Cairncross Review Call for Evidence

Hacked Off Submission

1. The Review is seeking evidence from the public and the newspaper industry about how to secure a future for high quality journalism.

2. Hacked Off campaigns for a free and accountable press and, in particular, for the implementation of the measures recommended by Lord Justice Leveson to ensure that the press is subject to independent and effective regulation, and that public interest journalism is nurtured. We do not wish to present evidence as to the questions raised concerning “business models” and the impact of “digital advertising”. We do, however, wish to draw the attention of the Review to four matters at the outset.

3. First, the quality of much of the journalism in UK national newspapers (and the online material produced by these newspapers) is low. The Leveson Report provides ample evidence for this. The position has not improved since 2011. Reports produced by Hacked Off dealing with the failures of the press-controlled complaints handler, IPSO (formerly the “PCC”), are attached to this submission and provide evidence of this.

4. Second, a contributing factor to the declining circulation and consequent declining revenues of the press is declining trust in print media. The Mediatique report does not contain a comprehensive comparison on trust in print media against broadcast. As a 2017 Populus poll shows however, there is a significant discrepancy between trust in broadcast media and print, with 65% trusting broadcast to 46% for print newspapers, while a November 2016 YouGov poll found that, for 50% of respondents, “decent standards of journalism” is an important factor in the public’s choice of media. A divergence in standards between what readers expect and what they find, leads to an undermining of trust, which in turn leads to reduced circulations, which makes newspapers less attractive to advertisers.

5. One of the distinguishing features of broadcast and radio media in the UK is that they are subject to statutory and independent regulation. While it is not Hacked Off’s view that a statutory regulatory approach is necessarily the appropriate solution for the press, the panel ought to recognise that independent and effective regulation is one important factor in securing the trust and confidence of the public. The press is unique among other media in that only one independent regulator exists but no significant publishers are members of it; most publishers manage private complaints-handling systems, or are members of the industry-controlled complaints-handler “IPSO.”

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referred to above, detailed briefings about IPSO, which cover its various failings, are included with this response.

6. Hacked Off therefore urges the Review to recommend the adoption of an independent regulator for the newspaper industry, to increase public trust and support its long-term sustainability. Such a regulator should be independent of the industry and protected from all political interference as recommended by the Leveson Report and in accordance with the criteria set out in the Royal Charter (which was adopted after agreement by all the main parties in Parliament).

7. Third, local and regional newspapers are vital to local democracy. However, while both national and local/regional sectors have suffered revenue and circulation declines, the number of national newspapers was 10 in 2007, and was 10 again in 2017. The number of local and regional newspapers, on the other hand, has declined from 1303 in 2007 to 982 in 2017. This suggests that while cost-cutting has been necessary across the industry, the effect of newspaper closures has been felt at the local level while national titles have persisted. It is clear that any remedial measures should target the protection of local newspapers.

8. It is important to note the fact that many of those closures have occurred at newspaper titles which were owned by large national publishers like Reach PLC or Johnston Press. Reach (formerly Trinity Mirror) has expended a significant sum settling claims for voicemail interception in recent years and continues to set aside millions of pounds each year. Those sums could have saved local newspapers and journalists’ jobs, if the company had acted responsibly and resolved claims early through an arbitration system operated by an independent regulator. Instead, the company attempted to cover up the scandal and has incurred, and continues to incur, very substantial liabilities for damages and costs.

9. The greater level of closures of local and regional newspapers is, in part, the result of “profit squeezes” by large media corporations. Any remedy should focus on the “tail-end” of local publications, as described in the Mediatique Report, rather than those publications owned by the wealthiest few companies.

10. Fourth, the Review should recognise that journalism is a public service. Insofar as it is given legal or financial privileges these must be for the benefit of the public. The public’s interests are also engaged through their need to have access to reliable information on public affairs, in this case through the medium of newspapers and other news publishers outside the realm of broadcast – in short, the press. Government has an obligation to protect the freedom of the press to perform this function, and equally an obligation not to interfere with that freedom itself.

11. The press industry accepts the principle that in addition to the law there must be common, basic standards of conduct, and it has done so ever since it produced its first code. Painful experience has taught us that the public
suffers injustices as a result of failures to meet these standards, even where the law is not breached. Such failures may relate to the ways in which news is gathered and to the ways in which it is written and published. Inaccurate information, for example, can cause grave harm to ordinary citizens without being defamatory.

Questions under consideration:

1) The review’s objective is to establish how far and by what means we can secure a sustainable future for high-quality journalism, particularly for news. Looking ahead to 2028, how will we know if we have been successful, in relation to:

   a) publishers

   Success for publishers would mean a sustainable newspaper journalism industry.

   b) Consumers

   Consumers would benefit from broad availability of reliable, independent, quality journalism, which is plural and covers the political spectrum.

