

Hacked Off—written evidence (FON0020)

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

Key points:

1. The rise of the internet and new media has failed to significantly diversify the market of news providers. The most popular sources of news remain by some distance - across the internet, apps, aggregators and social media platforms - the traditional media publishers or “newsbrands”.
2. More people read newspapers today than ever before; only the distribution mechanism has changed. The fall in print circulations has been more than compensated for by the extraordinary rise of newspaper publishers’ online reach.
3. Abject levels of trust in the media are in fact largely limited to newspaper brands, most of whom are unregulated. Broadcast media, which is independently regulated, attracts much higher levels of public trust, particularly the public service broadcasters (BBC, ITV and Channel 4)
4. The lack of independent regulation for most newspaper publishers makes policy interventions in the sector deeply challenging, and results in legislation which either baselessly favours some publishers over others, or which creates dangerous loopholes.
5. A fractured regulatory landscape has emerged, which leaves the public unsure of which publishers can be trusted and where to go when a media outlet has published an inaccuracy or behaved unethically. Many national titles are in IPSO, a press-controlled body which upholds fewer than 1% of complaints, has never investigated a member and has never fined a member.
6. There is, fundamentally, a regulatory gap for online & print media in the UK. The Leveson model is capable of addressing this gap and remains the only independent model of print/online media regulation in the UK which is operational and has a successful track record, but it currently only covers a minority of media titles.
7. The Media Bill presents a compelling opportunity to address this gap by incentivising membership of a Leveson-style independent regulator. If all the largest publishers were incentivised or compelled to join the Leveson system, as Leveson recommended,
 - a. The public would be able to have greater trust and confidence in media credibility, across publishers as well as broadcasters;
 - b. The public would have protections from disinformation (and other unethical media behaviour);

- c. There would be a unifying media regulatory structure, covering both print and online media;
- d. Policy interventions in the sector to benefit the news media industry would be legislatively more straightforward, unbiased, and ensure that only credible news publishers could benefit.

Background:

The news media landscape

8. It is sometimes argued that the rise of the internet has led to significant growth in new media outlets, which have diversified the public's access to news. While it is certainly true that many "new media" outlets have developed over the last two decades, legacy publishers have continued to dominate online reach. In fact, the vast majority of people continue to get their news from newspaper brands, and there is a strong argument that the public have greater exposure to traditional news brands than ever before.
9. Ofcom's News Consumption 2023 report¹ finds that, excluding platforms, the top nineteen online sources of news include ten traditional media publishers (five newspaper brands, four broadcast, and one catch-all for local papers); five aggregators (four text-based, and YouTube); one search engine (Google); and only three examples of "new media" (Buzzfeed, HuffPost and Ladbible). Each of the "new media" outlets is now barely new: BuzzFeed was founded in 2006, Huffpost 2005 and Ladbible 2012.
10. This means that in the last ten years there is not a single example of a genuinely "new media" outlet breaking into Ofcom's rankings for most popular news sources, the market share threshold for which is 5%.
11. Looking at news access via social media platforms, the dominance of traditional media is even greater. Every retail news provider with 1% market share, aggregated across Meta (Facebook, Instagram), Google (YouTube), Twitter/X and TikTok, is a "traditional" media brand – except, depending on how it is defined, GB News.
12. At their height, print circulations of popular newspapers in the UK exceeded 5 million (with readership significantly higher). Those records are more than equalled by newsbrands' online reach today, which exceed seven million daily for some publishers. Newsworks, the marketing arm of the News Media Association which lobbies on behalf of the largest unregulated publishers, reports that "45 million people read [their] news brands every month".²

¹ https://www.ofcom.org.uk/data/assets/pdf_file/0024/264651/news-consumption-2023.pdf

² <https://newsworks.org.uk/audience/>

13. Traditional UK categorisations into online, print or broadcast no longer apply. Some “newspapers” (like The Independent) are online only. Some “new media” outlets, like The Byline Times, have a print edition sold in stores across the country. Today, media can better be described as either “print/online”, or “broadcast”. All publishers vie to have their content seen across social and aggregator platforms, but the legacy print publishers remain both enormously powerful and influential.
14. In summary, the UK media landscape now consists of thousands of print/online media on one hand, which vary in credibility and professionalism. Traditional brands dominate in terms of public consumption, yet none of them are subject to independently enforced standards. Broadcast media, on the other hand, is a clearly specified category of outlets, identifiable by virtue of their broadcast licences. Unlike online/print media, broadcasters must all meet clearly defined editorial standards, including accuracy, enforced by Ofcom.

