

## **The Bristol Cable—written evidence (FON0008)**

### **House of Lords Communications and Digital Select Committee inquiry: The future of news: impartiality, trust and technology**

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#### **Summary of evidence**

- By becoming a, if not the, primary medium by which the UK public receives and understands information, large tech platforms have essentially subdued the journalism industry to a minor subsection of the attention economy, with local journalism particularly badly hit.
- Many news organisations are developing and innovating well, but progress is slow. The financial model still doesn't allow for the prioritisation of public interest journalism in a sustainable way, despite a number of inquiries regarding the sustainability of the industry over the last few years.
- The premise that AI large language models can be used to further replace journalism jobs is the logical next step of the cost-cutting, churnalism-reliant business model which has proliferated in the digital age, and must be avoided.
- While journalists should seek truth in their results (not faux 'objectivity' or both-sidesism), impartiality should ideally be provided by the process (for example, in giving right of reply). But the process has been compromised by the digital ecosystem.
- Trust has been broken in a number of ways, from long-standing issues with the extractive behaviour of legacy media (e.g. phone hacking and invasion of privacy) to modern revelations such as the Cambridge Analytica scandal, and the failure of regulators to deal with these.
- There is also a generational, and class, difference at play with regard to relationships to news providers, and thus how trust might be repaired, and how innovation in e.g. reader revenue can be achieved.
- Young people can problematically infer 'trustworthiness' from parasocial relationships with online influencers, due to the collapse of entertainment and news in the online information ecosystem.
- The government's response to previous inquiries has been largely absent, and where it has emerged has been too heavily focused on a series of short term projects and limited subsidisation of business models (including initiatives by Facebook and Google) that are fundamentally flawed. More

ambitious reform is needed; a starting point can be found in the unimplemented recommendations from previous committee reviews.

## **About The Bristol Cable**

The Bristol Cable is a 100% member-owned media outlet, redefining local news. We produce public interest journalism rooted in local communities: original features and investigations in a free [quarterly print magazine](#) of ~20,000 copies, and publish articles, podcasts and videos several times a week online. All of our journalism is free to access.

Our public interest journalism has prompted accountability and change to local government [policies](#), sparked [criminal](#) and [human rights](#) court cases, and has been [cited in parliament](#) several times and regularly in the national media. We are the recipients of the 2019 British Journalism Award for local journalism, longlisted for an Orwell Foundation Prize in both 2020 and 2023, and highly commended in the British Journalism Awards 2021 and the Newspaper Awards 2023.

The Cable's current 2,500 paying members contribute a minimum of £1 per month, averaging at £4.50. We are incorporated as a not-for-profit Community Benefit Society, meaning that all members are legal and equal shareholders in the organisation.

Members are engaged to help steer the co-operative forward. For example, by [voting on editorial campaigns](#), standing for election to our board of trustees, prioritising our resources or strategic focus, and grappling with key issues facing the organisation.

This community engagement approach is also reflected in our journalism, which seeks to provide a platform for underrepresented voices and groups, as well as ['solutions journalism'](#) that unpacks answers to key questions of public concern.

The Cable's unique business model and approach to local journalism is internationally regarded as a leading example of local journalism innovation. We regularly participate in these forums to advance discussion and action on innovation in journalism.

Our current funding mix is 40% generated revenue (35% is membership, the remainder is print advertising and commissions) and 60% from philanthropic sources, primarily one major USA-based foundation that funds initiatives internationally - however, this income ratio is shifting as the fundraising landscape changes, and philanthropic funding is far harder to come by post-Brexit and within the cost of living crisis. All of our financial information is [available on our website](#).

While the Cable is noted as a success story, we face major challenges to achieve financial sustainability and the model, like all others, is far from proven. But, as is often said in this industry, the very act of survival is success in itself. This is

particularly the case in local journalism, where limitations on scale due to potential audience or supporter markets are more pertinent.

There has been a market failure to provide journalism as a public good, and as such we hope the inquiry will consider initiatives and actions that match the scale and urgency of this challenge.

### **What impacts (positive and negative) do large technology platforms and online news aggregators have on the UK's news environment, including media plurality? And how might this change?**

By becoming a, if not the, primary medium by which the UK public receives and understands information, large tech platforms have essentially subdued the journalism industry to a minor subsection of the attention economy, impacting the UK's news environment in a number of ways.

