

£2 million Future News Fund to boost local public interest journalism

Culture Secretary Jeremy Wright has announced a new £2 million pilot innovation fund to support public interest journalism in the UK, following recommendations in the Cairncross Review.

With the digital revolution giving rise to a pressing need for news publishers to develop new approaches and tools, Dame Frances Cairncross recommended government funding for innovative approaches to improve the supply of public interest news.

She described the different types of news which could be categorised as 'public interest' in her review – including investigative journalism and reporting on the activities of public institutions.

DCMS Secretary of State Jeremy Wright said:

A strong and independent press is vital for a healthy democracy to thrive and the Government is committed to securing its sustainability.

While we are still developing our full response to the Cairncross Review, our plans to open a pilot fund now will help papers explore innovative ways of providing the public service journalism that citizens need and deserve.

Dame Frances Cairncross said:

I am delighted that the innovation fund suggested in my review is being piloted. Innovation is important if news organisations, and especially small and local providers of news, are to survive and to provide accessible public-interest news for the widest possible audience.

Nesta will administer the pilot Future News Fund, which will have a particular focus on helping providers of local and regional news. It will be used to fund a number of different initiatives, allowing publishers to test or expand new ways of providing sustainable public interest news.

The Government hopes these publishers will benefit from the fund's testing of new business models and greater use of data, which can be adopted across the industry.

The pilot could also be used to fund a Future News Prize, to encourage wider thinking about how to address the challenges in the sector.

Valerie Mocker, director of the Future News Fund Pilot, Nesta said:

Reliable, accurate and high quality news at local level has been under threat for some time now, eroding an essential mechanism for citizens to engage in their communities, exercise their democratic rights and hold institutions to account.

We are delighted that Nesta will be able to play a part in addressing this problem with The Future News Fund – backing promising technologies, models and ideas so communities across the UK have access to reliable and accurate news about the issues that matter most to them.

It will launch in Autumn 2019 and run until the end of the financial year. Its outcomes will be used to shape decisions about whether to run a full, expanded fund in the future.

The Government will publish it's full response to the Cairncross Review later this year.

ENDS

Notes to Editors

In March 2018 the Government commissioned former journalist Dame Frances Cairncross to deliver an [independent review of the challenges facing high quality journalism in the UK](#), putting forward recommendations to help secure its future.

The review looked at the overall state of the news media market, the threats to the financial sustainability of publishers, the impact of search engines and social media platforms, and the role of digital advertising. Some of the report's key findings include:

- Half of UK adults worry about “fake news” or disinformation. A quarter do not know how to verify sources of information they find online. So users need to get the right skills to spot fake news, and platforms must identify and quickly remove the deliberate spread of misinformation on their services.
- Although news can be found on television and radio, written journalism (whether in print or online) originates the largest quantity of original journalism and is most at risk – particularly investigative journalism and democracy reporting.

An [Overview of recent market dynamics in the UK press](#) commissioned by DCMS as the part of the Cairncross Review found:

- Print advertising revenues have dropped by more than two-thirds in the ten years to 2017;
- Print circulation of national papers fell from 11.5 million daily copies in 2008 to 5.8 million in 2018 and for local papers from 63.4 million

weekly in 2007 to 31.4 million weekly in 2017;

- Sales of both national and local printed papers fell by roughly half between 2007 and 2017, and are still declining;
- The number of full-time frontline journalists in the UK has dropped from an estimated 23,000 in 2007, to just 17,000 today, and the numbers are still declining.

A report 'Online Advertising in the UK' commissioned by DCMS as the part of the Cairncross Review (and available as an annex to the Review) found:

- UK internet advertising expenditure increased from £3.5 billion in 2008 to £11.5 billion in 2017, a compound annual growth rate of 14%.
- Publishers rely on display advertising for their revenue online – which in the last decade has transformed into a complex, automated system known as programmatic advertising.
- An estimated average of £0.62 of every £1 spent on programmatic advertising goes to the publisher – though this can range from £0.43 to £0.72.
- Collectively, Facebook and Google were estimated to have accounted for over half (54%) of all UK online advertising revenues in 2017.
- The major online platforms collect multiple first-party datasets from large numbers of logged-in users. They generally do not share data with third-parties, including publishers.