

Media Plurality Seminar 12 December 2013: summary notes

Strengths and weaknesses of current public interest plurality test

- Risk of ministerial interference (actual or perceived): perhaps ministerial discretion should be transferred to another body (cf Jeremy Hunt evidence to Leveson).
- Political involvement may not itself be a fundamental flaw, but perhaps more rigorous rules and transparency around implementation are required.
- A third way: minimise discretionary power by prescribing remedies in legislation.
- A separate body to monitor media concentration (or has that horse bolted?)
- Sunday Times / Times case shows difficulty of implementing conditions or remedies. Have to find ways of dealing with passage of time and changing circumstances.
- Basic problem with PI test: availability of sources tells us little about *how* people are exposed to diversity of information. Sources as proxy for diversity can be misleading.
- Ofcom must have clearer guidance and more time for carrying out PI tests.

How the policy process might be reformed in terms of initiation and investigation

- Limitations of ‘sufficiency’ as concept and as defining policy approach.
- Might not account for, e.g., similarity of news agendas/tone within distinct broadcasters.
- Need to specify role of metrics and trigger points in determining plurality.
- And to delineate role of Ofcom and/or other regulator(s).
- Consumption does not equal exposure: need to take account of content prominence as well as availability.
- Two-stage process: determine sources, then look at consumption/impact.
- Strengthening internal pluralism: apply PI requirements for content as part of quid pro quo for expansion/acquisition etc.

Public interest obligations in mitigation: desirable, feasible, practical?

- Public subsidies could be offered in return for journalism obligations, e.g. x% of output to be foreign news, or guaranteed investment in training.
- VAT exemption for newspapers might be used to leverage certain PI obligations.
- Must acknowledge explicit and implicit subsidies for news.
- Ofcom conclusion was no single measure or proxy for plurality existed, but must use a bundle of measures.
- BBC should be included in measurement, though not remedies
- But N.B. issues around BBC internal plurality: will it be compromised by appointment of overall news editor, especially in light of diminishing resources? Will need some scrutiny.

Decision-making: role of regulator(s), minister(s), Parliament. Lessons from the past

- Role of digital intermediaries are becoming more significant. Must focus also on bottlenecks of access and distribution as well as content.
- Intermediaries' agendas may change from distribution to content, consistent with promoting own self-interest.
- Need to think forward to changing media market and influence / agendas of new players.
- May require a stronger discretionary framework.
- Which in turn will require a robust body – or statutory sub-group of Ofcom?- with the robustness and powers to resist lobbying from powerful media groups.

Reconciling democratic and economic needs of the 21st century – and convergence

- In some places, plurality concerns are not about the dominance of 'one' but existence of any: e.g. areas of Wales which are not covered at all.
- Must think about creation as well as restriction.
- And ways to ensure that new systems cannot be "gamed".

Ideas to take forward

- A content board type structure within Ofcom, with specific remit from Parliament and a range of remedies.
- Must think carefully about implications of having powers over press for first time.
- Concerns about giving a single regulatory body too much power.
- Developing PI obligations rather than hard caps (or trigger thresholds)
- Need to consider state aid law implications.

Different organisational approaches to plurality – trusts, foundations etc.

- Community radio model: easier to manage because they are licensed, very few failures.
- Volunteering is important form of indirect public subsidy.
- Earlier study shows loyalty to local *newspaper* (hard copy) as key news source.
- Need to explore alternative funding models for newspapers as well as online.
- Even small interventions at local level can have enormous impact, e.g the (short-lived) Guardian Local initiative.
- Need increased transparency around ownership and diversity of voices at local/regional level: are centralised voices and information being repackaged as local?

Ideas and suggestions for different funding approaches to plurality – subsidies for print, online etc.

- Models like Knight Foundation require clear budgets and evidence of sustainability.
- A new dedicated foundation could impose similar obligations, with revenue derived from content / commissions and emphasis on entrepreneurial vision as well as journalism.
- Another option might be government funding for a network of local sites.

- Or create a local innovation fund involving a transparent process of commitments or targets with staggered funding contingent on evidence of success.
- Perhaps Ofcom's idea of the Public Service Publisher could be revived, though not funded through BBC top-slicing. And not delivered through C4.
- French model of funding public service media through levies (not to be confused with taxes on ISPs, deemed to break EU competition rules).
- Google settlements in France and Germany – hasn't been considered in UK, but logical in view of migration of ad spend to Google and impact especially on local press.
- Long history of supporting media through cross-subsidy (e.g. Channel 4/ITV). Should Google be threatened with similar measures to encourage some contribution?
- Potential to revive original proposals by Steve Morrison of All3Media for industry levies on ISPs, recording devices, news aggregators etc. Never gained political traction, but principle of "returning value to creators" still holds.
- Generate income for a contestable funding pot. Would be welcomed by indies and C4, though would need careful rules about distribution.
- Local MPs as lobbying pressure point: local coverage important in constituency based electoral system. Very aware of declining local news.
- Local TV initiatives – only a few likely to survive, but what contribution will they make to local news plurality? Will be problems with resourcing and funding.
- Perhaps profits from BBC Worldwide could be channelled into a public fund (though revenue would then not be available for domestic service and effectively mean top-slicing).
- Other possible BBC contributions: training; legal advice; professional expertise.
- Badly need reliable information/review of local media availability and resources: independent and trustworthy (beyond Newspaper Soc and NUJ data).

Recommendations agreed by academic participants to go to Lords select committee inquiry

- There should be periodic plurality reviews more often than those proposed by Ofcom.
- The scope of media involved in such reviews – and in the current PI/merger regime – should be broadened and not tied to old technologies.
- A sliding scale of market concentration (with soft rather than hard caps) should be considered, with discretion to impose behavioural remedies on those with the largest share.
- Parliament needs to set guidance on sufficiency, and on regulatory discretion.
- Decision-making discretion on individual mergers or whether a PI inquiry has been triggered should be invested in an independent board/body rather than Secretary of State.
- That might be a statutory Board of Ofcom, of equivalent status to the Content Board.
- Data gaps in relation to measurement need to be addressed by Ofcom.
- Plurality also needs financial support. Ideas might include some kind of consolidated fund, subject to contestable funding bids for media start-ups in local, regional areas.
- New ideas for revenue-raising should also be considered, based on media subsidies and transfer of resources (within reason) from new technology companies which have benefited from the creativity/journalism of others.
- Ways of harnessing BBC expertise should be sought without top-slicing the licence fee.