

The Debating Group



A Parliamentary forum for Media and Marketing Debate

Will the spread of council ‘newspapers’ undermine local democracy?

“If local newspapers are only produced by local authorities who else will call them to account?”. This was the question posed by Howard Scott, Managing Director of Newsquest South & West London and Chairman of JICREG. He was proposing the motion ‘The spread of council ‘newspapers’ will undermine local democracy’ at the Debating Group debate at the House of Commons on 14th June 2010. The debate was sponsored by JICREG and chaired by Austin Mitchell, MP for Great Grimsby and President of the Debating Group.

Howard Scott began his argument by citing the history of *The Worcester Postman*. It had been launched in 1690 by Stephen Bryan who took advantage of the sudden increase of interest by the upper class in the printed word. It reported primarily on decisions made in parliament. In 1709 the news sheet changed its name to *The Worcester Journal* following a competitor launching a title of exactly the same name. Some 300 years later, *The Worcester Journal* is still in existence. It is in the *Guinness Book of Records* as the world’s oldest continuously published newspaper and is owned by Newsquest. There is no finer example of a local newspaper having survived centuries of industrial, economic and social change. The contribution of the title to local, community life over the past three centuries is immeasurable. The Journal still provides an important service today, albeit reporting on local rather than national issues.

But the future of *The Worcester Journal* and hundreds of local newspapers like it is under threat from the emergence of local council-owned, so-called ‘newspapers’. At a time of severe trading challenge for all forms of media, these publicly-funded, state-controlled publications are eating away at the revenues which make an independent press possible. If local newspapers close and disappear as a result, this is an inherent and insidious threat to local democracy. It is perfectly possible to envisage a situation where the only regular publication left in the community is that produced by the local authority. Who else will scrutinise and where necessary call to account the elected officials at the town hall? Who else will inform, question and campaign? How else will local communities get a balanced view of events and, perhaps most importantly, be called to action or engagement? Who else will help them make an informed and balanced judgement?

Howard Scott went on to discuss the case of *Greenwich Time*, in South East London. It publishes 47 issues a year – in effect it is a weekly. It claims to be delivered to every home in the borough. In look, style, design, and in many areas of content, it appears as any other local newspaper – advertisements from local companies, what’s on events, property for sale and rent, sport, letters to the editor, even TV listings. These are all the things you would expect to see in any local newspaper, put together in traditional local newspaper style. But, argued Howard Scott, this is far from being any local newspaper – it is the mouth-piece of the local authority. It is published by Greenwich Council at an annual cost of £600,000, and that cost had to be extracted from the Council via an FOI request. It does not badge itself clearly as published by the council, but proclaims on its masthead that it is ‘the newspaper campaigning for an even greater Greenwich’. All the stuff for which people buy and read local newspapers is there, with one material exception. What is missing is anything which reflects badly on

the local authority and any mention of its political opponents. Howard Scott cited an apology for an advertisement from newly-elected Councillors thanking people on the ward for electing them. It was stated that accepting this advertisement was ‘an administrative error as it runs contrary to our editorial policy, which clearly states that we can only promote corporate policies adopted by the council’.

According to Howard Scott, Greenwich is not alone in wanting to control and distort the local, political news agenda with this ‘Pravda-style’ approach. *East End Life*, published by Tower Hamlets, employs more staff and produces a bigger newspaper than the long-established *East London Advertiser*. It cost £1.56m to the taxpayer last year. Andrew Gilligan, writing about it in the *Evening Standard* a few months ago, noted that in one edition (selected at random) there were no fewer than 27 mentions of the councils’ ruling labour cabinet, six mentions of the same councillor and 12 pictures of them. Among the news there was no room, however, for the forcing out of the council’s chief executive at a likely cost to local residents of some £300,000. They did eventually carry a bland statement about it, a month after the *East End Advertiser* comprehensively reported the story. Gilligan widened his search, going through six months’ issues of *East End Life*. Apparently he failed to find a single quote from any opposition councillor, or anybody else, criticising any council policy in any substantive story, irrespective of political preferences.

