

News UK—written evidence (FON0055)

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

About News UK

News Corp UK and Ireland (**'News UK'**) is one of the leading media businesses in the UK and Ireland. Our news brands include *The Times*, *The Sunday Times*, *The Sun*, *The Sun on Sunday* and *The TLS*. Our national broadcast brands include talkSPORT, Times Radio, TalkTV and Virgin Radio UK, and we have market-leading local stations across Ireland. Our world-famous brands provide news, analysis, opinion and entertainment to almost 40 million people each month. Spanning print and pixel, audio and video, events and experiences, our multi-format brands are home to a plurality of opinion, representing the diverse communities we serve. News UK is wholly owned by News Corp.

We welcome this timely inquiry, and provide the following information as part of this call for evidence.

Trends over next 12 months and 5 years

- 1. 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?**

The role of large technology platforms in intermediating the relationship between news brands and consumers, and their impacts on the revenues of media owners has been well documented in various parliamentary and regulatory inquiries of recent years. This includes inquiries undertaken by this Committee. The largest platforms have become unavoidable trading partners for media owners as important distribution channels. But the relationship is symbiotic: platforms also derive significant value from the content of media owners, which informs their usefulness to consumers, product development and fuels their digital advertising. Ultimately the balance of power rests with platforms, who can impact the operations, audiences and revenues of news businesses without notice or recourse. Some platforms have publicly recognised the importance of news to their services, and have sought to work in partnership with publishers and broadcasters, and this is to be commended. Through collaborative partnerships, news brands can optimise their offering, while benefiting the platform in turn.

Disappointingly, over recent years, we have noted a trend for some platforms to take a less enlightened approach, by reducing or removing resources from news.¹ Without the counterweight of trusted news brands, we believe the withdrawal of news from these platforms will have a deleterious impact on

¹ CNN "Publishers see dramatic drop in Facebook referral traffic as the social platform signals exit from news business" August 2023, available at: <https://edition.cnn.com/2023/08/17/media/facebook-referral-traffic-reliable-sources/index.html>

public discourse, by giving greater prominence to poor quality content, and in the worst cases fueling misinformation and disinformation. Consumers spend significant time on these platforms and have come to expect to engage with reputable sources of news and information on these services. The market has been conditioned to distribute via them. We believe that consumers on the whole are largely unaware that they are no longer being served with news to the same extent, as the provenance of different sources has never been made particularly clear to users. If these audiences are not exposed to the wide range of journalism of news publishers and broadcasters, there are undoubtedly questions about the societal and democratic impact this will have. We do not anticipate these consumers - particularly younger consumers - will seek out legacy formats to supplement this lack of provision en masse because their media consumption habits have either been changed over time, or were formed around these platforms in the first place.

However, gladly there are a number of positive legislative developments which will go some way to supporting the availability and sustainability of news media online in the coming years. Many of these developments have been actively encouraged and championed by this Committee, and include:

I. The publisher exemption in the Online Safety Act (2023)

The exemption covers UK publishers, meaning Ofcom-licensed broadcasters, and news publishers who meet the requirements set out in legislation. The intention is that where there is disputed publisher content on a user-to-user platform service, the platform will be required to run an appeals process and notify the publisher. They cannot remove the content or in any way disrupt the publisher's content or service during the appeals process. In the event of a dispute, the courts can make a decision. Complaints of a systemic nature can be taken to Ofcom. We expect the regulator will consult on the efficacy of the exemption this year.

II. The establishment of the Digital Markets Unit, backed by statutory powers from Part 1 of the Digital Markets, Competition and Consumers Bill

Part 1 of the Digital Markets Competition and Consumers Bill (DMCCB) will see the Digital Markets Unit (DMU) be given broad discretionary powers to tackle the dominant activities of firms with Strategic Market Status. The legislation will encourage a more equitable digital environment, for the benefit of consumers and businesses operating online. For news publishers the benefits will be myriad. Many benefits are likely to be seen over the medium to long term as the digital economy becomes a more competitive one.

III. Changes to the Media Bill to ensure the accessibility of UK-licensed radio on voice activated devices

We provide further detail on this in response to Question 5 (a). However, in summary, following enactment, voice activated platforms - such as smart speaker devices - will be required to carry Ofcom-licensed radio broadcasters on their services. They will not be able to disrupt a service, overlay their own advertising or direct a consumer to something that they had not requested. This is particularly important

because in voice search, a command provides a single result, and so if a consumer asks for Times Radio, they should be served Times Radio and not a near alternative or playlist.

2. How is generative AI affecting news media business models and how might this evolve?

The recent advent of Generative AI raises both challenges and opportunities for the sustainability of journalism. AI in its broadest sense has been used by businesses for many years, and Generative AI is beginning to be adopted at pace. News businesses are no exception, and will benefit from the efficiencies that Generative AI can bring to operations: be that manual, repetitive tasks, to helping to create novel products out of our existing content.

