



Select Committee on Communications and Digital

Corrected oral evidence: The future of journalism

Tuesday 12 May 2020

3 pm

Watch the meeting

Members present: Lord Gilbert of Panteg (The Chair); Lord Allen of Kensington; Baroness Bull; Baroness Buscombe; Viscount Colville of Culross; Baroness Grender; Lord McInnes of Kilwinning; Baroness McIntosh of Hudnall; Baroness Meyer; Baroness Quin; Lord Storey; The Lord Bishop of Worcester.

Evidence Session No. 8

Heard in Public

Questions 65 - 75

Witnesses

I: Adam Thomas, Director, European Journalism Centre; Anna Hamilos, Senior Programme Manager, NESTA.

USE OF THE TRANSCRIPT

This is a corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.

Examination of witnesses

Adam Thomas and Anna Hamilos.

Q65 **The Chair:** Welcome to this virtual House of Lords Select Committee on Communications and Digital. We are halfway through our inquiry into the future of journalism and for our evidence session today we are joined by Adam Thomas, who is director of the European Journalism Centre, and Anna Hamilos, who is a senior programme manager at NESTA. Welcome to both our witnesses and thank you very much for joining us and bringing your expertise to the panel today.

May I start by inviting you to briefly introduce yourselves and the organisations that you represent, and give us your perspectives on the future of journalism, both from the point of view of your own experience and from that of your organisations? Perhaps we can start by addressing that question, in the first instance, to Adam Thomas.

Adam Thomas: Thank you very much for the invitation to speak before the Committee. I am the director of the European Journalism Centre. We are a Dutch non-profit. We are 28 years old this year and we have a team of 30 people with offices across six countries in Europe. We cover the whole of the Council of Europe's jurisdiction, not just the EU. Our goal, as I see it, is to build the resilience of European journalism by connecting journalists with new ideas, funding and people. We do this primarily through grants, events training and network programmes. Prior to this I was chief product officer at Storyful, which was sold for \$25 million, so I have a bit of experience of working in small start-ups, scaling those and going through an acquisition process.

Anna Hamilos: I am senior programme manager from NESTA. NESTA is a global innovation foundation. We support ideas to turn them into practical solutions, addressing some of society's biggest challenges from education to health and employment. As you may well know, Dame Frances Cairncross's review recommended that we support the public news sector to innovate.

Our perspective on the future of news is that we took on the pilot at a stage when there was already a crisis in journalism, and I think it is fair to say that it is heading more towards a cataclysm. However, we are very hopeful. We have seen from the pilot that there is a need for Governments to think about a bailout for the sector in line with other key workers, and from an innovation perspective a much bigger fund is required to enable the sector more broadly to innovate and future proof. As we have seen with Covid, it has struggled with the lack of revenue and being dropped out of the market. Lots of news organisations have struggled, particularly local and regional news, and now is the time to support them and the communities they service. It is an incredibly important part of our function in democracy to hold those in power to account.

The Chair: Thank you both very much. You have introduced some interesting themes there, particularly about the economics of journalism

and publishing, and innovation, which is at the heart of our inquiry. We will explore some of those issues now. The next question will come from Baroness Meyer, after which I will invite Lord McInnes to ask some questions.

Q66 Baroness Meyer: This is a question for Adam. How does the state of innovation in journalism in the UK compare with that of European countries? Are there any lessons that we can learn from other European countries, in your opinion?

Adam Thomas: That is a great question. It is a challenge to answer this when we represent the whole of Europe. Of course, if we look at 50 countries, there are vastly different media markets and innovation ecosystems, but if we look at the really exciting things happening across Europe first, we can compare that to what is happening in the UK, and we may get an idea of where the UK sits on this level. I share Anna's point of view about innovation that we are at an extinction-level event for many news organisations in the UK and across Europe.

However, there are some green shoots and some reasons for hope. We are seeing a new wave of journalism outfits—organisations like Decât o Revistă in Romania and Zetland in Denmark—which are putting community engagement at the heart of their editorial revenue.

We are seeing a professionalisation of fact-checking with organisations like Maldita in Spain. We are definitely entering a new era for public-facing data journalism—think of the co-ordination of groups like OCCRP in central and eastern Europe. We are also hitting a zenith of investigative journalism internationally, nationally and locally—look at Correctiv in Germany or Disclose in France.

Membership and subscription models, solutions journalism, artificial intelligence technologies and other technologies to support news distribution and revenue are now emerging in a way they have not in the past five years. The UK is doing pretty well in this regard. There are notable examples of all those types of things in the UK. The UK has a good solid platform of media infrastructure, solid well-known regulation and good funding compared to a lot of the rest of Europe, which puts it in a really strong position.

