

**-Report to:** Corporate Issues Scrutiny Committee

**Date:** 7 December 2009

**Report of:** Director of Chief Executive's  
Department

**Report No:**

**Contact Officer(s):** Nicola Brown, Head of Marketing

**Tele No:** Ext.4072

Karen Johnston, Head of Consultation  
and Communications

Ext. 1083

**Report Title:** **Communications and Marketing Agency – Update Report**

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**Confidential**

**(Non-Confidential)** This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

**Purpose:**

To update Committee Members on the work of the Communications and Marketing Agency, to include spend across the organisation, efficiencies realised, development of new opportunities in getting across the Council's message and identifying potential efficiencies in expenditure

**Recommendations:**

The Committee is asked to note and comment on the report.

## 1. Introduction

This report updates on the work of the Communications and Marketing Agency for the first six months of the 2009 / 2010 financial year and follows from the report presented to the Committee in April 2009. The report outlines a number of recent key developments that will impact on the Agency and on communicating with our customers, details spend on behalf of departments and on Bolton Scene and identifies efficiencies realised both in terms of service delivery and spend. Appendices give further detail on value for money and on the range of services across the authority supported by the Agency (see Appendix 1).

## 2. Financial information

Overall spend by the council and its departments on the following areas are outlined in the tables below. Departmental spend is split across service areas.

Points to note:

- Spend includes marketing, communication, (includes design, print, media, photography, digital media and production), and consultation and primary research (primary i.e. not the re-analysis of existing data but rather the seeking of public opinion).
- The first financial year of operation of the Communications and Marketing Agency is 2006/07 (in bold in the table below). Spend on the above categories, through the Agency, is now measured using the Accura system, which links with Oracle.
- Prior to this, specific spend on the above categories was not commissioned through one department and thus not measured in one place. Other areas of spend across the council e.g. department-led events, public and highways notices, commissioning of any print, recruitment advertising – were also potentially coded against 'communications and marketing' budget codes.

### 2.1 Five year spend comparisons

Financial year	2005/06	2006/07	2007/08	2008/09	2009/10
Overall spend	£3,123,064	<b>£1,585,515</b>	<b>£1,764,240</b>	<b>£1,469,472</b>	<b>£555,754*</b>

\*includes monies from April – September 2009 (estimated total spend 2009/10) c£1,100,000)

## 2.2 2009/10\* spend on marketing, communications, consultation and research by department

\*spend from April – September 2009

The current spend from April to September 2009 totals £555,754.

Department	Total Spend 08/09	Total spend 09/10 (April – September)	Projection for 09/10
Adult & Community Services	212,201	69,422	124,908
Children's Services	465,614	173,082	344,626
Chief Executive's (inc former Legal & Democratic Services)	193,205	83,674	146,986
Corporate Resources	40,497	25,836	54,339
Development & Regeneration	323,055	113,544	277,227
Environmental Services	85,705	50,108	88,599
Partnerships	149,195	40,088	72,150
Totals	1,469,472	555,754	1,108,835

## 2.3 Departmental spend breakdown

Adult & Community Services	Director	Culture and Community Services	Strategy and Commissioning	Health and Social Care
69,422	2,248	32,927		34,247

Children's Services	Director	Positive Contributions	Inclusion and Engagement	Staying Safe	Planning, Performance and Resources	Educational Improvement	BSF	360 Substance Misuse	14-19
173,082	2,105	75,327	760	49,078	4,837	29,548	5,036	1,800	4,591

Chief Executive's	Chief Executive	Policy, Performance and Partnership	Human Resources and Organisational Development	Legal and Regulatory	Mayoralty	Elections	Members	Scene Adverts & Notices	Bolton Life	Neighbourhood Management
83,674	41,615	10,437	2,974	2,035	1,174	1,416	3,288	2,202	17,770	763

Corporate Resources	Customer Services	Corporate Property	CICT
25,836	4,532	16,742	4,562

Development and Regeneration	Director	Housing and Regeneration	Policy and Performance	Planning	Special Projects	Community and Private Sector Housing	REDD
113,544	3,956	926		1,622		1,649	105,391

Environmental Services	Director	Neighbourhood Services	Community Services	Policy and Performance	Highways and Engineering	Waste and Fleet Management
50,108	3,658	1,269	30,972			14,209

Partnerships	Farnworth Neighbourhood Mgt	Great Lever Neighbourhood Mgt	Community Safety	Bolton at Home	NHS Bolton	Others
40,088	1,084	6,515	22,780	623	8,540	546



