



## Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	<b>Advertising Review</b>
<b>Date:</b>	14 March, 2008
<b>Reporting Officer:</b>	Eamon Deeny (6285)
<b>Contact Officer:</b>	As above

### Relevant Background Information

At its meeting on 15 June, 2007, the Strategic Policy and Resources Committee gave approval to conduct a review of the council's approach to advertising and this was ratified at full council on 1 July, 2007. Two consultants tendered for the work and Verve Communications were appointed in August, 2007 to conduct the review.

The review of advertising was initially agreed as part of the Review of Communications, approved by the council in February 2006, which highlighted the need for a binding council-wide policy on advertising. The report pointed out that because display and marketing advertisements were left to individual departments, the council's overall buying power and clout was being diminished and there was no overall co-ordinated style. It suggested that we needed a corporate approach to advertising for efficiency and effectiveness reasons.

Advertising is a vital communications tool and contributes to the image and reputation of the council. Moving towards central management of advertising is a significant step towards achieving a one council approach to communications, which is one of the central objectives of the improvement agenda.

The consultants were tasked with identifying current practices and spend across the council in relation to all types of advertising, making recommendations to improve the approach in terms of effectiveness as a communications tool and identifying potential efficiency savings and income streams from advertising.

A similar co-ordinated approach to graphic design was implemented last year and the benefits became clear quickly with savings of £180,000 being captured in the current financial year across all departments and the widely accepted improvement in our publications following the appointment of an in-house graphic designer.

The benefits of a joined up approach to advertising has already been shown by the pilot scheme to cover the cost of producing City Matters at no cost to the ratepayer through advertising. Strategic P&R Committee agreed in December to establish this approach and it will realise savings of £140,000 per year on the current four editions per year and over £200,000 when we move to six editions per year in two years time, which was approved under the overall review of communications. This was partly

possible by working with departments and sections and convincing them that part of their promotional, marketing, publicity budgets should be used to advertise in City Matters in which they were able to reach more of their target audience for less spend.

The approval of this new approach to City Matters means that in the next financial year, the review of communications will have resulted in savings of £320,000 per year on communications spend. The advertising review has the potential of taking that figure through the £500,000 mark and beyond.

However, the new approach should not simply be efficiency driven. We need to continue to develop our methods of communications and embrace new technologies that are becoming part of everyday life, particularly if it provides opportunities to get information to hard to reach audiences. That will not be possible without investment, which could be covered by part of the efficiencies achieved through this review. This issue will be the subject of a report to committee in the near future for consideration.

Central to the advertising review, is the appointment of an advertising manager who will develop an advertising strategy and policy. This post will pay for itself many times over through efficiencies and by establishing revenue streams for the council. The recommendations contained in this report cannot be implemented without this appointment and the efficiencies of £250,000 initially with the prospect of £450,000 in the longer term cannot be achieved.

The committee should also note that the current recruitment and public notice contract expires at the end of May. It is unlikely that we will have new arrangements in place in time, even if the advertising proposals are recommended, and that contract will be extended initially for a three month period.

## **Key Issues**

The report contains a total of 31 recommendations (see attached report for details) but the headlines are:

- Create an advertising manager's post to co-ordinate the council's approach to advertising and maximise advertising revenue opportunities for the council;
- Departments should outline their proposed advertising plans at the beginning of each financial year and these should be considered at a corporate strategic level.
- At the expiry of the existing recruitment and public notice contract, a new set of criteria should be agreed for appointing a successor 'design and place' contract.
- An advertising framework be devised whereby a maximum of three agencies are selected, from which all future non 'design and place' BCC contracts should be delivered, following appropriate procurement processes
- BCC should regard its website as the principal source of information about its job vacancies, and encourage all would-be applicants to do likewise.
- An area to be established at the front of Cecil Ward Building, to provide external and internal candidates with the opportunity to apply for jobs on-line or on hard copy. Following evaluation, consideration to be given in the longer term to this becoming a council information point, with access to our

website.

- Agree the principle of reducing the size of job vacancy newspaper advertisements, focusing on essential information only, and directing would-be applicants to the site.
- Continue advertising in the three local daily newspapers in the short term but long term consideration be given to limiting job vacancy advertising to the Belfast Telegraph only. All the evidence suggests that there will be no detriment to the quality or number of job applications and the council will achieve considerable savings.
- Only notices that are required to be published for legislative reasons, or that take account of government guidance, should be treated as 'public notices.
- The council should signpost on its website and in City Matters, that full tender, legal and public notices are published regularly on the website.
- Consider increasing the number of City Matters per year to 10 as the recent pilot suggests there would be enough advertising revenue to cover the cost. However, consideration would need to be given to employing a new member of staff to meet editorial output requirements if this was approved.
- BCC should undertake a full survey and feasibility study of the council's vehicle fleet and properties, to determine the logistics, costs and position of placing advertising hoardings and developing a revenue stream for the council.

#### **Resource Implications**

The report indicates that around £250,000 could be saved initially on advertising spend rising to £450,000 in the years ahead.

#### **Recommendations**

The committee is asked to approve:

1. The recommendations of this report towards a centralised approach to advertising to improve effectiveness and efficiency.
2. The appointment of an advertising manager to develop an advertising strategy to implement the recommendations contained in the report and achieve the efficiencies, as outlined.

Further the committee is asked to note:

3. The extension of the current recruitment and public notice contract for an additional three months.

#### **Key to Abbreviations**

None

#### **Documents Attached**

Appendix One – Summary of recommendations and cost effective way forward.

