

Public Interest Journalism in Wales.

Background.

About myself.

I have worked in the media for over 30 years, with the last 10 years holding senior positions of responsibility overseeing large-scale media operations.

From 2012 to 2016 I was head of digital at S4C where I was responsible for authoring and implementing the channel's first digital strategy. I established New Media Wales 2019, this led to the launch of [The National Wales](#), a national public interest news service, in March 2021 and [Corgi Cymru](#) a Welsh language equivalent in April 2022. Both were closed down by their publishers Newsquest in August and September 2022.

I am now in the process, with others, of incorporating [Talking Wales](#), a new national news and media cooperative company which will have public interest news and journalism at its core.

The Co-operation Agreement:

In December 2021 The Welsh Government announced they and Plaid Cymru would work together on 46 different policy commitments from 2021 for 3 years.

Amongst the 46 was the following commitment:

25. Media financial support

As an initial intervention, we will provide additional investment to develop existing and new enterprises seeking to improve Welsh journalism and to support Welsh-based media to tackle the information deficit.

An initial sum of £300,000, £100,000 per annum, was earmarked. The funding is managed by Creative Wales.

In November 2021 Creative Wales established the "Wales Public Interest Journalism Working Group". One of its first actions was to administer a pilot £100k Journalism Fund which launched in June 2022. The fund was distributed by Ping News CIC from Bristol.

I joined the Wales Public Interest Journalism Working Group in early 2022 through my work with New Media Wales which led to the launch of The National Wales in March 2021. Whilst overseeing The National Wales I continued my work with New Media Wales developing [Talking Wales](#) a new audio and video news platform for Wales.

I was removed from the group by the chair at the end of August.

Since the beginning of September 2022 I have dedicated my time to Talking Wales and we are currently in the process of incorporating it as a Community Benefit Society, a form of cooperative that reinvests any profits into the community it serves.

As I no longer have input into the group and the options being proposed I felt it is important that Welsh Government receives a viewpoint from that business perspective.

The Future of Public Interest Journalism in Wales.

A recent [report](#) published by the Institute for Welsh Affairs confirmed that Welsh citizens felt that public interest journalism, from a Welsh perspective, was important.

A key recommendation from the report states:

We endorse the commitment in the Welsh Government and Plaid Cymru Co-operation Agreement to 'fund existing and new enterprises to improve Welsh-based journalism to tackle the information deficit' and recommend that further funding be allocated to support new career entrants from a wide range of backgrounds in localities across Wales to access journalistic training, with a specific focus on improving the media coverage of Welsh matters, Welsh-language provision and addressing under-represented groups

The issue with delivering improved Welsh-based journalism to tackle the information deficit are the business models currently employed by existing Welsh providers, the dominance of UK-focused news media in Wales, and the BBC's dominance in the Welsh space.

The current news media landscape in Wales

Wales has suffered historically from a lack of national news services beyond the BBC. There are no national newspapers and the number, quality, and reach, of national digital news services, are limited due to, mainly, a lack of fiscal resources.

The situation in Scotland is different with four national newspapers and accompanying digital news sites. As a result, most English newspapers publish Scottish editions.

Reach plc publish the tabloid The Daily Record and its Sunday edition "The Sunday Mail", as a result the Daily Mirror isn't distributed widely in Scotland as both titles share resources and are competing for the same audience.

There are around 35 newspapers published in Wales, published either daily or weekly, few have circulations over 5,000.

In Wales Reach plc are the dominant news publisher, but it is perhaps the fact that they focus on two historic regional newspapers that Wales doesn't have Welsh editions of the English dailies.

No strong indigenous national papers = Why bother publishing localised editions for Wales?

The Western Mails distribution is limited to the south. Its circulation has fallen dramatically in the last 15 years, it has an average circulation of 7,000 copies a day, down from 40,000 in 2007. In the north, The Daily Post serves that community, its print circulation, whilst still in decline, has fared somewhat better than its southern cousin, the latest published circulation figures show it sold 12,500 copies day. Unlike the Daily Record in Scotland, both compete with the Daily Mirror for audiences in Wales.

