would appear, and I might be wrong about this because we have only had a cursory look, that he only ever went to lunch or dinner with News International organisations, particularly the *News of the World*. What was the strategy for reaching out to people like myself who are readers of the *Daily Mail* and the *Daily Mirror*?

Chair: Not at the same time though.

Dick Fedorcio: My experience is that each news outlet has its own ways of meeting commissioners or senior police officers. Some prefer dinners, some prefer lunches, some prefer meetings in the office, some prefer it over sandwiches, some prefer it over coffee and some prefer it with nothing. You go with the mood. This is something that has been in place since I started at the Met and it is something that I inherited.

Chair: Mr Fedorcio, thank you for coming in to give evidence. I am not sure whether we are any clearer at the end of this session than we were when we started. We may be writing to you again about these matters. Thank you for coming.

May we have our final witness, John Yates?

Examination of Witness

Witness: John Yates, Assistant Commissioner, Specialist Operations, Metropolitan police, gave evidence.

Q880 Chair: May I start with an apology for keeping you waiting so long? We are most grateful to you for coming. Let me place it on the record that I greatly appreciate all the roles that you have played in the Metropolitan police and the way in which you have dealt with this Select Committee. You have always been very willing to come here even at very short notice and you have always been very helpful with our inquiries. It came as a surprise to most of us—I am not saying that this was connected in any way with my call to your office—when you announced your resignation yesterday, especially when you were reported as saying, very forcefully, that you had done nothing wrong. We have read your resignation statement and we have a copy with us. Why did you resign bearing in mind that you believe you have done absolutely nothing wrong in this case?

John Yates: Thank you for those kind words to start with, Mr Vaz. As I said in my statement, I felt that this has already become a huge distraction, in the same way that the Commissioner described, for me in my current role. I looked at the past two weeks in terms of my role as the head of counter-terrorism. I probably spent no more than two or three hours

managing that level of risk. I see no indication that at any time, either now, in the future or for some considerable period, that pressure will subside. Point one, huge distraction.

Point two, leaders occasionally have to stand up and be counted. I have said I am accountable for what has taken place on my watch. I firmly believe—I reiterate that—that I have done nothing wrong. My integrity is intact and my conscience is clear. It is time to stand up and be counted and that is what I have done. I have announced my intention to resign.

Q881 Chair: Thank you. We are just going to examine you on two issues, one of which has emerged since you last gave evidence to us about the 9 July investigation. I will start with some interesting evidence that we have heard from Mr Fedorcio concerning the employment of Mr Wallis. Mr Fedorcio has just told us—this is in the public domain and perhaps one of the reasons why you felt that there were these allegations swirling around that caused you to be distracted—that he decided to employ Mr Wallis because of your reference. He said that he went to you and you said that he was someone who should be employed. Basically, you did due diligence.

Having conducted an investigation into the *News of the World*, you were the best person to decide on these matters. As a result of what you said to him—these were his exact words, although I do not have a copy for you because it has not yet been written down, but I can send you the transcript—that was why he took him on. If you had raised any concerns whatsoever, he would not have employed him in the Metropolitan police. What do you say to that?

John Yates: I did not hear Mr Fedorcio’s evidence, but I think that that is slightly over-egging the pudding, to put it mildly. I sought—it was not due diligence in the due diligence sense—assurances off Mr Wallis before the contract was let. I wrote a note, which I will read, if you like. It said: “Is there anything, in the matters that Nick Davies is still chasing and still reporting on, that could at any stage embarrass you, Mr Wallis, me, the Commissioner or the Metropolitan police?” I received categorical assurances that there were not. That is not due diligence. Due diligence is in the proper letting of a contract. I had absolutely nothing to do with that or the tendering process. That was a matter for Mr Fedorcio.

It was prior to anything happening. It was a conversation, which I made a contemporaneous record of because I thought it was relevant. It is a very short record, which I am happy to provide to the Committee. That was it. That is not due diligence and it is certainly not a recommendation. I absolutely know, because I have seen it happen in the Met on several occasions in the past five years, that the letting of contracts is an extremely sensitive issue. I would not touch it or go anywhere near it in a million years.

Q882 Chair: But, again, you have not seen or heard what he has said. He was pretty emphatic that he relied on your integrity. That is why Mr Wallis ended up getting this job. He left us with the impression that if you had raised a scintilla of concern, even the slightest concern, Mr Wallis would not have had this contract.

John Yates: I did not have a scintilla of concern in 2009. The facts have changed.

Q883 Chair: But you did not raise any concerns.

John Yates: I did not raise any concerns, because I did not have a “scintilla of concern” in 2009.

Q884 Chair: In respect of the other matter that is in the public domain, which is the employment of Mr Wallis’s daughter, did you have anything to do with that?

