Media Wealth Building

The Report of the Local News Plans Project

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Foreword

It was 25 years ago that NewsNow was founded, with the aim of democratising the news media and creating a better-informed public.

We wanted to facilitate new entrants to the news market, via a platform that would showcase their efforts to new audiences that they would otherwise find hard to reach. We also wanted to promote public access to a more diverse, pluralistic and vibrant news ecosystem, while maintaining quality and standards.

Over this time, I'm pleased to say we have helped many news sources launch and establish themselves.

However, the decline in the number and quality of local news sources has been worrying, especially over the last decade. Many local papers have closed, consolidated or cut back their services, leaving a troubling deficit in local democracy. We began to consider what more we could do to support local public interest news.

Larger organisations than ours – like Meta, Google and the BBC – have in recent years committed resources to funding local news production. This is to be commended. But we had to ask: when money is parachuted into communities, does it create a sustainable solution to funding local news, or a potentially unhealthy dependency? What happens when those organisations' priorities change, or their funding is cut?

So, together with the Public Interest News Foundation (PINF), we jointly conceived the idea of acting as convenor, rather than patron, to try to help local communities help themselves by supporting local stakeholders in devising their own Local News Plans. This became the Local News Plan project.

At the core of this project is the belief that by getting people to talk to each other, communities can work out for themselves what they want from local news and how best to incentivise and support local providers to deliver it in a sustainable way.

We are delighted to be working with PINF on this important project, as at NewsNow we believe that sustainably funded public interest journalism is vital for the health of local democracy.

Jana Bartlett, Director, NewsNow.co.uk

NewsNow is a UK news organisation using technology to support and promote credible, independent and public interest journalism, since 1997. Its website NewsNow.co.uk is the UK's leading independent news discovery platform and a global top 50 news website.

Summary

Between September 2022 and January 2023, the Public Interest News Foundation (PINF) worked with local communities in Bangor, Bristol, Folkestone, Glasgow, Manchester and Newry, to create 'Local News Plans' for their areas.

We facilitated discussions between local stakeholders, including news providers, businesses, community groups, councillors and others, to find out what they think about the state of local news, what impact this is having on their communities, and what they believe is needed to build a more sustainable local news economy.

We found that:

- People believe that local news should be truly local. They don't want 'cookiecutter' local news, but original local news that truly reflects their area.
- Despite their passion and commitment, local news providers are struggling to meet this need. Commercial providers are chasing page views, whilst independent providers are burning themselves out with long hours and low pay.
- Local stakeholders are keen to support new funding models for local news.
 They recognise that old revenue models have been disrupted, but they believe that, in many places, new sources of local funding can be found for local news.

 The Local News Planning process unlocks collaboration. It brings people together in a powerful spirit of creativity, agency and optimism.

These findings confirm the scale of the challenge facing local news, but they also contain the seeds of a new approach that we call 'media wealth building'.

At present, most media spending leaves local communities. Local advertisers send money to global corporations such as Google and Facebook whilst commercial newspaper groups send money to out-of-town shareholders. Policymakers are struggling to find ways to replace these lost revenues. But what if the money didn't leave in the first place? What if we could hold this wealth inside local communities?

- What if funding for local news was guided by local communities?
- What if advertisers spent a proportion of their budget on truly local news?
- What if donors supported local news through arm's-length news funds?

This approach is inspired by the principles of community wealth building, and so we call it 'media wealth building'.

In this report, we show how an approach based on these principles could help build relevant and sustainable models of local news in communities across the UK.

Local News Plan workshops across the UK



Newry

Workshop dates

Folkestone

29 September 2022

Glasgow

4 November 2022

Manchester

14 November 2022

Bristol

23 November 2022

Newry

30 November 2022

Bangor

12 January 2023



Introduction

How can local news help build thriving local communities? And how can local communities support a thriving culture of local news?

The two questions are tightly connected, but – surprisingly – they have rarely been asked together. Instead, policymakers have been engaged in two quite separate conversations, one about local communities, and the other about local news, as though these two issues are not related.

The 2019 Conservative general election manifesto contained a promise to 'level up every part of the United Kingdom.' Since then, the Government has announced £4.8bn in funding to 'to realise the potential of every place, and give left behind communities the same level of opportunity as other areas! In January 2023, the Labour leader, Sir Keir Starmer, said that his party would oversee 'a huge power shift out of Westminster' so that local communities can 'control their own destiny.'

At the same time as seeking to rebuild local communities, policymakers have been worrying about the collapse of local newspapers. The Cairncross Review recorded a drastic decline in the number of local papers in the UK, from 1,303 in 2007 to 982 in 2017.⁴ The Government believes that the decline has accelerated since then.⁵ A similar pattern is playing out around the world and the UN Secretary General has said that we may be facing a 'media extinction event'.⁶ The Forum on Information and Democracy recently called for governments to support a 'new deal' for journalism.⁷ In the UK, the DCMS Select Committee has reiterated Cairncross's call for a public interest news fund to support new models of local news.⁸

There is broad consensus that we need new policies to support local communities and new policies to support local news. But these two important agendas have been conducted in parallel, as though the state of local news has nothing to do with the state of local communities, and vice-versa.

We believe that this is a mistake. Each of these issues is a piece in the other's puzzle. We need to put them together if we are to see the bigger picture. How can we solve the local news crisis unless we think deeply about the role of local news in local communities? And how can we build thriving and empowered local communities unless those communities have access to reliable sources of information and accountability?