Reach plc has two digital services in Wales, Wales Online which is the digital version of The Western Mail does share some content produced in the north, but it is in the main very south centred with its output focused on the M4 corridor.

In the north, Reach has dailypost.co.uk, under the brand North Wales Live, as its digital offering. The focus is very much on the north with the occasional "Wales" story being published.

Reach publishes several other notable local titles in Wales. The South Wales Echo which predominantly serves Cardiff has a circulation of just under 7,000. The South Wales Evening Post which has Swansea as its focus sells just under 9,000 copies a day. The Carmarthen Journal sells around 4,000 copies a day.

Newsquest, whilst having a large geographic footprint and around 14 titles, has a far smaller reach in Wales. They have no titles in Cardiff and Swansea the two most populous conurbations in Wales.

They have two large local titles, The Leader in the north which serves Wrexham and its environs up to Deeside and the South Wales Argus which serves the area in and around Newport. The Leader has a circulation of just under 4,000 whilst The Argus sells around 5,000 copies a day.

Tindle is the third news publisher that operates at scale in Wales. Their 6 Welsh titles have a collective circulation of around 20,000 and are focussed on mid-Wales and the south-east. The

Digitally Wales Online dwarfs the other Welsh titles, ones with print arms and without. According to SimilarWeb they receive around 25 million visits a month, and North Wales Live trails by some distance with around 3.8 million.

Wales's two digital-only news platforms Nation.Cymru and Herald.Wales have significantly smaller reaches with 925,000 and 20,000 visitors a month respectively.

Within the UK Wales Online doesn't perform that well against its sister titles. The Manchester Evening News has 55 million monthly users, and the Liverpool Echo 38 million. Granted both titles represent large cities with strong footballing ties but they still outperform both of Reach's Welsh digital titles combined.

The National Wales, which ceased publication at the end of August, still attracts 180,000 visitors a month whilst having not published any new content since the end of August.

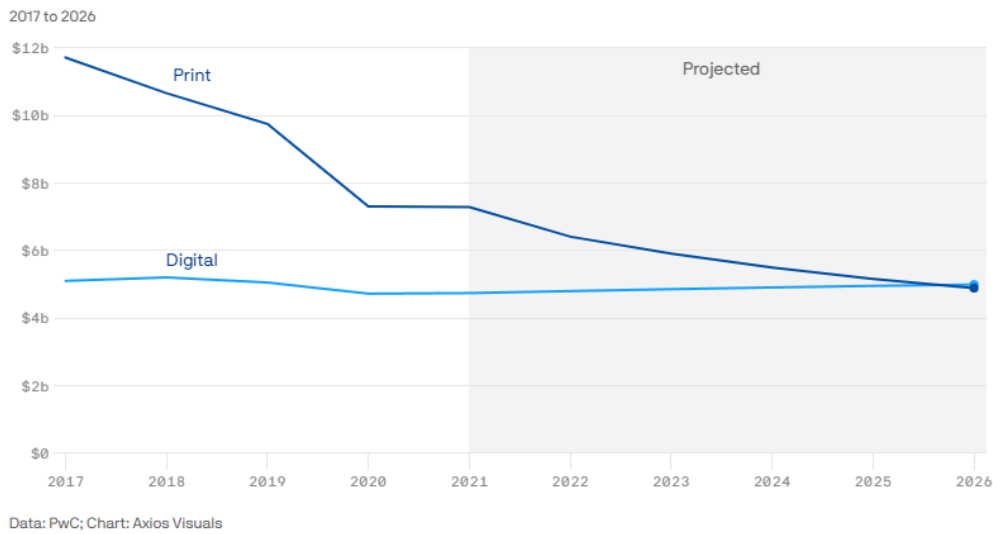
Business models

Print publications still provide the majority of news companies' revenues. As the excerpt below from Reach Plc's interim half-yearly report from July this year lays bare.

