

Government response to the House of Lords Communications and Digital Committee report on 'The future of news' (January 2025)

Introduction

The Government welcomes publication of the Committee's report resulting from its inquiry into the Future of News. This is a vital topic, given the role that journalism plays in our democracy, the societal impact of digitalisation and growing concerns about the pollution of our information ecosystem. The provision of fact-checked, accurate news is now more important than ever, given growing concerns about the spread of misinformation and disinformation. We agree with the overarching assessment of the Committee on this topic and are committed to supporting a free, sustainable and plural media landscape. The Committee's recommendations are a valuable contribution to the policy debate and will help inform our work in support of this commitment in this Parliament.

The Government's work will include the next BBC Charter Review, our plans for a Local Media Strategy in support of the vital and endangered role that local journalism plays in our communities, and our work to ensure we leverage AI for the benefit of all, including our world-leading media and creative industries.

We will also continue to work to protect the freedom of the UK's media and ensure that journalists are able to operate free from harassment and threats. We share the Committee's concerns regarding the risks that Strategic Litigation against Public Participation (SLAPPs) pose to journalism. Behaviour which intimidates journalists away from their pursuit of the public interest is unacceptable. We are considering the best options to tackle this abuse of our legal system, whilst balancing the rights of access to justice and free speech.

The Government's work to protect the media landscape will also build on our implementation of legislation passed in the previous Parliament:

- The Media Act 2024 - future-proofing our broadcasting sector, enabling viewers and listeners across the UK to continue to access public service media content as technology changes, and repealing Section 40 of the Crime and Courts Act 2013, which will help ensure our press remains free and independent.
- The Digital Markets, Competition and Consumers Act 2024 - helping rebalance the relationship between news publishers and dominant online platforms, making a significant contribution to the sustainability of the press; and separately, making it clear that it is not acceptable for foreign governments to gain ownership, control or influence of British newspapers and news magazines.
- The Online Safety Act 2023 – building in safeguards to protect press and media freedom and including robust provisions to ensure people can continue to access diverse news sources online.
- The Economic Crime and Corporate Transparency Act 2023 - tackling economic-crime linked SLAPPs. Under the Act, defendants will be able to use a new early dismissal mechanism where their case falls within the statutory definition of SLAPPs as determined by the court, and the claimant cannot prove that the claim is likely to succeed. Where a SLAPP case is allowed to proceed, a new costs protection regime will apply.

Building on this overview, we have provided a response below to each of the recommendations directed at Government and commentary, where relevant, to some of the recommendations directed at regulators and industry.

Chapter 3: Financial health

3. The Government should review the impacts of business rates relief on local newspaper offices. If found to be helpful, this scheme should be extended until 2029. The Government should also issue a consultation before the 2025 summer recess on tax breaks for hiring local journalists. (Paragraph 43)

The financial health and sustainability of local journalism is an area of particular concern for this Government, and the DCMS Secretary of State has announced plans for a Local Media Strategy. Our vision is a thriving sector that can continue to play an invaluable role by reporting on the issues that matter to communities, helping counter disinformation locally by being a source of trustworthy information, and keeping communities informed about local issues and decision making.

Against this background the Government is mindful of the expiry of business rates relief on local newspaper office space in March 2025. The relief was introduced in 2017 and targeted at those publishers with office space, who would be expected to have the greatest overheads, while also encouraging publishers to maintain a physical presence on the high street and preserve links with communities. We are also conscious that many stakeholders continue to call for an extension and expansion of the relief.

We are working across Government and with other stakeholders in developing the new Strategy, and are considering all possible options including financial support through new or existing tax reliefs, whilst being mindful of the current fiscal climate.

5. The Government should consult on changing the definition of a “newspaper” to allow local authorities greater flexibility in determining the most effective use of public notice advertising spend. We suggest local authorities should be permitted to use both online providers and a wider variety of print outlets. (Paragraph 49)

The Government has no current plans to review the definition of "newspaper" for the purpose of public notice advertising. Public notices are important for ensuring that the public is kept informed of decisions made by their council which may affect their quality of life, local services or amenities, or their property. The independent 2019 Cairncross Review into sustainable journalism found that public notices are also an important source of revenue for local newspapers. Government intervention here has the potential for unintended consequences, including by adversely impacting an already fragile industry at a critical time in its transition to sustainable online-focused business models.

