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The future of local and regional news media

Summary

This paper updates members on recent activity aimed at exploring the problems currently faced by the local and regional news media.

Recommendations

That members note the evidence submitted to the CMS committee and the DCMS media summit, and feed in local experience of the role of council magazines.

Action

Subject to members' comments, officers to take forward suggested actions.

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Local newspapers

Background

- 1. The local and regional newspaper industry is suffering from falling advertising revenues caused by the current recession. This has stimulated a series of efforts to better understand the problems faced by the industry, and what actions might be taken to support it.
- 2. The LGA has represented its members in these discussions. Councils have a close relationship with their local press through running local campaigns, buying regular advertising space or using their distribution networks for council magazines. Councillors are also keen to see a strong local press undertaking more proactive scrutiny of local democracy.

DCMS Media Summit

- 3. The Secretary of State for Culture, Media and Sport, Andy Burnham, held a "media summit" on 27 April. Councils have recently come under fire for competing with the local press by producing magazines to inform residents about council services. The LGA strongly opposed this view, and defended councils' right to communicate with their residents in a direct and value for money way.
- 4. In advance of the summit Local Government Analysis and Research undertook a survey of local authorities to gather the most up to date and informed picture of how, why and when councils produce magazines. The survey clearly showed that:
- council magazines do not pose a competitive threat to local newspapers; with 79% of authorities producing up to only six editions a year;
- the local newspaper industry is suffering primarily because of its exposure to falls in the market for advertising; and that 60% of council magazines consist of 10% or less advertising space; and,
- that councils work closely with their local paper and want more scrutiny of the democratic process.

OFT exploratory review of on local and regional media mergers

5. The Office of Fair Trading, in March, launched a "discussion paper" on local and regional media mergers, as part of its exploratory review into the issue. This discussion paper can be accessed at <u>http://www.oft.gov.uk/shared_oft/business_leaflets/general/oft1069.pdf</u>.

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6. The LGA submitted evidence to the OFT outlining that Council magazines have an important but different role to play to local press. The LGA has encouraged councils to set up their own publications as part of its Reputation campaign, launched in 2005 after independent research found that two thirds of residents know almost nothing about local government. LGA evidence to the OFT set out that local authorities' own publications have an important function that newspapers do not have – telling residents about the 800 services councils offer. A copy of the LGA evidence can be accessed at http://www.lga.gov.uk/lga/core/page.do?pageld=1770660.

Culture, Media and Sport (CMS) Committee inquiry into the future for local and regional media

- 7. The House of Commons CMS Committee launched its inquiry into the future of local and regional media on 25 March. The Committee is seeking views on a variety of issues pertinent to the industry, a full list of which can be accessed at http://www.parliament.uk/parliamentary_committees/culture_media_and_spor
- <u>t/cms090325a.cfm</u>. Key issues for local government include:
 The impact on local media of recent and future developments in digital convergence, media technology and changing consumer behaviour;
- The impact of newspaper closures on independent local journalism and access to local information;
- The appropriateness and effectiveness of print and electronic publishing initiatives undertaken directly by public sector bodies at the local level;
- 8. The LGA will submit evidence to the CMS Committee inquiry, closely following the work outlined above. A copy of this evidence will be tabled at the Board meeting, once it has been cleared by lead members.

Recommendations

9. Members are invited to discuss these updates and to feed in their experience of the local and regional press in their area.

Financial Implications

10. This work is not expected to have financial implications.

Implications for Wales

11. Media policy is a non-devolved issue. The LGA will liaise with Welsh authorities to explore issues of particular interest to Wales.

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