

REPORT TO EXECUTIVE			
PORTFOLIO AREA: PROMOTING CARLISLE			
Date of Meeting:	2 September 2002		
Public			
Key Decision:	Yes	Recorded in Forward Plan:	Yes
Inside/Outside Policy Framework			

Title: COMMUNICATIONS BUDGET SAVINGS

Report of: Town Clerk & Chief Executive

Report reference: TC.175/02

Summary: Options to make a saving of £9,000 from the operational budget held by the Communications Unit, as requested by the Executive.

Recommendations: to decide on the appropriate action of either:

Directing officers to reduce the frequency of Carlisle Focus to three editions per year to enable the £9,000 savings to be made from the Communications Unit operational budget,

Or

Defer a decision about reducing frequency until evaluation of the residents’ survey contained in the Autumn 2002 issue has been completed.

Contact Officer: Head of Communications **Ext:** 7110

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2. BACKGROUND INFORMATION AND OPTIONS
 1. Officers have been asked to make a saving of £9,000 from the operational budget held by the Communications Unit.
 2. The total operational budget for the Communications Unit is £55, 370. Out of this over half, £32,800, is funding for the quarterly Carlisle Focus; the remainder funds a mix of corporate marketing and PR, publications and other initiatives such as:
 - Internal communications, eg staff newsletter;
 - Marketing resources, eg photography, image library, exhibition stands

- Corporate adverts eg in telephone directories
- PR initiatives, eg events and materials for Local Democracy Week
- Residents information eg the Pocket Guide, councillor information posters
- Promotional publications eg the City Guide
- Promotional campaigns to increase voter turn out

It would prove difficult to take a large amount of funding from the above list, as many of the initiatives are low cost and deleting funding would mean actually not being able to produce or do something which falls into the categories above. This would potentially mean not being able to fulfil objectives and targets as set out in the City Council's Corporate Plan, such as reinvigorating local democracy, increasing voter turn out, improving internal communications and promoting Carlisle to a wider audience.

It is suggested therefore that the majority of the saving would have to be found from the Carlisle Focus budget. Options for reducing costs been investigated and are detailed below.

1. The current budget for the quarterly Focus magazine is £32,800. This does not cover the full costs of production, design, print and distribution, however and there is an income target to achieve £2,000 advertising per issue to cover the full costs of producing the magazine.
2. The Focus was launched following recommendations from the Communications Best Value Review which examined under the best value framework the council's communications with residents. The review recommended that a new residents' publication be a main tool of information and communication. The review also gave details of comparisons with 90 other local authorities' residents' publications. The average details of local authorities are given below, along with the existing details for the current Carlisle Focus magazine:

Carlisle Focus Local authorities average

Frequency: 4 per year Frequency: 5.3 per year

Pagination: 16 (2 advertising; 14 editorial) Pagination: 14.8

Cost to council per issue: 13p per copy Cost per issue: 15.4p per copy

Total council spend: £32,800 Council spend: £56, 197

Advertising target: £2,000 per issue. N/a

Carlisle Focus receives an average of 100 entries per issue to its competitions, and has received positive informal feedback from residents and advertisers alike.

The Autumn 2002 issue (due out in September) includes a questionnaire which should give more constructive feedback and quantitative evaluation about how it is perceived and valued by residents.

3. Different options have been investigated into how potentially the saving may be achieved from the Focus budget, including increasing advertising revenue, reducing pagination, alternative distribution methods. These however will not yield the total amount of £9,000 required, and are detailed below.
4. Options:
 1. increasing advertising revenue – currently £2,000 per issue is needed to cover the full costs of producing and distributing the magazine. This is usually estimated as two full pages of advertising per

issue. There have been a number of issues which have made gaining even this level of advertising revenue a challenge. These include a reluctance for departments and services internally to take advertising in the Focus, and reluctance from external organisations who are appear more likely to prefer to take advertising in local newspapers (although positive feedback has been received from those who have advertised). As well as compromising the editorial space (excluding the front and back covers, contents page, and two advertising pages, this currently leaves only 11 for editorial features and news), it is believed that increasing advertising targets would be unrealistic and unachievable at this time.

2. reducing pagination – reducing the magazine to 12 pages would save on printing costs, though not distribution costs as these are calculated according to weight and the 12 page magazine would still fall within the same cost band for distribution purposes. The total costs that could be saved by reducing the pagination to 12 would be around £1,000 per issue. This would still leave £5,000 saving to be found from the rest of the budget and would compromise the amount of council information, giving just seven pages for editorial space.
3. Alternative distribution methods –Royal Mail is currently used to distribute to around 52,000 homes in the Carlisle district. Although a different method was trialled with one issue it proved unsatisfactory, with many homes in the district not receiving a copy. Apart from Royal Mail, there is now no alternative distribution method which is guaranteed to reach homes in the rural as well as urban areas.
 1. It would appear that the only realistic option to meet the savings target would be to reduce the actual frequency of the Focus to three times a year rather than four, giving a saving of £8,000. A further £1,000 would then have to be found from the rest of the communications operational budget, affecting the activities listing in 1.2 of this report.

The disadvantages of reducing frequency of Carlisle Focus include:

- the Focus is now becoming established as a quarterly, informal feedback suggests that it is well received by residents – any decision taken now pre-empts the readers' questionnaire in the Autumn issue which will provide quantitative evaluation;
- it would be against best value recommendations;
- it would also see Carlisle City Council fall further below average compared to other authorities publications;
- and it would be contrary to the aims detailed in the Corporate Plan, to improve communication and consultation with residents and engage people more in local democracy.

2. CONSULTATION

1. Consultation to Date.
2. Consultation proposed.

As mentioned above there is a residents' survey in Autumn 2002 which consults readers on aspects of how the council communicates with them and what frequency they believe Carlisle Focus should be produced.

3. STAFFING/RESOURCES COMMENTS

4. CITY TREASURER'S COMMENTS

5. LEGAL COMMENTS

6. CORPORATE COMMENTS

This report has been discussed at CMT

7. RISK MANAGEMENT ASSESSMENT

N/a

8. EQUALITY ISSUES

The Focus reaches all residents in Carlisle and is made available on request in other formats

9. ENVIRONMENTAL IMPLICATIONS

10. CRIME AND DISORDER IMPLICATIONS

11. RECOMMENDATIONS

to decide on the appropriate action of either:

Directing officers to reduce Carlisle Focus to three editions per year to enable the £9,000 savings to be made from the Communications Unit operational budget,

Or

Defer a decision about reducing frequency until evaluation of the residents' survey contained in the Autumn 2002 issue has been completed.

11. REASONS FOR RECOMMENDATIONS

The Head of Communications has been asked to make £9,000 saving from the communications operational budget and all other possible options have been explored but would not reach the target saving.