

Public Interest News Foundation—written evidence (FOJ0082)

House of Lords Communications and Digital Committee inquiry into the Future of Journalism

Executive Summary

1. Journalism supports democracy and community cohesion by providing accurate and disinterested information on matters of public relevance.
2. In this submission, we argue that policymakers should not attempt to resuscitate the twentieth-century business model for news; but should instead focus on sustaining journalism as a public service for the twenty-first century.
3. Policymakers should aim to develop an enabling environment in which diverse, high- quality, plural and independent journalism will flourish.
4. In particular, the Government should:
 - amend the Localism Act 2011 so as to develop a viable scheme whereby local newspaper titles are treated as assets of community value;
 - transfer significant funding from social media platforms to one or more independent or arm’s length public bodies that exist to support public interest journalism, which can award funding to news publishers without political or commercial interference;
 - consider a new legal status for news organisations which operate in the public interest but do not meet the Charity Commission’s definition of public benefit;
 - ensure that the evolving framework for media regulation is coherent and that news publishers are strongly incentivised to submit to independent self-regulation along the lines (if not necessarily in the exact form) recommended by the Leveson Inquiry; and
 - make funding available to bodies including but not limited to the Charity Commission, IMPRESS, NCTJ, ICNN and PINF, which have roles to play in supporting a healthy news ecosystem of the future.
5. We would be happy to discuss this submission in more detail with the Committee.

Introduction

6. Why should we worry about the future of journalism? Most trades rise and fall over time. The art of calligraphy disappeared when printing arrived in Europe in the fifteenth century, and letterpress compositors went out of work with the invention of hot metal typesetting in the nineteenth. So, why should we try to protect journalism from the technological and economic changes of the twenty-first century?
7. The truth is that journalism is more than just another trade. It is, at its best, a public service, and there are at least three reasons why we should worry about its future.
 - 7.1. Firstly, journalism is necessary in order for democracy to flourish. Journalism provides unique forms of democratic information, representation and accountability.
 - 7.1.1. Journalists inform citizens about political developments and help to convey the democratic choices that are available. Without journalists, we would be dependent on political propaganda and hearsay. With journalists, we can – however imperfectly – find out what is really going on, and make up our minds accordingly.
 - 7.1.2. Democracy is not only a function of what happens at the ballot box. Political representatives need to be aware of public opinion on a wide range of topics. Journalists help people to express their views about these topics and raise concerns about issues that may not yet be on the political agenda.
 - 7.1.3. Journalists can also help to hold public figures accountable for their actions, by revealing misconduct or drawing out a pattern of behaviour – for instance, showing that planning decisions may have been influenced by relationships between members of a planning committee and local developers.
 - 7.2. Secondly, journalism can help to strengthen communities, both local communities and communities of interest.
 - 7.2.1. In local communities, journalists can help people to engage meaningfully with the world around them. They can perform the democratic roles set out above (informing and representing communities and helping them to hold local politicians accountable); but they can also function in non-political ways, for example by celebrating local heroes, paying tribute to the victims of crime or illness, mobilising support for fundraisers and so on. In these ways, local publications can build a shared sense of identity and purpose, helping to ensure solidarity and resilience, as we have seen during the COVID-19 pandemic.
 - 7.2.2. Journalists can play a similar role in relation to communities of interest, which include identity groups (based on ethnicity, religion, sexual orientation and so on) and values-based groups (vegans, nationalists or environmental campaigners, for example). Specialist publications can help such communities to form and express their views on topics where they have relevant experience and expertise. Journalists can play a particularly important role in reaching communities that may otherwise be excluded from society or unrepresented by the main currents of public opinion.

