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MEDIA INFLUENCE MATRIX: UNITED KINGDOM

Funding Journalism

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The Center for Media, Data and Society (CMDS) is a research center for the study of media, communication, and information policy and its impact on society and practice. Founded in 2004 as the Center for Media and Communication Studies, CMDS is part of Central European University's Democracy Institute and serves as a focal point for an international network of acclaimed scholars, research institutions and activists.

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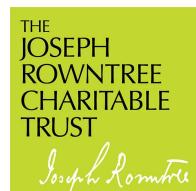
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About the Report

Research carried out by Leo Watkins for the **Media Reform Coalition** and as part of the Center for Media, Data and Society's Media Influence Matrix, set up to investigate the influence of shifts in policy, funding, and technology on contemporary journalism. The UK component of Media Influence Matrix is coordinated in partnership with **Goldsmiths, University of London** and is funded by the **Joseph Rowntree Charitable Trust**.

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The Media Influence Matrix Project is run collaboratively by the Media & Power Research Consortium, which consists of local as well as regional and international organizations. The consortium members are academic institutions (universities and research centers), NGOs, journalism networks and private foundations.

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MEDIA INFLUENCE MATRIX: UK FUNDING JOURNALISM

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INTRODUCTION

Before the arrival of the internet, journalism in the United Kingdom was organised into three main sectors: the major broadcasters, the national press and the regional press. Radio journalism was dominated by the BBC. Most news magazines and literary periodicals had small circulations. The national press was particularly powerful and influential. The broadcasters' news programmes may have had more daily viewers than any individual newspaper titles, but collectively the press reached just as many people, if not more. The press has long carried out the majority of newsgathering in the UK. [1] Because it has long avoided any regulation for standards of accuracy, impartiality and so on, the British press has had much greater freedom to editorialise than the broadcasters, who are required to meet a set of broadcasting standards and fulfil a number of public service broadcasting objectives set by the British state and enforced by Ofcom.

Over time and in stages, the internet has radically transformed journalism in the UK. In the 2000s, the BBC and most of the national press launched free news websites. These seemed to coexist quite harmoniously with large – though declining – print circulations and TV news audiences, so that the situation appeared stable to newspaper publishers and broadcasters. This situation changed in the late 2000s with the widespread take-up of smartphones and the Great Recession and its aftermath. Newspaper circulation started to fall much more rapidly, and newspaper advertising revenue collapsed. In the 2010s, as online advertising became increasingly dominated by Google and Facebook (who now account for over 80% of online ad revenue in the UK), several newspaper publishers switched from providing free news websites funded by online advertising to charging for access to their sites (and mobile apps). However, the bulk of the national press remains free to access online.

The internet had a much more immediate impact on the regional press, whose circulations had been in freefall for decades. Regional newsrooms were being hollowed out in the 1990s and early 2000s as corporate chain ownership prioritised short-term profitability over investment in newsrooms. Classified advertising – a far bigger commercial mainstay of the regional than the national press – moved online in the 2000s, triggering a full-scale collapse as many local titles simply became unviable. Hundreds of local papers ceased publication and thousands of journalists were laid off. Today, the UK barely has a regional press. Local areas are often served by a website providing content pushed out to one of many such local sites from a regional news production hub. The business model is usually ad-funded, the journalism often cheap, low-quality clickbait.

There have been two countervailing developments in local journalism that go against this general decline. First, the BBC-funded Local Democracy Reporters Scheme, which pays for around 150 junior reporters to work for regional and local news publishers reporting on local councils and other civic institutions. In effect, this is a small public subsidy for the local press. Second, a small number of local news co-operatives and non-profits have been established to try and fill the absences in regional journalism created by the collapse of the regional press. However, these are mostly very small organisations with few staff and little funding. Neither of these developments suggests that regional journalism can be revived without major public intervention. In the UK today, such journalism is routinely incapable of attracting the size of online audience, and of generating the level of online revenue, necessary to sustain itself at an adequate quantity and quality to fulfil essential civic purposes.

[1] A 2018 report found that newspaper publishers were responsible for 50% of all frontline journalism costs in the UK (compared to 36% for TV and radio and 14% for online), down from 57% in 2013 and 65% in 2011. See Mediatique, *Overview of recent dynamics in the UK press market*, April 2018, p. 35, available online at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/720400/180621_Mediatique_-_Overview_of_recent_dynamics_in_the_UK_press_market_-_Report_for_DCMS.pdf

Meanwhile, donations and grant funding have been nowhere near as forthcoming as in the US. And even there, such revenue sources have not been able to fund enough new journalists to compensate for the jobs lost from the collapse of the local newspaper business.^[2] Some form of public subsidy is the only option left but it is not one that the UK's policymakers or the commercial press publishers appear to have much interest in exploring – most likely for two reasons. First, subsidy is seen by many in the press as contradicting their deeply held belief that they are, and always should be, independent of the state. Second, subsidies might come with strings attached that would require some of the UK's tabloid titles to choose between either radically changing their journalism and improving their editorial standards – in effect, changing their whole business model – or being ineligible for the money. In other words, subsidies for public interest journalism are not of much interest to some major UK news publishers because that is simply not the kind of journalism they do.

For the time being, the overall direction continues to be one of decline, with the pandemic acting as an accelerant. Local papers and newsrooms continue to close. Journalists continue to get laid off. The consequences are clear: the continuing degeneration of British journalism's capacity to report on and scrutinise local institutions, to inform local communities and to expose wrongdoing at the local level.

The overall effect of the internet on journalism in the UK was laid bare in February 2019 by the Cairncross Review – a report commissioned by the government and produced by a former journalist Frances Cairncross, who worked with an advisory group of figures from the media. The Review found that “a sharp fall in revenues has already killed many local newspapers and threatens the quality, if not the survival, of many nationals” and that “the number of full-time frontline journalists in the UK industry has dropped from an estimated 23,000 in 2007, to 17,000 today, and the numbers are still swiftly declining.”^[3]

The broadcasters were affected very differently by the internet. The BBC, ITV and Sky News launched free news websites. The BBC's became the most popular news site in the UK by some way. When smartphones took off, the BBC and Sky created popular free news apps for their content.^[4] During the 2010s, the digital transformation of advertising, which previously had only affected the press, began to affect broadcasters too, as increasingly large inventories of digital video advertising on platforms like YouTube, Facebook, Instagram and Snapchat became available. Total TV advertising revenues peaked in 2015, since when they have steadily declined. Both the BBC and Sky News are funded in ways that have insulated them from online competition for video advertising revenue: the BBC by the TV licence fee, Sky News by its subsidisation from Sky's pay-TV profits. ITV and Channel 4, on the other hand, were more dependent on advertising revenue, and thus potentially more threatened by the digital transition. It is perhaps not a coincidence, then, that neither has developed a substantial online news operation to rival the BBC's or even Sky's.

Another challenge emerged in the latter half of the decade: digital streaming services arrived to compete directly for UK viewers. This was a challenge even the BBC could not ignore: traditionally, BBC funding has been defended against political attacks by pointing to the BBC's high share of viewing and its reach across the entire country. The primary threat posed by, first, Netflix and Amazon Prime Video, now Disney+ and Apple TV+, and HBO Max in a few years, is that, together with Sky, they will collectively subtract a growing number of viewers – especially younger viewers – from traditional TV viewing, making it increasingly hard for the BBC to claim that it serves the whole nation, and therefore that every TV-owning household should be required to buy a TV licence.

[2] The total number of journalists employed by the US nonprofit sector is 2,300, less than a tenth of the 27,000 net fall in US newsroom employment between 2008-2019. For more on this issue, see the section below on donations, grants and foundation funding, and see also Leo Watkins, “Public Interest News: Securing a Future for Nonprofit Journalism” *Hacked Off* 29 June 2021, available online at: <https://hackinginquiry.org/public-interest-news-securin-a-future-for-non-profit-journalism/>

[3] *The Cairncross Review: A sustainable future for journalism*, 12 February 2019, p. 14, 6, available online at: <https://www.gov.uk/government/publications/the-cairncross-review-a-sustainable-future-for-journalism>

[4] ITV News has an app but barely anyone uses it.

Today, out of approximately 28 million households in the UK, 26 million have TV licences, fifteen million have Netflix, ten million have Amazon Prime Video, eight million have Sky and over three million already have Disney+. [5]

These subscription services pose another threat to British broadcasters. Owned by American media conglomerates and tech giants with deep pockets, they are capable of enormous spending on content. Not only is this content drawing viewers away from linear (live) TV viewing, and from the UK's broadcasters to American streaming services; it is also causing rampant cost inflation in programme production. [6] Together with cuts to the BBC's budget imposed by the government's freeze on the level of the licence fee between 2010 and 2015, that cost inflation is squeezing the BBC's ability to make high-quality programmes, and it is damaging its ability to compete with the new streaming services for viewers.

The future of the BBC and Channel 4, the UK's two publicly owned broadcasters, is much more uncertain now than it was fifteen years ago. Both the BBC's share of viewing and its funding are in serious trouble, principally because of the rise of streaming and a damaging series of government policy decisions going back to 2010 (explored in more detail below). There is now evidence that many younger viewers are losing any connection to the BBC: a recent Ofcom survey found that Netflix is now more young people's most-valued media brand than the BBC is. [7] The next BBC licence fee settlement, covering 2022-2027, is currently being negotiated between the BBC and the government. [8]

Meanwhile, the Secretary of State for Digital, Culture, Media and Sport, Oliver Dowden, has publicly suggested that Channel 4 could be privatised and in July 2021 the Department launched a consultation on the matter. [9] Commentary around the announcement suggested that the motive was partly political. As *The Economist* put it, "Boris Johnson's government is even more peeved than previous Conservative administrations about left-wing bias in the broadcast media. Channel 4 News leans liberal. Many Tories would like to jettison it." [10] Yet the latest Reuters Institute Digital News Report showed that, in Britain, people on the political left are more likely to feel the news media is biased against them than are people on the right. That differs sharply from most other countries surveyed, like Germany, the US, Japan, Brazil and Spain, where people on the right are more likely – and in the case of the US, far more likely – to believe that the news media is biased against them. [11]

[5] BARB, "Q3 2020 sees growth in households with an SVOD subscription" 18 November 2020, available online at: <https://www.barb.co.uk/news/q3-2020-sees-growth-in-households-with-an-svod-subscription/>

[6] House of Lords Select Committee on Communications and Digital, *Public Service Broadcasting: As vital as ever - 1st Report of Session 2019, 5 November 2019*, p. 38, paragraph 137, available online at: <https://publications.parliament.uk/pa/ld201919/ldselect/ldcomuni/16/16.pdf>

[7] Ofcom, "Public Service Broadcasting: omnibus survey findings" 29 July 2020, p. 2, available online at: https://www.ofcom.org.uk/__data/assets/pdf_file/0025/199105/psb-omnibus-survey-findings.pdf

[8] Department for Digital, Culture, Media and Sport, "Negotiations on the future cost of the TV licence kick off" 10 November 2020, available online at: <https://www.gov.uk/government/news/negotiations-on-the-future-cost-of-the-tv-licence-kick-off>

[9] Department for Digital, Culture, Media and Sport, "Consultation launched on potential change of ownership of Channel 4" 6 July 2021, available online at: <https://www.gov.uk/government/news/consultation-launched-on-potential-change-of-ownership-of-channel-4>

[10] *The Economist*, "Britain proposes—again—to privatise Channel 4" 26 June 2021, available online at: <https://www.economist.com/britain/2021/06/24/britain-proposes-again-to-privatise-channel-4>

[11] Reuters Institute, *Digital News Report 2021*, p. 35, available online at: <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2021>

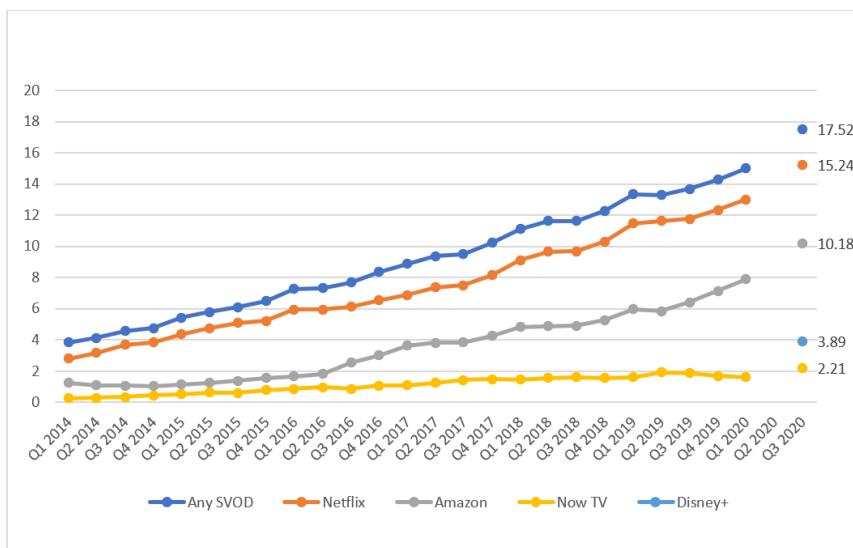
CONSUMPTION TRENDS

Traditionally, the consumption of news media in the UK has been heavily structured by social class. The national press has long been divided into tabloid, mid-market and quality titles aimed at working class, lower-middle class, and professional/upper-middle class readers respectively. National titles editorially differentiated themselves in order to occupy different price points and attract specific socio-economic demographics that certain advertisers would want to target. They were then able to charge advertisers a premium to access these specific audiences. This model was essential to the business of the quality and mid-market press.

In contrast, for most of its history television has been a universal service, offering the same range of channels to all UK TV viewers and paying for programming either through the TV licence fee (BBC) or advertising (ITV, Channel Four, Channel Five). Some minor and short-lived experiments with cable technology aside, this model only began to change in the 1990s with the advent of Sky Television, a satellite, pay-TV broadcaster focused on live sport. In 2013, the telecoms provider BT launched its first TV channels and became a major competitor to Sky in the provision of sports rights, particularly football. The next major move away from television as a universal service came with the arrival of subscription video on demand (SVOD) services in the second half of the 2010s. Today, the increasing prevalence of SVOD services means that viewing on the TV set (and other screens) is more stratified by income and ability to pay than it has been at any time since the early years of television, when sets were unaffordable for many.

Table 1. Subscription video on demand (SVOD) households in the UK, millions

Source: BARB Establishment Survey. Note: Data is unavailable for Q2 2020 because the pandemic halted fieldwork. Disney+ launched in the UK in March 2020 so Q3 2020 is the earliest date for



As described above, digital news media were initially free to access, with very few exceptions. But over the course of the 2010s, paywalls and paid ‘premium’ tiers were established by many commercial publishers. As a result, access to digital journalism in the UK today is increasingly stratified by income and ability to pay in much the same way newspapers are. Tabloid and mid-market brands like *The Sun*, the *Mirror*, *Daily Mail*, *Express*, *Metro* and *Evening Standard* are free online, as are almost all local and regional news sites, as well as BBC News and Sky News.

Most of the quality titles have put up paywalls around their content: The Times, The Telegraph, the Financial Times and The Economist all have them. Only The Independent and The Guardian allow free access but they both also offer premium tiers (for ad-free browsing and access to premium apps). Charging for access to their content has restricted these titles to a small elite of subscribers: only 8% of the UK public pays for online news.[12]

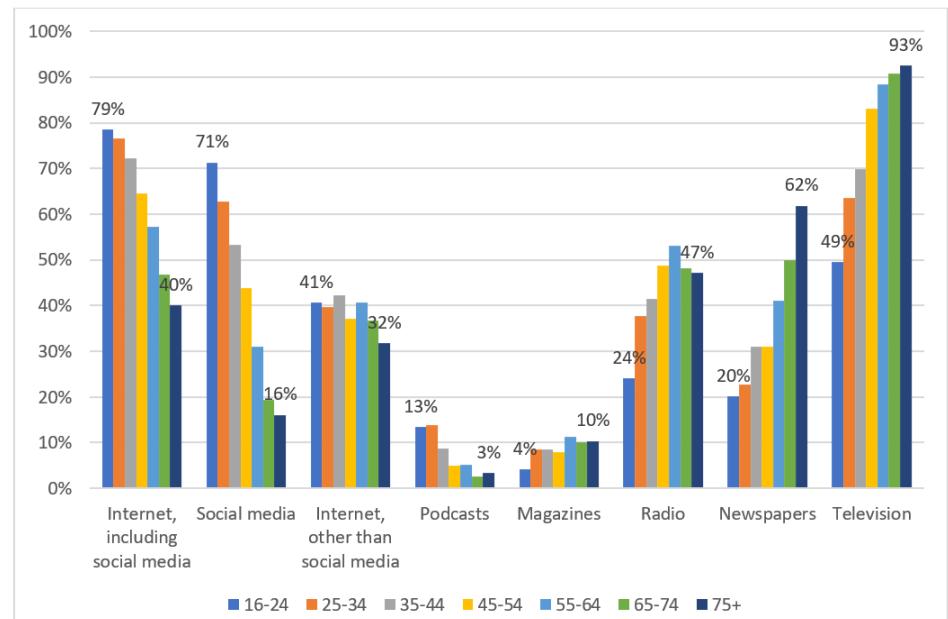
The (often substantial) cost of buying newspapers, subscribing to magazines, pay-TV, streaming services or news sites automatically means that there are major class inequalities in access to media. Television was once a strongly equalising force in this respect because all major TV channels were free-to-air until the arrival of satellite broadcasting in the 1990s. Today, with the development of pay-TV and subscription streaming, TV is much less of an equaliser than it used to be.

In addition to the class stratification of consumption, news production is quite deliberately oriented towards different audiences, including different classes. For example, the BBC's radio stations quite consciously serve different social groups: the audiences of Radio 1 and Radio 2 are more working class than those of Radio 4 or Radio 5 Live; Radio 1's audience is younger than those of Radio 2 or Radio 5 Live. BBC's *Newsnight* is made for, and reaches, a much smaller, more affluent and educated audience than ITV's nightly news programmes do. Channel Four's statutory remit requires it to produce distinctive programming that caters to tastes, interests and perspectives that are less well served by the other broadcasters, so its nightly Channel Four News programme deliberately provides a different, slightly more liberal and international perspective compared to the other main nightly news programmes. Ratings data enables broadcasters to be highly conscious of these differences. Commercial broadcasters' dependence on advertising revenue means they must pay close attention to the demography of their viewers.

Over the last fifteen years, the importance of class as a factor that structures and differentiates media consumption has come to be rivalled – and probably surpassed – by the importance of age. Age differences in media consumption habits have always existed – 18-24s have always watched less TV than older age groups, for example – but in recent years those differences across age groups have widened enormously. Younger age groups use digital media for news, including social media, far more than older age groups, who rely much more on traditional news media: TV and radio news programmes, print newspapers and magazines. The average age of a print newspaper reader is older than it was in the 1990s.

Table 2. Platforms used for news nowadays – by age, UK adults

Source: Ofcom News Consumption survey 2020



[12] Reuters Institute, *Digital News Report 2021*, p. 63, available online at: <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2021>

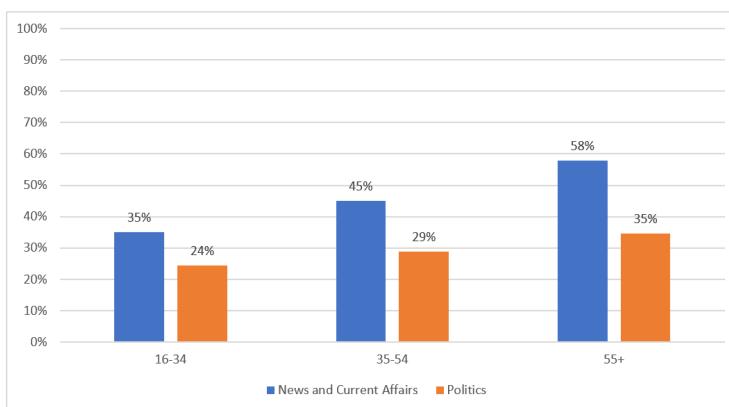
The arrival of the internet, and particularly of the mobile internet, has also transformed the distribution of news consumption across the population. Take-up of connected mobile devices, like smartphones and tablets, has given people a range of non-news activities to engage in at times and in places that, as late as 2005, were still effectively monopolised by print media: most importantly, the daily commute – an essential place of national newspaper consumption. As not only news websites and apps but social media, mobile games, video, music, podcasts are now all available at such places, the accessing and consumption of news now has to be far more of a deliberate choice on the part of consumers. There is now less ‘incidental’ consumption of news, where the user consumes news simply because there is not much else to do.

Increasingly, the same goes for news and current affairs programmes on TV. As linear viewing declines and on-demand viewing rises, audiences are far more able than ever to skip the news and watch something else instead because the alternative options have multiplied exponentially. TV diets were once far more prescribed than chosen. Today, video viewing across all platforms, but particularly online, is far less of a set menu and far more à la carte than traditional live TV viewing. As a result, some people are choosing to make news a larger part of their media diet, while others are choosing to make it a smaller part of theirs. In other words, inequality in news consumption is growing, and there is some evidence that the inequality broadly correlates with social class.^[13] It is likely that it also correlates with age to some degree, since survey evidence shows that younger age groups express less interest in news and current affairs, and in politics, than older age groups. In 2015, Ofcom’s review of public service broadcasting found that among 16-34s, TV news viewing hours had dropped by 29% between 2008 and 2014.^[14]

There are two key resources for analysing news consumption trends in the UK. Ofcom’s annual **News Consumption Report**, based on a survey it commissions, examines not only consumption habits (broken down by demographic groups) but also which news sources the public finds trustworthy, accurate, impartial or useful.^[15] Unfortunately, in 2018 Ofcom made changes to the News Consumption Survey that mean it is not possible to make comparisons to data from the previous editions of the report, which go back to 2013. The Reuters Institute for the Study of Journalism at the University of Oxford produces an annual **Digital News Report** identifying and analysing trends across a number of countries as well as providing profiles of news media use in individual countries, including the UK. ^[16] Alongside these, Ofcom’s annual **Communications Market Report** contains a range of key data on UK media.^[17]

Table 3. Topics of interest – by age, UK adults

Source: Ofcom News Consumption Survey 2020



[13] See Antonis Kalogeropoulos and Rasmus Kleis Nielsen, “Social Inequalities in News Consumption”, Reuters Institute Factsheet October 2018, available online at: <https://reutersinstitute.politics.ox.ac.uk/our-research/social-inequalities-news-consumption>

[14] Ofcom, *Public Service Broadcasting in the Internet Age* Ofcom’s third review of Public Service Broadcasting, July 2015, p. 11, paragraph 3.30, available online at: https://www.ofcom.org.uk/_data/assets/pdf_file/0025/63475/PSB-statement.pdf

[15] Ofcom’s annual *News Consumption Reports* are available online here: <https://www.ofcom.org.uk/research-and-data/tv-radio-and-on-demand/news-media/news-consumption>

[16] The Reuters Institute’s annual *Digital News Reports* are available online here: <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2021>

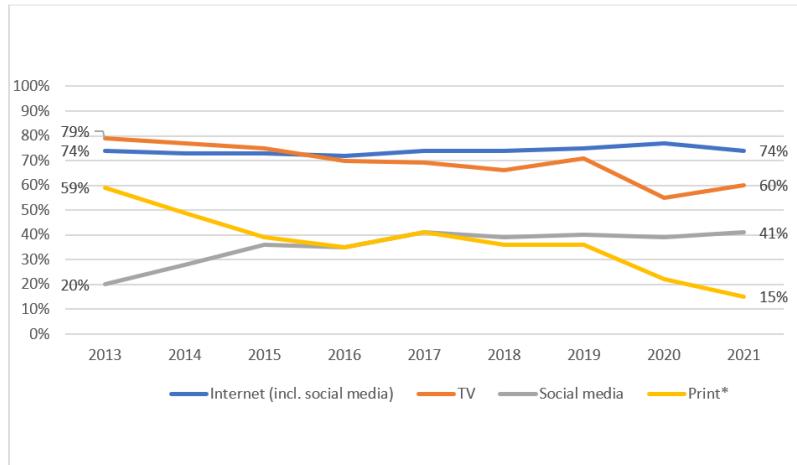
[17] Ofcom’s annual *Communications Market Reports* are available online here: <https://www.ofcom.org.uk/research-and-data/multi-sector-research/cmr>

Platforms Used for News

Table 4. Platforms used for news in the last week, UK adults

Source: Reuters Institute Digital News Reports 2013-2021

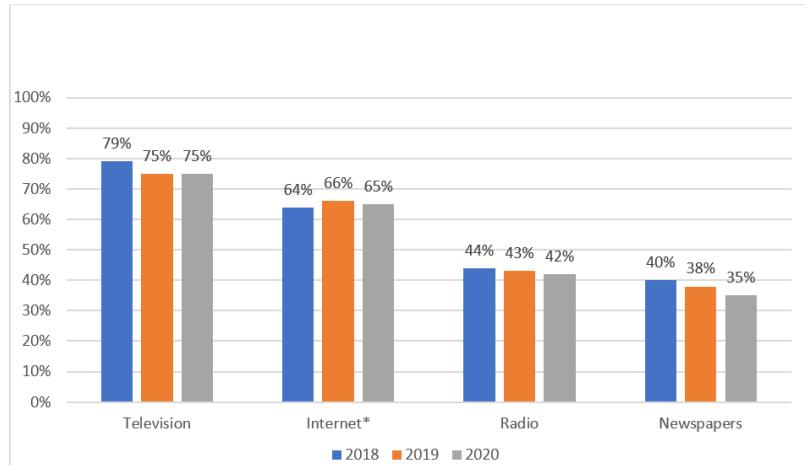
*The 2020 report notes: "This year's fall in print is partly due to a change of panel weighting implemented to make our data more accurate – though circulation was adversely affected by the COVID-19 lockdown."



According to Ofcom, television remains the platform most widely used for news, though its importance has been in decline throughout the 2010s. However, data from the Reuters Institute's Digital News Report showed the internet eclipsing television in the mid-2010s.[18] There are major differences between age groups in the use of different platforms for news.

Table 5. Platforms used for news nowadays, UK adults

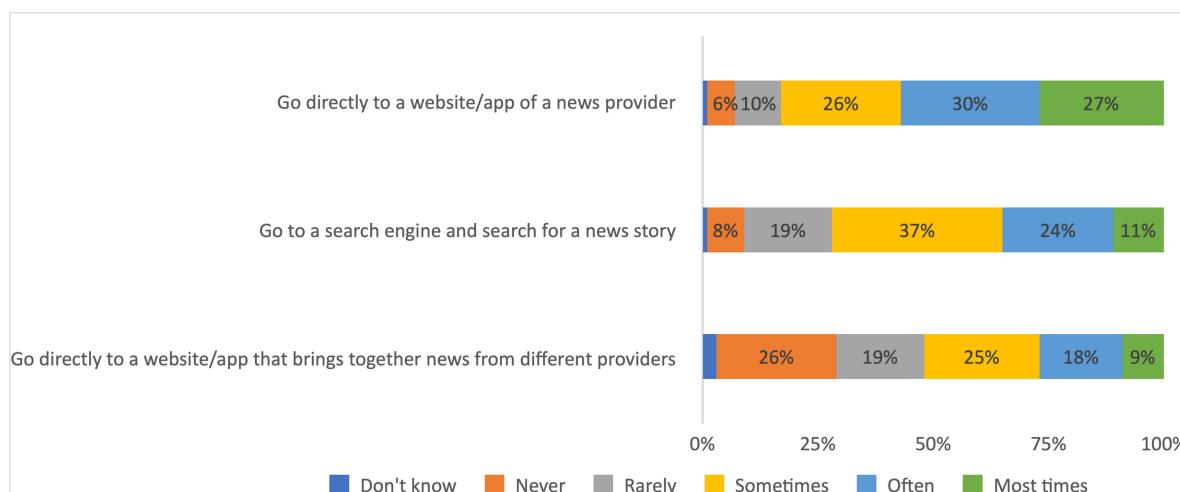
Source: Ofcom News Consumption Survey 2020. *Internet includes the use of social media, podcasts and all other websites/apps accessed via any device



Online news in the UK is accessed via three main gateways: going directly to a website or app of a news provider, going to a search engine and searching for news stories, and going to a website or app that aggregates news from different providers. Ofcom's survey found that among those who used digital sources other than – or as well as – social media, going direct to news providers was the most commonly used route. However, it is clear that a substantial portion of the UK population – 41% in 2021 according to the Reuters Institute – now uses social media for news. That figure has remained broadly flat since 2017, perhaps reflecting the increased distrust of social media as a news source since the emergence of the panic around 'fake news' in 2016-17 (see the chart further down on trust in news media). However, what that headline figure may conceal is the increasing use of multiple social media platforms for news: not just Facebook, but Twitter, Instagram and WhatsApp (see the table further down on the most widely used sources of news).

[18] Note that Ofcom asks people what platforms they use for news 'nowadays', whereas the Reuters Institute's survey asks them what platforms they have used for news in the past week.

Table 6. Gateways to online news – by frequency of use, all UK adults who use the internet for news (except those who said they used social media and no other types of website or app)
Source: Ofcom News Consumption Survey 2020



Ofcom's data on the top 20 most used news sources across different platforms shows the continuing dominance of TV channels like BBC One, ITV, Sky News, BBC News and Channel 4. However, that dominance is in decline, driven by the shift away from TV and print media towards digital sources. Consider BBC One: the most popular news source of all, yet only 34% of 16-24s use it compared to 77% of over-65s. The proportion of the population using it for news fell by 6 percentage points between 2018 and 2020.

After the TV channels, the Daily Mail is the standout newspaper brand, with the second-highest daily print circulation after *The Sun*.^[19] Its website, MailOnline, is by far the most successful newspaper website, though the Mail's appeal is strongest with older age groups. The only other newspaper brands in the top 20 are *Metro*, *The Sun* and *The Guardian*, whose website is the third most popular in the country after BBC News and MailOnline and whose audience is younger than those of most other newspaper brands.

Facebook's use as a source of news has stagnated at around a third of the population for several years, but Twitter, Instagram and WhatsApp have become more popular sources. All four are used for news much more by younger than by older people: 47% of 16-24s use Facebook for news compared to 14% of over-65s. Women are more likely to use Facebook for news than men: 39% compared to 30%. Most of these sources are used more by people in more affluent social classes; the only two that are more widely used by people in less affluent ones are ITV and *The Sun*. Finally, minority ethnic groups are much less likely to use BBC One, ITV, Radio 2, Radio 4 or the local newspaper, more likely to use *Metro*, *The Guardian*, the Sky and BBC News channels and BBC Radio 1, and much more likely to use Twitter, Instagram and WhatsApp.

[19] Excluding *Metro*, a free newspaper available in cities across the UK.

Table 7. Most used sources of news – 2018-20, all UK adults who use TV/newspapers/radio/internet/magazines for news

Respondents were asked, “Thinking specifically about <platform>, which of the following do you use for news nowadays?”

Source: Ofcom News Consumption Survey 2020

News source	2018	2019	2020
BBC One	62%	58%	56%
ITV/ITV Wales/UTV/STV	41%	40%	41%
Facebook	33%	35%	34%
Sky News channel	24%	23%	25%
BBC website/app	23%	25%	23%
BBC News channel	26%	23%	21%
Channel 4	18%	17%	18%
Daily Mail/Mail on Sunday (print + website/app)	18%	18%	17%
Twitter	14%	16%	17%
Google (search engine)	17%	19%	15%
Instagram	9%	13%	14%
WhatsApp	10%	14%	13%
BBC Radio 2	12%	12%	12%
BBC Two	14%	11%	11%
Metro (print + website/app)	10%	9%	11%
The Sun/Sun on Sunday (print + website/app)	11%	11%	10%
The Guardian/Observer (print + website/app)	11%	11%	10%
BBC Radio 1	9%	9%	9%
Local newspaper (daily/weekly + website/app)	11%	10%	9%
BBC Radio 4	10%	9%	9%

BBC One was the single most important source of news in 2020 for a quarter of the country – far more than for any other source – but the headline figures conceal enormous variation between different demographics, which are set out in the table below. The biggest disparities are between age groups, with two thirds of over-65s picking out a TV channel as their most important source compared to only a quarter of 16-24s, who are instead far more likely to pick a social media platform or a website. Another striking detail is how few people chose a newspaper as their most important source – only 7% compared to 50% for TV and 28% for the internet (including social media), though older age groups are more likely to do so. Of course, what this low overall number for newspapers conceals is who produces the news consumed via social media, which news websites are the most popular, and where the stories run by TV news programmes and channels originate from. In fact, it is via these mediating routes that much of the news published by the national press reaches many people’s consciousness, giving the press a far more important role in the daily news cycle than the low number of people citing a newspaper as their most important news source might suggest.

