

**Media Plurality Seminar, School of Journalism, Media and Cultural Studies, Cardiff
University
2 April 2014, 2.30-5.45 p.m**

This is one of 6 seminars looking at policy thinking and policy making around media plurality. This one is designed to focus on the more specific issues in Wales, which will then feed into the project as a whole.

Policy issues under discussion

- What principles underlie rationales for intervention, any different at the nation level?
- Is there universal acceptance that competition law is not enough?
- Does the current policy and regulatory regime for plurality work for Wales?
- Examples of failure; examples of success.
- Is the mood changing? Appetite for reform in Wales and in what direction?
- Barriers to effective implementation of policy aims and objectives at nation level.
- Barriers to change.
- Role and effectiveness of different agencies: ministers, assembly, regulators etc.
- Reconciling democratic and economic needs of the 21st century – and convergence.
- Approaches to/concerns about digital intermediaries (if any).
- Different funding approaches to plurality in Wales – subsidies for print, online etc.
- Different structural approaches – trusts, foundations, charities. Concessions/incentives.
- Geographic distinctions: nation v local v community.
- Partnerships with/role of publicly funded bodies in Wales.
- Harnessing online, social and mobile media.
- Other more innovative policy approaches to editorial diversity.

Media Plurality and the Press – current problems and policy issues arising

Media plurality in Wales is very limited, in some places doesn't exist at all. There is a danger of talking about numbers rather than quality: can be seen as a solution to have more producers, but must also think about *quality* of output and provider. Could potentially have a reasonably healthy state with few players, if they produce quality content.

Most Welsh people get their news from London based media, which is poor on reporting what is going on in Wales – eg. print media coverage of devolved issues. Very often there is an assumption that changes in the English system are UK-wide,

for example that changes in the English NHS will automatically affect Wales, or with regard to University tuition fees.

Following the King report from June 2008¹ on the BBC national network and coverage of the four regions, there have been some improvements but very limited. Media coverage sometimes is explicit that it is specifically talking about England, but only rarely makes explicit comparisons. As a result there is a democratic deficit. This is worse than in Scotland or Northern Ireland, which have stronger nation-based media and a wider readership in print (ie. in Scotland, there seems to be a reasonable health around print, with Scotland editions of national papers and nation-specific papers)

There has been some consideration by nationals of better Welsh coverage (eg. News UK's Guto Harri wants to create a Welsh office for the Sun²) but generally coverage is weak, exemplified by poor coverage of the Welsh referendum in 2011. Other tentative steps have included some appreciation by the News of the World of the importance of Welsh football clubs in Wales, and the Guardian briefly employed a hyperlocal journalist based in Cardiff.

There are six daily regional newspapers in Wales, but only two have correspondents at the Senedd. The PA only covers the Senedd one day a week. Coverage of the assembly is considered 'national' so receives little local coverage. During the All Wales convention discussions on whether there should be a referendum, the government had to devise a communications strategy which involved going from town hall to town hall to inform people, creating their own links to local communities.

Must also consider demand for coverage of the Assembly, which might not attract huge interest. The first Scottish parliament was an institution finding its feet and was afflicted by the same problems as well.

Alongside this there is a decline in journalists – eg. Media Wales (formerly the Western Mail, part of the Trinity Mirror group) has seen a decline from 700 editorial staff in 1999 to 100 today. The circulation of key titles has been going down and they have lost local offices which used to be key points of contact. There has been a lot of consolidation, with less localised production. A key problem is attracting online advertising revenue, which is not meeting the shortfall from declining sales and advertising in print.

These problems apply throughout the UK, but in the Welsh context media plurality has always started from a lower base. The weekly and daily papers have spoken to their local demographics but there is no equivalent of Scotland's national titles. Media Wales now have no local offices. As newsrooms are cutting back, there is a

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http://www.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/impartialit

² www.bbc.co.uk/news/uk-wales-24863555

lack of coverage of councils and local institutions and these structural changes are cutting across the Welsh media's ability to report and inform.

There seems to be a push towards the BuzzFeed model – '20 of the best pubs' type features – driven by a desire to get more impressions for the site and unique figures for advertising. But this approach is not yielding a financial return either.

This declining coverage is damaging in terms of providing accurate information to Welsh audiences about vital services, and crucial when dealing with crises such as flu epidemics or flooding. It is particularly problematic when the dominant UK media are inaccurate. Other issues include the challenges of linguistic diversity.

The lack of information does not just affect Wales: it also impoverishes what people know in England. Everybody would know English policy but not how it applies to Wales or whether there are the same issues. The type of content covered raises questions about the public appetite as well as journalistic appetite for certain types of stories. Explaining broader topics of health and education, for example, can be challenging presentational issues but people are interested if presented in an appealing way.

Another important consideration is the population mix: 21% of those who live in Wales were born in England (compared to 7-8% in Scotland) with implications for questions around identity, self-governance and interest in non-Wales issues. And there is an economic consideration: there is less incentive for advertisers to invest in a market with a low average per capita income.