- 7.3. Thirdly, journalism is an ethical form of communication. Over the course of the twentieth century, journalists developed a set of norms that distinguish journalism from other forms of discourse, such as advertising, political propaganda and everyday conversation.
 - 7.3.1. Journalism is expected to be accurate. Unlike members of the public in their conversations with family and friends, journalists are required to distinguish statements of fact from statements of opinion and to verify the sources of information.
 - 7.3.2. Journalism is expected to be disinterested. Unlike the advertiser or the political propagandist, the journalist is not supposed to be selling something.
 - 7.3.3. And journalism is expected to be of some public relevance. This means that journalism is expected to convey information that is not merely of private interest to the journalist, editor or publisher, but is of value to the wider community – for example because it concerns matters in which the public have a stake as citizens, consumers or parents. At times, the public interest in certain information may outweigh other ethical considerations, and a journalist may be justified, for example, in publishing otherwise private information.
8. So, when we concerned about the future of journalism, we are in fact concerned about a form of discourse that supports democracy and community cohesion by providing accurate and disinterested information on matters of public relevance.
9. Whilst other actors may provide some of the functions of journalism, only journalists bring together all of these functions in a unified set of norms and practices.

The changing face of journalism

10. In the late twentieth century, journalism took a range of forms. Tabloid newspapers appealed to a broad audience with a blend of political news, sports reports and celebrity coverage. Broadsheet newspapers appealed to a narrower audience with more focus on political analysis and less on celebrity gossip. Broadcast journalism included neutral news bulletins and agenda-driven investigative programmes. Local newspapers included aspects of all forms of journalism, depending on the tastes of the owner and editor and the demographics of the area.
11. These forms of journalism were supported by a variety of revenue streams. In some cases, wealthy owners bought loss-making newspapers in order to support their political or commercial ambitions. In other cases, newspapers generated revenue through advertising, newsstand sales or subscriptions. Commercial broadcasters relied on advertising, and the BBC was funded through the licence fee.
12. The digital communications revolution has shaken the business models for all forms of journalism and called into question the rationale for the BBC licence fee. Social media and search companies are now taking the lion's share of media advertising revenue, and audiences are getting their news for free online.
13. Social media and search companies do not produce journalism, but guide

audiences to content from a vast array of sources, including not only journalists but also influencers, advertisers, public authorities, NGOs and others. Some of these sources may have scant regard for the public interest or seek to promote a narrow and distorted perspective. Whatever they produce, it is unlikely to meet the standards of journalism.

14. The Cairncross Review of public interest journalism found that:
 - print advertising revenues in the UK dropped by more than two-thirds in the ten years to 2017;
 - print circulation of national newspapers fell from 11.5 million daily copies in 2008 to 5.8 million in 2018 and of local newspapers from 63.4 million weekly copies in 2007 to 31.4 million in 2017;
 - sales of both national and local printed newspapers fell by roughly half between 2007 and 2017, and are still declining; and
 - the number of full-time frontline journalists in the UK dropped from an estimated 23,000 in 2007 to 17,000 and is still falling.¹
15. In short, newspaper companies have collapsed or consolidated, newspapers have closed, journalists have lost their jobs and some communities have become so-called 'news deserts'.
16. However, the impact of digital disruption on journalism has not been entirely negative. The low barriers to entry have allowed new independent publishers into the market. Typically, these are small but professional organisations, with turnover below £2m and a commitment to high standards of journalism. Without the need to invest in expensive printing machinery or distribution networks, these independent publishers are able to build up significant audiences.
17. Data held by IMPRESS and the Independent Community News Network (ICNN) shows that independent publishers reach more than 15 million unique visitors online every month and have a collective print run of approximately half a million copies.
18. Led by experienced journalists or community activists, these organisations are driving civic engagement and accountability and giving a voice to people who were previously voiceless. They are dedicated to public interest journalism in various forms. Most are set up as non-profit companies or social enterprises. Some operate at a local level. Some serve communities of interest and minority groups, whilst others focus on issues such as climate change or Brexit or are committed exclusively to investigative journalism. Most publish online via their websites and social media channels, whilst some also publish in print. They use a combination of text-based journalism and audio-visual content to tell their stories.
19. Independent publishers are taking on the functions that were once provided by traditional newspapers. But they are doing things differently. They are innovators and entrepreneurs, telling stories that no one else is covering and building unique bonds with their audiences – some of which have been underserved by legacy newspapers and broadcasters.