John Yates: I am very happy to answer questions on this, even though it is a matter that has been referred to the IPCC. I am happy to be completely open with the Committee. Again, I have done nothing wrong. I was a post box for a CV from Mr Wallis's daughter. I have some notes in an e-mail, which I am again happy to pass on to the Committee, which give a completely equivocal interest in whether she gets employment. I passed on that e-mail and the CV to the director of human resources in the Met. Thereafter, I do not know what happened to it. It happens all the time. I know that a number of Members of Parliament employ friends and family. Bear in mind that this was January 2009. I think that is a very important point. I was not in charge of specialist operations. I had nothing to do with phone hacking. I had never touched it, and I simply acted as a post box for an application.

Q885 Chair: So you can categorically deny to the Committee that you "secured this job for Mr Wallis's daughter".

John Yates: I absolutely and categorically deny it, and the facts speak for themselves. There is one e-mail from me, and I even said in the e-mail, "Please let me know, director of HR, what the position is, so I can manage expectations." As in, I am completely equivocal whether this individual gets the job or not. The Met employs people all the time. We have massive IT projects. If we wanted short-term staff, that is what we did. I had absolutely nothing to do with her employment. I was simply a post box.

Q886 Dr Huppert: The evidence that you have clearly missed is just subbing, and your name seems to come up quite a few times. First, how close were you to Mr Wallis? We have heard that you were close friends since 1998. Is that right?

John Yates: Again, I have been described as a close friend. I became friends with him. I first met Mr Wallis—I do not think it was 1998—whenever I was staff officer to the Commissioner, which I think was 2000. I met him once then. I must have met him, in the next five to six years, two or three times per year—if that. It was mostly in the company of others, but occasionally on our own. I think some of those are declared anyway in the hospitality register. I would see Mr Wallis, I reckon—I have given this some thought—two or three times a year. I do not go round to his house on a regular basis; I must have been round there once to pick him up to go to a football match. It is mostly sport related with other people. He is a friend.

Q887 Chair: We get that.

John Yates: I cannot be clearer, but if Mr Wallis has done something wrong—let me be absolutely clear—

Q888 Chair: You are telling this Committee that he is a friend of yours.

John Yates: Yes. I have been open with this Committee and previous Committees.

Q889 Chair: We accept that he is a friend of yours.

John Yates: Don't get the impression that we are bosom buddies living in each other's houses, because that is just not the case, and he would never describe it as that.

Chair: We understand that. We get the message.

Q890 Dr Huppert: But I am also shocked about what you just said about employment practices within the Met. You said that it happens all the time. Does it really happen all the time that an Assistant Commissioner passes a CV on to the director of human resources? A big organisation like the Met surely has procedures for how people apply.

John Yates: It has formal procedures.

Q891 Dr Huppert: Are you really telling the Committee that you did not think that you sending that would make any difference to this person's chance of getting a job?

John Yates: The director of HR, as was then, if you knew him, you would know that he would absolutely say that if there was anything improper about this—he actually said so in an e-mail to me—he would have aborted the process forthwith. He was that sort of person, so I know, in passing it to that individual, that the matter will be dealt with entirely appropriately, with complete probity and in the proper way.

The Metropolitan police turn over a huge amount of staff. They want people for two weeks here, three weeks there, a month there and a month there. It is quite a useful way of getting people into your employment on a short-term basis. There are numerous examples from numerous senior people, both within the Metropolitan police and the Metropolitan Police Authority, where people who are known to those people have been employed on a short-term basis, and some have even become permanent employees in the future. It is not unusual.

Q892 Dr Huppert: Do you think that is a way that a public body ought to be behaving? That it relies on that personal connection. You just described it as a regular way of getting people in for two weeks here and three weeks there. What about the people who do not know a Commissioner?

John Yates: We are turning over a huge amount of staff. There are clearly normal processes that happen, but occasionally—I am sure that it happens in the House of Commons. You will bring people in to work for you for a short-period placement with you on a regular or irregular basis.

Q893 Chair: Can I just ask you about something that was raised by Sir Paul about his non-disclosure to the Prime Minister about the contract that Mr Wallis had with the Metropolitan police? He referred to an official at No. 10 saying to you or you saying to the official that the Prime Minister should be protected from such information. Is there such an official? If there is, who is this official who wanted everyone to keep this information away from the Prime Minister and the Home Secretary? Who was trying to protect the Prime Minister?

John Yates: Officials will always try to protect their principals from these types of things. There are very rare occasions when the Prime Minister will be briefed about operational matters, mostly around national security and counter-terrorism.

Q894 Chair: Was there a decision not to tell him about Mr Wallis?

John Yates: There was an offer in early September 2010 for me to put into context some of the nuances around police language, in terms of what a scoping is, what an assessment is and what launching an investigation—

Q895 Chair: An offer to whom?

John Yates: An offer to a senior official within No. 10, to say, “Should that be desirable, I am prepared to do it.”

Q896 Chair: Who was that official?

John Yates: The official is the chief of staff.

Chair: Ed Llewellyn.

John Yates: Yes.

Q897 Chair: You made an offer to brief him fully on these issues?