Firstly, the capture by tech platforms of the vast majority of digital advertising has removed what used to be a relatively reliable income stream for journalism outlets. If we agree that journalism's paramount purpose is as a public good and pillar of democracy, then as a result of this capture, the financial foundation on which news personnel can make decisions to serve that purpose has become drastically limited. It also limits the chances of survival for smaller and new news outlets, limiting development, plurality and innovation.

Secondly, the attention economy runs on (rapidly-changing and opaque) algorithms that prioritise the maximum capture of attention, rather than the maximum dissemination of clarity and quality, or bolstering of the public good. This prioritisation has contributed to (but is by no means alone in) a collapse of trust in UK journalism. Trust in specific news brands and individual journalists can partially temper this, but can also contribute to polarisation.

Local journalism has been particularly badly hit. With a tiny share of advertising and increased competition, publishers have further squeezed production costs at one end and sought to maximise revenue at the other. The product, inevitably, has suffered. The result is too often the regurgitation of unchecked press releases (['churnalism'](#)), production of 'click bait' and pressure on journalists to publish multiple stories a day.

In this context, the main measure of success is number of page views. Direct monetisation of page views comes via the sale of advertising, which has increasingly taken over web pages to the point that they can appear unreadable.

At the same time, while the concentration of ownership of local media (71% of all local media is owned by six companies) can help achieve economies of scale, it also brings major drawbacks. These include the lack of plurality in the sector, a disconnect between corporate decision makers and the communities the publication serves as well as the effects of short-term profit-seeking by remote institutional

shareholders, for example the international investment funds and asset managers that own Reach Plc or Gannet.

As demonstrated by our work at the Bristol Cable, I see a chance for the industry to shift to a stronger position this decade via a mix of revenue diversification and a focus on membership revenue. However, progress is slow and I see success guaranteed only with significant support for this transition from a number of sources (public and private) as well as the curtailing of Big Tech's influence in the sector.

### **How is generative AI affecting news media business models and how might this evolve?**

Quality journalism – particularly investigative journalism, and other quality journalism that builds trust with audiences – takes a lot of time, hard work, and therefore money. Clickbait and churnalism require much less.

For the last couple of decades, an increasing number of journalists have been required to assemble and publish tweaked press releases, or write [inane, irrelevant clickbait](#) to serve the prevalent business model of the online ecosystem.

Journalists have been using AI for a fair amount of time; any spellchecker is a rudimentary AI tool. But in a spectacularly short time, the improvement of large language models has meant that the issue of 'AI in journalism' has become synonymous with the idea that LLMs might be used to produce journalism 'better' than humans can.

Unfortunately, this is the logical next step of the cost-cutting, churnalism-reliant business model which has proliferated in the digital age.

In such a 'full-AI journalism' scenario, where the entire story is produced by a bot, mistakes are bound to be made. An LLM is a word-guesser, not an analytical and empathetic witness enacting news judgement; bots don't have the ability to conceptualise a journalistic process. Putting one word in front of another according to what they have learned is most plausible, bots produce '[phantom' sources](#) and stories about [events that never happened](#).

In the future, a bot will likely be able to produce an accurate article based on the transcript of a council meeting. But, it will never be able to gain the trust and soothe the fears of several council whistleblowers, sometimes over a number of years, when they're unsure whether or not to reveal secrets that were never minuted.

This latter example describes the journalism - and the journalists - we've already largely lost, a huge blow to the industry and to democracy at large.

## **How are perceptions of due impartiality evolving and what challenges do news organisations face around impartial reporting?**

The capture of the advertising business by the Facebook and Google duopoly has led to issues with the journalistic process that should produce impartiality. The resulting polarisation I've covered in my answer to Q1. I'll add only that while journalists should seek truth in their results (not faux 'objectivity' or both-sidesism), impartiality should ideally be provided by the process (for example, in giving right of reply). The journalistic process itself has been decimated not only by the collapse of the legacy business model and removal of sustainable or reliable funding, but also the need to then rely on corporate or state funding. This has the potential, without proper oversight and regulatory protections, to produce 'bias by omission' or a reliance on 'advertorial' content that serves primarily to sell products or achieve clicks over supporting an informed electorate.

## **What factors affect trust in news and how might this evolve?**

- **Mis/disinformation**

Trust has been broken via revelations such as the Cambridge Analytica scandal, its impact on Brexit and the differing results from what was promised by politicians via influential multimedia campaigns. The relationship between politicians, tech platforms and the news industry has stoked the fires of conspiratorial thinking. The collapse of all media into a monolith ('The Media') of potentially-always-unreliable information has meant that many people now dismiss 'media' as an indecipherable barrage of potential mis/disinformation.