At the Public Interest News Foundation (PINF), we care deeply about the fate of local news. PINF was established in the wake of the Cairncross Review to build capacity among public interest news providers across the UK. We are not a government body but an independent charity – the first in the UK with a remit to promote public interest journalism, and we have been working over the last three years to understand and enhance the value of news to society, and to help make public interest news providers more resilient and sustainable.

We define public interest news to include all forms of ethical and impartial journalism that empower the public to take part in their communities and in democracy as a whole. We believe that this can include so-called 'soft' forms of community news, as well as the 'hard' forms of investigative journalism and democracy reporting, which Cairncross described as 'the two forms of journalism which are both most worthy and most under threat.'

We are inspired by a growing body of research that demonstrates the social, democratic and economic value of public interest news to local communities:

- Erosion in local news is tied to drops in civic engagement.¹⁰
- Political polarisation increases when local newspapers close.¹¹
- The decline of local newspapers correlates with a decline in public accountability.¹²

- Local newspapers also help to hold the private sector accountable for its environmental impact.¹³
- There is a 'negative feedback loop' in communities with eroding local news capacity, where authorities have little incentive to address civic input.¹⁴
- Independent local news organisations, like other community businesses, maintain a greater proportion of economic value in the community than businesses which are owned elsewhere.¹⁵
- Public interest news mitigates the risks of corruption and inefficient public spending, so that 'each dollar spent on [public interest news] stories can generate hundreds of dollars in benefits to society.'16

At PINF, we have conducted our own research into the positive impact of independent local journalism on levels of trust and democratic engagement.¹⁷ We have also been studying the independent news sector, which contains up to 400 small organisations, serving their communities with local news – but struggling to make ends meet financially.¹⁸

These small independent publishers have not benefited from existing support schemes for the local news industry. The BBC is investing £8m per year in the Local Democracy Reporting (LDR) service, but 90% of contracts in the first round went to the three biggest corporate newspaper publishers, Reach, Newsquest and National World. In the second round of contracts, after an outcry, the proportion of contracts going to Reach, Newsquest and National World fell... to 84%.

The Google News Initiative has also invested in the corporate industry – even where this has had a direct and negative impact on start-up challengers.²⁰ The Facebook Community Reporter scheme has likewise benefited the corporate press, with 74 of 100 community reporter contracts going to the big three publishers.²¹ Alongside their public support for the news industry, Google and Facebook have also struck private deals said to be worth 'millions of pounds' with corporate publishers.²²

The UK Government's £35m 'All in, all together' advertising campaign, which was announced as a package of support

for the news industry, went overwhelmingly to corporate publishers, despite urgent calls from Dame Frances Cairncross and others to support the independent sector.²³ Corporate publishers also receive the overwhelming majority of public notice revenue from local authorities, generating an estimated annual subsidy of £46.29m.²⁴ The Government's decision to remove VAT on digital news subscriptions has created an additional £50m in revenue for large publishers, on top of the estimated benefit of £594m in VAT relief for print.²⁵

The only attempt to address this bias towards corporate publishers was the Future News Fund, recommended by the Cairncross Review and administered by the national innovation foundation, Nesta.²⁶ The Fund had a relatively modest budget of £2m, to cover both administrative costs and grantmaking, but it was discontinued amid complaints from the corporate publishers that they did not benefit.²⁷

The forthcoming Digital Markets, Competition and Consumer Bill is expected to allow news publishers to negotiate directly with big tech platforms such as Google and Facebook for a share of revenue.²⁸ Even here, there are concerns that large publishers may benefit at the expense of smaller, independent publishers, as happened when similar measures were introduced in Australia.²⁹

The bias towards corporate publishers is not only a problem for competition. It is also failing local communities. How can we be sure that these communities are receiving the news they need if we direct funds towards a handful of companies that are only accountable to far-off owners and shareholders?

It is time to go beyond the usual debates between publishers and policymakers and engage ordinary people in a conversation about the future of local news.

The Local News Plans project

After several discussions with the executive team at NewsNow, the UK's independent news discovery platform, and Sameer Padania, the international media consultant, we jointly conceived a project that would look for answers to a number of questions:

- What do local people think about the current provision of local news?
- · What kind of local news do they want in future?
- What are they prepared to do to bring about a better future for local news?

We wanted to talk to a wide range of people in locations across the UK. And we didn't just want to run a talking shop: we wanted these conversations to lead towards tangible outcomes.

So, we challenged people in six communities to design 'Local News Plans' for their areas. We were inspired by many examples of communities coming together to define their needs and concerns, including Transition Towns and Neighbourhood Plans.³⁰ We wanted to do something similar for local news. Local News Plans are intended to become the framework for supporting local news in each area. They will set out the community's priorities, helping to guide future decisions about funding, investment and innovation.

We selected six very different locations across the UK for our pilot Local News Plans: Bangor, Bristol, Folkestone, Glasgow, Manchester and Newry. We wanted to work in all four nations of the UK and in places with a range of characteristics, from large cities to small towns, and with more and less affluent communities, as measured in official indices of deprivation.³¹

The Local News Plans project

In each location, we appointed a local individual or organisation to act as a 'steward' for the process, and then we worked with our six stewards to identify a cross-section of local stakeholders to invite to a half-day Local News Plan workshop. We asked our stewards to take particular efforts to invite individuals and organisations who could speak to the experiences of people who might otherwise go unrepresented.