Howard Scott went on to give examples where council newspapers in fact acted like commercial ones, even containing Sudoku puzzles and crosswords. You can forget you are reading an official publication. It is alleged that a local council ‘pretend’ newspaper delayed normal publications by 24 hours, not to include an important council-led decision, but rather to celebrate the success of a local girl on the ‘X factor’. More troubling, and right at the heart of the seriousness of this issue, is an example from Doncaster where the local independent newspaper, *The Free Press*, exposed a series of scandals relating to children’s services. The council’s own newspaper, *Doncaster News*, ran a front page story claiming media coverage of the crisis was “hostile and ill-informed”. The Government subsequently had to take over children’s services in the area. The new directly elected mayor scrapped the publication of *Doncaster News* stating, “It is simply propaganda and an exercise in distorting unpalatable truths”. Back in London, editors are increasingly experiencing examples of local authorities holding back stories so they can be published first, with their own spin applied, in their own publications.

Local newspapers up and down the country have to deal with market and economic realities. They have no state funding, no subsidised costs. Market failure and commercial market reality is the world they occupy. Councils are legitimising their own newspapers on the back of the lack of success of commercial newspapers. Local council propaganda contrasts with this reality. It is easy to forget that you are reading an official publication.

Howard Scott acknowledged that the landscape he was describing is mainly in London. Many councils communicate with the taxpayer on a regular basis, but their communications do not masquerade as local newspapers and have not been set up as competitive newspapers. They are council publications providing council information. They do not masquerade as the local newspaper and they have not been set up in direct, commercial competition with the established local press. They do not control and distort the realities of local life. They do not inhibit criticism and free speech. However, the cynical attempt by some authorities to control and manipulate public thinking and debate via these official mouthpieces is something which should concern anyone who treasures our democratic processes. Howard Scott concluded: “If they are allowed to continue and spread, then local democracy is damaged and our lives will be the poorer for it”.

Digital connected world

Opposing the motion, **Alex Aiken, National Secretary, LGcommunications**, commented that just because the *Worcester Journal* had been going for hundreds of years, did not mean it should always be there. He argued that for too long local newspapers have ignored, rubbished and minimised the role of local democracy and now they still seem to see it as a threat to them, rather than thinking how the two parts of the democratic process could work together.

Council newspapers, defined as regular council publications, are produced to inform people about local services. The vast majority of these are produced 4-6 times a year, carry no or little advertising and co-exist with local newspapers. Their role is information. They may do more. They increase the ability of people to access services; invite people to community events; support community adhesion; and explain how the money is spent. Local newspapers could do this, but have often failed to do so in recent years. Alex Aiken cited the *Westminster Chronicle*, strictly the local paper for Westminster. The latest edition carried 10 stories about South Westminster, about the same on the rest of central London and 13 stories about Hammersmith and Fulham. So, the locality is in a minority in its own local paper. And it is produced in Hounslow. The *Wood and Vale*, covering St John's Wood and Maida Vale, carried 19 Westminster stories and 34 from outside the borough, from as far afield as Haringey (dwarfed by 70 'massage' ads). In contrast, the council produces its *Westminster Reporter* four times a year. Its coverage is entirely focussed on the people and their environment. It is read, trusted and highly rated by thousands of residents. If you produce a local paper that pretends to be about an area but actually cover different places and is written from another part of London, it doesn't sell. If you produce a publication written around the concerns of local people offering them things to do and information that could improve their lives, it is successful.

Alex Aiken contended that council publications cannot be the reason for the sad decline in local newspapers. He pointed to the following as the major contributors to this decline: social change; technological change; apparent newspaper industry greed; and poor products.

Turning to the subject of democracy, Alex Aiken asked how publications, which are produced under a democratic mandate by elected politicians, following guidance from central government, endorsed by its auditors, can be undemocratic. The 'Local Democracy' Act passed last year had at its heart, 'duty to promote understanding about function, arrangement and participation in local government'. Promoting understanding is part of the key role of council publications. This contrasts with the role of the Newspaper Society which is to 'promote newspapers' interests in all political, legal and regulatory matters' and specifically to 'promote local media to advertisers'. In short they are there to make money. A noble calling, but quite a long way from the democratic guardianship that this motion implies. Can anyone justify paying a newspaper group perhaps £100,000 a year for adverts that could be placed for a tenth of that online, and get a higher response rate?