¹ <https://www.gov.uk/government/publications/the-cairncross-review-a-sustainable-future-for-journalism>

20. This sector is not only filling the gaps that have been left by the decline of traditional newspapers; it is also developing new forms of journalism, including crowd-sourced reporting; and new business models, including micropayments, franchising, co-operative ownership and charitable models based on grants and donations. Some publishers are cross-subsidising their journalism from other business activities, including events management and consultancy. Others are generating revenue from display and classified advertising.
21. Despite their dedication and determination, independent publishers are struggling to survive. The Port Talbot Magnet was established by professional journalists after the last newspaper in Port Talbot was closed by its corporate owners. Despite building up a loyal following, the Magnet was not able to cover the real cost of producing original public interest journalism and it, too, closed after five years.
22. The COVID-19 crisis has only exacerbated the structural challenges faced by this sector. Between 23 and 26 March, PINF surveyed independent news providers across the UK in partnership with ICNN, IMPRESS and Bureau Local. 53 providers responded to the survey.
23. More than 60% of respondents reported that they are going beyond traditional journalism in their response to the COVID-19 crisis – not only publishing news and information, but also providing direct support to vulnerable citizens; organising events; coordinating volunteers; and working with local businesses to provide information about home deliveries.
24. Despite playing this vital role, independent news providers are at risk of collapse:
 - 94% of survey respondents said that they expect the crisis to have a 'negative' or 'very negative' impact on their organisations as a result of lost revenue;
 - 75% fear this might result in temporary or permanent closure; and
 - 80% do not have insurance that covers the challenges they now face.
25. This sector is particularly concerned about:
 - the loss of online advertising;
 - the suspension of print distribution, with knock-on effects for advertising;
 - the loss of income from donations and subscriptions; and
 - the suspension of complementary business activities, which are a common source of income in this sector.
26. One publisher said: 'At best, advertising on hold. At worst, advertisers asking for their money back.' Another said:

'It's utterly devastating. We are watching the 14 years of hard work and dedication we've put into building this publication and bringing change to news reporting in our area fall apart in front of our eyes in a matter of weeks.'
27. Small, independent publishers do not have legal, editorial or commercial support. Nor do they have the expertise to navigate the multiple social media platforms

through which publishers now reach their audiences. Digital technology may have reduced the barriers to entry into the news publishing market; but it has also created new barriers to growth.

28. Organisations and initiatives such as the Independent Community News Network (ICNN), Bureau Local, the Centre for Investigative Journalism and IMPRESS are working to provide the infrastructure that small publishers need in order to maximise their positive impact. However, the sector is still highly vulnerable to shocks, as the current crisis has shown.
29. In his book *Democracy's Detectives*, James Hamilton studied the benefit to society of public interest journalism. He found that the cost of such journalism was massively outweighed by the net gain to the public: 'each dollar spent on stories can generate hundreds of dollars in benefits to society.'² He noted, however, that these 'gains are distributed in ways hard for news organisations to translate into additional reporting resources.' In other words, public interest journalism provides a benefit to society that is not directly rewarded through a commercial business model.
30. Clearly, it cannot be left to the market to sustain a sector which is reaching audiences that are not affluent, and which is reporting stories that may not suit the interests of advertisers. We do not expect commercial businesses to provide everything that society needs in areas such as sport, community development and the arts. Public interest journalism is in a similar category.

The Independent Publishers Taskforce

31. In April 2019, a group of independent publishers formed a taskforce to explore the challenges and opportunities facing journalists and their audiences. Through a series of workshops and conversations with experts and stakeholders, the taskforce discussed how to support high-quality independent publishing in the digital age.
32. Funded by the Joseph Rowntree Reform Trust (JRRT), and hosted by IMPRESS, the taskforce shed light on the most significant issues affecting independent providers of high-quality, public interest news. Some news providers are struggling with a lack of business experience: they know all about journalism, but they don't know how to turn their audiences into revenue. Other providers are trying to distribute their content via social media platforms, where their voices are easily lost. How can they persuade platforms to take them seriously? Some are facing legal threats that can silence their investigative reporting.
33. The taskforce members agreed that independent news providers need urgent support to unlock their potential. They need access to funding and advice, and they need to share experiences and expertise. They don't believe that governments or corporations should be directly responsible for supporting truly independent news. Instead, they recommended that a new charity should be set up, to raise funding for news providers, and to provide additional support through advice and networking, allowing news providers to focus on what they do best – serving the public with great journalism.