- Print revenue £223.4m down 3.9% - circulation and advertising down 5.1% and 9.9% respectively, printing and other revenue up 19.0%
- Additional cover price increases strengthen circulation revenue with minimal adverse impact on print volumes
- Digital revenue £72.5m (H121: £68.8m) up 5.4% (Q2: 0.3%) against strong prior year comparatives
- Lower digital growth in Q2 with less brand-safe advertising space, resulting from the war in Ukraine and a market driven reduction in advertiser demand, reflected in lower yields for open market programmatic revenues
- Strategy delivering improvement in digital mix with significant growth in higher-yielding, data-driven revenues which were around one third of total digital in the period

Print delivers 75% of their revenues.

Annual newspaper ad revenue



Online advertising revenues are expected to overtake those from derived from print in 2026, not because of the increase in online advertising revenues but due to the continued decline in print advertising revenues. Digital ad revenues has remained, largely, at the same level for the past 5 years. The current economic downturn is likely to squeeze this numbers further.

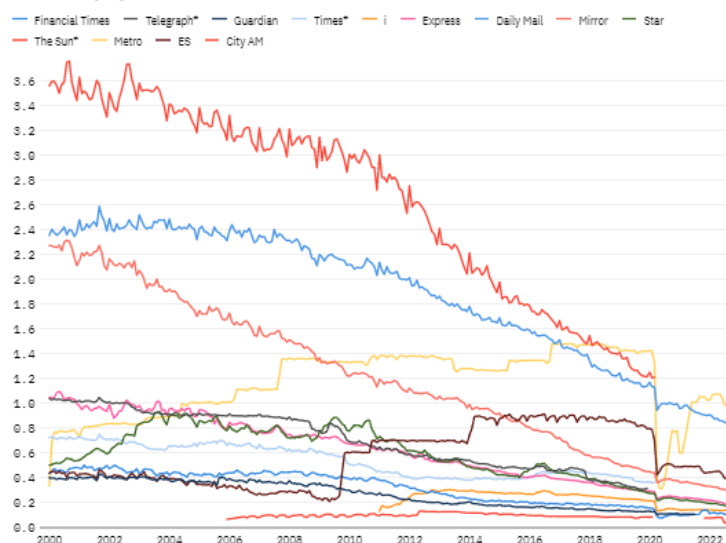
In Wales, these margins are tighter, and their contributions to their “UK” pots are smaller than their counterparts in England and Scotland.

Wales is a far more challenging market commercially. I have first-hand experience with this from my time with Newsquest and The National Wales.

Whilst large companies generate what appear to be substantial profits, you can be assured that their Wales operations contribute little to the overall picture.

Newspaper sales are in terminal decline. The only newspaper to see an increase in circulation is the Metro, which is distributed daily for free.

UK daily newspaper average circulation per issue by month, 2000 - 2020 (m)



Much is made of the fact that The Daily Mail and The Sun are the two most widely read newspapers in Wales, but as the graph above demonstrates those statistics are quickly becoming irrelevant.

Where circulation numbers will have a real impact will be on smaller local titles. Several of these in Wales are barely breaking even. Around a third of the 35 odd Welsh newspapers have circulations of a thousand or less, which is clearly unsustainable.

Only 5. The Western Mail, The Daily Post, The South Wales Evening Post, South Wales Echo and Cambrian News have circulations of over 5,000.

With these low circulations, and circulations that continue to fall, the pressure to generate revenues from their digital platforms increase.

In order to generate revenues from digital the number of page views delivered is critical as is ensuring relevant adverts appear to the user, the greater the page views combined with the relevance the greater the likelihood of click-throughs on those adverts.

To give an idea of the numbers required, Taboola one of the biggest native advertising platforms, require a minimum of 1,000,000 monthly page views in order for website owners to use their services.