John Yates: No. I did not say that. I said that I offered to brief on the nuances of what a scoping was. It was the *New York Times* issue. People say, “You are launching an investigation.” No, we were not. But it is not well understood, as the word “review” is not well understood, around these nuances. It was simply an offer to explain what scoping meant and what it could lead to.

Q898 Chair: What happened to that offer?

John Yates: The offer was properly and understandably rejected.

Q899 Chair: So there was no question of not telling the Prime Minister for operational matters about Mr Wallis?

John Yates: I wouldn’t have disclosed any operational matters about this. It is the very rare occasions that the PM would be briefed on operational matters. It would be something catastrophic, something about national security, or something of huge public concern, which this was not at that stage, don’t forget. It was simply an offer to explain police protocol.

Q900 Chair: I understand. But you did not seek to tell the Mayor of London or the Home Secretary that someone working for the Metropolitan police, whom you knew as a friend, a close friend or whatever, was formerly the deputy editor of the *News of the World*. You felt that that was an operational matter, did you?

John Yates: It just wouldn’t be my place to do it. He was working to Dick Fedorcio predominantly, for reasons that I know you have had explained to you regarding his deputy’s illness. There was some brief support for me as well. Why would I ever think that it was my responsibility to brief on those?

Chair: Thank you. I accept that.

Q901 Mr Winnick: When we had the previous witness, the Director of Public Affairs, before us, we asked him, in effect, if questions had been asked about Mr Wallis over phone hacking prior to the appointment being made. He said no, because in effect, this had all been cleared by you. That’s the situation, is it?

John Yates: Hopefully my earlier answer has explained. What I did was not due diligence in the truest sense. Once it goes into a letting and procurement process, a clear process is undergone. Part of that, I suspect, is proper due diligence, as opposed to my seeking personal assurances that there was nothing untoward. Let us not forget that Mr Wallis is an innocent man still, and we have no way of knowing what comes out in the future. As I say, I will provide you with the memo; you won’t be able to read my writing, so I will type it for

you. It was a simple contemporaneous note, recorded in my day book, to say, “Record of a home conversation—sought assurances.” It is as simple as that.

Q902 Mr Winnick: What is not quite simple, at least to me, is that phone hacking had been much in the news. Investigations had taken place. You decided in 2009, was it not so Mr Yates, not to continue with the investigation? Am I right?

John Yates: In 2009, I did not reopen an investigation.

Q903 Mr Winnick: You described it to a newspaper as a “crap” investigation.

John Yates: I used that to describe the word “decision” in the light of what I now know—that News International

Mr Winnick: And yet—

John Yates: Can I just finish my point? If I had known then what I know now, and the facts appear to be that News International has deliberately covered things up, I would have made a completely different decision, and none of us would be where we are today.

Mr Winnick: But bearing in mind that two people had been convicted and sent to prison prior to 2009 for phone hacking, and the *News of the World* was very much in the news as the paper that they worked for and which was supplied information as a result of phone hacking, does it not seem to you very strange indeed that the former deputy editor of the *News of the World* should be taken on in that year, 2009, with you having decided not to pursue the matter any further? Wouldn't the first question to him have been, “Were you involved in any way?”

John Yates: I completely appreciate that it looks odd now in the light of what we now know, but I confidently predict that, as a result of News International disclosures, a very small number of police officers will go to prison for corruption. That does not taint the whole organisation. There was simply no evidence against either Mr Coulson or Mr Wallis at that point in 2009. The investigation had been carried out in 2005-06 by others and it was thought to have been a success at that time. There was nothing in that article in July 2009 to suggest anything else. You say that it was a huge story then, but it was not a huge story in September 2009. It re-emerged with *The New York Times* in 2010, but it simply—[*Interruption.*] It was another one of those newspaper stories that gets a huge blip and then goes down.

Q904 Mr Winnick: Would we be right to conclude that no questions were asked by you to Mr Wallis about phone hacking at the time when he was deputy editor of *News of the World*?

John Yates: I have never asked him any questions because he has never been a suspect.

Q905 Chair: Sorry. Mr Winnick is asking whether you asked Mr Wallis whether he was involved in phone hacking when you recommended him, or when advice was sought.

John Yates: I sought assurances about whether he had any role, or whether there was anything that was going to embarrass him—[*Interruption.*]

Q906 Mr Winnick: That is the sort of question you would ask anybody.

John Yates: I'll read it in to the evidence: “Summary of phone call with Neil Wallis re potential contract with the metropolitan police service: phone call took place yesterday, 31 August, circa 9 am.” It was a bank holiday, so I did not record it until the following day.

“Wanted: absolute assurance that there was nothing in the previous phone-hacking matters still being reported and chased by Nick Davies that could embarrass him, me, the commissioner or the metropolitan police service. I received categorical assurances that this was the case.”

Q907 Bridget Phillipson: When you had the discussion with the Prime Minister’s chief of staff about the offer, was any reason given for declining that offer?