At the same time, we are aware of concerns about the audience reach of these notices and the desire for greater digitalisation. The industry's Public Notice Portal is a welcome innovation in this regard, intended to take advantage of print publishers' growing digital audiences and to provide a centralised resource for all categories of notice. We welcome the plans for expansion of the Portal, announced in December and funded by the Google News Initiative, including a fully searchable archive and new consultation functions to help public bodies and commercial entities engage with the public more effectively. We consider this type of industry innovation

and collaboration to be integral to securing the sector's future, and will seek to further support and incentivise it through our Local Media Strategy.

6. Local authorities should ensure public notice adverts remain accessible to digitally excluded groups. In line with the findings from our 2023 report on digital exclusion, we recommend local and central Government advertising teams explore creative ways to engage digitally excluded groups (for example using community centres and local hubs). (Paragraph 50)

Maintaining the existing definition of "newspaper" for the purpose of public notice advertising should also help to ensure that digitally excluded groups can continue to be reached. For example, an IPSOS Mori evaluation of the use of emergency traffic regulations during the pandemic, which allowed sole use of digital communications for temporary traffic orders, found that some local authorities still opted to use local newspapers in order to avoid excluding some groups of (mainly older) residents.

With regard to the Committee's broader recommendation on engaging digitally excluded groups for all central Government advertising, the Government is strongly committed to ensuring that its core communications are inclusive and adhere to accessibility standards so that all citizens have access to important information and can engage with the Government on issues that will affect them. The Government Communication Service has incorporated accessibility standards into its guidance, training and internal communications and the Government takes an audience-led approach to communications planning and execution to ensure that it uses appropriate messaging, formats, and channels. This helps to ensure we reach and engage all audiences in a way that works for them.

With regard to local government advertising, we would expect local authorities to be open and transparent in all their actions, including by taking necessary steps to help ensure that their public communications reach their intended audience.

8. The Government should establish a new Future News innovation catalyst scheme. The objective should be to facilitate technology-driven business transformation to help participants improve their long-term financial sustainability. While the Government should provide the funding, the scheme should be delivered independently. It should learn from the successes and shortcomings of the previous pilot. The number of recipients should be small to ensure the available funding can make a meaningful difference. Some grants should be match funded by recipients to ensure value for money and participant buy-in. (Paragraph 57)

The Government is considering all possible options to support local journalism through our Local Media Strategy, including financial support such as innovation funding, while mindful of the current fiscal climate. We continue to be interested in any new technological prototypes, start-ups and innovative revenue generation as a means to sustain the industry as it transitions to digital-first business models.

We agree with the Committee's recommendation that any further Government innovation funding should build on lessons learned from the Future News Fund and take into account the evaluation of that Fund, as well as feedback at the time from stakeholders.

10. As part of its local media strategy the Government should seek partnership funding to support attraction and training schemes for local news, including apprenticeships. (Paragraph 60)

Skills England is a new arm's length body that will bring together key partners to meet the skills needs of the next decade and power economic growth. It will form a coherent national picture of skills gaps and how they can be addressed; unify the skills landscape, bringing together local and regional partners, large and small businesses, training providers and unions; and shape technical education to respond to skills needs.

High-quality apprenticeships, including the Level 5 Journalist apprenticeship standard, are currently available to support employers and learners in the news sector. Our levy-funded growth and skills offer, with apprenticeships at the heart, will deliver greater flexibility for learners and employers in England, and will be aligned with the Industrial Strategy to create routes into good skilled jobs in growing industries.

This broader support is relevant to targeted support for local journalism which we intend to bring forward through our Local Media Strategy, and we continue to engage with the National Council for the Training of Journalists to seek to ensure that we are supporting the training needs of this vital industry.