## 2.4 Bolton Scene

- Tenders for the design, print and distribution of Bolton Scene are placed each year, with the current agreements running from June 2009 to March 2010. These tenders have achieved considerable savings, principally in distribution costs, but also in print and design (with the design contract won by the Agency's Design Team).
- The estimated expenditure of c£164,000 for 2009/10 (which includes the tender contract savings as above, plus printing one fewer edition) represents a saving of c£60,000 over this year. Income from external partners and internal clients is currently projected to exceed the c£134,000 earned last year (current total c£131,000 with space still available in remaining editions). The net cost of c£30,000 is met from within the overall Agency budget for Bolton Scene.
- The table below reflects both the actual costs and income attributable to Bolton Scene for the years 2006/7 through to 2008/9 together within the period April to September 2009. As indicated in the previous report the Bolton News (BN) historically passed on a discount to the Council based on advertising spend. As efficiencies have been made year on year and overall spend with the BN reduced, so has the discount.

Year	Total expenditure	External adv income	Internal adv income	BN discount income #	Net cost 1 (expenditure minus total income)	Net cost 2 (expenditure minus external adv income)
2006/7	£248,997	£19,163	£31,910	£126,732 ↓£7647	£71,192 ↑£27,979	£229,834
2007/8	£243,407	£31,272	£59,833	£66,894 ↓£59,838	£85,408 ↑£14,216	£212,135
2008/9	£230,179	£69,241	£63,675	£0 ↓£66,894	£97,263 ↑£11,855	£160,938
2009/10*	£88,547	£38,935	£38,897	£0 N/A	£10,715	£49,612

\*April – September 2009

### **3. Efficiencies**

- The efficiencies delivered from April 2009 are shown in Appendix 2 and totals £290,897. This has been supported by the Agency's ability to deliver in-house services, realising significant savings through procurement, partner working and beginning to migrate to e-communications channels.
- The efficiency drive is on-going, with officers looking for new methods of saving, whether it is from developing cross-cutting marketing communications and consultation plans and materials and finding new platforms of communication. In addition, the Agency works on behalf of other partners ensuring that strategic planning, developments, schemes and projects meet the needs of service providers and service users alike ensuring economies of scale and messaging. Business processes and implementation of policies will bring about further VfM savings.

### **4. Key developments**

#### Communications and Marketing Tender Framework Agreement

- From August 2009, as part of the council's continuing drive to secure efficiencies and reduce costs, alongside a requirement to comply with EU procurement regulations and in accordance with council standing orders, the Agency set up a three year Framework Agreement for commissioning design, print, digital media and promotional media services.
- As a result 24 companies were appointed as preferred suppliers across 10 lots, each having met a stringent set of criteria covering: quality of goods and services, speed and previous experience, ability to deliver and pricing structure and other charges. To encourage new local suppliers within the creative industries sector and to fund bespoke projects 10% of the total spend was ring fenced outside the agreement.
- The Framework Agreement, though only in operation from August has been well received by suppliers and with Bolton being amongst the first authorities in the UK to implement this approach has also created interest from a number of other parties.

#### Media monitoring



- The Agency monitors all print, radio and TV coverage of the council and Bolton as a whole. This coverage is evaluated and monitored in a number of ways. The evaluation includes the number of press releases issued per month; type of publication whether local, regional or national; the tone of coverage; the position of the article within the publication and the total equivalent advertising value of the coverage.
- Over the last six months the equivalent advertising value of the coverage generated equals £1,982,812.

#### E-communications

- Developing new media and migrating to cheaper channels of communication is a priority for the Agency. Customers are increasingly resistant to a 'one size fits all' approach to marketing communications. Officers from across the teams are involved in the development and implementation of e-communications including web, digital and social media. Social media is recognised as a major new force in communication, popular with a variety of users. It is an inclusive and accessible way to speak with customers. This medium in particular is immediate and cost effective.

## 5. Conclusions

This report shows year on year the Agency, whilst continuing to raise the profile of Bolton and the services delivered both by the council and partner organisations, is also identifying and securing efficiencies in meeting these objectives. These include developing new, and cheaper, ways of getting the council's message across to all sectors of the Bolton community, including residents, businesses and visitors.

Working closely with DMT's and service units at both strategic planning and operational levels to develop and deliver communications and marketing strategies and plans, whilst looking to reduce costs, will be a continuing priority for the Agency. The efficiencies already realised to date this year reflect the effectiveness of this approach in delivering service outcomes and will continue to underpin the Agency's drive for continuous improvement and value for money.

## 6. Recommendations

The Scrutiny Committee is requested to note and comment on this report.