Table 8. Single most important news source, 2020 – by demographic group, all UK adults who use TV/newspapers/radio/internet/magazines for news

Respondents were asked, “Looking at all the sources of news you have just said that you use, which one is most important to you?” Source: Ofcom News Consumption Survey 2020. Note: ABC1 and C2DE are social grades based on occupation developed by the National Readership Survey[20]

News source	Total	Male	Female	16-24	65+	ABC1	C2DE	Minority ethnic groups	White
BBC One	23%	23%	24%	10%	38%	23%	23%	13%	25%
ITV/ITV Wales/UTV/STV	12%	8%	15%	6%	13%	8%	16%	5%	13%
Facebook	8%	6%	9%	13%	1%	6%	9%	7%	8%
Sky News Channel	7%	8%	6%	4%	8%	8%	6%	11%	6%
BBC website/app	6%	6%	5%	8%	4%	8%	4%	6%	6%
BBC News Channel	4%	5%	4%	2%	5%	5%	4%	6%	4%
Twitter	3%	4%	3%	13%	0%	3%	4%	5%	3%
Daily Mail/Mail on Sunday (print + website/app)	3%	2%	4%	1%	5%	3%	1%	3%	2%
The Guardian/ Observer (print + website/app)	2%	2%	2%	2%	1%	3%	1%	3%	2%
Other source/don't know/none	32%	36%	28%	41%	25%	33%	32%	41%	31%
Platforms – any source									
Any TV	50%	48%	51%	25%	66%	47%	52%	42%	51%
Any social media	14%	13%	16%	40%	1%	13%	16%	22%	13%
Any other internet	14%	15%	14%	18%	8%	18%	11%	17%	14%
Any radio	8%	9%	7%	4%	7%	8%	7%	5%	8%
Any newspaper	7%	8%	6%	5%	13%	7%	7%	6%	7%
None	4%								
Don't know	3%								

Across platforms, the BBC stands out as by far the most dominant news provider in the UK: it is the most popular provider of TV, radio and online news. However, its leading position online has eroded somewhat in recent years, resulting in a fall in its overall, cross-platform share of use. 21st Century Fox's attempted acquisition of Sky in 2017-18 was blocked by regulators because it would have given the Murdoch Family Trust control over Sky in addition to their existing control over News Corp, making the MFT the second biggest news provider across platforms in the UK. Regulators decided that this, combined with the high level of editorial control they exert over their news outlets, would be likely to give the Murdochs too much influence over public opinion and the political process.[21]

[20] For more on NRS social grades, see <http://www.nrs.co.uk/nrs-print/lifestyle-and-classification-data/social-grade/>

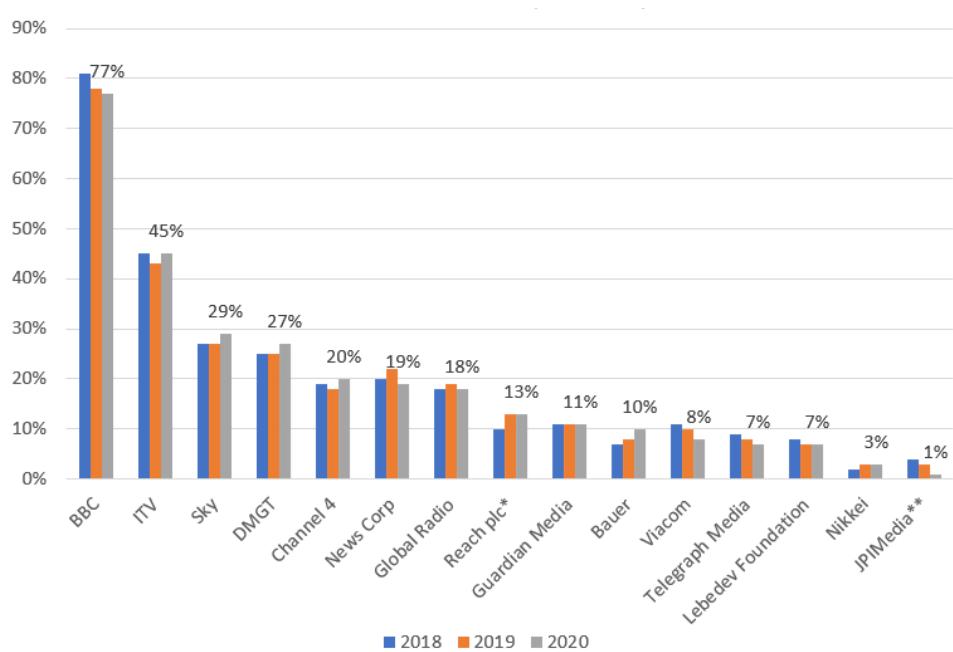
[21] All documents relating to the 21st Century Fox/Sky merger inquiry are available online at: <https://www.gov.uk/cma-cases/twenty-first-century-fox-sky-merger-european-intervention-notice>

Table 9. Cross-platform retail providers used for news nowadays, all UK adults using TV/newspapers/radio/internet/magazines for news

Source: Ofcom News Consumption Survey 2020

*In 2018, Trinity Mirror acquired Express Newspapers from Northern & Shell and became Reach plc

**JPI Media took over the local newspaper assets of Johnston Press in 2018. In 2021, JPI was sold to National World plc.

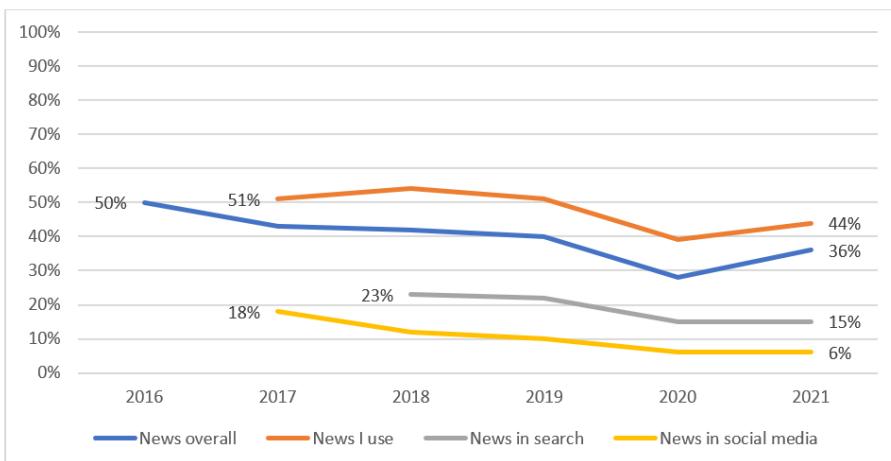


The Reuters Institute's most recent reports show that, in comparison to other countries, trust in the news media in the UK is low: the seventh lowest out of the 40 countries it surveyed in 2020, and the ninth lowest of the 46 it surveyed in 2021. They also show that trust has been declining for years, with a particularly large drop in 2019-20: the year of the 2019 General Election. Internationally, drops in the public's trust in news media are quite common in election years. However, there appears to have been a slight recovery in trust in the news media since the coronavirus pandemic.

Table 10. Trust in news media, all UK adults.

Respondents were asked if they agreed with the statement, "Most of the time I trust..."

Source: Reuters Institute Digital News Reports



The Reuters Institute's reports also demonstrate which news brands are trusted the most and the least in the UK. The 2021 report shows a distribution that has remained relatively consistent over time: the most trusted media in the UK are the main broadcasters, with the BBC, ITV and Channel 4 all slightly ahead of Sky News; after them, the quality newspapers and the regional/local press are almost trusted as much, followed by the mid-market and tabloid press together with HuffPost and BuzzFeed News (until the latter shut down its UK operation in May 2020). *The Sun* has consistently been the least trusted major news brand in the UK, while the BBC has continued to be the most trusted.

Table 11. Brand trust scores for major UK news media brands

Source: Reuters Institute Digital News Report 2021

Trust = % score 6-10 on a 10-point scale. Don't trust = 0-4, Neither = 5. Those that haven't heard of each brand were excluded. Only the above brands were included in the survey so it should not be regarded as a list of the most trusted brands.

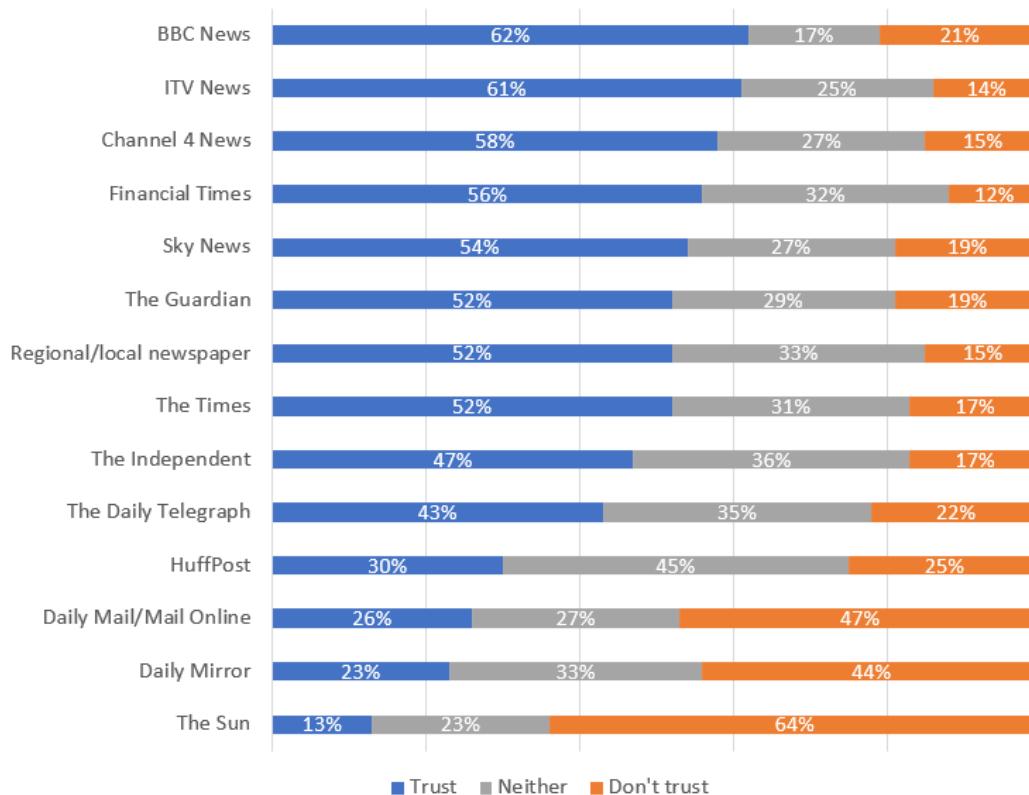


Table 12. Brand trust rankings for major UK news media brands, 2018-2021

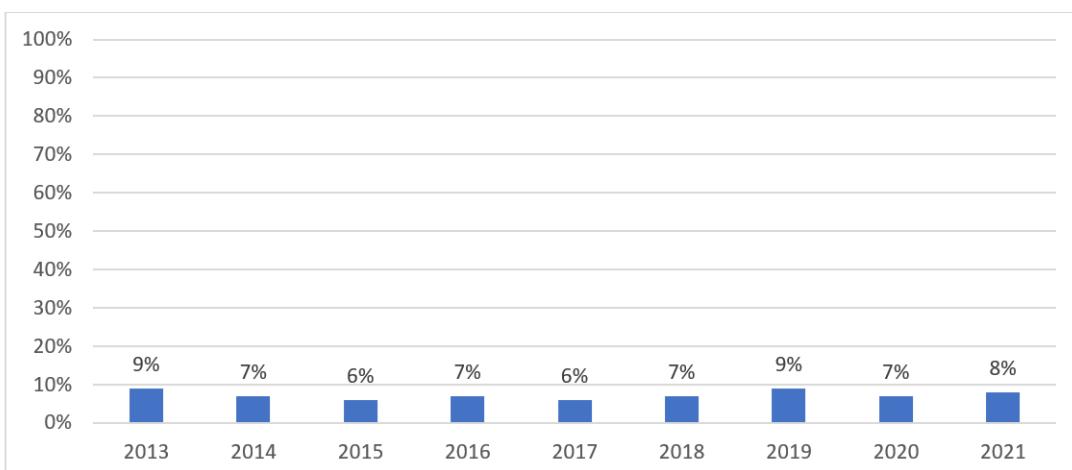
Source: Reuters Institute Digital News Reports 2018-2021

Ranking	2018	2019	2020	2021
1	BBC News	BBC News	BBC News	BBC News
2	ITV News	ITV News	ITV News	ITV News
3	Channel 4 News	Financial Times	Channel 4 News	Channel 4 News
4	Regional/local newspaper	Channel 4 News	Financial Times	Financial Times
5	The Times	Regional/local newspaper	Sky News	Sky News
6	Sky News	The Times	The Guardian	The Guardian
7	The Guardian	Sky News	Regional/local newspaper	Regional/local newspaper
8	The Independent	The Guardian	The Times	The Times
9	The Daily Telegraph	The Independent	The Independent	The Independent
10	HuffPost	The Daily Telegraph	The Daily Telegraph	The Daily Telegraph
11	Daily Mirror	HuffPost	HuffPost	HuffPost
12	The Canary	Daily Mirror	Daily Mail/Mail Online	Daily Mail/Mail Online
13	Daily Mail/Mail Online	Daily Mail/Mail Online	Daily Mirror	Daily Mirror
14	BuzzFeed News	The Canary	BuzzFeed News	Daily Mirror
15	The Sun	BuzzFeed News	The Sun	The Sun
16		The Sun		

There are relatively few people who choose to pay for online news in the UK: the proportion has been around 7-9% of the population since 2013. How does this square with the launch of paywalls and rising digital subscriptions? There are three explanations. First, most of the paywalls around news sites in the UK were put up by 2013: *The Telegraph's* was the last to launch, in 2013. Second, growth may have been driven by people who already paid for online news and are now paying for more than one subscription. Third, growth may also have been driven by corporate subscriptions: there are many people who aren't paying for their access to subscription online news services because their employers are paying for them.

Table 13. Paid for news in the last year, all UK adults

Source: Reuters Institute Digital News Reports



POPULAR NEWS MEDIA

Television

Television remains the most important source of news for half the UK's population, especially older age groups. There are four main sources of TV news: the BBC and ITV are the most widely watched, followed by Sky and Channel Four. The BBC and Sky provide the UK's only two 24-hour news channels, while the BBC, ITV and Channel Four provide the most-watched nightly news programmes: the BBC's and ITV's at six o'clock, Channel Four's at seven o'clock. The BBC and Channel Four produce the main current affairs programmes on TV – investigative documentary programmes like the BBC's *Panorama* and Channel Four's *Dispatches*, and the BBC's weekly political discussion programme *Question Time*.

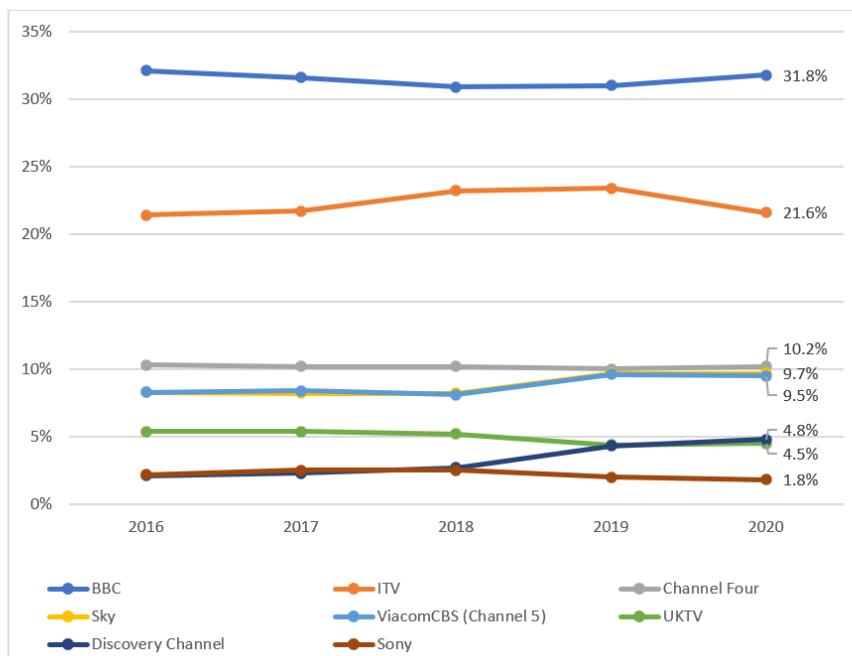
However, current affairs programming on UK TV is not what it was in its 1970s and 1980s heyday, when both the BBC and ITV produced well-funded, audacious programmes of international scope that were frequently prepared to discomfit the government of the day.

Despite three decades of gradual deregulation that started under the Thatcher government and continued under New Labour, the UK still has a public service broadcasting (PSB) system. Ofcom has defined four purposes of PSB: to inform our understanding of the world, stimulate knowledge and learning, reflect UK cultural identity, and represent diversity and alternative viewpoints. PSB should be "high quality" (defined as well-funded and well-produced), original, innovative, challenging, engaging and widely available. The most internationally famous component of the PSB system is the BBC – a publicly owned, publicly funded, not-for-profit broadcaster. Nevertheless, there are other, less well-known but important components of the PSB system. Channel Four is also a publicly owned, not-for-profit broadcaster, but one deliberately designed to be quite different to the BBC. Unlike the BBC, it is commercially funded – principally by advertising and sponsorship revenue – and required to commission all of its programming from external production companies; programmes cannot be made in-house. The purpose is to stimulate the UK's independent production sector; Channel 4 is often the broadcaster that gives independent production companies their first commission.

The holders of the Channel 3, Channel 4 and Channel 5 licences are required to meet specific PSB quota obligations: in return for their prominent channel position, they must produce a certain number of hours of certain kinds of programming at certain times of the day. Together with BBC One and BBC Two, these are the five 'PSB channels'. They are all obliged to meet production quotas covering: original first-run productions, independent productions, out of London productions, networked national and internal news, networked current affairs programmes, and nations and regions programmes on the BBC and Channel 3 (ITV in England, Wales and (through UTV) Northern Ireland, and STV in Scotland).

Table 14.
Broadcasters' share of total TV viewing

Source:
Broadcasters Audience Research Board (BARB). Based on total three-screen viewing for all individuals, 4+



The BBC remains the dominant provider of TV programming in the UK, with just under a third of total TV viewing, followed by ITV, which accounts for around a fifth. Channel Four, Channel 5 and Sky account for around a tenth each. These five providers accounted for 82.8% of total TV viewing in the UK in 2020. [23] The shares taken by each of the top five have remained relatively constant over time, though ITV somewhat increased its share, largely at the BBC's expense, in 2018 and 2019.

The most significant change in TV viewing over the last decade has not been a change in the main broadcasters or channels' audience shares but the overall decline in live TV viewing. Between 2010 and 2019, the average minutes of live TV watched per day in the UK fell from just over four to just over three hours. Of that 25% decline, two thirds occurred between 2015 and 2019. The decline was largest among younger age groups: viewing by 16-24s fell by 59% between 2010 and 2019, whereas viewing by over-75s actually increased by 3% over the decade. That means that, whereas in 2010 over 75s watched nearly three hours more live TV a day than 16-24s, in 2019 this figure amounted to four hours 40 minutes.

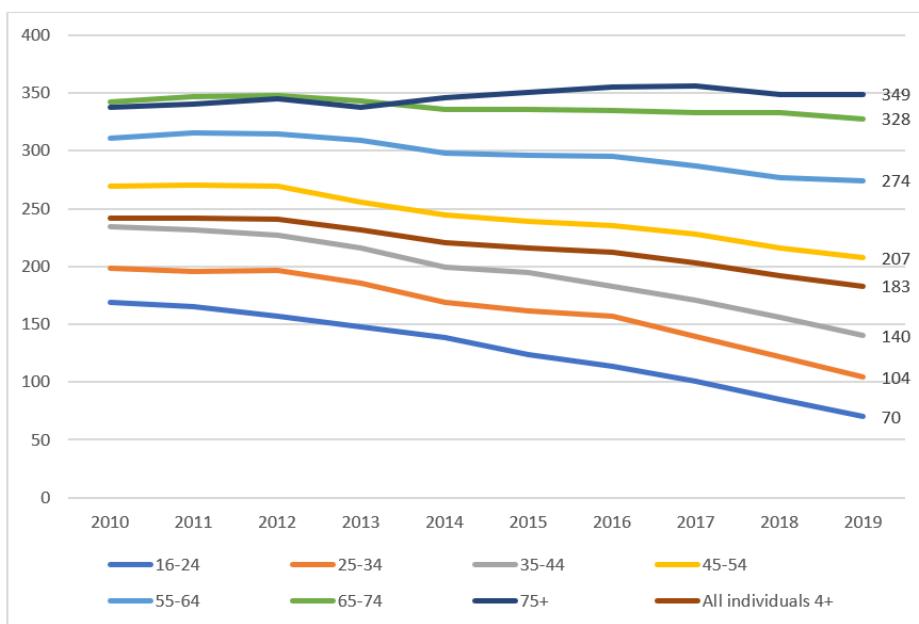
Age disparities in viewing have always existed but in the last decade they widened enormously. Young people now get a substantial portion of their viewing diet from online, on-demand sources like BBC iPlayer, All4, Netflix, Amazon Prime Video and YouTube. According to research produced for Ofcom's regular review of public service broadcasting, in 2018, 16-34s spent an average of four hours and 34 minutes a day with video. Of that time, live TV accounted for only one hour and 23 minutes (30%); broadcasters' content – across live, recorded playback and video-on-demand (VOD) – accounted for only one hour and 55 minutes (42%). Meanwhile, subscription video-on-demand (i.e. Netflix and Amazon), YouTube and games consoles together accounted for two hours and 21 minutes (52%). (See the pie charts below.)[24]

[23] UKTV is a wholly owned subsidiary of the BBC's commercial arm, BBC Studios. If this is added to the BBC's share, then the five top broadcasters' share of TV viewing was 87.3% in 2020.

[24] Ofcom, "Small Screen: Big Debate – a five-year review of Public Service Broadcasting (2014-18)" 27 February 2020, p. 15, available online at: <https://www.smallscreenbigdebate.co.uk/what-is-ssbd/ssbd-five-year-review>

Table 15. Average minutes per day of TV viewing, by age

Source:
 Broadcasters Audience Research Board (BARB). Based on total three-screen viewing for all individuals 4+

**Table 16. Total video minutes per person per day, all individuals, all devices (2018)**

Source: Ofcom total AV modelling using BARB, TouchPoints and Comscore data

Total: 4 hrs 54 mins. 69% broadcast content

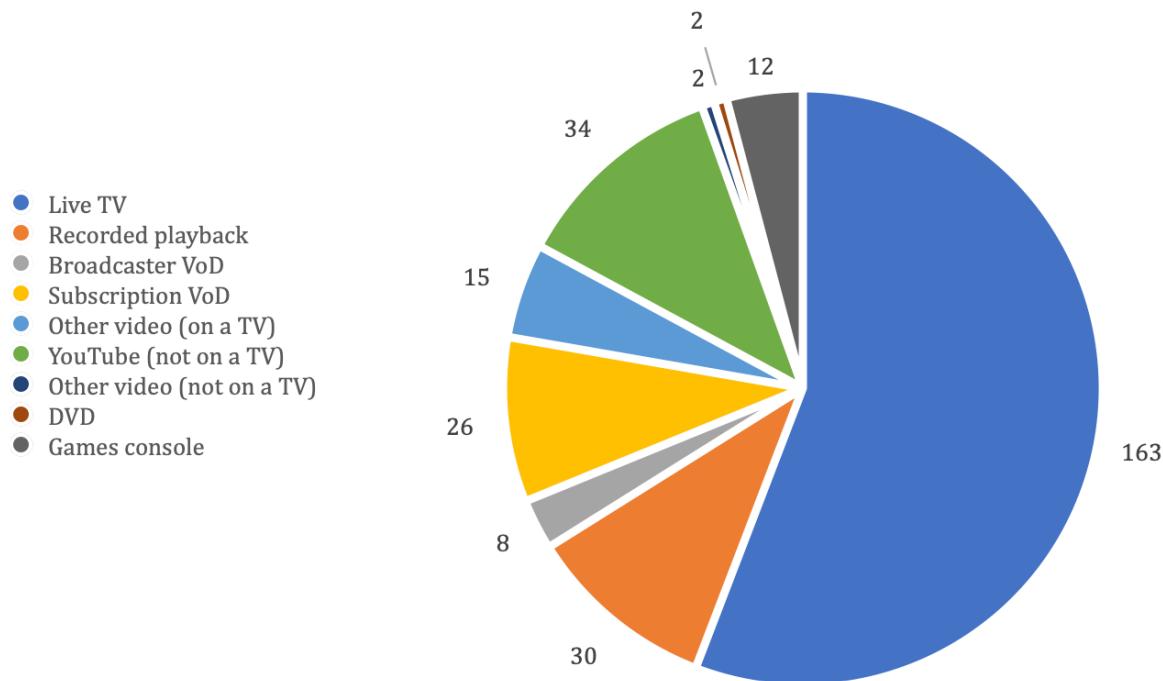
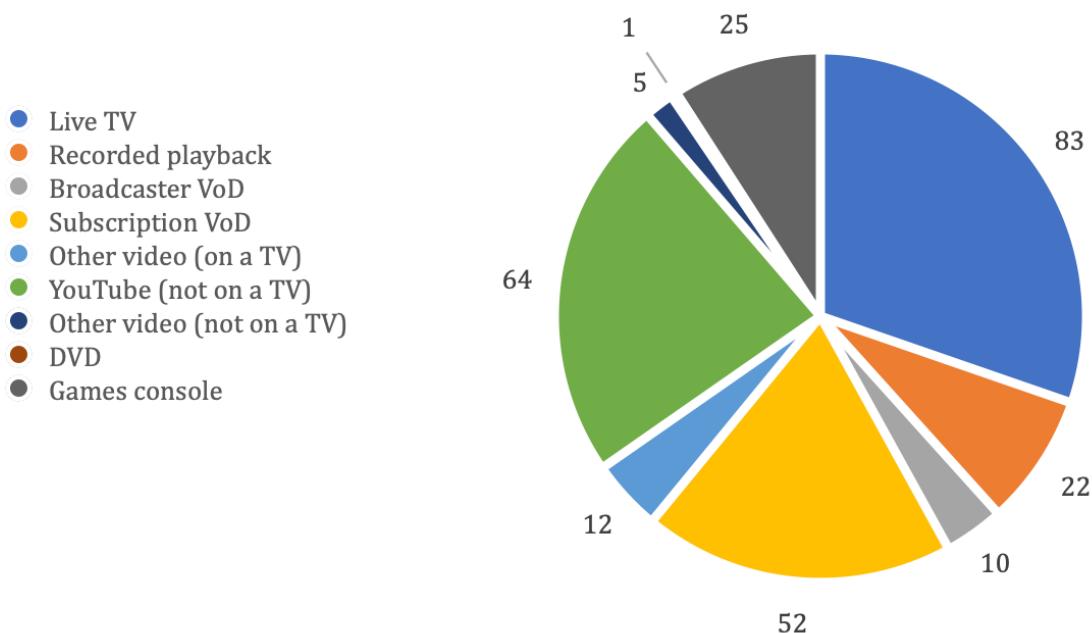


Table 17. Total video minutes per person per day, adults 16-34, all devices (2018)

Source: Ofcom total AV modelling using BARB, TouchPoints and Comscore data

Total: 4 hrs 34 mins. 42% broadcast content



Broadcasters

BBC

The BBC is the most important broadcaster in the UK, and the oldest national broadcaster in the world. The single biggest provider of news and current affairs output across TV, radio and online, the BBC is also a major producer of programming in other genres. The BBC's main TV channels are BBC One and BBC Two, whose share of total TV viewing was 20.4% and 5.5% respectively in 2020. The 24-hour BBC News channel accounted for 1.7% of viewing. Other channels include BBC Parliament, which broadcasts parliamentary debates, committee hearings and ministerial questions; BBC Four, which focuses on factual and arts programming; CBBC and CBeebies, children's channels. BBC Three, a channel whose programming aims mostly at 16-34s, ceased to broadcast in 2016 but after six years of an online-only existence it will be relaunched in 2022. The BBC has dedicated divisions for the English Regions, Northern Ireland, Scotland and Wales, which provide local and regional content – primarily news and current affairs but also comedy, factual and other programmes.

Founded in 1922, the BBC is a statutory corporation established by a Royal Charter – a device granted by the Queen on the recommendation of the Privy Council (in practice, the Cabinet). The BBC maintains that it is independent of government influence, and the perception that it is independent and impartial – 'the nation's broadcaster' rather than a 'state' or 'regime' broadcaster – is critical to its traditionally high levels of public support, as is the perception that the BBC delivers high-quality programming of a kind, and in genres, that commercial providers do not provide to the same extent.

In practice, there are four avenues through which the government can – and does – exert control over the BBC. The first is by setting the BBC's remit every ten years when the government grants the Corporation a new Royal Charter. The Royal Charter is accompanied by a Framework Agreement published at the same time. In the BBC's current Royal Charter, the BBC's object is defined as "the fulfilment of its Mission and the promotion of the Public Purposes."^[25] Its Mission is "to act in the public interest, serving all audiences through the provision of impartial, high-quality and distinctive output and services which inform, educate and entertain." Its five public purposes are:

1. "To provide impartial news and information to help people understand and engage with the world around them
2. To support learning for people of all ages
3. To show the most creative, highest quality and distinctive output and services
4. To reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and, in doing so, support the creative economy across the United Kingdom
5. To reflect the United Kingdom, its culture and values to the world."

The Royal Charter also defines what activities the BBC is permitted to carry out in order to fulfil its Mission and Public Purposes.^[26] Therefore, the government exercises control over the BBC at the highest level: it defines the purposes for which the BBC acts, and against which its performance is judged by both its Board and its regulator, Ofcom. The current Royal Charter began on 1 January 2017 and will expire on 31 December 2027.

It is of vital importance that Royal Charters are granted by the Queen on the recommendation of the Privy Council – in practice, the Prime Minister and her or his Cabinet – not by Parliament as a whole. This means that if a government wishes to significantly amend the BBC's Royal Charter to, for example, substantially change its remit, it can do so without ever facing a vote in Parliament or the usual processes of Parliamentary scrutiny and approval that occur when the government is seeking Parliamentary approval for its legislative proposals. In the run-up to Charter renewal, the House of Commons Select Committee on Digital, Culture, Media and Sport will typically produce a report on the BBC to try and feed into and influence the government's thinking but there is no guarantee that they will do so, and no requirement on the government's part to seek the Committee's approval or even reflect their recommendations in its own proposals. There have been proposals to replace the BBC's Royal Charter and put the Corporation on a statutory footing, like Channel 4, in order to limit the government's power over it, but these have not been taken forward.^[27]

The second avenue of government control is via the BBC's governance. Traditionally, the BBC's executive leadership were answerable to and appointed by a board of governors, all of whom were appointed by the government. That governance structure was then replaced; first, by the BBC Trust; then, after a series of high-profile scandals at the Corporation that highlighted governance failures, the Trust was replaced by the current system: a conventional corporate board with a mixture of executive and non-executive directors, with the latter constituting the majority of board members.

[25] *Royal Charter for the Continuance of the British Broadcasting Corporation*, December 2016

http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/about/how_we_govern/2016/charter.pdf paragraph 4

[26] See paragraphs 5-7 of the Royal Charter

[27] See Joe Watts, "Jeremy Corbyn sets out plans to 'end government control' of BBC" *The Independent* 22 August 2018, available online at: <https://www.independent.co.uk/news/uk/politics/jeremy-corbyn-bbc-tv-bias-government-control-journalism-labour-party-a8503166.html>

Current Board members

- **Richard Sharp** – Chair. Former financial sector executive, who has worked at JP Morgan and Goldman Sachs. Served two terms on the Bank of England's Financial Policy Committee. Has served on the boards of public and private companies in the UK, Germany, Denmark and the United States, and on the board of non-profit organisations including the Royal Academy of Arts.
- **Tim Davie** – Director-General. Former chief executive of BBC Studios, the BBC's main commercial subsidiary, which includes its production and international sales arms. Former executive at PepsiCo Europe and Procter & Gamble, and co-chair of the Government's Creative Industries Council – a government-industry consultative body (see 'Influencers' below). Davie stood as a local councillor for the Conservative Party in the mid-90s, at which time he was also deputy chairman of a local Conservative Party association.
- **Dame Elan Closs Stephens** – Non-Executive Director and Member for Wales. Professor Emeritus at the University of Aberystwyth, specialising in cultural and broadcasting policy, who has served on the boards of a number of public cultural institutions, including as chair of the S4C Authority, which controls S4C – the Welsh-language public broadcaster.
- **Shirley Garrood** – Non-Executive Director. Financial sector accountant and CFO.
- **Sir Robbie Gibb** – Non-Executive Director and Member for England. Former career broadcast journalist at BBC News, head of BBC Westminster and Editor of Live Political Programmes. Former Director of Communications for 10 Downing Street 2017-19 (i.e. under Theresa May). Served as an editorial adviser for GB News in late 2020 and is a director of the Jewish Chronicle newspaper. [29]
- **Tanni Grey-Thompson, Baroness Grey-Thompson of Eaglescliffe** – Non-Executive Director. Former Paralympian and board member on a number of public bodies including the National Disability Council, UK Sport and Transport for London, who sits in the House of Lords as a crossbench peer (i.e. she has no party allegiance).
- **Ian Hargreaves** – Non-Executive Director. Former journalist at the Financial Times, Independent and New Statesman and former Director of BBC News and Current Affairs. Founding board member of Ofcom. Professor Emeritus at Cardiff University School of Journalism, Media and Culture.
- **Tom Ilube** – Non-Executive Director. Tech entrepreneur, educational philanthropist and CEO of a cybersecurity firm with a background in the financial sector.
- **Charlotte Moore** – Chief Content Officer. Former independent TV production executive who has worked at the BBC in senior commissioning roles since 2006.
- **Steve Morrison** – Non-Executive Director and Member for Scotland. Former executive at independent TV and film production companies Granada plc and All3Media.
- **Sir Nicholas Serota** – Non-Executive Director. Former director of several art institutions including 30 years as director of the Tate galleries. Now Chair of Arts Council England.

[29] Gibb reportedly played a leading role in the effort to set up GB News as a right-wing news channel to rival the BBC. See Adam Forrest, "GB News: Former No 10 official 'leading effort to launch BBC competitor'" *The Independent* 31 August 2020, available online at: <https://www.independent.co.uk/news/uk/politics/gb-news-tv-channel-launch-sir-robbie-gibb-bbc-rival-a9696811.html>

- **Leigh Tavaziva** – Chief Operating Officer. Former senior executive at energy companies including British Gas and Centrica; also a former classical ballerina and contemporary dance artist.
- **Francesca Unsworth** – Director, News and Current Affairs. Former director of the BBC World Service Group; career journalist and news editor at the BBC.

The four executive Board members are Tim Davie, Charlotte Moore, Leigh Tavaziva and Francesca Unsworth. One non-executive director position on the Board – the member for Northern Ireland – is currently vacant.

The BBC's Executive Committee is chaired by the Director-General, and is responsible for delivering the BBC's services in accordance with the strategy approved by the BBC Board, and for general operational management. [30] The BBC's Commercial Holdings Board is responsible for the governance and oversight of the BBC's commercial subsidiaries, namely BBC Global News, BBC Studios and BBC Studioworks. It is chaired by Elan Closs Stephens, a Non-Executive Director of the BBC Board, and composed of members of the BBC Board, directors from the commercial parts of the BBC, and an independent director. [31]

The third avenue of government control over the BBC is via its public funding. The BBC is primarily funded by the TV licence fee, a compulsory flat fee to be paid by all UK households that watch live or catch-up television. The government's power to set the level of the licence fee is an important mechanism through which BBC staff, and particularly senior managers, come to feel that it is in their institution's interest not to unnecessarily antagonise or clash too strongly with the government. The level of the licence fee is set roughly every five years. (There is further discussion of the licence fee in the section of this report on sources of public funding for journalism.)

The fourth avenue of government control is via the regulation of the BBC. Since the most recent Royal Charter, the regulation of BBC is the responsibility of the communications regulator, Ofcom, whose board and CEO are all appointed by the Department for Culture, Media and Sport. Ofcom scrutinises the BBC's performance against its remit and produces regular reviews of the BBC's work in a variety of areas. For example, in October 2019, Ofcom published a review of the BBC's news and current affairs output.[32] It also publishes regular reviews of public service broadcasting as a whole, including the BBC. Ofcom also carries out Market Impact Assessments of proposed new BBC services, to determine whether the BBC launching a new service would have a detrimental impact on the broadcasting market. These assessments can delay or block the launch of new services. For example, the BBC's proposal to launch a BBC One+1 catch-up channel was blocked by Ofcom after commercial broadcasters such as ITV and Sky argued it would have a damaging impact on the viewing of their channels. Ofcom is also responsible for enforcing the Broadcasting Code, which covers matters such as accuracy, impartiality, harm and offence.

[30] <https://www.bbc.com/aboutthebbc/whoweare/exco>

[31] <https://www.bbc.com/aboutthebbc/whoweare/commercial>

[32] <https://www.ofcom.org.uk/tv-radio-and-on-demand/information-for-industry/bbc-operating-framework/performance/review-bbc-news-current-affairs>

The question of BBC bias is one of the oldest and most frequently discussed in commentary on the UK's news media. The charge of bias has been levelled from both the political left and right – a fact that has often been used by BBC staff as evidence that the Corporation's output is not biased. Clearly, though, just because both sides have levelled the accusation, that does not mean both sides are wrong. What does the evidence say?