As an innovative media owner, we are trialling various initiatives internally, but at the core human oversight and editorial control will always be paramount. Our titles and stations are legally liable for everything that is produced, meaning exceptional care must be taken - not least because such models can be unreliable in what they produce. Indeed our newsrooms have set out clear guidance for journalists regarding the use of Generative AI, and we will be publishing company-wide guardrails imminently which will cover our AI principles, our AI dos and don'ts and an AI governance model and checklist. The latter will allow us to monitor each new AI use-case and ensure it is being conducted responsibly, ethically and transparently.

We note and support the findings of this Committee in its recent work exploring Large Language Models (LLMs), and in particular its recommendation regarding the value of creative content. This report was important given much of the focus of international policymakers has been on the downstream impacts of AI - on existential threats to our national safety and security. However the upstream impacts are also incredibly important. For news publishers Generative AI which exploits our copyright, and provides a competing service (without incurring our costs) represents an existential threat. As Robert Thomson, CEO of News Corp recently said of Generative AI companies:

"... in my view those who are repurposing our content without approval are stealing, they are undermining creativity - counterfeiting is not creating, and the AI world is replete with content counterfeiters."

Robert Thomson, News Corp CEO²

However, we are confident that the tide is turning, and we have noted moves from some AI firms to enter into partnerships with publishers. We believe it is in the interests of these firms to have a stake in our sustainability. Some academics have posited that in the long term these models will collapse if they do not have a reliable stream of high quality content to feed them.³ This should

² News Corp Fiscal 2024 Second Quarter Earnings, Investor Release, February 2024, available at: <https://investors.newscorp.com/static-files/3888d548-f9fa-44a8-974b-3c3dcf543ee4>

³ Anderson, R; et al 'The Curse of Recursion: Training on Generated Data Makes Models Forget' June 2023, available at: <https://arxiv.org/abs/2305.17493>

be of concern to policymakers. News publishers are the news gatherers, documenting the first draft of history and original content not necessarily sourced from publicly available documentation. Never has it been more important to have reliable fact-based sources of information for the public to form opinions from. If news publishers and broadcasters have been decimated as a result of this technology, these models will essentially cannibalise themselves, becoming increasingly unreliable and producing poor quality information.

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

Regulatory obligations related to impartiality are only relevant to broadcast, therefore our response focuses on our experience in applying the Broadcast Code. Publishers regulated by IPSO have clear obligations related to accuracy of reporting,⁴ but they have freedom to take a position on events. This bias is clear to the reader, and helps to inform their understanding. Publishers can and do demonstrate a range of viewpoints, by publishing comment and opinion pieces from their own journalists as well as external figureheads such as academics, think tanks, politicians, campaigners, celebrities and so on. The differences between publishing and broadcasting on impartiality should not be taken as proof of one medium being held to a higher standard, and therefore 'better' than the other, but as a part of a healthy information ecosystem with necessary differences. The UK's press plays a vital role in investigating and reporting events, which serves the public interest. It supports a vibrant ecology of news, setting the agenda of the day, all of which broadcasters benefit from.

Regarding the concept of impartiality and broadcast:

A divisive political climate, increased use of social media for news and the proliferation of mis/disinformation have challenged traditional news organisations and brought the concept of impartiality into focus

The concept of impartiality has been the focus of significant political attention and scrutiny in recent years. Partly this is because our politics has been particularly divisive over the last decade, where matters like Brexit have been viewed differently across the UK, and we have seen family members take opposing sides.

Fuelling this divide has been the rise of social media as a news source, where people are served content which is algorithmically biased to their own interests. Reuters Institute research has found that while older audiences tend to go direct to news sources (e.g. a news outlet's website), younger audiences tend to use indirect sources of news (e.g. social media platforms, YouTube). Younger audiences have a weaker connection with traditional news sources, only seeking out those sources at big news moments.⁵

⁴ IPSO Editors Code, available at: <https://www.ipso.co.uk/editors-code-of-practice/>, accessed 13 February 2024

⁵ Reuters Institute, 'The changing news habits and attitudes of younger audiences' 15 June 2022, available at: <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2022/young-audiences-news-media>

Ofcom's annual research has highlighted the consistent rise of online platforms like YouTube, Instagram and TikTok as important news sources for younger demographics; in 2023, TikTok was the most used source for news among 12-15 year olds.⁶

Content on such online platforms could be user-generated misinformation, or it could be disinformation or propaganda. While news brands' content may also be in the mix, it is not demarcated from the rest: all content is presented to the user as equal, despite being held to different legal standards. When content is presented in this way, it can be harder for users to attribute the source of the content they have read or watched. Users may recall that they saw a story on X/Twitter for example (i.e. an online platform), but not remember the source of the story (i.e. the news outlet). This 'brand blindness' affects users' ability to critically engage with news sources.