In total, 113 people took part in six Local News Plan workshops across the UK – an average attendance of 19 per workshop – and many more engaged in the planning process remotely and through one-to-one meetings.³²

We held the workshops between September 2022 and January 2023. After each workshop, we circulated a first draft of the Local News Plan to participants. We finalised the drafts in light of feedback, and then published them on the PINF website at www.publicinterestnews.org.uk/local-news-plans.

Of course, after only one half-day workshop, the Plans are at an early stage of development, but they already contain fascinating insights into what different local communities want from local news, and how they might be able to help achieve these visions. To develop a full Plan for each community will require more time and resources, not least so that we can test our stakeholders' views on the community more broadly.

In the long term, we would like to see Local News Plans for every local area in the UK – but that is a long way off. In this pilot project, we aimed to test and develop the planning process, whilst learning as much as possible about the local news needs and capabilities of our six locations.

In this report, we share our findings from the Local News Plans project and provide a summary of the Plans that are emerging in our six locations. We also set out a number of conclusions and recommendations for what should happen next.



Findings

In the workshops, we heard lively and often passionate discussions about local news. Some common themes emerged across all six locations, whilst other issues were unique to each location.

In all six workshops, older people spoke nostalgically about the importance of local newspapers when they were growing up. Many participants recalled seeing their childhood achievements featured in the paper. One participant remembered seeing a story that fascinated them and ultimately inspired them to become a local journalist. Others talked about the days when they would go to the newsagent to pick up a printed newspaper and get into conversations about the news with other customers. Several people told us how local news used to act as a marker of experiences that were shared across the community.

When we asked people what they like about the current provision of local news, we heard praise for some journalists at legacy outlets who are still visible in the community, and for independent publications that are 'embedded' in the area (Folkestone), and 'relatable and useful' (Manchester). Participants said that they valued the 'nosey neighbour' aspect of local news – 'knowing what's going on immediately around you' (Glasgow); 'it's like an official form of local gossip' (Newry).

When we asked whether there are things that people don't like about the current provision of local news, we heard concerns about the demise of truly local news:

 'We used to know the local reporter, but they've gone now.' (Bangor)

- 'The local press used to be read by everyone.' (Folkestone)
- "Local" news is not local enough.' (Glasgow)
- 'There is a veneer of "local" news.' (Manchester)

We also heard concerns about news providers chasing audiences with 'negative attitudes' (Bangor); 'clickbaity' content (Bristol); 'propaganda' (Folkestone); 'clickbait and sensationalist' reporting (Glasgow); and 'divisive' coverage (Newry).

When we asked people if anything is missing from local news at present, we repeatedly heard about the disconnect between young people and local news:

- 'Young people are not accessing local news anymore.' (Bangor)
- 'Local news is not speaking to millennials.' (Folkestone)
- 'There's a lack of engagement and interest from young people.' (Newry)

More broadly, some communities are worried about the lack of diversity in local news:

- 'Local journalists are privileged voices.' (Bristol)
- 'White working-class culture is missing.' (Bristol)
- 'We are missing diversity in terms of area, topic, people and stories.' (Folkestone)

There are also concerns about the shift from print to digital, which is taking local news out of the reach of people who are not online, and creating a hostile environment for some of those who are:

- 'Not everyone has access and if it's just digital, you get people's negative opinions, which deters people from contributing because I'll get so much stick in the comments.' (Bangor)
- 'What's not working? The lack of connectivity.' (Folkestone)
- 'People don't have access to the technology there's a poverty barrier.' (Newry)

Another effect of the shift to digital is the perceived rise in 'echo chambers' (Bristol), and the loss of a shared forum for the whole community:

- 'We need people from every generation talking to each other and that needs to be available in different media.' (Bangor)
- 'What's missing? One hub for local news.' (Glasgow)
- 'We're missing an opportunity for the community to come together.' (Newry)

In many workshops, both journalists and non-journalists highlighted the lack of a business model for public interest news:

- 'How do we get people to pay for news that is true and fair?' (Bangor)
- 'Sustainable funding models are missing.' (Bristol)
- 'There are not enough resources to get local journalism.' (Glasgow)
- 'What's missing? A fundable product.' (Manchester)
- 'The model of funding is not working.' (Newry)

Having established people's thoughts and feelings about the local news of the past and present, we turned our eyes forward, asking participants to imagine a happy future for local news. We encouraged people to reflect on four questions about the local news of the future:

- Whose voices are being heard?
- What stories are being told?
- How is local news improving your life?
- How is local news improving your community?

With these prompts, participants began to sketch out the visions that will inform Local News Plans for each area. In discussion about these visions, we prompted participants to reflect on how local news might be funded in future.

These pilot workshops were only the beginning of this process. We need to flesh out these visions, and involve more local stakeholders, in order to turn these dreams into reality.

Please see <u>www.publicinterestnews.org.uk/local-news-plans</u> for embryonic Local News Plans for all six locations. Here, we provide brief summaries of the visions that began to emerge from each location.

Bangor

The Bangor workshop was held at Pontio Arts and Innovation Centre on the morning of Thursday 12 January 2023. 10 people attended the workshop, which was conducted in Welsh and English, with live interpreting provided by Aled Jones of Cymen Translation Company.

Participants developed an exciting vision of local news that reflects the diversity of Bangor's communities and in which local people are directly involved, through co-operative ownership or community shares, in line with a tradition of community newspapers – *Papurau Bro* – that stretches back for generations in this part of the UK.