Again, this speaks to wider media plurality debates: it's difficult to judge the appetite for news, if there's nothing there in the first place. Tindle newspapers seem to be bucking the trend slightly, by doing better hyperlocal content and suggesting that when local news is offered to a reasonable level, there does appear to be an appetite.

Port Talbot a good case study, no longer served by traditional media following a gradual withdrawal from the area in the 2000s. Eventually, there were just a few newspaper staff and it was no longer profitable (having switched from paid to free to paid).

Hyperlocal media can be high in public interest content but low in economic value. In some places, does very well covering the local council and local groups. However, there is no explicit regulatory rationale for delivering certain public interest content in an online or print context.

Two separate arguments here, one about local news and one about Welsh news. There is a particular problem in coverage of national Welsh issues (as noted above). Local newspaper editors tend to leave reporting of Welsh issues to national press, which was not covering it either and therefore prompts questions about whether the

'representation' function of the press is being fulfilled in Wales. For public service media, difficult to know how to allocate resources and engage the community.

Welsh language coverage does receive support. Plaid Cymru demanded a direct subvention for a Welsh language newspaper, but minister realised that launching a newspaper was not a good idea. Solution (or fudge?) was funding distributed through the Welsh Books Council, which is supposed to keep government at "arms-length".

An English-language example is 3vTV – a project part-funded by the Welsh Government and delivered by the Centre for Hyperlocal Media at the University of South Wales. Provides promotion for local businesses, not really news-oriented.

Other funding: there was also some money for magazines – eg. The Big Issue used to get a subsidy. The Caerphilly Observer received funding to help its initial print editions from Caerphilly County Borough Council's Rural Development Programme Partnership - partly funded through the European Agricultural Fund for Rural Development and the Welsh Government.

The press is also indirectly subsidised through statutory notices, and there was a row about the Welsh Government pulling statutory notices (although maintaining pointers to online ads in the printed press).

How to protect the press, but also help hyperlocals? Where there is no immediate competition, there is a public good argument for 'news hubs' which could help to fill news gaps. Councils spend money on their own publications, and there were some discussions with Cardiff council. The University of Cardiff is now trying to support hyperlocals. Could the government help to establish a social enterprise, perhaps employing an editor and a co-ordinator? What does a sustainable business model look like?

There is an opportunity for the Welsh government to incubate, to test ideas and to reward risk-taking. How to fit grant schemes with what a hyperlocal actually does? The grant should be non-directional, targeted at news making and innovation, perhaps with an expectation that would be self-sustaining after 3 years.

Media Plurality and Broadcasting – current problems and policy issues arising

Compared to the press, broadcasting in Wales is relatively well placed. ITV Wales has a new Ofcom licence until 2025. ITV attracts a different audience from the BBC, more C1C2, so there is plurality within the broadcasting market.

BBC provides a Welsh language television news service (which pre-dates the licence fee settlement). ITV produces current affairs for S4C, which brings plurality to the Welsh-language media, with programmes such as Y Byd y Bedwar and Hacio (a strand for younger people).

Five years ago, there were discussions about setting up local news consortia in light of the Labour government's proposals for subsidised IFNCs, abandoned by Coalition government in 2010. A five year ITV governance plan soon afterwards has seen revenues up with a commitment to maintaining commercially funded regional news, and the new Channel 3 licence marks the first stand-alone Channel 3 licence for Wales.

ITV is investing in news and programming in Wales, offering stability for the future. It will be opening a new HQ in Cardiff Bay in June, and employs nearly 100 people across News, Programmes and Operations. ITV Local did not work³, but launch of the rolling online news service has proved more successful with a 300% increase in viewership. Wales content on ITV.com is very different in look and feel. The ITV News Cymru Wales 6pm programme averaged 19.2% share of the viewing audience in 2013.

BBC is committed to plurality through different types of programmes. The agenda is markedly different today, with a slightly different take on the UK as well as national stories. The BBC's main Welsh language news programme for S4C – *Newyddion 9* - was relaunched two years ago with a changed slot, changed editorial balance with increased the airtime for stories through Welsh eyes. Audience figures for Wales Today are now at ten year high. BBC's disinvestment in BBC 2 daytime also meant more audiences diverting to ITV and BBC1.

Stories with national attention have drawn large audiences – for example, while April Jones was missing, the BBC site was receiving 5 million hits a day.

Also have the ability for news specials and fast turn-round on major stories such as April Jones / weather and storms. Big appetite for coverage of local issues, e.g. whole week's programmes devoted to poor Wales performance on PISA test results.

Commercial radio does not produce local Wales news – all syndicated. There is some community radio, highly dependent on volunteers.

Made TV won Local TV contract in Cardiff. Much delayed in Swansea/Llanelli, now awarded to Bay TV. Will have to see how they fare. S4C is hugely important, great deal of content is highly valued by non-Welsh speakers. Important contribution to plurality.

