



# Participants' Consultation

January 2017

In accordance with IMPRESS's financial sustainability policy and our duty under our Articles of Association, we are hereby consulting participating publishers on our:

- Draft four-year forecast for the period 1 April 2017 – 31 March 2021;
- Draft annual budget for the period 1 April 2017 – 31 March 2018; and
- Draft tariff schedule.

If you wish to comment, please send your response by email to Lee Hall, Business Manager & Company Secretary, at [lee@impress.press](mailto:lee@impress.press), by 5pm on Tuesday 28 February.

As an independent self-regulatory body, IMPRESS is governed by an independent Board, which has the ultimate responsibility for the organisation's strategy, including income and expenditure. So when we finalise the forecast, budget and tariff schedule, we will take all of your responses into account but may not be bound by them.

## Draft four-year forecast, 2017-21

IMPRESS operates in a challenging and unpredictable environment. We cannot predict our costs with total accuracy but we can make educated guesses about where we will need to concentrate our resources over the coming years.

Our forecast for our income and expenditure is as follows:

Income	2017-18	2018-19	2019-20	2020-21
<b>TOTAL</b>	<b>£1,139,000</b>	<b>£1,331,000</b>	<b>£1,396,000</b>	<b>£1,371,000</b>
IPRT as % of total income	83.4%	71.4%	68.1%	54.7%

<b>Expenditure</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Revenue expenditure	£1,098,933	£1,301,625	£1,329,099	£1,356,986
Capital expenditure	£33,704	£29,315	£25,723	£9,930
<b>TOTAL EXPENDITURE</b>	<b>£1,132,637</b>	<b>£1,330,940</b>	<b>£1,354,822</b>	<b>£1,366,916</b>

### **Draft annual budget, 2017-18**

When budgeting our expenditure for 2017-18, we have taken into account the cost of fulfilling our obligations as your independent regulator and the commercial pressures that face you as publishers in a hyper-competitive industry.

We aim to give participating publishers the opportunity to benefit from legal and ethical expertise in order to minimise the risk of legal or ethical breaches whilst maximising your opportunities to publish journalism to the highest standard.

We are fortunate to have secured long-term funding from the UK-registered charity Independent Press Regulation Trust (IPRT), which will meet the bulk of our costs over the coming year, whilst protecting our independence. This will enable us to invest in new services, and to engage the public in our work.

As the UK's first independent press regulator, IMPRESS was granted recognition by the Press Recognition Panel (PRP) in October 2016. The PRP charges an annual fee, which begins in November 2017 and has thus been included in the budget.

Over time, as shown in the four-year forecast, we expect to increase the proportion of our income which comes from regulatory fees and grants and donations from sources other than the IPRT.

<b>Expenditure</b>	<b>2017-18</b>
Core administration	£200,796
Governance	£118,740
Arbitration	£28,200
Communications	£84,300
Complaints handling	£160,040
Fundraising	£22,050
Investigations	£40,400
Business development	£256,900
Research	£45,840

Contingency	£50,000
PRP fee	£91,667
<b>TOTAL REVENUE</b>	
<b>EXPENDITURE</b>	<b>£1,098,933</b>
Capital expenditure	£33,704
<b>TOTAL EXPENDITURE</b>	<b>£1,132,637</b>
<b>Net Operating Income</b>	<b>£6,363</b>

## Tariff schedule

In future years, we expect to revise the tariff schedule on an annual basis, to ensure that our tariffs keep track with inflation and that membership is available to all publishers on fair, reasonable and non-discriminatory terms. We reserve the right to offer limited time discounts on our tariff fees to new members.

At this early stage in our development, we do not propose to revise the tariff schedule, which therefore remains as follows:

- Publishers with turnover up to £100,000 pay a membership fee of £50 per annum.
- Publishers with turnover between £100,000 and £1m = £550pa
- Publishers with turnover between £1m and £2m = £1,500pa
- Publishers with turnover between £2m and £5m = £7,000pa
- Publishers with turnover between £5m and £10m = £15,000pa
- Publishers with turnover between £10m and £20m = £30,000pa
- Publishers with turnover above £20m = £70,000pa

After taking into account the responses of participants, the IMPRESS Board will confirm the tariff schedule for the coming year at its meeting in March, and participants will then be notified of the fee payable.