What the larger news providers have are access to audiences and developing the ability to place relevant advertising in front of those audiences has been critical as publishers try to pivot from print to digital. With the news that Google are to phase out tracking cookies in 2023, delayed from 2020, publishers have been investing heavily in being able to offer advertisers the best deals. Reach has developed Plus+, which uses AI to match adverts with users based on their online reading habits.

When a user browses an article on how to minimise food bills for example, the tool can not only recognise the category of the article (cost of living), but also the concept of the article (budgeting specifically around food bills) which has attracted that user. The widget can then serve up genuinely helpful and relevant content that resonates with detail, like features on how to feed a family for £5, or food hacks and recipes, with a much more closely aligned sentiment than generic finance content.

Therefore getting audiences to register with publishers has been critical. Reach has, apparently, over 10,000,000 registered users in the UK. OnTheMarket were the first company to make use of the technology. So if you're wondering why news providers feature so many articles about houses that are for sale, the answer is here.

OnTheMarket is the first company to tap into the full suite of Reach Plus customer value products which will enhance the portal's digital presence and footprint. The objective is to increase leads for its estate agents and new homes customers. The strategy will engage consumers across the entire Reach digital inventory, including contextual advertising, sponsored newsletters and digital content on a national, regional and local level.

Reach has a big advantage over other publishers in Wales in that they have a sufficient audience across the UK to attract advertising from national and international brands. Wales having a far more local/regional news landscape is more reliant on local advertising.

Unfortunately, one of the first things SMEs cut during an economic downturn and recession is their advertising spend.

Smaller local titles are likely to see both their circulations fall along with ad revenues.

Public Interest Journalism

There is no doubt that editors and journalists in newsrooms across Wales care passionately about public interest journalism, it is the reason many entered the industry. The content editors and journalists want to write and what delivers traffic in the numbers required to generate revenues to cover their wages AND profits for owners and shareholders don't necessarily match up.

I was very fortunate to be able to see how stories performed on The National Wales and other titles within the Newsquest estate.

Bare statistics can often be misleading, it isn't until you drill down and study the granularity of a title's output that you can understand how they try and generate revenues from their output online.

On some titles, not all, journalists are given daily/weekly/monthly targets regarding the number of articles they are expected to publish and the page views they are expected to reach. Surpassing page view targets can generate rewards/bonuses.

This target-based culture prioritises quantity over quality, inconsequential popular content is prioritised over news that is of public interest.

Some titles have found success through developing subscription models. This was the model The National Wales was built on, unfortunately, it wasn't given sufficient time to build the required subscription base. A subscription-based title wouldn't be expected to become profitable until its third year of operation. This is the norm with most start-ups, very few become profitable overnight.

The National in Scotland has built a substantial subscriber base since its launch in 2015, however even established, successful, subscription-based services will see a decline in subscriber numbers as a result of the current cost of living crisis.

The fact that Wales, as part of the UK, is in recession, a recession likely to last longer and cut deeper than anywhere else in the world, will pose a genuine threat to the titles that currently operate in Wales.

The focus of many titles' outputs will shift towards popular content as a result. Paid-for content will become more prevalent as organisations and charities will be expected to pay to get their news in front of audiences' eyes.

At a time when the need for public interest journalism has never been greater in Wales, we are likely to see less.

Companies are consolidating and centralising in order to cut costs, Newsquest have relocated management responsibilities out of Wales incorporating them to create larger regions with bases in England.

Generic content designed to generate traffic through SEO will become more prevalent. Local Welsh voices will diminish, and Welsh citizens will be less informed in 2023/24 than they are now.

The BBC

The BBC is a huge factor in the news landscape of Wales. They have the resource and manpower that allows them to dominate that landscape, on TV, radio and online. Their contribution to local news and democracy in Wales through the Local Democracy Reporting is incredibly valuable. But in

Wales their influence is disproportionate. They have a huge impact on the talent pool available and what rates are paid.