In 2013, academics at Cardiff University produced a major study of BBC news coverage, which was funded by the BBC Trust as part of a series of studies examining the impartiality of its reporting of a number of controversial subjects. Analysing coverage from 2007 and 2012, the study looked at the sources used in BBC news coverage and found that, while party political sources were dominant in coverage of many issues, Conservative voices were more dominant than Labour ones. The study also found that sources representing business, and especially the City of London, were heavily represented – more so than on ITV or Channel 4's news programmes. Reporting on the financial crisis was at key times “almost completely dominated by stockbrokers, investment bankers, hedge fund managers and other City voices. Civil society voices or commentators who questioned the benefits of having such a large finance sector were almost completely absent from coverage.” Overall, the lead author of the report concluded that “the evidence from the research is clear. The BBC tends to reproduce a Conservative, Eurosceptic, pro-business version of the world, not a left-wing, anti-business agenda.” [33]

Another study produced by academics at Cardiff in 2015 analysed the content of television news and newspaper reports during the 2015 UK general election and found that the national press – which is dominated by the right – played a major role in setting the broadcast news agenda, even if the broadcasters packaged those stories in a less partisan, more impartial way. [34] A third study from Cardiff, in 2017, found that the BBC's use of think-tanks as sources in its news and current affairs programme also exhibited a bias to the right:

“Overall, BBC news reveals a clear preference for non-partisan or centrist think tanks. However, when the Labour Party was in power in 2009, left and right-leaning think tanks received similar levels of coverage, but in 2015, when the Conservative Party was in government, right-leaning think tanks outnumbered left-leaning think tanks by around two to one. Overall, our findings add weight to a pattern emerging from a number of recent academic studies that show, despite its undoubted commitment to impartiality, BBC news programming has shifted its centre of gravity to the right.”

A fourth study from Cardiff, published in 2017, analysed the BBC's coverage of the 2016 EU referendum campaign and found that “news bulletins maintained a fairly strict adherence to a central binary balance between issues and actors during the campaign. But this binary was politically inflected, with a significant imbalance in party political perspectives, presenting us with a right-wing rather than a left-wing case for European Union membership.”[35]

[33] Mike Berry, “Hard Evidence: how biased is the BBC?” *The Conversation* 23 August 2013, available online at: <https://theconversation.com/hard-evidence-how-biased-is-the-bbc-17028> The full review is available online at: http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/our_work/breadth_opinion/content_analysis.pdf

[34] Stephen Cushion, Allaina Kilby, Richard Thomas, Marina Morani and Richard Sambrook, “Newspapers, Impartiality and Television News: Intermedia agenda-setting during the 2015 UK General Election campaign” *Journalism Studies* Vol. 19, No. 2 (2018), available online at: <https://www.tandfonline.com/doi/full/10.1080/1461670X.2016.1171163>

[35] Stephen Cushion and Justin Lewis, “Impartiality, statistical tit-for-tats and the construction of balance: UK television news reporting of the 2016 EU referendum campaign” *European Journal of Communication* Vol. 32, Issue 3 (2017), available online at: <https://journals.sagepub.com/doi/full/10.1177/0267323117695736>

Finally, a 2020 study that analysed which MPs BBC journalists follow on Twitter found that, “*despite the fact that Labour MPs have more followers on Twitter, BBC journalists are more likely to follow Conservative MPs in general, and high-profile Conservative MPs in particular; and additionally are more likely to follow members of the cabinet than members of the shadow cabinet.*” The study also found that the journalists were more likely to follow ‘moderate’ MPs in each party than ‘radical’ ones. In the case of Labour, this meant that BBC journalists were more likely to follow the Labour MPs most hostile to Jeremy Corbyn’s leadership than the core group of MPs who supported Corbyn – despite many of the latter being in the shadow cabinet. [36]

The academic evidence is quite consistent and clear: when analysed rigorously, the BBC’s news and current affairs output does not display the left-wing bias that right-wing politicians and commentators claim it does. In fact, the studies above suggest the opposite: that the BBC has a conservative bias in its news output, primarily because of the weight it gives to right-wing sources – the national press, think-tanks, party politicians, business. Those studies that do claim to provide compelling evidence that the BBC has a left-wing bias have come from right-wing think-tanks, and been shown to be deeply flawed methodologically. [37]

As a second strand of evidence, it is worth considering the social backgrounds and the political views of the people who make the BBC’s news and current affairs output. The evidence is again clear: the BBC’s senior executives and editorial figures are disproportionately drawn from elite social backgrounds, many of whom have attended private schools and then Oxford or Cambridge. They have this in common with the rest of the UK’s news media. The Sutton Trust, a charity dedicated to promoting social mobility, found in 2019 that the news media was one of the 10 professions with the highest proportion of people who attended private schools, and went to university at Oxford or Cambridge. 44% of newspaper columnists, 43% of the 100 most influential journalists, editors and broadcasters, and 29% of BBC executives attended private school, compared to 7% of the general population. 44% of newspaper columnists, 36% of the 100 most influential journalists, editors and broadcasters, and 31% of BBC executives went to university at Oxford or Cambridge, compared to less than 1% of the general population. [38]

Many of the BBC’s most prominent journalists have right-wing views or associations. Some recent examples include:

- **Nick Robinson**, a presenter of the Today programme and the former BBC political editor, is a former president of the Oxford University Conservative Association.
- **Jeremy Paxman**, the former, longstanding, lead presenter of Newsnight on BBC Two described himself as a “one-nation Tory” and was asked by the Conservatives to stand as a candidate for Parliament. [39]
- **Allegra Stratton**, the former political editor of Newsnight (2012-2016), subsequently became a Conservative Party political advisor, director of communications to the Chancellor of the Exchequer and then Boris Johnson’s press secretary in October 2020.

[36] Tom Mills, “What the BBC can learn from its journalists’ use of Twitter” *The Guardian* 2 December 2020, available online at: <https://www.theguardian.com/commentisfree/2020/dec/02/bbc-journalists-twitter-study-reporters>

[37] See, for instance, an analysis of the Centre for Policy Studies’ 2013 report, “Bias at the Beeb”. Gordon Ramsay, “The CPS claims that the BBC has a left-of-centre bias in its coverage of Think Tanks, but closer analysis shows that it is much more even handed” *LSE Blog* 10 September 2013, available online at: <https://blogs.lse.ac.uk/impactofsocialsciences/2013/09/10/bias-at-the-bbc-replicating-the-cps-analysis/>

[38] The Sutton Trust, Elitist Britain 2019, p. 4-5 and 9, available online at: <https://www.suttontrust.com/our-research/elitist-britain-2019>

[39] Kunal Dutta, “Jeremy Paxman was approached by Tories to stand as MP in Kensington” *The Independent* 24 March 2015, available online at: <https://www.independent.co.uk/news/people/jeremy-paxman-was-approached-tories-stand-mp-kensington-10129196.html>

- **Andrew Neil**, one of the BBC's leading political interviewers and presenters over twenty-five years, is chairman of the right-wing Spectator magazine and left the BBC to present a show on the new, right-wing channel GB News.
- **Robbie Gibb**, the former head of BBC Westminster – i.e. the person in charge of the BBC's political programmes – has had a long association with the Conservative Party going back to the 1990s, is a strong supporter of Brexit, became Theresa May's director of communications after leaving the BBC in 2017 and was involved in setting up GB News.

Meanwhile, at the BBC's senior leadership level, the current director-general of the BBC, Tim Davie, stood as a councillor for the Conservative Party in the 1990s and was deputy chairman of a local Conservative Party. The current chair of the BBC, Richard Sharp, is a former banker who has worked as an advisor to Boris Johnson and Rishi Sunak, donated more than £400,000 to the Conservative Party, and was formerly director of a right-wing think-tank: the Centre for Policy Studies. The BBC's previous three chairs were: an investment banker and former Deputy Governor of the Bank of England [40]; a former corporate executive who, after her period as chair, became a Conservative peer and a minister in the Conservative government [41]; a Conservative career politician who had served as a cabinet minister under Margaret Thatcher and Conservative Party chairman. [42]

Why, then, are there such frequent claims that the BBC has a left-wing bias, when the evidence about the BBC's news and current affairs output, and about its staff in key positions, seems to run in the opposite direction? A number of possible explanations suggest themselves. First, evidence from the latest Reuters Institute Digital News Report suggests that, internationally, people with right-wing views are more likely to believe that people like them are poorly represented in the news media than people with left-wing views are (except in the UK). This is overwhelmingly true in the United States but it has also been the case in many other countries such as Germany, Japan, Brazil or Spain. There may simply be a greater propensity among people with right-wing views to believe that the media covers one's own views unfairly, for reasons that require deeper investigation. [43]

Second, alleging bias against, and thus sowing distrust in, rival media has long been known to be one effective editorial tactic in the competition for viewers or readers. Fox News in the US has long alleged a pervasive 'liberal' bias in the rest of the US news media, and positioned itself as 'fair and balanced', as part of a commercial strategy to dominate US cable news. The British press is – along with the Conservative Party and its connected think-tanks – the most frequent source of allegations of the BBC's left-wing bias. There is an obvious commercial interest for the press in doing so: readers of the *Times*, *Telegraph* or *Mail* who believe the BBC's news output is completely compromised by a left-wing bias may be less likely to seek their news from the BBC and more likely to get it from one of those right-wing titles. Now that those titles compete directly, online, with the BBC's news site, their incentive to allege the BBC has a left-wing bias is stronger than ever. Moreover, as the data on trust in different major news brands shows above, the BBC remains far more widely trusted than any newspaper brand, and far more trusted than *The Sun* or *the Mail*: this is a competitive disadvantage that it is in these brands' interest to narrow to some degree.

[40] https://en.wikipedia.org/wiki/David_Clementi

[41] https://en.wikipedia.org/wiki/Rona_Fairhead,_Baroness_Fairhead

[42] https://en.wikipedia.org/wiki/Chris_Patten

[43] Reuters Institute, *Digital News Report 2021*, p. 35, available online at: <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2021>

Third, some of the right-wing complaints about the BBC's 'left-wing' or 'liberal' bias relate not so much to its news and current affairs output as its output in a number of other genres, like comedy, drama and documentaries. It is alleged that the BBC's comedy output overrepresents "woke" or "brazenly left-wing comedians"; that the BBC's nature documentaries do not give representation to climate 'sceptics' and thus give a "flagrantly one-sided" view on the reality of man-made climate change; that the BBC's drama output displays a left-wing bias in plotlines and choice of villains – "Thatcher. Business leaders. Bent coppers. Tory toffs. Catholic priests. American Republicans. The Israeli security services."

Fourth, the right's dominance in the press may mean that, to some people who work in the right-wing press or heavily read it, the fact that the BBC's output does not display a similarly overt, right-wing bias may give the impression to them that the BBC has a liberal or left-wing bias, when in reality its bias is a centre-right one – just one not as right-wing or as overt as they are used to encountering in the other media they consume.

Fifth, alleging left-wing bias may simply be a useful means to create a climate of opinion in which the Conservative Party's moves to increase its political control over the BBC are seen as unproblematic and even justified, or in which there is support among Conservative supporters for cutting the BBC's funding or reducing the scope of the BBC's activities. These are both moves that right-wing national newspaper publishers strongly support.

Over the past half-century, the Conservative Party has been in government for 32 years, while Labour has only been in government for 18; the Conservatives have been in office for almost two-thirds of the time. Even if there were a left-wing bias at the BBC, there is not much evidence that the Conservative Party has paid much of an electoral price for it.

ITV

The ITV network was launched in 1955 as a commercial competitor to BBC Television; it is the oldest commercial network in the UK. Originally it was a network of separate television companies that each held one of several regional franchises to provide television, but following the deregulation of commercial television in the 1990s a sequence of mergers led to the creation of ITV plc. ITV holds the channel 3 licences for every region of the UK except central and northern Scotland, which are held by the STV Group.

[44] Glen Owen, Scale of the BBC's woke comedy bias is laid bare: Seventy-five per cent of slots are handed to brazenly left-wing comedians and just FOUR out of 364 slots are given to conservatives" *Mail on Sunday* 12 December 2020, available online at: <https://www.dailymail.co.uk/news/article-9047049/Seventy-five-cent-BBC-comedy-gigs-handed-brazenly-left-wing-comedians.html> However, the 'audit' cited in the article was produced by the Campaign For Common Sense, a right-wing pressure group whose director is a former Conservative Party parliamentary candidate.

[45] Christopher Booker, "The BBC and an inconvenient truth about climate change" *Mail Online* 8 December 2011, available online at: <https://www.dailymail.co.uk/debate/article-2071358/BBCs-bias-global-warming-An-inconvenient-truth-climate-change.html> Booker "produced a detailed report on the subject for the Global Warming Policy Foundation, the 'sceptical' think-tank run by former Chancellor Lord (Nigel) Lawson".

[46] Tim Montgomerie, "BBC's biased drama needs a reality check" *The Times* 11 December 2014, available online at: <https://www.thetimes.co.uk/article/bbcs-biased-drama-needs-a-reality-check-qx9hj03srrr>

ITV plc is a publicly traded company with no single controlling owner. Media ownership laws preclude any individual or company controlling more than 20% of the national newspaper market from owning more than a 20% stake in ITV. In practice, the only company this has any effect on is News Corporation, whose UK subsidiary News UK has long held a roughly 85% share of the national newspaper market. ITV's primary source of funding is TV advertising but in recent years it has generated an increasing amount of revenue from its production and distribution arm, ITV Studios, which operates around the world, making programmes for other broadcasters (including the BBC), licensing ITV programmes and formats.

ITV is the second most important TV network in the UK after the BBC, and the second most important provider of TV news. ITV had a 16% share of UK TV viewing in 2020. Its other channels, ITV2 and ITV3, account for only 1.5% and 2.3% respectively. Before the deregulation of broadcasting, the ITV franchises produced programmes whose quality was often thought comparable to, or even better than, the BBC's, including in classic 'public service' genres like factual, arts, drama and current affairs. However, since deregulation, ITV's output has become steadily more commercial, and its public service output has declined. Today, ITV is mostly famous for its entertainment programming, which often draws huge audiences – talent shows, gameshows, reality shows and so on, mixed with occasional dramas. Its news bulletins are more 'tabloid' than the BBC's, with a greater focus on 'human interest' stories. Its serious current affairs output is now fairly minimal.

Like the BBC and other broadcasters, ITV's news output is regulated for impartiality, accuracy and other requirements by Ofcom. As such, ITV's news does not display clear or overt partisan biases. Its editorial orientation is generally more commercial and tabloid than the BBC's news programmes or *Channel 4 News*, with fewer 'hard news' and more 'soft news' stories. It also attracts a more working-class audience – in line with the rest of the channel's output –, but its output is not noticeably more left-wing or right-wing than the BBC's.

Channel 4

Channel 4 was launched in 1982 as the UK's third broadcaster, and the second publicly-owned one. The Channel 4 channel accounted for 5.5% of total TV viewing in 2020, though when taken together with its other channels, such as the youth oriented E4 and the film channel Film4, the network as a whole accounts for around 10% of TV viewing.

Unlike the BBC, Channel Four is established not by a Royal Charter but by statute – legislation passed by Parliament. Its remit is set out in Section 198A of the Communications Act 2003. [47] Channel Four is required to make "a broad range of relevant media content of high quality that, taken as a whole, appeals to the tastes and interests of a culturally diverse society" (including films). The range of content it produces must include (a) news and current affairs, (b) "content that appeals to the tastes and interests of older children and young adults" and (c) feature films that "reflect cultural activity in the United Kingdom". Channel Four is specifically required to "promote alternative views and new perspectives". Ofcom is required to regularly review and report on the extent to which Channel Four has fulfilled these duties and may give directions to Channel Four to remedy any failures it finds.[48]

[47] Available online at: <https://www.legislation.gov.uk/ukpga/2003/21/part/3/chapter/1/crossheading/c4c>

[48] See sections 198C and 198D of the Communications Act 2003, available online at: <https://www.legislation.gov.uk/ukpga/2003/21/part/3/chapter/1/crossheading/c4c>

Non-Executive Directors of the Channel Four Board are appointed by Ofcom in agreement with the Secretary of State for Digital, Culture, Media and Sport. The Chief Executive is appointed by the Board and other Executive Members are appointed by the Chief Executive and the Chair jointly.

Current Board members: [49]

- **Charles Gurassa** – Chair. Former corporate executive and board chair of a number of travel and airline companies.
- **Christopher Holmes, Baron Holmes of Richmond** – Deputy Chair. Former Paralympic swimmer and sports administrator. Crossbench member of the House of Lords and director of a consultancy firm.
- **Althea Efunshile** – Non-Executive Director. Former executive in the cultural and education sectors and board member of a number of public cultural and educational institutions, including as Chair of the National College of Creative Industries and Council Member of Goldsmiths, University of London.
- **Paul Geddes** – Non-Executive Director. Former insurance industry executive, now chief executive of a digital education and skills provider.
- **Uzma Hasan** – Non-Executive Director. Co-founder of, and producer at, an independent TV and film production company.
- **Fru Hazlitt** – Non-Executive Director. Former executive at several commercial media organisations, including ITV.
- **Tom Hooper** – Non-Executive Director. Film and TV director and a Governor of the British Film Institute.
- **Roly Keating** – Non-Executive Director. Former programme maker and executive at the BBC, now chief executive of the British Library.
- **Andrew Miller** – Non-Executive Director. Former accountant, corporate executive and chief executive of Guardian Media Group, now chief executive of Motability Operations, which provides mobility vehicles for disabled people.
- **Alex Mahon** – Chief Executive Officer. Former chief executive of a major independent TV and film production company.
- **Jonathan Allan** – Chief Operating Officer. Former Chief Commercial Officer and Sales Director at Channel Four; former executive at a media agency.
- **Ian Katz** – Director of Programmes. Former journalist, editor of BBC Newsnight and deputy editor of *The Guardian*.

Although publicly owned, Channel 4 is wholly funded by commercial revenue. As a publisher-broadcaster, required by its remit to commission all its programming externally, it has no production arm to generate revenue. Its primary revenue source is TV advertising and sponsorship, increasingly supplemented by digital revenue – primarily digital advertising and subscription revenue. [50] Channel 4's financial resources are considerably smaller than the BBC's or ITV's.

From its inception, Channel 4's remit has been to focus on catering to audiences and tastes that are neglected or underserved by the two main broadcasters, the BBC and ITV. Initially a radical and experimental broadcaster in the 1980s, changes to Channel 4's governance and funding, as well as to its main competitors, saw the channel move in an increasingly commercial and populist direction by the 2000s. Channel 4 produced the British edition of *Big Brother* – its biggest and most reliable ratings hit of the 2000s. [51] The channel remains perhaps the most distinctive in the UK media in its content and approach, but it is now far less radical or experimental than it was in its 1980s heyday.

The network's two main news and current affairs programmes are the nightly Channel 4 News and the regular investigative documentary series *Dispatches*. *Channel 4 News* is more internationalist and liberal in its editorial orientation than the BBC and ITV News, but this is evident more in its story selection than in presentation or open editorialising.

Around the time of the 2019 election, the Conservative Party and its allied news media began to express the view that Channel 4 had an unacceptably left-wing bias, particularly after it 'empty chaired' Boris Johnson and Nigel Farage when they did not attend the televised debate it hosted on climate change for the UK's main party leaders. They were replaced by melting ice sculptures. One article in the *Telegraph* in November 2019 threatened Channel 4 with privatisation as retaliation. [52] Another in *The Sun* in February 2020 argued for the same. [53]

What the claims of Channel 4's bias ignore or play down is the fact that the broadly liberal, internationalist perspective that animates Channel 4's news reporting is one that meets its statutory remit in two respects. First, given the right's dominance of the press and the BBC's documented biases in its news and current affairs division, and given that Channel 4 is explicitly required to promote 'alternative views', by giving a broadly liberal perspective it is actually providing something underrepresented in the rest of the media.

Second, the channel is required to produce content that appeals specifically to young people, who in recent elections have voted overwhelmingly for Labour, who – as surveys have shown – hold considerably more liberal attitudes and values than older age groups, and who have been turning away from TV news at a faster rate than older age groups in recent years. [54]

[50] Viewers who watch Channel Four programmes online through its All4 VOD service can choose either to watch them for free with ads, or to watch pay a £3.99 monthly fee to watch them without ads ('All4+').

[51] Rod Stoneman, "When Channel 4 Was Radical" *Tribune* 3 June 2020, available online at: <https://tribunemag.co.uk/2020/06/when-channel-4-was-radical>

[52] Matt Kilcoyne, "Channel 4's political bias has become too brazen to ignore" *The Telegraph* 29 November 2019, available online at: <https://www.telegraph.co.uk/environment/2019/11/29/channel-4s-political-bias-has-become-brazen-ignore/>

[53] Dan Wootton, "Let's sell off leftie, luvvie, propaganda network Channel 4 to stop it selling short ordinary viewers" *The Sun* 27 February 2020, available online at: <https://www.thesun.co.uk/news/11057817/sell-channel-4-leftie-luvvie-propaganda/>

[54] See James Sloam and Matt Henn, "Young cosmopolitans and the deepening of the intergenerational divide following the 2019 general election" *LSE Blog* 13 December 2019, available online at: <https://blogs.lse.ac.uk/politicsandpolicy/young-cosmopolitans-and-ge2019/>

That fact may be largely attributable to young people's greater use of new digital video sources. But it may also be partly attributable to a failure on the part of the UK's other broadcasters to provide news and current affairs programmes that cater to young people's views and interests. For instance, Ofcom's 2019 review of the BBC's news and current affairs output found that younger viewers felt it was failing to cater to them in exactly the areas that Channel 4 does cater to them, like international news. [55]

Sky

Sky is the UK's largest pay-TV broadcaster, delivering channels via a digital satellite TV platform to 12.9 million subscribers as of the end of 2019. Formed as the fourth major broadcaster in the UK in a 1990 merger between Sky Television and British Sky Broadcasting, its largest shareholder was News Corporation and then its successor company 21st Century Fox, which owned nearly 40% of the company until 2018. Rupert Murdoch made two failed attempts to acquire whole ownership of Sky: first in 2010-11 with News Corporation and second in 2017-18 with 21st Century Fox. When the second bid encountered protracted regulatory difficulties, Murdoch decided to sell most of Fox's entertainment assets to Disney, including the company's stake in Sky. Disney inherited Fox's bid for whole ownership of Sky, and intended to continue with it. However, in 2018, with the Fox/Disney bid still stuck in regulatory scrutiny, the US telecoms, TV and film giant Comcast (owner of NBCUniversal) made a larger bid for the company. Comcast's bid ultimately triumphed, and Sky is now in effect Comcast's European subsidiary. With major operations in Ireland, Germany and Italy, it had 23.9 million subscribers across Europe in 2020, making it one of the biggest entertainment companies in the continent.

As a pay-TV channel, subscriptions are Sky's primary source of revenue, supplemented by advertising and sponsorships. Along with pay-TV, Sky also sells broadband and mobile phone services, and a subscription internet streaming service Now (formerly Now TV). Sky's revenues are far greater than any other UK broadcaster's, including the BBC's, but so much of that revenue is spent on acquiring the rights to live sport and imported films and drama that Sky's original programming budget is far smaller than the BBC, as is the quantity of original output it produces. In the last decade or so, Sky's traditional focus on live sport and Hollywood movies has been increasingly supplemented by premium American drama series – many from HBO – shown on a dedicated channel, Sky Atlantic. But now, amid increasing uncertainty over the future availability of international rights to American premium drama and films as streaming services like Disney+ and HBO Max roll out internationally, Sky is now beginning to invest more in creating its own original scripted series.[56]

The Sky News channel was launched in 1989 and remains an important part of Sky's presence in the UK. It is the only other 24-hour, rolling news channel besides the BBC News channel. The (free) Sky News website and app are both among the most popular in the UK. Sky News Radio supplies regular news bulletins to almost every commercial radio station in the UK – over 280 stations.[57]

[55] Ofcom, "Review of BBC news and current affairs" 24 October 2019, p. 21-22 available online at: <https://www.ofcom.org.uk/tv-radio-and-on-demand/information-for-industry/bbc-operating-framework/performance/review-bbc-news-current-affairs> "A lack of diversity in the stories that the BBC covered, and the reporters and presenters on screen, was a strong concern raised by some people we spoke to during our research. This was especially true of younger people and people from minority ethnic backgrounds. ... Younger people also questioned how far BBC news coverage was "talking to me". They typically saw the BBC's news provision as "dry and boring". Rather than reflecting their interests, the BBC was often perceived by this group as being more relevant to their parents. Younger audiences typically wanted to understand news from a global perspective. They were interested in international news and thought the BBC focused too much on the UK."

[56] Tara Conlan, "Sky UK boosts original content as it takes on streaming rivals" *The Guardian* 24 January 2021, available online at: <https://www.theguardian.com/media/2021/jan/24/sky-uk-boosts-original-content-as-it-takes-on-streaming-rivals>

[57] See <https://news.sky.com/info/radio>

Like other broadcasters, Sky News is regulated for political impartiality in its presentation of the news. Insofar as it has biases, they are likely to be subtle and expressed more in the selection of stories than in their presentation. The analysis of TV coverage of the 2015 election by academics at Cardiff University found that, of all the UK's major broadcasters, Sky News's stories about policy issues were the ones most similar to the press's agenda: 63% of the policy stories it aired had previously been published in newspapers, and "a clear majority of policy stories reported by broadcasters emanated from right-wing newspapers". [58] Although the perception that Sky News has a right-wing bias is not widespread, it was fuelled for many years by the fact that Sky's largest shareholder was Rupert Murdoch's News Corp (and then 21st Century Fox after News Corp's 2013 corporate split). [59] A 2009 analysis of Sky News's output in comparison to the BBC News channel's found that

"Sky News is more tabloid and sensationalist in orientation, does fewer serious international stories outside the USA, favours military sources, under-uses 'information rich' sources and has led the way in 'hyping' news with 'breaking news' and 'news alert' tags. We should not, however, overestimate the differences between Sky News and [BBC] News 24. Sky is still more broadsheet than tabloid, and the differences between the channels are, in most cases, matters of degree. Indeed, it could be argued that our findings suggest that while there are echoes of the Fox style in Sky's coverage, the fact that its main competitor is a popular public service news provider acts as a restraint on 'Foxification'."

There have not been any academic content analyses of Sky News's output since Sky's acquisition in 2018 by Comcast so it is hard to say whether, or how, the channel's content has changed since its change of ownership.

Channel 5

Channel 5 was the fifth broadcaster to be established in the UK, launched as a commercial competitor to the main four channels in 1997. In 2011 the channel was acquired by Richard Desmond's publishing group Northern & Shell, which also owned the *Daily Express* and *Daily Star* newspapers. In 2014, Desmond sold Channel 5 to Viacom, its current owner.

Channel 5 is a relatively minor presence in British broadcasting: never possessing the public service broadcasting remit that the BBC, ITV and Channel 4 have all – at least at some stage – had, Channel 5 is largely known as a home for imported American fodder: true crime, reality programmes, crime dramas, soaps and B movies. Channel 5's nightly news programme is the shortest and most lightweight of any major channel – just half an hour between 6:30-7pm.

STV

STV is a Scottish TV channel, which operates as part of the ITV network but is owned by the STV Group, a company separate to ITV plc. *STV News at Six* is the channel's regular news programme, while *Scotland Tonight* is its regular news and current affairs programme. Like ITV, STV is funded by a mixture of advertising revenue (around 85% of the total) and programme production revenue.

[58] Stephen Cushion, Allaina Kilby, Richard Thomas, Marina Morani and Richard Sambrook, "Newspapers, Impartiality and Television News: Intermedia agenda-setting during the 2015 UK General Election campaign", *Journalism Studies* Vol. 19, Issue 2 (2018), p. 171, available online at: <https://doi.org/10.1080/1461670X.2016.1171163>

[59] Murdoch had told the House of Lords Communications Committee in 2007 that he wanted Sky News to become more like Fox News in future, but that at present he could not change the channel. Owen Gibson, "Murdoch wants Sky News to be more like rightwing Fox" *The Guardian* 24 November 2007, available online at: <https://www.theguardian.com/media/2007/nov/24/bskyb.television>

S4C

S4C, Sianel Pedwar Cymru (Channel Four Wales) is a Welsh-language TV channel, which launched in 1982 at the same time as Channel 4. Initially bilingual outside peak hours, today the channel broadcasts entirely in Welsh although all Welsh-language programming has English subtitles available. The channel is controlled by the S4C Authority, an independent public body appointed by the Secretary of State for Digital, Culture, Media and Sport. Like Channel 4, all S4C's programming is commissioned from external sources – it makes no programmes of its own.

The channel was largely funded by an annual direct grant from the Department for Digital, Culture, Media and Sport, until, following a decision by the Chancellor of the Exchequer George Osborne in 2010, the DCMS's funding began to be phased out from 2013 onwards and replaced by funding from the TV licence fee. S4C derives only a small proportion of its revenue from commercial sources. BBC Wales produces some programming for the channel, which is provided free of charge as part of the BBC's remit. The amount of news programming on the channel is minimal: a half-hour evening news programme and 5-minute news updates throughout the day.

GB News

In 2019, a group of right-wing investors and media executives began to organise the launch of a new TV channel delivering political news and debate from a right-wing, nationalist perspective. GB News was granted a broadcasting licence by Ofcom in January 2020 and launched in June 2021. Robbie Gibb, the former head of BBC Westminster and now a member of the BBC board, was an editorial adviser to the project in 2020 when it was raising funding to launch. In an August 2020 *Telegraph* article Gibb said, “*The BBC has been culturally captured by the woke-dominated group think of some of its own staff. There is a default Left-leaning attitude from a metropolitan workforce mostly drawn from a similar social and economic background.*” [60] The argument for GB News was therefore that it would provide political news and debate that counteracts this tendency.

GB News's main backers are the American media multinational Discovery, Inc., the investment firm Legatum (a strong supporter of Brexit through its associated think-tank, the Legatum Institute), and Paul Marshall, a right-wing hedge fund manager. The channel has recruited around 120 editorial staff – a host of right-wing journalists and commentators, including one of the BBC's former leading political interviewers and presenters, Andrew Neil. The channel is consciously modelled on US cable news channels like Fox News and MSNBC. [61]

[60] Robbie Gibb, “The BBC has a real chance to reform after losing sight of its purpose” *The Telegraph* 30 August 2020, available online at: <https://www.telegraph.co.uk/news/2020/08/30/bbc-has-real-chance-reform-losing-sight-purpose/>

[61] Andrew Neil: “In terms of formatting and style, I think MSNBC and Fox are the two templates we’re following.” Quoted in Ben Smith, “Piers Morgan Can’t Wait to Bring the Worst of America Home” *The New York Times* 14 March 2021, available online at: <https://www.nytimes.com/2021/03/14/business/media/piers-morgan-walks-off-british-tv.html>

Newspapers

National Newspapers

The UK is famous for having one of the most competitive national newspaper markets in the world. One reason for that competitiveness is that print newspaper sales have largely been single-copy sales, bought at newsagents or supermarkets, rather than subscriptions delivered to the home, so there is far more scope for readers to switch to buying a different paper each day. In 2021, there were ten national daily newspapers – eleven if the free, tabloid *Metro* is included – and ten national Sunday newspapers.

The daily newspaper with the highest (paid) circulation is *The Sun*, which has held that position continuously since the late 1970s. The Sunday newspaper with the highest circulation is *The Sun on Sunday* – successor to the previous, highest-selling Sunday title, the *News of the World*, which was closed down in mid-2011 following the phone hacking scandal.[62] Before the pandemic the free *Metro*'s circulation overtook *The Sun* but because *Metro* is handed out primarily at bus stops and train stations the pandemic has heavily reduced its circulation. And as a free title funded entirely by advertising, *Metro* carries far less editorial content than other national newspapers.

The national daily newspaper market is typically divided into three levels:

- The ‘quality’ press – the papers with the highest cover prices, aimed at the most affluent and educated demographics. They contain the most ‘hard news’ on serious subjects like politics, business and world affairs. This group consists of *The Times*, *The Daily Telegraph*, *The Guardian*, the *Financial Times* and *The Independent* (until it ceased print publication in 2016).
- The ‘popular’ or ‘tabloid’ press – the papers with the lowest cover prices, aimed primarily at working-class readers. They tend to contain the least ‘hard news’ and are more likely to feature a heavy emphasis on celebrities, ‘human interest’ stories, sport, sex and crime. This group consists of *The Sun*, the *Daily Mirror*, the *Daily Star* and the *i*. *Metro* is a free tabloid newspaper.
- Between these two levels, the ‘mid-market’ press, whose prices sit between the qualities and the tabloids, and which are aimed at upper-working class or lower-middle class groups, with a commensurate editorial mix of serious politics, celebrity gossip and ‘human interest’ stories. This group consists of two titles: the *Daily Express* and the *Daily Mail*.

Politically, each of these three groups is dominated by right-wing titles – a dominance that has only grown over time. The market as a whole is dominated by two titles that, between them, have consistently accounted for just over half of total national daily circulation over the past decade: *The Sun* and the *Daily Mail*, both stridently right-wing titles. *The Sun* dominates the tabloid press, with between 50-60% of circulation over the past decade. *The Daily Mail*'s only mid-market rival is the *Daily Express*, another right-wing title.

[62] For more on the phone hacking scandal, see Leo Watkins, Media Influence Matrix: United Kingdom – Government, Politics & Regulation, March 2021, p. 10-12 and passim, available online at: <https://cmdss.ceu.edu/sites/cmcs.ceu.hu/files/attachment/basicpage/1926/mimuk0327.pdf>
See also the authoritative account by the journalist who uncovered the scandal: Nick Davies, *Hack Attack: How the truth caught up with Rupert Murdoch* (Chatto & Windus 2014)

Consider the situation at the 'quality' end: *The Guardian* is a paper of the liberal centre and centre-left; The Independent was a paper of the liberal centre; the *Financial Times* is a paper of the liberal centre and centre-right. The combined daily circulation of these three titles was 598,989 in 2012, whereas the combined circulation of the centre-right *Times* and right-wing *Daily Telegraph* was 971,055. In 2019 – after *The Independent* ceased printing but before the pandemic – the equivalent figures were 301,677 and 714,596. Because circulation of the conservative titles declined more slowly than their liberal rivals, the difference between the combined circulation of the three broadly liberal titles and the two conservative titles grew considerably between 2012 and 2019: the conservative titles had 62% more circulation in 2012, but 137% more circulation in 2019.

Table 18. National daily newspapers, circulation per issue

Source: Audit Bureau of Circulations. Average circulation for the month of January in each year.

Title	2012	2013	2014	2015	2016
The Sun	2,519,912	2,229,689	2,038,940	1,836,473	1,712,376
Daily Mail	1,920,801	1,792,486	1,692,383	1,623,579	1,538,549
Daily Mirror	1,077,683	1,027,699	951,184	863,564	769,961
The Times	400,238	393,170	392,987	395,559	434,516
The Daily Telegraph	570,817	548,452	512,141	483,232	474,595
Daily Star	596,109	530,318	464,409	424,364	484,287
Daily Express	561,274	522,596	477,018	428,075	409,823
i	279,309	299,174	287,867	275,674	280,649
Financial Times	298,070	253,229	220,166	209,800	195,683
The Guardian	210,661	195,361	185,897	171,418	163,084
The Independent	90,258	72,002	62,903	58,082	54,785
Total	8,525,130	7,864,175	7,285,894	6,769,821	6,517,810
Title	2017	2018	2019	2020	2021
The Sun	1,564,322	1,449,007	1,290,266	1,224,188	Not available
Daily Mail	1,429,416	1,268,519	1,172,026	1,049,920	971,408
Daily Mirror	643,371	552,522	482,141	406,257	365,712
The Times	447,473	427,708	387,708	364,897	Not available
The Daily Telegraph	463,461	371,115	326,888	Not available	Not available
Daily Star	422,619	365,351	307,379	249,514	220,831
Daily Express	379,056	340,024	307,400	265,360	240,003
i	265,346	246,630	227,273	174,163	142,542
Financial Times	189,972	181,485	169,343	120,782	99,899
The Guardian	151,648	140,952	132,334	118,189	108,652
Total	5,956,685	5,343,813	4,802,759	3,973,272	2,149,048

The national Sunday press was once relatively distinct and autonomous from the national daily press. For most of its history, *The Observer* was not owned by the owners of *The Guardian*; for some time, *The Sunday Times* and *The Times* were owned separately; the *News of the World* and *The Sun* were only put together by Rupert Murdoch in 1969. Today, Sunday newspapers are much more closely integrated editorially and commercially into the operations of their respective dailies.