Alex Aiken posed three tests for the newspaper industry: in terms of promoting democracy: can they guarantee that all local papers will be based in the locality and that their reporters will attend and report local democratic activities; will they support the right of local authorities to move advertising and public notices online and can they recognise that if they have an argument with council newspapers they should conduct that debate in those areas where this is an issue – a handful of London boroughs – rather than seeking to slur hundreds of useful community publications?

Alex Aiken acknowledged the presence in the coalition agreement of a line highlighting the issue. The coalition promises to 'stop unfair competition by local authority newspapers'. However, the Audit Commission has investigated and rejected the vast bulk of accusations – it has found that local authority publications are broadly value for money. It is clearly not true that across vast swathes of the country unfair competition exists.

This motion is the King Canute approach to public communications. The fact is that council publications will be retired or changed as councils respond to society's needs and communicators find more efficient and effective ways to communicate – through online channels and perhaps more use of direct mail. We now live in a digital connected world where local democratic organisations need to respond to society's changing needs.

Propaganda newspapers

Seconding the motion, **Brian Doel, Group Managing Director, Tindle Newspapers Ltd**, began by declaring his interests, pointing out his experience as a journalist. He is by trade and training a journalist and for some 20 years, before entering newspaper management, reported on all types of stories. In his time he has seen gross examples of councils and councillors using their positions for

personal or political gain. He has seen and reported on many things that the councils involved did not want to be made public. Would these be reported by the council propaganda papers? They would not.

Brian Doel second declaration of interest is that he is Managing Director of Tindle Newspapers, a group of more than 200 local community newspapers, many over 150 years old. One is 202 and all have survived recessions, world wars, and in one case an attack by Napoleon. Most are still alive, vibrant and economically sound. He stated, “We believe in the freedom of the press and our group politics are *no politics*. Our newspapers have no leaning towards any party or power group. We report what happens. Last week three of our newspapers celebrated their 150th anniversaries. The event was attended by the Countess of Wessex, who said that the newspapers involved were part of the fabric of their communities”. Yet some of these newspapers are most at risk from the insidious threat of council propaganda newspapers. Some of the councils which have launched their own freesheets use them to publish their own public notices. These are the only way for the public to know what is going on, apart from the councils’ own little-used websites. Brian Doel pointed out the financial effect of this switch of notices. Along with council recruitment advertising which used to go to the commercial press, the organisation has lost some £500,000 a year in revenue from one of its larger newspapers, bringing it close to penury. The councils claim they publish newspapers to save money, but they cost many thousands more to produce.

The proposers of the motion have no quarrel with councils which produce their own magazines and publications a few times a year and which aim to let the council taxpayers know of the good things they do. In fact in many of these cases the commercial newspapers help councils to distribute their publications alongside their own. They carry their stories and invite columns and leading articles from council heads. But some traditional newspapers, including some of the oldest, paid-for newspapers, which carry news and features to their readers, exist on a financial knife-edge. Their profits are tiny and their reserves almost non-existent. They survive as part of a group which has more profitable newspapers in it.

What happens if, in their area, one of these propaganda newspapers is launched by the local council, carrying subsidised advertising at cheaper rates, using council funds to ensure huge distributions? It would take only a few readers to stop buying the traditional paper because they believe the council statements that theirs is better value. It would only take a few advertisers to switch to make some traditional papers unprofitable and at risk of having their services curtailed. So there would be no local newspaper to hold the powers-that-be to account. There would be no media carrying any criticism or opposition so that tax payers would not know there were two sides to any story.

Brian Doel ended by quoting two sources:

- From a recent report of the Culture, Media and Sports Committee: “Publications such as Hammersmith and Fulham Borough Council’s *H & F News* effectively pose as, and compete with local commercial newspapers and are misleading to the public. It is unacceptable that a local authority can set up a newspaper in direct competition to the local commercial newspaper in this way. Nor should any council publications be a vehicle for political propaganda”.
- From a report by Dan Sabbagh in *The Mirror*, March 2010: “It is our raucous, noisy democracy that makes Britain great – a country in which it falls to venerable local newspapers to tell people how their money will be spent. We need them to be vibrant and economically healthy, and if that means local council propaganda has to back off, so be it”.

Brian Doel concluded by echoing Howard Scott: “If these pretend newspapers are allowed to continue and spread, then local democracy is damaged and our lives will be the poorer for it”.