12. The Government should give the BBC an objective to engage with local news providers as strategic partners. This should involve expanding the Local Democracy Reporting Service and increasing the proportion of journalists allocated to small (including online-only) outlets. The BBC should also explore expanding its apprenticeship scheme in ways that support local news. (Paragraph 68)

We recognise that the BBC has an important role to play in supporting the plurality of local news services in the UK, particularly where partnering and working collaboratively with other organisations is in the public interest. We also recognise the continued importance of the Local Democracy Reporting Service (LDRS) and would support efforts by the BBC to grow the scheme.

Decisions about expansion and/or allocation of the LDRS, as well as decisions about how the BBC uses its apprenticeship scheme, are largely an operational matter for the BBC. However, the forthcoming Charter Review will be an important opportunity to further explore the role of the BBC in the local news market and to ensure it can continue to provide its valued services to people and communities across the UK, including at a local level.

Chapter 4: Tech platforms

15. We encourage tech platforms to give more prominence to recognised news publishers (as defined in the Online Safety Act 2023), for example through better visual cues or adjusting prominence on user feeds. This should be an industry-led initiative: we do not support a mandatory Government-led kitemark scheme. (Paragraph 79)

The Online Safety Act 2023 (OSA) will bring in strong new protections for recognised news publishers and their content, particularly when it is shared on online platforms that cross a designated threshold ('Category 1 services').

These protections will mean that news publisher content is protected from unjustified content

moderation and restrictions. They include a new 'temporary must-carry' requirement on Category 1 platforms to notify recognised news publishers and offer a right of appeal before removing or restricting access to any of their content. This means that content will remain online and will not be restricted while the appeal is considered (unless it constitutes a relevant offence under the Act or the platform would incur criminal or civil liability by hosting it, in which case the 'temporary must carry' duty will not apply).

Ofcom is currently implementing the duties in the Act. It has said that it will publish proposals for the duties on Category 1 services (including the news publisher protection duties) for consultation no later than early 2026. The Act also sets out that Ofcom must publish a report assessing the impact of the OSA on the availability and treatment of news publisher content and journalistic content on Category 1 services - in particular to consider how effectiveness of the duties to protect such content. The duty to publish that report is 18 months from when s18 comes fully into force.

We would support industry-led initiatives which offer more prominence to recognised news publishers as a means to supplement these protections, particularly given the increasingly important role that tech platforms play in citizens' news consumption behaviour. In the first instance, Government agrees that this should be an industry initiative. We will consider how we might use our convening power and networks to support dialogue if that is considered appropriate.

19. The Government should give Ofcom the necessary powers to investigate tech firm recommender algorithms and the operations of large language models (LLMs). This will become increasingly important amid concerns about the potential for political influence and bias in LLMs. (Paragraph 86)

The OSA has mechanisms in place for understanding and scrutinising algorithms. For example, as part of its information gathering powers, Ofcom can require a service to permit it to remotely view information about their operation of systems and processes, including tests of algorithmic systems. Ofcom can carry out audits of a platform to assess compliance with duties and can compel a platform to pay for an independent 'skilled person' to examine the workings of a platform for non-compliance. Each of these actions can be used to investigate the usage and operation of a platform's algorithms.

Beyond these powers, Ofcom will require certain platforms to publish annual transparency reports. These reports will contain information about what occurs on those platforms, for instance the incidence and dissemination of illegal content or content that is harmful to children, and how effective the platform's systems have been in recognising and removing this content. These reports will help users to decide which platforms they want to engage with, show Ofcom which platforms may pose the greatest risk, and expose harmful practices and systemic issues in the sector.

Ofcom expects to publish their final transparency reporting guidance in early 2025, to start issuing draft transparency notices to categorised services within a few weeks of publication of the register, and to issue final transparency notices soon after. They expect the first transparency reports will be published by categorised services around the end of 2025.

More widely, the OSA includes protections to safeguard pluralism and ensure internet users can continue to engage in robust debate online. For example, it will require Category 1 platforms to put in place clear policies to protect content of democratic importance, and to

enforce this consistently across all content moderation. As set out above, Ofcom intend to consult on draft codes for the additional duties on categorised services by 2026. Where duties are reliant on codes, the duties will not become enforceable until codes have been finalised; our current estimate is that the duties that are dependent on codes will be enforceable in early 2027. This timeline is contingent on the draft Regulations for the categorisation thresholds, as laid on 16 December, being approved by Parliament without delay.