These fragmented online environments - where users interact with personalised news content - may be detrimental to the role news reporting plays in convening society. News reporting plays a crucial role in prompting wide societal discussion around common themes, bringing communities together and arbiting standards of behaviour in society. The news media can expose corruption, but it also plays a deterrent role in warding off abuses of power, be that the treatment of workers, the ripping-off of a consumer, or the inaction of an individual or organisation in protecting the vulnerable. It also plays a role in reflecting changes in social norms; what might have been considered outrageous in the 1970s may now be accepted by a more informed society. But this kind of societal discussion is only possible when the wider public or communities are all aware of and informed on the same stories, from a variety of viewpoints, rather than individuals consuming highly-personalised content on fragmented news feeds.

As a broadcaster, we have responded to these challenges by evolving our brands and approach to distribution

In this context, news organisations face a significant challenge: a highly circumspect audience, engaging with an array of online content which suggests that mainstream media is obfuscating the truth. Broadcasters are having to find different ways to engage audiences, while meeting their licence requirements. At News UK, we launched TalkTV - an evolution of our radio station talkRADIO - with a desire to serve audiences who had turned away from traditional broadcasters. As talkRADIO did, TalkTV broadcasts opinion-led current affairs content, which aims to prompt debate about the issues of the day and showcase a wide range of viewpoints. TalkTV is not a rolling news channel like BBC News or Sky News, and while it was launched in the same 12 month period, it is a different proposition to that of GB News.

Building on talkRADIO's existing online success, our distribution strategy for TalkTV has been digital first. We have grown our online presence, alongside serving traditional audiences with a linear channel, and our distribution model continues to evolve to reflect trends in viewing habits. As such, it was recently announced⁷ that *Piers Morgan Uncensored* will move from its current slot in the

⁶ Ofcom 'News consumption in the UK', 20 July 2023, available at: https://www.ofcom.org.uk/data/assets/pdf_file/0024/264651/news-consumption-2023.pdf

TalkTV schedule, to being available primarily on YouTube. This move will allow for greater flexibility in format and will be able to better target the global audience that the show has developed. The *Piers Morgan: Uncensored* YouTube channel currently has 2.3m subscribers⁸ alone and we believe it to be the fastest growing current affairs channel on YouTube.

TalkTV, and Piers' show in particular, has been characterised by a willingness to confront controversial topics head-on and hold power to account with agenda setting interviews. The distribution strategy of *Piers Morgan: Uncensored* - available to audiences online globally - provides a platform to challenge world politicians, including Rishi Sunak, Donald Trump, Benjamin Netanyahu and Anthony Albanese. As well as holding those in traditional positions of power to account, the show has challenged and scrutinised some of the internet's most controversial figures, from Andrew Tate's misogynistic views to Alex Jones' conspiracy theories.

As we discuss later in response to Question 3, providing challenge is one of the key ways that news organisations can expose disinformation and conspiracy theories. Surfacing conspiracy theories, which may have a strong following in certain corners of the internet, to a wider mainstream audience can go some way to exposing inconsistencies and fallacies. Sunshine can be a powerful bleach. Broadcasters and news publishers also have a role to play in exposing worrying online trends to those who may not be familiar with them but should be made aware, such as parents who may not have known about the type of content their children were being exposed to on Andrew Tate's social media accounts.

The type of content and which broadcasters are required to be duly impartial is often confused in debates about due impartiality. This applies within the industry let alone to the consumer.

The difference between news and current affairs programming and the different regulations that apply tends to be blurred in debates about due impartiality.

While most of TalkTV's schedule is current affairs programming, we also broadcast hourly news bulletins. These news bulletins are clearly demarcated from the rest of TalkTV's programming. For example, they are presented at the top of the hour by a newsreader, and there are specific visual graphics and audio signals to differentiate the bulletins from our current affairs programming. The same is true for news bulletins across our radio stations. We do interrupt our current affairs programming to break news stories when this is justified from a public interest perspective (e.g. the outcome of a court case). Exactly how the breaking news is delivered is an editorial decision, taking into account the nature of the story, urgency and the resources available, but again, there are specific visual graphics and audio signals which demarcate breaking news for the audience.

⁷ The Times, 'Piers Morgan moves Uncensored show from TalkTV to YouTube' available at: <https://www.thetimes.co.uk/article/piers-morgan-leaves-talktv-uncensored-show-youtube-channel-xksbss7k9>, 8 February 2024

⁸ Piers Morgan Uncensored YouTube Channel. Source, accurate at 7 February 2024: <https://www.youtube.com/@PiersMorganUncensored>

Both news and current affairs programming play important roles in a healthy democracy. Accurate news is vital to a well-informed citizenry, and therefore electorate, while current affairs plays a critical role in informing public discourse by airing different viewpoints, providing challenge, and helping people to calibrate their own views.

Given the different roles they play in our society, it is appropriate that news and current affairs are regulated differently. Ofcom's Broadcasting Code sets out that news must be reported with due accuracy and presented with due impartiality.⁹ In all other programming - including current affairs - the requirement is different. Whether due impartiality is required depends on the topic; discussions of public policy and political controversy must be duly impartial.