In Europe, we have seen a stronger movement towards membership models. We see some better products that are suited to engaging more targeted demographics, especially young people, women and the minority communities. I would like to see more of that in the UK and more support for that.

Co-operation is another part of what Europe does particularly well here. It is co-operating to collaborate across borders, not just on reporting but on innovation efforts. The UK is strong on local journalism, I believe, and has a strong tradition of hyperlocal journalism especially, and more support should be given to that. It also has a very strong background in working with data and has organisations like the *Financial Times*, Associated Press and Reuters, which also help in that regard.

There is a lot to get excited about with the future of media and much of that is happening in the UK, but I would urge more co-operation with the rest of Europe.

Baroness Meyer: Are there lessons you can learn when you look at the success of BuzzFeed and POLITICO in the United States?

Adam Thomas: BuzzFeed's and POLITICO's success have relied primarily on being digital first. It is about entering into a digital environment, understanding their audiences very well and having very targeted news products. Even those organisations are struggling. In Germany, BuzzFeed is on the way to moving to close down. Even these new upstarts are not so new any more and are struggling in this new environment, especially when they are reliant on advertising. The lessons we are learning in Europe right now are about diversification of revenue, trying to not put all your eggs in one basket but to think about moving beyond advertising to membership and events and other forms of revenue.

Q67 Lord McInnes of Kilwinning: I want to ask you first, Anna, and then Adam, more about the sustainability of the business model long term, what you think the main obstacles are to starting up journalistic enterprises at the moment in the UK, and how your support and seedcorn funding can help with that.

Anna Hamilos: That is a really important question. I think a lot of start-ups, particularly in the UK, struggle with funding initially, and that is equally true for commercial start-ups and socially oriented start-ups. There is also a barrier in the UK regarding the charitable status of journalism and the ability to attract philanthropic investment, which has been an ongoing conversation and needs rapidly to be addressed. There are also issues from a conversation with the University of Lancashire, which has a media lab, and fellow colleagues at the EJC, about skills and capacity in the market. As a sector it has been woefully underinvested in. Innovation is often a tricky word within news. For 40 years, the sector has been very reliant on advertising revenue, and as an ecosystem it needs to be supported so that it can look to the future and address the issues, and the innovation we have seen in the pilot showed the potential for sustainable models.

As Adam said, Bristol Cable, with its 2,000-plus co-operative, is very much hyperlocal, very much invested in the value of news, which I think has been lost over the years. People are actually paying for news. We have seen an amazing example with Axate, which creates a casual payment wallet rather than having to have subscriptions to every single newspaper so that people can dip in and out and make those choices. Glimpse Protocol and the Manchester Meteor are very hyperlocal, working in food banks on stories of homelessness, which does not get represented in mainstream media. There are opportunities, but it has to be much better invested. The £2 million shows the potential, but to show innovation and give a platform you need to think of between £10 million and £100 million a year.

Adam Thomas: I would echo that, and we see this across Europe as well. Anna made some fantastic points there. Market failure is the biggest challenge right now. It is about finding enough people to pay for news and helping them on that journey. Raising capital is therefore a real challenge, especially because I do not think we can expect these news organisations to be scalable right now. Scalability often comes with advertising, and we know that the advertising market is not there right now. How can we help these news organisations position themselves almost as impact investment vehicles and think about things like social capital and social worth as the way forward?

There is also a big challenge with diversity. Hiring and keeping diverse staff is a real challenge for the industry. For instance, a study came out today from Germany which found that even though 25% of people in Germany have a migrant background, only 6% of executive editors in Germany have a migrant background. It is a real challenge when you want to report with and for a community if your newsroom does not reflect that. That is a real challenge and we have to overcome that. Investment in bringing a more diverse workforce into the journalism sector would be really fantastic.

I would also say that journalism is somewhat stuck between a rock and a hard place. You have two sets of dominant players. On the one hand, you have the news industry, the legacy incumbents, which have been about for a very long time but, on the other hand, you also now have technological platforms. Finding space between those two big players for a new wave of community-oriented news organisations to emerge is a real challenge.

Anna Hamilos: I just wanted to add, completely agreeing with Adam, that in the pilot we have seen media trust in reframing disability in the media, such as Black Ballad; some 90% of journalists in the UK are white and, as we have seen with Covid and the disproportionate effect on people of colour, being able to hear those stories is vital. PressPad enables young people from a lower socioeconomic background to access internships.

It is vital in today's society to be able to reflect the stories that happen in our local communities. I could not agree more. What is interesting right now is seeing who has come up with the money. It is Google, Facebook, and organisations with different shareholders they have to speak to. Local public interest news needs consistent funding from the Government for many years to ensure that we hear the stories from local communities.