They want local news to be truly local, with reporters based in the area and a physical presence on the high street – a hub that is both a community newsroom and 'also a space where people come together to strengthen links.' They would appreciate investment from the public, private or voluntary sectors, but they also believe that a central pillar of support for local news needs to come from the community itself: 'we need to put our hands in our own pockets'.

Bristol

The Bristol workshop was held at Trinity Arts in Bristol on the morning of Wednesday 23 November 2022. 10 people attended the workshop.

Participants in this workshop were mostly from local news providers. They noted that, whilst Bristol might look like a 'media oasis', with several established providers in the area, they are all in fact struggling to survive and thrive. They were particularly concerned by the risk that local news

disproportionately serves the more affluent areas of the city. And they lamented the lack of a single source of news that is shared by everyone, and that supports engagement around, for example, arts and culture, which are central to Bristol's identity and economy.

Participants wanted to build a future local news ecosystem in which local residents are more directly involved in the production of news. They considered potential funding streams including a local broadband tax or a small surcharge on council tax, and highlighted the resources of local philanthropic foundations, businesses and public sector bodies – whilst emphasising that news providers must retain absolute editorial independence from any funders.

Folkestone

The Folkestone workshop was held at the Quarterhouse in Folkestone on the morning of Thursday 29 September 2022. 29 people attended the workshop.

Participants had a healthy appetite for local news. They want to see local news that speaks to and for every part of the community – young and old; newcomers and long-term residents; towns and villages. At the same time, they want local news to create a shared forum in which everyone can find out what's happening, and which doesn't put people into separate siloes.

In the workshop, a vision began to emerge of a local news 'ecosystem', in which niche outlets and community reporters could work alongside professional journalists to tell the stories of all the communities of Folkestone and the surrounding areas, with diverse content brought together – in print and/or online – by some kind of 'aggregator'.

Glasgow

The Glasgow workshop was held at the Kinning Park Complex in Glasgow on the morning of Friday 4 November 2022. 15 people attended the workshop.

Participants wanted to see local news that is locally owned and that tells the story of each of Glasgow's many communities in a way that celebrates achievements and solutions whilst holding the powerful to account.

Participants envisaged a future news ecosystem for Glasgow in which professional journalists work closely with members of the community to create news that reflects the values of diversity, independence and trust. There was particular interest in the potential of print and radio news, funded by a blend of members, local advertisers and philanthropists, to reach audiences who have been ignored by other parts of the media.

Manchester

The Manchester workshop was held at Holyoake House on the afternoon of Monday 14 November 2022. 13 people attended the workshop.

Participants were looking for a rebirth of the proud tradition of locally focused news in Manchester alongside the growing investment in national initiatives like Salford Media City. Mancunians are grateful for the emerging independent and co-operative publications in the area but concerned that the surviving legacy newspapers only have a minimal presence on the ground, and a thin 'veneer' of local news. They want to see more 'people-based' stories, from 'local journalists doing local news.' They would like local news to highlight solutions as well as challenges, and to contribute towards a sense of belonging and community empowerment.

They believe that local people, foundations and advertisers can all contribute to the cost of funding truly local news, and some think that national and local government and Greater Manchester Combined Authority should help subsidise local news as a public good.

Newry

The Newry workshop was held at the Confederation of Community Groups, Ballybot House on the morning of Wednesday 30 November 2022. 36 people attended the workshop.

Participants spoke warmly about existing locally owned sources of news in Newry, including the Newry Reporter, Newry Democrat, and newry.ie., but recognised that these outlets are under intense financial pressure. (In fact, the Newry Reporter, which was founded in 1867 and had been in one family's ownership since 1927, announced its closure in January 2023, and was subsequently sold to National World.)

Participants were looking for a varied news diet, which balances hard-hitting accountability reporting with more positive stories about the community. Living close to a historically significant border, they want local news to cover day-to-day local issues whilst helping residents to understand Newry's place in the wider world. They believe that local news can play an important role in fostering a sense of place and civic pride, in part by sharing stories from the past as well as the present.

Participants were keen to continue working on this issue with support from PINF. They believe that there may be funding available, for example from the National Lottery Community Fund, as a capital grant which could help the community buy a building to accommodate and generate revenue for local news providers. In the long term, they would like to see a dedicated fund for local news.

Conclusions

Our participants came from different backgrounds, and they live in very different parts of the UK, but they had broadly similar visions for the future of local news. Again and again, similar ideas came up: local news should be truly local, diverse, independent, participatory, trustworthy, solutions-oriented, multi-platform, inter-generational and with diverse revenue streams to mitigate against the risk of being captured by owners, advertisers or donors.

At the same time, the workshops revealed the distinctive characteristics of each place: Bangor, with its tradition of cooperatives and collective endeavour, and a stronghold of the Welsh language; Bristol, with its social enterprise economy; Folkestone, with its emerging arts and culture scene; Glasgow, with its many diverse neighbourhoods; Manchester, with its proud political history; and Newry, with its commitment to building community cohesion. Different things are necessary and possible in each of these places, and local news will only take hold in each area if it addresses these particular and evolving needs and capabilities.

The workshops generated a great deal of interest and enthusiasm. They catalysed conversations that would not otherwise have taken place, and surfaced ideas that would not otherwise have been discussed. They showed that people at the local level understand – even if policymakers have yet to make the link – that local news is a critical part of their communities and social infrastructure.