² https://www.cjr.org/q_and_a/investigative-reporting-value.php

34. On 12 February 2019, the Government published Dame Frances Cairncross's Review of Public Interest Journalism.³ Concluding that there is a fundamental market failure in the provision of public interest news in the digital economy, Dame Frances called on the Government to establish an Institute for Public Interest News (IPIN), which would, among other things:
- raise and allocate funding for public interest news, including through the Local Democracy Reporting Service, in partnership with the BBC, and an innovation fund, in partnership with Nesta;
 - become a centre of excellence and good practice for public interest news;
 - work with relevant partners to increase media literacy and trust in journalism; and
 - inform consideration of newspaper industry mergers by the Competition and Markets Authority.
35. On 27 January 2020 – almost a year later – the Government published its response to the Cairncross Review, saying that it would not launch the proposed Institute for Public Interest News on the grounds that it 'is not for the government to define what qualifies as "public interest" news.'⁴ The Government went on to state that 'there are some challenges and functions that Dame Frances envisaged as potentially being undertaken by an institute that the government is minded to support through other routes.'
36. In light of the Government's rejection of the Cairncross Review, and in line with the recommendations of the Independent Publishers Taskforce, the Public Interest News Foundation (PINF) was launched in November 2019.
37. The trustees of PINF are Jo Adetunji, Deputy Editor of The Conversation and an advisor to the Cairncross Review; Richard Inglewood, former Chair of the House of Lords Select Committee on Communications; Isabelle Roughol, former Editorial Director of LinkedIn; Patrick Swaffer, President of the British Board of Film Classification; and Julius Weinberg, Chair of Ofsted (PINF appointment pending). These trustees are supported by a small executive team, which will grow as PINF raises the funds it needs. IMPRESS is supporting PINF in this start-up period, but the two organisations are constitutionally separate.
38. As a non-statutory body, PINF cannot wrest control of the Local Democracy Reporting Service away from the BBC; nor does it have any particular status to inform consideration of newspaper industry mergers by the Competition and Markets Authority. So, PINF cannot adopt these and some other functions which Dame Frances envisaged for IPIN.
39. PINF can, however, take forward those elements of the Cairncross Review which are appropriate for an independent charitable foundation. PINF aims in particular to develop the following three programmes:

³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779882/021919_DCMS_Cairncross_Review_.pdf

⁴ <https://www.gov.uk/government/publications/the-cairncross-review-a-sustainable-future-for-journalism/government-response-to-the-cairncross-review-a-sustainable-future-for-journalism>

- an education programme, to build knowledge and understanding of public interest news among the general public and people who work within the sector;
 - a programme to build the capacity of independent news providers through grants, coaching, mentoring and networking; and
 - a programme to build the capacity of organisations that provide infrastructure for the independent news sector, to ensure that the small organisations in this sector are able to benefit from legal, commercial, technological and editorial support.
40. Whilst rejecting the Cairncross proposal for an Institute for Public Interest News, the Government welcomed the development of PINF. However, the Government has done nothing to address the challenges identified by the Cairncross Review, or to advance the functions that were envisaged for IPIN, either through PINF or by any other means.