Q68 Lord McInnes of Kilwinning: That brings me on to my next question, which is about the longevity of these business models. What safeguards do you have to ensure that you are not just propping something up that might never take off and clearly does not have the market reach that might make it sustainable? When do you make that judgment, and how do you judge bids coming in for extra funding as to whether or not to support them?

Anna Hamilos: We had a really rigorous process with our selection criteria. We had 170 applicants, which I think shows the demand for funding. We were really disappointed that we had to turn some down. Unfortunately, it was only a £2 million pilot fund and it only lasted for four and a half months, which is not a long time to be able to test very much. It goes back to my earlier point about the need for more money and a longer period to be able to test the viability. By its very nature, a pilot has to be able to test the viability point for a wider market, so as an innovation foundation we positively encourage people to test things and fail. From that failure you gain a huge amount of insight into what you need to do and what you need to shift. We are not afraid of trying something and it not working, because from that there are some really rich insights. However, my request would be for more funding that is more long term, with more breadth, more scale, to be able to test whether models of financial sustainability are viable.

Adam Thomas: We are experiencing a real market failure here and we need to think about two things. One is about recognising journalism as a public service. We do not expect all public utilities to be profitable, so we should not necessarily expect it of all journalism organisations at the beginning. We have to accept that some journalism fundamentally needs help and subsidy. Investigative journalism is a good example of that. The type of value that investigative journalism gets back at the end in anticorruption measures, and so on, is definitely huge, but it is hard to measure, and that impact is difficult to tie back to the original investment.

It is also important to note that in times of uncertainty you have to diversify and experiment, and you have to understand there will be some failures. You also have to understand that what is unsustainable now may be sustainable in three years, so you have to place those bets and, as Anna says, you have to think about these as pilots with follow-up funding.

Of course, we try not to pour good money in after bad in our funding schemes, so we very specifically run a grants process that looks for a culture of experimentation in a news organisation; a product mind-set, developing products for an audience and community first. We look specifically for a diverse team and we look for plans that have flexibility and feedback loops embedded inside them.

Lord McInnes of Kilwinning: Finally, how engaged are you in the day-to-day monitoring of that funding once it is in the business?

Anna Hamilos: NESTA has over 20 years' experience of working with grants and innovation. We work very closely on monitoring. One reason why we have such a good cohort is that it is built on trust. From day one we craft milestones together. We ensure that we fully understand what the organisation is trying to achieve. We do site visits. We have an impact evaluation team to look at finance as part of Social Spider. It is an independent evaluation of our work, and it is not just NESTA saying that it is great. We are constantly monitoring and have regular sessions

with cohort specialists. We are very closely monitoring it and it is part of NESTA's core work in ensuring something is viable and has demonstrable impact.

The Chair: We will move on now. We have questions from Viscount Colville and Baroness Bull.

Q69 **Viscount Colville of Culross:** How successful do you think your programmes have been, and could anything have been done differently? In the case of NESTA's pilot, is there any point in giving these one-off grants to these new projects? Should the main aim not be to try to help them be sustainable like in your Glimpse and Axate projects? Could you talk to me about that?

Anna Hamilos: I am sorry; I did not understand the last part of your question.

Viscount Colville of Culross: I am concerned that a lot of your funding was one-off grants to media organisations, which obviously was going to help them for the moment but was not going to make them sustainable. What would be more helpful would be to find models to make them sustainable, as has already been said, and you have these investments in Glimpse and Axate, which were to do exactly that. Would that not be the best way to channel your investment and your grants?

Anna Hamilos: Thank you for the clarification. The pilot was a recommendation from Dame Frances Cairncross. It was to see across England whether there were viable ideas and approaches. It was very much to highlight the potential of what was out there across England. That is because there was a concern that perhaps there was no innovation within the public interest news sector.

We have demonstrated through the applications and the demand that there is. I would argue that the value that we have found from the cohort is the breadth and the merit across the different types of organisations, from co-ops to start-ups, either really early-stage start-ups or hyperlocal organisations that have an idea and want to be able to test it. I would argue against that. There is a real need to show the difference within different sectors, whether it is re-engaging disengaged communities, where we know there are huge numbers of news deserts, or lower socioeconomic areas, as is often the case.

As regards national reach, it is about looking at organisations that may well have started in London but want to branch out to a new geography. I would argue that the richness of our cohort is being able to show that across 20 grantees there is an opportunity for innovation within the news sector.

Viscount Colville of Culross: Adam, do you have anything to say about your programme and whether it should be concentrating more on helping these organisations to become sustainable?

