

Dame Frances Cairncross—written evidence (FOJ0115)

Charitable status for news organisations

The decision to allow charitable status for the Public Interest News Foundation (PINF) has encouraged the hope that some news groups, and especially small local news organisations, might also become registered charities.

It is true that some news organisations already have charitable status, including Wikimedia UK, Full Fact and the Consumers Association, publishers of Which? But these meet what most news groups would regard as an impossibly narrow test of charitable activity: they are providers of public education.

The grounds on which the PINF was allowed to register as a charity were different. The encouragement of good citizenship is another charitable object: the PINF's lawyers argued that public-interest journalism was a means by which good citizenship was promoted. The Charity Commission accepted that the purpose of the PINF was "to promote citizenship and civic responsibility and encourage and facilitate informed participation and engagement by members of the public in their communities".

However, the PINF is not itself a publisher. Its status will make it more attractive for trusts and foundations to give it funding, and it will benefit from charitable tax relief. But the question whether a *publisher* could be held to provide public benefit journalism and thus qualify for charitable status has yet to be successfully tested.

The news organisations most likely to meet the test are probably those that offer what the Cairncross Review described as "public interest news" – news delivered impartially, and recording the activities of the main pillars of local democracy: such as local councils, magistrates' courts, inquests. Being able to receive such news via local and regional media is, one might reasonably argue, essential to good citizenship.

The Charity Commission is likely to be understandably cautious about this development, however desirable it may be in the public interest. There is no suggestion that the charitable model is appropriate for all local news publishers. Nor should it be seen as a threat to those for whom it would not be suitable. The Commission will wish to establish practical and clear parameters for what could – and could not – be charitable.

A few test cases are clearly needed. But for any of them to succeed, it might be useful (and helpful to the Commission) for Parliament to give some indication of whether it welcomes such an extension of the principle of citizenship as a charitable object. It might also be useful to take advice from the News Media Association, to which the largest groups of local papers belong. The Committee might additionally seek the advice of Tom Murdoch, the partner at Stone King who argued the case on behalf of the PINF.

Aside from its obvious benefits to local citizens, as recipients of public interest news, charitable status would help the finances of some news organisations that are struggling to survive. But it is still not clear whether the case can be successfully made under the present legal constraints on the Charity Commission.

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