Trust & the regulatory landscape

15. While all broadcast media is regulated by Ofcom, regulatory arrangements for print/online media are fractured and complex.
16. 120 print/online publishers are in the Leveson-compliant independent regulator “IMPRESS”. Around 80-90 are in the press-controlled complaints body “IPSO”, and dozens more are in neither (some of them adopting their own in-house complaints processes). Among those national news brands with the greatest reach, the great majority are in IPSO.
17. IPSO is therefore responsible for the largest publishers and receives the most complaints, by some margin. But its record on complaints-handling is poor: it upholds fewer than 1% of the complaints it receives, and in nearly ten years of operation has never investigated, let alone imposed sanctions on, a news publisher.³
18. Despite regulating publishers with a far smaller reach, IMPRESS has already conducted two standards investigations into its members, one of which resulted in the harshest penalty available (expulsion).
19. IPSO suffers from a number of systemic weaknesses. It is Chaired by a politician, which free speech advocates have frequently condemned as an infringement on the principles of press freedom. Its rules cannot be changed without the agreement of the Regulatory Funding Company, a committee of newspaper executives. It does not control its own code, which is instead run by a committee of a majority of newspaper editors. It has been criticised by, among others, the UK’s independent authority on press standards the Press Recognition Panel, for pro-industry bias and regulatory ineffectiveness.

³ <https://hackinginquiry.org/ips0-2020/>

20. Other publishers are in neither IMPRESS nor IPSO. Their processes are variable, and the public has no means of knowing whether those publishers are credible or not.⁴
21. The Call for Evidence guidance rightly refers to falling levels of trust in the UK media. But a closer inspection of the data shows that low levels of trust are specific to the print media, and do not apply to broadcast media in most cases.
22. Reuters' Digital News Report⁵ finds that, of all the media outlets to receive trust scores of less than 50%, six of out of eight were newspaper brands (the other two were the highly partisan broadcasters, Talk TV and GB News).
23. Furthermore, the lack of coherent and effective regulation for online/print media hampers efforts of policymakers to make supportive interventions in the sector. For example, it is appropriate that news publishers benefit from exemptions in certain areas where ethical journalism may be necessary in the public interest (for example, laws on data protection or online harms). With broadcasters, defining the outlets which should benefit from such exemptions is straightforward: they are defined as holding a broadcast licence, and the public can therefore have confidence that journalistic standards are effectively and independently regulated by Ofcom.
24. With print/online media, there is no proper regulatory basis on which to base a public interest definition. A recent example of the detriment that arises as a consequence is the Online Safety Act, in which the Government chose to insert an exemption for news publishers. To do so, they relied upon a poorly drafted definition of a news publisher which suffers from several critical flaws. Specifically, it has excluded some credible publishers from accessing the exemption on the one hand (which led to accusations of Government bias towards certain outlets) while permitting some extremist online bloggers to benefit on the other. Even during the bill's passage the Government recognised that there was a problem, and was forced to put forward an amendment to prevent Russia Today from exploiting the exemption.
25. In summary, there is a regulatory gap in the UK media landscape which puts the public at risk of disinformation and endangers efforts to make positive policy interventions in the sector. Whereas broadcast media are uniformly regulated by Ofcom, the arrangements of online/print media are variable, and the largest and most impactful outlets are in a complaints-handler ("IPSO") which is almost identical to the discredited Press Complaints Commission which it replaced, and is demonstrably unfit for purpose. These regulatory arrangements are associated with trust, with

⁴ See the PRP's 2023 Report, which referred to variable complaints processes:
<https://pressrecognitionpanel.org.uk/wp-content/uploads/2023/12/DIGITAL-PRP-Annual-Recognition-Report-Feb-2023-FINAL.pdf>

⁵ https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2023-06/Digital_News_Report_2023.pdf

the regulated broadcast media enjoying far higher levels of public confidence than the unregulated online/print media.

Recommendations: The Media Bill

26. Hacked Off recommend that legislators close the regulatory gap in the UK media, by incentivising or compelling the largest print/online publishers to join a Leveson-style regulator, which we are confident would help to raise trust in the print/online sector to the same levels as broadcast.
27. The Leveson system is non-prescriptive and highly versatile. It was designed to cover all publishers; print and online, small and large, neutral and partisan. It permits publishers to set up their own regulator, providing it meets minimum standards on effectiveness and independence. It is much less heavy-handed than Ofcom, and would not touch partisanship, but would ensure online/print news providers are subject to minimum levels of independent scrutiny in the public interest.
28. Publishers could choose to join the Leveson-compliant regulator which exists, IMPRESS, they could reform IPSO to become Leveson-compliant, or they could set up a new body which meets the Leveson criteria.
29. Such a regulator would have the independence and powers to hold members to account for inaccuracies and other ethical failures, resulting in a media landscape where all the UK's largest, professional and credible media outlets were subject to independent and effective scrutiny, without any detriment to free speech or a free press. The public would be protected from disinformation, and readers would be able to access popular news brands with confidence in the credibility of their reporting. This would also help with targeted and unbiased policy interventions to support the media industry in future.
30. The Media Bill offers opportunities to address this regulatory gap. There are various legislative options to incentivise or compel outlets to join an independent regulator. Hacked Off recommends that legislators pursue these options.

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