John Yates: When I say it was a discussion, it was a very brief e-mail exchange. Ed, for whatever reason—and I completely understand it—did not think that “it was appropriate for him, the Prime Minister or anyone else in No. 10 to discuss this issue with you and be grateful if it wasn’t raised.” It is very simple—and I can understand it in some sense.

Q908 Bridget Phillipson: At any point when Andy Coulson was employed by the Prime Minister, did you ever meet him, or have you ever had any discussions with him?

John Yates: I have met him, but I have never had a discussion about phone hacking, obviously.

Q909 Bridget Phillipson: And did you discuss Mr Wallis with Andy Coulson?

John Yates: No.

Q910 Steve McCabe: Given that Mr Wallis is or was a friend of yours, were you ever tempted to ask him if your phone had been hacked or where the rumours about your private life were coming from?

John Yates: The fact that I have worked out in retrospect and hindsight that my phone may have been hacked is of such small order to me that no, I have not, actually.

Q911 Steve McCabe: You were never tempted?

John Yates: No.

Q912 Steve McCabe: I want to understand what you said about Mr Coulson. Have you spoken to him since he was employed by Mr Cameron?

John Yates: I have spoken to Mr Coulson at No. 10, with other officials.

Q913 Chair: When was that?

John Yates: I will have to look in my diary. It was probably relatively early on. I think two or three officials were present.

Q914 Chair: About these matters?

John Yates: No, no, about counter-terrorism, police reform, and all the matters that I ought to be interested in.

Q915 Chair: Had you spoken to Mr Wallis before you had gone to that meeting or afterwards?

John Yates: Well yes, but not about any of the content.

Q916 Nicola Blackwood: Last time you gave evidence to us, you mentioned that when you did the review for eight hours in 2009, you felt that perhaps there was a sense that you were doing the minimum to get it off your desk because there were more important issues, given the terror alert at that time. Was that your own assessment or did you get that sense from the instructions that came from Sir Paul?

John Yates: Can I take you back to the evidence and that particular exchange? Quite properly, you broke in and interrupted my flow. I did start by saying “If you had asked me that question”—and there is probably an element of that—but then I went on to say that it is a very small “if”. I reiterate the point that had there been any new evidence—if I had seen any new evidence—of course we would have considered it and may have reopened the investigation, depending on the level and quality of that evidence. I think the “doing the minimum” has been taken out of context, because I did qualify it and you did interrupt me—you did not interrupt me in any discourteous way, but I did not get the full point out. It is quite clear from the transcript that that was what I was going to say.

Q917 Nicola Blackwood: What was your understanding of the instructions that Sir Paul gave you? What sort of attitude did you approach the review with—that you can be as thorough as possible and give it high priority, or that you should be as quick as possible and get it done within the time frame that he had laid out, with the hope of giving the press an announcement perhaps later that day?

John Yates: There was no time frame laid out, because clearly—

Q918 Nicola Blackwood: Well, he did say, hoping perhaps to make a statement that day.

John Yates: That could have been a holding statement, that could have been a completing statement, that could have been any type of statement. So, first, there was absolutely no time frame set out. It was as long or as short as it had to be. I wrote myself a contemporaneous note that day, which I think I have read into the evidence of another Committee, but there were simply some principles I said—“principles to be adopted regarding Operation Caryatid”, it was called—and the request by the Commissioner to establish the facts around this case.

I said, “I consider what approach I should adopt in undertaking the above exercise—specifically, this is not a review. It is to establish the facts around this case and to consider whether there is anything new arising in *The Guardian* article. I intend to adopt the following principles. And I have outlined eight principles here. The scale, scope and outcome in terms of the original case; consideration in relation to the level of liaison with the CPS and counsel and any advice they had provided; consideration of the approach adopted by the prosecution team and their focus, i.e. the framework of the case; any complexities and challenges around the evidence then and any evidence now, in particular into the availability of data, because data goes up to 12 months; the level of disclosure and who had viewed what material”, so I took that point; “how the case was opened after guilty pleas; and whether there was anything new or additional in terms of the articles in *The Guardian*; and finally, our approach to victims, how they were managed and dealt with, and the impact of any further inquiries, if deemed necessary, on them.” So I went through that process.

Now, I have accepted here, publicly, everywhere I can, that our approach to victims was far from perfect in this case. And it was a matter of—

Q919 Chair: Yes. You told us last week.

John Yates: That is the approach I took, Ms Blackwood. So it wasn't a finger in the air, "I don't fancy it". It was actually reasonably sophisticated in terms of the points—

Q920 Nicola Blackwood: Not just on the issue of victims, there were a large number of principles there to consider in eight hours about the way in which they relate to 11,000 documents, which you admit were not freshly considered.

John Yates: But point five was the level of disclosure and who had reviewed the material. I took a view that it had been, in terms of two people had gone to prison.

Q921 Nicola Blackwood: Two people had gone to prison, but 12,000 victims have been identified now and only 12 had been identified at the time.