Due impartiality does not mean you cannot express an opinion about an issue. It means that you must provide audiences with a range of opinions, which allows audiences to make up their own minds about an issue.

Across our programming - regardless of whether it is required - we try to provide our audience with a wide range of alternative views. In short, we find that it makes better TV and radio programming. It is simply much more interesting to listen to commentators debate and challenge each other on an issue, than a discussion where everyone agrees with each other.

Differences in how the BBC is regulated compared to other broadcasters can also be a source of confusion in debates on due impartiality. The BBC's Editorial Guidelines state that it must achieve "due impartiality in all its output".¹⁰ No other UK broadcaster - including the other UK PSBs - is subject to that requirement. The requirement reflects the unique role of the BBC in the UK media ecosystem, and is appropriate given the source of its funding.

Due impartiality remains as important as ever, but there are practical challenges

We support the principle of due impartiality being applied to news reporting and to relevant topics in current affairs in broadcasting. It is important that a diversity of viewpoints are represented in debates about controversial policy topics or political events, and this principle helps to underpin a plural media ecosystem.

There are practical constraints which can hinder impartial reporting. For example, sometimes it can be hard to find a range of voices to provide a contrary opinion on an issue, and as a result, we can rely on the same person repeatedly to present one side of an argument.

Factors limiting access to first-hand footage can also act as a constraint to

⁹ Ofcom, Broadcasting Code, Section 5, available at: <https://www.ofcom.org.uk/tv-radio-and-on-demand/broadcast-codes/broadcast-code/section-five-due-impartiality-accuracy>, accessed on 13 February 2024

¹⁰ BBC, *Editorial Guidelines: Section 4: Impartiality*, available at: <https://www.bbc.com/editorialguidelines/guidelines/impartiality>, accessed on 13 February 2024.

reporting on events. For example, as a new entrant TalkTV has struggled to gain access to the broadcasting pool, the arrangement through which the PSBs and Sky share access to broadcasting footage from events where access is restricted to one camera (e.g. a speech given by the Prime Minister from No. 10). We think more could be done to ensure that access to footage about important political or social events - which enables first-hand, witness-based reporting - is not withheld from new entrants to the broadcasting market.

Both of these examples could have been an issue for broadcasters when the Broadcast Code was first drawn up in the early 2000s. However, mass take-up of the internet and social media has given rise to new complexities around due impartiality that could not have been considered twenty years ago. Presenters and journalists today tend to have their own presence online, with personal accounts on X / Twitter for example. They may have their own brands and audience online, who follow them for their expertise on a specific subject matter. Compared to the pre-internet era, it is much easier for us to know what a certain presenter or journalist thinks about a topic or an event. The issue in a world where broadcasters are required to exercise due impartiality is that the public may attribute personal views expressed by a presenter or journalist online to those of the media organisation they work for.

4. What factors affect trust in news and how might this evolve?

Last year Newsworks - the marketing association for the news publisher sector - published an in-depth year-long study, looking at the metrics which go into 'trust' and news brands.

"Trust is often oversimplified and poorly understood. It's often evaluated too simplistically, without taking into consideration the context that sits behind it. For example, to ask: "How much on a scale of 1-10 do you trust journalists?" is undeniably broad. I might trust the journalist/s I regularly read or follow, but not those who I don't know. I may not trust those I don't know simply because I'm not familiar with them rather than anything more sinister. Or, to go one step further, I might say I don't trust a particular news brand just because I don't read it or because I have an opposing outlook on life."

Newsworks 'Trust: More than a Feeling' report, April 2023¹¹

Newsworks found that 'trust' is composed of four pillars which interact with one another.

Two which boost trust of news brands:

- I. **Perceived familiarity** - how well do I know the brand? Trust is accrued through repeated interactions, therefore the more we engage with a brand the more confident we can be that we trust it.

¹¹ Newsworks, 'Trust: More than a feeling', 2023: available at <https://newsworks.org.uk/research/trust-a-newsworks-report/>

- II. **Fame** - what do those around me think of the brand? We draw our cues from others.

And two pillars which act as a drag on trust:

- III. **Competence** - is the brand considered good or bad at what it does?
IV. **Risk** - what is at stake if I trust this brand in this context?

Among UK consumers, the research found that commercial radio, news publishers and commercial TV news rate highly across these metrics, whereas social platforms rank significantly lower. Indeed news brands are felt by users to be much more competent with their news reporting and have advantages over social media and other online sources. News brands also have a much clearer agenda than other online news sources, making them less risky to users. And news brands have a big advantage over other online news sources, in that readers know whether they have a point of view. They will often read several news brands to get different political perspectives. For other sources, their agenda is less clear, which makes them a bigger risk in the eyes of users.