Companies must not discriminate against particular political viewpoints. The protections platforms offer for democratic content must apply in the same way to a range of political opinions.

The Government also welcomes Ofcom's exploration of the impact of recommender algorithms on news consumption through its media plurality work. Following publication in December of Ofcom's initial Review of Public Service Media (2019-23), we look forward to the full findings of its PSM Review in Summer 2025 and any recommendations it makes in this space.

The CMA also has an interest in recommender algorithms as they relate to competition issues in digital markets. This is relevant to broader concerns about their increasingly influential impact. The Government has brought into force effective yet proportionate information gathering powers for the CMA under the new digital markets regime. These powers will allow the CMA to investigate how the operation of algorithms impacts competition and consumers, when it is exercising its digital markets functions and investigating with Strategic Market Status. This reflects the integral role these play in how the most powerful digital firms operate and make decisions. The CMA's powers include the ability to require firms to demonstrate a technical process or carry out a test and report the results, as well as to appoint a skilled person with technical expertise to produce a report on a firm's algorithms. Where firms do not comply with either of these powers, the CMA will be able to supervise tests or demonstrations by the firm or apply penalties for non-compliance.

Automated recommendation algorithms also often involve the use of cookies and similar technologies to store or 'remember' the information about a user's past online activity. The Privacy and Electronic Communications Regulations (PECR) require organisations to provide users with clear and comprehensive information about their use of cookies and obtain prior consent for any that are 'non-essential'. Any processing of personal data by algorithms/ large language models etc must also comply with the requirements under the UK GDPR. This includes obligations to process data lawfully, fairly and transparently, unless certain limited exceptions apply. There are more stringent safeguards in place for processing activities which involve special categories of data (i.e. personal data that is sensitive in nature, such as details about a person's health, race, sexual orientation etc). Both PECR and UK GDPR are regulated by the ICO, who have a wide range of investigatory and enforcement powers at their disposal.

Chapter 5: Generative Artificial Intelligence

21. The Government should commit to a 12 month deadline for responding to future Ofcom priority recommendations on media plurality. (Paragraph 100)

We are committed to responding to any recommendations Ofcom makes on media plurality in a timely way, subject to ensuring we have fully understood the implications of such changes, especially what effect it will have on the industry.

We are also committed to accounting for the view of the public on such issues and will therefore pay careful attention to the results of any dedicated public consultations on prospective changes.

These are complex issues and we want to ensure we take a proportionate approach, balancing maintaining a plural and free media, while not adding more regulatory burden on the industry than is necessary.

23. We recommend the Government works with Ofcom to set out plans and timelines for capturing online news intermediaries within the scope of the media ownership rules. (Paragraph 101)

Capturing news intermediaries, including social media platforms such as Facebook or X, within the media ownership rules could bring into scope a very large number of enterprises, potentially creating a large burden on business as well as Government and regulators.

The Government is committed to keeping this policy under review.

28. Any proposal for a new text and data mining regime must include transparency mechanisms that enable rightsholders to check whether their data has been used. It must offer technical enforceability that goes beyond the likes of robots.txt indicators, which remain inadequate. Meaningful sanctions for non-compliance are essential and the Government's anticipated IP consultation should explore the options for independent regulatory enforcement. Requirements for web crawlers to identify their purpose are needed too. The Government should encourage good practice by championing an emerging market for licensed AI data training providers. We urge the Government to dedicate significant technical, policy and political resource to address these challenges at pace. The Department for Science, Innovation and Technology should outline its plans in response to this report. (Paragraph 127)

On 17 December 2024 the IPO, DCMS and DSIT launched a 10-week consultation, looking at AI and Intellectual Property.

This consultation considers how the copyright framework applies in the context of AI, and will cover topics including text and data mining, transparency and labelling, computer generated works and digital replicas.

The consultation seeks views on proposals for a package of measures that could tackle this issue, all assessed against our key objectives, including: increasing transparency about the use of copyrighted works to train AI models and AI-generated content, giving rights holders greater control over use of their material to train AI models and supporting their ability to be remunerated where it is used and enhancing the ability of AI developers to access the material they need to train world-leading AI models in the UK.

