

Government response to the Cairncross Review

- Series of measures will help secure the future of the UK's free and independent press
- Online Media Literacy Strategy to be published in the summer
- Government also seeking views on online advertising in Call For Evidence published today

The Government is today publishing its response to the independent review into the sustainability of high-quality journalism in the UK, which was led by the journalist and academic Dame Frances Cairncross.

The Cairncross 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. The Review identified a range of challenges facing the sector and made recommendations for government, regulators and industry.

The Government supports almost all of its recommendations, and in a Written Ministerial Statement published today, Digital Secretary Baroness Morgan set out the Government's formal response to the Review.

Digital Secretary Baroness Morgan said:

Newspapers play an invaluable role in the fabric of our society and are uniquely placed to undertake the investigative journalism and scrutiny of public institutions, including local councils and our courts. This is vital to help ensure a healthy democracy both nationally and at a local level.

We know that the digital age poses significant challenges to newspapers though and are committed to supporting the industry in its transition to a more sustainable footing.

Dame Frances Cairncross said:

The Government's response underlines the important role high-quality journalism must play in our national and local democracy.

I am particularly pleased to see the establishment of the innovation fund and it will be important to build on this to ensure it is as effective as possible going forward.

I also welcome the Government's support for the need to formalise relationships between news publishers and online platforms as part of wider work on digital regulation, and urge the government to

ensure that the press sector remains very clearly in focus.

In relation to the specific recommendations for Government made by Dame Frances, the Government has now:

- Committed to take forward work on the recommendation to create codes of conduct to rebalance and redefine the relationships between news publishers and online platforms, in alignment with wider work on digital regulation. This would help ensure journalists in the UK are fairly treated and rewarded for their content.
- Confirmed that the world-leading proposals for a new regulatory framework set out in the Online Harms White Paper should lead to platforms doing more to help people identify the reliability and trustworthiness of online news sources. (in response to the call for online platforms' efforts to improve users' news experiences to be placed under regulatory supervision.)
- Progressed work on developing a new online media literacy strategy, with plans to publish this in the summer.
- Established the £2 million pilot Future News Fund, run by Nesta (in response to the recommendation for a new fund focused on innovations to improve the supply of public-interest news, to be run by an independent body). The fund will invest in new technological prototypes, start-ups and innovative business models to explore new ways of sustaining the press in a changing landscape.
- The Treasury will consider the case for a range of potential tax incentives to support the news publishing industry this year, including policy options on VAT, notwithstanding recent litigation in this area. The Government has also announced formally today that it is extending the £1,500 business rates discount for office space occupied by local newspapers in England for an additional five years, until 31 March 2025, as part of its efforts to support local and regional journalism.

The Government is not taking forward the recommendation for the establishment of an Institute for Public Interest News. Government does not wish to have a role in defining what is 'public interest' news as this risks interference with the freedom of the press.

The Cairncross Review also outlined how news publishers are increasingly reliant on the online advertising market, and the threat this poses to the future sustainability of journalism.

Alongside the response to Dame Frances' recommendations, the government has committed to review how online advertising is regulated. In a call for evidence published today, the Government is seeking views on the challenges, as well as the benefits, that the rise of online advertising has brought for people and businesses, including news publishers – with a particular focus on content and placement standards.

This work will complement and supplement other reviews underway in this area, including work by the CMA, the Information Commissioner's Office and the Centre for Data Ethics and Innovation. DCMS welcomes views from participants

engaged in all stages of the online advertising supply chain, as well as those who work in complementary or competing markets. The open call for evidence will run for 8 weeks between 27 January and 23 March.

ENDS

Notes to Editors

The Government response to the Cairncross Review can be read [here](#)

The Online Advertising Call for Evidence can be read [here](#)

The Cairncross Review: a sustainable future for journalism published in February 2019 can be read [here](#)