While the Newsworks formula of understanding trust could equally apply to all types of organisations, news brands work in a unique environment. The business of news is often fast paced, with lots of external factors working to provide a first draft of history, meaning that accuracy and accountability are key. Trust in the accuracy of reporting by all of our brands is vital to our viability as a business. The editorial process necessarily involves multilayered stages of fact checking, editorial and legal oversight - all of which is expensive and time consuming. At News UK complaints and issues of inaccuracy are taken very seriously throughout the organisation, and the culture is to avoid getting something wrong (even stylistic errors) in the first place. Transparency and accountability, and a desire to learn from mistakes runs through the organisation, with complaints recorded at the highest level in the business. If we accept something is wrong, then we will apologise and correct it. However, where there is a dispute, external redress is available, either via Ofcom for our broadcast brands, or IPSO for our titles. However it is worth noting that news brands are operating in an increasingly litigious environment, where the very wealthy and very powerful will seek to silence the media through the use of Strategic Lawsuits Against Public Participation (SLAPPs).

a) To what extent is trust linked to perceptions of impartiality, or to other trends in online news?

As set out in response to Question 3, due impartiality is an important principle in news and current affairs broadcasting. It does have a role to play in ensuring audiences trust a news source, but it is not the only factor. Ofcom's News Consumption research highlights that audiences' trust in platforms that carry requirements on due impartiality - TV and radio - is not dramatically different to trust in newspapers, where those requirements do not apply. Just under seven in ten (69%) said they considered TV news to be 'trustworthy', 66% said the same for newspapers, and 65% for radio. In contrast, 40% said

the same about news on social media.¹²

There is clearly a wider set of factors that influence trust, including transparency. Across our broadcast brands, we are transparent with our audiences about the background and perspectives of presenters and contributors. For example, a small number of current and former politicians serve as presenters and regular contributors on Times Radio and TalkTV. They add value as expert voices, offering perspectives that help our audiences better understand the issues of the day.

The backgrounds of our presenters and contributors are made clear to our audience in spoken cues (e.g. when introducing them) and where possible, visually (e.g. in banners on the TV screen). We also ensure that there is sufficient challenge; for example, the Times Radio breakfast show features recurring panels of two political figures from different political parties.

b) What impact do concerns around disinformation have on trust in the information environment? (And to what extent does this differ between different sections of society?)

We are concerned about the impact trends online may have for the future of the news ecosystem and trust. Given the proliferation of mis- and disinformation online, and echo chambers caused by algorithmic targeting of content, it is ever more important to ensure there is investment in a diverse range of credible, authoritative and regulated news media outlets to combat disinformation.

It is also vital that people can easily find and recognise those trusted voices and brands in online environments. Ofcom research has previously highlighted issues with lack of attribution and brand blindness online; people may recall the platform they read or watched a news story on (e.g. Facebook) rather than the source of the story (e.g. the BBC), which means they are much less aware of the source of the story they read or watch.¹³

Assessing and recognising news sources will likely become more challenging for audiences in an AI world. Sources may be amalgamated in search results, there may not be a link to the original sources of news stories, and results could feature 'hallucinations', whereby the AI generates its own false or misleading material.

In this context media literacy - and more specifically news literacy - plays a vital role. Understanding the role journalism plays in our society and the responsibilities, liabilities and obligations on news publishers and broadcasters is an area where the public - across all ages and demographics - could be better informed. News literacy as a subject area would give the public the tools to better understand whether to trust certain sources, and shed light on often

¹² Ofcom, 'News Consumption in the UK: 2023' July 2023, available at: https://www.ofcom.org.uk/data/assets/pdf_file/0024/264651/news-consumption-2023.pdf

¹³ Ipsos for Ofcom, 'Ofcom Media Plurality Quantitative Report', October 2022, https://www.ofcom.org.uk/data/assets/pdf_file/0028/247546/annex-7-quant-research.pdf available at AND Ofcom, 'Review of BBC news and current affairs' p. 27. October 2019, Available at: https://www.ofcom.org.uk/data/assets/pdf_file/0025/173734/bbc-news-review.pdf

little understood processes in reputable newsrooms, such as the care and sensitivity that is taken in handling information and the legal processes pre-publication. It would help audiences better engage with an increasingly complex media landscape online. As a sector, news media organisations are trying to be more transparent with the public about how we go about our work, but there is a role for others, including educators, to improve public news literacy.

Evaluation

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

We have sought to take our brands to where consumers are, allowing them to engage with our journalism how they want, when they want and in the format they want. This is increasingly important as consumers transition to digital - and news brands compete for attention with many different services. For younger generations, the distinction between formats is increasingly irrelevant, and so too is their understanding of the value of legacy media brands; the integrity, editorial standards and liability of news brands; and redress of their journalism as opposed to all other content on the Internet. News brands have to work hard to attract these new audiences, and more needs to be done to educate younger readers, listeners and viewers of the particular features of news brands' journalism, versus unregulated, unaccountable content. In a world of synthetic, AI generated media, this distinction will become all the more important.