Adam Thomas: From our perspective, the core funding is the most important thing. It is trusting grantees they that would know and understand how to spend that money best and that they would know

their audiences, communities and organisations. That does not mean just giving them the money and letting them get on with it. In a similar way to NESTA, we put a fairly rigorous set of impact milestones along the way to check in with them and to help them reassess and set their own goals.

What is important is that the organisations set the goals themselves and we provide the framework for measuring that success as they move on. From our programme we saw that of the organisations we supported through our Engaged Journalism Accelerator, where 12 organisations across nine countries were given €50,000 each, 100% said they had learned more about the community, 100% said they had increased engagement and 100% said they had increased the size of that community.

We got really strong feedback from them. The feedback we got to improve the programme was that they needed more time and that more money would be more useful, but not necessarily in one go because they could only spend a certain amount at a time. They would be happy for more money but over a longer period. A big part of what we did in encouraging sustainability was not just the money. Some 60% of the costs of the programme went on coaching, mentoring, networks, business support and so on and so forth. We would offer and give more of that if we could.

Programme managers are an absolutely vital part of that. Also, grant programmes that are designed for driving sustainability too hard can break teams that are not ready for it. I scaled a start-up from 26 people to 125 people in a year. It is very challenging, and if you push organisations too hard in this regard it can break them before they are ready, so you have to put in other types of support alongside this.

Q70 **Baroness Bull:** Adam, you make a very interesting point about learning that, even from a failed pilot, learning happens and will be taken on to future projects, and a lot of that will be about the coaching and the mentoring. My question is to both of you and it is really to put some flesh or some colour on to some of these projects. Between the two schemes we are looking at there are some 25 different projects. Could you each pick an example of a particularly successful innovation and explain how the grant made possible something that would not have happened otherwise? Beyond that, I have a short second question for Anna but perhaps you could both take that for now.

Anna Hamilos: It is hard. It is like choosing your favourite child. There are so many. I think Bristol Cable is incredible because it has a membership of 2,100 individuals and it has shown a marked interest since Covid. If you search "Covid" and "Bristol", it immediately takes to you the Bristol Cable website, and it is there supporting mutual aid organisations, supporting voices from the community that are often not heard, and encouraging diversity within the newsroom, which we do not see in the more traditional media outlets. I would pick Bristol Cable. Did you want to ask me your other question now?

Baroness Bull: It was really to get your response to what I understand is a criticism of the fund that it had not specifically addressed the local news and media industry. How do you respond to that?

Anna Hamilos: There was some criticism that we were not supporting incumbents and mainstream media. I think it is understandable. It happens whenever there are grants available for a sector that is woefully unfunded. I would be there scratching and knocking at the door to get funding. It is a human response that you want something to survive. Unfortunately, as NESTA has the remit of a charitable foundation, we could not fund editors' salaries, so 30% of those applicants were ruled out. We would love to have funded more. We were desperate to have a longer-term project, but it was a pilot set up and administered via DCMS and we had parameters. We functioned within that and we had a really high-quality selection. If we had had more money, we would have funded more organisations. We supported lots of hyperlocal organisations. I have mentioned Manchester Media and Bristol Cable. Shout Out is an organisation that works with youth clubs and schools locally. There are lots of hyperlocal organisations. I completely understand the criticism. The NMA sits on our advisory board, so there is lots of support and conversation that happens, but I can understand it. I think if there was more money there would probably be less criticism.

Baroness Bull: Adam, what are your examples of innovation and how the grants made them possible?

Adam Thomas: I would echo what Anna has said. We have just launched a Covid-19 emergency fund for the whole of Europe. It was only \$3 million for 50 countries and we got 2,000 applications in a week. You are always going to struggle to make everybody happy, and you have to pick and choose who you want to support to the best of your ability.

I can give you an example from the UK of Bureau Local, which I believe has already appeared before this Committee. It is a local reporting network with, I think, over 1,200 members now in the UK. It produces stories that are of national importance but are based on local reporting and local data about things like the housing crisis and homelessness. We gave it a grant of €50,000.

It did a six-month job of work on its own sustainability. It did more than just pay an editor's salary for six months and instead built a framework on how to assess revenue-making opportunities, and it experimented with new revenue plans in relation to that. It changed its approach to fundraising. It decided to start getting investment for specific product launches, which it had not done before. It created a role dedicated to business development which it did not think it needed. It also made fundamental changes in their team, including in their editorial team. At the same time, it produced hundreds of stories about community events and it has built open resources. A relatively small amount of money here altered fundamentally the DNA of the organisation and its ability to fundraise going forward. I think that is a pretty good result after nine months and €50,000.