We will respond to the consultation setting out our next steps after it closes on 25 February.

29. The Competition and Markets Authority should investigate and address tech firms leveraging dominance in one domain, notably internet search, to secure anticompetitive advantages in obtaining data for generative AI training. We suggest this should be an

immediate priority given the pace of market developments and impacts on news media business models. (Paragraph 128)

We note the CMA's initial plans announced in early January regarding its first strategic market status investigations. The CMA is independent of Government, and will prioritise who it investigates through the new digital markets regime in line with its principles and its statutory duty to 'promote competition for the benefit of consumers'. Additionally, any interventions and remedies under the regime will be led by the CMA, and based on evidence and subject to consultation. However, we note that the regime has been designed to be flexible enough to adapt to changing digital markets. The tools of the regime are technology-neutral. A firm could be designated with strategic market status (SMS) in respect of, for example, an AI-integrated search engine where the designation conditions are met. That activity could then be subject to conduct requirements and, where the Digital Markets Unit identifies a competition problem, Pro-Competition Interventions. The CMA has indicated that foundation models are likely to be relevant to their evidence-based designation of SMS firms in the future. We also note work conducted by the CMA and Ofcom in 2021 on how the regime might apply to the relationship between platforms and content providers including news publishers.

Chapter 7: Mis/disinformation

35. The Government's online advertising taskforce should review the work and impact of brand safety organisations on news publisher revenue. (Paragraph 179)

The work of the Online Advertising Taskforce is focussed on addressing concerns around the lack of transparency, accountability and trust in the online advertising ecosystem. It was set up to help ensure the UK online advertising industry continues to thrive while providing the necessary protections for consumers, and issues concerned with impacts on news publisher revenue would be outside the scope of its remit.

Brand safety organisations are independent of Government and decisions about advertising are commercial decisions for the companies involved. The Government supports initiatives to ensure that advertising does not fund crime and other harmful content online, but agrees that care should be taken by brand safety organisations to avoid disproportionate and other unintended consequences on news publishers.

37. We welcome efforts to improve trust in the information environment, but we caution against a counter-mis/disinformation strategy that relies too heavily on measures in the Online Safety Act, or technical fixes like watermarks, labelling and algorithmic tweaking. Some of these are doubtless welcome, but such solutions are unlikely to tackle the root causes of supply and demand. They raise questions about potential overreach and free speech sensitivities. And they risk creating strategic dependencies on overseas tech firms to address highly sensitive societal challenges. The Government should focus more on strengthening long-term resilience. We suggest four priorities.

(1) First is recognising more explicitly the value of a financially sustainable news sector: this is the best way to maintain a shared understanding of facts.

(2) Second, the Government could engage further with media organisations about protocols for responding to major foreign interference efforts, particularly around elections.

(3) Third, the Government should adopt a more muscular deterrence posture to impose greater costs on adversaries, for example using responsible cyber power to degrade adversary infrastructure. This could feature in the Strategic Defence Review currently underway.

(4) Fourth is media literacy. We are not yet convinced that the Government has a good plan. More resources and effort are needed to scale 'what works' in media literacy, and avoid a tangle of short-term fragmented projects. Ofcom is already taking on major burdens: we hope it is not left to be the main lead for such a complex policy issue. The Government needs its own strategy. DSIT should set out its future plans for media literacy and timeline for evaluating its current activities in response to this report. The Department for Education should use the opportunity of the Curriculum and Assessment Review to ensure that media literacy is given more time and prominence in schools. (Paragraph 192)

(1) Journalism plays an invaluable role in the fabric of our society and we are committed to supporting a sustainable media landscape. Through our Local Media Strategy, we intend to support the long term financial sustainability of local journalism, where financial pressures are greatest. This work will complement our implementation of the Digital Markets, Competition and Consumers Act 2024 which will help rebalance the relationship between online platforms and those reliant on their services, including news publishers, thereby making a significant contribution to press sustainability at all levels.

(2) The Government takes the issue of foreign interference very seriously, including in relation to electoral interference. The UK's elections, both national and local, remain safe and secure against foreign interference. The 2024 Parliamentary General Election was delivered safely and securely.

