# Digital, Cultural, Media and Sport Committee call for evidence on sustainability of local journalism

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Local independent news outlets have provided a vital service to communities during the COVID-19 pandemic by producing local public interest news stories. Whether it be radio and television sharing good news stories from within their regions, or local newspapers providing accurate information about the availability of local services during the lockdown, these organisations have risen to the challenge of serving their communities when they need help the most. Yet, despite an initial resurgence in trust in traditional media in March 2020, trust in professional journalists along with NGOs, business and government had declined to pre-pandemic levels by the end of the year (Edelman Trust Barometer 2021). This is symptomatic of both the information crisis and high levels of political polarisation which have engulfed democratic states such as the UK and United States over the past decade (LSE T3, 2018). ). Electoral shocks in 2016, including Donald Trump's unexpected victory in the US Presidential Election and the UK voting to leave the European Union, may well have constituted the apotheosis of this information crisis, but the pandemic has illustrated its implications for policymakers trying to influence the behaviour of the public during health crises. Efforts to encourage people to comply with social distancing guidelines have been undermined by confused public health messaging (e.g. 'the rule of six', 'hands, face, space') and 'culture war' narratives politicising scientific knowledge, set against the backdrop of the economic collapse of quality journalism and the increasingly central role of social media platforms in information ecosystems (Seaton, Sippitt & Worthy, 2020).

New approaches to restore trust in media, as well as new ways to raise revenue need to be found, to ensure the sustainability of local journalism post pandemic. Scholars such as Victor Pickard (2018:209) argue that the current information crisis can only be addressed by minimising market pressures on journalists and "returning news production to local communities". However, public service broadcasters invariably defer to the interests of political elites and have been criticised for failing to hold them accountable during crisis situations (Mills, 2016). Therefore, it is imperative that the UK Government ensure the editorial independence of the British Broadcasting Corporation (BBC) is maintained in the future.

if we want to create better informed publics, we need to address the structural causes of the crisis of journalism. As Michael Schudson (2018) presciently argued, democracy cannot exist without the 'organised scepticism' of journalism. Therefore, the media need to keep citizens better informed during crises whilst also ensuring governments are held accountable for their actions during these events.

So it has never been more important to support the scores of independent community publishers up and down the country. They amplify the issues that are important to their readers. Their stories could help restore public trust in journalism.

According to the Independent Community News Network (ICNN) – which has more 122 members throughout the UK – a "hyperlocal" news service is one which typically pertains to "a specific geographic area such as a town, neighbourhood, village, county or even postcode" (Murphy, 2020). While many of these activities do not fit within the traditional norms of reporting, they fulfil the journalistic norms of contributing to local democratic engagement by holding local elites to account and providing information to communities that helps them mobilise for change (Barnett and Townend, 2015). Indeed, a recurring theme in studies of hyperlocal news outlets is that practitioners perceive this work as a civic duty that fills a gap left by traditional media outlets (Harte, Williams and Turner, 2016). While these producers may not be motivated by financial gain, they often have to fund themselves and believe that a lack of revenue may threaten the long-term future of the sector (Williams, Barnett, Harte and Townend, 2014). Start-ups rarely earn enough in order to pay for the quality journalism they aspire to, and typically endure poor working conditions and low pay (Deuze and Witschge, 2020). In 2020, for instance, there were an estimated 400 hyperlocal sites in the UK, with many reporting an income of under £25,000 per year and several earning less than £100 each month (Wahl-Jorgensen, 2020).

The ICNN have warned that the shift to online has heavily disrupted traditional models of journalism. Jobs have been lost, revenues are in decline as advertising dries up and public service journalism has been hit hardest as publications retreat from their traditional stomping grounds. While a £2 million government-backed Future News Fund was launched in England in 2019, the UK government has yet to introduce the innovation fund for public interest journalism recommended by the 2019 Cairncross review.

Solutions journalism, defined as "rigorous reporting on responses to social problems" (McIntyre, 2019:19), provides citizens with information on solutions to problems such as how to protect themselves during the pandemic. While there remains a need for more empirical evidence showing its impact on behaviour, solutions journalism is a corollary for encouraging citizens to think of collective rather than individual interests during these incidents. In this submission, we will reflect on what lessons that can be learnt from our experiences as a local independent media outlet practising solutions journalism in Northern Ireland.