The biggest problem is that many people think or feel that the news provision they deliver is free. It isn't, they are funded by the licence fee and they spend £310,000,000 of that income on news and current affairs. They also generate revenues from their global news output.

A portion of the licence fee now pays S4C's running costs which are spent on their in-house digital Welsh language news provision.

Changing Audiences

Audience fragmentation and the explosion of platforms available to audiences have changed the dynamics of news distribution and consumption.

The fact that news companies have, in the main, failed to transition from print to digital should be a lesson to us all. Simply moving public interest news onto websites will not suffice.

There is still and always be an audience for news in print, be it a diminishing one. Audiences will still read public interest news articles online, but not in huge numbers.

Audiences are accessing news digitally via social media, podcasts and video in increasing numbers. A more holistic approach to delivering news is required.

Understanding how and where audiences are, and are not, accessing public interest news is critical.

Research findings and options for the future of public interest journalism

The recent findings from the IWA/Open University [research](#) show that audiences in Wales are interested in learning about news and information that enables them to better understand the Wales they live in.

The "Wales Public Interest Journalism Working Group" is currently looking at 5 options in relation to the £100,000 per annum currently allocated, this follows on from the £100,000 administered by Creative Wales through Ping News CIC.

Option 1

Option 1 would propose allocating portions of the £100k during financial year 22/23 to specific projects that present themselves to both the Working Group and Creative Wales.

Option 2

Expansion of the current £100k Journalism Pilot Fund which is aimed at supporting sustainability in the independent community news sector, supporting organisations committed to delivering locally relevant public interest news and promoting growth in the Welsh community news sector.

Option 3

Hybrid of Options 1 & 2

The current availability of assistance through the £100k Journalism Fund will provide an increase in the number of news stories across Wales on topics that have not previously been covered due to a lack of financial resources.

Option 4

Dedicated Support for “News Deserts”. Output from large print media has, understandably, a remit to focus on regions rather than specific cities, towns and villages. This approach, in turn, sees communities starved of news that is relevant to their needs.

Option 5

Under option 5 a “Skills Framework” will be produced, working closely with the Wales Public Interest Journalism Working Group, JOMEC and the Creative Wales Skills Team, highlighting areas for intervention and solutions for change.

Their favoured option is 1.

How many projects of any worth or value could be achieved with £100,000 is open to question. Based on my knowledge and experience I would say very little.

As stated previously, any financial assistance to the sector is welcome, however, one has to question the value of delivering such a small amount. And with this being public money a rigorous evaluation of any funding impact is required. This would also require funding.

None of the options seems to take into account the changing nature of news consumption.

The fact that only one hyperlocal, based in the south, has input to the group and none of the independent and community radio stations that exist in Wales, who do deliver Welsh public interest and local news, have a presence, in my view, call into question the validity of the proposals.

Creative Wales has previously delivered financial support to specific sectors of the creative industries. The Welsh Government, via the Welsh Books Council, has previously delivered grant funding in relation to news.

If £100,000 is the sum available annually it would be better delivered as grants adjudged by an independent panel.

The Alternatives

The IWA report makes 2 relevant recommendations.

1 We endorse the commitment in the Welsh Government and Plaid Cymru Co-operation Agreement to ‘fund existing and new enterprises to improve Welsh-based journalism to tackle the information deficit’ and recommend that further funding be allocated to support new career entrants from a wide range of backgrounds in localities across Wales to access journalistic training, with a specific focus on improving the media coverage of Welsh matters, Welsh-language provision and addressing under-represented groups.

2 We recommend that the Welsh Government should create a Task and Finish Group to deliver a range of high-quality Democracy and Citizenship education resources for both school pupils and adults; these should be co-produced with citizens, disseminated through a wide range of community settings and digital channels, and backed by a well-funded public information campaign aimed at a diverse range of groups.

Both of these recommendations could benefit from the £100,000 currently available.

Prior to the setting up of the Welsh Public Interest Journalism group, The Llywydd created a “Digital Task Force” back in 2016 under the stewardship of Leighton Andrews, the former education

minister. Its purpose was to suggest ideas for making news about the activities of the then Assembly more accessible in a digital age.