Accountability role

Seconding the opposition, **Carl Welham, Interim Assistant Chief Executive Communications and Consultation for the London Borough of Hackney**, pointed that he had worked for many years in local government communications and with some terrific local newspapers. He has respect for local newspapers and their staff – from the junior reporters who can turn a turgid policy paper into bright

copy to the editors who can skewer a council's mistakes and roast them slowly over several days until they finally get their act together. Both the locality's newspaper and the council have the welfare, prosperity and reputation of the place at heart. There is a symbiotic relationship between the communications function and newspapers. When it works effectively the newspapers hold the council to account and the communications relationship with the local newspaper allows the council to put its point of view – both in good times and when things go wrong.

Councils cannot, and in the vast majority of cases, do not compete with local newspapers in the news arena. Fewer than 5% of council publications come out more than once a month and the vast majority appear every three or four months only. Councils are not in the newspaper business; they are in the information business. The tiny minority which are trying to be newspapers is the exception, not the rule and those that are deserve to be scrutinised and challenged. Over 95% of councils produce information, promote their services, tell people of their achievements, promote opportunities and support for minority and disenfranchised groups. They tell people what their council tax is going towards – a job which newspapers are ill-equipped to do. They also give space to issues that local newspapers wouldn't touch such as a new recycling policy which comes into the important but dull category for most local press. As newspapers circulations have declined, producing their own direct communications has been the most efficient way to get important service messages across.

Why then, asked Carl Welham, is this is even a topic worthy of discussion. He suggested that councils have changed to a cabinet style of governance which has made debate and explanation of policies and decisions harder for local newspapers to interpret. Meanwhile financial pressures in the newspaper industry have led to falling numbers of journalists who find it very difficult to ever get out of the office and develop the relationships with local politicians and managers which so often used to lead to great copy. Specialist local political reporters have left and not been replaced and instead council stories fight for attention on news desks where anyone can pick up the story. And all too often local newspapers do not turn up to meetings and simply print press releases. Meanwhile the internet came along and it has had two big effects:

- It has cut the traditional source of local newspaper advertising – job ads. Now for reasons of access as well as budget job ads go online. The lack of frequency of council publications means they don't even go in there – only 6% of London councils and 3% of councils outside London put their jobs in their magazines. This revenue stream is never coming back.
- The other effect of the internet has been the rise of citizen journalism. Often it is unqualified and concerned citizens who are holding councils to account. And their reports and comments frequently find their way into mainstream press – this used to be the role of local papers. Because their costs are low and they have the time and interest, these citizen, online journalists are stealing the accountability role of the local press.

Are council publications stealing money that would go to local newspapers? Most council magazines are no threat to the income base of local newspapers. In Buckinghamshire, for example, the council magazine comes out four times a year, with a revenue target of £15,000 a year. This is not a threat to the income base of commercial newspapers.

Carl Welham asked what could be done to ensure that local newspapers thrive. Both the press and council are stakeholders in excellent independent local journalism and they should continue to support each other in generating efficiencies for councils and revenues for newspapers. Newspapers have skills that councils do not. The future is joined-up publications. "Why aren't your marketing and sales people talking to us about what our communications needs are and designing products that meet those needs?", he asked. Are council newspapers spreading and undermining local democracy? If anything we have probably seen the peak of council publications and following cuts, councils will tend to look for alternative means of getting their message across: e-media is one avenue and old fashioned face-to-face marketing at events and with specific groups in the community is another. "We are in the marketing and communications business, not the newspaper business" He concluded, "Has the spread of council publications undermined local democracy. Not a chance: the public are not that stupid and we are not that clever – but thanks for the compliment".

Discussion from the floor

Contributors from the floor made the following points:

For the motion:

- Newspapers have a particular role to play. If they are so bad why are town halls trying to emulate them? Is it an exercise in vanity to massage the egos of councillors? They are in fact paying the wages of those who interview them. The council newspapers provide a one-party view and do not allow any bad press. Democracy is about giving people the opportunity to say what they want. Do people want newspapers? None of our titles carry advertisements for prostitutes or unlicensed massage parlours. Don't blame the commercial press for taking money from businesses which councils are too frightened to close down.
- The speaker maintained that there was no democracy – council newspapers are pure propaganda by the ruling council. He maintained that the Standards Committee was controlled by local councillors and suggested that corruption was buried in this country. We definitely need to keep local papers and not allow tax revenue to fund propaganda.
- The contributor has edited a London local newspaper and been a freelance publisher of council papers. For the latter, the copy comes from councils' PR department. There is a political spin on council information. Statistics are often distorted and no-one investigates further. He has also come across letters which are fabricated to show councils in a good light. The free council papers have deliberately threatened the livelihood of local newspapers. Notices which used to be paid-for are now online, Council papers have targeted local businesses and offered rates that commercial newspapers cannot compete with. Taxpayer's money is used for local propaganda. There is never any critical material about the ruling political party. The contributor maintained that this was democratically immoral.