Q71 **Baroness McIntosh of Hudnall:** Thank you very much for being here. In the interests of full disclosure, I should probably say that I was a founder trustee of NESTA. It is very good to see it is still going strong 20-plus years later. That is good news.

I was interested, Adam, in what you said about the non-financial support that you were trying to offer to the organisations that you support. The organisations that NESTA is funding at the moment probably also need non-financial support. Could you tell us a bit more about the commonest forms of coaching and mentoring for these very small organisations, which presumably are founded on energy, enthusiasm and local connections, but perhaps have some issues with certain kinds of skills or possibly networks or whatever? What do you find it is most helpful to provide?

Adam Thomas: Thank you for the question. We provide a lot of training about business development. A lot of these organisations have become accidental start-ups or accidental entrepreneurs and therefore they need some help with sometimes very fundamental business ideas. They are often local community activists, or people who have worked a lot in their community, or journalists who have come out of their newsrooms and decided that they want to start something new, do not have business training and have never received it.

First, this is about some kind of business training, and, secondly, what we call product thinking or product development, which is understanding how to test a product, how to survey an audience, how to launch a product and understand very quickly if it is working and pivot in to new things. We help them on product development techniques such as design thinking and other frameworks that allow them to test new business models. We also found that a lot of organisations struggle with organisational growth. I have experienced this personally. When you start to grow the team and become successful, it is necessary to put HR policies in place. These are things we all take for granted when we work in a bigger organisation, but when you are a small organisation, someone has to write those policies for the first time. It is often hard to do that if you are scaling a small organisation very rapidly.

We also put a lot of mentoring in place. We find that the mental health of entrepreneurs and start-up people is challenged by the lack of money and the uncertainty about starting up a new business. We also find that networking through ambassadors, meet-ups and community pools with other like-minded individuals is really important. That is why our European scheme has a lot of value. We have a database of 150 organisations across Europe doing what we call engaged journalism. It is about awareness and connection to those peers, being able to learn from their failures, and having these open conversations. We believe that is a catalyst for experimentation and, ultimately, sustainability.

Finally, research and ecosystem mapping are done not by the organisations but in support of them to help them understand what type of market they are moving into and who else has been successful in other areas or other countries. That is really useful.

Baroness McIntosh of Hudnall: May I pick up the peer-to-peer point you made and perhaps ask Anna to develop that as well? Do you consciously network the organisations that you support together so that as part of being part of you they are also networked into each other? Could you talk about that perhaps, Anna, as you go forward?

Anna Hamilos: There is also the brilliant part of our pilot where we partnered with Bethnal Green Ventures, which is an expert in tech incubators. There were two tracks, which mean that we will have an enormous amount of learning at the end, about July time, one more focused on tech and the other more focused on reimagining engagement with disengaged communities.

From that we started the cohort together in what is called a nonconference, where we allowed all the grantees to bring members, and essentially they decided what the agenda was. You learn best from facilitating those conversations. We are almost a convenor rather than the experts in the room, because the experts sit about in that room and have that discussion, and shape what they want to talk about. From there, as you will know from your experience of NESTA, we are very well networked, and one of the biggest bits of feedback from all our grantees is the value that we can share, which is being able to open up our networks to the grantees we work with.

Recently, one of our grantees—Tortoise—as part of a pilot, set up Tortoise Local, and it facilitated a brilliant conversation about the future of journalism. It was a slightly grim beginning from Rasmus, from the Reuters Institute, but very well pitched because it is exactly what we are facing, and there was then a very honest conversation with journalists as part of that group.

Polly Curtis, who is one of the main editors at Tortoise, went on to facilitate a think-in with the whole of NESTA. All the grantees were able to join that conversation. In learning from grantee fellows on any subject matter you learn best from your peers. We found that out through surveys. When the applications first came in, we asked them what kind of skills they would need, and as you apply for money you just put down ideas, “We need this, we need that”, but when you get into the thick of what you are delivering, that shifts.

Constant communication and constant teasing out the issues and the support they need means that we will be able to give them the right type of support from within NESTA, and if we do not have that within NESTA, from any of our partner organisations. As Adam said, it can be from HR to scaling to strategy development. It might come from the pilot, but it feeds in more broadly to their organisation.

Q72 **Baroness Quin:** My question follows on from earlier answers you gave, particularly when you were citing successful examples of innovation. Which innovative news organisations have been most successful in appealing to those who hitherto have been least likely to access or consume news? Have any lessons been learned from such examples as to how we might make progress in appealing to groups who previously

had not accessed news in the future? The question is to both of you. Perhaps you would like to go first, Anna.

Anna Hamilos: That is a great question. I could not agree more. I said earlier that the value of community has been effective in the response to Covid. It has been able to activate the support of local neighbourhoods.