We remain well prepared to ensure the integrity and security of UK democratic processes, with robust systems in place to protect against interference, including the Defending Democracy Taskforce, and the Joint Election Security and Preparedness (JESP) Unit. These provide a coordinated effort across Whitehall, the police, and the intelligence agencies, to monitor and mitigate risks relating to the security of elections, including the risks of AI and mis/disinformation from hostile state actors.

We are mindful of the role that the media can play in strengthening our resilience against foreign interference. During election periods, JESP stands up a monitoring and response function. Government communications leads are represented at both working and strategic levels and as such are able to engage media organisations and stand up media briefings if required.

Given the important role of the media here, it is also vital that the sector is inoculated against foreign interference. In May 2024, new legislation came into effect which prevents newspaper and news magazine mergers resulting in any ownership, influence, or control by foreign states. Newspapers and news magazines, as part of our independent press, play a unique role in providing accurate news and information, and are a key part of our democracy. The purchase

of UK news organisations by foreign states runs the risk of eroding trust in the press and in other news media organisations.

The Online Safety Act 2023 (OSA) represents another legislative lever for addressing foreign interference efforts. It obliges online service providers to better protect their users by introducing systems and processes to address illegal content. This includes content amounting to foreign interference.

The Foreign Interference Offence (FIO) has been added as a priority offence in the OSA, and requires companies to take preventative action to identify and minimise their users' exposure to state-sponsored or state-linked disinformation aimed at interfering with UK society and our democratic processes.

The FIO was introduced by the National Security Act 2023 which brings together vital measures to protect our national security. It completely overhauls our espionage laws and creates new measures to enable our law enforcement and intelligence agencies to deter, detect, and disrupt the full range of modern-day state threats.

(3) Government uses a full spectrum of diplomatic, economic, political and military capabilities to maintain the UK's strategic advantage and impose costs on hostile state activity, based on which capabilities offer the best means of achieving UK objectives. Advanced cyber capabilities such as those provided by the National Cyber Force (NCF) and National Cyber Security Centre (NCSC), can be used as part of a broader, integrated deterrence picture, as described in "NCF: Responsible Cyber Power in Practice". The NCF, created in 2020, leads the UK's national cyber effects capability - developing, integrating and delivering effects and operations in and through cyberspace, for the protection and promotion of UK interests at home and abroad. It is a joint endeavour between Defence and the intelligence community, that is tasked through a robust governance mechanism which responds to national requirements. Cyber deterrence is a cross-Government effort, requiring the involvement of many departments.

Cyber capabilities offer the UK a range of flexible, scalable, and de-escalatory measures including techniques to make it harder for states to use the internet to spread disinformation and to counter sophisticated cyber threats. This activity can have a cognitive effect on an adversary; by instilling doubt on the effectiveness of their technical means, or fear of potential consequences if they were to continue their activity should the cost outweigh the benefit.

Defence's cyber and digital capabilities are being considered as part of the Strategic Defence Review. The review has consulted widely with other Government departments, think tanks, allies and partners, industry, and broader society.

(4) The Government acknowledges the importance of media literacy in today's digital age and is committed to working alongside Ofcom and the sector to take a coordinated and comprehensive approach to address this issue. This includes ensuring that activity on media literacy complements, rather than duplicates, existing efforts in this area. While Ofcom plays a significant role in promoting media literacy, it should not bear the entire burden.

The Government has allocated significant funding to support media literacy programmes, especially those that can be undertaken at scale and demonstrate robust evaluation. Since 2022, DSIT has provided nearly £3 million in funding for media literacy projects that empower users to make safe and informed choices online. In 2024, this included £0.5 million to scale

up two programmes, to provide media literacy support to teachers, children aged 11-16, and other professionals working with families and parents/carers.

All recipients of DSIT grants have been required to evaluate the impact of their projects, and the evidence gathered from all these projects will inform our future interventions to ensure we are building on 'what works' in media literacy. We are considering how we can best target the next phase of media literacy activity and complement what Ofcom will be doing under its updated Online Safety Act duties.

