

Local Government Finance (Wales) Bill consultation submission

About us:

Newsquest is the UK's leading local news publisher. Our local newspaper and website brands are spread across Wales, from the Leader in Wrexham to the Western Telegraph in Pembrokeshire, the Rhyl Journal to the South Wales Argus. Our registered business address is in Newport, where a number of our UK-wide operations are based, in addition to local journalists.

What:

We write in response to the consultation over the Local Government Finance (Wales) Bill to call for the removal of Section 20 from the Bill.

Why:

Section 20 would remove the requirement for local authorities to publish council tax changes in their local newspaper. This will have the unintended consequence of causing harm to the local newspaper industry and in turn, how well informed the public are and ultimately damage democracy in Wales.

How:

There are two strands to this harm. First, notices in local newspapers reach people who would otherwise be excluded. Second, notices provide an important revenue stream for the printed newspapers which helps enable journalism in our local communities and removing that revenue would be catastrophic for some communities.

Reach

Wales has a higher level of digital exclusion than the wider UK, [with 7% of people without the internet](#). Independent research shows that local newspapers are an essential platform for ensuring that the public, particularly the elderly and disenfranchised, have access to critical information that may have a profound impact upon their lives.

Local newspapers continue to be an effective way to reach these groups. In correspondence with the Finance Minister, she suggested councils may look at other methods such as posting notices in libraries and council offices. We believe this would be a poor alternative and as local authorities retreat to providing fewer services, many such facilities will not exist or be very remote to many communities.

While the requirement is publish in a printed newspaper, the power of the notice reaches beyond that. The local news industry understands the changing reader habits of many people and has [worked together to create the online public notice portal](#) and proactively promotes public notices in news articles and other ways to ensure this important information reaches both a wide audience and a hard-to-reach one.

Revenue

Public notices provide an important revenue stream for local news publishers, helping print editions continue. This was highlighted in the recent report by the [Wales Public Interest Journalism Working Group](#). They are not a subsidy – as highlighted above they provide good value for a vital service – but this spend has the additional benefit of supporting a public good in local journalism.

While this Bill deals specifically with notices on council tax changes, we believe this change will set a direction of travel that will ultimately extend to other areas, such as planning and transport. The minister's own comments on her reasoning behind the clause lend weight to this concern.

Publishers continue to build a financially sustainable future for local news but in a very challenging environment. At Newsquest, our company's financial performance is stable, but while we are bucking the industry trend the challenges are real. The duopoly of tech giants Google and Facebook dominate the digital advertising space and can takeaway significant amounts of audience, and therefore advertising revenue, on the change of an algorithm. Taking away public notices further destabilises the platform we are working hard to build.

Why that matters

This is about far more than the jobs we support or the businesses that we help. Communities without local news are less well-informed about local matters and local democracy. They suffer a damaging democratic deficit.

In Wales this carries even greater importance due to the lack of depth in Welsh national media. For many people, their local newspaper is not only where they read about what is happening in their local community but also likely to be the only place they read about their local Senedd member or relevant decisions from the Welsh Government. Yet this direction would leave local media in Wales worse off than in England, despite the additional need.

Conclusion:

Section 20 is not a central element of this Bill. It does not impact its key aims and objectives. Removing it would have little impact on the Welsh Government's ambitions but keeping it will be damaging to our industry, to local communities and, ultimately, to the Welsh Government and Senedd.

Gavin Thompson

Regional editor at Newsquest.

On behalf of Newsquest Media Group.