Policy options

41. Policymakers face three broad options in relation to the future of journalism:
- we could allow the market to decide the fate of journalism;
 - we could intervene to protect the twentieth-century business model for news; or
 - or we could intervene to protect the core values of journalism as a public service.
42. In this submission, we support the third of these options.
43. We do not believe that the market should be allowed to decide the fate of journalism. In the twentieth century, market forces coincided, to some extent, with the provision of high-quality and diverse journalism that served the public interest. Newspapers attracted large numbers of readers, who in turn attracted advertisers, generating revenue that allowed newspapers to invest in journalism, and so on, in a virtuous cycle. That cycle has been disrupted by the dominance of Google and Facebook in the digital advertising market. Unless these two monopolies are broken up (which is beyond the powers of the UK Government), they will most likely continue to attract the majority of online advertising spending.
44. Nor do we believe that it is possible to resuscitate the dying twentieth-century business model for newspapers. There are certainly steps that the Government can and should take to ensure fair and transparent terms of trade between news publishers and social media platforms and search engines (see below). However, these measures will at best provide limited benefits to a limited number of publishers, and at worst they may favour large, incumbent publishers at the expense of smaller start-ups.
45. In order to protect the unique value of journalism, policymakers have a number of tools at their disposal. Some of these were proposed by the Cairncross Review and some have been recommended by other stakeholders.
46. In the remainder of this submission, we highlight the chief policy measures which, in our view, will work to enable the UK's transition from the currently dysfunctional

news economy, with a highly-concentrated and fragile market, to a more healthy ecosystem, with large and small publishers working across the public, private and voluntary sectors to meet the needs of all communities with high-quality public interest journalism.

47. Whilst central Government has overall responsibility for this ecosystem, it can only succeed by working with and through other actors, so we set out, in turn, the relevant roles of local authorities, social media platforms, donors, regulators and educators.

The Role of Local Authorities

48. In a 'News Recovery Plan' published on 20 April 2020, the National Union of Journalists (NUJ) set out a package of measures 'to create a healthy diverse press'.⁵
49. Among other things, the NUJ recommended that the Government should define local newspapers as 'assets of community value', like community pubs, ensuring that titles are preserved for potential community ownership; and that the Government should offer tax breaks, rate relief and other forms of financial support to social enterprises and journalistic cooperatives that take over such titles and run them as non-profits.
50. An asset of community value is defined in the Localism Act 2011 (Part 5, Chapter 3) as a property that, in the view of a local authority, 'furthers the social wellbeing or social interests of the local community'.⁶ If such a property is listed as an asset of community value, and is subsequently put up for sale, then community groups have a right to bid for the property (but not a right to buy).
51. By enabling relevant groups to purchase local newspaper titles, a community asset scheme would enable the local newspaper sector to make the transition from its highly concentrated current form (where five large but fragile companies control 80% of titles) to a more resilient ecosystem.
52. However, the scheme in the Localism Act 2011 would need to be revised in several respects in order to achieve this objective.
53. Firstly, the scheme would need to be extended to include intangible assets such as intellectual property.
54. The value of pubs consists equally in their function (as centres for the community) and their form (as historic buildings). By contrast, the value of local newspapers consists much more in their function (providing accurate and disinterested information to the community) than their form (a printed publication, a newsroom, a print works and so on). A local newspaper could still exist as an online publication even if its newsroom and printworks were sold off. In a few cases, a local newspaper's offices might be of community value, but in most cases they are irrelevant to the true value of the newspaper, which lies in its intellectual property. Community groups should not be obliged to bid for the physical property of a local newspaper in order to acquire its intellectual property.

⁵ <https://www.nuj.org.uk/news/nuj-launches-news-recovery-plan/>

⁶ <http://www.legislation.gov.uk/ukpga/2011/20/part/5/chapter/3/enacted>

55. Secondly, the scheme would need to be revised to ensure that the intellectual property in local newspapers is fairly priced.
56. The five largest newspaper groups are weighed down by a combination of debt and pension obligations and the demands of corporate and institutional investors.

Community groups would be unable to bid for individual newspaper titles if they came encumbered with these obligations. They would struggle to afford these obligations, and would be averse to taking on the liability. To make a community asset scheme viable, the Government would need to take steps to address these deterring factors – for example, by underwriting any outstanding liabilities, and/or compulsorily purchasing relevant titles on behalf of community groups.

