

Gloucester City Council

Meeting:	Cabinet	Date:	25th March 2015
Subject:	Proposals for delivery of the Council's Communications and Marketing Service		
Report Of:	Cabinet Member for Performance and Resources		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1. Proposed costs and savings (Exempt information)		

EXEMPTIONS

The public are likely to be excluded from the meeting during consideration of part of this report as it contains exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

1.0 Purpose of Report

- 1.1 To seek approval to proposals for the future delivery of the Council's Communications and Marketing Service.

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that:

- (1) The City Council's Communications and Marketing Service be delivered by Gloucestershire County Council, as outlined in Option 3 of the report, (with the exception of the City Filming Office function) with effect from 1 April 2015;
- (2) Authority be delegated to the Head of Legal and Policy Development to negotiate and approve the terms of an Agreement with Gloucestershire County Council to provide the services approved at paragraph (1) above; and
- (3) The Monitoring Officer be authorised to make any consequent changes to the Council's Constitution to reflect the arrangements.

3.0 Background and Key Issues

- 3.1 The City Council's Communications and Marketing Service comprises 2 posts:

- Communications and Marketing Service Manager
- Communications Officer

3.2 The service provides the following for the City Council:

- Media management and Press office function (including support to Cabinet Members and the Civics function and regular meetings with local media);
- External communications (e.g. issue of press releases, ensuring press are kept up-to-date with large campaigns, posters etc.);
- Production of 3 editions of City Life per annum;
- Branding and reputation management;
- City film office for filming within the City, working with Creative England and Production companies to co-ordinate and guide filming in the City (e.g. recent Disney filming at the Docks);
- Communications support for events (e.g. to events such as the Rugby World Cup) and during emergency planning situations
- Management of the graphics contract with the County Council

3.3 The service has also provided:

- Internal communications for the Council (e.g. bi-weekly issue of In-House; internal campaigns; ad hoc info) - this is currently being delivered by the Digital Communications Team.
- Social media campaigns – these are now rolled out by the Digital Communications Team, but there is still a need for the preparation of those campaigns by the Council's press and marketing function;
- Co-ordination of the placing of public notices, but this is now carried out on an ad hoc basis by the relevant service.

3.4 Several years ago, the City Council arranged for the provision of the graphics function by the County Council and pays for 1 FTE post within the County Council Design Team from the Communications and Marketing Service budget. This arrangement has generally worked well, although the City Council's graphics requirements often exceed the resource available. Approximately 40% of the graphics resource available to the City Council is used by the Guildhall and Museums.

3.5 In June 2014, the Communications Officer post became vacant and, rather than filling the post, Cabinet asked for sharing opportunities with the County Council to be explored.

3.6 During a period of annual leave of the Communications and Marketing Service Manager in September 2014, the County Council took responsibility for dealing with the City Council's press enquiries and, following the postholder's return from leave, they continued to assist with support for this function, including during further periods of absence of the remaining member of staff. As at the end of January 2015, the County Council PR & Engagement Team had taken/issued:

- 149 media enquiries (an average of 9 per week); and
- 32 media releases (an average of 2 per week).

These figures do not take into account any press enquiries received directly by Cabinet or other Members.

- 3.7 The County Council also provided the resource to draft and produce the November 2014 edition of City Life and has started to pick up some of the wider work of the service, including managing the PR campaign for the Rugby World Cup on the City's behalf and providing communications support on the joint Managing Director/Commissioning Director post.
- 3.8 Informal feedback received indicates that, although no formal arrangements have been in place, the service has worked well and, the time is now right to consider future delivery of the service.
- 3.9 The City Council's Communications and Marketing Service is an essential function that needs to be more effective, both internally and externally, with customers, residents, partners and other stakeholders. The recent Peer Review highlighted the City Council's internal communications as needing further improvement.
- 3.10 There are a number of options for future delivery of the City Council's Communications and Marketing Service:

3.11 **Option 1 - Continue as we are without in-house communications support**

Whilst this would generate significant savings for the City Council, it would seriously jeopardise our ability to keep our residents informed. It would also mean the end of the City Life magazine and limit our ability to keep our staff engaged and informed. There is also the potential for significant reputational risk if we do not have any media management capacity.

3.12 **Option 2 – Recruit a new in-house team**

This would provide access to in-house support, on-hand when needed and it would mean that we could continue with the same level of activity we had prior to the recent staff changes. However, no savings would be generated and we would not have the ability to expand on our existing activity or the resilience of a wider team.