In 2016, News UK bought Wireless, acquiring significant audio and audio visual expertise in the process. This has supported our publisher brands, as they've innovated online. The creation of Times Radio - which launched in April 2020 - is a case in point. The station was designed to bring the journalism of *The Times* and *The Sunday Times* to audiences who may not have considered reading the papers before, and to demonstrate the breadth and the value of high quality, subscription-based journalism. Our audience research shows that despite Times Radio being a free-to-air service, subscribers to *The Times* and *The Sunday Times* consider the station to be a benefit.

This broadcast expertise has enabled us to professionalise our podcast offering, which is a growing market. But this exchange of skills and journalistic talent cuts both ways: the in-house publishing expertise of our titles is also helping to enhance the offerings of our existing broadcasting brands.

As set out in our response to Question 1, over the last decade social platforms, like Meta-owned Facebook, have been important for how publishers and broadcasters distribute their content to reach audiences. This has been encouraged by platforms who have conditioned their users to expect to receive news and information in their 'news' feeds. However our experience in this area is challenged. We see significant and unaccounted for fluctuations in traffic from platforms, which presents its own issues for newsrooms - particularly those reliant on high traffic volumes for advertising purposes. Over the last year, Facebook has strategically moved resources out of news,

prioritising other commercial partnerships, making it difficult for newsrooms to plan.

In the face of intermediation and the business uncertainty that this creates, our response has been to explore avenues to build and sustain a direct relationship with our audiences, and to work in partnership with others in the industry to work at scale. We are doing this in two key ways:

I. Digital advertising in partnership with industry

As was set out in the CMA's Market Study into digital advertising in 2020, publishers have faced numerous systemic issues in the market which impact revenues. To compete at scale online, we are part of two joint ventures: Ozone,¹⁴ which is a sales house for premium news publishers, and Octave,¹⁵ a partnership with Bauer for online audio advertising. This allows us to sell inventory, alongside other premium, trusted brands.

II. Subscription and membership models

In a challenging digital environment, direct reader revenue and a relationship with the reader becomes all the more important. *The Times* and *The Sunday Times* launched a subscription model in 2010. At News Corp's most recent earnings, it was announced that subscriptions for *The Times* and *The Sunday Times* now stand at 575,000 users.

We are concerned that some recent policy and regulatory interventions will have a negative impact on publishers revenues across digital advertising and subscriptions. For subscriptions, this includes the provisions in Part 4 Chapter 2 of the DMCCB, which will encourage and incentivise subscribers to cancel their contracts.¹⁶ As presently drafted, the Bill will make it harder for traders - including publishers - to speak to their customers during the cancellation process about the benefits of the subscription, or to offer them alternative deals. It will also require traders to send numerous reminder notices to customers through the year, while prohibiting the trader from bundling in potentially useful contextual information (such as how much of the subscription has been used, or what aspects the customer has missed). It will also open publishers up to fraud, allowing customers to take out subscriptions to engage with content for a period of 14 days, and then cancel with a full refund. It is unclear how this will work for renewals, which will also be subject to a cooling off period. Given the strength of feeling from Peers from all sides of the House on the issues with these measures,¹⁷ we hope that these matters will be resolved to balance the interest of both consumers and businesses at the Lords Report Stage.

2. How adequately are UK news organisations providing impartial

¹⁴ Ozone website available at: <https://www.ozoneproject.com/>

¹⁵ Octave website available at: <https://octaveip.com/>

¹⁶ See News UK's submission to the Commons Public Bill Committee, July 2023, available here: https://publications.parliament.uk/pa/cm5803/cmpublic/DigitalMarketsCompetitionConsumers/memo/D_MCCB53.htm

¹⁷ *The Times*, *New subscription rules could kill off free trials, peers warn*, 8 February 2024, available at: <https://www.thetimes.co.uk/article/new-subscription-rules-could-kill-off-free-trials-peers-warn-2z92rff2k>

and trusted news? What actions are needed to address any shortcomings?

The purpose of the UK media is to provide accurate and trusted news to help UK citizens to understand the world around them, and to provide a platform for a diverse range of voices and perspectives to inform public discourse. Across our broadcasting brands, we seek to provide impartial news coverage, as well as opinion, comment and analysis from a range of viewpoints.

In a healthy news market, there should be a plurality of news sources, and the entry of new brands should be seen as a positive indicator of a competitive market. However, in our experience launching TalkTV, there are significant challenges and barriers to new entrants. Issues with accessing broadcasting footage, as outlined above in response to Question 3, present challenges to primary-sourced, witness-based journalism.

In addition, there are structural barriers in the market when it comes to prominence on platforms which favour established players, as well as regulatory barriers to commercial opportunities. The Media Bill presented an opportunity to address those issues, and we are concerned that that opportunity may now have passed. There is more government and Ofcom could do to level the playing field for smaller broadcasters and encourage new entry into the UK media market, to ensure there is a plural media ecosystem with a range of outlets providing news and current affairs.

a. How should news organisations balance competing demands to provide content that aligns with particular values on the one hand, and provides trusted and impartial news on the other?