The Government will continue to leverage its unique position and expertise in media literacy. We hold regular engagement with key stakeholders, including Ofcom, on media literacy to ensure our strategies are coordinated effectively and prioritise efforts where they add the most value.

The Government has the authority to create and enforce policy and legislation to promote media literacy. This included updating Ofcom's media literacy duties amongst other measures to make citizens safer online through the Online Safety Act.

The Government can also set educational standards and integrate media literacy into the national curriculum. We agree that media literacy education in schools is critical. Key media literacy skills are already taught through several compulsory subjects within the school curriculum, such as computing and citizenship. This includes evaluating digital content, the implications of sharing personal data, harmful content and contact, cyberbullying, and over-reliance on social media. Pupils learn to distinguish fact from opinion and explore freedom of speech as well as the role and responsibility of the media in informing and shaping public opinion.

As the Committee notes, the independent Curriculum and Assessment Review, led by Professor Becky Francis, provides an opportunity to give media literacy greater prominence within the curriculum by embedding the key digital skills needed for future life and the critical thinking skills needed to ensure children are resilient to misinformation and extremist content online. This will also help to deliver a cutting-edge curriculum that is broad and rich, and which readies young people for life and work. Media literacy is a crucial skill for everyone - especially in the digital age. DSIT and the Department for Education are working together to ensure that information is shared across Government and stakeholders can contribute where appropriate to the review process, including by responding to any calls for evidence.

Chapter 8: SLAPPs

39. The Government should publish draft legislative proposals before the 2025 summer recess and allow time for proper scrutiny. If necessary it should explore using the Victims, Courts and Public Protection Bill, announced in the recent King's Speech, as a vehicle. (Paragraph 201)

The ability to report fearlessly in the public interest is an essential facet of democracy and we recognise the importance of ensuring journalistic freedoms remain protected. This includes exploring options to guard against SLAPPs, and the serious risks they pose - including a chilling effect - to journalism. The Government is committed to upholding justice and tackling SLAPPs to protect investigative journalism and free speech.

In September 2023, DCMS convened a Taskforce, which brought together Government, civil society groups, representative bodies for journalists and legal services stakeholders to help coordinate a non-legislative response to SLAPPs which target journalists. Taskforce members committed to delivering a shared workplan, which is currently being concluded. Key commitments include:

- New guidance on SLAPPs for journalists, which is being led by the Media Lawyers Association and will be published in the spring.
- The Solicitors Regulation Authority (SRA) completed a [thematic review](#) on SLAPPs in April 2024. The SRA also published an [updated warning notice on SLAPPs](#) in May 2024, which aims to help solicitors and law firms understand their obligations and how to comply with them.
- A new journalists' safety tracker, led by the NUJ. This tracker enables both freelance and staff journalists to report incidents of harassment, abuse and "lawfare" targeted at journalists across the UK and Ireland.

We continue to work closely with members of the SLAPPs Taskforce to monitor and understand legal threats as a priority under the National Committee for the Safety of Journalists.

The Economic Crime and Corporate Transparency Act was introduced in 2023 to tackle economic-crime linked SLAPPs. The Civil Procedure Rule Committee is working on new rules to give effect to anti-SLAPP provisions in the Economic Crime and Corporate Transparency Act 2023 which apply to economic crime related SLAPPs. These rules are expected to commence in 2025, allowing for future SLAPP reform options to be informed by their use and efficacy in the courts.

The Government does not intend to legislate further in the current parliamentary session. We are considering lessons learnt from the SLAPPs Private Members' Bill which fell at the dissolution of the last Parliament to make sure that an appropriate balance is struck between the rights to access justice and free speech.

We will closely monitor developments in European jurisdictions to learn from best practices where applicable to our common law system, in line with the Council of Europe's Recommendation on countering the use of SLAPPs (CM/Rec(2024)2).

41. In response to this report the Ministry of Justice should publish an exhaustive list of stakeholders it engaged with in relation to the development of the Private Member's Bill between May 2023 and May 2024. This should include the names of organisations, meeting dates and topics, and substantive written correspondence. (Paragraph 203)

The Government has sought diverse views on SLAPPs reform throughout the policy development process, from the initial Call for Evidence in 2022 to roundtables with affected parties, to ensure policy and legislative options are robust and responsive to abusive conduct.