Against the motion:

- Councils need to get over their message and services to the public. Only one in five people read a local newspaper. An example was an armed forces leisure pass, subsidised by a council. Information couldn't be disseminated via the local newspaper: the council paper which goes to all residents could carry information about the subsidised pass and be read by the appropriate people. The speaker spoke on behalf of a council which focuses on information messages and services to people. Perhaps some council have gone over the top and come out two or three times a week. In principle councils should have the chance to get their message across. This doesn't undermine democracy.
- There are a small number of councils which publish very frequently, but of the 466 local authorities in the UK less than 10 publish two or three times a month. Do we really think that the drop in advertising will change and affect the media landscape? There are much wider forces at work. How many sales teams have been in to sell to local authorities? Councils used to work closely with independent newspapers. The law is very clear about what can be done in council papers. They are there to reflect the ruling group of that authority, not there to engage in political discourse, nor to enforce political views. Incidentally, not only did the ruling parties of the borough want to retain *East End Life*, a poll of voters found they also wished to retain it.
- Residents want their newspapers to communicate with them. The majority of councils are working with their local newspapers. Do people think that if council newspaper stopped, the revenue would go to commercial papers? Local newspapers no longer send reporters to council meetings. The motion is skewing the argument and not taking the issue across the UK.

Summing up

Summing up for the opposition, **Alex Aiken** stressed that the opposition valued local newspapers and local government recognised local newspapers. But they must change and adapt. More people see satellite TV than read local papers. The fact that they have lost their way is nothing to do with council

newspapers. They are doing a job to serve our communities. Local newspapers have retreated from councils. Most council papers come out four to six times a year and the Audit Commission has endorsed this.

Alex Aiken questioned the need to be confrontational. There may be a few corrupt councillors but there are more councillors who do a good job. They are not 'Pravda-types' or corrupt. He maintained that the real scandal was lack of leadership from the newspaper industry. This motion is about democracy and you have to believe that newspapers are centres of democratic life if you support this motion. Accusations have been thrown against public servants. We live in a democracy in terms of the full panoply of communications. To pretend that local newspapers are the only way to sustain democracy is wrong.

If we are to see a resurgence of local newspapers, reporting needs to be improved. Moreover, in terms of efficiency, they should support the facility to put advertisements online.

The vast majority of council newspapers are democratically produced.

Summing up for the motion, **Howard Scott** welcomed the number of comments. He agreed that publishers and local authorities should work together.

He maintained that local newspapers have always been ready to change and adapt. The regional press is innovative – it has embraced advanced IT and technology. It has an online audience of 37 million. Local people access information online. JICREG, the sponsors of this debate, has introduced the world's first online buying currency. The regional papers are also tapping into local citizen journalism. His own organisation has campaigned against massage parlours and will not take adverts from them.

No one is suggesting that the publication of local council newspapers is illegal. The coalition agreement that 'we will impose tough rules for local authority newspapers' is an issue which attracted huge cross-party support. Howard Scott maintained that the opposition did not counter the main contention of the proposers that these council papers pretend to be what they are not in style and format. This debate is about a threat to undermine democracy because council newspapers present a distorted point of view. The optimum frequency for council newspapers is very infrequent. As it stands local councils *are* in the newspaper business, and they need to get out of it. At the Independent Press Conference Lord Judge stated "I do not want the proceedings of Councils to be reported by members. We need independent, objective reporting". The council newspaper is a democratic disgrace.

The result

The motion was carried.

Next debate

The next debate will take place on **Monday 18th October 2010** sponsored by the Direct Marketing Association. For more details contact Doreen Blythe, Debating Group Secretary, on 020 8202 5854, e-mail: doreen.blythe22@btinternet.com.