We believe that the following conclusions are particularly important for the future of local news provision in the UK:

People believe that local news should be truly local.

People in different parts of the UK don't want to see 'cookie-cutter' versions of local news, where the same stories are simply repackaged for different audiences. Stories that are relevant to the people of Manchester are unlikely to be significant in Newry, and vice-versa. National stories may be relevant everywhere, but, to a great extent, these stories can be delivered by national news providers.

Local audiences want to see local stories that speak to their interests and concerns. They want news that truly reflects their local area in all its character and complexity. They want to see reporters on the ground, or even to work directly with journalists in new, participatory models of news production. They are imagining a future in which news providers are not only based in the area but are literally open to the public in local news 'hubs', where journalists and citizens can come together to discuss what's happening and why it matters to them.

News providers are struggling to meet the need for truly local news.

All too often, local news providers worry about how to find a market for their services. We suspect that the problem is rather different: there is a mismatch between conventional local news provision and the actual needs of local audiences.

Commercial providers are chasing page views with content that will attract clicks and engagement on social media. One former editor recently commented that the local newspaper industry has 'passed into the hands of companies who wanted to squeeze every single penny out of them. [...] They're not taking the job of the local press seriously, and because of that their local audiences are deserting them.'33

Independent news providers, meanwhile, are burning themselves out with long hours and low pay to produce story after story. In effect, these small organisations are subsidising the information needs of their communities.

Local people are not necessarily looking for a huge volume of news. They simply want engaging stories that help them to understand and navigate their community. We heard admiration for outlets like The Manchester Mill and The Bristol Cable, which focus on quality rather than quantity, but there is a recognition that even these celebrated examples of local news are not yet sustainable – and are only serving some of the population in two British cities. How can we ensure that every local area in the UK is served by diverse high-quality local news outlets?

Local people are keen to support new funding models for local news.

Most people understand that old funding models for local news have been disrupted, and they believe that, in many places, new funding can be found for truly local news.

We spoke to representatives of community foundations, credit unions, local businesses and public sector bodies that are beginning to see how local news can help build strong communities. They have not previously considered funding local news, but they are open to further conversations. We also heard from many ordinary people who do not currently subscribe to local news providers, but who would do so if they valued their output.

The money is out there, but it will take intense and sensitive work to match resources to opportunities, to ensure that arm's-length funding mechanisms protect editorial independence, and to make sure that less affluent areas are not left behind.

The Local News Planning process unlocks collaboration.

At first, we assumed that the Local News Plan workshops would simply generate ideas about the news needs and capabilities of each community. But we soon found that they achieved much more than this.

In fact, the planning process has multiple benefits, not least in creating a new opportunity for conversations and relationships to form across the community. By creating a space for people from very different backgrounds to talk about something

that matters equally to them – but where their views are not entrenched or polarised – we supported new conversations and relationships. In many workshops, we saw people speaking to each other for the first time, making new connections and seeing opportunities for collaborations and partnerships.

In future, we would like Local News Plans to guide the development of local news in local communities everywhere in the UK. Local News Plans ensure that future innovations in local news are guided by the vision of the community itself, rather than the wishful thinking of an entrepreneur or funder. In some workshops, there was a high level of creative thinking. With more support, this process could not only create a framework for local news innovation; we could also use the planning process to generate innovation.



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Recommendations

The Local News Plans project has revealed the scale of the challenge facing local news. But it also contains the seeds of a solution. It has shown that communities value truly local news, and that they are prepared to contribute towards its rebirth.

Again and again, we heard people's disappointment at the disappearance of local reporters from their area. We witnessed the gulf between local communities and corporate newspaper publishers. And we saw the enthusiasm for those reporters and news organisations that are embedded in the communities they serve.

We believe that the solution to the local news crisis is not to prop up the corporations that own the majority of legacy local newspapers in the UK. These companies have already received significant support from the BBC, big tech companies, central government and local authorities. The DCMS Select Committee has questioned the value of these schemes:

'[W]e are concerned that some of the approaches of the largest publishers appear to be compromising the quality lof] the local journalism produced by their titles. We are also concerned that the largest publishers take a disproportionate share of the support available for local journalism, to the detriment of smaller publishers and those entering the market. This may be stifling much needed innovation that could benefit the sector as a whole.'34

We agree, and we believe that the Local News Plans project can serve as the model for a new approach, which we call 'media wealth building.' Rather than allowing a few decision-makers to direct funds to a few corporate news publishers, based on priorities set in Westminster or Whitehall, we should enable local communities to set their own criteria for the future of local news in their area. Rather than a 'one-size-fits-all' approach, where reporters with identical job descriptions are sent out all over the country, we should identify the specific needs and capabilities of each community, and then work with them to build a thriving local news ecosystem. Rather than seeing media wealth flow out of local communities, we should find ways to hold, recycle and grow this wealth within communities, wherever possible.

So, we recommend that:

Local News Plans should be developed for every local authority district in the UK, to guide the future growth of local public interest news.

Local News Plans should set clear criteria against which local news provision can be assessed. If an existing or new provider of local news wants to apply for funding, launch a new product or expand into a new area, their plans should be judged in light of the priorities in that area's Local News Plan.

These priorities might be very different in different parts of the UK, depending on the characteristics and traditions of each place. This means that national funding and policy initiatives should be flexible and responsive, not dogmatic or didactic.