- **Generational and class differences**

There is also a significant generational, and class, difference at play. Wealthier people generally have more disposable income; so do older people, generally, who also have a willingness to pay based on precedent, and so see paid-for legacy media as more reliable than newer digital-first outlets. As legacy outlets have become established online, the membership income and/or purchasing power of these readers will better cement their ability to survive.

Younger digital-natives struggle to justify paying for news given their (often) lesser purchasing power as well as a lack of precedent. They can see paying for news as a luxury, not a necessity for maintaining quality. They are also more culturally attuned to the idea that an institution with a legacy is not necessarily more trustworthy or reliable. Corruption in legacy press is, for some young people, more concerning than online mis/disinformation, given they feel more familiar and savvy with the latter issue.

Also, the collapse of online news into the algorithmic/platform model, and the embedding of the attention economy into young people's lives, means that they're often receiving entertainment and news from the same sources. This leads to a

problematic conflation of the personalities with which young people develop parasocial relationships (often 'influencers'), with 'trustworthiness'.

### **How well are news organisations responding to factors affecting their business models, and are any changes needed?**

Many news organisations are developing and innovating well, but progress is slow. The financial model still doesn't allow for the prioritisation of public interest journalism in a sustainable way, and the speed of change of the online ecosystem means that once a platform's algorithm has been learned and implemented, it might have changed again.

The challenge remains: how to monetise the product – or otherwise find revenue – while retaining the values of quality journalism. The market currently cannot support public interest journalism: that the soaring digital traffic experienced by all newsrooms during the pandemic has failed to deliver proportional gains in revenue only underscores the vulnerability of the online advertising model.

### **How adequately are UK news organisations providing impartial and trusted news? What actions are needed to address any shortcomings?**

Relentless cutting and lack of investment in journalism means that the industry has lost and undermined much of the public's faith and trust, let alone encouraged a habit and commitment to paying for it.

The question intersects with age-old debates about the boundaries of objectivity and independence of journalism, particularly given the long standing culture of partisan journalism in the UK. Many of the most prominent legacy news-brands can be readily considered highly partisan, as can newer online brands. There are a number of intersecting factors here:

- **Understanding the role of economics and the business model:**

A key driving factor for understanding the rise of viral-optimised content, whether partisan or not, is due to the failing economics and model of digital advertising as a way to support journalism. As the platforms and tech giants dominate and extract the lion's share of commercial value from digital adverts within editorial content, there is an economic imperative to drive virality and scale so that publishers can recoup some meagre revenue. This is not the only factor, and of course cynical sensationalism predates social media and the internet. But the economics of digital advertising has aggressively accelerated and incentivised 'outrage' and other viral optimised content; in that it drives clicks and shares more effectively than other forms of journalism, thus driving revenue for the content publishers but predominantly for the tech platforms.

- **News avoidance:**

The above feeds into a wider concern that is too often overshadowed by concerns about polarisation: The phenomenon of 'news avoidance'. According to the Reuters Institute of Journalism at the University of Oxford, [up to 41% of the UK population](#) consider themselves as 'news avoiders', one of the highest results of countries surveyed. That a major part of the population is withdrawing from consuming news-media, a vital component of civic participation, should give major concern for policy makers and society as whole.

Urgent efforts must be made to shape a market that can support high quality, accurate, accountable and trustworthy journalism. To be clear, we do not consider this should focus on the pursuit of mythical and unattainable standards of objectivity or any state sanctioned regulation of legitimate free speech. However, there should be efforts to strengthen codes of conduct, standards and corporate and professional behaviour, as well as addressing the economic drivers as described above.

- **A duty of transparency:**

A key component of that may involve encouraging (though not requiring) enhanced and proactive transparency - of ownership, executive employees, funding, editorial policies and advertising practices, including paid for content and corporate partnerships. This will help enhance trust and accountability from audiences and communities. These are building blocks for a positive foundation for improving trust, engagement and ultimately the financial support so desperately needed for the future of journalism.

### **How well is regulatory oversight working?**

I can't comment in-depth, or particularly specifically, on Ofcom, as the majority of the work I've done has been with print and web-based journalism.

However, a number of recommendations regarding regulation and provision made in previous inquiries into the future of news (by this committee and the DCMS committee) have not been adopted.

