



February 2017

### **NUJ briefing on the BBC local democracy reporters' scheme**

*The BBC's agreement with the News Media Association to fund local reporters from the licence fee (£8m per annum) has caused concern. The NUJ is not against the principle of journalism being paid/subsidised by public funds if it can be proved to meet a public benefit test. But the union does not support the top-slicing of the BBC licence fee to pay for this scheme.*

1. On May 12, 2016 the BBC and News Media Association (NMA) announced plans "to support local journalism in the UK, including a new team of reporters to cover local councils and other institutions". The corporation agreed to fund 150 local reporters, with plans to increase the number to 200 in 2019. The stories they generate will be available to local news organisations and the BBC. The proposals included the creation of a News Bank, including audio and video, and a Data Journalism Hub. The proposals were costed at about £8million a year. The initiative will be managed by the BBC English Regions HQ, based at BBC Birmingham. An independent audit would inform a review of the BBC's efforts to improve the linking and attribution of stories and sources; the corporation had been found guilty of lifting local newspaper stories without attribution.
2. The announcement said that while the journalists would be under the editorial direction and control of their employers, processes would be jointly agreed to ensure the quality of coverage was in line with the BBC's public service obligations. The reporters will file their copy and additional multimedia into a central system which will be distributed simultaneously to all local partners.

3. The launch of the scheme coincides with the BBC making £15m of cuts in local and regional newsrooms; the equivalent of 200 jobs. The corporation is also planning to shut down virtually all of its district offices.
4. The BBC had faced criticised from such organisations as the NMA for providing unfair competition in the local news market; the NUJ disputes this view.
5. The NUJ's response to the plan was: "The NUJ believes there is a democratic deficit in local news – the press is not covering the decisions of courts, councils and public bodies in a way which properly informs readers about their democratic institutions. But should it be the licence-fee payer who plugs this gap? Local newspaper groups have a proven track record of cutting staff, merging titles, closing local offices and overstressing the few workers left on the ground just to maintain their profits. What checks are there that these groups will not exploit this licence-fee subsidy in the same way? The deal has been done behind closed doors with no consultation and no transparency."
6. These fears were valid. During correspondence with Welsh Assembly member Simon Thomas about concerns that Trinity Mirror had sacked the Daily Post's political correspondent covering the Assembly from Cardiff, the newspaper group's CEO, Simon Fox, said: "It is worth you knowing that we remain in discussions with the BBC about synergistic working. It may be, emerging from this, that further improvements to our political coverage may be possible."
7. MPs on the Department for Culture, Media and Sport (DCMS) select committee have raised concerns about the scheme. During a DCMS select committee session with Tony Hall, the BBC's director general, Jason McCartney, MP for Colne Valley and a former journalist, said: "I have expressed my concerns before in terms of thinking about local journalism. We have two local newspapers. We have The Halifax Courier, which has cut back – it has gone to just one edition a week and online – and yet I have The Huddersfield Examiner, where I live, which is a great local newspaper, producing six copies a week, Monday to Saturday. They have a court reporter and they have a local government reporter who will, say, be at the council meeting tomorrow night until 9 o'clock,

quickly turning around the copy for the next day. In theory, they would not get support from the BBC funding of local journalism, yet The Halifax Courier, which has cut back on their local journalists, would. What is fair about that? I do not want the shareholders, the big bosses of these global media groups who have cut back on local journalism, to increase their profits, to be benefiting at the expense of licence fee payers.” Lord Hall said the scheme would be reviewed in 2019

8. There will have to be special arrangements made for the so-called “democracy reporters” based in Northern Ireland. This recognises concerns raised by our chapels there. The BBC’s impartiality is very important because of the sectarian nature of the press; therefore BBC reporters writing for specific publications could be tainted by association.
9. The proposed distribution of these new reporters was based on a BBC audit in 2016 which identified areas where local newspapers were failing to cover council meetings. The current proposal seeks to deploy BBC-funded reporters in those areas, thus rewarding newspaper groups with the worst record of holding local authorities to account.
10. The NUJ will be taking a close interest in the terms and conditions offered to the local democracy reporters (LDRs). The tasks required for the LDRs are not for entry-level journalists. The BBC will be paying around £60,000 per reporter based on current figures.
11. There is a risk is that the new employers will expect the BBC’s privatised reporters to take on other work. And there will be no way that the BBC can monitor the daily activity of these new reporters. The reporters will also face a clear conflict of interest. When they get an exclusive, will they file the story immediately or will they be expected to wait until it can run in their employer’s publication first? There is already evidence of mission creep; there is talk of the current scheme being extended to enable the recruitment of specialist reporters in areas such as transport and health.
12. BBC reps have questioned whether they would want to use the copy of LDRs; would it compromise their editorial independence?
13. The BBC ran a “low-key” trial in Nottingham beginning on October 10, 2016, for three weeks – so low key that its management did not have

the courtesy to mention it to NUJ representatives. It has also refused to share the results with the union.

14. The local newspaper industry is in crisis. A study by Press Gazette found more than 300 newspapers had closed in the past decade and there were half the number of journalists than there were in 2006. Keith Perch, senior lecturer in journalism at the University of Derbyshire, said his analysis of staff lists suggested the reduction was more like 80 per cent.
15. These year-on-year staff cuts pose a threat to local democracy because, with too few journalists, local politicians will not be held to account, voters will not be given a range of views and be deprived of the information they require to make judgements when voting in elections. Research has shown there is a link between poor local news coverage and participation in local elections.
16. The threat to democracy has been further compounded by a lack of media plurality caused by newspaper mergers. Four publishers account for almost three-quarters of local newspaper titles across the UK (Trinity Mirror, Johnston Press, Newsquest and Tindle) and more than two-thirds of Local Authority Districts and over half of Parliamentary constituencies (330 of 650) are not served by a dedicated daily local newspaper.
17. While the News Media Association wrings its hands and blames BBC online for plummeting circulations and cites lack of advertising revenue to justify sacking staff, the truth is that newspaper groups have not been investing in journalism and when the going was good they creamed off huge profits. Between the start of 2003 and the end of 2007, profit margins at Media Wales, owned by Trinity Mirror, averaged 34 per cent, peaking at 38 per cent for the 12 months to the end of 2005. These profits made Media Wales one of the most profitable companies in Wales of any kind, let alone in the media industry. When Sly Bailey, Trinity Mirror's chief executive, left the group in 2012, she had pocketed more than £14 million, despite its workforce being cut by 50 per cent and a share price that plummeted by 90 per cent during her tenure. Gracia Martore, who was CEO of Gannett, Newsquest's American parent company, was paid £7.5m a year.

- *Monopolising local news: Is there an emerging local democratic deficit in the UK due to the decline of local newspapers?* by Gordon Ramsay and Martin Moore, of the Centre for the Study of Media, Communication and Power, King's College London.
- *Journey to the centre of a news black hole: examining the democratic deficit in a town with no newspaper*, Rachel Howells
- BBC statement on the scheme, February 2, 2017  
<http://www.bbc.co.uk/mediacentre/latestnews/2017/bbc-news-media-association-partnership>
- Allocation of LDRs by region: North East 10; North West 18; Yorkshire 11; West Midlands 14; East Midlands 7; South West 11; South East 14; East 8, Wales 11; Scotland 20; London 11; Northern Ireland 3.