Manchester Meteor has worked with food banks and accessed individuals who experience homelessness or mental health issues. They are able to tell their stories from their own perspective, rather than any misinterpretation that might come from organisations that are not based within that area.

Shout Out works with young people and has created an online media course so that young people can understand what is happening in the news. There is an amazing test, which luckily I did not have to do, about misinformation, disinformation and mal-information. You can get a certificate as you go through the process. It enables young people to be ready for what journalism and news might look like in the future. Black Ballad, equally, as we said earlier, addresses representation. At the moment, 90% of journalists are white, and Black Ballad has an incredible community of women of colour. They wanted to set up—pre-Covid unfortunately—an office in Birmingham to be able to hear the voices of black women and their experience within community.

Adam Thomas: I mentioned earlier that we have a database of engaged journalism organisations that can be found at engagedjournalism.com. These are organisations that are really putting their community at the heart of everything they do. Across Europe we have seen some amazing examples of this. There is one from Lithuania called Nanook that uses portraits, short clips and podcasts of the National Library in Vilnius to engage hard-to-reach Lithuanians. It engaged 13,000 people in two months who they do not believe would otherwise have engaged. The use of public spaces and public infrastructure is a really important way of doing this.

The organisation Médor from Belgium promoted its local investigative stories by using bright yellow story posters in the windows of shops. We find that this type of public engagement is also incredibly useful for people who might not traditionally engage. Solomon from Greece trains immigrants with the skills to tell their own stories. Making journalism part of a training academy is a super interesting way of engaging people who are often missed by news and journalism. An example I really like from Austria is Metropole, which helps Vienna's expat workers, people who have migrated there to work from other countries. It helps them feel part of the community through meet-ups and city guides. Again, that is a workforce which is often missed by traditional news because it is not produced in a language they know.

The headlines of this will be, first, coming back to my point about diversity, that the newsroom needs to look like the audience it is trying to engage and support. That is really important. The second is this idea of engaged journalism—reporting with and for the community, not to and about it. Thirdly, we should not neglect radio and print. We are talking

about innovation, but both those mediums are still incredibly important to rural and disadvantaged communities. We should not throw the baby out with the bathwater. We should definitely ensure that we think about what the innovations in radio are.

Baroness Quin: I was very interested in the examples. Do either of you have any feelings as to what have been the biggest barriers preventing people from wanting to access news? Is it distrust, dislike of politics and politicians, being part of a community or a family background where there is not normally much interest in or to access to news? Do either of you have any interim conclusions about this?

Anna Hamilos: Our research report, which is due out very soon, showed that the rise in fake news was a big reason why people had mistrust in the news. There is an incredible graph. Historically, there has always been an element of news bias, so you have to be able to read with a certain lens, but there was an incredible spike after 2016 and since then it has kept growing.

Shout Out, for example, has an amazing tool to skill young people up to be able to identify news bias and so be able to look at different pieces of media or news, understand where they are coming from, what message is being portrayed, who wrote it, what the motivation is. Equally, OneSub has a project called Break the Echo Chamber, where they look at 12 different news headlines and assess the bias. You as a reader, Baroness Quin, could filter and say that you have a particular focus on healthcare workers in relation to Covid, or whether you can access your green space, and they would filter those 12 headlines and give you the least biased news item.

Baroness Quin: Perhaps we should all apply for a certificate in spotting misinformation.

Anna Hamilos: Exactly.

Q73 **Lord Allen of Kensington:** Anna and Adam, it has been a fascinating conversation. I have really enjoyed your input. I took away from it your focus on innovation, diversity, funding and the ability to fail and learn and fail quickly. If you were to write this report, what would the outcomes say? What would the result of this inquiry be, how would it drive things forward, and who could we influence in terms of public policy and public bodies to drive it forward with alternative and innovative forms of journalism?

Anna Hamilos: I would say that we recognise the desperate and urgent need for investment within an incredibly important part of our democracy. Like the human body, to keep part of it functioning you need to feed it, and it needs consistent funding over the years. We have demonstrated the need with the pilot, which was really short and rapid. We need to be bold and look at the ideas that are coming locally and regionally locally, not focusing on London and the south-east but looking forward to the rest of England and seeing the stories.

In Scotland, *The Ferret* has an incredible readership and topics coming through. I would put alongside that the need for support for traditional journalism as well to be able to ride roughshod over the exact crisis now. I would lobby Treasury and every single government organisation, because public interest news covers every single topic, whether it is health, employment or education. It is so vital and it requires partnership, and you have the opportunity to be able to broker that partnership.