Public, private and voluntary sector organisations should allocate a minimum proportion of their advertising budget to spend with news organisations that meet the Local News Plan criteria.

As noted above, community businesses maintain a greater proportion of economic value in the community than businesses which are owned elsewhere.³⁵ This insight lies behind a new approach to local economics called 'community wealth building',³⁶ In this approach, also known as the 'Preston model', local organisations make a commitment to allocate their resources in the local area, so as to stimulate the local economy.³⁷

A virtuous cycle is created, which is ultimately in the interests of both the organisations and the local community, all of whom benefit from greater prosperity.

How can we translate this model into the domain of local news? Here is one possibility.

British advertisers are spending billions of pounds every year to reach local audiences. A huge proportion of this expenditure currently goes to big tech platforms such as Google and Facebook, where advertisers believe they are better able to target their intended audience than by advertising through local media. This has a short-term benefit to local advertisers, but a long-term cost, as it contributes to the decline of local news media – thereby hastening the decline of the local economies on which these advertisers depend.

As part of their commitment to the communities they serve, or in which they are based, advertisers should pledge to spend a proportion of their budgets on news organisations that meet the Local News Plan criteria and are thus supported by the local community. In this way, advertisers can help kick start a virtuous cycle, in which local news providers support the local economy, which in turn supports local news providers.

Donors should support local news through arm's-length funds.

When we discussed funding models with stakeholders in our six pilot locations, we often heard concerns about the undue influence that donors might exert on the news. Journalists are particularly sensitive to this risk. Therefore, we believe that any funding for local news should be run through an arm's-length fund or funds.

These funds might be modelled on or even managed by the existing network of community foundations.³⁸ They could absorb existing sources of funding, such as the BBC Local Democracy Reporting Service and local authorities' public notice budgets, together with potential new funding from philanthropists, big tech

companies or government subsidies. They could also receive donations from the public, including those who want to contribute to better coverage of their home areas even after moving away.³⁹ Public funding, as recommended by the Cairncross Review and the DCMS Select Committee, could also be managed through these arm's-length funds, and used to match funds raised from other sources.

By pooling these funds, and putting them under the management of independent, locally accountable bodies, the influence of any donor would be diluted, and the funding bodies could make strategic decisions about how to support the local news ecosystem, in line with the priorities set out in the Local News Plan for each area.



Next steps

Most people have never been asked to think about the role of local news in their community. They might have a lot of opinions on the subject (in fact, they usually do!), but they need time and space to develop these opinions, and to hear each other's voices. Once started, the conversation about local news does not stop.

Our workshops have triggered ongoing discussions about the state of local news around the UK. The Local News Plan workshop in Bangor has fed into the work of the Institute for Welsh Affairs and the Welsh Government's working group on public interest journalism. In Folkestone, participants from the Local News Plan workshop reconvened at the Folkestone Book Festival to talk about the future of local news. In Glasgow, a new community newsroom opened shortly after the Local News Plan workshop and is rapidly becoming a hub for ongoing conversations about the future of local news in the city. In Newry, the Chamber of Commerce is looking at the state of local news following the sale of the Newry Reporter to National World plc.

In all of these examples, communities are talking about local news in relation to other pressing concerns: economic wellbeing, democratic engagement, community cohesion. They are increasingly realising that local news is as much part of a community's infrastructure as physical institutions like libraries and sports centres.

If the Local News Plans project has this one legacy, it would be something. But we want to go much further than this. We are immensely grateful to our six local stewards, who opened doors for us (sometimes literally) and brought people together with care

and commitment. However, we were only able to commission each steward for a few days' work, which was barely enough to scratch the surface of local news needs and capabilities in each area. In future, we would like to appoint local stewards to support the planning process over months or even years, with workshops in many different venues, so that we can involve as many local people with as many different perspectives as possible.

In the long term, we would like to see a Local News Plan for every local authority district in England, Northern Ireland, Scotland and Wales. In the short term, we hope to continue working in our first six locations, developing the insights and relationships that we have already generated. We would like to solidify these Local News Plans and see them used to guide the development of local news in these areas.



We are particularly keen to hear from potential funders who would like to support the process in these six local communities, or who would like to help us take this process into other communities.

We are also keen to work with policymakers in Westminster and the devolved administrations, to ensure that policies relevant to journalism and local communities are joined-up, and that national measures are attuned to the real information needs and capabilities of local communities across the UK.

On its own, the Local News Planning process is not enough to create a more sustainable era in local news. It is, however, a necessary step on the road. By bringing people together from across the community, a Local News Plan creates new conversations and relationships. It shows news providers where they are succeeding and failing in meeting the needs of the community. It shows other stakeholders how strong independent local news could help them meet their objectives (public health, community cohesion, economic wellbeing, and so on). And it shows everyone how they might work together to achieve their shared goal: a thriving and empowered local community.

The alternatives are bleak. We will either continue to witness the slow extinction of local news, as prophesied by the UN Secretary General. Or we will see well-meaning but untargeted national initiatives that fail to meet the actual news needs of the UK's very different local communities. As a result, other community-building initiatives will also struggle, because local people will continue to rely on social media and national news for information, rather than seeing themselves accurately and constructively represented in truly local news. And this will continue to drive polarisation and mistrust, in a downward spiral of disengagement.

We hope that the Local News Plans approach offers a better way forward, helping to bridge the gap between national policymakers and funders on one hand and the needs of local communities on the other. In this way, we can create a virtuous cycle where local news supports informed and empowered communities – which in turn support a sustainable local news economy.