The report, which is no longer available online, recommended the Assembly employ journalists in-house to create reports on its activities.

I requested a copy of the report be shared with the Welsh Public Interest Journalism Group on more than one occasion. It hadn't been shared prior to my removal from the group. The same suggestion, of employing in-house journalists at the Senedd, was discussed in one group meeting and was dismissed, quite rightly in my opinion, out of hand.

Practical Suggestions

In the short term

PA Media do not currently have a Welsh Senedd correspondent. The Senedd could approach them with a view of offering funding for them to appoint a Senedd/Welsh Politics correspondent. This would immediately create Welsh Public Interest News that could be used by the UK and Welsh media. Part of any deal would make the content generated by PA available to smaller Welsh news providers who do not currently have access to PA (due to cost).

This would also make news about political activity in Wales accessible to global audiences.

This should be achievable for a figure of around £50,000.

Awareness

This was a critical issue for The National Wales and became apparent during the IWA/OU sessions I attended as an observer.

People simply aren't aware of the news services that currently exist in Wales or don't see the public-interest journalism that is produced.

Smaller services simply do not have the financial resource and in many cases the capacity and skills internally to market their services and output.

Making money available specifically for the purpose of raising awareness amongst the public of the services that do exist and more specifically the public interest journalism that is produced.

The £100,000 would be better spent on achieving this aim and should, if the marketing is done properly, lead to greater exposure for news brands in Wales and as a result boost their commercial earning potential.

In the longer term

The Welsh Public Interest Journalism Group will conclude its work in the new year and present its recommendations. Lessons need to be learnt from how the group was established and managed during its period of operation.

The Scottish Government has shown how this type of short-life group can and should operate. With a clear focus from the outset, it has already delivered a [detailed report and set of recommendations](#). And were involved in the outset in supporting its Welsh equivalent.

This should have been the goal at the outset, with a research-based set of recommendations that frame the actual needs in relation to Public Interest Journalism in Wales which can then be costed and prioritised.

The IWA/OU report which was prepared in a much shorter time frame is a good starting point.

As well as the Welsh Public Interest Journalism Group the Welsh Government announced, back in June this year, the creation of an expert panel on the devolution of broadcasting which will provide recommendations and options to help strengthen Wales' media, and support the development of plans for an effective and fit for purpose regulatory framework for Wales.

The work of this panel has a great deal of relevance to the subject of public interest journalism, particularly when changing audience habits for accessing news are taken into consideration. Away from traditional TV news for many, towards new media spaces, many of which are currently unregulated.

Creative Wales also has a Non-Executive Board with representatives of the news and media industry.

There is clearly a lot of discussion taking place now. What is needed is action.

I have made it clear in this document that the current business models for many news providers will lead to less public-interest journalism and reporting. Whilst still delivering news their need to generate revenues through page views and paid partnerships will see it become diluted.

Public interest journalism can be published on a website, but that doesn't mean people will read it. New methods of delivering news and information are required. Contextualisation is key, people need to understand what they're reading or interacting with.

We don't necessarily need more news we just need it to be available on more platforms in formats the audience can consume easily.

Investment and sustainability.

There are sufficient audiences in Wales for the development of sustainable news businesses.

Some companies won't survive on a commercial basis because their output isn't good enough or valued enough by the audience.

The National Wales was developed on a sound commercial basis. There were things that could and should have been done better, but as with any new venture it needed time to grow an audience and following. Sadly, Newsquest was not willing to give it that time.

Welsh Government should provide investment to enable new and existing ventures to grow and become viable.

With the economic situation looking challenging for the next couple of years Wales will likely see an acceleration in the reduction of public interest journalism generated and distributed.

A repayable investment fund, of say £5,000,000, administered by the Development Bank of Wales, could allow for the creation of new providers and allow existing ventures to expand their operations to fill the gap.

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