John Yates: I had been assured that the material had been reviewed by counsel. Counsel will of course say, as I said last time, they will review it in terms of relevance to the indictment and I accept that. But I was assured—I received assurance two or three days later to reaffirm that—that they had seen all the material and they had not seen anything else.

Okay, you can criticise me with hindsight, but it was not a—it was a reasonably sophisticated process to go through around that article in a newspaper in which there was nothing new at that time.

Q922 Nicola Blackwood: But it was your decision that that was the process that you would go through. That was not on instruction from Sir Paul. It was your design entirely.

John Yates: Sir Paul would hopefully—

Q923 Chair: To be fair to you, we have heard from Sir Paul today. You did not hear his evidence and he was very clear to this Committee that he was putting you under no pressure. It was your call. He did say that he valued your integrity, but it was your call.

John Yates: I have got 30 years' experience, a lot of experience in the detective world, I have done any number of reviews and establishing the facts. He would expect me to adopt a process that has got some resilience and that is reasonably sophisticated for what we were being asked to do that day, which was an article in a newspaper. This wasn't a body being found; this was an article in a newspaper.

Q924 Mark Reckless: Mr Yates, you explained when we started our inquiry in September that CPS advice constrained the Met's investigation. Indeed, as late as July 2009 when you looked at this, and you said just now that the CPS advice was a factor you considered, although I understand from what you said before that you didn't go to them for new advice, but at that time the CPS stated to our sister Committee the law, "To prove the criminal offence of interception the prosecution must prove that the actual message was intercepted prior to it being accessed by the intended recipient." In light of that, do you think there has been a fair allocation of blame between the police and the CPS?

John Yates: As I stand here today, no I do not. It is absolutely apparent throughout that we had the clearest possible legal advice about what constituted a section 1 RIPA offence. That permeated the entire inquiry. We have written to you and to Mr Whittingdale on it, and I have been bashing my head against a proverbial brick wall to try to get that point across. It is

absolutely clear what advice we got. Anyone who says that a police investigation isn't framed by legal advice has never lived in the real world. It is of course what we did, and it is, of course, how we will conduct the investigations both now and in the future, Mr Reckless.

Q925 Chair: We have the former DPP and the current DPP coming in at 5.30. You will be off before then, by the way.

John Yates: I am enjoying myself so much.

Chair: And we love seeing you, Mr Yates.

Q926 Alun Michael: You have referred to police terminology sometimes being misunderstood. You helped us with the word "review" last time we spoke. The words "new evidence" have come up again and again. You were asked by the Commissioner to look at the available material, and in your letter to the Chairman you said that this resulted in you tasking a senior investigating officer to ascertain if there was any new information that might require investigation.

John Yates: Is this *The New York Times*?

Alun Michael: Yes, that's right. I want to be clear about that, because there may be misunderstandings. In the general public mind and perhaps in the mind of parliamentarians, we thought that there was an instruction being given to look at the available material to see whether there was anything that showed offences had been committed by people other than the couple of people who had been sentenced and whether there were other victims other than those who had already been identified. Is that general public and parliamentary impression wrong? Will you clarify that?

John Yates: I am not quite certain of the question.

Q927 Alun Michael: In everyday parlance, we all thought that at an earlier stage of the inquiry the Commissioner had requested, "Get back to looking at all of this and see whether there is anything else that has not been uncovered." In other words, we thought that the request was as broad as that, and that therefore anything that was untoward and could possibly be pursued in a way that would lead to prosecution should be investigated.

John Yates: I hope that I have explained the method. Bearing in mind what we knew in 2009 compared with what we know now, we looked at what would merit that investment of resources and what would be my level of concern to say, "Gosh, there is something there that we haven't seen or spotted before," of a case that had been through the courts, had been reviewed by counsel and had been properly prosecuted and instructed by the CPS. There is nothing there that would say, "With hindsight, God, I wish I had done that." It is really—

Q928 Alun Michael: I understand that. I am trying to get to the nature of the decisions at that stage. We heard from Mr Clarke that there was a fairly narrow focus because you were looking to pursue certain individuals and to bring the case to a—

John Yates: That was the start point of the case.

Alun Michael: That's right. When you were asked by the Commissioner to take a fresh look—for the avoidance of misunderstanding, let's not use the word "review"—did you task your officers to have a look at all that and see whether there is anything there, or did you task them to take a narrow look at the material?

John Yates: It was a fresh look at *The Guardian* article, just as the start point in 2005 was concern about the security of the Royal princes.

Q929 Alun Michael: So it was framed by *The Guardian* article? It wasn't wider than that in looking at whether there was anything there?

John Yates: No, because, frankly, why would we have done then what we knew then? I have been before numerous Committees trying to explain that. You know now something different, I do—and God, I wish I had done something different.

Q930 Alun Michael: Understood. You would accept, I think, that many people felt that there was something around, and that it ought to be brought out into the open somehow. What you were tasked with, and what you tasked your office with, was a narrower look at this area. Is that correct?