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About us

The Local News Plans project was conceived in collaboration between PINF and NewsNow, and generously funded by NewsNow. The project was delivered for PINF by Sameer Padania and Jonathan Heawood.

The Public Interest News Foundation (PINF) is the first charity in the UK to support high-quality independent journalism. We believe that everyone should benefit from news that speaks to them, for them and with them. We build the capacity of independent news providers by providing grants, networking and leadership development opportunities, and we lead a range of research projects into public interest news.

NewsNow is a UK news organisation using technology to support and promote credible, independent and public interest journalism since 1997. Its website NewsNow.co.uk is the UK's leading independent news discovery platform and a global top 50 news website.

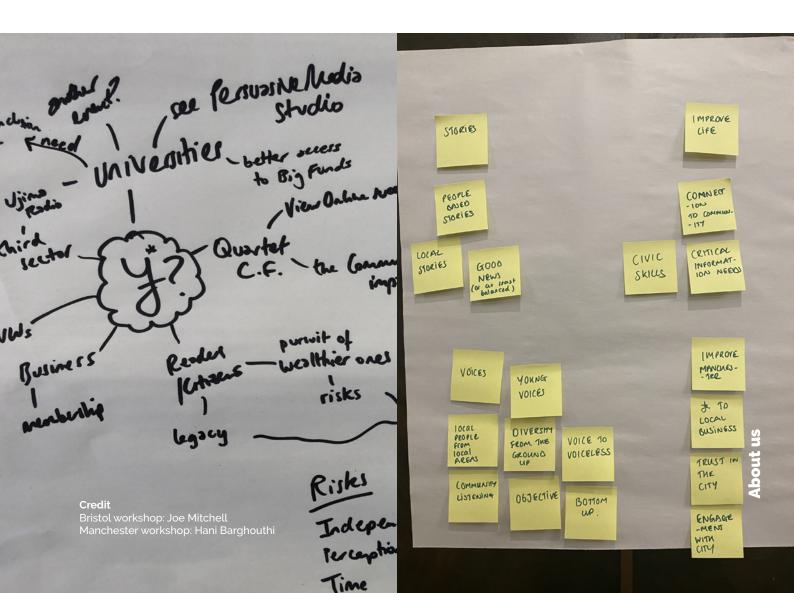
Jonathan Heawood is Executive Director of PINF. He began his career as a journalist at the Observer and went on to spend seven years as Director of English PEN,

where he campaigned for free speech and media freedom. He served as Director of Programmes at the Sigrid Rausing Trust, one of Europe's largest human rights foundations, where he developed a new strategy to support investigative journalism. In 2015, Jonathan founded the independent press regulator IMPRESS (The Independent Monitor for the Press), which he led as CEO until 2020. Jonathan has written for newspapers and magazines including the Telegraph, Independent, Guardian, London Review of Books, Prospect and New Statesman, and journals including Critical Quarterly, Ethical Space, Journal of Media Law, Communications Law, Information Polity and the British Journalism Review. He has also given evidence to several Parliamentary select committees and is regularly invited to speak at conferences in the UK and internationally. His book, The Press Freedom Myth, was published by Biteback in 2019.40

Sameer Padania works with diverse stakeholders to defend, support and grow the public interest journalism ecosystem in the UK, Europe and beyond. He was Lead Rapporteur on the Forum on Information and Democracy's 2021 global report calling on governments to deliver a new deal

for journalism.⁴¹ Over the last decade, he has worked as a grantmaker, strategist and assessor for funders including the International Fund for Public Interest Media, Open Society Foundations, Wellcome, the Nesta Future News Fund, and the Google DNI Fund, and networks like the

European Journalism Funders Forum. He has written widely used practical guides on funding journalism and media,⁴² investigative journalism,⁴³ and the trends in funding journalism across Europe,⁴⁴ and is a co-founder of the Charitable Journalism Project.⁴⁵



Appendices

Appendix 1 Definition of public interest news

We are often asked what we mean by 'public interest news'. Some people say that the 'public interest' can't be defined. We disagree. In fact, PINF's definition is written into our Articles of Association (our constitution), as follows:

- "Public Interest News" means news and other information which is produced and disseminated to the public according to high standards of ethical conduct and best practice in journalism and which provides one or more of the following benefits to the public:
 - informs members of the public about matters of relevance to their role and responsibilities as citizens;
 - enables members of local communities to become aware of and understand matters of common concern to them as members of their community and which promotes their involvement and cooperation in such matters and community cohesion accordingly;

- enables members of the public to participate in an informed manner in relevant democratic processes and, as a result, supports the legitimacy of the democratic process as a whole;
- benefits the public by promoting charitable educational outcomes, such as improving public understanding of health and medical matters or the conservation of the environment;

and specifically excludes material which is simply entertaining in nature, politically motivated, biased or inaccurate, or which fails to observe a person's right to privacy.'

Appendix 2 Local News Plan template

In this section, we provide a template for anyone who would like to host a Local News Planning process in their own area. Our own process evolved as we went along, learning from experience, and in this template, we try to distil best practice, as we see it.