There have been significant cuts to S4C and BBC⁴, 35% out of BBC Wales across the last five years, and 36% for S4C in last 3 years. For ITV, the level of programming is unchanged with licence renewal, comprising four hours of news and 90-minutes of

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<http://www.thefreelibrary.com/WALES%3A+ITV+Wales+Local+axed+in+600+jobs+cut.-a0194941411>

⁴ <http://www.walesonline.co.uk/news/wales-news/bbc-wales-cuts-mean-fewer-1804072>

non-news programming every week. The onset of digital switchover has had an impact on commercial viability of ITV, but overall broadcasting is much healthier than print.

TV cameras make big difference to local issues and local campaigning (when they turn up), adding muscle to the media's scrutiny roles. But broadcast organisations are working within parameters decided outside Wales, and the "mass" element of mass media is missing – i.e. getting the message out to large numbers.

Consumption of BBC services higher in Wales than in all other parts of the UK. Better value for money for licence fee in Wales vs Scotland.

Online opportunities: If BBC was to participate in 'news hubs' would there be an impartiality challenge? BBC Cymru Wales has launched Cymru Fyw (Wales Live)⁵, a Welsh language blog that will bring together the best Welsh language content from the BBC and elsewhere.

New initiatives to promote media diversity: funding, structures, new policy ideas

The University of Cardiff created a new community journalism centre, investing for five years to help develop the hyperlocal sector, working with different groups. Also working with the Assembly to encourage journalists to report on its work.

In terms of financial support for this sector, need to look at existing subsidies and how they might be opened up: the Community Radio fund, VAT exemption, statutory notices, collaboration with bigger organisations, funding from NESTA, linking up with the BBC.

Main challenges faced by hyperlocals are around the inter-linked problems of too little time, not enough (or no) revenue to compensate for volunteered time, the wish (but not the means) to make their outlets more collaborative (getting more community members to contribute), and lacking commercial experience and knowledge (especially in selling advertising).

HL news is not generally very profitable: even if there were a thriving hyperlocal in each town or suburb, they would not come close to replacing the kinds of staffing losses we've seen in the mainstream local newspaper market. They tend to be one-man bands and small teams, and usually only room for one sustainable operation of this size. They are high in public interest value but low in commercial value and, as with the commercial local press, cannot sustain the volume of local news and information required to serve society's needs. But can be a part of the picture.

⁵ <http://www.bbc.co.uk/cymrufyw>

NESTA is investing in non commercial local players; this type of investment will help hyperlocals increase visibility and drive traffic.

Many local media policy recommendations and plans in recent years have stressed the need for larger, more established, news organisations to work in partnership or collaboration with newer, informal, community journalism operations.

A common complaint is that the BBC and newspapers don't link enough to hyperlocal content. Better practice around this should help hyperlocals increase visibility and drive traffic to their sites. For the BBC, impartiality requirements are not a deal breaker if linking to community news sites (which are not bound by the same rules and may be partisan). BBC partnerships can work as long as sites are compliant with BBC guidelines, and contribute to diversity.

Structures such as an industry association or umbrella group would help hyperlocals to coordinate and share resources (e.g. legal training, support, audience research), and might facilitate networks of HL news producers to bid together for bigger advertising contracts. Would also help with accreditation issues (for example, access to Assembly resources, access to council press offices or local police press liaison), and might encourage more risk-taking when taking on local elites if provides access to professional support. Could also encourage local councils to engage more with hyperlocal media through access to meetings, dealing with FoI requests, attitudes to open data etc. And could involve commitment to standards and a code of conduct.

At a national policy level, there is encouragement for local authorities to engage with hyperlocals through permission for tweeting and filming from council meetings. But still a credibility issue for online operations, often regarded as little more than enthusiastic amateurs. An umbrella organisation might help to dispel that.

Should also be opportunities for workers' buyouts of declining or closing titles, since these are community assets which need protection. Such an initiative might help to create a new generation of non-profit or co-operatively owned news media.

Participants

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- **Andy Williams**, Lecturer (Teaching and Research), Cardiff University
- **Rachel Howells**, PhD research student and hyperlocal journalist, Cardiff University
- **Sara Moseley**, Development Director - Distinguished Visiting Fellow (on secondment from Welsh Government), Cardiff University
- **Mark O'Callaghan**, Head of News and Current Affairs, BBC Cymru Wales
- **Rhys Evans**, Head of Strategy and Digital, BBC Cymru Wales
- **Dafydd Rhys**, Director of Content, S4C

- **Lee Waters**, Director, Institute of Welsh Affairs
- **Huw Rossiter**, Public Affairs Manager, ITV Wales
- **Matt Dicks**, Media Manager, National Assembly for Wales
- **Ken Smith**, founder director and company secretary of Local News South Wales Ltd – publishers of Port Talbot Magnet; Chairman NUJ Wales

- **Prof Steven Barnett**, Professor of Communications, University of Westminster
- **Judith Townend**, Research Associate, University of Westminster