John Yates: That is absolutely right, yes. Newspapers, on a weekly basis, will run very interesting articles—classy investigative journalism: “Gosh, that’s interesting”— but we don’t launch an investigation on the back of all of those. It is just, “Is there anything new in *The Guardian* article of 9 July?”; I am certain there was not.

Q931 Mr Clappison: May I ask something on a different subject, which goes to the issue of what was going on at the time, since we have you here, Assistant Commissioner? I imagine that you were very busy—

Chair: Not too wide, Mr Clappison.

Mr Clappison: It is very much related to this inquiry—the behaviour of certain parts of the press. You were probably very busy last night. There was a report on Channel 4 News into the case of Daniel Morgan, which I think you may be familiar with.

John Yates: Intimately.

Q932 Mr Clappison: To me, as a layman, it was a very alarming report about the way in which the investigation, I think by Chief Superintendent Cook, was interfered with at the time. This is going back to 2002, when that investigation was launched. It was an old case, which had happened in 1987. Can you tell us what you know about that, because I believe that you went to a newspaper office to speak to them about it? Is that right?

John Yates: I don't think I did.

Q933 Mr Clappison: There was a report in *The Observer* that somebody from the Met had been to see them.

John Yates: I became involved in the Daniel Morgan case in or round about 2005 or 2006. It's a case that's been subject to numerous investigations and reinvestigations, but my involvement is about 2006 onwards. It's a huge inquiry; there are something like 750,000 documents in the inquiry.

Q934 Mr Clappison: To cut to the chase, the point of it was that the officer who was investigating the murder was himself placed under investigation by the *News of the World*, who allegedly had some interest in the case.

John Yates: I am fully aware of the issue that has been in the public domain around Dave Cook, surveillance and all those issues. I am also aware, although I wasn't present, that there was a meeting at the Yard between Dick Fedorcio and Rebekah Brooks, where these

matters were discussed. I don't know the outcome of that, and I wasn't responsible for the case at the time.

Q935 Mr Clappison: Did you try to find out why that officer had been investigated by the *News of the World* at that time?

John Yates: No, I didn't. Why would I? I wasn't responsible for the case.

Q936 Mr Clappison: But you became interested in it later on? I'm not blaming you. I am trying to get at what happened.

John Yates: That makes a change.

Q937 Mr Clappison: You're actually praised, if I may say, in *The Guardian* today in respect of this.

John Yates: Good Lord. The thing that concerns me, and the thing that I discussed with Dave Cook, was his personal security. That's what would have concerned me. Dave would know and I would know that we put in place sufficient reassurance around his personal security. What happened in 2002, I would not be taking that further forward at that point.

Q938 Mr Clappison: You didn't seek to investigate why he was placed under investigation by the *News of the World*?

John Yates: It was common knowledge between Dave and I that that had taken place. I put in place with David appropriate personal security measures, and relevant advice, to ensure that he felt confident in doing his job.

Q939 Mr Clappison: It was when he was investigating a particular case that he came under investigation. He was investigating the Daniel Morgan case, relaunching the investigation. When that happened, according to Channel 4, he was placed under investigation himself. Do you know why that happened?

John Yates: I don't know why it happened. It was 2002, and I wasn't responsible.

Chair: Thank you for that line of questioning. Can we go on to Michael Ellis, who will bring us back?

Q940 Michael Ellis: May I come back to a couple of things? First, you repeated this afternoon an assertion that you made last time before this Committee that it was effectively News International who were not co-operating that caused us to be here. Do you accept that wrongdoers often do not co-operate with the police?

John Yates: I absolutely accept that.

Q941 Michael Ellis: Do you rely on the fact that they were not co-operating to blame them for where you are now, or where the Metropolitan Police is now?

John Yates: On numerous occasions I have tried to explain to this Committee the issue around production orders. I have letters from News International going back to 2005, 2006, 2009, where they clearly, with legal advice, have constructed replies to letters that absolutely constrain the police's ability to get a production order.

Q942 Michael Ellis: With respect—

John Yates: I am afraid that you haven't listened to me, and no one is listening to me on this point. It is absolutely clear. We—the divisional investigation team—prepared a production order in 2005-06. We were told by the CPS and our own in-house legal people that you simply cannot take that forward, a judge will not accept it.

Q943 Michael Ellis: Then you did not have enough evidence, Mr Yates. I am listening to what you are saying. The Committee is listening.

John Yates: It is not the point, Mr Ellis. The point is if they are seen to co-operate and you don't have evidence that they are not co-operating, you cannot get a production order.

Q944 Michael Ellis: But a business does not have to open its doors to the police without good cause. You say that they constructed legal arguments to impede you, but the reality is that you should have had evidence so that you wouldn't have needed legal arguments to deconstruct. You would have been able to get a search warrant. You had 11,000 pages of evidence sitting in the basement at Scotland Yard.