In most respects the Sunday market now looks much like the daily market, but there are a couple of noteworthy differences. First of all, *The Sunday Times* has much higher circulation than *The Times*, and dominates the Sunday quality market, with a 62% share of it in 2019 compared to *The Times*'s 38% share of the daily quality market. One reason is the absence of the *Financial Times* on Sundays (the paper only publishes a Saturday edition, called *FT Weekend*); another is the smaller circulation of the *Telegraph* on Sundays. The combined circulation of these two right-wing Sunday titles was almost four times that of the two centrist Sundays, *The Observer* and *The Independent on Sunday* in 2012. With the latter's closure in 2016, the two right-wing Sunday quality titles had almost six times *The Observer*'s circulation in 2019.

In the aftermath of the 2011 phone hacking scandal that led to the closure of the *News of the World*, its successor title, *The Sun on Sunday*, started life in 2012 with a smaller share of the Sunday popular market than *The Sun* had the rest of the week: 47% compared to 56%; however, by 2019, the former had caught up: 57% compared to 56%. The Sunday popular market also includes two titles with no daily equivalents: the *Sunday People* and the *Sunday Post*. *The Sunday People*'s base of appeal is in the northern English working class, although it is published in London by Reach plc, while the *Sunday Post* is published in Dundee by the Scottish newspaper and magazine publisher DC Thomson, and it is read mostly in Scotland, Northern Ireland and northern England.

Between 2012 and 2019, Sunday newspaper circulation declined slightly faster than the dailies' circulation: the total decline was 51% compared to 44%. *The Sunday People*, *Sunday Post* and *Sunday Mirror* lost the largest shares: around three-quarters of their circulation in that period. Meanwhile, the *Sunday Times*'s circulation fell by 30% whereas *The Times* has been remarkably successful in keeping its circulation up – a fall of only 9%, so whereas in 2012 the *Sunday Times* sold 2.3 times *The Times*'s circulation per issue, by 2020 the figure had fallen to 1.8.

The long-run trend, in summary, is that the Sunday market is becoming less and less distinct from the daily market, as Sunday editions are operationally and editorially folded into daily editions, and as publishers increasingly switch from selling individual copies each day to monthly digital subscriptions, where the existence of a distinct Sunday product is effectively abolished.

Table 19. National Sunday newspapers, average circulation per issue
Source: Audit Bureau of Circulations

Title	2012	2013	2014	2015	2016
The Sun on Sunday	2,167,218	1,873,077	1,662,908	1,500,448	1,443,518
The Mail on Sunday	1,798,206	1,659,515	1,529,067	1,434,875	1,346,632
The Sunday Times	918,564	847,811	815,373	778,654	781,376
Sunday Mirror	1,173,270	1,022,511	922,788	815,432	695,498
Sunday Express	513,306	459,737	418,839	375,679	360,882
The Sunday Telegraph	449,883	431,074	405,123	369,917	367,029
Sunday People	499,049	413,460	368,841	312,337	268,363
Daily Star Sunday	460,720	332,940	290,543	265,743	300,372
Sunday Post	272,246	236,073	209,383	183,206	153,134
The Observer	245,430	222,247	206,769	192,292	188,580
The Independent on Sunday	121,795	110,935	100,912	97,594	91,813
Total	8,619,687	7,609,382	6,930,545	6,326,178	5,996,698

Title	2017	2018	2019	2020	2021
The Sun on Sunday	1,332,174	1,226,829	1,086,386	1,028,520	Not available
The Mail on Sunday	1,220,820	1,063,095	985,826	901,785	857,822
The Sunday Times	772,112	731,202	678,585	641,890	Not available
Sunday Mirror	555,441	468,443	396,707	332,136	300,325
Sunday Express	328,738	296,462	266,401	231,736	212,620
The Sunday Telegraph	347,086	290,776	257,629	Not available	Not available
Sunday People	218,991	182,350	150,718	129,981	117,011
Daily Star Sunday	251,024	221,566	183,996	150,110	132,622
Sunday Post	185,381	115,244	96,216	76,893	66,101
The Observer	180,178	169,571	160,315	149,035	141,590
Total	5,340,706	4,769,588	4,265,670	3,644,445	1,827,877

Notes:

The Independent on Sunday ceased publication in 2016. *The Sun on Sunday* was launched in February 2012. *The Sunday Telegraph*, *The Sun on Sunday* and *The Sunday Times* have all de-registered with ABC and no longer publish audited circulation data – totals for 2020 and 2021 therefore do not reflect all national Sunday newspaper circulation.

The national newspaper market has been in rapid decline over the last decade. The fate of *The Sun* is emblematic: circulation in 2019 – before the pandemic affected all newspaper circulation – was 1.3 million copies a day, less than half of the 3 million circulation it had in 2010, or 3.6 million in 2000. Some titles' circulation has fallen much faster than others.

The first important consequence is that there has been a slight rightwards shift in the composition of national newspaper circulation over the past decade, with centre-right or right-wing titles accounting for 77% of circulation in 2012 but 79% in 2019, centrist titles accounting for 8% at both times, and centre-left titles accounting for 15% in 2012 but 13% in 2019.

Another consequence is that some titles have been catching up with, or actually overtaken, their competitors over the past decade. For instance, in 2012 *The Sun* sold 31% more copies than the *Daily Mail*, but only 17% more in 2020 because its decline has been faster. Likewise, *The Daily Telegraph's* decline has been faster than *The Times*; so much so that in 2018 *The Times* overtook the *Telegraph's* daily circulation for the first time in its history, whereas back in the year 2000 the *Telegraph* sold 1.04 million copies daily compared to the *Times's* 726,000.

In 2016, *The Independent* became the first national title in over twenty years to cease print publication – although it lives on as a news website. Like television, the audience that newspapers have lost over the last decade or so has been disproportionately younger readers, so that the average newspaper reader is now of an older age than in 2010.

It is likely that several smaller-circulation titles will cease print publication over the next decade, particularly after the pandemic's enormous impact on print circulation. In January 2021 there were five titles with circulation under 250,000: the *Daily Express*, *Daily Star*, *i*, *Financial Times* and *Guardian*. It is also highly likely that the slower decline of the *Daily Mail* means that in the next five years it will overtake *The Sun* as the highest-circulation daily title.

Although the national press's importance as a source of news for the wider public has declined dramatically over the last decade, its influence over the national news agenda followed by TV and radio broadcasters has remained strong, for three reasons. First, although the national press has lost many readers of its print editions, it has gained many online readers – and in the case of some titles, digital subscribers or regular donors who are starting to yield some meaningful revenue. Lost print influence is therefore compensated for – and in some cases far exceeded – by digital influence gained. However, there have been winners and losers in this transition. *The Guardian* is one clear example of a winner: traditionally one of the smallest-circulation newspapers in the UK, it has one of the most popular newspaper websites in the UK. *The Sun* is a clear example of a loser: although it has succeeded in attracting more traffic to its website in the last two years, it remains far behind *Mail Online* and *The Guardian* in monthly visits and has nothing like the digital dominance it once had in print. (See the section on online news below.) Judging by its recent operating losses, it is also failing to yield significant digital revenue.

Second, despite the rise of 'churnalism' in the news media over the last several decades – the publication of stories minimally rewritten from wire agencies, press releases and other pre-packaged sources – the press still retains a capacity to produce original journalism. Regardless of how diminished that capacity may be in comparison to several decades ago, it remains considerable. Importantly, it remains far greater than the newsgathering capacity of new, online-only news providers. As a result, lots of TV and radio news stories are still stories that first appeared in the national press. Relatively few of them come from online-only news providers, although social media is an increasingly important source of news stories for all kinds of news media.

Third, whereas TV and radio news are both regulated for impartiality by Ofcom, newspapers are not. Consequently, they are free to editorialise, to have open party loyalties, to hold and articulate political positions. As a result, they play a major role – along with the main political parties – in defining the field of political positions within which broadcasters attempt to situate themselves as ‘impartial’ news providers. How the latter frame stories, and which stories are given the highest editorial priority in their news programmes, is heavily influenced by the press’s own framing and selection of stories – particularly the ‘quality’ and ‘midmarket’ press. BBC journalists have, at times, acknowledged the enormous influence that the press’s editorial decisions have on the editorial decisions of BBC news producers and editors, which recent academic evidence confirms.[63]

The Sun and The Sun on Sunday

The Sun’s origins lie in the *Daily Herald*, a labour movement newspaper owned for several decades by the Trades Union Congress. Acquired by the International Publishing Corporation in 1964 as part of a larger acquisition, the paper was relaunched as *The Sun* but failed to perform to IPC’s expectations. IPC then sold the paper to Rupert Murdoch’s News International in 1969, whereupon he reinvented the paper, aggressively marketed it, and conquered the tabloid market with an editorial formula of sex, scandal, celebrity, TV, the royal family, crime, giveaways and competitions. By the late 1970s, *The Sun* had overtaken the *Daily Mirror* to become the highest-selling daily newspaper in the country.

The News of the World became Rupert Murdoch’s first UK newspaper acquisition in 1969. For decades the highest-selling Sunday newspaper in the country, the paper’s editorial formula was much the same as *The Sun*’s. In 2011, the phone hacking scandal caused such grievous damage to the newspaper’s public reputation that it became toxic to advertisers.[64] As part of its attempt to limit the damage from the scandal, News International closed the title. However, soon after, the company launched *The Sun on Sunday* as its replacement.

Politically, *The Sun* moved from being a firmly Labour-supporting paper to becoming the leading voice of neoliberal reaction over the course of the 1970s. A vociferous supporter of Margaret Thatcher, who returned the favour by knighting the paper’s editor Larry Lamb in 1980, the paper has widely been seen as – and deliberately presented itself as – a political bellwether: no party without *The Sun*’s support has won a general election since 1979. What this fact conceals, however, is that Murdoch has at times pragmatically swung *The Sun* behind the political party that appeared to already have the wind behind it, supporting New Labour in the run-up to the 1997 election and dramatically switching its support to the Conservatives in the run-up to the 2010 election.[65]

[63] See, for instance, Maggie Brown and Jason Deans, “Robert Peston: BBC follows the Daily Mail’s lead too much” *The Guardian* 6 June 2014, available online at: <https://www.theguardian.com/media/2014/jun/06/bbc-obsessed-agenda-daily-mail-robert-peston-charles-wheeler> and Stephen Cushion, Allaina Kilby, Richard Thomas, Marina Morani and Richard Sambrook, “Newspapers, Impartiality and Television News: Intermedia agenda-setting during the 2015 UK General Election campaign”, *Journalism Studies* Vol. 19, Issue 2 (2018), available online at: <https://doi.org/10.1080/1461670X.2016.1171163>

[64] For more on the 2011 phone hacking scandal, see the first part of this report, *Media Influence Matrix: United Kingdom – Government, Politics & Regulation* March 2021, p. 10-12, available online at:

<https://cmdss.ceu.edu/sites/cmcs.ceu.hu/files/attachment/basicpage/1926/mimuk0827.pdf>

[65] However, it should be noted that on two occasions since 1979 the party the Sun has backed has failed to secure an overall majority in the House of Commons: in 2010, when the Conservatives fell short of the majority they were expected to achieve, and in 2017, when an expected Conservative landslide failed to occur and instead Theresa May lost her Commons majority. In 1992, the Sun’s vociferous opposition to the Labour Party and its leader Neil Kinnock was claimed – especially by *The Sun* – as the decisive factor that produced the unexpected victory of the Conservatives in that election. But the Conservative majority in the Commons was only 21 seats, and – due to by-elections – it had fallen away completely by the 1997 general election.

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The Sun's political significance lies not in the quality or the depth of its journalism but in the aggression with which it can editorialise for and against political allies and enemies, and with the evident success of its formula in reaching large numbers of particularly pivotal working class 'swing' voters. The era-defining electoral victories by Margaret Thatcher in 1979 and Tony Blair in 1997 both involved substantial electoral 'swings' towards their respective parties among this group.

Since 2010, *The Sun* has strongly backed the Conservative Party at every election, though with varying degrees of enthusiasm for the party's successive leaders in that time. In 2016, *The Sun* went against the position of the Conservative leader, David Cameron, and strongly supported Brexit. Over the same period, *The Sun* has been exceptionally hostile to the leaders of the Labour Party, especially to Jeremy Corbyn, the Labour Party's left-wing leader between 2015-2019. Aggressive hostility to the left of the Labour Party has been a constant feature of *The Sun's* editorial stance since the 1970s; its fluctuating attitude towards the Labour Party is more a matter of changes in the Labour Party than changes in *The Sun's* politics, which are best described as 'authoritarian populism'.

Daily Mirror & Sunday Mirror

The *Daily Mirror* was founded in 1903 but its modern incarnation as the popular newspaper of the left was created essentially during the Second World War, when it positioned itself as the paper of ordinary soldiers and civilians, under the slogan "forward with the people". Its heyday was roughly the period from the Second World War to the early 1970s, when it began to be seriously challenged and then eclipsed by *The Sun*. Run on a commercial basis by profit-seeking corporate owners, and without formal links to either the labour movement or the Labour Party, the paper changed owners several times in a troubled period from the 1970s to 1990s during which time its quality, prestige and circulation all declined. The nadir was under Robert Maxwell, who owned the papers from 1984 until his death in 1991, after which it emerged that he had stolen money from the *Mirror's* pension fund.

Today, the paper is owned by Reach plc, a major British newspaper publishing conglomerate that runs a number of other national, regional and local titles. The *Daily Mirror* has remained a consistently Labour-supporting newspaper across its history. Although its editorial position has usually placed it on the right of the Labour Party's internal political spectrum, the paper has at times taken more radical positions than that would suggest, opposing the Blair government's participation in the 2003 war on Iraq and continuing to support the Labour Party under Jeremy Corbyn, the party's most left-wing leader in its history – albeit critically. The paper's editorial approach in recent years has been a shallow, tabloid one – largely imitative of *The Sun's* commercially successful formula. The *Mirror* was also implicated in the 2011 phone hacking scandal and has had to pay compensation to a number of civil claimants whose phones were hacked by *Mirror* journalists in the 2000s. [66]

[66] See Roy Greenslade, "It's time to break the silence about *Mirror* phone hacking" *The Guardian* 15 March 2020, available online at: <https://www.theguardian.com/business/commentisfree/2020/mar/15/its-time-to-break-the-silence-about-mirror-phone-hacking>

Daily Star & Star on Sunday

The *Daily Star* was launched in 1978 for commercial purposes, to rival *The Sun* and the *Daily Mirror*. More apolitical and non-partisan than either *The Sun* or the *Daily Mirror*, the paper posed an initial challenge to the former but quickly faded and settled into third-place status. It has been sold to new owners several times over the years. In 2000, it was acquired by the pornographer Richard Desmond, who sold it on to Reach plc in 2018. The paper's editorial formula in recent decades has been a particularly low-grade version of the usual tabloid formula – celebrities, sport, gossip about reality TV stars, with an admixture of sex and reactionary xenophobia under Desmond. Since Reach's acquisition, the paper has apparently sought to become a more satirical, anti-establishment title, although still one with no declared politics.

Daily Express & Sunday Express

During the 1950s the *Daily Express* was the highest-selling national newspaper in Britain, but it went into steady decline after the death of its magnate owner Max Aitken, Lord Beaverbrook, in 1964. Always a solidly conservative paper, it became an aggressive supporter of Margaret Thatcher's government under its then-owner Victor Matthews. In 2000, it was bought by Richard Desmond who took the paper downmarket and made the paper a byword for bad journalism – crude bigotry, health scares, and a series of high-profile libels, including falsely alleging that the parents of the disappeared girl Madeleine McCann had murdered their own daughter. In 2016, the paper strongly supported Brexit, running a series of stories of dubious accuracy, including one – among the most widely shared Brexit-related stories on Facebook in the run-up to the vote – which claimed the future of the NHS was under threat if the UK remained a member of the EU. In 2018, the Express was acquired by Reach plc, which sought to editorially reorient the paper, reducing its quotient of reactionary xenophobia and bigotry. The paper remains a right-wing title, with a semi-tabloid formula that includes a large dose of coverage focused on showbiz, TV and sport.

Daily Mail & Mail on Sunday

The *Daily Mail* is the second highest-selling newspaper in the country and has for decades had a substantial circulation lead over its only mid-market rival, the Express. The *Mail* has been owned continuously by the Harmsworth family since its creation in 1896. The current proprietor, Jonathan Harmsworth, the 4th Viscount Rothermere, is the great-grandson of one of the paper's founders. Consistently right-wing and supportive of the Conservative Party, the *Mail* combines traditionalist social conservatism – often straightforward bigotry, nationalism and xenophobia – with interests in Westminster politics, health stories and scares (often dubious), and Westminster, royal family and celebrity gossip. The paper strongly supported Brexit in the 2016 referendum. The *Mail*'s website, Mail Online, is the most successful of any UK newspaper, far outperforming those of its main popular and mid-market rivals, *The Sun* and the *Express*. The website focuses less on politics and more on celebrity and human-interest stories than the print edition. The *Mail*'s audience is less working class and more lower-middle class than *The Sun*'s. 82% of *Mail* readers are homeowners, and it is the only daily national newspaper whose readership is mostly female (54%). [68]

[67] David Maddox, "Major leak from Brussels reveals NHS will be 'KILLED OFF' if Britain remains in the EU" *Daily Express* 3 May 2016, available online at: <https://www.express.co.uk/news/uk/666454/NHS-EU-killed-off-Brexit-Remain-Leave-referendum-Brussels-European-Union>

[68] <https://www.metroclassified.co.uk/daily-mail/dailymail-readership>

Alongside *The Sun*, the *Mail* is highly influential in Westminster politics because of its perceived influence over its still substantial print readership and its enormous online audience. For example, in 2016 *The Independent* reported that the Conservative then-Health Secretary Jeremy Hunt opposed provision of pre-exposure prophylaxis (PrEP) pills, which help prevent HIV infection, by the NHS because of the *Mail's* strident opposition to the free, public provision of what it labelled a “lifestyle drug” and “promiscuity pill”. One scientist claimed that, in a meeting with her about whether the NHS should provide the treatment, Hunt asked “what will the *Daily Mail* say?”[69]

The *Mail's* circulation has declined more slowly than its main rivals' over the last decade. As a result, it has a larger share now of the much-shrunk national newspaper market. Whereas in January 2010 it accounted for 21.5% of national newspaper circulation, by January 2020 it had come to account for 25.2%. [70] For a short period in 2018, its circulation actually overtook *The Sun's* to become the highest-selling national newspaper. But to reiterate, this is not because circulation has increased: it has merely fallen more slowly for the *Mail* than for its main rivals.

The Daily Telegraph & The Sunday Telegraph

The *Daily Telegraph* was, for much of the twentieth century, by far the highest-selling national daily ‘quality’ newspaper but in the last few years its print circulation has been eclipsed by *The Times*. Less mass-market than the *Daily Mail*, the *Telegraph* is addressed to a more affluent, upper-middle-class audience and sees *The Times* and perhaps the *Financial Times* as its two closest competitors. Online, it struggled for many years under a poor digital strategy but it has recently begun to build up a substantial number of digital subscribers – in part, perhaps, by being priced some way below its immediate rivals.

In 2004 the paper was acquired by David and Frederick Barclay – twin brothers and billionaire businessmen who worked as partners until David Barclay's death in January 2021. The Barcleys have had interests in retail, hotels, property, media and logistics; notably, they also own *The Spectator* magazine. Their UK businesses are managed by David's son Aidan Barclay, who is chairman of the Telegraph Media Group. In recent years the family has been riven by an internal feud, which appears to have been concluded recently. [71]

The Daily Telegraph has long been the house newspaper of the Conservative Party. It also has closer links to the Conservatives than the other right-wing newspapers: the deputy chairman, Guy Black, sits in the House of Lords as a Conservative peer and he has held communications roles for the Conservative Party. The current Prime Minister, Boris Johnson, was formerly a regular *Telegraph* columnist. In July 2020, Johnson granted peerage to a current *Telegraph* columnist, Charles Moore, who is also the author of a three-volume authorised biography of Margaret Thatcher, and who was reportedly considered by the current government as a possible chairman of the BBC (of which he is a vociferous critic). [72] The *Telegraph's* politics are free-market, culturally and socially traditionalist, nationalist and strongly pro-Brexit. [73] It arguably defines the ‘mainstream’ of the Conservative Party.

[69] Katie Forster, “Jeremy Hunt said ‘What will the *Daily Mail* say?’ when told about funding of HIV prevention drug” *The Independent* 2 September 2016, available online at: <https://www.independent.co.uk/life-style/health-and-families/health-news/jeremy-hunt-hiv-drug-prep-what-will-daily-mail-say-told-about-truvada-a7220881.html>

[70] By comparison, *The Sun's* share of total national daily circulation over the same period declined from 30.4% to 27.0%

[71] Rupert Neate, “Barclay family calls truce to end Ritz espionage case in high court” *The Guardian* 4 June 2021, available online at: <https://www.theguardian.com/media/2021/jun/04/barclay-family-calls-truce-to-end-ritz-espionage-case-in-high-court>

[72] Dan Sabbagh, “No 10 told Charles Moore appointment could put BBC's independence at risk” *The Guardian* 27 September 2020, available online at: <https://www.theguardian.com/media/2020/sep/27/no-10-told-charles-moore-appointment-could-put-bbc-s-independence-at-risk>

[73] Editorial, “We must vote Leave to create a Britain fit for the future” *The Telegraph* 18 June 2016, available online at: <https://www.telegraph.co.uk/opinion/2016/06/18/we-must-vote-leave-to-create-a-britain-fit-for-the-future/>

The Times & Sunday Times

The Times is the ‘paper of record’ in the UK, traditionally read by senior figures in business, law, the media, the civil service, and government – Britain’s ‘top people’, as it was once put. It can be said to play a crucial role in defining the ‘common sense’ of Britain’s elites, and in defining the news agenda for other news media – particularly the BBC. *The Sunday Times* is the leading Sunday quality newspaper.

In 1981, *The Times* and *The Sunday Times* were both acquired by Rupert Murdoch, who benefited from Margaret Thatcher’s desire to see the titles end up in the hands of an owner with politics close to her own, and for this reason Thatcher removed the regulatory obstacles that were in Murdoch’s way.[74] The two titles became much more aggressive supporters of the Thatcher government thereafter. Although Murdoch gave undertakings to the regulator in 1981 to protect the editorial independence of both papers, in practice his politics have, in the main, prevailed at both papers, and any editors who lost his confidence have not lasted. Most recently, in 2012 the editor of *The Times*, James Harding, resigned after it became clear that Murdoch wanted him to do so, having apparently become dissatisfied with Harding’s coverage of the phone hacking scandal at News International.[75] (A few months later, Harding was appointed head of BBC News.) [76]

The Times’s ideological position today is broadly on the centre-right: firmly neoliberal on economic issues, although not as socially traditionalist or ‘Little England’ as the *Mail* or the *Telegraph*. However, its opinion pages carry a span of opinion ranging from the right wing of the Labour Party to reactionary former *Mail* columnists. *The Times* is still capable of pandering to prejudice, but when it does, it does so in more sophisticated, elaborate and ‘clever’ ways that are more acceptable to its elite audience than the simpler and more obvious bigotry of *The Sun* or the *Mail*. Notably, *The Times* did not support Brexit in the run-up to the referendum, though its support for Remain was “pragmatic rather than enthusiastic,” and the *Sunday Times* did support leaving the EU.[77]

The Guardian & The Observer

The Guardian began life as *The Manchester Guardian* in 1821 but was renamed *The Guardian* in 1959 and in 1961 began to be printed in London, where its newsroom is now based. Its most distinctive feature is that – uniquely among the national press – it is not owned by a proprietor or for-profit corporation. The Scott Trust Limited (which replaced The Scott Trust in 2008) runs *The Guardian* on a non-profit basis, cannot pay dividends and is charged with protecting the editorial independence of *The Guardian* (and *The Observer*) in perpetuity. *The Guardian* has run for many years at a loss, but the aim is to keep these losses down to a level whereby they are covered by the investment returns yielded by the substantial Scott Trust Endowment Fund, which stood at £954.2 million in 2020.[78]

[74] Harold Evans, “How Thatcher and Murdoch made their secret deal” *The Guardian* 28 April 2015, available online at: <https://www.theguardian.com/uk-news/2015/apr/28/how-margaret-thatcher-and-rupert-murdoch-made-secret-deal>

[75] Katherine Rushton, “James Harding steps down as editor of *The Times*”, *The Telegraph* 12 December 2012, available online at: <https://www.telegraph.co.uk/finance/newsbysector/mediatechnologyandtelecoms/media/9740884/James-Harding-steps-down-as-editor-of-The-Times.html>

[76] Josh Halliday, “James Harding named BBC News chief” *The Guardian* 16 April 2013, available online at: <https://www.theguardian.com/media/2013/apr/16/james-harding-bbc-news>

[77] *The Times*, “Remaking Europe” 18 June 2016, available online at: <https://www.thetimes.co.uk/article/remaking-europe-h7lgs8bw> *The Sunday Times*, “Time for Britain to strike a new deal with Europe” 19 June 2016, available online at: <https://www.thetimes.co.uk/article/editorial-p5l5hngrp>

[78] Guardian Media Group plc, Annual Report and Consolidated Financial Statements for the Year ended 29 March 2020, p. 3, available online at: https://uploads.guim.co.uk/2020/07/15/1_GMG_Financial_Statements_2020_FINAL_.pdf.pdf

Traditionally, *The Guardian's* politics have been broadly those of a progressive liberalism, placing the paper on the centre-left of British politics, and on the right of the Labour Party. Its print readership has long been small – the smallest of the daily quality titles – and based primarily in the professions, education, the public sector and the media: doctors, academics, teachers, BBC staff and so on. *The Observer* is the oldest Sunday newspaper in the world, first published in 1791. For most of its history it was owned separately to *The Guardian*, until in 1993 it was acquired by Guardian Media Group. The *Observer's* politics are slightly to the right of *The Guardian's*, sitting more in the centre ground of British politics than on the centre-left. As one indicator, *The Observer* supported the war on Iraq – like most of the British press – but *The Guardian* opposed it. At times, both papers have flirted with supporting the Liberal Democrats but most of the time they have endorsed the Labour Party. Both were hostile to Jeremy Corbyn's left-wing leadership of the Party, though *The Observer* was more aggressively so.

Unlike *The Times* and *The Daily Telegraph*, which put up paywalls around their websites in 2010 and 2013 respectively, *The Guardian* continues to make its journalism free for anyone to access online. For this reason, its online audience is far larger than either of the other two titles. In fact, it is one of the most popular news websites in the UK, and it has achieved some success in attracting an audience in the United States, particularly after mid-2013, when it published Edward Snowden's disclosures about global surveillance.

However, sustaining this free access model is not without its costs. First, *The Guardian* is only able to keep losses down to sustainable levels by relying increasingly on regular and one-off donations, and on paying subscribers to its premium apps and other products, with the consequence that there is a difference between the large audience who reads and the small minority who funds the title. There is no such distinction in the case of the other two daily quality titles. Second, it would be fair to say that, in an effort to attract the volume of traffic necessary to make its business model – which still relies heavily on digital advertising – sustainable, *The Guardian's* journalism has gone downmarket in some respects, with more ephemeral lifestyle, celebrity, 'human interest' and opinion content, and less deeply-reported investigative, foreign, business and media journalism. In 2016 the investigations team was broken up, and there have been several announcements of major job cuts over the past decade.^[79] Although it continues to produce important investigative journalism – for instance, its work in 2018 uncovering the Windrush scandal [80] and in 2021 on the Pegasus project [81] – its recent work has not quite produced the same enormous national and international shockwaves of its three major exposés in the early 2010s: the enormous leak of diplomatic cables by WikiLeaks in November 2010, the phone hacking scandal at News International in July 2011, and the Edward Snowden disclosures that began in June 2013. Nevertheless, its record of investigative journalism over the past decade is unmatched by any other British newspaper.

[79] Duncan Robinson, "Guardian looks at compulsory job cuts" *Financial Times* 24 October 2012, available online at: <https://www.ft.com/content/6f08317a-1df9-11e2-ad76-00144feabdc0>

Dominic Ponsford, "Guardian set to break up six-strong team of investigative reporters as journalists told to find other roles" *Press Gazette* 19 May 2016, available online at: <https://www.pressgazette.co.uk/guardian-set-to-break-up-six-strong-team-of-investigative-reporters-as-journalists-told-to-find-other-roles>

Jim Waterson, "Guardian announces plans to cut 180 jobs" *The Guardian* 15 July 2020, available online at: <https://www.theguardian.com/media/2020/jul/15/guardian-announces-plans-to-cut-180-jobs>

[80] See https://en.wikipedia.org/wiki/Windrush_scandal

[81] Stephanie Kirchgaessner, Paul Lewis, David Pegg, Sam Cutler, Nina Lakhani and Michael Safi, "Revealed: leak uncovers global abuse of cyber-surveillance weapon" *The Guardian* 18 July 2021, available online at: <https://www.theguardian.com/world/2021/jul/18/revealed-leak-uncovers-global-abuse-of-cyber-surveillance-weapon-nso-group-pegasus> The whole series of reporting on the Pegasus project is available online at: <https://www.theguardian.com/news/series/pegasus-project>

Two final points are important to note. First, unlike at any other British newspaper, when *The Guardian*'s longstanding editor Alan Rusbridger announced that he was standing down in 2015, an indicative ballot was held by *Guardian* and *Observer* staff to vote on who should be Rusbridger's successor. Katherine Viner won with 53% of the votes.[82] Although they were technically not bound by the result, the directors of the Scott Trust board nevertheless decided to appoint Viner as Rusbridger's successor. No other major newsroom in Britain can boast that it elected its editor. Second, *The Guardian* possesses a position of unchallenged dominance in left-wing and left-of-centre news and opinion journalism that its equivalent on the right, *The Times*, does not possess. *The Guardian*'s only real competitor in print, *The Independent*, ceased print publication in 2016 and is much less of an online rival to it than *The Telegraph* and the *Mail* are to *The Times*.

The Financial Times & The Economist

The UK has two important publications whose primary readership is the global business and financial elite of senior executives, managers and investors and others in the financial sector. These titles are the *Financial Times*, a daily newspaper specialising in business and financial news, and *The Economist*, a weekly magazine analysing global politics and business. Both are by far the most international in scope of all the UK's print media. Both have a substantial number of subscribers outside the UK, although their centre of gravity remains the City of London. The *Financial Times* has over one million paying readers, and 70 percent are outside the UK.[83] *The Economist* has one million subscribers, but only around 270,000 are in the UK. [84] Its total circulation is even higher – around 1.7 million globally before the pandemic – but newsstand sales (often in airports) were cut in half by the pandemic's impact on travel. Politically, both the *Financial Times* and *The Economist* stand on the free-market centre-right. The Economist is more explicit in its politics, which it describes as those of classical liberalism. The *Financial Times*'s opinion pages contain more breadth of opinion, which spans from the free-market right to the Keynesian centre-left.

Between 1957 and 2015, the British educational publisher Pearson owned the *Financial Times* and held a 50% stake in *The Economist*. However, in 2015, Pearson sold the FT Group to the Japanese media company Nikkei and three fifths of its 50% stake in *The Economist* to the Agnelli family's holding company Exor; the rest were bought back by the title's parent company, The Economist Group. [85] The two largest shareholders in The Economist Group are now the Agnellis and the Rothschilds; the former increased their shareholding from 4.7 percent to around 40 percent in 2015; the latter have held shares in *The Economist* for decades and have rough parity with the Agnellis. The rest of the shares are widely dispersed among "wealthy English families, descendants of past editors, and numerous current and former employees". [86] For nearly six decades, the two titles were connected by their common ownership by Pearson but as of 2015 that connection ceased.

[82] Guardian staff, "Katharine Viner wins staff ballot for Guardian editor" *The Guardian* 5 March 2015

<https://www.theguardian.com/media/2015/mar/05/katharine-viner-wins-staff-ballot-for-guardian-editor>

[83] FT Group, "FT tops one million paying readers" 1 April 2019, available online at: https://aboutus.ft.com/press_release/ft-tops-one-million-paying-readers

[84] The Economist Group Annual Report 2020, p. 9, available online at:

https://www.economistgroup.com/results_and_governance/annual_and_interim_reports.html For a breakdown of The Economist's global circulation see: <https://www.abc.org.uk/product/18339>

[85] "A new chapter", *The Economist* 15 August 2015, available online at: <https://www.economist.com/leaders/2015/08/15/a-new-chapter>

[86] Alex Spence, "Agnellis, Rothschilds close in on Economist", *Politico* 11 August 2015, available online at: <https://www.politico.eu/article/agnellis-rothschilds-close-in-on-economist-magazine-sale-pearson/>

Regional Newspapers

The UK's regional and local newspapers have often played an important role in the life of their local areas, but in larger terms they have long been subordinate to the national press, which plays a far bigger role in setting the national news agenda followed across press, TV, radio and online. Indeed, it was generally through being picked up by national newspapers that stories from the regional press reached national consciousness.

The dominance of the national press has continued into the online era. The most successful news websites launched by newspaper publishers have been those of the national press, not the regional press. The regional press was hit earlier and heavier by the impact of the internet than the national press, principally because it depended far more heavily on the reader interest and the revenue generated by classified advertising – local services, job listings and so on.

One study found that between 2007 and 2017 the circulation of the regional press fell 51% from 63.4 million to 31.4 million copies per week, in part driven by title closures: 1,303 titles in 2007 had fallen to 982 by 2017. Of those 486 closures, 406 were of weekly free newspapers.^[87] Another study found that in a seventeen-month period between 2015-2017, 418 jobs were lost in the regional and local press, and 273 of 406 local authority districts had no daily local newspaper coverage. The study also found that 45% of local authority districts were served by only a single local publisher. ^[88]

The regional press has struggled even more than the national press to replace their lost print circulation and advertising revenue with new digital revenue. In 2001, national and regional newspapers accounted respectively for 12.5% and 17.1% of advertising spending in the UK. In 2019, they accounted for 3.9% and 2.8% respectively, so that whereas the national press lost two-thirds of its share of UK advertising spending over that eighteen-year period, the regional press lost five-sixths. Over the period 2001-2019, the national press gained only 13p in digital advertising revenue for every £1 of print advertising revenue it has lost. But the regional press gained even less per £1 lost – just 6p. ^[89]

The collapse in the financial basis of the regional press has meant a collapse in local news reporting, with three important consequences. First, many parts of the UK no longer have the local reporting resources to ensure that people can easily find out what is happening in their area. Many local areas have become 'news deserts' where there is no local newsgathering capacity to report on local developments. The areas that are not yet 'deserts' often have at most one local title that holds a monopoly on the market, and that title might be a free, weekly newspaper filled with advertising and little real editorial content.