Lord Allen of Kensington: What does that model look like? How much money are we looking at, and how would you allocate it? What is the structure to get that money in to make a difference?

Anna Hamilos: You have an amazing selection of people who have submitted submissions to your Committee. I read through some myself and I think they are an incredible selection. I would convene a partnership between the EJC, myself and Plinth. I would look at the local publishers, not just the traditional media. I would convene a discussion with foundations, with funders, with government, together so we agree some kind of concordat as to what is needed and decide what the priorities are now during Covid, and probably the next three to five years, and what the future of journalism looks like to 2050. Be bold when it comes to what you need. If I were to pitch and put a marker in the sand, I would say we need about £100 million a year, please.

Adam Thomas: I would echo a lot of what Anna has said. Amplified by Covid-19, the threat to news organisations of all types, especially independent and local news organisations, is very real. Many of them will not survive beyond the next six to nine months. We have to act very quickly. If this happens, the threat to democracy and an open society cannot be understated. Press freedom has deteriorated globally by 12% since 2013, according to the World Press Freedom Index. This is not about saving an industry; this is really about protecting society. As I said, and I have hopefully given you some examples, there are some very exciting innovations happening. Covid-19 comes at a terrible time, unfortunately, for many of these organisations because they were just on a runway to starting to see the fruits of their labours.

I would like to see as a result a wave of investment into innovative journalism organisations and them being given a greater runway to continue their experiments. This will obviously benefit them, but will also, through a halo effect, benefit legacy organisations, which are perhaps unable to change as quickly because they have legacy properties and so on and so forth. Fundamentally, I would hope this report will benefit citizens and society.

In terms of concrete recommendations, I would definitely increase the funds for innovation, of course. Private philanthropy gives about \$1 billion a year to media. That is a significant amount, but we believe about 90% of that stays inside the US. It does not leave a lot for the rest of the world. You can look at Facebook and Google, which have committed about \$100 million or so recently to support media, so you need to be matching that type of amount.

You also need to think about not just giving money for scale but for the longer term under this funding plus model, and what comes in addition to the funding, because that will make the money go a lot further. Involving technology companies and private foundations as part of the conversation is really important and, as Anna says, getting them about the table and getting them to talk. There are some groups and umbrella organisations that already convene these people and we should be inviting them in, too.

The tax status of journalism is being looked at now in many countries across Europe. The introduction of new forms of tax relief could be done and should be considered. I know that Cairncross recommended that as well. This might be outside the scope of this Committee, but it is worth looking at the overseas development aid budgets. Media support is currently 0.2% of overseas development aid [Inaudible] an extra \$400 million a year for support [Inaudible] across the world. Our information does not necessarily [Inaudible] and therefore we need to be able to think about this as a global solution to make a global [Inaudible].

Lord Allen of Kensington: Thank you for your response. It is very helpful.

The Chair: We have a few moments left so we will go to Baroness Buscombe and, if we have any more time left, to Baroness Greender.

Baroness Buscombe: On that last point, post Covid perhaps we should expect that competition in the commercial space will be ever greater and so perhaps should be looking at joint ventures to survive. Working more together with different organisations might be an option. I wanted to come back on the issue of diversity. I speak as someone who has spent much of my life trying to ensure that whatever your background, whatever your gender, and wherever you come from, you are not somehow compartmentalised; you are not separated and living separate lives.

From the conversation you were having earlier on the previous questions and some of your answers, I have a concern as to whether we are focusing too much on seeking out diversity, on separate communities. In other words, yes, look for those separate communities and do what you can to engage with them, but at the same time encourage them to be drawn more into the mainstream. It is about doing what we can to ensure that people do not lead separate lives and can feel part of the greater community. Would you both like to comment on that?

Anna Hamilos: It is really refreshing to see so many women on today's panel. I am very impressed by that. The example I would use is PressPad. Its approach is to look at a means-tested model to support young people from lower socioeconomic backgrounds into internships. I do not think it picks any specific equality group. It just speaks to people who cannot possibly have access to what is a really challenging sector to penetrate if you do not have contacts and introductions.

I would argue that there is a need to support organisations that are underrepresented. In Black Ballad, for example, women of colour who

are not represented in the media need to have organisations like that championing their existence. I would argue that there is often a need to support media trust, for example, and reframing disability within the media.

It is really important that it is not just about a disabled person talking about disability issues; it is about a person with disability being an expert in anything. That was based on the BBC's 50:50 Project. It was from a male colleague of Nina Goswami, who suddenly realised there were no female voices on a radio programme that was about women's issues. He brought that topic up, and the model was so successful that they wanted to re-lay that on improving the access to people with disabilities into mainstream media. Perhaps I phrased it incorrectly before, but I do not think it is about picking on particular groups; it is about looking at what is innovative about the idea and supporting that to flourish.