The Government will publish information relating to stakeholder engagement in appropriate cases. However, the Government recognises that stakeholders may wish to preserve confidentiality when discussing SLAPPs cases given the sensitivity of the legal proceedings in question. In line with constitutional conventions of good Government, Ministers and officials may preserve a safe space to consider and test policy options privately.

43. The SRA's future reviews of SLAPP activity should not exclude law firms subject to ongoing investigations. The Government should also review whether the SRA has the necessary inspection powers to enable more targeted assessments. (Paragraph 208)

Any changes to the SRA's fining and investigative powers are made by an application (under s.69 of the Legal Services Act 2007) from the Legal Services Board (LSB) to the Lord Chancellor.

The LSB is in the process of reviewing the enforcement and investigative tools available to the legal services regulators, including the Solicitors Regulation Authority (SRA).

As part of this review, the LSB will look at the financial penalties, and the powers available to regulators to proactively gather information and share intelligence to help them detect and address misconduct.

More information regarding the LSB review can be accessed in the LSB's 2025-26 draft business plan.

45. The Legal Services Board should work with the Ministry of Justice to raise the fining limit to £250 million for SLAPPs. We would be grateful for a progress update before the 2025 summer recess. (Paragraph 211)

Please see the Government's response provided for Recommendation 43 (paragraph 208)

46. The Government should extend the SRA's remit to ensure that activities commissioned directly by solicitors can be subject to regulatory oversight. This would prevent lawyers from outsourcing harassment to third parties without scrutiny. (Paragraph 213)

The SRA has regulatory oversight over solicitors and their activities.

Where non-solicitors are commissioned directly by solicitors, the relevant regulatory regimes for those other professions would apply.

48. The Government should amend section 327 of the Proceeds of Crime Act 2002 to clarify that subsection (1) applies to the acceptance of proceeds of crime as payment for legal services. If necessary this could specify the application to services provided in relation to litigation which has the intention or effect of suppressing reporting on matters of public interest. (Paragraph 220)

Sections 327-329 of the Proceeds of Crime Act 2002 (POCA) set out the principal money laundering offences that prohibit a wide range of criminal activity, including under section 327 where a person commits an offence if he or she conceals, disguises, converts, or transfers criminal property, or removes criminal property from the UK. Criminal property is defined as being property which the alleged offender knows or suspects constitutes or represents benefit from any criminal conduct.

Before any legislative change is made to the POCA, it must be considered how this would impact the operationalisation of the offences more broadly. Currently, apart from the exception

provisions, the offences are purposefully broad and do not detail how they apply to specific sectors of the economy or specific acts.

The Government is committed to tackling SLAPPs and will consider further how POCA can help with this objective, whether through the recommendation suggested by the Committee or through alternative means.

49. The Government should also update Anti-Money Laundering legislation to ensure solicitors have to conduct more comprehensive due diligence, including source of wealth and customer background checks, for cases that concern matters of public interest. The SRA should be given powers to conduct spot checks to provide an effective deterrent. (Paragraph 221)

The scope of the Money Laundering Regulations is designed to ensure that those sectors most at risk of being abused to facilitate money laundering or terrorist financing have appropriate, risk-based controls in place to protect themselves, while avoiding undue burdens on businesses and customers. The conduct of litigation by solicitors is not currently within scope of the Money Laundering Regulations.

The Government is in the process of updating the National Risk Assessment of Money Laundering and Terrorist Financing. As part of this work we will consider whether certain non-regulated sectors and activities represent a sufficient risk to be brought in scope of the Regulations. This will ensure that we continue to adapt the UK's economic crime regime to target new and emerging threats in a proportionate and risk-based manner.

Strengthening the supervision of legal sector firms for the purposes of compliance with the Money Laundering Regulations is a priority for the Government. A consultation on reform of the UK's anti-money laundering and counter-terrorism financing supervisory system, open between 30 June and 30 September 2023, gave respondents the opportunity to provide their analysis on four options for reform to the current system. Policy development is ongoing, and next steps will be set out as soon as possible.