In most areas, regional and local titles are badly understaffed. Pay and conditions are poor. Many of the journalists that are employed are young and experienced, because publishers often do not find it profitable to employ more senior, experienced journalists, or to provide them with the training necessary to adapt to the new digital world.

[87] Mediatique, "Overview of recent dynamics in the UK press market" April 2018, p. 44, available online at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/720400/180621_Mediatique_-_Overview_of_recent_dynamics_in_the_UK_press_market_-_Report_for_DCMS.pdf

[88] Media Reform Coalition, "Mapping changes in local news 2015-17: More bad news for democracy?", available online at: <https://www.mediareform.org.uk/wp-content/uploads/2015/11/Mapping-changes-in-local-news-2015-2017-interactive.pdf>

[89] These figures were calculated by

What regional coverage remains is dominated by the BBC, a publicly funded broadcaster with a remit to reflect the UK's nations and regions in its coverage, and by the dedicated broadcasters for Scotland, Wales and Northern Ireland: STV, S4C and UTV. The fate of the Scottish press is symptomatic: major national titles have seen circulation collapse over the past two decades, due not only to the impact of the internet on print business models, but also to decades of cost-cutting by extractive corporate owners who focus more on profit than on providing journalism that fulfils essential civic functions. [90]

In 2019 the government's Cairncross Review identified the collapse of local reporting on civic institutions like courts and councils as a major area of 'market failure' in the provision of news in the UK, and highlighted the damaging civic consequences:

"This decline in coverage of local institutions has an important and worrying impact on society. One example of what may happen when local reporting contracts was the Grenfell Tower fire. In 1990 the Kensington and Chelsea News had ten journalists covering the borough; it now merely shares resources with other titles in the group. In 2017, a former journalist on the News told Press Gazette he was certain it would have investigated residents' concerns about fire safety if it had had more staff. In his speech to the Edinburgh TV festival in 2017, the broadcaster Jon Snow also argued that the lack of a strong local paper was a key reason why the authorities failed to heed local concerns and warnings about the Tower." [91]

The lack of a regional and local newspaper reporting infrastructure has also had knock-on effects for the national media. Traditionally, the regional press has been an important source of stories for the national media. The entire national press is London-based, and few newspapers have many correspondents dedicated to covering news outside London. With the collapse of the regional press's local reporting infrastructure, many parts of the UK now go routinely ignored or forgotten in national news coverage. The national news agenda has become even more London- and Westminster-centric than it was already. The most recent Reuters Institute Digital News Report found in its UK survey that:

"In the UK, some see the media as too London-centric or perceive a North/South divide in how different regions are represented – criticisms that have prompted both the BBC and Channel 4 to move some of their operations out of London in recent years. Although most parts of the UK think where they live is covered fairly on average, this is clearly felt less strongly in the Midlands, the North of England, Wales, and Scotland than in London and the South." [92]

Although the national press routinely criticises the BBC and Channel 4 for being too 'London-centric', this charge applies with much greater force to the national press itself: it is based exclusively in London, and it lacks any equivalent to the BBC's local and regional news operations.

[90] For an account of the decline of the Scottish press, see Peter Geoghegan, "The End of the Scottish Press?" *London Review of Books* Vol. 38 No. 8, 21 April 2016, available online at: <https://lrb.co.uk/the-paper/v38/n08/peter-geoghegan/the-end-of-the-scottish-press>

[91] *The Cairncross Review: A sustainable future for journalism*, 12 February 2019, p. 21, available online at: <https://www.gov.uk/government/publications/the-cairncross-review-a-sustainable-future-for-journalism>

[92] Reuters Institute, Digital News Report 2021, p. 36, available online at: <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2021>

The regional press once provided an important route into national journalism for many young entrants to the profession – particularly those from working class backgrounds. Today, the profession is one of the most elite in the UK by social background. [93] An undergraduate degree at an elite university and/or a graduate degree in journalism (costing significant private means) is a common route into the national media. It is true that, in the past, many journalists went straight into the national news media from undergraduate degrees at Oxford or Cambridge. The difference now is the elimination of an alternative route up through regional journalism, which has traditionally been more accessible to people from working-class backgrounds without a university education. The only routes that remain are the more elitist ones.

The UK's regional press is dominated by a handful of major publishers. According to the Media Reform Coalition's 2021 report, *Who Owns the UK Media?* three publishers own over 60% of regional newspaper titles and six own over 80%. [94]

Table 20. Regional and local newspaper titles by publisher, February 2021

Source: Media Reform Coalition

Publisher	Titles*	Share	Cumulative share
Newsquest (Gannett UK)	236	23.2%	23.2%
Reach plc	211	20.7%	43.9%
JPI Media	183	18.0%	61.9%
Tindle Newspapers	79	7.8%	69.%
Archant	72	7.1%	76.7%
Illiffe Media	71	7.0%	83.7%
Remaining 50 publishers	166	16.8%	100%
Total	1018	100%	n/a

*These figures count different local editions of local and regional titles as separate titles.

There are three regional newspaper publishers in the UK with an annual turnover over £100 million:

Reach Plc

Reach plc, formerly Trinity Mirror, is a publicly-traded company, which publishes 211 regional and local titles (or separate editions of these titles) in the UK, alongside national newspapers the *Daily Mirror*, *Daily Express* and *Daily Star*. It is the largest regional publisher by revenue and the second largest by the number of titles it owns. In 2015 Reach (as Trinity Mirror) acquired Local World, a major local publisher, from DMGT. In 2018 it acquired the *Daily Express* and *Daily Star* titles from Northern & Shell.

[93] See The Sutton Trust, *Elitist Britain* 2019, p. 4-5 and 9, available online at: <https://www.suttontrust.com/our-research/elitist-britain-2019>

[94] Media Reform Coalition, *Who Owns the UK Media?* 2021, p. 7, available online at: <https://www.mediareform.org.uk/media-ownership/who-owns-the-uk-media>

Reach's highest-circulation regional titles are the *Daily Record*, a Scottish tabloid with average circulation of 112,185 copies per day in 2019, the *Manchester Weekly News*, with average circulation of 166,382 a week in 2019, and a number of metropolitan dailies like the *Liverpool Echo*, *Manchester Evening News*, *Sentinel* (Stoke-on-Trent), *Newcastle Chronicle*, *Hull Daily Mail*, *Daily Post* (Wales), *Leicester Mercury* and *Derby Telegraph*. These titles all had daily circulation of between 18,000-29,000 copies in 2019. Reach also runs a network of free local 'Live' websites, like Nottinghamshire Live. Content is largely tabloid, with a relatively small proportion of output focused on 'hard news' subjects. In 2020, Reach employed 2,504 journalists or 'editorial colleagues' but there have been repeated job cuts at the publisher, including 550 in 2020. [95] Seventy-five are Local Democracy Reporters, paid for by the BBC as part of its Local Democracy Reporting Service (a *de facto* public subsidy to the local press explained in more detail in the section on public funding sources below), with a remit to cover local councils. [96]

Reach's national titles span a range of political positions from centre-left (*Daily Mirror*) to relatively apolitical (*Daily Star*) to right-wing (*Daily Express*), while local titles are politically neutral, like most local media in the UK. The *Daily Record* was against Scottish independence at the 2014 referendum, as was the vast majority of the Scottish print media.

Newsquest (Gannett UK)

Newsquest is the UK subsidiary of the US newspaper publishing giant Gannett, the largest US newspaper publisher by total daily circulation, and the largest regional newspaper publisher in the UK by number of titles. Newsquest owns over 120 titles in a total of 236 different editions, including 22 dailies – mostly in smaller cities and with circulation usually around 7,000-20,000 copies. The highest-circulation Newsquest daily is *The Herald* in Glasgow, whose print circulation was 23,583 in 2018 (the last year for which its ABC circulation data was available). Politically, Newsquest's titles are neutral.

National World

Johnston Press was one of the oldest local publishers in the UK, dating back to 1767. In the early 2000s, the publisher became the second largest regional newspaper owner in the UK following a string of major, expensive acquisitions. Acquisitions and aggressive cost-cutting across titles led to the achievement of enormous profit margins. The collapse of the regional press hit the company hard and in 2018 it placed itself in administration, unable to refinance its enormous debt burden. [97] It was taken over by its creditors and became placed under the control of JPI Media, a special purpose vehicle. In January 2021, JPI Media was acquired by National World, a company set up by the long-time newspaper industry executive David Montgomery, who was chief executive of the Mirror Group between 1992 and 1999. Montgomery formed Local World in 2012, which acquired a number of regional titles that were later sold to Trinity Mirror in 2015. National World paid only £10m for JPI Media' titles.

[95] Joanna Partridge, "Mirror and Express owner Reach to cut 550 jobs" *The Guardian* 7 July 2020, available online at: <https://www.theguardian.com/business/2020/jul/07/mirror-express-reach-cut-jobs-manchester-evening-news-birmingham-mail>

[96] https://www.bbc.com/inp/ldrs/2021_contracts

[97] Roy Greenslade, "Johnston Press falls prey to capitalism and greed" *The Guardian* 14 October 2018, available online at: <https://www.theguardian.com/media/commentisfree/2018/oct/14/johnston-press-finance-break-up-for-sale>

National World's titles include several Scottish titles: The Scotsman – a Scottish daily with circulation of around 14,678 copies in 2019 – and its Sunday edition, *Scotland on Sunday*; the *Edinburgh Evening News*; the *Falkirk Herald*. Most titles have circulation below 10,000 copies per day or week, though some free titles have larger circulation numbers. Politically, National World's titles are neutral, though its Scottish titles opposed Scottish independence in the 2014 referendum.

Other publishers

There are a number of other regional publishers, but these companies are either much smaller than the big three or regional newspapers are a much smaller proportion of their business. For example, DC Thomson's revenue is larger than Newsquest or National World, but it owns only a handful of local Scottish titles – most of its revenue is generated in other divisions, including magazine publishing. Archant and Iliffe Media each own over 70 regional titles.

Alongside these chain-owning publishers, there are a number of small local media companies that own only a handful of local titles, including some local news co-operatives like *The Bristol Cable*, the Manchester Meteor and *The Ferret* in Scotland.

Radio

Radio in the UK is dominated by the BBC, which had a monopoly on the medium until the rise of pirate radio in the 1960s. The BBC runs five major network (national) stations available on analogue and digital radio (and online), and another six network stations only available on digital radio (and online). Alongside these, it runs stations for the UK's nations, regions, cities and local areas. There are three major commercial radio station owners – Global, Bauer and Wireless Group – which each run one national station plus a network of local stations. Finally, there are a handful of smaller groups and a number of independent local and community radio stations.

In total, there are eight national and 331 local stations operating on analogue licences, while there are 54 national stations operating on DAB (digital) licences. The BBC runs five of the national analogue stations and eleven of the national DAB stations. The three main commercial broadcasters control over three-quarters of the remaining national DAB stations.

Like television, radio output is regulated for broadcasting standards by Ofcom. Radio stations' news output is required to exhibit due accuracy and due impartiality. Political parties are barred from owning radio stations, and the holders of radio broadcasting licences must be based in the UK.

Table 21. Annual radio listening in the UK – by provider, adult (15+) population
 Source: Radio Joint Audience Research (RAJAR)*

All Radio Listening	2015	2016	2017	2018	2019
Adult (15+) population (000)					
Total hours (000)	53,557	53,916	54,357	54,681	54,962
Weekly reach (%)	4,110,445	4,137,332	4,141,663	4,068,645	4,002,595
Average weekly hours per head	89.5%	89.5%	89.8%	89.0%	88.3%
Average weekly hours per listener	19.2	19.2	19.1	18.6	18.2
BBC Radio					
Weekly reach (000)	21.4	21.4	21.2	20.9	20.6
Weekly reach (%)	34,984	34,989	34,750	34,432	33,888
Share of listening	65.3%	64.8%	63.8%	63.0%	61.8%
Average weekly hours per head	53.55%	52.83%	52.50%	51.55%	50.28%
Average weekly hours per listener	10.8	10.2	10.0	9.6	9.2
Commercial Radio					
Weekly reach (000)	15.7	15.6	15.7	15.2	14.9
Weekly reach (%)	34,597	34,892	35,360	35,716	35,841
Share of listening (%)	64.8%	64.8%	65.0%	65.3%	65.3%
Average weekly hours per head	43.85%	44.53%	44.78%	45.70%	47.10%
Average weekly hours per listener	8.4	8.5	8.5	8.5	8.6
	13.0	13.2	13.1	13.0	13.1

*Full-year data only available up to 2019. RAJAR stopped collecting data after March 2020 due to the disruption caused by the pandemic.

Radio listening in the UK is in gradual decline, but the rate of that decline is nothing like as rapid as it was for print newspaper reading or live TV viewing in the 2010s. The BBC has greater reach and a much higher share of listening than commercial stations do among older age groups, whereas among younger age groups the commercial sector is much more dominant. Looking at social grades, the BBC is more dominant among more affluent ABC1s and the commercial sector more dominant among less affluent C2DEs.

The BBC continues to account for around half of all radio listening, but its share declined over the period between 2015 and 2019. Once the aggregate data is broken down into age groups, it becomes clear that the decline of the BBC's share of listening is spread quite evenly across all age groups and both social grades, but the reasons for that loss of share are different across those age groups. Whereas among 15-24s the decline is because the number of hours young people spend listening to BBC Radio is falling at a much faster rate (-30.1% per head between 2015 and 2019) than the number spent listening to commercial stations (-15.9% per head between 2015 and 2019), among over-65s it is because their time spent listening to the BBC is slightly down (-8% per head between 2015 and 2019), while their time spent listening to commercial stations is actually increasing (+14% per head between 2015 and 2019). Looking at the two social grades, the BBC's share of listening has declined among both, though more among the ABC1s where it was dominant, principally because commercial providers have been able to increase listening (by 9% between 2015 and 2019) among this category of listeners.

**Table 22. Annual radio listening in the UK – by age, social grade and provider, adult (15+)
population (Source: Radio Joint Audience Research (RAJAR)*)**

Metric	Social group	Provider	2015	2016	2017	2018	2019	2020
Weekly reach	15-24	BBC	56.0%	52.8%	52.3%	51.5%	48.5%	-7.5 ppts
		Commercial	71.8%	72.0%	69.8%	69.5%	66.0%	-5.7 ppts
	25-44	BBC	59.3%	58.3%	56.8%	55.5%	53.5%	-5.7 ppts
		Commercial	71.3%	72.5%	72.5%	72.5%	72.5%	+1.3 ppts
	45-64	BBC	69.8%	70.5%	69.3%	68.8%	68.0%	-1.8 ppts
		Commercial	66.5%	66.5%	67.5%	67.8%	68.5%	+2.0 ppts
	65+	BBC	75.0%	74.8%	75.0%	73.3%	73.0%	-2.0 ppts
		Commercial	46.0%	46.0%	47.8%	49.0%	50.0%	+4.0 ppts
	ABC1	BBC	73.3%	73.0%	71.5%	70.3%	69.0%	-4.3 ppts
		Commercial	64.8%	64.5%	65.0%	64.5%	65.3%	+0.5 ppts
Total hours (000)	C2DE	BBC	56.0%	55.5%	55.3%	54.8%	52.8%	-3.8 ppts
		Commercial	64.8%	64.8%	65.5%	66.3%	65.5%	1.3 ppts
	15-24	BBC	143,059	126,962	122,262	107,725	95,648	-33.1%
		Commercial	254,930	244,988	230,985	225,007	206,562	-19.0%
	25-44	BBC	478,792	457,697	439,160	416,881	390,776	-18.4%
		Commercial	652,841	670,723	669,483	653,928	661,049	+1.3%
	45-64	BBC	824,331	830,452	827,097	825,774	779,703	-5.4%
		Commercial	629,080	649,073	660,225	671,180	693,421	+10.2%
	65+	BBC	754,763	769,813	785,559	747,834	745,449	-1.2%
		Commercial	264,848	277,528	294,836	309,420	324,051	+22.4%
Share of listening (%)	ABC1	BBC	1,312,580	1,314,088	1,276,112	1,240,450	1,209,207	-7.9%
		Commercial	802,280	838,144	837,084	838,751	874,846	+9.0%
	C2DE	BBC	888,862	870,837	897,964	857,765	802,369	-9.7%
		Commercial	999,420	1,004,170	1,017,943	1,020,783	1,010,235	+1.1%
	15-24	BBC	34.6%	32.9%	33.3%	31.8%	30.5%	-4.1 ppts
		Commercial	61.7%	63.5%	62.9%	65.2%	66.0%	+4.3 ppts
	25-44	BBC	40.9%	39.1%	38.2%	37.6%	35.9%	-5.0 ppts
		Commercial	55.8%	57.3%	58.3%	59.0%	60.7%	+4.9 ppts
	45-64	BBC	55.3%	54.8%	54.2%	53.8%	51.7%	-3.7 ppts
		Commercial	42.2%	42.8%	43.2%	43.7%	45.9%	+3.7 ppts
Average weekly hours per head	65+	BBC	72.8%	72.3%	71.5%	69.3%	68.4%	-4.5 ppts
		Commercial	25.6%	26.1%	26.8%	28.7%	29.7%	+4.2 ppts
	ABC1	BBC	60.7%	59.7%	59.0%	58.2%	56.7%	-4.0 ppts
		Commercial	37.1%	38.1%	38.7%	39.4%	41.0%	+4.0 ppts
	C2DE	BBC	45.6%	45.0%	45.4%	44.3%	42.9%	-2.7 ppts
		Commercial	51.4%	51.9%	51.4%	52.7%	54.0%	+2.7 ppts
	15-24	BBC	4.4	3.9	3.8	3.4	3.1	-30.1%
		Commercial	7.9	7.6	7.3	7.1	6.6	-15.9%
	25-44	BBC	6.9	6.6	6.4	6.0	5.6	-19.1%
		Commercial	9.5	9.7	9.6	9.4	9.4	-0.5%
15-24	45-64	BBC	12.4	12.4	12.2	12.0	11.3	-9.1%
		Commercial	9.5	9.7	9.7	9.8	10.1	+6.1%
	65+	BBC	16.4	16.3	16.3	15.4	15.1	-8.0%
		Commercial	5.7	5.9	6.1	6.4	6.5	+14.0%
	ABC1	BBC	11.3	11.3	10.9	10.4	10.1	-10.8%
		Commercial	6.9	7.2	7.2	7.0	7.3	+5.4%
C2DE	BBC	9.1	8.8	9.0	8.6	8.1	-11.0%	
	Commercial	10.2	10.1	10.2	10.2	10.1	-1.0%	

*Full-year data only available up to 2019. RAJAR stopped collecting data after March 2020 due to the disruption caused by the pandemic.

The BBC is totally dominant at the national level: its national stations account for 44.1% of total listening compared to the 21.1% share taken by national commercial radio stations. National stations account for almost two thirds of radio listening: 44.1% at BBC network stations, 21.1% at national commercial stations. The remaining third is listening to local commercial (26.1%), BBC local (6.2%) or other (2.6%) stations – independent, non-commercial, religious, etc.

Looking just at stations whose output is mostly spoken word or talk radio, the BBC is even more dominant: Radio 4 and Radio 5 live account for 14.8% of total radio listening, and a large part of the 6.2% share of listening for BBC local radio should be added to it. Meanwhile, the two main commercial talk radio networks, Global Radio's LBC and Wireless Group's talkSPORT, account for only 4.3% combined.

Table 23. Annual share of listening – by station and provider, adult (15+) population

Source: Radio Joint Audience Research (RAJAR)*

Provider	Station	2015	2016	2017	2018	2019
BBC Network Radio	BBC Radio 2	17.8%	17.5%	17.7%	17.7%	16.7%
	BBC Radio 4	12.2%	12.1%	12.1%	11.6%	11.5%
	BBC Radio 1	6.4%	5.8%	5.9%	5.8%	5.8%
	BBC Radio 5 live	3.6%	3.7%	3.5%	3.2%	3.3%
	BBC 6 Music	1.9%	2.1%	2.1%	2.3%	2.3%
	BBC Radio 3	1.2%	1.3%	1.1%	1.2%	1.3%
	All stations	46.1%	45.5%	45.5%	44.8%	44.1%
BBC Local Radio	All stations	7.5%	7.3%	7.0%	6.8%	6.2%
All BBC Radio	All stations	53.6%	52.8%	52.5%	51.6%	50.3%
Commercial radio	Global Radio	18.5%	19.5%	20.2%	20.4%	20.9%
	LBC Network	1.4%	1.7%	2.1%	2.0%	2.4%
	Bauer Radio	13.9%	14.8%	14.6%	15.1%	15.5%
	Wireless Group		3.2%	2.9%	3.2%	3.4%
	talkSPORT	2.0%	1.9%	1.7%	2.0%	1.9%
	All national commercial	14.5%	15.8%	16.8%	18.2%	21.1%
	All local commercial	29.3%	28.7%	28.0%	27.5%	26.1%
Other radio	All stations	43.9%	44.5%	44.8%	45.7%	47.1%
	All stations	2.7%	2.7%	2.7%	2.7%	2.6%

*Full-year data only available up to 2019. RAJAR stopped collecting data after March 2020 due to the disruption caused by the pandemic.

NB: Stations in bold are those whose output is mostly spoken word/talk radio.

Radio Broadcasters

BBC

The BBC is the oldest and still the dominant player in UK radio. BBC Radio 1, 2, 3 and 6 are all heavily music focused. Radio 1 is popular and youth-oriented; Radio 2 is popular and aimed at middle-aged listeners; Radio 3's focus is classical music, with some spoken word programming (drama, arts, talks) – mostly for an older audience; Radio 6 Music is more niche and alternative but youth-oriented.

The BBC's two main national stations for news and discussion are Radio 4 and Radio 5 Live. **Radio 5 Live** is a talk radio station, which also provides live sports commentary. Its nearest commercial rivals are LBC, talkRADIO and talkSPORT.

BBC Radio 4 is the most important national radio station for news and journalism and the most influential station in British politics. It produces an array of factual and documentary programmes, and its five main news programmes are the most influential news programmes on the radio: the *Today* programme in the morning, the lunchtime *World at One*, the late afternoon *PM*, the *Six O'Clock News*, and *The World Tonight* and *Today in Parliament* late in the evening. The *Today* programme, in particular, is often agenda-setting, and usually features an interview with a leading politician. The editor of the *Today* programme has one of the most important editorial positions at the BBC. [98] Radio 4 also broadcasts *Any Questions?*, a weekly panel debate programme featuring politicians from the main political parties, and *The Week in Westminster*, a weekly assessment of developments in the UK Parliament.

Alongside these general news programmes, Radio 4 produces a range of specialist current affairs programmes – including *The Media Show*, the only radio programme in the UK dedicated to discussing developments in the UK media, and *Woman's Hour*, one of the longest-running radio programmes in the UK; cultural review programmes; factual documentaries; global reporting (in conjunction with the BBC World Service).

Global Radio

Global Radio is a privately owned British media company founded in 2007, rapidly acquiring the largest share of the commercial radio market in the UK. Global's major radio stations include Capital, Heart, Classic FM and Smooth – all music-focused. **LBC** is a news and talk radio station whose programmes discuss news and political events, often through phone-ins. Major political figures have participated in phone-ins or had their own shows on the station, including Alex Salmond, Nigel Farage, Boris Johnson and Keir Starmer. Farage had a regular evening show until June 2020. [99] Hosts are often highly opinionated 'personalities' on the model of US talk radio. LBC attempts to adhere to Ofcom's broadcasting code rules requiring impartiality by maintaining a degree of balance in the political range of the station's output. [100]

[98] For an account of editing the *Today* programme by a former editor, see Sarah Sands, "Making news and enlightening audiences: BBC's flagship news show in the pandemic" 28 July 2020, available online at: <https://reutersinstitute.politics.ox.ac.uk/risj-review/making-news-and-enlightening-audiences-bbcs-flagship-news-show-pandemic>

[99] Jim Waterson, "Nigel Farage to leave radio station LBC 'with immediate effect'" *The Guardian* 11 June 2020, available online at: <https://www.theguardian.com/politics/2020/jun/11/nigel-farage-to-leave-radio-station-lbc-with-immediate-effect>

[100] Jim Waterson, "Talking the talk: how speech radio brings culture wars to the airwaves" *The Observer* 28 June 2020, available online at: <https://www.theguardian.com/tv-and-radio/2020/jun/28/talking-the-talk-how-speech-radio-brings-culture-wars-to-the-airwaves>

LBC's share of listening is making it increasingly competitive with the BBC's main talk radio station, 5 Live: LBC had less than half of 5 Live's share of listening in 2015, but that had risen to more than two-thirds in 2019. Wireless Group's talkRADIO is its only real commercial competitor.

Bauer Radio

Bauer Radio is the UK radio subsidiary of Bauer Media Group, a German multimedia conglomerate. It was founded in 2007 and it has acquired a number of commercial radio stations from 2008 onwards. It now operates a number of music-focused stations, including Absolute Radio, Hits Radio, Kiss and Magic.

Wireless Group

Wireless Group is a subsidiary of News Corp, having been acquired in 2016, which runs a number of radio stations in the UK and the Republic of Ireland. The main UK stations are talkSPORT, talkSPORT 2, talkRADIO, Virgin Radio UK and Times Radio. Of these, only Virgin is a music-focused station. The talkSPORT stations produce live sport commentary and discussion programmes focused largely around sport. talkRADIO produces programmes discussing news and politics, in competition with Global Radio's LBC, but the general political inflection is more right-wing.

In January 2020, Wireless Group announced the launch of **Times Radio** – a radio extension of the Times newspaper brand aimed at taking on BBC Radio 4, albeit with programmes much more akin to BBC Radio 5 Live: presenters hosting live discussion programmes for several hours at a time, without much pre-recorded factual or documentary programming. Because RAJAR data hasn't been collected since March 2020 due to the pandemic, there is no data publicly available yet to assess Times Radio's share of listening.

Online News

There are two main routes to accessing news online in the UK: either visiting news organisations' websites or apps directly, or accessing news via an intermediary platform or news aggregator (e.g. Facebook, Twitter, Apple News, Instagram, Snapchat). The big American social media platforms are important gateways to online news, particularly for younger people and the less affluent, whereas older age groups and the more affluent are more likely to visit news organisations' websites or apps directly – not least because they are more likely to have a subscription to the likes of The Times, The Telegraph, the Financial Times or The Economist. However, much of the news accessed via social media platforms comes from news organisations, as the chart below shows.

Table 24. Use of social media versus news organisations' websites/apps in 2020 – by demographic group

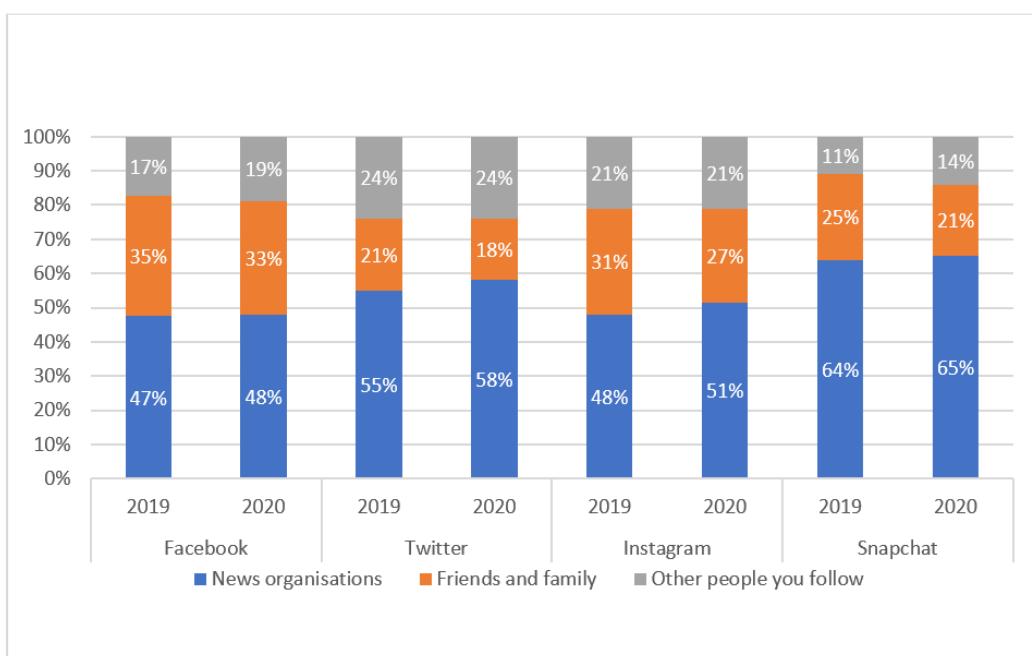
Source: Ofcom News Consumption Report 2020

	Total	Male	Female	16-24	65+	ABC1	C2DE	Minority ethnic groups	White
Mostly get news from social media posts	42%	41%	43%	51%	17%	38%	48%	38%	44%
Get news equally from social media posts and from news organisations' websites/apps	23%	21%	24%	21%	29%	24%	21%	24%	22%
Mostly get news directly from news organisations' websites/app	29%	31%	27%	22%	42%	34%	23%	34%	27%
Don't know	6%	6%	6%	6%	12%	4%	9%	4%	7%

Table 25. Proportion of news on social media accessed from each type of source – by social media platform, all using each social media platform for news

Source: Ofcom News Consumption Report 2020

Question: "Approximately what proportion of the news you get from [social media site] nowadays is from news organisations, friends and other people you follow?"

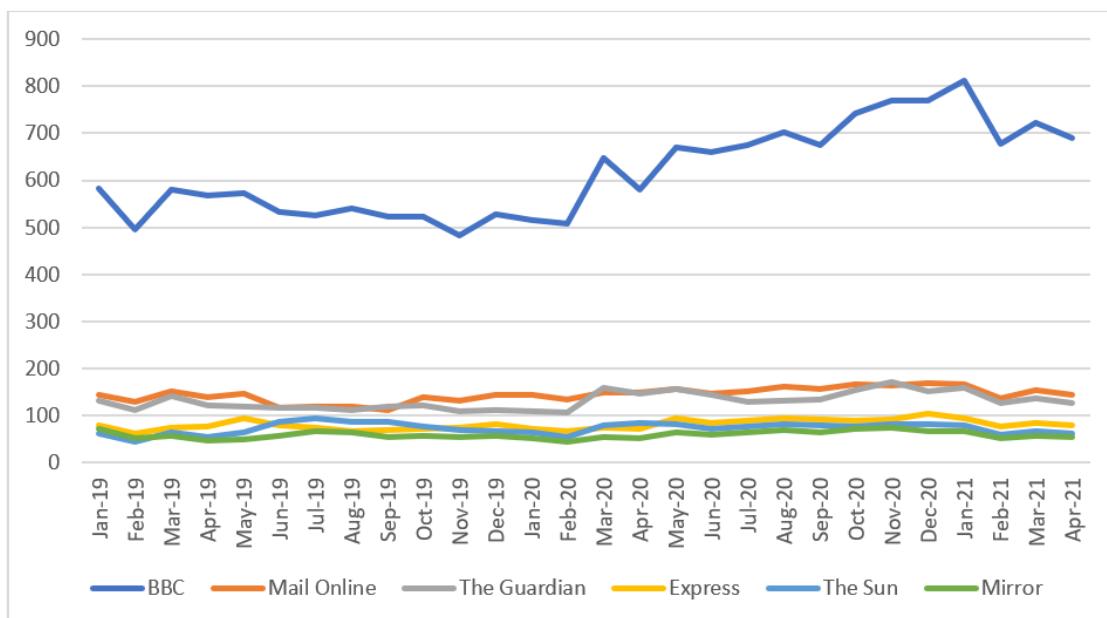


Online news in the UK is dominated by BBC News online, which has long been the most widely used and heavily visited news site and the most heavily downloaded news app in the UK. Behind the BBC, there are three major players: *The Guardian*, *Mail Online* and *Sky News*.

Perhaps the most striking thing about the online reach of the UK's major news brands is that the tabloids, ITV News and Channel 4 News are all so marginal. However, the reasons are simple. In the case of the tabloids, Mail Online is a 'category killer' that absolutely dominates the classic tabloid topics online – the royal family, celebrities, human interest stories – and has even made major incursions into the US market. Mail Online is also the absolutely dominant provider of right-wing news and opinion in the UK. *The Sun*, the *Mirror*, the *Star* and the *Express* all lag far behind the *Mail*'s traffic. In the case of *ITV News* and *Channel 4 News*, the reason is just that they have not invested any real resources in developing their news sites, which remain fairly basic.

Meanwhile, *The Guardian* has for many years pursued a digital strategy now unique among the remaining quality daily newspapers – making its website universally free to access (although the premium version of its app requires a subscription). Like Mail Online, it has sought to expand in the US (and Australia), although initial success in the early 2010s was followed by the scaling back of ambitions after it became clear that a strategy of increasing digital ad revenue by pursuing global scale was not going to generate enough money to fund The Guardian's journalism. Nevertheless, it remains one of the most widely visited news sites in the world, after the BBC, CNN, the *New York Times* and Mail Online. [101] It is one of the top three or four websites by UK reach – along with BBC News, Mail Online and Sky News – and one of the top three most visited sites along with BBC News – by far the leader – and Mail Online, standing some way above *The Sun*, the *Mirror* and the *Express*.

Table 26. Leading UK news sites – by number of UK visits (million), Jan 2019 – April 2021
Source: Press Gazette/Similarweb



[101] For the latest data, see <https://pressgazette.co.uk/most-popular-websites-news-world-monthly/>

Table 27. Leading UK news sites (excluding the BBC) – by number of UK visits (million), Jan 2019 – April 2021

Source: Press Gazette/Similarweb

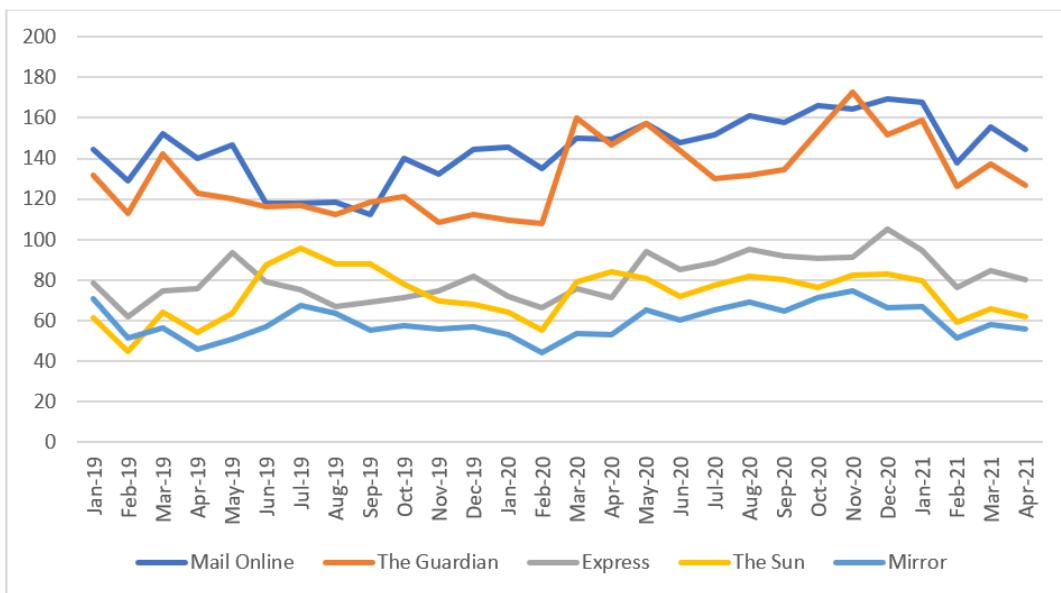


Table 28. Weekly reach online of top UK news brands

Source: Reuters Institute Digital News Reports, 2017-2021

Question: “Which of the following brands have you used to access news online in the last week (via websites, apps, social media, and other forms of Internet access)? Please select all that apply.”