57. **We urge the Committee to call on the Government to amend the Localism Act 2011 so as to develop a viable scheme whereby local newspaper titles are treated as assets of community value.**

The Role of Social Media Platforms

58. Social media platforms provide most people with a point of entry into the news. Social media companies do not commission or publish journalism; but they provide a platform on which news providers can publish and/or disseminate their content. In effect, because most audiences have migrated to social media platforms, publishers are obliged to use these platforms to engage with those audiences.
59. Social media platforms have been allowed to extract excessive value from their position as gatekeepers to the news. This value has not been redistributed to news providers.
60. Emily Bell, Founding Director of the Tow Center for Digital Journalism at Columbia University, has called for a 'transfer of wealth' from digital platforms to public interest journalism.⁷ Several other groups have made similar proposals:
 - The LSE Truth, Trust and Technology Commission proposed the creation of a 'News Innovation Centre', to be funded by platforms and philanthropists.
 - The Media Reform Coalition has proposed a levy on digital advertising to support a 'local newswire service'.
 - The Labour Party has proposed a windfall tax on social media platforms to support public interest media.
 - The News Media Association (NMA) and Society of Editors have proposed a content licence fee, payable by digital intermediaries, to support journalism.
 - The National Union of Journalists (NUJ) has proposed a levy on digital advertising to fund an 'economic stimulus plan' for the media.
 - The trade journal Press Gazette has called on the major digital intermediaries to support high-quality local journalism, by compulsion if necessary.

⁷ https://www.cjr.org/tow_center/mark-zuckerberg-facebook-fix-journalism.php

61. These proposals all involve a transfer of funds from digital intermediaries to news publishers. Any indirect transfer via the state would create an opportunity to invest in public interest journalism but would also pose the risk of political interference. At the same time, a direct transfer from platforms to publishers through a licensing scheme would favour the publishers which operate at the greatest scale, regardless of the value of their journalism. In a digital economy which rewards attention over quality, this could simply exacerbate trends towards 'clickbait' and other forms of sensational content, and would not necessarily support high-quality and diverse journalism in the public interest.
62. The challenge here is to build capacity for public interest journalism without compromising the integrity or independence of news publishers.
63. Regardless of how the funds are raised (whether through direct taxation, a levy or a licensing arrangement), at least some of the proceeds should be distributed by an independent or arm's length public body, such as the Institute for Public Interest News recommended by the Cairncross Review, or the Public Interest News Foundation.
64. **We urge the Committee to call on the Government and social media platforms to transfer significant funding from social media platforms to one or more independent or arm's length public bodies that exist to support public interest journalism, which can award funding to news publishers without political or commercial interference.**

The Role of Donors

65. In the United States, philanthropists have played a major role in developing a vibrant new sector of independent nonprofit media organisations.
66. This American success story has not been replicated in the UK. Philanthropy in general is a smaller part of the UK economy, and journalism in particular is not widely recognised as a philanthropic cause.
67. There have been several calls in recent years for some forms of journalism to be granted charitable status, in order to attract more philanthropic funding into the sector.
68. In our view, not all forms of journalism are necessarily charitable, and charitable status is not necessarily appropriate for all news publishers. For example, the Charity Commission's rules on so-called 'political' activities would make it difficult for news publishers to support public campaigns or hold politicians accountable. And in all cases, the Charity Commission must be satisfied that a charity exists for the 'public benefit', which may be easy for a health charity to demonstrate, for example, but hard for a news organisation.
69. There are undoubtedly some publications which are capable of meeting the Charity Commission's standards, and the Charity Commission could be doing more to inform potentially charitable news organisations of the advantages and drawbacks of charitable status, and working constructively with appropriate organisations to enable them to register as charities.
70. However, this route will not be suitable for all publishers. Many news organisations may be content to operate as commercial entities, relying entirely on income from advertising, subscriptions or other commercial activities. But some

news organisations may be unable to generate commercial revenue or to satisfy the Charity Commission (for example, because they focus on hard-hitting investigative journalism which does not meet the Commission's expectations in relation to political activities).