While our business operates with a liberal ethos that values free speech, audiences will find a multitude of opinions and perspectives across and within our brands. It is difficult to argue that brands as diverse as Virgin Radio, *The Sun* and *The Times Literary Supplement* all approach issues with the same view.

On our broadcast channels, we broadcast impartial news, which is clearly marked as such in our news bulletins. For example, listeners hear and/or see cues when we turn to a news bulletin on our radio stations or TV channel. We also provide current affairs content that aims to provoke debate, to help audiences make up their minds on an issue or to calibrate their own views. As referenced above, there may be occasions when it is in the public interest to interrupt regular programming with a breaking news story. Exactly how this is delivered is an editorial decision, but we signal breaking news stories to the audience through visual graphics and audio signals. Those breaking news stories are delivered factually and accurately, regardless of whether they are being delivered during a current affairs programme or one of our regular news bulletins.

The demarcation between different types of content is signalled to readers in our publishing titles, which are not required to meet the same standards on due impartiality. In *The Times* app for example, the 'comment' tab is clearly set apart from the 'news' tab, with prominent head shots and by-lines which make

it clear that opinion pieces present the view of the commentator.

3. How adequately are news media organisations ensuring that efforts to provide trusted information and tackle disinformation do not alienate some sections of society in the process?

Tackling disinformation is not something news media organisations can or should do alone. It is not the role of publishers or broadcasters to act as a constant fact checker online. There is a wider role for government, regulators, online platforms and society at large to play in tackling disinformation and improving news/media literacy. As the first draft of history, it is the role of news brands to report on events at the time, and to try to get things right.

News brands play an important role by sharing a range of perspectives and opinions on issues. Debate and challenge is vital in exposing flaws in arguments and ways of thinking, and more dangerously - disinformation and conspiracy theories. It can be done without providing a judgement on a particular viewpoint; our aim is to provide a range of perspectives that allow audiences to make up their own minds. Given that social media algorithms personalise content - including news - for users, exposure to this kind of challenge may be lacking online; the latest Reuters Institute Digital News Report found that 46% of respondents were worried about missing out on challenging viewpoints due to the personalisation of news.¹⁸

There is an additional, relatively new challenge related to the points referenced in response to Question 1, that the increasingly circumspect audience may also read into 'Mainstream Media's' lack of reporting, or challenge of an online conspiracy theory, as being part of a conspiracy theory. In this sense, news brands are slightly damned if they do, and damned if they don't. Greater news literacy could help the wider public understand why a news organisation may not have covered a certain story (e.g. a lack of evidence).

However our news brands do raise awareness of the dangers of conspiracy theories and particularly worrying views. For example, at a time when Andrew Tate was known to many teenage boys via his social media profiles but not to their parents, *The Sunday Times* carried an in-depth interview, in which Tate was repeatedly challenged on his misogynistic views by journalist Hugo Rifkind.¹⁹ Similarly, Tate was repeatedly challenged on TalkTV's *Piers Morgan: Uncensored* in an interview prior to his arrest in Romania in 2022.²⁰ The full video of the interview has been watched over 14 million times. This kind of coverage can help to make more people aware of particularly worrying views and trends which may exist in corners of the internet. Transparency can be a powerful disinfectant.

4. How well is regulatory oversight working? Are any changes

¹⁸ Reuters Institute, 'Digital News Report 2023', p. 15. Available at:

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

¹⁹ The Times, 'Hugo Rifkind: At home with Andrew Tate, the face of toxic masculinity', 24 September 2022, available at:

<https://www.thetimes.co.uk/article/at-home-with-andrew-tate-the-face-of-toxic-masculinity-37ndjdm5k>

²⁰ YouTube 'Andrew Tate vs Piers Morgan', 7 October 2022, available here:

<https://www.youtube.com/watch?v=VGWGCESPtM>

needed, for example:

a. In the way Ofcom oversees due impartiality and the extent of its remit?

At News UK, we take our compliance with Ofcom's Broadcasting Code very seriously. We have extensive institutional experience of applying the Broadcasting Code to live broadcasts across our radio brands, and more recently, to TalkTV. We have a positive and constructive working relationship with Ofcom. We are aware, however, that Ofcom is investigating an episode of a TalkTV programme for a potential breach of Section 5 of the Broadcasting Code, and we continue to engage with Ofcom as part of that process. This is an outlier in our compliance record.

We are also aware that Ofcom is conducting research on audience attitudes to politicians serving as hosts on radio and TV programmes. We await the publication of this research, and any subsequent work that Ofcom may choose to undertake based on its research findings.

We appreciate that the issue of due impartiality is complex and nuanced. We are concerned, however, that due impartiality regulations may increasingly be applied to a wider range of programming, including to a wider range of current affairs topics. We are concerned about the impact this may have on the quality of debate on broadcast outlets and that such a change could unnecessarily restrict the format of shows.