	2017	2018	2019	2020	2021
BBC News online	47%	43%	50%	45%	46%
Guardian online	14%	15%	15%	18%	17%
Mail online	14%	14%	16%	15%	14%
Sky News online	10%	11%	14%	10%	14%
Other regional or local newspaper website	10%	9%	9%	9%	8%
HuffPost (Huffington Post)	14%	10%	11%	6%	7%
Telegraph online	6%	7%	7%	7%	6%
Independent/ i100 online	6%	6%	6%	6%	6%
The Sun online	4%	7%	9%	6%	5%
MSN News	7%	6%	8%	6%	5%
Metro online	4%	5%	6%	5%	5%
Mirror online	6%	6%	9%	4%	5%
ITV News online	4%	3%	6%	3%	5%
BuzzFeed News	8%	6%	8%	6%	4%
Times online	4%	5%	7%	4%	4%

Table 29. Twitter followers and Facebook likes of major UK news brands*

Brand	Twitter followers	Brand	Facebook likes
BBC News (World)	32,300,000	BBC News	53,800,000
BBC News (UK)	12,400,000	Daily Mail	16,000,000
The Guardian	9,700,000	The Independent	9,300,000
Sky News	7,100,000	Sky News	8,700,000
The Independent	3,500,000	The Guardian	8,500,000
The Telegraph	3,000,000	Channel 4 News	4,500,000
Daily Mail Online	2,600,000	The Telegraph	4,400,000
ITV News	2,400,000	The Sun	3,300,000
Channel 4 News	2,400,000	The Mirror	3,200,000
The Sun	1,800,000	Metro	2,400,000
The Times	1,500,000	ITV News	2,200,000
The Mirror	1,200,000	Daily Star	1,700,000
Daily Express	886,600	Daily Express	1,500,000
Evening Standard	637,000	London Evening Standard	1,300,000
Metro	334,000	HuffPost UK	1,200,000
Daily Star	210,400	The Times and Sunday Times	800,000
HuffPost UK	208,800	The i Paper	360,000
i newspaper	113,100		

*These figures are not UK-only and some brands have substantial international audiences.

For the likes of *The Times*, *Telegraph*, *Financial Times* or *Economist*, their subscription models mean that quantity of traffic or breadth of online reach among UK users is simply not an important or meaningful metric to them. They are better judged on their numbers of subscribers.

Why is the BBC so dominant in UK online news? There are several reasons. First, the BBC is the most widely used source of news offline as well – its reach across TV and radio far eclipses any other broadcaster or publisher, and it is the most widely trusted source of news in the UK. Combined, these factors meant that the BBC entered the competition for online audiences with major advantages of familiarity and trust over other news brands. Second, the BBC's news site is completely free to access in the UK, unlike those of a number of newspaper publishers. Third, major technical advantages: the BBC invested early and heavily in developing its online presence, one consequence of which is that its news app has long been maintained to a fairly high level of quality, where other publishers have in the past struggled to put together a decent, usable app. The BBC's (global) TV news operation means that it often has video clips to accompany its news stories, which most other publishers do not, and the BBC News app also offers a live feed of the BBC News Channel, making it a useful means of watching news unfold live. These are major advantages over not only the newspaper publishers, but the other broadcasters as well, which lack the BBC's size of news operation or 24-hour rolling news (except for Sky News, which also has a popular news app).

One important feature of the online news market in the UK is how small a proportion of the population pays for online news – only 8% according to the latest Reuters Institute report. The reasons for this are considered in more depth in the section below on subscription funding.

Table 30. Digital subscriptions/donations at UK national news publishers, most recent estimates
Source: company reports

Title	Product	Subscribers/members	Price/year	As of
Financial Times	Digital access. Premium: exclusive content	Around 288,000 (960,000 in total, of which around 70% are outside the UK)*	Standard: £309 Premium: £489	April 2021
The Guardian	Donations Premium: apps and ad-free website Patrons: various benefits	790,000 monthly supporters (including premium subscribers), 340,000 one-off contributions. 1.13 million total	Donations: variable, £9/month recommended Premium subscription: £119 Patrons: £1200-5000	March 2020
The Telegraph	Digital access	413,000	Standard: £124	March 2020
The Times	Digital access. Basic: smartphone-only access on one device	336,000	Standard: £312 Basic: £180	July 2020
The Economist	Digital access	150,000	Standard: £179	December 2020
Daily Mail	Mail Plus: subscriber-only digital content	80,000	Standard: £75	

Total subscribers/donors: 2,685,000

*Source: Faisal Kalim, “70% of FT readers are outside UK: Here’s how it’s driving global growth” *What’s New in Publishing* 18 September 2019, available online at: <https://whatsnewinpublishing.com/70-of-financial-times-readers-are-outside-the-uk-heres-how-its-driving-global-growth/>

Online News Sites

Most of the biggest news sites in the UK are extensions of TV news or newspaper brands and, as such, have been covered above. Below are the most significant online-only news brands in the UK.

HuffPost (Huffington Post)/BuzzFeed News UK

HuffPost is an American news site and aggregator, originally founded as *Huffington Post* in 2005 by Arianna Huffington, Andrew Breitbart, Kenneth Lerer and Jonah Peretti. In 2011 the site was acquired by AOL for \$315 million. Arianna Huffington became president and editor-in-chief of both the site and other AOL properties. In 2015, Verizon Communications acquired AOL and the site became part of Verizon Media. In 2017 it rebranded as *HuffPost* and in 2020 BuzzFeed Inc. announced that it had acquired *HuffPost* from Verizon.

BuzzFeed is an American news and entertainment website founded in 2006 by Jonah Peretti and John S. Johnson III, which produces light, viral content focusing on celebrity, pop culture, lifestyle and other similar topics. In 2011 the site launched *BuzzFeed News*, focused on more serious reportage from a broadly liberal perspective. In 2013 *BuzzFeed News* launched a UK news operation.

Both *HuffPost* and *BuzzFeed News* sought to appeal to a young and broadly liberal audience, at times doing some serious journalism alongside mostly soft news, but their ad-funded revenue models and their relative novelty in the UK hampered their success. Neither was ultimately able to build the scale necessary to make their UK news operations financially sustainable. *BuzzFeed's* UK editorial operation, including news, peaked at 76 editorial staff in 2017 but there were staff cutbacks starting that year which continued until the UK operation was eventually shut down in June 2020.[102] In March 2021, following its acquisition of *HuffPost*, *BuzzFeed Inc.* announced it was shutting down *HuffPost's* UK news operation.[103]

The Independent/indy 100

In the aftermath of the defeat of organised labour in the newspaper printing industry, the collapse of printing costs spurred the launch of a number of new daily and Sunday newspaper titles. *The Independent* was one of these, launching as a quality daily newspaper in 1986. By the mid-1990s, however, all of these titles had failed – except *The Independent*. It was, however, seriously financially wounded by a price-cutting war with *The Times* in the mid-90s. *The Independent* went through a number of different major shareholders until, in 2010, the Russian oligarch, banker and former KGB officer Alexander Lebedev and his son Evgeny acquired it and its Sunday edition. In 2009 he had acquired a controlling stake in the *Evening Standard*, a daily evening newspaper in London. In 2017, a 30% stake in *The Independent* was sold to a Saudi businessman, Sultan Muhammad Abujadayel.[104]

The Independent's circulation was always the lowest of any of the quality daily newspapers aimed at a general audience (its circulation surpassed the *Financial Times* for a period during its early years), and it remained as high as 186,000 copies in 2010. But it collapsed in the following five years until, in 2016, it closed its print edition (with circulation of only 55,000 copies) and became an online-only news brand. A smaller, tabloid version of *The Independent* called the *i* was launched in 2010 and it achieved some success for several years but in 2016 it was sold to Johnston Press. After Johnston Press went into administration in 2018, its successor company JPIMedia sold the *i* to DMGT in 2019. Today, *The Independent* exists solely as a news website – one of the most popular in the UK, but not a substantial revenue generator.

Politically, *The Independent* began as, and stayed, a broadly centrist newspaper appealing to readers of the centre-right *Times*, centrist-to-centre-right *Financial Times* and centre-left *Guardian* alike. A survey in 2010 found that a plurality of its readers voted for the Liberal Democrats. Under the Lebedevs' ownership *The Independent* continued as a broadly liberal, centrist paper. In the 2015 general election it backed the Conservative-Liberal Democrat coalition government; in the 2017 and 2019 general elections it backed no party, though it endorsed voting tactically against the Conservatives; in the 2016 Brexit referendum, it supported Remain.

[102] Freddy Mayhew, "Buzzfeed to close dedicated UK and Australian news operations with staff furloughed" *Press Gazette* 13 May 2020, available online at: <https://www.pressgazette.co.uk/buzzfeed-to-close-dedicated-uk-and-australian-news-operations-with-staff-furloughed/>

[103] Archie Bland, "HuffPost UK staff face redundancy as national news operation closes down" *The Guardian* 12 March 2021, available online at: <https://www.theguardian.com/media/2021/mar/12/huffpost-uk-staff-face-redundancy-as-news-operation-closes-down>

[104] Graham Ruddick and Mark Sweeney, "Saudi investor buys significant stake in the Independent" *The Guardian* 29 July 2017, available online at: <https://www.theguardian.com/media/2017/jul/29/saudi-investor-buys-up-significant-stake-in-the-independent>

INFLUENTIAL NEWS MEDIA

The UK has many media whose influence is far greater than their bare circulation or audience numbers would suggest. In some cases, this influence is over elites in politics, the state, business or the media. In other cases, it is influence over other social groups: for instance, professional, cultural and intellectual strata, or the activist layers of the political left, centre or right beyond the professional political elite concentrated at Westminster.

Many of the most influential media in the UK are in print (though they increasingly have websites, email newsletters, podcasts and apps extending their presence online). The most influential news media organisations in the UK, overall, are still the ‘quality’ press: *The Times*, *The Telegraph*, *The Guardian*, the *Financial Times* and *The Economist*. These are the news media whose reporting and opinion matters most to Britain’s political and media elites, although *The Economist* is more of a weekly summary of global news, for a global readership, of which only a small portion is in the UK. As a result, *The Economist* does not typically break news or set the UK news agenda, but it does give attention to news stories from around the globe that most of the rest of the UK’s media ignores.

The Times, *The Telegraph* and *The Guardian* in particular have great inter-media agenda-setting power, often ‘leading’ the news agenda of the UK’s major broadcasters. Partly as a result of that, they have great power to set the political agenda too. These titles do also exercise some influence over business elites too, but the extent of that influence has likely diminished over the last decade or so, for two key reasons. First, these titles have retreated from specialist reporting, including specialist business coverage, and now place more emphasis on general news, lifestyle, opinion and cultural content, and on catering to the general reader. One simple reason why is the loss of classified advertising revenue in categories like recruitment that once justified news coverage aimed at attracting readers from particular business sectors, like *The Guardian*’s media supplement. The second reason is the development of specialist business information services that cater more specifically, and in more depth, to business needs. These range from publishers of business journalism like the *Financial Times*, *The Economist* and *Politico Europe*, to financial institutions and commercial research firms who produce regular, in-depth reports on companies and sectors for their business subscribers. The *Financial Times* and *The Economist* both have increasingly global audiences but remain widely read among Britain’s political and business elites, especially in the financial sector.

These five ‘quality’ titles all sell print editions and digital subscriptions that are aimed at, and priced for, the most affluent. *The Guardian* is the cheapest, offering access to its premium mobile apps and an ad-free version of its website for £119 a year, alongside a website that remains free for all to access. The other four are self-consciously priced for and targeted at an elite audience. Of these four, *The Telegraph* is the cheapest, offering access to its paywalled website and apps for £124 a year. *The Economist* offers digital access for £179 a year (though a print/digital bundle is only £36 more). But the *Times* and *Financial Times* are both significantly more expensive, at £314 and £309 a year respectively for digital subscriptions.[105] However, these subscription costs are often covered not by individual readers but by their employers: the majority of *Financial Times* subscriptions are corporate.

[105] By comparison, a digital subscription to the *New York Times* is £96 a year, the *Washington Post* around £70.

In broadcast media, there are a handful of particularly important and influential programmes. **Panorama** is the BBC's flagship regular investigative documentary series. Its only equivalent at other channels is Channel 4's **Dispatches**. Both are shown on Monday nights.[106] ITV's **The Tonight Programme** on Thursday nights is a much less substantial news programme, often focusing on human interest stories rather than major investigations. Altogether, investigative documentaries for television are far less of a priority for British broadcasters today than they were in the 1970s and 1980s heyday of *Panorama* and *World in Action*.

BBC Two's **Newshight**, late on weekday nights, is the most influential news and current affairs programme on television, treating stories in more depth than the major BBC and ITV news bulletins at six and ten o'clock. **Channel 4 News**, a nightly news programme, is probably the best made on British television, and over the last five years has won the Royal Television Society's award for Daily News Programme of the Year twice (in 2017 and 2019) – more than any other programme.[107] BBC One's **Question Time**, which runs late on Thursday nights, is the main political discussion programme on British television, featuring representatives from the main political parties.

On the radio, the most influential news and current affairs programmes are those on BBC Radio 4: the daily morning **Today** programme is the most news-focused of all the morning radio programmes, and typically features an interview with a leading political figure. The station's other news programmes throughout the day – **The World at One**, **PM**, the **Six O'Clock News** and **The World Tonight** likewise do more than any other radio station's news programme to define and shape the daily news and political agenda. Alongside these, Radio 4 produces influential current affairs programmes like **Any Questions?** – the radio equivalent to BBC One's *Question Time*; **The Media Show** – a weekly discussion of issues affecting the media, and media policy debates; **The Week at Westminster** – a summary of the week's Parliamentary events. Alongside these, the station produces a range of current affairs documentaries, probably the closest any British radio station comes to doing investigative journalism.

Niche and Independent Media

Alongside the media most influential with Britain's political, business and media elites, there are many other titles whose influence is smaller and more niche but nevertheless much greater than their raw circulation figures might suggest. Most of these titles are print magazines, periodicals or journals published weekly, fortnight, bimonthly or quarterly. Who they influence will be indicated in each case below. Most of these titles have strongly articulated political positions, although there are two important exceptions. **The Week** is a deliberately neutral weekly summary of news in the UK, collating perspectives from across the political spectrum. Its average circulation stands at around 130,000 a week.[108] **Private Eye** is a fortnightly satirical magazine containing a mixture of jokes and parodies, original news stories (often investigative) and gossip drawn from the worlds of media, politics and business. Its perspective is a kind of general anti-establishment cynicism and irreverence. Published fortnightly and with very little of the magazine's content on its website, its average circulation is nearly a quarter of a million copies.[109] Along with *The Economist*, these are the two highest-circulation current affairs magazines in the UK. *Private Eye* is particularly widely read among political and media elites, and among the state bureaucracy, who also appear to be the sources for many of its stories.

[106] ITV's counterpart to *Panorama* was *World In Action*, which ran from 1963 until its cancellation in 1998. It was replaced by *The Tonight Programme* (formerly *Tonight with Trevor McDonald* between 1999-2007).

[107] The RTS Television Journalism Awards are available online at <https://rts.org.uk/awards/television-journalism-awards>

[108] <https://www.abc.org.uk/product/7763>

[109] *Private Eye*'s circulation data is available online at: <https://www.abc.org.uk/product/3379>

Alongside *The Economist* and *The Week* there are two other important weekly political magazines. **The Spectator** is the most important print organ of the Conservative Party outside of the national press, with a circulation of just over 100,000 of which three quarters are print readers and a quarter are digital-only subscribers.[110] It is owned by Frederick Barclay, the owner of the *Telegraph*. Its journalism focuses primarily on British politics, culture and lifestyle matters, though it also takes in some matters of business and international politics, all seen from a solidly conservative perspective. [111] The current Prime Minister, Boris Johnson, was the *Spectator's* editor between 1999 and 2005, and many other figures connect the Party to the magazine. Its Coffee House blog extends its influence online.

The New Statesman is a centre-left weekly with some ties to the Labour Party – though the relationship is looser than *The Spectator's* with the Conservative Party. Its circulation is also much smaller: around 37,000 with, again, around a quarter of those being digital subscribers. Its sole owner since 2009 has been Mike Danson, a multimillionaire businessman.[112] Its writing has the same focus as *The Spectator* on politics and culture, with some coverage of international affairs, media, technology, science and history. Politically, the New Statesman has generally oscillated between the centre and the right of the Labour Party.

The New European is a centrist weekly newspaper with a circulation of around 20,000 that was launched in July 2016 in response to the result of the 2016 referendum on the UK leaving the EU. It primarily aims to represent those who voted to remain in the EU and were most vociferously opposed to Brexit, who tended to be in the liberal centre of British politics. The paper was launched by the commercial publisher Archant but in February 2021 it was announced that a consortium of investors – including the founding editor Matt Kelly (who left Archant to become the paper's publisher), ex-Director General of the BBC and CEO of the New York Times Company Mark Thompson, and former Financial Times editor Lionel Barber – had acquired the paper. Kelly is now CEO and editor-in-chief.[113] Although its politics are broadly liberal, like *The Economist*, it does not seem to have much of a connection to the Liberal Democrats. Its political constituency is probably just as much to be found on the right of the Labour Party, where opposition to Brexit was most strident, and support strongest for a second referendum to overturn the verdict of the first.

There are a number of other influential literary and political periodicals and magazines. Generally speaking, each contains some coverage of culture and some of politics, though their relative proportion and priority varies, as do the areas of culture covered. These titles' audiences are typically drawn more from Britain's intellectual, artistic and cultural strata, unless indicated below.

At the more cultural end of the spectrum are the **Times Literary Supplement (TLS)**, a weekly periodical with a circulation of around 20-30,000 copies dedicated mostly to reviewing literature and non-fiction, and the **London Review of Books (LRB)**, a fortnightly periodical with a circulation of almost 90,000 which publishes a combination of essay-length book reviews of literature and non-fiction, long essays on a wide range of subjects, memoirish 'diary' pieces, poems, and reviews of films and exhibitions.[114]

[110] *The Spectator's* circulation data is available online at: <https://www.abc.org.uk/product/3016>

[111] For a short profile of *The Spectator*, see Will Davies, "Only Joking?", Sidecar 29 December 2020, available online at: <https://newleftreview.org/sidecar/posts/18>

[112] James Robinson, "Mike Danson takes full ownership of New Statesman", *The Guardian* 14 April 2009, available online at: <https://www.theguardian.com/media/2009/apr/14/new-statesman-ownership-mike-danson-geoffrey-robinson>

[113] "The New European is under new ownership", *The New European* 1 February 2021, available online at: <https://www.theneweuropean.co.uk/brexit-news/the-new-european-sale-7297100>

[114] *The London Review of Books*'s circulation data is available online at: <https://www.abc.org.uk/product/6558>

Politically, the *TLS* exhibits a range of opinions spanning mostly from the liberal centre to the centre-right. Meanwhile, the *LRB*'s centre of gravity is to the left of the *New Statesman*, opinion spanning from the liberal centre to the socialist left, with less of a regular interest in Westminster politics than the *New Statesman* but more of an international range and perspective. The *TLS* was founded in 1902 but is currently owned by News Corp, who acquired it as part of its acquisition of Times Newspapers in 1981. The *LRB* began in 1979 as an insert in the *New York Review of Books*, launched to fill a gap in literary reviewing during a year-long management lockout at Times Newspapers that prevented the *TLS*'s publication. Initially financed by the *NYRB*, ownership of the *LRB* was taken over by Mary-Kay Wilmers, who began as the paper's deputy editor and then became the paper's sole editor from 1992 until 2020, when she stood down to become consulting editor.[115] Both titles have comprehensive websites and produce podcasts. The *LRB* has a blog for shorter contributions. The primary audience for both titles is in Britain's intellectual and cultural strata, especially academia, which also provides the bulk of both titles' contributors.

At the more political end of the spectrum are, first, two monthly magazines, the centrist-to-centre-left **Prospect** and the right-wing **Standpoint**. *Prospect*'s circulation stands at around 32,000, of which about three-fifths is in print.[116] Its focus is overwhelmingly on current affairs – a mixture of British and global, with less cultural coverage than the *TLS* or *LRB* – and more short-form than either of those titles. Politically, it does not have the attachment to a particular political party of *The Spectator* or even the *New Statesman*, but it is far more engaged with Westminster politics than the *LRB* or *TLS*. *Prospect* is owned by the Resolution Trust, which also funds the Resolution Foundation – an influential centrist/centre-left think-tank. The Trust has a substantial endowment from Clive Cowdery, an English multimillionaire who founded Resolution, an insurance investment firm. *Prospect*'s audience is much more likely to be drawn from political or bureaucratic circles.

Standpoint's circulation was reported to be around 10,000 in 2019.[117] Its politics are right-wing, Atlanticist and neo-conservative. It has been owned and funded by the Social Affairs Unit, a right-wing think-tank born in 1980 as an offshoot of the neoliberal Institute of Economic Affairs. However, the magazine appears to have fallen apart in 2020. Its founding editor, Daniel Johnson, left in 2019 after more than ten years at the magazine. In late 2019 **The Critic**, a new right-wing political magazine, was launched by some formerly associated with *Standpoint*. The title is financially backed by Jeremy Hosking, a Brexit-supporting right-wing investor, and co-edited by Michael Mosbacher, formerly the acting editor of *Standpoint*, and Christopher Montgomery, a former strategist for the European Research Group, a strongly pro-Brexit faction of Conservative MPs.[118] The audience for both titles is, again, drawn largely from those invested in the world of British politics.

Finally, there are three influential political print publications on the left of British politics. **Renewal**, a quarterly "journal of social democracy", serves as the main organ of the 'soft left' or party centre in the Labour Party. Its output is exclusively focused on matters of politics and strategy, and many contributions are addressed directly to party matters. It is not read widely in the party, but it serves as a key point of connection between intellectuals and party MPs. It is published by Lawrence & Wishart, a publishing house formerly associated with the Communist Party of Great Britain, which also publishes a range of other, more academic journals.

[115] Wyatt Mason, "How Mary-Kay Wilmers Became Britain's Most Influential Editor" *The New York Times Magazine* 24 October 2019, available online at: <https://www.nytimes.com/2019/10/24/magazine/london-review-of-books-mary-kay-wilmers.html>

[116] *Prospect*'s circulation data is available online at: <https://www.abc.org.uk/product/8153>

[117] Lindsay Fortado and Laurence Fletcher, "City financier Jeremy Hosking donates £850,000 to Standpoint magazine", *Financial Times* 17 June 2019, available online at: <https://www.ft.com/content/77f879be-877b-11e9-97ea-05ac2431f453>

[118] Ian Burrell, "Does Britain need another contrarian conservative magazine? The Critic makes its case", *The Drum* 30 January 2020, available online at: <https://www.thedrum.com/opinion/2020/01/30/does-britain-need-another-contrarian-conservative-magazine-the-critic-makes-its>

Tribune is the long-running magazine of the Labour left, originally founded in 1937. After decades of decline, it ceased publication in early 2018 before being bought in May of that year by the American socialist magazine Jacobin, which then relaunched it in September 2018 at the Labour Party conference. As of December 2020, Tribune has 15,000 subscribers. It also publishes articles regularly on its website and produces podcasts. It is the print publication most closely associated with the socialist left of the Labour Party, the Corbyn leadership and Momentum, and its readers are most likely younger trade unionists and members of the Labour Party and Momentum – in short, the new, socialist left drawn into Labour politics from Corbyn’s 2015 Labour leadership campaign onwards.

New Left Review (NLR) is a bimonthly journal published since 1960 with a circulation of around 10,000. Its readership is global, and it publishes each edition in Spanish as well as English, reflecting a strong following in Latin America. Politically, the *NLR* is the most left-wing journal published in the UK. It emerged out of the British New Left in the late 1950s and is renowned for publishing cutting-edge Marxist and other radical work on politics, culture, history and theory. It is owned by New Left Books, a company which also owns the left-wing book publisher Verso, and which is controlled by three directors with longstanding editorial involvement at both – Perry Anderson, Tariq Ali and Robin Blackburn. At the end of 2020, the *NLR* launched a new blog, Sidecar, which produces global political and cultural commentary. The *NLR*’s audience is more academic than *Tribune* but it nevertheless has a following among some Labour left activists.

There are three small left-wing magazines (circulation probably below 10,000) also worth noting. **Red Pepper** is a left-wing magazine with broadly New Left, feminist, ‘red and green’ politics, published quarterly, which has been going since 1995; its focus is on left-wing opinion, features and book reviews. **New Internationalist** is a left-wing magazine owned and managed by a worker-run co-operative, which is published bimonthly and focuses on international news and issues, with a particular emphasis on environmental issues. **Salvage** is an avowedly ‘pessimistic’ magazine of the Marxist left published once or twice a year, founded by an editorial collective in 2015, and focused primarily on politics and literary culture. In each case, readers are likely to be drawn from higher education or left-wing activism, with New Internationalist perhaps engaged more strongly with the voluntary sector and civil society organisations.

The UK has an increasing number of small but influential online-only media, in addition to the websites, apps and podcasts of many of the titles listed above. On the political right, sites like *Conservative Home*, *Spiked*, *UnHerd*, *CapX*, *Reaction* and *The Spectator’s Coffee House* blog are sources of right-wing opinion and debate but play relatively little role in breaking news stories. On the other hand, the *Guido Fawkes* blog, run by the libertarian blogger Paul Staines, has been going since 2004 and is one of the most important sources of right-wing, partisan Westminster gossip. Some of its former journalists have graduated to reporting roles in the mainstream media.

These sites are mainly by and for the politically engaged, from rank-and-file Conservative Party members, through to right-wing journalists and commentators, Conservative Party staff and politicians, and right-wing businesspeople and lobbyists. *CapX* is a representative example, producing writing on a mixture of politics, economics and technology from a perspective supportive of “markets, innovation and competition” clearly pitched at an audience drawn from the world of politics and business. The site is published by the Centre for Policy Studies, a right-wing think-tank whose director Robert Colvile is *CapX*’s editor-in-chief.

[119] See this tweet from the magazine’s editor, Ronan Burtenshaw: <https://twitter.com/ronanburtenshaw/status/1341509567717511171>

[120] For a brief history of New Left Review, see: <https://newleftreview.org/pages/history>

[121] See the magazine’s editorial charter, available online here: <https://www.redpepper.org.uk/editorial-charter/>

The political centre is so dominant in more established news media sites, like those of *The Guardian*, the *Financial Times*, *The Times*, *The Independent*, *Huffington Post*, *New Statesman* and *Prospect* that there has been relatively little need to set up new digital-only sites. Nevertheless, there are a few. Two of the most notable are **Byline Times** – an online newspaper founded by a freelance journalist, Peter Jukes, and an advertising executive, Stephen Colegrave – and **Tortoise** – a subscription-funded ‘slow news’ organisation co-founded by James Harding, former editor of *The Times* and head of news at the BBC. Both produce original reporting, including with a focus on Westminster politics; neither has any marked partisan attachment. *Tortoise*’s audience is most likely among the most news-engaged, drawn from the political, media and business worlds. *Byline Times* is addressed more to a popular constituency of people in the liberal centre mobilised by the Brexit referendum and the rightwards drift of British politics.

On the political left, **Labour List** provides the most comprehensive coverage of matters relating to the Labour Party, as well as publishing opinion and analysis from party members and figures, including MPs, and acts in effect as the Party’s internal bulletin. **openDemocracy** provides opinion from a range of perspectives, ranging from the liberal centre to the socialist left, with a centre of gravity in Labour’s ‘soft left’ and giving a degree of representation to Scottish nationalism and Green politics unusual in British political media. It also increasingly produces important investigative reporting.

A group of sites including **The Canary**, **Skwawkbox** and **Evolve Politics** provide political news from perspectives putting them on the left of the Labour Party. *Tribune*’s website is also a major source of left-wing analysis and opinion, as are **Novara Media** and **New Socialist**. All of these sites strongly supported Jeremy Corbyn’s leadership of the Labour Party. *Novara* began as a weekly podcast but has developed into a website, YouTube channel and a number of regular podcasts. Its contributors are probably the most prominent of any of these left-wing sites in the established media. All of these sites address themselves primarily to the new, socialist left mobilised and drawn into Labour Party politics since 2015.

Scotland has a small number of independent online media outlets. Three particularly worth noting are **The Ferret**, a non-profit co-operative which produces investigative journalism, **Wings Over Scotland**, a leading pro-independence website, and **The National** – Scotland’s only pro-independence newspaper. Alongside these are more established (and anti-independence) titles like *The Scotsman*, *The Herald* and the *Daily Record*.

The most striking characteristic of the media above is that, apart from the Scottish outlets, almost every single one is based in London. One reason for this concentration in London is that the focus of many of these titles is on political activity in the Parliament at Westminster, reflecting the highly centralised character of the British state. Another is that much of the nation’s cultural life is concentrated in London, too. London is also one of the most left-wing cities in the country, and as such, it is a place where the new, socialist Labour left is strongest. The second most striking characteristic of the media listed above is how nationally insular much of it is; insofar as foreign news, politics or culture matter they are usually those of the United States; the Republic of Ireland is a common blind spot, and continental Europe is covered only occasionally rather than routinely. Some titles have a more international orientation – typically those of the left, or whose primary UK audience is in the financial sector: in the first category, *New Left Review*, the *London Review of Books*, *New Internationalist* and *openDemocracy*; in the second, *The Economist*, the *Financial Times*. *The World Tonight* and *Channel 4 News* stand out as the broadcast news programmes most engaged with news outside the UK.

FINANCIAL PERFORMANCE OF MAJOR MEDIA GROUPS

Television

Table 31. Selected financial data of UK broadcasters, 2016-2021

Sources: company reports

£m (unless otherwise specified)	2016	2017	2018	2019	2020	2021
BBC						
Licence fee income	3,743	3,787	3,830	3,690	3,520	3,750
Other income*	1,084	1,167	1,233	1,199	1,423	1,314
Total income	4,827	4,954	5,063	4,889	4,943	5,064
Operating profit (deficit)	30	(39)	234	(52)	(122)	290
Operating margin	0.62%	-0.79%	4.61%	-1.06%	-2.47%	5.73%
Licence fee % of total income	77.5%	76.4%	75.7%	75.5%	71.2%	74.1%
ITV						
Advertising revenue	1,209	1,066	1,240	1,191	1,098	
Non-advertising revenue	1,855	2066	1,971	2,117	1,683	
Total revenue**	3,064	3,132	3,211	3,308	2,781	
Operating profit	604	555	600	585	356	
Operating margin	19.71%	17.72%	18.69%	16.17%	12.80%	
Advertising % of revenue	39.5%	34.0%	38.6%	36.0%	39.5%	
Channel 4						
Content spend	695	675	662	660	522	
Originated content spend	501	510	489	492	370	
Digital revenue	102	124	138	163	161***	
Corporation revenues	995	960	975	985	934	
Underlying operating profit/(deficit)	(18)	(25)	4	(17)	71	
Operating margin	-1.8%	-2.6%	0.4%	-1.7%	7.6%	
Net cash reserves	215	190	180	137	201	
Net cash as % of annual revenue	22%	20%	18%	14%	22%	
Channel 5						
Turnover	384	380	376	452****		
Operating profit	58	45	40	27		
Operating margin	15.2%	11.8%	10.6%	6.1%		

£m (unless otherwise specified)	2016	2017	2018	2019	2020
Sky****					
Revenue	12,445	12,997	13,585		
EBITDA	2,226	2,151	2,349		
Adjusted operating profit	1,569	1,473	1,574		
Revenue (\$m)			19,814	19,219	18,594
Adjusted EBITDA (\$m)			2,894	3,099	1,954
Operating margin	12.61%	11.33%	11.59%		
Revenue components					
Direct-to-consumer (\$m)			16,077	15,538	15,223
Content (\$m)			1,248	1,432	1,373
Advertising (\$m)			2,489	2,249	1,998

*Other income is primarily commercial and grant income

**Total revenue is listed as ‘group external revenue’ in company reports, where ‘total revenue’ refers to figures inclusive of intra-group transactions.

***Channel 4 changed the way it reported revenue in 2020, replacing the digital revenue metric with digital advertising revenue, which excludes digital revenues generated by e.g. UK secondary rights sold to SVOD platforms, and subscriptions to All4+ – Channel 4’s ad-free SVOD service. Digital advertising revenues were £145m in 2019, 89% of digital revenue.

****Channel 5’s reporting changed from end of September to end of December this year, so the 2019 income statement is for the 15 months ended 31 Dec 2019.

*****Sky was acquired by Comcast in 2018, after which results were reported in US \$ by Comcast and included (adjusted) EBITDA but not operating profit. Results are given up to 2018 in UK £, and from 2018 in US \$.

Although Sky is the largest broadcaster in the UK by revenue, a large proportion of its expenditure is spent on securing the rights to show live sport, including the FA Premier League. Likewise, TV accounts for a substantial portion, but not all, of the BBC’s content expenditure: 66% in the year to the end of March 2021. [122]

Both the BBC and Channel 4 have low operating margins because they are both public broadcasters whose remit is not to produce a profit but to meet a series of public service objectives. Channel 4 nevertheless has substantial net cash reserves – to which it has actually added since the pandemic – to cover it in case of a period of sustained operating losses. Nevertheless, the overall picture has financially been one of stagnation at the UK’s two public broadcasters over the last five years. The BBC’s income in the year to 2021 is actually over £300m (6%) below its income from five years earlier when the latter is adjusted for 2020 prices.[123] Meanwhile, Channel 4 was poorer in cash terms in 2020 than in 2016, and was even so in 2019, before the pandemic’s impact on advertising revenue – Channel 4’s main source of income. Adjusted for inflation, Channel 4’s income in 2020 was £174 million (16%) below its 2016 level.

Channel 4’s spending on content fell by £252 million between 2016 and 2020, when adjusted for inflation, reflecting the deep cuts made by the channel early on in 2020, when it appeared that the pandemic would heavily impact its advertising revenue for the year.[124] But even before the pandemic, in 2019, its content budget was down by £115 million on 2016 (inflation-adjusted).

[122] News and Current Affairs was 19% of TV expenditure and 12% of total content expenditure in 2021.

[123] £4,827 million in 2016 would be £5,379 million in 2020 prices, adjusting for CPI inflation – £315 million below the BBC’s 2021 income.

[124] Mark Sweney, “Channel 4 cuts content budget by £150m as virus hits ad revenues” *The Guardian* 8 April 2020, available online at: <https://www.theguardian.com/media/2020/apr/08/channel-4-cuts-content-budget-virus-ad-revenues-programming-furlough>

There are different reasons for this continuing austerity at each of the broadcasters. Channel 4 is affected by the decline of TV advertising as linear TV viewing declines and is replaced by catch-up, VOD or other digital viewing, where Channel 4 has a smaller share of viewing and which it finds it harder to monetise than live TV. Channel 4 has struggled to generate non-advertising income sources: in 2020 these only accounted for 9% of its overall revenue. Meanwhile, the BBC's primary problem is the fact that the number of households buying TV licences appears to have peaked, while the price of the licence fee is only increasing in line with general inflation – and after a period from 2010-16 when the price was frozen, meaning that the licence fee's price is today 18% below where it would have been if it had risen in line with inflation. Growth in the BBC's commercial income was strong (averaging 7.3% a year between 2016 and 2020, until the pandemic impacted TV production) but it is too small a proportion of the BBC's overall income to make enough of a difference to the overall picture.