71. These news organisations provide an important public service, but sit awkwardly outside either the public, private or voluntary sectors. They support the public interest, but they do not meet the Charity Commission's definition of 'public benefit'.
72. Policymakers should explore the opportunity to create a new legal status for news organisations which fall into this category. Any such status should be regulated, to ensure that organisations in this category meet high standards of journalism. In return, such organisations should be eligible for some of the benefits of charitable status, including capacity to attract tax-efficient donations.
73. **In order to attract philanthropic support for journalism, we urge the Committee to (a) call on the Charity Commission to work constructively with potentially charitable news organisations to enable them to register as charities; and (b) call on the Government to consider a new legal status for news organisations which operate in the public interest but do not meet the Charity Commission's definition of public benefit.**

The Role of Regulators

74. In recent years, the question of *sustaining* journalism has been treated separately from the question of *regulating* journalism. In our view, this is a mistake. It is also a departure from historical precedent. In the United Kingdom, the Royal Commission on the Press of 1948 considered the economics and ethics of news publishing to be interrelated, as did the Hutchins Commission of the same year in the United States.
75. If policymakers set out to sustain journalism, then they must begin by defining the kind(s) of journalism they wish to sustain. There is no point in crafting policies to sustain journalism which has no value, actively promotes misinformation or disinformation, or breaches journalistic standards in other ways.
76. Policymakers must also be confident that, going forward, any subsidies or other supportive measures of the kinds set out above will flow to news publications that meet these standards and not to those which don't.
77. Therefore, measures to sustain journalism must go hand-in-hand with measures to regulate journalism. The word 'regulation' appears to frighten some people in the news industry. It simply means measures to define and monitor the standards of journalism. These measures should be managed independently of both politicians and news publishers, so as to avoid either political or commercial interference.
78. There are at present two self-regulatory bodies for news publishers in the UK: IMPRESS, which regulates 83 news publishers; and IPSO, which regulates 81. A large number of publishers sit outside either body. IMPRESS has been approved by the Press Recognition Panel (PRP) as meeting the Leveson criteria for independent and effective regulation, as set out in the Royal Charter on Self-Regulation of the Press; whilst IPSO has not submitted to an audit by the PRP, and the PRP has stated that, on the publicly available evidence, IPSO would not meet its standards.

79. Meanwhile, the Government is developing proposals to regulate social media platforms. It appears likely that Ofcom will in due course be given responsibility for delivering this new regulatory framework. However, the proposals set out in the Online Harms White Paper have considerable potential to impact on the work of news publishers and journalists.
80. For example, the White Paper includes such 'harms' as 'misinformation' and the 'abuse of public figures', both of which might arise from the work of journalists, insofar as this work is published and/or disseminated via social media. The White Paper also draws a broad definition of social media, covering any online service that allows for user engagement. On the face of it, this would include a large number of news publications, which include (at the least) comment threads and (at most) mechanisms for user-generated contributions to the work of journalists.
81. In correspondence, the Government has assured news publishers that they will be unaffected by these proposals, insofar as they are 'already well regulated by IMPRESS or IPSO'. This assurance begs a number of questions:
- How can the Government be confident that publishers are indeed well regulated by IPSO, when IPSO has not been independently audited and its governance is demonstrably compromised by its dependence on regulated publishers?
 - Are the regulatory standards used by IMPRESS and IPSO compatible with the standards to be employed by Ofcom in its regulation of social media platforms?
 - What is the status of publishers which are not regulated by either IMPRESS or IPSO, and how will they be treated by Ofcom where their activities fall within scope of the new regulatory regime?
82. In order to resolve these questions, and to ensure that media regulation *as a whole* is coherent and effective, the Government must address outstanding issues in relation to press regulation. The Government may not wish to implement the recommendations of the Leveson Inquiry. However, it cannot wash its hands of the outstanding challenges in this area, which have become more pressing as a result of (a) the Government's own proposals for social media regulation; and (b) the need for the Government to intervene in support of high-quality journalism.
83. By ensuring that news publishers are subject to independent and effective self-regulation, the Government can ensure that regulated publishers are treated appropriately by the social media regulator and are eligible to be treated as assets of community value; to receive public funding; and to be considered for charitable status, or for a new alternative status for public interest news organisations.
84. Regulation of news publishers should not, in our view, be mandatory, but should be incentivised so that regulated publishers are eligible for various forms of support which work to correct any market failure. Unregulated publishers would be free to operate, subject to the law of the land, but would not be eligible for direct or indirect subsidies or legal exemptions.
85. **We urge the Committee to call on the Government to work with news publishers, social media platforms, regulators and civil society to ensure that the evolving framework for media regulation is coherent and that news publishers are strongly incentivised to submit to independent self-regulation along the lines (if not necessarily in the exact form) recommended by the Leveson Inquiry.**