3.13 **Option 3 – Commission support, as set out below, from Gloucestershire County Council**

Gloucestershire County Council can provide the following services:

- Internal communications support - staff/workforce engagement, internal event management, officer support, internal newsletters, intranet;
- Consultation support - internal and external consultation, stakeholder engagement, focus groups, data management, partner relations;
- Digital support - external website, bespoke sites (recycleforglos etc), strategic social media, online customer service;
- Media management - media office, proactive PR, media relations, media events, proactive social media, 24/7 on call service, crisis management, cabinet & senior officer management/relations, partner relations;
- Campaign development - campaign planning, marketing, behaviour change communications (weight loss, recycling etc), external event management
- Design services - graphics, brand management, campaign development and support;

- Printing and distribution of City Life (subject to direct transfer of the associated budget);
- City Filming Office

3.14 This would give us access to wider support from an in-house local government team that is located close by and already working well with us. It would also generate savings. With the joint Managing Director/Commissioning Director role, there is potential scope for more co-ordination of work within the City and there may be efficiencies to be gained from this. The disadvantage is that the team is not in-house here so it may take longer for issues to be understood or for face to face meetings to be held. There could also be issues of prioritisation of media management where there may be media issues in both authorities requiring attention at the same time. However, some of this risk can be mitigated because of the capacity within the County team.

3.15 Whilst the County Council can provide the City Filming Office function, it is felt that it would be more beneficial to explore options for delivery of this function by Marketing Gloucester and these are being pursued. At this stage, it is therefore not recommended that the County Council be asked to provide the City Filming Office function, notwithstanding that it has been offered.

3.16 **Option 4 – Seek alternative support from another District Council**

This option would allow us to seek out support from another local authority with an understanding of the kinds of issues we face. However, capacity within other District Council teams is similar to what the City Council currently has in place and there is no obvious district authority with whom to partner for this type of service.

3.17 **Option 5 – Seek alternative support from other outside providers**

This option would allow us to seek out bespoke support as and when we need it but there would be a lack of continuity for officers, members and the media. It is also likely to be more expensive and Internal communications would probably significantly suffer.

4.0 **Alternative Options considered**

4.1 The alternative options considered are set out above.

5.0 **Reasons for Recommendations**

5.1 This option will create a more robust and resilient service that offers the possibility of providing a stable, competitive shared service arrangement.

5.2 The shared service would be better able to recruit and retain a skilled workforce giving greater opportunity for career progression for the staff.

5.3 A shared service is an option that will improve efficiency and effectiveness and save money by reducing overheads, removing duplication and achieving economies of scale.

6.0 **Future Work and Conclusions**

6.1 Based on the information set out above and assessment of the four options, the officer recommendation is to go with Option 3, with the exception of the City Filming Office function.

- 6.2 If the recommendations in the report are approved, an Agreement will be entered into with the County Council. There will be provisions in the agreement to review the arrangements, to ensure that they continue to work well for both authorities and to end the arrangements if they cease to be appropriate for either authority. There will also be appropriate monitoring and reporting arrangements built in.
- 6.3 There is a need to ensure that appropriate links are put in place between the County Council's Media Team and the City Council's Digital Communications Team to ensure that the City Council's website and social media are kept up-to-date and are properly co-ordinated with other communications and marketing activities.

7.0 Financial Implications

- 7.1 The current budget for the Communications and Marketing Service is £179,000 and the Money Plan for 2015/16 requires a saving of £50,000 to be made from this figure. The budget includes staff costs, design costs and quarterly production and distribution of City Life magazine. There are no savings to be made by keeping the service in house and, unless significant investment is made in the service, it will still present a risk to the Council in terms of its lack of capacity and resilience.
- 7.2 The proposed service to be delivered by the County Council, including the graphics provision referred to at paragraph 3.4 above can be provided at the total annual charge set out in Appendix 1, and produce the level of savings indicated in Appendix 1.

8.0 Legal Implications

- 8.1 Under Section 111 of the Local Government Act 1972, the Council is empowered to do anything which is conducive, or incidental, to any of their functions.
- 8.2 In terms of procurement, the Supreme Court ruling on the Local Authorities Mutual Limited (LAML) case has confirmed that non-commercial cooperation arrangements between public authorities designed to share costs and pool public service tasks fall outside the procurement rules.
- 8.3 Any agreement for the performance of the Communications and Marketing service needs to set out clearly what the governance arrangements are, together with precise terms as to what functions/services are to be delivered and by whom, any associated payments or charges. It is also prudent to agree from the outset how changes in income or expenditure will be shared between the parties to avoid any future misunderstandings.

8.0 Risk & Opportunity Management Implications

- 8.1 There is a lack of capacity and resilience within the current service. By joint working, there is an opportunity to create a more robust and resilient business model, with greater cost savings.
- 8.2 The risk to the City Council of outsourcing its communications support to the County Council is minimal. The arrangement with the County Council would be

legally binding and both organisations will have the opportunity to review the contract at regular intervals.

9.0 People Impact Assessment (PIA):

- 9.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

10.0 Other Corporate Implications

Community Safety

- 10.1 None.

Sustainability

- 10.2 None.

Staffing & Trade Union

- 10.3 As at 31 January 2015, no staff are employed in the current posts and there are no direct staffing implications or TUPE situations.

Background Documents: None