### **VIEWdigital: Background**

VIEWdigital is an independent community media social enterprise business, based in Belfast, which specialises in social affairs journalism and has strived to develop trust with its audience by collaboratively working with community campaigners, people with lived experience, academics, public bodies and charities to highlight important social issues.

There are two co-founders who work full-time for the business, Brian Pelan, editor, and Una Murphy publisher. In addition to two full-time staff, several freelance journalists, a web developer and a marketing consultant are contracted to work for

VIEWdigital. There are also three voluntary directors Kelly Andrews, Kathryn Johnston and Mary McManus.

On the <u>VIEWdigital.org</u> website VIEW magazine (digital edition) and multimedia content can be viewed without a paywall. Printed editions of VIEW magazine are made available free of charge to libraries. VIEWdigital is a community interest company.

VIEWdigital is a member of the UK wide Independent Community News Network (ICNN) which launched the #saveindependentnews campaign in June 2020 and is regulated by IMPRESS. VIEWdigital produces and publishes original journalism and also receives journalism content from the BBC Local Democracy Reporting Scheme.

#### Pandemic has significant impact on activities of VIEWdigital

Like other independent news outlets, the past two years have been particularly challenging for VIEWdigital. We had to give up office space in Belfast and end a full-time permanent contract with our marketing manager. We were fortunate to receive a Small Business Grant Scheme from the Department of Finance (NI). This enabled us to maintain budget for commissioned work from several freelance journalists at the same level as before the pandemic.

A business development (marketing and sales) manager was employed in January 2020. However, she found it was very difficult to reach potential advertisers during the pandemic as many staff were on furlough and many businesses faced economic uncertainty during the pandemic. VIEWdigital publishes specialist journalism in a niche publication, so has traditionally received less advertising revenue to support its journalism than revenue from other sources, such as donations, sponsorship, funding from charitable trusts and subscriptions.

There was also an impact in terms of the other revenue streams. The number of events usually organised for the VIEWdigital audience, such as magazine launches, was heavily curtailed due to lockdown. The distribution of printed editions of VIEW magazine to public libraries also halted during this period.

## Key short, medium and long-term challenges to the sustainability of media outlets

VIEWdigital has found that display advertising is not the most advantageous revenue raising model for its publication and has received funding from philanthropists, charitable trusts and explored raising more funding from memberships and subscriptions.

Long term sustainability will come about for the media industry when several revenue sources have been identified to replace the traditional advertising model of supporting journalism. This might be along the lines of US initiatives such as the <u>Civic Information</u>

<u>Consortium</u>, which uses public media subsidies to funds news projects that address the information needs of local communities in New Jersey.

### How can the Government support local news outlets to develop sustainable business models?

More financial support would be of benefit. It would be used to support direct staff costs (salaries) and contractors' payments. Innovative ways to distribute and deliver journalism and media products should also receive financial support. Countries such as <u>Canada</u>, <u>Norway</u> and <u>Singapore</u> are among these to have offered financial aid for media organisations that incurred significant financial losses during the pandemic. <u>Australia's News Media Bargaining Code</u> has redressed the balance between Big Tech giants and community media by compelling companies like Facebook to pay media companies for the content they generate.

During the pandemic research conducted in the UK found that six in ten people wanted Government to provide extra financial support for local newspapers. We note that in Wales, before the pandemic, the government gave independent community journalism outlets £200,000 in 2019/2020. We support the recommendations of the **News Recovery Plan** put forward by the National Union of Journalists, which called for strategic investments in the hyperlocal sector and for tax credits and interest free loans to be made available to support our journalism after the pandemic. We also strongly support its calls for a windfall tax of 6 percent to be levied on big tech companies.

We also advocate a public media trust fund to support local and community media outlets. This should be along the lines of the model proposed by Victor Pickard, who suggests that such a fund should operate autonomously from political interests and be primarily funded by multiple charities and philanthropist organisations. Government taxation on digital services could be used to support this fund too.

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