John Yates: If the News International lawyers demonstrate that they are co-operating with police inquiries, and they have evidence that they are co-operating—and there was evidence, because they were providing invoices and all sorts of stuff—unless you have contrary evidence, that they are deliberately obstructing you in any way, you cannot get a production order. There are lawyers round this table, I know, who will reiterate that. You cannot get a production order.

Q945 Michael Ellis: Yes, I am one of them. But the reality is that you are seeking to blame the legal process for something that is actually the Metropolitan police's fault. Isn't it?

John Yates: I completely disagree with you.

Q946 Michael Ellis: Do you know who first recommended Mr Wallis to Mr Fedorcio?

John Yates: I don't know.

Q947 Michael Ellis: You didn't make inquiries about that when you were asked to be the post box that you referred to?

Chair: This is Miss Fedorcio, no sorry, Miss Wallis, the daughter?

Michael Ellis: Did you make inquiries about Mr Wallis at all for Mr Fedorcio? Do you know who first recommended him?

John Yates: I cannot recall how Dick came to his process in terms of who else was on the list, the responsibility for producing the tendering process, identifying potential people. That was all for Dick, and I am sure he said that. I was aware—I don't know when, but presumably before 31 August 2009—that Neil Wallis was one of those. That is why I sought those assurances.

Q948 Michael Ellis: Do you know how he came to be one of those?

John Yates: I don't know. Surely you would have asked Mr Fedorcio.

Q949 Chair: You didn't suggest his name? Mr Fedorcio came to you and said, "We're thinking of appointing this guy. You know him, what do you think of him?"

John Yates: That could well have happened. That wouldn't have been unusual.

Q950 Chair: You didn't suggest his name?

John Yates: I can't recall.

Q951 Chair: He said you did due diligence.

John Yates: I can't absolutely recall that process. He was a guy who had recently left his appointment. He was setting up a PR business, with just the type of advice we wanted then. It is perfectly possible, yes.

Q952 Michael Ellis: The job for Mr Wallis's daughter—you say you acted as a post box in that matter?

John Yates: I am happy to provide the e-mail on that.

Q953 Michael Ellis: How many times had you done that for others?

John Yates: Two, three, four times.

Q954 Michael Ellis: Over a period of how long? Your entire career?

John Yates: I can't recall. In terms of work placements, my PA would say that I do it too often. Probably twice a year.

Q955 Michael Ellis: So it wasn't a particularly busy post box. I am talking about you referring a potential employee to the head of human resources. You found that an appropriate thing to do.

John Yates: I was aware that the head of human resources was seeking short-term placements. I simply forwarded a CV. I had nothing to do thereafter.

Q956 Michael Ellis: Were any others connected with News International?

John Yates: Absolutely.

Q957 Chair: Sorry, did you say "absolutely"?

John Yates: Absolutely not.

Chair: Absolutely not. You took us by surprise. Mark Reckless and then Bridget Phillipson, and then we will close.

Q958 Mark Reckless: As a lawyer, I think I understand your point about production orders. I suspect BCL Burton Copeland and perhaps, more pertinently, Harbottle and Lewis are going to have to show a judge-led inquiry that they stayed on the right side of the line. I think Mr Ellis's point is, did you not have those 11,000 pages of documents? If you had gone through those and perhaps found the names of a few *News of the World* journalists, might not that have allowed you to put the evidence to a court to get a production order?

John Yates: As I said, I was not responsible in 2005-06. Those who were have come to this Committee and have accounted for what they did or allegedly did not do, so I cannot answer for that point.

Mark Reckless: By you I meant the Met rather than you personally. I apologise.

Q959 Bridget Phillipson: On Mr Reckless's earlier point about RIPA, just so I am absolutely clear, in the prosecution of Goodman and Mulcaire, was it a known fact that those two individuals had listened to voicemail messages prior to the recipient listening to the voicemail messages?

John Yates: There were cases, yes—those that we could prove. We have been through the technical process of how you prove a voicemail has been accessed prior to the intended recipients listening to it. There were cases, yes. As I have said to this Committee—forgive me if I have got confused—there was only one case that we could actually prove on a technical basis. Others had to be proved through a mixture of other police techniques to satisfy a court that it had been listened to prior to being accessed. People were told for example, “Leave your phone. Don't access your voicemail messages and let's see what happens.”

Q960 Bridget Phillipson: There is a list of people in that case whose voicemails had been listened to both before and afterwards.

John Yates: As I thought, yes.

Q961 Nicola Blackwood: Before we close, I want to give you a chance to clarify some comments made by Mr Fedorcio in the light of the newspaper reports about your friendship with Mr Wallis, which in your evidence you say was overstated. We were a little surprised to hear that he had come to ask you to do the due diligence. He said the reason for that was that you had been involved in the hacking and had some expertise in the problems that might arise with employing a *News of the World* journalist. We then asked him, “Did you not disclose the fact that you were a friend of Mr Wallis and had been a friend since 1998?” Mr Fedorcio did not seem to want to answer that and implied that he did not know. I just wonder what your response would be, as it would be helpful for the Committee to know exactly what you told Mr Fedorcio in that conversation when you agreed to do the due diligence.