ITV's revenue was growing at a reasonable rate of between 2.2 to 3% a year until the pandemic impacted both of its main income sources: TV production and distribution, and TV advertising. Underlying operating margins have been strong over the past five years, albeit in slight decline. Channel 5's financial performance has to be caveated on the basis that it is a subsidiary of ViacomCBS, but the channel's profitability appears to have been in decline in the run-up to the pandemic. Like ITV and Channel 4, Channel 5 is heavily dependent on TV advertising for its income and, as the section below on advertising funding shows, advertising spend on TV has been in decline over the past five years.

Sky's revenues were increasing at a solid rate until its acquisition by Comcast, after which time they declined, in both 2019 and 2020. In 2019, this was primarily due to the impact of currency movements – Sky's underlying revenue actually increased by 1.7% due to increased content and direct-to-consumer revenues, which were partially offset by a decline in advertising revenue. In 2020, Sky was impacted by the pandemic, which led to the cancellation or postponement of many sporting events. This affected both Sky's subscriber numbers and its average revenue per customer. In the long run, Sky is less exposed to the decline of TV advertising than ITV, Channel 4 or Channel 5 as advertising revenue amounted for only 12% of its revenue even before the pandemic. Nevertheless, it is more exposed to potential competition for the rights to live sport, films and imported premium drama series from streaming companies. However, Sky's parent company, the American telecoms behemoth Comcast, had annual revenue of \$103 billion and EBITDA of \$31 billion a year in 2020 – money that leaves it far better placed than the other UK broadcasters to invest in creating new content to take on those new rivals.

Newspapers

Table 32. Selected financial data of UK national newspaper publishers, 2016-2020

Sources: company reports

£m (unless otherwise specified)	2016	2017	2018	2019	2020
News UK					
Total revenue (\$m)*	1,281	1,037	1,076	1,082	898
News Group Newspapers					
Revenue	446	424	401	420	324
Operating profit/(loss)	(63)	(16)	(66)	(63)	(199)
Operating margin	-14.1%	-3.8%	-16.5%	-14.9%	-61.5%
Times Newspapers					
Revenue	342	319	326	330	310
Operating profit/(loss)	(3)	(4)	12	6	13
Operating margin	-0.8%	-1.3%	3.7%	1.8%	4.1%
DMGT					
Revenue	1,917	1,564	1,426	1,337	1,203
Adjusted operating profit	277	179	145	88	136
Operating margin	14.4%	11.4%	10.2%	6.6%	11.3%
dmg media					
Revenue	706	683	654	672	604
Operating profit	100	77	64	67	56
Operating margin	14.2%	11.3%	9.8%	10.0%	9.3%
Reach plc**					
Revenue	713	623	724	703	600
Operating profit	138	125	146	153	134
Operating margin	19.3%	20.0%	20.1%	21.8%	22.3%
Print revenue	638	541	623	591	479
Digital revenue	58	69	91	107	118
Digital share of revenue	9.2%	12.7%	14.6%	18.1%	24.7%
Telegraph Media Group					
Revenue	296	278	271	266	235
Operating profit	28	16	3	9	25
Operating margin	9.5%	5.9%	1.1%	3.4%	10.5%
Print revenue	Not available	Not available	Not available	195	175
Digital revenue	Not available	Not available	Not available	43	46
Digital revenue share of total	Not available	Not available	Not available	16%	20%

*Reported in News Corp 10-Ks. Overall News UK operating profit data unavailable. News UK includes talkSPORT and news printing subsidiaries alongside News Group Newspapers (*The Sun* and *The Sun on Sunday*) and Times Newspapers.

**Note that Reach plc's financial data includes regional as well as national newspaper titles, and magazines.

£m (unless otherwise specified)	2016	2017	2018	2019	2019
Guardian Media Group					
Revenue	210	215	217	225	224
Operating profit/(loss)	(100)	(63)	(54)	(13)	(18)
Operating margin	-47.9%	-29.1%	-24.7%	-5.7%	-7.8%
Cash and endowment fund	765	1,033	1,005	1,014	954
Print revenue	124	116	106	97	94
Digital revenue	82	94	109	126	125
Digital revenue share of total	39%	44%	50%	56%	56%
Reader revenues*	42	49	63	72	80
Reader revenue share of total	20%	23%	29%	32%	36%

*Reader revenues include digital app subscriptions and one-off and regular donations, but not print copy sales.

The UK's national newspaper publishers are mostly much smaller financial entities than the broadcasters. In almost every case, profitability is low if not negative. News UK's subsidiary News Group Newspapers, which publishes *The Sun* and *The Sun on Sunday*, was formerly one of the biggest cash cows in the Murdoch empire. For several years those titles have been losing money – the weaknesses of the underlying businesses added to the substantial costs involved in continuing to handle civil cases brought against News UK relating to claims of phone hacking in the 2000s, and usually settle them out of court. In 2020, the effect of the pandemic on print circulation and advertising made matters worse, with revenue falling by nearly a quarter year-on-year. News Group Newspapers was particularly exposed to the effects of the pandemic on newspaper circulation because it has so far failed to build *The Sun*'s website into one capable of generating serious digital revenue. Times Newspapers, on the other hand, has been able to turn a small profit in the last three years, not least due to its increasing number of digital subscribers [125] and as a result of this strong digital position its revenue only declined by 6% in 2020.

DMG media, the subsidiary of DMGT that publishes the *Daily Mail*, *Mail on Sunday* and *Mail Online*, as well as *Metro* and the *i*, likewise saw its revenue decline in 2020 due to the pandemic, but by nowhere near as much as News Group Newspapers: only 10% year on year. The critical difference is that, although DMG media was heavily exposed to the collapse of print circulation and advertising – especially with the free *Metro* – *Mail Online* is a much more developed digital revenue generator than The Sun's website, contributing £144 million, or 24%, of DMG media's revenue in 2020. In the long run, however, it is doubtful that the site will ever generate as much revenue as the *Daily Mail* and *Mail on Sunday* do in print: £356 million in 2020, and £406 million in 2019 before the pandemic affected circulation. Lord Rothermere is reportedly considering a £810 million bid to take DMGT private, buying the around 70% of DMGT shares that he does not already own.[126]

[125] Total subscribers grew from 502,000 in 2018 to 541,000 in 2019 and 556,000 in 2020, driven by digital growth.

[126] Kalyeena Makortoff and Mark Sweeney, "Rothermere readies £810m bid to take Daily Mail owner private" *The Guardian* 12 July 2021, available online at: <https://www.theguardian.com/business/2021/jul/12/rothermere-bid-daily-mail-general-trust-dmgt> Note that although Rothermere only owns 30% of DMGT shares, DMGT has a dual-class share structure and he owns all of the voting shares.

Reach plc's performance over the last five years is perhaps the most indicative of the state of the national and regional press. It owns more national and regional titles than any other publisher, and it has seen print revenues decline precipitously and only be partially replaced by growing digital revenue. Falling revenues have been masked to an extent by the acquisition of some national newspapers (the *Express* and the *Star*) and magazines from Richard Desmond's Northern & Shell in 2017. Operating margins are higher than at other publishers, which is probably linked to the fact that it is the only publisher that is both publicly traded on the stock market and without a controlling proprietor relatively insulated from shareholder pressure. It is therefore unable to take a longer-term view, sacrificing some short-term profit for the sake of investing in the business's print-to-digital transition.

Telegraph Media Group's revenues have declined consistently across the period between 2016 and 2020. The principal reason was a poorly executed digital strategy under the previous CEO, which failed to generate much revenue to compensate for the rapid rate of print decline. New leadership was appointed in 2017. In the last couple of years, TMG's fortunes have begun to change: in the year to March 2021 the Telegraph reached 413,000 digital subscribers, a 71% growth year-on-year; digital revenues grew 77% year-on-year, albeit from a low base.

Guardian Media Group's (GMG's) strategy in the early 2010s was marked by ambitious global expansion, particularly into the US market, funded by advertising revenue; that strategy had run aground by the mid-2010s. In 2015, editor-in-chief Alan Rusbridger and CEO Andrew Miller both left. Their replacements, Katherine Viner and David Pemsel, devised a new strategy, which involved cancelling the more ambitious plans of the previous regime, vigorously cutting costs (including by laying off many staff), asking readers to donate, and rationalising how *The Guardian* charged for its digital offering. The result was a rapid increase in reader revenues that has more than offset print revenue declines. Together with cost-cutting, operating losses equating to nearly half of annual revenue in 2016 have been reduced to less than a tenth. GMG's long-run aim is not to become a highly profitable business but to reduce its operating losses to a low enough level that they can be covered by the investment return on GMG's substantial endowment, which stood at £954 million in 2020.

Other Companies

Financial data is not available for all of the companies examined above, usually because revenue is, or was, dispersed across a large number of separate but connected subsidiaries with intra-group transactions that mean it is not possible to reach an accurate overall figure for either revenue or profit. This was the case for Newsquest before 2018, and for Bauer Radio.

Table 33. Selected financial data of UK media companies, 2016-2021

Sources: company reports

£m (unless otherwise specified)	2016	2017	2018	2019	2020	2021
Global Radio						
Revenue	268	282	319	340	339	
Operating profit/(loss)	10	16	36	(4)	23	
Operating margin	3.8%	5.7%	11.3%	-1.2%	6.8%	
Newsquest (Gannett UK)						
Revenue			197	188		
Operating profit from core businesses			27	27		
Operating margin			13.8%	14.3%		
National World*						
Revenue	223	202	**	131***	88	
Operating profit/(loss) on non-recurring items	42	33	N/A	6***	(2)	
Operating margin	19%	16%		4%	-2%	
Lebedev Holdings						
Revenue	103	69	69	66	50	
Operating profit/(loss)	(14)	(13)	(13)	(14)	(12)	
Operating margin	-13%	-19%	-19%	-21%	-25%	
Revenue from news publishing	100	64	65	63	43	
Independent Digital News & Media						
Revenue	14	22	25	27	30	
Operating profit	2	3	3	2	3	
Operating margin	11.8%	14.7%	12.2%	8.5%	8.9%	
The Economist Group						
Revenue	331	353	367	333	326	310
Operating profit	61	54	47	31	31	42
Operating margin	18.4%	15.3%	12.8%	9.3%	9.5%	13.5%
Subscription revenue	176	205	221	195	204	210
Advertising, research & other revenue	155	148	144	138	122	101
Financial Times						
Revenue	311	321	332	345		
Operating profit/(loss)	7	4	7	1		
Operating margin	2.13%	1.23%	2.19%	0.19%		
UK revenue	138	142	142	153		
UK share of revenue	44.4%	44.2%	42.8%	44.3%		

*Formerly JPI Media 2018-2020 and Johnston Press plc until 2018.

**In mid-2018, Johnston Press went into administration and was taken over by its creditors as JPI Media. National World acquired JPI Media's titles on 2 January 2021. Results for the 2018 year are unavailable.

***Results for the 74 weeks to 4 January 2020. Adjusted results are £116 million in revenue and £5 million in operating profit. Note that in 2018, the *i* newspaper was sold to DMGT.

Global Radio's profitability is low, but it remains the largest commercial radio provider in the UK by revenue, with turnover equivalent to three-quarters of UK commercial radio revenue. [127] Its revenue (derived entirely from advertising) increased steadily year-on-year until the pandemic.

Newsquest and National World (formerly Johnston Press and then JPI Media) are the two largest regional newspaper publishers in the UK besides Reach. In both cases, they have been in commercial decline for years. In the case of Johnston Press, the underlying business was profitable but the company had acquired too large a debt burden in the 2000s – largely as a result of making a series of extremely ill-timed acquisitions, like paying £160 million for *The Scotsman* newspaper in 2005 – to be able to repay it. It was taken over by its creditors in 2018. The *i* newspaper was sold to DMGT and the remaining titles were acquired by National World. It remains to be seen whether National World can turn around the fortunes of the regional titles it now owns after over a decade of decline.

Lebedev Holdings is the holding company of Alexander and Evgeny Lebedev; it owns the *Evening Standard* newspaper and London Live, a local TV channel. The company's losses appear to be covered by the Lebedev's personal wealth. It is uncertain how wealthy the Lebedevs are – Alexander Lebedev's personal wealth was described by the *Evening Standard* in 2019 as “well over \$1 billion (£810 million) at peak”, presumably placing the current figure somewhere in the hundreds of millions. In December 2018, 30% of Lebedev Holdings was sold to a Saudi businessman. The Lebedevs also own Independent Digital News and Media Limited, the company that runs *The Independent* website, a small operation which makes a profit.

The Economist is one of the few print titles that has managed to grow its overall revenue over the past fifteen years: revenue in 2006 was £218 million, whereas in the year to March 2021 it was £310 million (albeit the 2006 figure would equate to £323 million in 2020 prices). The paper has maintained a healthy operating margin during the print-to-digital transition, and it has managed to compensate for declining advertising revenue with more subscription revenue – largely by raising prices rather than expanding circulation. Subscription now accounts for over two-thirds of total revenue, whereas in 2016 it only accounted for just over half.

In 2015 the *Financial Times* was sold by Pearson, a British education publisher, to Nikkei Inc., a Japanese publishing conglomerate. The *Financial Times*'s revenue has consistently grown since 2016 with the majority of revenue generated outside the UK.

[127] Based on data on annual radio revenue in the UK (£450 million) from Ofcom's latest Communications Market Report, available online at: <https://www.ofcom.org.uk/research-and-data/multi-sector-research/cmr/cmr-2021/interactive-data>

KEY FUNDERS

There are four main sources of funding for journalism in the UK: public funding, advertising, subscriptions/single copy sales, and donations.

It is important to note that some newspapers, though privately owned, have long been making losses. They are subsidised by the profits of the larger businesses of which they have been a part. There are two major examples of this, both in the quality press. *The Times* has long been a loss-making title – at times, heavily so. But its losses have been covered either by the profits of *The Sunday Times* or by the profits of News Corporation, which owns the two titles. In recent years, Times Newspapers has made a very small profit but as recently as 2017 it made a loss, and earlier in the decade it was heavily loss-making. *The Guardian* has, for years, consistently lost money but its losses are subsidised by the returns generated by the investment of the Scott Trust's large endowment, whose size was substantially increased by the sale of Guardian Media Group's stake in *AutoTrader*, a car sales website, for over £600 million in 2014. [128]

The BBC is not required to be profit-generating: its remit is to fulfil its mission and public purposes. Producing high-quality news and current affairs programmes is both a core part of its remit and a major area of the Corporation's expenditure. Likewise, the UK's commercial broadcasters have traditionally not regarded news and current affairs programmes as profit-making activities. The profits generated by their whole output are used to subsidise the production of high-quality news and current affairs programming that meets the UK's broadcasting code requirements and their quota obligations. As holders of prominent channel licences, they are required to produce a certain amount of news and current affairs programming, which is shown at peak times. Although not a public service broadcaster, Sky has long taken a similar approach to its Sky News channel, which is run at a loss and aspires to the same sort of editorial standards as the PSBs' news programmes.

These examples demonstrate a fundamental feature of the UK's public service broadcasting system: unlike most of the British press or American cable news channels, the major broadcasters do not treat news as – or expect it to be – a profit-making activity. That is not to say that these programmes are exempt from commercial considerations: TV news producers are not given a blank cheque, there are budget constraints, the commercial PSBs all have ad breaks in their news programmes, and there is of course competition for viewers. However, this exemption from the pressure to produce profit, and its consequences for editorial standards and priorities, is one plausible reason why the UK's television news is still regarded by the public as relatively high quality compared to other news sources, even if it is no longer seen as being as high-quality as in the past.

In the (quality) press and in broadcasting, the exemption of news production from the pressures of profit-maximisation, either through the use of public funding, business cross-subsidy, or simple subsidy by a billionaire owner, is an important feature of the UK's media landscape.

[128] Mark Sweeney, "Guardian Media Group sells stake in AutoTrader publisher" *The Guardian* 22 January 2014, available online at: <https://www.theguardian.com/media/2014/jan/22/guardianmediagroup-theguardian>

Non-Government

Advertising

Advertising has long been the most important commercial source of funding for journalism in the UK: both the national and regional press have depended on it as the mainstay of their revenue, magazines have long derived important revenue from it, and ITV, Channel 4 and Channel 5 have all traditionally made the majority – in fact nearly the entirety – of their revenue as broadcasters from advertising. However, advertising has undergone a digital revolution in the UK as well over the last twenty years. In 2001, total press advertising (national and regional newspapers, consumer, business and professional magazines, and directories) accounted for £8.5 billion out of £16.5 billion total ad spending for that year – over half, while the internet accounted for 1%. [129] By contrast, in 2019, before the pandemic, the total share accruing to newsbrands and magazines – including their online revenue – was 9.4%, and the total online share – minus those of newsbrands and magazines – was 58.5%. Over the same period, TV advertising remained relatively constant at around a quarter of total ad spend until it started to decline from 2017 onwards, falling to 19.4% in 2019. Consequently, in 2001 66.7% of UK advertising spend was on media and with companies that produced journalism, whereas in 2019 their share was only 28.9%. [130]

Newspaper publishers have been the hardest hit by advertising's digital migration. Classified advertising was the category that moved online the quickest, which meant that, since regional titles were more dependent on classified advertising revenue than national ones, the collapse in print advertising hit the regional press first. But by the 2010s, print display advertising – a mainstay of the national press – was in freefall too. Online advertising has completely failed to make up for the revenue lost. Take the national press, for example. In 2001 their advertising revenue was £2.1 billion, a 12.5% share of total UK ad spending. If that share had been maintained, it would have meant a revenue of £3.16 billion in 2019. In fact, their print advertising revenue that year was only £679 million – a 3.9% share, which means that, between 2001-2019, the national press has lost £2.49 billion of the annual print advertising revenue it would have had if it had maintained its share, or four-fifths of its 2001 share. In 2019 it generated only £317 million of online advertising revenue, or a 1.3% share of total ad spending, by way of compensation. In other words, the national press has added only 18p in online advertising for every £1 of print advertising it has lost. The collapse has been even more dramatic in the regional press, which has lost 89% of its 2001 share, and added only 6p in online advertising revenue for every £1 of print advertising revenue lost. Nevertheless, as the chart below shows, advertising still accounts for the majority of the news sector's online revenues: over 60% in 2020, according to Ofcom's estimates.

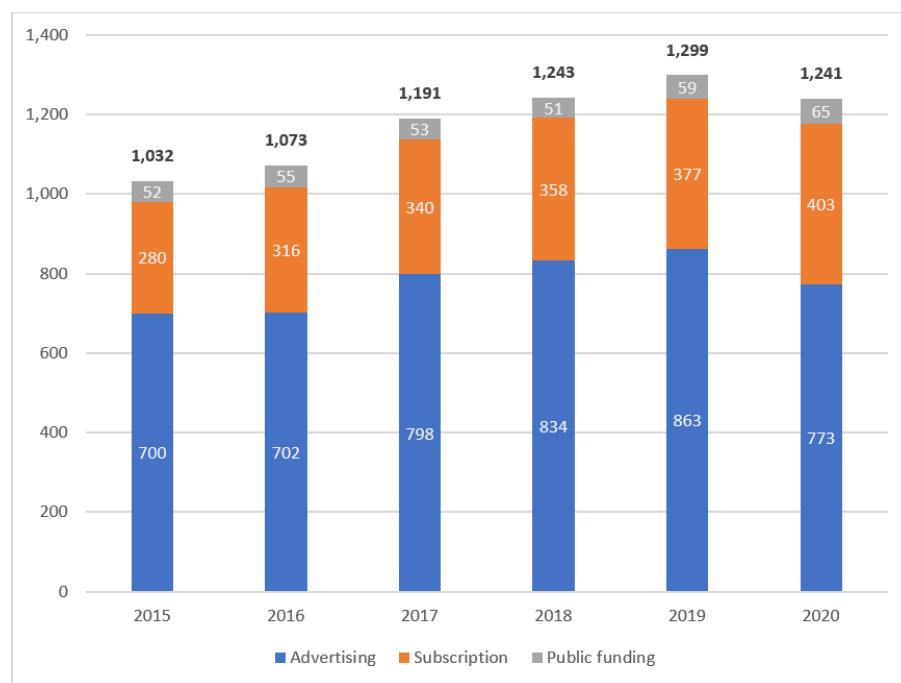
[129] Mediabase News, "AA Data Shows UK Adspend Fell 2.6% In 2001" 29 May 2002, available online at: <https://mediabase.co.uk/news/2002/05/29/aa-data-shows-uk-adspend-fell-2-6-in-2001/>

[130] With the caveat that these figures include the magazine sector, which of course includes news and political magazines but without these being more than a small fraction of total magazine circulation.

Table 34. News sector online revenues (£m), 2015-2020

Source: Ofcom estimates based on AA/WARC Expenditure Report and PwC Global Entertainment and Media Outlook: 2020-2024 (2020 data are forecasts only).

Note: pre-2020 figures have been adjusted for CPI at 2020 prices by Ofcom. Excludes revenue from donations.



For most of the last twenty years, the digital advertising shift was mostly at the expense of newspapers but in the last five years TV's share of advertising spend has begun to decline too – principally due to the decline of linear TV viewing shown earlier on in this report. Today, much video viewing is via on-demand platforms like Netflix, BBC iPlayer and Amazon Prime Video that carry no advertising except for their own content. Meanwhile, catch-up viewing of recorded programmes on a set top box allows viewers to skip TV advertising. And neither Facebook nor YouTube (owned by Google) – the two main suppliers of online video advertising in the UK – invest the advertising revenue they generate in producing original journalism.^[131] This is particularly challenging for Channel 4, whose remit bars it from producing programmes – either for itself or for other companies, which has been an important way ITV has diversified its revenue away from reliance on advertising. Today, over 90% of Channel 4's revenue still comes from advertising. But TV advertising remains a major source of funding for ITV, and Channel 5. The decline of TV advertising revenue is an increasingly important problem for the funding of broadcast news.

[131] Both Google and Facebook do make grants to independent, often non-profit, journalism projects. These grants are discussed later on in this report but in neither case do they amount to more than a tiny fraction of the advertising revenue that these companies generate annually. For example, between 2015-2020 the Google News Initiative awarded €14.9 million of funding to 78 projects in the UK, averaging €2.5 million of grants per year in a market where, in 2019, Google generated over £5 billion in advertising revenue.

Table 35. UK advertising expenditure by platform (£000)

Source: Advertising Association/WARC

	2016	2017	2018	2019	2020
Internet	10,257	11,553	13,439	15,618	16,415
Search	Not available	Not available	6,656	7,814	8,369
Online display	Not available	Not available	5,332	6,405	7,071
TV	5,277	5,108	5,111	4,930	4,350
of which VOD	197	211	391	452	523
Direct mail	1,739	1,753	1,555	1,383	909
Online classified	Not available	Not available	1,451	1,399	1,399
Out of home	1,123	1,144	1,209	1,301	699
of which digital	Not available	Not available	603	694	415
National newsbrands	1,093	1,032	971	996	755
of which digital	230	275	274	317	319
Regional newsbrands	1,021	887	804	720	470
of which digital	193	212	228	239	183
Magazine brands	877	776	718	655	462
of which digital	282	271	270	264	199
Radio	646	679	713	703	614
of which online	28	35	45	49	47
Cinema	252	260	254	313	55
Total UK ad spend	21,855	22,191	23,566	25,283	23,458

Online advertising in the UK is dominated by two companies: Google and Facebook. In July 2020, the UK's Competition and Markets Authority produced a market study, *Online platforms and digital advertising*, which found that the two companies' share of digital advertising in the UK was around 80%. Google had more than a 90% share of the search advertising market and Facebook had an over 50% share of the online display advertising market. The report said, "Both Google and Facebook grew by offering better products than their rivals. However, they are now protected by such strong incumbency advantages – including network effects, economies of scale and unmatchable access to user data – that potential rivals can no longer compete on equal terms." [132] One of the main harms that the CMA identified to have arisen from these two companies' dominance of the online advertising market was, "wider social, political and cultural harm through the decline of authoritative and reliable news media, the resultant spread of 'fake news' and the decline of the local press which is often a significant force in sustaining communities." The CMA found that "intermediaries (the largest of which is Google) capture at least 35% of the value of advertising bought from newspapers and other content providers in the UK. Greater competition and transparency would put downward pressure on these intermediaries' fees, helping publishers to receive a larger share of this value." [133]

[132] Competition and Markets Authority, Online platforms and digital advertising: Market study final report, 1 July 2020, p. 5, available online at: <https://www.gov.uk/cma-cases/online-platforms-and-digital-advertising-market-study>

[133] Competition and Markets Authority, Online platforms and digital advertising, p. 9, paragraphs 14-15

Subscription and Single Copy Sales

After advertising, the second most important source of funding for news in the UK is direct payments by readers: either sales of single copies of newspapers or news magazines, or subscriptions to the same – whether print, digital or both. Traditionally, the vast majority of UK newspaper sales have been single copies bought at a newsstand, newsagent, supermarket or other shop. Subscriptions are available but usually take the form of vouchers to be redeemed at one of these locations instead of home delivery.

Since the late 2000s, paid newspaper circulation has collapsed. By 2019, national daily circulation had fallen to 4.8 million copies, 62% below where it stood in the year 2000, at 12.4 million.^[134] The annual rate of decline between 2000-2007 was -1.8% but after 2008 the rate increased substantially, averaging -6.7% between 2008-2019. This caused a massive loss of not only advertising but circulation revenue. Publishers tried to compensate by raising the cover prices of their titles, adding slightly to the rate of decline. Today, *The Guardian's* weekday print edition costs £2.50, whereas in 2009 it cost £1 (or £1.37 when adjusted to 2020 prices). Analysis for the Cairncross Review estimated that total newspaper print circulation revenues fell by 24% in the decade between 2007 and 2017, from £2.2 billion to £1.7 billion. The collapse of print advertising revenue was more catastrophic, but the loss of circulation revenue has added to the newspaper industry's woes.

The principal cause of the circulation collapse was the availability of news online, often for free. Over the course of the 2010s, the number of newspapers who made their websites free to access fell somewhat but there remained a number of good, free options – and social media. Home broadband internet took off in the early 2000s but the reason the decline only started to accelerate in the late 2000s is that it was only then that the internet started to go mobile on smartphones and tablets and made online news available to people on the go – a critical change for morning newspapers often read on the way in to, or at, work.

News publishers have attempted to replace at least some of their lost print circulation revenue with digital subscription revenue. But success has been very limited. The biggest success stories have been the *Financial Times* and *The Economist*, two titles aimed largely at a very affluent business audience, whose subscriptions are often paid for by employers, not out of their readers' own pockets. It has proven much harder to convince most people to pay for digital news subscriptions.

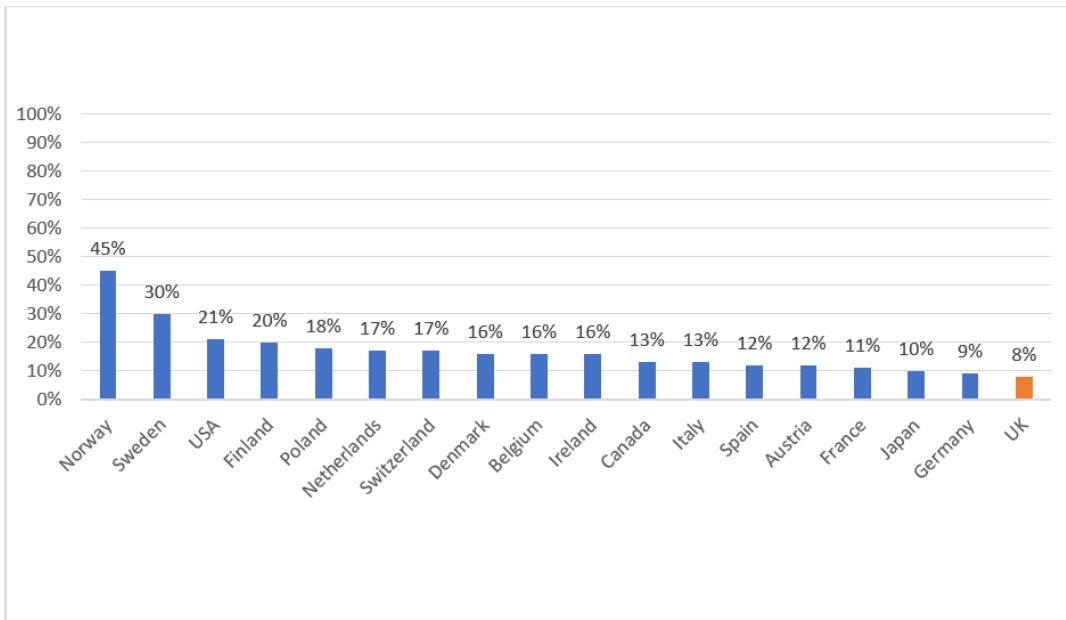
One of the biggest questions about online news in the UK is, why do so few people pay for it? As shown in the consumption trends section above, the proportion of people in the UK who pay for online news has stayed low for years – between 6-9% of the population. This figure is relatively low by comparison with the US and other European countries, especially the Nordic countries, where the proportion of people who pay for online news ranges between 16% in Denmark and 45% in Norway. Even more worrying for news publishers, around half of those that the Reuters Institute surveyed for its 2020 report said that nothing would persuade them to pay for online news.

[134] However, this understates the magnitude of the decline: the UK's population grew by 13.4%, from 58.9 million to 66.8 million people in that period, so the per capita circulation decline was 67%. That is, in 2000, 21 out of 100 people in the UK bought a newspaper each day but in 2019 only 7 out of 100 did.

Table 36. Proportion of population that paid for any online news in the last year

Source: Reuters Institute Digital News Report 2021

Question: "Have you paid for online news content, or accessed a paid-for online news service in the last year? (This could be a digital subscription, combined digital/print subscription or one-off payment for an article or app or e-edition)."



There are several possible explanations for the UK's low rate. The first explanation, which the UK's national newspaper publishers often give, is that the availability of BBC News online for free 'crowds out' the development of an online market for news subscriptions. However, the BBC is far from the only free online news source in the UK: *Mail Online*, *The Guardian* and *Sky News* are also free to access, therefore, insofar as the BBC 'crowds out' subscription, these sites do so too. Were BBC News online to be shut down, or dramatically scaled back, as some publishers have argued it should be in order to help them build sustainable online news subscription businesses, the most likely outcome is surely just that much of BBC News's online traffic would go to these free sites instead.

In other words, the root of the issue is that the UK has a highly competitive and crowded national online news market, with broadcasters, newspapers and new online-only brands like HuffPost all converging on the same platforms. In some of the Nordic countries, where the proportion of the population paying for online news is high, people are paying for online news by subscribing to the online edition of a local newspaper, which has maybe one or no local competitors: i.e. there are highly restricted local markets, fortified by a language barrier that bars foreign competitors, instead of a single big, national market like in the UK that is very open to foreign competitors. In Norway, 57% of digital subscribers are paying for one or more local outlets in digital form. Often there is no realistic prospect of a free, ad-funded site entering these local markets and achieving the necessary scale to be financially sustainable.

In the UK, by contrast, the websites of the local and regional press are largely free, ad-funded and contain all-too-much fodder and clickbait. Only the national quality titles have had any success in charging for news. However, it is worth noting that there are some small digital-only or digital-first local sites that have had some success in getting people to pay for news. But these are non-profit sites like *The Bristol Cable* and *The Ferret* (discussed below).

A second explanation is that UK newspaper publishers have, on the whole, deemed it in their interest to attract a smaller number of digital subscribers paying very high prices rather than a larger number of subscribers at a lower price. For instance, a standard, annual, digital-only subscription to *The Times* website and apps costs £312, whereas a similar subscription to *The New York Times* costs only £96; to *Le Monde*, £155. And this despite the fact that *The Times* produces far less original, deeply-reported journalism – it has just over 500 editorial staff compared to *The New York Times*'s 1,700. *The Times* has deliberately priced itself so high that only a small elite can afford it, the *Financial Times* likewise. Of course, this is a consequence of the smaller scale of the UK market compared to the US one: fixed costs (premises, editorial staff, website and app maintenance) spread over a smaller number of customers inevitably means higher prices. *The Times* charges £312 because it has no realistic possibility of selling even a third *The New York Times*'s number of digital subscriptions (7.8 million).

A third explanation is the relatively low level of trust in the UK's news media, and in particular many of its newspaper brands. Even so-called 'quality' titles like the *Times*, *Telegraph* and *Guardian* are less trusted than the BBC. The Nordic countries, where a much higher proportion of the population pays for news, also have much higher levels of trust in their news media. The problem for many UK newspaper publishers is not just that the BBC is free but that much of the public regards it as a better news source than their brands are.

According to the Reuters Institute's *Digital News Report 2021*, *The Times*, *The Telegraph* and *The Guardian* account for over half (52%) of those currently paying for news in the UK. 20% pay for *The Telegraph*, 19% for *The Times* and 16% for *The Guardian*, with some paying for several. By comparison, only 3% of people paying for news in the UK are paying money to local, regional or city brands. The median number of subscriptions is one, and the average age of digital subscribers is between 50 and 55.

Given the difficulty of competing for online advertising revenue with Google and Facebook, the likelihood is that a long term move away from the free, advertising-funded model towards models based on subscriptions or donations will continue. That move is likely to cause difficulties and tensions. For instance, the chief executive of *Guardian Media Group*, Annette Thomas, stood down in June 2021 over a disagreement with *The Guardian*'s editor, Katherine Viner – apparently over *The Guardian* moving further towards a subscription model. The Sun trialled a paywall in 2015 but took it down after it failed to attract many subscribers.

Free, ad-funded news sites may simply cut more staff, or close down altogether (as BuzzFeed News UK did in 2020). Or it may simply mean that the free, ad-funded sites move further and further away from producing serious news reporting and increasingly become sites dedicated exclusively to celebrity, gossip, lifestyle and human-interest stories.

