



**Brighton & Hove
City Council**

**OVERVIEW & SCRUTINY
COMMISSION
ADDENDUM**

4.00PM, TUESDAY, 19 JULY 2011

COUNCIL CHAMBER, HOVE TOWN HALL

ADDENDUM

ITEM	Page
20. TARGETED BUDGET MANAGEMENT (TBM) PROVISIONAL OUTTURN 2010/11	1 - 6

Council Communications Budget Briefing

**Re:
Overview and Scrutiny Commission
19 July 2011
Item 20 'TBM Provisional Outturn
2010/2011'**

**by
Jake Barlow
Head of Marketing
Brighton & Hove City Council**

1. Context

The council has reported an overspend on the communications operational budget for 2010/11 as follows:

	Budget	Actual	Variance
Communications	£420,290	£879,171	£458,881

The budget detailed above represents the operational budget of the communications team. The overspend on the communications budget was as a result of staffing pressures and a shortfall against the advertising revenue budget for City News. However, cross council spend has reduced by £654,000 over the previous year achieved through improvements to service level communications budgets.

In 2009/10 the communications team completed a review of all council communications activity.

The reviews found that in 2008/9 an estimated £1.2 million to £1.4 million¹ was spent across the council on marketing and publicity. Further analysis has shown total council spend on communications to be between £2million to £3 million (this includes additional print, reprographic and design budget codes).

This additional spend is as a result of the large number of service level communication budgets. It is important to note that these are currently not included in the corporate budget figures detailed above.

As a result of the fragmented way that the council's communications budgets are structured, many different suppliers are being commissioned by different people for communications activities. For example:

- 255+ staff were found to commission print publicity in some form
- 370 external suppliers have been used by print / sign commissioners across departments without any central referencing
- This is despite the council having its own internal print and sign unit

Following the review the recommendations below were agreed:

- a) consolidate cross council communications budget to secure efficiency gains
- b) rationalise council communications, publications, logos and websites under a single visual identity
- c) direct all print and sign work through the council's in-house unit
- d) consolidate the number of communications suppliers to generate procurement savings.

¹ The review found poor cost coding practices; therefore it is difficult to provide 100% accuracy on the amount spent on communications and publicity.

2. Progress to Date

Reduction in cross council spend on Communications

Since the review in 2009 the communications team has introduced a consistent visual identity across the council. This has reduced the need to generate new designs and artwork unnecessarily, thus reducing overall design costs.

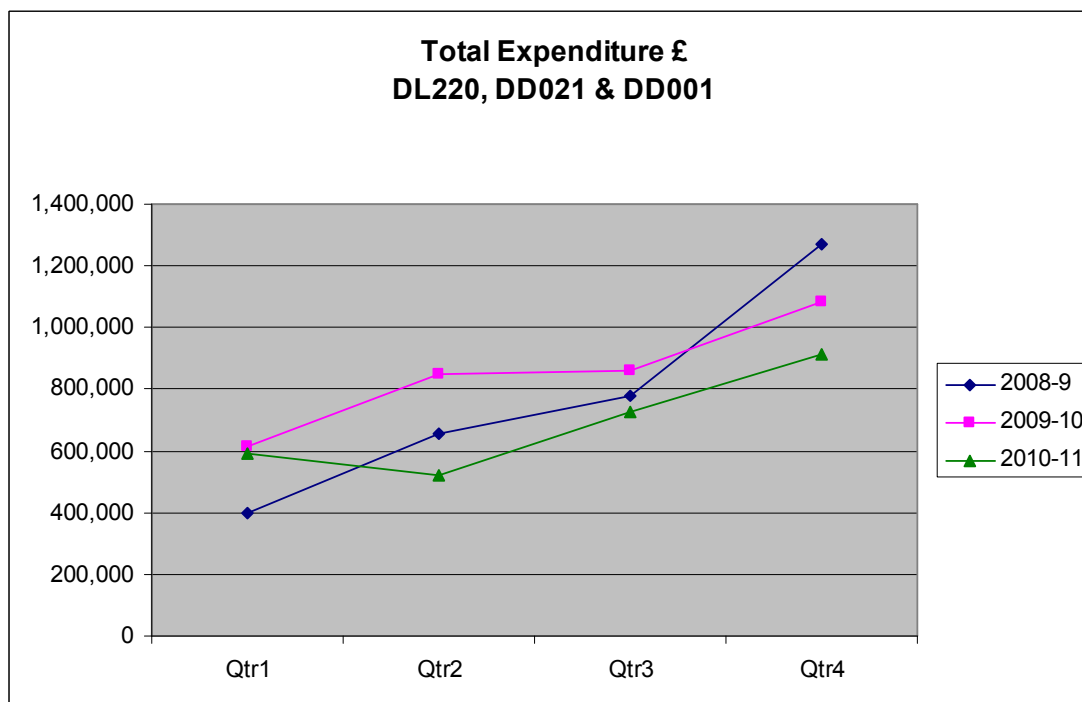
There has been a cross council push to consolidate activity under this new identity resulting in a smaller number of more effective communications.