It also risks increasing the regulatory gap between broadcasting and online-only media. While broadcasting news is heavily regulated, online video sources are not subject to the same standards (e.g. accounts on YouTube, TikTok). This is particularly concerning given that more and more people - particularly younger demographics - rely on online platforms as a source of news. While it is, of course, appropriate to consider and review the regulation that applies to news media outlets on broadcast platforms, there is a potential risk of missing the bigger issue and the direction of travel in relation to online news consumption.

b. In the way Ofcom oversees media plurality?

As we stated in our response to Ofcom's Call for Views on Media Plurality in 2021, we believe that there is a strong case for reform of the current media plurality test as a consequence of the role of platforms and in changing consumer media habits:

"The current [Ofcom] framework suggests that platform intermediaries have a passive role, which they do not... The platforms have an editorial role in curating (through algorithmic decision making) and presenting news content (or indeed in removing it) which is part of how consumers access or engage with news content. Given the increased power of the platforms to determine what news publisher content is accessed, there is a growing concern that the provision of trustworthy news is being impacted. Plurality in the

context of who owns what title is therefore not the most useful measure. The emphasis on 'news creators' is wrong, and arbitrarily restricts the pool of players to news publishers. The focus of any future Public Interest Test should be weighted towards news consumption."

From News UK's submission to the Ofcom call for views on Media Plurality, 2021²¹

Following the call for views, Ofcom committed to further work to explore how the test on media plurality should be reformed to take into account the role of what it terms 'Online Intermediaries', or 'OIs'. So far they have held a seminar (February 2023) and published an in depth discussion document. The work on this is referenced in Ofcom's Annual Plan for this year.

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

a. Are changes needed to the Media Bill?

We strongly support the Media Bill. In particular, we welcome Part 6, which should ensure that UK audiences can easily access Ofcom-licensed radio stations on voice-activated devices, such as smart speakers. Radio stations are a vital source of free-to-access news and information, and reach just under 50 million people each week.²² The radio sector is united on the need for these measures, and there has been strong cross-party consensus on the radio clauses as the Media Bill progressed through the Commons.

However, given that the last piece of media legislation was introduced in 2003, and technological advances and changes in consumer behaviour can move at pace, it is important that the Media Bill does not quickly become outdated. More could be done to make sure the radio measures in the Bill are not quickly outpaced by market changes.

The scope of Part 6 should be broadened to include online-only radio stations and audio content provided by Ofcom-licensed radio stations. Under the Bill, audience access to Times Radio will be protected, but access to the *Stories of our Times* podcast will not. Similarly access to online-only stations provided by Ofcom-licensed stations, such as Virgin Radio's pop-up station for Diwali, will not be protected.

The Bill should also include measures to guarantee access to radio in vehicles. A quarter of all radio listening takes place in cars, but there is no guarantee that radio will continue to be available in vehicles as traditional radio dials are increasingly replaced by touch-screens. To ensure audiences can continue to access their favourite radio stations wherever they want to listen, the scope of the Bill should be widened to protect the availability of radio stations in

²¹ News UK, submission to Ofcom's call for views on 'The Future of Media Plurality', available here: https://www.ofcom.org.uk/data/assets/pdf_file/0031/226957/news-uk.pdf

²² RAJAR, Q4 2023

vehicles (e.g. on touch-screen displays).

Looking beyond radio, the Media Bill is a missed opportunity to better support the reach and sustainability of UK news media outlets. While the Bill includes measures to protect the prominence of PSB channels on certain connected devices (e.g. Smart TVs, streaming sticks), this could have been an opportunity to ensure audiences can easily access a wider range of news and current affairs outlets. As suggested in Ofcom's 2021 *Small Screen: Big Debate* review, a wider range of UK broadcasters producing public service content, such as news and current affairs, could be rewarded with benefits such as prominence on user interfaces.²³

Similarly, the Bill could have presented an opportunity to harmonise regulation across platforms, which could help to support the sustainability of news and current affairs providers. Broadcasters now operate hybrid distribution models - distributing their content on linear TV, on video-on-demand catch-up service or as livestreams (e.g on YouTube). Broadcasting across all of these platforms is necessary to maximise audience reach. But different regulation tends to apply to different platforms, meaning there is a significant compliance burden to distributing content in this hybrid way. For example, taking the regulation of commercial sponsorship, the exact same content is subject to different rules depending on whether it is broadcast on radio, as a livestream on YouTube, on live linear TV or as a catch-up audiovisual clip on an on-demand platform service. Therefore, it may be an appropriate time to consider harmonising regulation where rules differ across distribution platforms, to reduce costs and compliance burdens for broadcasters.

15 February 2024

²³ Ofcom, July 2021, 'Small Screen: Big Debate Recommendations to Government', p. 35, para 6.13. Available at: https://www.smallscreenbigdebate.co.uk/data/assets/pdf_file/0023/221954/statement-future-of-public-service-media.pdf