[185] Reuters Institute, Digital News Report 2021, p. 15, available online at: <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2021>

[186] Alex Barker, "Guardian Media Group chief Annette Thomas quits after clash with editor" *Financial Times* 9 June 2021, available online at: <https://www.ft.com/content/e48573b6-bc94-4d22-beb6-f41c05d9ddf6>

[187] Mark Sweeney, "Sun website to scrap paywall" *The Guardian* 30 October 2015, available online at: <https://www.theguardian.com/media/2015/oct/30/sun-website-to-scrap-paywall>

[188] Mark Sweeney, "BuzzFeed pulls plug on UK and Australian news operations" *The Guardian* 13 May 2020, available online at: <https://www.theguardian.com/media/2020/may/13/buzzfeed-pulls-plug-on-uk-and-australian-news-operations>

Table 37. Digital subscriptions/donations at UK national news publishers, most recent estimates
 Source: company reports

Title	Product	Subscribers/members	Price/year	As of
Financial Times	Digital access. Premium: exclusive content	Around 288,000 (960,000 in total, of which around 70% are outside the UK)*	Standard: £309 Premium: £489	April 2021
The Guardian	Donations Premium: apps and ad-free website Patrons: various benefits	790,000 monthly supporters (including premium subscribers), 340,000 one-off contributions. 1.13 million total	Donations: variable, £9/month recommended Premium subscription: £119 Patrons: £1200-5000	March 2020
The Telegraph	Digital access	413,000	Standard: £124	March 2020
The Times	Digital access. Basic: smartphone-only access on one device	336,000	Standard: £312 Basic: £180	July 2020
The Economist	Digital access	150,000	Standard: £179	December 2020
Daily Mail	Mail Plus: subscriber-only digital content	80,000	Standard: £75	

**Source for the claim that 70% of FT readers outside UK: <https://whatsnewinpublishing.com/70-of-financial-times-readers-are-outside-the-uk-heres-how-its-driving-global-growth/>

Donations, Grants and Foundation Funding

The UK does not have a major culture of philanthropy – certainly nothing close to the battery of well-endowed, grant-making, private foundations found in the United States, which have played such an important role in the development of a non-profit news sector there over the last two decades and provided 47% of the sector's funding in 2020.[139] Consequently, the UK does not have anything like as large or significant a non-profit news sector. However, *The Guardian* is a major non-profit news provider, which has led the way in asking readers to donate money to sustain its work. *Guardian Media Group* does not provide a breakdown of its donations by size or source but in its most recent annual report, for the year to March 2020, it disclosed that *The Guardian* has over 790,000 regular paying supporters and had received 340,000 one-off contributions over the previous twelve months. 'Reader revenues', which excludes sales of the print edition but includes recurring and one-off donations, and subscriptions to *The Guardian's* digital premium tier, were £80.5 million in the year to March 2020 – 36% of overall revenue, up from 20% in 2016.[140]

[139] The Institute for Nonprofit News's annual Index provides the best guide to the size of the US nonprofit news sector. See, Institute for Nonprofit News, *The State of Nonprofit News: Index 2021*

[140] *Guardian Media Group plc*, Annual Report and Consolidated Financial Statements for the Year ended 29 March 2020, p. 2-3, available online at: https://uploads.guim.co.uk/2020/07/15/1._GMG_Financial_Statements_2020_FINAL_.pdf.pdf

The Guardian thus dominates non-profit news in the UK, and many of the donations it receives are small ones made by individuals. The rest of the non-profit sector is far smaller, and far more dependent on grant or foundation funding. The examples of three of the most notable other non-profit news organisations in the UK demonstrate this.

openDemocracy is a non-profit journalism website, which produces investigations, features and opinion pieces on a range of subjects including global affairs, the economy, democratic processes and migration. In 2020, it received £2.27 million of income, of which 67% came from direct grants, 14% in grants from the Open Trust, which is itself funded by large donations and foundation grants. Only 16% of its income came from reader donations.[141]

The Bureau of Investigative Journalism is a non-profit news organisation that produces major ‘public interest’ news stories, usually in collaboration with partners – including the BBC, Channel 4, the *Financial Times*, *Sunday Times* and *The Independent*. *The Bureau* received £1.414 million in income in 2019 (the most recent year for which data is available), of which 85% was grant funding, either for the organisation as a whole or for specific projects, and 11% came from major donations. Smaller individual online donations made up only 3.4% of its funding.[142]

The Bristol Cable is a reader co-operative producing local journalism, whose directors are democratically elected by the more than 2,600 members of the co-operative who make a regular donation to it. These members are also entitled to vote on editorial campaigns.[143] However, this form of income accounted for only a 26.6% share of the *Cable*’s £278,940 turnover in 2020 (working out at only around £2.40 per member per month). The vast majority of the *Cable*’s funding – 67.7% – came from grants, mostly from private foundations.[144]

Who are the major private foundations and donors giving money to non-profit news organisations in the UK? The most striking thing to notice is how few are actually based in the UK. Among the few major ones that are from the UK, some worth singling out include:

- **The David and Elaine Potter Foundation** – a major funder of the Bureau of Investigative Journalism and a donor to openDemocracy, among a number of grants to educational, cultural and civil society organisations.[145] David and Elaine Potter are also directors of the Bureau. David Potter is a multimillionaire who founded a microcomputer systems company, Psion, which he ran between 1980-1999, then chairing the company board until 2009. He has held a number of roles in British public life and served as a non-executive director of the Bank of England between 2003-2009.[146] He was once a major donor to the Labour Party and in 2001 he signed a letter to the *Financial Times* by a number of major businesspeople endorsing Labour, but in 2005 he refused to do so again over the invasion of Iraq, which he opposed.[147] Elaine Potter worked as an investigative journalist for *The Sunday Times*, co-founded the Bureau of Investigative Journalism and is a trustee of the Bureau’s Trust, the Centre for Investigative Journalism, openDemocracy and the Index on Censorship.[148]

[141] For a breakdown of openDemocracy’s funding, see its annual reports, available online at: <https://www.opendemocracy.net/en/about/> A list of major financial supporters is available here: <https://www.opendemocracy.net/en/supporters/> Details of the Open Trust, including its annual accounts – which contain lists of major donors – are available online at the website of the Charity Commission for England and Wales, here: <https://register-of-charities.charitycommission.gov.uk/charity-search/-/charity-details/3977079/charity-overview>

[142] See <https://tbijreport2019.co.uk/>

[143] See <https://thebristolcable.org/about/>

[144] The Bristol Cable’s annual accounts are available online at: <https://mutuals.fca.org.uk/Search/Society/21312>

[145] The David and Elaine Potter Foundation’s annual accounts are available online on the Charity Commission’s website, here: <https://register-of-charities.charitycommission.gov.uk/charity-search/-/charity-details/3966257/charity-overview> The 2019 accounts show a £150,000 grant to the Bureau of Investigative Journalism’s trust, and a £60,000 grant to Open Trust.

- **The Joseph Rowntree Charitable Trust** is one of several foundations funded from the legacy of the Quaker chocolate entrepreneur Joseph Rowntree, who endowed them in 1904. In recent years it has supported the Bureau of Investigative Journalism and the Centre for Investigative Journalism [149] among many projects related to the media.[150] The Trust is one of several Joseph Rowntree organisations, along with the Joseph Rowntree Reform Trust, which has been involved in funding the Public Interest News Foundation (see below).
- **The Sigrid Rausing Trust** is one of the largest philanthropic foundations in the UK, which awarded £53 million of grants in 2019.[151] Rausing is a Swedish anthropologist, philanthropist and publisher who lives in the UK. Her grandfather, Ruben Rausing invented the Tetra Pak, and her father, Hans Rausing, sold his half of the Tetra Laval Group to his brother Gad for \$7 billion in 1995.[152] The Trust owns Granta magazine and Granta Books. Together with her husband, the film producer Eric Abraham, Rausing gave over £100,000 to openDemocracy in 2019, and over £200,000 in 2018.[153]

Alongside these UK-based foundations, there are a number of other foundations that have made significant grants to news organisations and other journalism-related organisations in the UK in recent years. Some of the most important are:

- **Luminate** – formerly the Governance and Citizen Engagement Initiative of the Omidyar Network, a ‘philanthropic investment firm’ created by the eBay founder Pierre Omidyar and his wife Pam. Omidyar funded the creation of First Look Media, which publishes *The Intercept*, and is a major donor to the Democratic Party in the United States. Luminate is a global philanthropic organisation based in the US, the UK and Kenya, founded in 2018 with a remit that includes supporting independent media. In January 2020, Luminate awarded £350,000 in core funding to *The Bristol Cable* over three years; in 2020, it gave over £100,000 to openDemocracy; the Bureau of Investigative Journalism’s annual report for 2019 lists Luminate as a major supporter.
- **Open Society Foundations** – the US-based grant-making network established by the American liberal billionaire investor and philanthropist George Soros. OSF is a major donor to openDemocracy and the Bureau of Investigative Journalism.
- **The Google News Initiative**, whose Digital News Innovation Fund awarded €14.9 million in funding to 78 news projects in the UK over the period 2015-2020, including the Bureau of Investigative Journalism.[154]
- **The Facebook Community News Project** – a project announced by Facebook in late 2018 to donate £4.5m to fund the training and employment of 80 new community journalists.[155]

[146] https://www.potterfoundation.com/who_we_are.html See also: David Potter, “Let’s welcome the enmity of bankers” *openDemocracy* 5 October 2012, available online at: <https://www.opendemocracy.net/en/opendemocracyuk/lets-welcome-enmity-of-bankers/>

[147] Brian Carlo, “Big shot” *The Times* 9 July 2005, available online at: <https://www.thetimes.co.uk/article/big-shot-tkcj5qzxrzj>

[148] https://www.potterfoundation.com/who_we_are.html

[149] “The Centre for Investigative Journalism (CIJ) is a think-tank, alternative university and an experimental laboratory set up to train a new generation of reporters in the tools of investigative, in-depth, and long-form journalism across all media. Registered as a charity, we robustly defend investigative journalists and those who work with them.” See the Centre’s website: <https://tcij.org/about/who-we-are/>

[150] A list of grants the JRCT has awarded since 2017 is available as a spreadsheet online here: <https://www.jRCT.org.uk/grants-awarded> Information on the foundation’s funding priorities is available here: <https://www.jRCT.org.uk/funding-priorities>

[151] The Sigrid Rausing Trust’s accounts are available at: <https://register-of-charities.charitycommission.gov.uk/charity-details/?subid=0®id=1046769>

[152] Stuart Jeffries, “Hans Rausing obituary” *The Guardian* 1 September 2019, available online at: <https://www.theguardian.com/business/2019/sep/01/hans-rausing-obituary>

[153] Open Trust, “Accounts for the year ended 31 December 2019”, p. 5, available online at: <https://register-of-charities.charitycommission.gov.uk/charity-search/-/charity-details/3977079>

[154] Google News Initiative, “Digital News Innovation Fund Impact Report”, p. 5, available online at: <https://newsinitiative.withgoogle.com/dnifund/report/> See p. 28 of the report for a list of all the funded organisations in the UK.

[155] Nick Wrenn and Sian Cox-Brooker, “Facebook Launches UK Community News Project”, Facebook 19 November 2018, available online at: <https://www.facebook.com/journalismproject/facebook-uk-community-news-project-launch>

Alongside these, there are a number of other – mostly US-based – foundations that occasionally back individual projects or investigations by news organisations based in the UK. These include the Asessment Foundation, the Avaaz Foundation, the Ford Foundation, the Hollick Family Foundation, the Oak Foundation, the Reva and David Logan Foundation, the Rockefeller Brothers Fund, the David and Lucile Packard Foundation, the Tides Foundation and the Wellspring Philanthropic Fund – among a number of others.

In November 2019, the Public Interest News Foundation (PINF) was launched. The PINF is the first organisation in the UK dedicated to attracting and awarding funding for ‘public interest news’ – i.e. independent, non-profit news organisations. The PINF was launched on the recommendation of the Independent Publishers Taskforce, a project set up by a group of independent publishers, funded by the Joseph Rowntree Reform Trust and hosted by the independent press regulator, IMPRESS. The PINF’s Executive Director is Jonathan Heawood, the founder and formerly the CEO (until March 2020) of IMPRESS, as well as a Committee Member at the Joseph Rowntree Charitable Trust. In June 2020 the PINF distributed £60,000 in grants of up to £3,000 each to independent news publishers, through an Emergency Fund created in light of the pandemic. The Fund was paid for by the Joseph Rowntree Reform Trust.

In July 2021, the PINF launched the Index of Independent News Publishing in the UK 2021 – a report, modelled on the annual report of the US Institute for Nonprofit News, describing the state of the non-profit news sector in the UK. The report found that the 56 respondents to its survey had a monthly reach of 10 million unique users, a total revenue of under £5.4 million and a median income of £42,224. 40% of publishers generated less than £20,000 in annual income. Only one-sixth of revenue came from readers through membership or subscriptions, while a quarter came from donor and grant funding and a third came from advertising. In short, the report laid bare how small and poorly funded the non-profit news sector is in the UK.

Government

Public funding is a major source of funding for news in the UK, but that funding is overwhelmingly concentrated in the revenue generated by the TV licence fee, which provides the bulk of the BBC’s funding. The only other major source of public funding for news is the indirect subsidy for news production through the zero VAT rating on newspapers, journals, periodicals and magazines, worth around £1.4 billion a year. Two other, smaller subsidies are outlined below: the Nesta Innovation Fund and the BBC Local News Partnership.

[156] All of these foundations have given money in the last few years to one of the three non-profit news organisations highlighted above.

[157] See <https://www.publicinterestnews.org.uk/our-story>

[158] Available online at: <https://www.publicinterestnews.org.uk/pinfindex>

[159] Although it is important to note that the survey excluded nonprofit publishers with annual turnover over £2 million, which meant that the two largest news nonprofits by turnover, *The Guardian* and *openDemocracy*, were not included.

The TV Licence Fee

The most important form the public funding of media takes in the UK is the TV licence fee, which all UK households that watch live or catch-up TV – on any device – are required to pay. The licence fee is levied on the household, not the number of occupants. There is no discount or rebate for low-income or student households, except for low-income over-75s in receipt of pension credit, who get a free licence, and those living in long-term care who only pay a nominal rate. Evasion is a criminal offence, but the punishment is only a fine and conviction does not lead to a criminal record. TV licensing enforcement typically drop prosecutions if the defendant buys a TV licence before court proceedings commence. In 2020 the government considered decriminalising non-payment of the licence fee – an idea looked at, and rejected, in 2015 by an independent review that the government commissioned – but it appears to have decided against it for the time being.

In 2020 there were an estimated 27.8 million households in the UK. 27 million owned a TV set at the beginning of 2020 and were thus eligible to pay the licence fee. Of those 27 million, 25.7 million had TV licences in the 2019/20 year. TV licensing estimated that 7.25% of eligible households (which includes those without TV sets that watched TV on other devices) evaded paying the licence fee, an evasion rate that has slightly increased in recent years from around 5% in the early 2010s (equating to a loss in income of around £100 million a year). The most likely cause is the greater ease of licence fee evasion in households that have no TV set or aerial and watch TV on other connected devices, since in these cases it is much harder for TV licensing's enforcement officers to prove that TV is being watched.

The volume of TV licence sales, which peaked in 2017/18 at 25.96 million, has since fallen 2.7% below that peak, with net declines of 256,000 in 2019/20 and 414,000 in 2020/21. TV licensing believes that this is due to “a fall in the estimated number of households which require a TV licence as people, particularly younger people, switch to viewing content online via Subscription Video-on-Demand services and social media”.^[165]

[160] Over-75s used to receive free TV licences until 2020. The Conservative government effectively ended funding for the benefit by transferring responsibility for meeting its almost £800m annual cost onto the BBC – a cost equivalent to around 20% of the Corporation’s budget. Unable to meet the cost without making enormous cuts to its programmes and services, the BBC cancelled the free TV licences, except for low-income over-75s in receipt of pension credit, which will still cost the Corporation around £250m annually. After the BBC cancelled the free licences, the government blamed the BBC for doing so. In reality, it was a government decision taken in 2015 by the then-Chancellor George Osborne, who passed responsibility over to the BBC in order to pass on the blame for cancelling the benefit.

[161] See Department for Culture, Media and Sport, TV Licence Fee Enforcement Review July 2015, p. 14-21, available online at: <https://www.gov.uk/government/consultations/tv-licence-enforcement-review-a-consultation>

[162] For a summary of the debate, see John Woodhouse, “TV licence fee non-payment: should it be decriminalised?” House of Commons Library 20 July 2021, available online at: <https://commonslibrary.parliament.uk/research-briefings/sn06860/> See also Leo Watkins, “Decriminalising TV licence fee evasion will cut BBC funding without helping the poorest” *LSE Blog* 5 October 2020, available online at: <https://blogs.lse.ac.uk/medialse/2020/10/05/decriminalising-tv-licence-fee-evasion-will-cut-bbc-funding-without-helping-the-poorest/>

[163] Office for National Statistics, “Families and households in the UK: 2020” 2 March 2021, available online at:

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2020>

[164] John Woodhouse and Yago Zayed, “TV licence fee statistics”, House of Commons Library 27 January 2021, p. 6-8, available online at: <https://commonslibrary.parliament.uk/research-briefings/cbp-8101/> TV licensing was unable to estimate an evasion rate for 2020/21 because of covid-related interruption of the BARB Household Establishment survey used to estimate TV penetration rate in UK households. However, the BBC’s budget assumption was that the rate remained within the 6.57%-7.25% range it has been in since 2016/17.

[165] BBC, Television Licence Fee Trust Statement for the Year Ending 31 March 2021, 6 July 2021, p. 28, available online at: <https://www.tvlicensing.co.uk/about/bbc-trust-statement-AB21>

The level of the licence fee is set by the government through the Department for Digital, Culture, Media and Sport (DCMS). In the year from 1 April 2021, a standard TV licence cost £159. In 2010, the Coalition government announced it was freezing the price at £145.50 for the six years between 2011 and 2017, as part of wider government austerity. The next settlement, in 2015, allowed the price to rise in line with inflation from 2017 to 2022, in return for the BBC taking over responsibility from the government for paying for free TV licences for over-75s. Although nominally the DCMS's responsibility, the 2010 and 2015 settlements were both negotiated by the Chancellor of the Exchequer, George Osborne, who took the responsibility upon himself. The effect of the 2011-17 freeze is that the price today is still 13% below where it would have been if it had risen in line with inflation from 2011.

Licence fee revenue goes to the BBC, which is also responsible for running TV licence fee enforcement. Total licence fee revenue in 2020/21 was £3.75 billion, accounting for 74% of the BBC's £5.06 billion of income that year (the rest being commercial income).

In the 1960s and 1970s, when TV household penetration was rising, and as households upgraded from black-and-white to colour TV sets (which required a higher-cost TV licence), the BBC's licence fee income rose simply because the number of households buying licences, or upgrading from black-and-white to colour licences, was rapidly rising. Consequently, at that time the BBC was less dependent on getting an increase in the price of the TV licence from the government in order to achieve year on year increases in its income. However, household penetration of colour TV sets has now been at saturation point for many years. In fact, TV licence sales volumes are now falling. Although the BBC has sought to supplement its licence fee income with income from commercial sources, these still only accounted for 25.9% of its total income in 2020/21. The reality is that the BBC is still highly dependent on the licence fee as a source of income, and highly dependent on increases in the price of the licence fee in order to increase its licence fee income. Consequently, the government's power to set the price of the licence fee gives it enormous power over the BBC's funding – more than this mechanism gave it in the past.

Although the BBC's executive leadership would not acknowledge it, it is widely known and quite self-evident that the fear of damaging consequences in the form of a bad licence fee settlement has an impact on BBC decisions. Challenging the government has a real chance of leading to a harsh funding settlement that requires the BBC to make deep cuts to its programmes and services. Of course, governments ideologically committed to the erosion or marginalisation of public service broadcasting and its replacement by commercial broadcasting may well just impose those cuts anyway, regardless of how pliant they find the BBC to be.

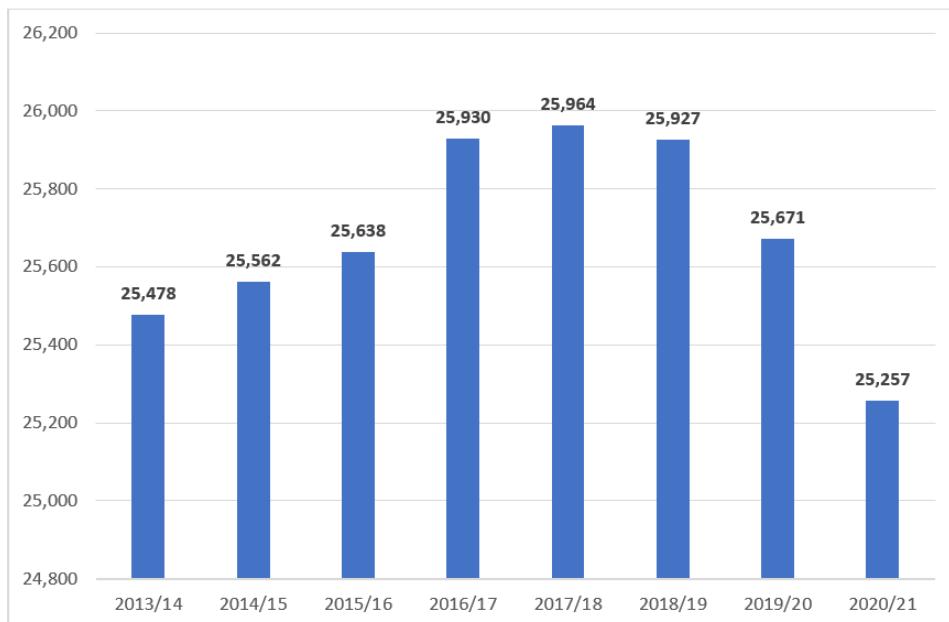
[166] BBC News, "Television licence fee to be frozen for next six years" 20 October 2010, available online at: <https://www.bbc.co.uk/news/entertainment-arts-11572171> Jane Martin and John Plunkett, "George Osborne forces BBC to pay for over-75s' TV licences" *The Guardian* 6 July 2015, available online at: <https://www.theguardian.com/media/2015/jul/06/osborne-slashes-bbc-budget-pay-over-75s-tv-licences> See also Paul Farrelly, "The BBC licence fee deal is a drive-by shooting" *The Guardian* 7 July 2015, available online at: <https://www.theguardian.com/media/2015/jul/07/bbc-licence-fee-deal-john-whittingdale-george-osborne>, and Jasper Jackson and Jane Martinson, "George Osborne met Rupert Murdoch twice before imposing BBC cuts" *The Guardian* 18 December 2015, available online at: <https://www.theguardian.com/media/2015/dec/18/george-osborne-rupert-murdoch-bbc-cuts-news-corp> Finally, see Patrick Barwise and Peter York, *The War Against the BBC: How an Unprecedented Combination of Hostile Forces Is Destroying Britain's Greatest Cultural Institution... And Why You Should Care* (Penguin 2020), p. 51-71

[167] Collection is carried out efficiently: collection costs represented only 3.4% of licence fee income in 2019/20, and have remained consistently around 3% for several years. See John Woodhouse and Yago Zayed, "TV licence fee statistics", p. 7

[168] BBC, Group Annual Report and Accounts 2020/21, p. 201, available online at: <https://downloads.bbc.co.uk/aboutthebbc/reports/annualreport/2020-21.pdf>

Table 38. TV licence sales volumes ('000s of licences including free over-75s licences)

Source: Television Licence Free Trust Statement for the Year Ending 31 March 2021



Negotiations are currently underway between the government and the BBC leadership over the price at which the licence fee should be set from 2022. The current government is widely known to be hostile to the BBC, and the current prime minister wondered aloud during the 2019 general election campaign whether the licence fee should be abolished. In 2004 the prime minister's former adviser Dominic Cummings called for the "end of the BBC in its current form" as a "mortal enemy" of the Conservative Party. However, reports in February 2020 suggested that Johnson and Cummings disagreed over scrapping the licence fee. And since Cummings was sacked from the government by Johnson in November 2020 the noises coming from Number 10 Downing Street have not been as aggressively hostile to the BBC.

Nevertheless, the BBC's problem is that it arguably needs much more than an inflation-indexed increase in the price of the licence fee to provide a sufficient boost to its income. If the number of TV licences being bought continues to fall, then it will be necessary to increase the price of the licence fee above the level of inflation to secure an increase in overall licence fee income in line with general inflation. But the problem is actually even worse than that, because in key genres like premium drama, the inflation in the cost of TV production is much higher than general inflation. The BBC told a 2019 House of Lords Communications Committee inquiry examining the future of public service broadcasting that its typical budget for a high-end drama series had increased by 60% in the previous five years. Channel 4 told the committee that its budget per hour of commissioned drama had doubled from £750,000 to £1.5 million between 2013 and 2017. The principal reason they gave was the increasing competition from the big US streaming companies for the best talent, facilities and other means of production.

[169] Rowena Mason and Jim Waterson, "Boris Johnson 'looking at' abolishing TV licence fee for BBC" *The Guardian* 9 December 2019, available online at: <https://www.theguardian.com/politics/2019/dec/09/boris-johnson-looking-at-abolishing-tv-licence-fee-for-bbc>

[170] Rowena Mason, "Dominic Cummings thinktank called for 'end of BBC in current form'" *The Guardian* 21 January 2020, available online at: <https://www.theguardian.com/politics/2020/jan/21/dominic-cummings-thinktank-called-for-end-of-bbc-in-current-form>

[171] Steven Swinford, "Boris Johnson at odds with Dominic Cummings over BBC licence fee" *The Times* 18 February 2020, available online at: <https://www.thetimes.co.uk/article/boris-johnson-at-odds-with-dominic-cummings-over-bbc-licence-fee-206nkjrqi>

[172] House of Lords Select Committee on Communications and Digital, Public Service Broadcasting: *As vital as ever - 1st Report of Session 2019, 5* November 2019, p. 38, paragraph 137, available online at: <https://publications.parliament.uk/pa/ld201919/ldselect/ldcomuni/16/16.pdf>

[173] Netflix spent an average of \$60 million per season of *The Crown*. Disney spent \$100 million on an eight-episode season of half-hour episodes of *The Mandalorian*, a Star Wars spin-off: a cost-per-hour of \$25 million.

In order just to keep up with cost inflation in the broadcasting sector, and with a declining number of TV licences being sold, the BBC needs substantial above-inflation year on year increases in the price of the licence fee. This puts it in a position of greater dependence on, and vulnerability to, the government than – arguably – at any point in its history. Given the current government's stance, it is doubtful that the BBC's next funding settlement will be adequate to meet the challenges laid out above.

Concern at the dangerous amount of power the current process for setting the price of the licence fee gives to the government, and the damage done to the BBC by the last two licence fee settlements, has led some to propose alternative processes. In its 2016 report on BBC charter renewal, the House of Lords Communications Committee recommended that

"the body which regulates the BBC (the regulatory body) should publish its evidence-based recommendation on the level of the licence fee (or the level of funding under any future mechanism) and submit this to the Secretary of State for Culture, Media and Sport. ... The regulatory body must be free of Government influence, both formally and in spirit. ... The Secretary of State should have an obligation to accept the recommendation or publish the reasons for not doing so. ... If agreement cannot be reached, the Secretary of State should have the final say on the proposed licence fee agreement."

In 2017, Lord Best – a crossbench peer in the House of Lords – introduced the BBC Licence Fee Bill, a Private Members' Bill to establish a BBC Licence Fee Commission that would make recommendations to the Secretary of State for Digital, Culture, Media and Sport on future BBC funding settlements, following public and parliamentary consultation. However, the Bill did not progress to second reading in the Lords. In August 2018, the then-leader of the Labour Party Jeremy Corbyn made proposals, drawing on the Media Reform Coalition's work, proposing that internet service providers and tech giants like Google and Facebook should be taxed to supplement the BBC's current licence fee income, and an independent body should be given the responsibility for setting the level of the licence fee. In its March 2019 Media Manifesto, the Media Reform Coalition (MRC) proposed that "an independent, non-market, regulator, acting solely in the public interest, should set the level of the licence fee".

Both left and right are critical of the licence fee, but on different grounds. Right-wing think-tanks and Conservative MPs have long criticised it for being a compulsory fee levied on all households who watch TV, regardless of whether those households like or use the BBC. The idea of making the BBC into an opt-in, subscription service has repeatedly been floated, although this has been opposed on the grounds that it would effectively mean the end of the BBC as a public service broadcaster with a remit to appeal across all sections of British society. Inevitably, a subscription model would bias the BBC towards those most able to afford a subscription – the affluent.

[174] House of Lords Select Committee on Communications, BBC Charter Review: *Reith not revolution – 1st Report of Session 2015-16*, 24 February 2016, p. 56, paragraphs 222-223, available online at: <https://publications.parliament.uk/pa/ld201516/ldselect/ldcomuni/96/96.pdf>

[175] BBC Licence Fee Bill [HL], available online at: <https://bills.parliament.uk/bills/2048>

[176] Joe Watts, "Jeremy Corbyn sets out plans to 'end government control' of BBC" *The Independent* 22 August 2018, available online at: <https://www.independent.co.uk/news/uk/politics/jeremy-corbyn-bbc-tv-bias-government-control-journalism-labour-party-a8503166.html>

[177] Media Reform Coalition, *Media Manifesto 2019*, March 2019, p. 7, available online at: https://www.mediareform.org.uk/wp-content/uploads/2019/03/MRC_MediaManifesto_0305_web.pdf

Meanwhile, on the left, it is argued that the licence fee is a distributively regressive funding mechanism – a flat tax, in effect – because all households pay the same amount regardless of their ability to pay (except among over-75s). Other countries with similar levies grant exemptions to low-income households and/or students. Finland, for example, uses a broadcasting income tax to ensure that contributions are progressively gradated by income.

In March 2021, the House of Commons Select Committee on Digital, Culture, Media and Sport – on which Conservative MPs hold a majority, including the chair – published a report on the future of public service broadcasting, which recommended no change to the existing licence fee mechanism. The Committee argued that none of the alternatives were “sufficiently attractive to justify recommending, for the next Charter period, that they replace the current licence fee model, not least given the disruption and expense of doing so”.

Zero VAT Rating for Printed Matter and E-publications

The standard rate of value-added tax (VAT) is currently 20% in the UK. The UK’s tax-gathering service, Her Majesty’s Revenue and Customs (HMRC), gives some goods and services a reduced or zero rate. Books, magazines, newspapers, journals, periodicals and other publications are all zero-rated. This is a major indirect subsidy to the UK’s news, magazine and book publishers. As of 1 May 2020, this exemption now applies to such publications when supplied electronically. According to Press Gazette’s calculations, this extension to the VAT exemption will save news publishers “at least” £50 million a year, with News UK the largest beneficiary at around £15 million a year. According to HM Revenue & Customs, the total annual cost of the zero rate for printed matter and e-publications was £1.4 billion in 2019/20.

The BBC Local News Partnership

The commercial decline of the national and regional press has led to increasing pressure on the BBC to find ways of helping these publishers. During the negotiations in 2015-2016 over the BBC’s next Royal Charter, the publishers lobbied for the BBC to financially assist them. In 2016, as part of the BBC’s 2017-2027 Charter, the BBC committed to a partnership with the local press whereby the BBC would fund – out of its own income – 150 local reporters to be employed by qualifying local news organisations to cover local authorities and public services. The cost of the scheme was estimated at ‘up to £8 million’ a year.

[178] See House of Commons Select Committee on Digital, Culture, Media and Sport, *The future of public service broadcasting – 6th Report of Session 2019-21*, 17 March 2021, p. 48, available online at: <https://committees.parliament.uk/publications/5243/documents/52552/default/>

[179] House of Commons Select Committee on Digital, Culture, Media and Sport, *The future of public service broadcasting – 6th Report of Session 2019-21*, p. 51-2, paragraph 12

[180] Unless they “(a) are wholly or predominantly devoted to advertising, or (b) consist wholly or predominantly of audio or video content” See section 1.2 of HMRC, “Zero rating books and printed matter (VAT Notice 701/10)”, last updated 31 July 2020, available online at: <https://www.gov.uk/guidance/zero-rating-books-and-printed-matter-for-vat-notice-70110>

[181] Dominic Ponsford and William Turvill, “News industry set for £50m-a-year boost from VAT cut on digital publications” *Press Gazette* 26 May 2020, available online at: <https://www.pressgazette.co.uk/news-industry-set-for-50m-a-year-boost-from-vat-cut-on-digital-publications/>

[182] HM Revenue & Customs, “Estimated Cost of Tax Reliefs” 30 October 2020, p. 34, available online at: <https://www.gov.uk/government/statistics/main-tax-expenditures-and-structural-reliefs>

[183] BBC, “BBC announces media organisations which will employ Local Democracy Reporters as latest step in the Local News Partnerships” 7 December 2017, available online at: <https://www.bbc.co.uk/mediacentre/latestnews/2017/local-democracy-reporters>

In December 2017 the BBC announced that an initial 145 reporters were allocated to 58 local news organisations across the UK, though 130.5 (90%) were employed by the three biggest regional publishers: Trinity Mirror (now Reach), Newsquest and Johnston Press (now National World). From July 2021 to 2024 the scheme will cover 165 reporters, of whom 139 (84%) will be employed by JPI Media (now National World), Newsquest or Reach.

The scheme has been criticised for being, in effect, a public subsidy to the UK's biggest commercial publishers to pay for the kind of reporting that they no longer find profitable enough to pay for out of their own commercial revenues. And this new subsidy to the regional newspaper publishers came at a time when, earlier that year, the BBC announced it was cutting £80 million over the next four years from BBC News, cuts which included the loss of 450 jobs in 2020. In its submission to the Cairncross Review, the News Media Association called for extra funding to expand the scheme.

The Nesta Innovation Fund

Nesta (formerly the National Endowment for Science, Technology and the Arts) is an independent charity originally established in 1998 as a non-departmental public body and endowed with a grant of public funds. Today, Nesta operates as an organisation autonomous of government and responsible for supporting innovation in a range of fields, including the arts and culture.

In 2019, the Cairncross Review recommended the creation of a publicly funded ‘innovation fund’ to help independent news publishers develop new business models and other digital capacities. Following the Review’s recommendations, the Department for Digital, Culture, Media and Sport (DCMS) gave Nesta a £2 million fund to award in grants to support innovation in news. Nesta created the Future News Pilot Fund and awarded 20 grants to a range of independent news projects. Recipients included The Bristol Cable, New Internationalist, The Meteor and openDemocracy.

In its end of programme report, Nesta recommended that the government “get behind innovators with an annual investment – set as Dame Frances Cairncross recommended at a minimum of £10 million a year – for the next decade.” The funding needed to “come from diverse sources. While tech giants are helping to drive innovation, the government needs to step up and provide sustained financial support, as well establish a much-needed Institute for Public Interest News, as recommended by the Cairncross Review.” However, there has been no indication as yet that the government intends to introduce a permanent annual journalism innovation fund. It seems that the Nesta Innovation Fund was a one-off.

[184] <https://www.bbc.co.uk/mediacentre/latestnews/2017/local-democracy-reporters>

[185] https://www.bbc.com/lnp/ldrs/2021_contacts

[186] Jonathan Hewood, “Why is the BBC giving licence fee cash to the companies who have slashed local journalism?” *openDemocracy* 1 December 2016, available online at: <https://www.opendemocracy.net/en/ourbeeb/why-is-bbc-giving-licence-fee-cash-to-companies-who-have-slashed-local-jour/> See also Steven Barnett and Roy Greenslade, “Not the way to use our money” *British Journalism Review* 2 June 2020, available online at: <https://journals.sagepub.com/doi/full/10.1177/0956474820931404>

[187] Jane Martinson, “BBC News faces £80m cuts over the next four years” *The Guardian* 29 February 2016, available online at: <https://www.theguardian.com/media/2016/feb/29/bbc-news-cuts-news-channel>

BBC News, “BBC News to close 450 posts as part of £80m savings drive” 29 January 2020, available online at: <https://www.bbc.co.uk/news/entertainment-arts-51271168>

[188] News Media Association, “Tackling the Threat to High-Quality Journalism in the UK – NMA Response to Cairncross Review Call for Evidence”, p. 17, available online at: http://www.newsmediauk.org/write/MediaUploads/PDF%20Docs/NMA_Response_to_Cairncross_Review_-_Call_for_Evidence_-_FINAL_v9.pdf

[189] Nesta, “Future News Pilot Fund: End of programme report” 12 August 2020, available online at: <https://www.nesta.org.uk/report/future-news-pilot-fund-end-programme-report/>

[190] Nesta, “Future News Pilot Fund: End of programme report”, p. 41



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