John Yates: Let me take it in stages. First, whatever is written in *The Observer* this weekend, is, in the parlance, codswallop. I have explained to the Committee—I am not disowning people—that the level of contact and the level of friendship is nothing like as described in *The Observer*, as it was then.

Secondly, I am pretty surprised that Dick wouldn't have known that I knew Wallis in that sense. I can't speak for him. I have absolutely nothing to hide around it, and I have said so on several occasions. I am confident that what I am saying is absolutely the truth. You described it as due diligence again. It wasn't; it was just seeking assurances. Due diligence is something a tendering process would do.

Q962 Nicola Blackwood: So there was additional due diligence done by somebody who was independent—as far as you are aware?

John Yates: I have no idea. I was a million miles from the tendering process, so I don't know.

Q963 Nicola Blackwood: So because you believe that there was an additional process, you didn't feel it necessary to say, "Because I am a friend, or even an acquaintance, of this individual, I feel like I might be too close to this and it would be inappropriate for me to do that process."

John Yates: I was not doing due diligence in the formal sense. I was just seeking assurances. It was prior to any of the contracts being let as well. Let me be absolutely clear, it was not due diligence in the accepted formal sense.

Q964 Chair: We understand that. Sir Paul, in his evidence and indeed in his resignation statement, said that the Prime Minister had appointed someone who used to work for *News of the World* and there was no reason why he shouldn't have done so. Do you agree with that sentiment?

John Yates: I have nothing to disagree with around it. It does not give us any level of assurance different than the Prime Minister had, so I am not really sure whether it is relevant. We are responsible for different things. The Prime Minister is responsible for running the country. We are responsible for investigations. It is slightly different, but I suppose that it can give you some comfort in that sense.

Q965 Chair: May I pick up one or two final points? You said in your evidence that you confidently predict that some police officers will go to prison in respect of these matters.

John Yates: If the corruption cases, which we suspect are very small and very few in number, are properly investigated, I have no doubt that people will go to prison.

Q966 Chair: When did you come to that view?

John Yates: I come to the view that if you put a level of investigative expertise and resources around these issues, you tend to get the results. If the evidence is there, the evidence will be followed through.

Q967 Chair: The next point is about the bin bags that you mentioned to *The Sunday Telegraph* and to us. What is the rule about the destruction of evidence? How many years do the police hold evidence for before it is destroyed? The last time they were really looked at, before you put them on the database, was in 2006. I understand that there is a six-year rule.

John Yates: It depends on whether it is a matter of huge national interest whether they are kept in perpetuity. I think it is six or seven years. I will have to check.

Q968 Chair: You did not see them yourself but you understood that they were around. Is that right?

John Yates: Yes.

Q969 Chair: On Operation Weeting, which is progressing, have you been kept informed of what is happening, up until the time of your resignation of course? For example, did you know that Rebekah Brooks was going to be arrested on Sunday?

John Yates: No. Operation Weeting has quite properly put a complete firewall around what it is doing. I know nothing of the developments, the next developments or anything at all.

Q970 Chair: What about your future, Mr Yates? You have now resigned. Do you have no plans to take up journalism, as Mr Hayman did when he left the Met?

Mr Winnick: What about *The Guardian*?

John Yates: On a serious point, I have expressed regrets that more was not done about those potentially affected in 2005-06 and 2009. I paid a heavy price for it in announcing my intention to resign, but I am accountable for what took place. We also must remember that it is not the police who have failed here in every respect, it is News International that has failed to provide us with the evidence it should have provided in 2005-06. Yesterday, I said that I was accountable and I that I needed to stand up and be counted. I have done that. I do think it is time for others to face up to their responsibilities and do likewise.

Q971 Chair: Who do you mean by that?

John Yates: I think it is very clear. News International.

Q972 Chair: Since you discovered what has been going on you have obviously had contact with News International in one way or another, either socially, at meetings or whatever. Do you make this point when you see the people there? Do you tell them, “If you had co-operated more we could have got to the truth”?

John Yates: I do not discuss these matters with News International now.

Q973 Chair: But you do think that News International should take the responsibilities that you and Sir Paul have taken?

John Yates: I absolutely do.

Q974 Chair: And that means resignations of more people from News International?

John Yates: That is a matter for them.

Q975 Chair: This is probably the last time that you will appear before this Committee in your present guise—

John Yates: Is that a promise?

Chair: So can I place on record the Committee’s appreciation of the way in which you have always approached these sessions? You have always been most co-operative and have been ready to come at very short notice. Every one of the commentators, including the Mayor, the Home Secretary and, I think, the Prime Minister, has mentioned your work on counter-terrorism, which I know is your main interest, and the work you did in respect of rape victims, of which I think you are particularly proud. May I, on behalf of the Committee, wish you the best of luck?

John Yates: Thank you.