Baroness Buscombe: Adam, can you respond to that? It slightly concerns me, for example, that the Creative Diversity Network came out with a report recently that in TV, BAME actors provide some 30% of the roles even though their representation in the UK is 13%. Are we just ticking a box here? Let us be sure that we are doing the right thing here and not just giving people jobs because of what they look like rather than what they contribute.

Adam Thomas: I one hundred per cent agree with that. The danger of doing that is that long term you do more damage than good, because you often put people into roles they are not necessarily yet skilled or able to take on, and they will fail in those roles, which will create a negative sense for those people and the people about them. You have to take a longer-term, more institutional look at that.

From my perspective, it is working in two ways. The first is that institutional biases against certain people are baked in at the very top of organisations. There are certain things you can do about that regarding the make-up of editorial boards and so on and so forth. A lot of the time fixing that is about doing the extra work and wanting to be able to invest in that to ensure the hiring processes, et cetera, are open for diversity.

Secondly, Anna gave a great example of bringing young people through and ensuring that, from a very early age, the same opportunities are made available to all types of people from all backgrounds. Once you do that you start to fix the problem from the top and the bottom. I agree with you that tokenism will not help to fix what is a very entrenched problem inside media.

Baroness Buscombe: Thank you very much.

Q74 **The Chair:** May I pick up on the issue of diversity? Recently, the Secretary of State, I think referring primarily to the BBC newsroom, referred to the importance of diversity of thought as well as diversity of background. He highlighted a problem, which the BBC acknowledges, that there are very few, if any, people in its newsrooms who were leave voters in the referendum, and there was a sort of liberal metropolitan world view at the BBC that did not amount to bias but led to a lack of

diversity in thought, even if it had achieved diversity of background. What are your thoughts on that?

Anna Hamilos: I cannot talk specifically to the BBC point, but I can say that, in the way we approached our selection criteria, where we had 25 experts from a range of backgrounds—innovation, journalism—who were involved in the shortlisting, and lots of stages and engagement days and four days of interviews, there was no bias in the selection. There was a lot of cross-selection to ensure that we were not essentially supporting an echo chamber, because to have a strong economy you have to hear from both opinions, and you have to challenge and understand the perspective, so the richer our voices and the richer the diversity within our media, the more likely we are to have sustainable communities. I cannot speak specifically to the BBC—maybe Adam can—but I think it is important to ensure that we are not sitting in an echo chamber; otherwise, you have Brexit.

Adam Thomas: One of the interesting things from running a European fellowship programme [Inaudible] as an answer to the problem right now that it is quite hard for young journalism graduates to find work. One of the things I am most proud of is that 50% of the people on the programme do not come from a journalism background but engineering or data backgrounds. They come from all walks of life and all different types.

The feedback we get from newsrooms is that their different educational backgrounds and different approaches—and there is a lot of research on this—are much better for problem solving. They fit into teams better and you find they bring new ideas and solutions are found much quicker because of the diversity of people. That is not just about an ethnic or gender background necessary but about their education and where they come from. That comes through very strongly. It also shows that journalism is a very attractive industry at that level. It is often as people move through jobs that they find it a lot harder to stay in their jobs or to move up through the ranks, so we have to look at how we can do that as well.

The Chair: Our next witnesses are joining us shortly, so we have a couple of minutes for a final question from Baroness Greender, and brief answers.

Q75 **Baroness Greender:** Anna, you were talking about an event that you did with Polly Curtis where you had some honest conversations with journalists, which sounded interesting. Part of our role as a Select Committee is to speak truth to the power of government, the power of the regulator, and to journalists. What are the truths that you need to speak to journalists in a report about the future of journalism? What are the harsh realities and truths that you need to say?

Anna Hamilos: As a sector it has not been very quick to adjust. It has not been supported to shift, even when we went online. The *Daily Mail* was the most successful at going from print to online, potentially because of the content that it was promoting. It is about how you support

organisations to keep up to speed with tech development. We do a lot more within education and within health, but we somehow have lagged behind as being between social policy and public interest news.

It will be a bumpy road and there will need to be a lot of peer support and partnership work. It is quite a diverse sector, so there needs to be a lot of leaving some of your issues by the door and thinking about how you survive as an ecosystem for the future.

The Chair: Thank you very much indeed to our witnesses, Adam and Anna, for a very interesting and thoughtful session. Your thoughts have been an important part of the evidence for our inquiry and we may well be in touch with you further for elaboration on some points as the inquiry proceeds. It is very good of you to spare your time to be with us today. On behalf of the Committee, may I thank you for joining us?