The council sub-brands have been consolidated under the one umbrella Brighton & Hove City Council brand.

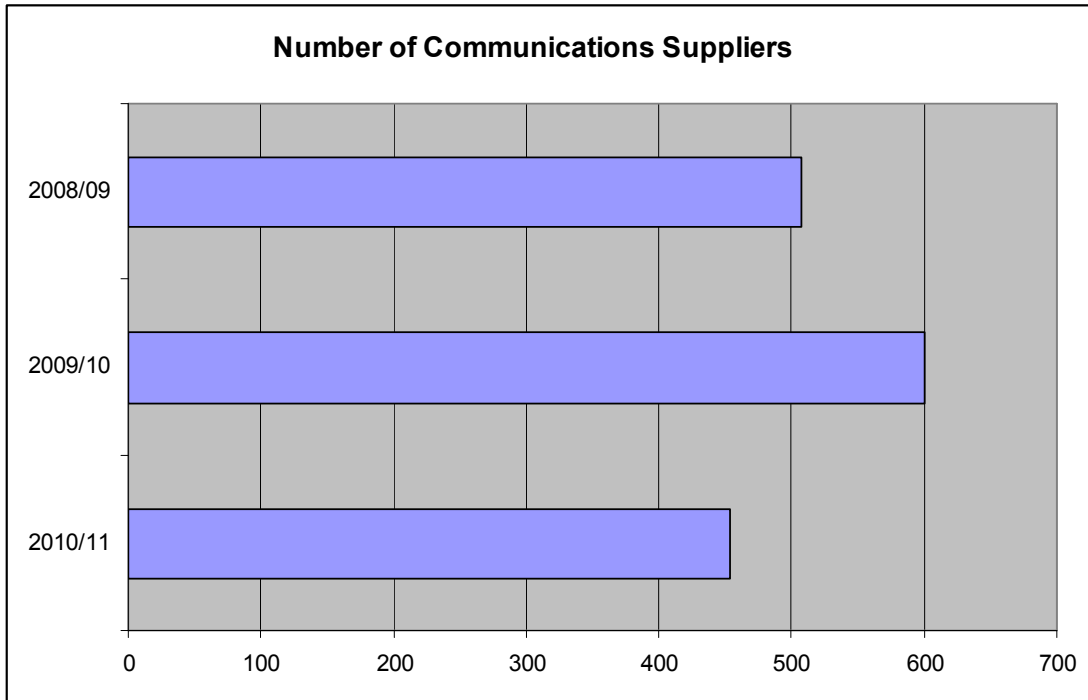
Services have been asked to put all print and sign work through the council's in house printer to reduce the number of external suppliers used.

A detailed review of communications spend has been completed with all service heads to identify communication budgets which can be consolidated.

Spend across the council on Communications is down by 19% in 2010/11 when compared to the previous year
This resulted in a total reduction in spend of £654,000 in 2010/11



Compared to the same time last year there's a 24% reduction in the number of communications suppliers used across the council



Reduction in Corporate Communications Operational Expenditure

In addition to the overall reduction in council communications spend the Corporate Communications team have implemented a number of initiatives to further reduce their own core operational expenditure.