We would be glad to hear from others who want to follow these steps to create Local News Plans of their own. We believe that this process is most effective when the project is stewarded and facilitated by people who don't have 'skin in the game' - who don't, for example, work for local news providers. In practice, this isn't always possible, so it's important for the stewards and facilitators to leave their own opinions at the door and focus on creating a welcoming and respectful space for all members of the community to express themselves. Only in this way can news providers hear the honest but constructive views of their most important stakeholders: the local community. And it's only in this way that stakeholders from across the local community can understand how even small actions they could take can have a decisive effect on whether local media can survive and even thrive. This might not always be easy, but we believe it is necessary and potentially transformative.

The Local News Plan process falls into three stages: preparation; delivery; and follow-up. Sameer Padania and Jonathan Heawood anchored the process at a national level throughout, from selecting locations to hiring and supporting stewards through to

facilitating and documenting the workshops. We found that this national coordination was essential to bring coherence to the process.

Preparing for a Local News Plan workshop

In each location, we appointed a steward with the skills and credibility to bring people together from across the community. We worked with our stewards remotely and on location to identify and engage local stakeholders from the following groups, including local chapters or representatives of national or regional networks:

- Business
- Civil society
- Connectors
- Creative and cultural sector
- Faith groups
- · Financial institutions
- Funding and philanthropic organisations
- Justice
- News media
- Political
- Public sector
- Unions

Throughout the process, we asked our stewards to take particular efforts to invite individuals and organisations who could speak to the experiences of people who might otherwise go unrepresented.

We built a longlist of 50-100 local stakeholders in each location, with a view to ensuring that 20-30 people attended each workshop. The process of identifying, inviting and chasing potential participants is time-consuming and works best, we

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found, when the steward can draw on personal relationships and/or work with partner organisations that can draw on their own networks.

We also worked with our stewards to identify a venue that would be accessible and inclusive to all potential participants. In some cases, the venue was provided in-kind by a partner organisation; in other cases, we paid for room hire. In all cases, we paid for catering, including tea, coffee and cold drinks, and a light lunch for all participants. We found that the opportunity for participants to eat and drink together was important for building trust and rapport – and in the case of Newry, encouraged participants to stay longer to continue the discussion.

Delivering a Local News Plan workshop

Our workshops were designed around a community empowerment framework, and ran for around three hours, with plenty of time beforehand and afterwards for socialising. Our morning workshops ended with lunch and our afternoon workshops started with lunch. We made sure that venues were accessible, that participants could move around freely, and that tea, coffee and cold drinks were available throughout.

On arrival, we welcomed and signed in participants, and gave them name badges. We sat people at tables in groups of five or six, and encouraged people to sit with participants they didn't already know. After a very short introduction, in which we explained who we were and why we were there, we invited participants to turn to their neighbour

and talk about their earliest experience of local news. This broke the ice and got people thinking about the role of local news in their lives.

We then asked each table to work as a group on three questions about the present state of local news:

- What's working for you?
- What isn't working for you?
- What's missing?

We gave people enough time to cover a large sheet of paper with answers to these questions, and then asked each group to pick one answer to each question. We invited a representative of each group to come to the front of the room with these three answers on post-it notes, which they stuck to a board, saying a few words about each point.

This helped ensure that (a) each group generated a lot of ideas, but (b) they didn't spend a long time sharing all their ideas with the whole workshop. It was also useful to see which points people prioritised.

Having established a good working atmosphere and a focus on relevant issues, we then invited people to switch tables, to keep working with new people, and then asked the groups to turn their attention to the future. Five years from now, what kind of local news would they like to see in their area?

For this exercise, we set four questions:

- What stories are being told in the local news of the future?
- · Whose voices are being heard?
- How is local news improving your life?

 How is local news improving your community as a whole?

This is the most important part of the workshop, when people's visions begin to take shape and they are encouraged to feel hope and agency in an achievable future, so we gave the groups plenty of time to talk through the questions. We then asked a representative of each group to present their vision to the other participants.

After a break, we moved into the final phase of the workshop with a whole-room discussion of funding and formats. We asked people to think about how the local news of the future should be delivered – print, digital, TV and/or radio – and how it should be funded – advertising, subscriptions, philanthropy and/or subsidy?

This part of the discussion reintroduced a note of realism after the more utopian visioning session. People could start to see more clearly and practically the kinds of barriers, difficulties and potential trade-offs in funding local news, and how they might start to confront and overcome these challenges.

Finally, we invited each participant to think about what they personally could do to take forward their vision for local news. They wrote their commitments on post-it notes, which they stuck to a board at the front of the room.

Drafting a Local News Plan

In future, we would like to work over an extended period with participants to build a detailed Local News Plan for each location, which would enable the process to be

more inclusive of a wider range of local stakeholders, such as minoritised groups, and those – often younger – participants who were unable to take time out to attend a workshop during working hours. In this pilot project, we were only to hold a single workshop in each location, after which we worked with participants to draft an embryonic Local News Plan. In Newry, participants suggested having a 12-month strategic plan for the process.

First, we transcribed all the sheets and post-it notes from each workshop, to make sure we had an accurate record of the sessions. We then looked for patterns in the transcripts, to identify the key themes from each workshop. We then wrote up a short report of the workshop, highlighting these key themes and including the full transcript, to give participants an opportunity to correct the record. We shared these reports with participants as online documents and invited them to add comments. In the pilot project, all participants had email addresses, and were able to go online. In future, with more time, we would share printed copies of the reports with participants, and discuss them with participants in person, to ensure that no-one was excluded from this stage of the process.

Having agreed the workshop report with participants, we finalised the text and made the document public on the PINF website.

Endnotes

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