   Consumers would benefit from the ongoing provision of media across a choice of platforms, including print. It is also important that reliable, quality journalism is not only protected across all platforms, but that mechanisms are in place to ensure that high quality standards are adhered to by the print media.

2) Do you consider that the future of high-quality journalism in the UK is at risk - at national, regional and/or local levels?

High quality journalism must meet basic standards of “responsible journalism”. These are set out, for example, in the NUJ Code of Conduct. The misconduct identified in the Leveson Report and admitted by the newspapers in the “phone hacking litigation” demonstrates that such standards are too often ignored by the national press. It is clear that in the absence of effective and independent regulation of the press these failures to adhere to proper standards will continue.

Hacked Off believes that, in accordance with the recommendations of the Leveson Report, there should be a system of effective and independent regulation which is designed ensure compliance with the proper standards of journalistic conduct which constitute “high quality journalism”. The risk is that that if the print media are not subject to independent and effective regulation, the vicious downward spiral which has developed will continue;

- Journalistic accuracy & reliability standards will continue to decline;
- Readers’ trust in print journalism will be further undermined;
- The paying readership of the print media will further decline;
• Less money will be spent on journalism, and
• Journalistic standards will further decline.

The Review should, therefore, recommend that all local, regional and national newspapers join or establish a regulator which is independent and effective in accordance with the recommendations in the Leveson Report and the criteria laid down by the Royal Charter.

6) High-quality journalism plays a critical role in our democratic system, in particular through holding power to account, and its independence must be safeguarded. In light of this, what do you consider to be the most effective and efficient policy levers to deliver a sustainable future for high quality journalism?

a) Where, if at all, should any intervention be targeted and why (for example, at the local level, or at specific types of journalism)?

Intervention should be targeted to support local and regional media and publications which are subject to effective and independent regulation under the provisions of the Royal Charter.

When the objective of intervention is to support high-quality journalism, it would be entirely inappropriate for it to support or condone news outlets which have shown a disregard to agreed standards of accuracy, independence and journalistic ethics by failing to join an independent regulator as Leveson recommended.

It would be deeply inappropriate for the Government to intervene on the basis of any subjective analysis of the “quality” of the journalism of any publisher. Instead, the Government should rely on publishers’ membership of an independent regulator, as Leveson recommended, to determine what interventions are made. This is a less direct measure but one which guarantees quality assurance and accountability.

b) What do you think are or should be the respective responsibilities of industry, individuals and government, in addressing the issues we have identified?

The responsibility of the industry to the public and to its journalists is to accept the Leveson recommendations and join a recognised independent regulator. This is crucial to the recovery of public trust and to ultimately secure the long-term financial sustainability of the industry.

The rise of online news and social media has led to the phenomenon of online-only fake news. The public can be less sure of the validity of news sources and reliability of news than in the past. Newspapers ought to be well-placed to capitalise on the unreliability of online news, by relying on their membership of a recognised independent regulator as evidence of their commitment to accuracy (or at least as evidence
that, should they publish something inaccurate, their regulator will ensure an adequately prompt and prominent correction).

But because national newspapers have not joined such a regulator, the public has been given no reason to trust print media any more than dubious sources on the internet. If anything, the explicit rejection of independent regulation implies a specific disregard for or, at least, disinterest in accuracy standards. With this in mind it is not only publishers’ responsibility, but it is their opportunity, to join or establish a regulator.

In respect of the Government, Hacked Off’s view is that press policy should be decided impartially and transparently. The Leveson Inquiry is the only recent process which has does this.

Therefore, any action by Government should be restricted to implementing, supporting, or otherwise strengthening what Leveson recommended.

c) If there is a case for subsidising high-quality journalism, where should any funding support come from?
   i) What form should it take?
   ii) How or where should it be targeted?

We believe that journalism provides a valuable a public service, and are aware of strong cases advanced by other organisations for some form of financial support from the State. It is our view that any Government support by, for example, tax concessions, direct subsidy, or any other means, must be subject to two conditions:

(1) That the nature and amount of such funding support should be decided by a body which is wholly independent of Government and politicians. The Press Recognition Panel (“PRP”) is such a body and its remit could be extended to cover such matters.

(2) That financial support is only extended to those publications which are prepared to submit to independent and effective regulation as recommended by the Leveson Report. In other words, to receive such funding publications should be required to be members of a regulator recognised by the PRP in accordance with the Royal Charter.

Hacked Off

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