City News has been redesigned and frequency has been reduced from monthly to quarterly.

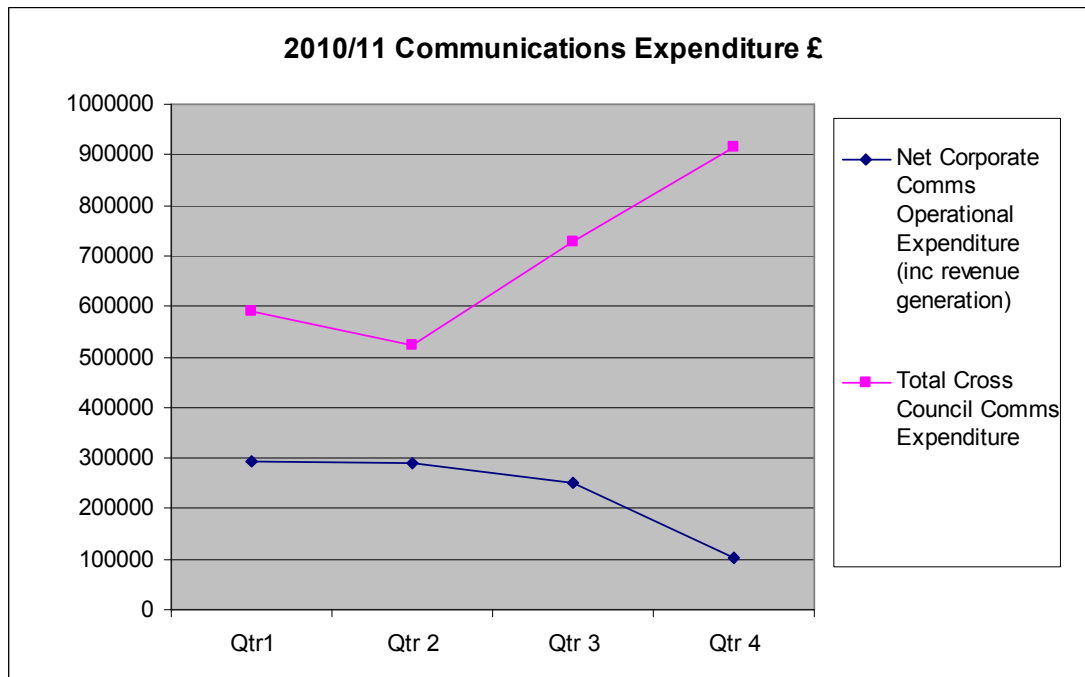
Since the change the quality of the publication has increased but the production cost has been reduced.

It's important to note that the advertising revenue budget for City News has not been adjusted since this change. The current budget would require every page of the publication to be paid for advertising.

The number of FTE in the communications team has reduced from 34 to 27 over the last 12 months, which is a reduction of 21%.

Through the consolidation of comms there has been an increase in the revenue generated from internal and external clients.

There was a quarter on quarter reduction in operational expenditure on comms through 2010/11



3. Actions and next steps

The communications team has been working closely with service heads to identify and agree which service communications budgets can be consolidated to:

- achieve further procurement savings
- remove any potential for overlap and duplication between services
- reduce ad-hoc demand and provide greater focus on city priorities
- better integrate with partner communications

Communications and finance are working towards finalising the consolidation for TBM4.

As part of this process we will be developing service levels agreements with Lead Commissioners and Heads of Delivery. The capacity within the communications team will be carefully monitored to ensure that staffing levels are in line with the communications objectives and budgets outlined in these service agreements.

A training program for staff has been developed to help services understand, support and therefore accelerate the consolidation of communications.

All print and sign work will continue to be directed to the council's in house print and sign unit.

The council's visual identity will continue to be used consistently across council communications.

Brighton & Hove is leading many other local authorities in the use of online and social media. This is generally not as resource intensive as more traditional forms of media. This is only being developed in-line with resident demand but we would expect this to deliver further savings in the future.