The Role of Educators

86. Journalism is changing fast. Journalism training courses and qualifications in the UK are overseen by the National Council for the Training of Journalists (NCTJ). We believe that the courses certified by the NCTJ should be revised, to ensure that journalists and other news professionals are acquiring the knowledge, skills and understanding they need in this new era.
87. As the industry necessarily and urgently evolves, very few journalists will have the luxury of 'just doing journalism'. Most journalists will be called upon to help develop their organisations in multiple ways. In order to thrive, journalists and publishers will need a broad range of traditional and non-traditional skills, including skills in interviewing, investigating, audio-visual equipment, social media, data analytics, fundraising, organisational development, revenue-generation, human resources, legal, financial management and so on.
88. Independent news publishers will need a particularly broad range of skills. They are responsible for leading small but complex and demanding organisations, and should be able to benefit from similar leadership programmes to those which are available in the arts sector (for example, the Clore Cultural Leadership Programme). PINF and ICNN are developing programmes to meet these needs.
89. We also believe that there should be new emphasis on the Continuing Professional Development (CPD) of news professionals. The NCTJ should be supported in its transition to deliver relevant training programmes both with higher education institutions and in the workplace.
90. And, in order to open up the industry to young people who may not be able or willing to attend university, there should be a new emphasis on apprenticeships.
91. **We urge the Committee to support the NCTJ and other stakeholders, including ICNN and PINF, in developing new forms of training, including apprenticeships and Continuing Professional Development, for journalists and other news professionals that will equip them for the twenty-first-century news ecosystem.**

The Role of Central Government

92. We have described a mixed economy, where different actors are responsible for supporting different parts of a healthy news media ecosystem. Central Government has an overarching responsibility here, to create the conditions in which this ecosystem will thrive.
93. In particular, we believe that the Government should:
 - amend the Localism Act 2011 so as to develop a viable scheme whereby local newspaper titles are treated as assets of community value;
 - transfer significant funding from social media platforms to one or more independent or arm's length public bodies that exist to support public interest journalism, which can award funding to news publishers without political or commercial interference;
 - consider a new legal status for news organisations which operate in the public interest but do not meet the Charity Commission's definition of public benefit;

- ensure that the evolving framework for media regulation is coherent and that news publishers are strongly incentivised to submit to independent self-regulation along the lines (if not necessarily in the exact form) recommended by the Leveson Inquiry; and
- make funding available to bodies including but not limited to the Charity Commission, IMPRESS, NCTJ, ICNN and PINF, which have roles to play in supporting a healthy news ecosystem of the future.

Conclusion

94. During the twentieth century, the commercial business model for newspapers aligned, to some extent, with the needs of society. That alignment has been fundamentally shaken by the digital revolution, and we urgently need to explore new ways of ensuring that the public are provided with a range of sources of high-quality public interest journalism that reflect the diversity of contemporary Britain.
95. The aim of policymakers should be to serve the public by sustaining public interest journalism – not to protect a particular kind of publisher or newspaper. We do not want to turn back the clock to an imagined golden age of newspaper publishing. We want to move forward into a new era of diverse, high-quality journalism in the public interest.
96. We believe that the independent news sector is already supporting a vital part of the social and democratic fabric of the UK. With additional support, this sector will be able to provide even greater benefit to the public.
97. At the same time, policymakers need to support a wider transition in the industry, so that the highly concentrated local newspaper industry does not take down a wealth of community assets if it is unable to resuscitate the business model on which it relies.

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