- **The extractive culture of the legacy industry**

I've already addressed how the business model of the attention economy affects trust in online news. But a huge, potentially overlooked factor is the continued behaviour of the legacy news industry with regard to exploitation and intrusion, and the failure of regulators to deal with it.

The Independent Press Standards Organisation (IPSO), the regulator of the UK's largest legacy news brands, has [upheld only a handful](#) of the hundreds of complaints of intrusion into grief or shock since it was launched.

The effects of press intrusion, endemic breaches of the privacy and dignity of often private citizens, are better known since the phone hacking scandal broke. They have deeply scarring effects, often in the worst moments of people's lives.

We have seen again and again that an extractive culture, experienced both internally and externally, lies at the heart of some of our biggest media companies. This is an industry notorious for a culture of bullying and workplace victimisation.

As an example, in 2020 the Mail Online published the following article: "EXCLUSIVE: Shocking moment young woman is killed by speeding hit-and-run driver escaping police – as she is flung 20 feet into the air and lands in front of horrified onlookers at London bus stop".

When the young woman's family lodged a complaint with IPSO, the Mail justified it by claiming they were making an appeal for witnesses who could identify details from the video. The Mail's excuses were at best disingenuous, given that they also denied it should be particularly shocking to the family because the video was of such poor quality.

It is horrific that a video of this devastating incident exists, let alone that it was published under that headline, and profited from. Given that IPSO did not uphold this family's complaint, nor hundreds of others, is it any wonder the public lacks trust in the industry?

### **Are there any actions the Government should take to address concerns around due impartiality, trust, and the influence of technology platforms?**

In short, by working to develop a series of short, medium and long term policy tools - carrots and sticks - that will stimulate a managed transition away from a failing market structure that is limiting plurality, stifling innovation and promoting an oligopoly of publishers who do not provide consistent quality coverage equivalent to their scale and market dominance.

There has been too heavy a focus on a series of short term projects and limited subsidisation of business models (including initiatives by Facebook and Google) that are fundamentally flawed, in the absence of a rebalancing of power and profit away from the tech platforms. As such, more ambitious reform is needed.

There are a range of variations, but the recommendations from previous committee reviews form a good foundation, particularly:

1. **A journalism innovation agency:** A network integrator and independent administrator of multi-year grants from public funds or from a levy on platforms - that rewards innovation and supports scaleable or replicable models, rather than only plugs holes or props up existing models. In particular a shift should be encouraged towards reader revenue models and new forms of ownership, as a model that can improve sustainability, facilitate public interest journalism and public trust.



- a. As well as the desperate need for core funding, specific projects with the prospect of sector wide impact should be supported. A key example would be the Bristol Cable's Community Relationship Manager software. Now developed for global release in partnership with the Bureau of Investigative Journalism, Beabee is a pioneering digital tool for managing and engaging an active community of supporters.
  - b. Building on best practice from innovation agencies, such an organisation would not only grant funding for both startup and scale up initiatives, but could act as a systems integrator for promoting excellence across a diverse sector.
2. **The distribution of resources:** There remains significant controversy regarding the allocation of the vast majority of publicly funded reporters to the conglomerate private companies. This includes cases where shareholders profits have continued while newsroom resources are cut. This is not an acceptable use of public funds and more provision should be made to distribute resources to more diverse and independent publications.
3. **A rebalancing of the relationship between publishers and the platforms:** this may help make advertising a more viable proposition, thus limiting the business imperatives that drive 'clickbait' and 'churnalism'.
4. **The lowering of barriers for philanthropic funding to journalism and beneficial tax status:** In particular the removal of the barrier of eligible public interest journalism to achieve charitable status. This is an anachronistic cultural and legal obstacle to unlocking funding as well as tax advantages.
  - a. In part due to this regulatory issue and the lack of a philanthropic ecosystem for journalism in the UK, The Bristol Cable has relied on USA/International based philanthropy for the majority of our grant funding.
5. **Training and skills development:** University and other training providers could be encouraged to develop a pipeline of skills and talent that better meet the needs of the modern industry and harness emerging tech and best practice. For example, business management for newsrooms, computer programming, product development, and community engagement approaches for journalism as well as editorial training. The higher education sector in the USA is relatively advanced on this.
6. **Media literacy and public awareness:** A comprehensive approach to improve media literacy and public awareness of the role of journalism in our society would contribute to appreciation and support of the sector. This could be as part of the school curriculum, a public marketing campaign or other creative initiatives.