

AGENDA MANAGEMENT SHEET

Name of Committee Portfolio Holder (Resources) And Portfolio Holder (Customers, Workforce And Partnerships) Decision Making Session

Date of Committee 28 May 2010

Report Title Advertising Services Contract June 2010 – August 2013

Summary The Council’s own contract for Advertising Services has recently expired. This report seeks Portfolio Holder approval for Warwickshire County Council to join the existing regional Advertising Services contract (established by Solihull MBC) with effect from 1st June 2010.

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Would the recommended decision be contrary to the Budget and Policy Framework? No.

Background papers None

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

- Other Committees
- Local Member(s) N/A
- Other Elected Members Cllrs Appleton, Davis, Gittus, and Moss – for information
- Cabinet Member Cllrs Heatley and Timms – approval for consideration
- Chief Executive
- Legal Michaela Meerus
- Finance David Clarke, Strategic Director, Resources – reporting officer
- Other Chief Officers

District Councils

Health Authority

Police

Other Bodies/Individuals

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by
this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

**Portfolio Holder (Resources) and Portfolio Holder
(Customers, Workforce and Partnerships) Decision Making
Session - 28th May 2010.**

Advertising Services Contract June 2010 – August 2013

Report of the Strategic Director, Resources

Recommendation

Portfolio Holders approve Warwickshire County Council joining the regional Advertising Services contract established by Solihull MBC with effect from 1st June 2010 on terms and conditions agreeable to the Strategic Director of Customers Workforce & Governance and the Strategic Director of Resources.

1. Background

- 1.1 Historically, Warwickshire County Council has maintained its own contract for the provision of media advertising for job advertisements and public notices. In the calendar year 2007 expenditure on this contract (including schools) was £1,217,001 however for the calendar year 2009; the annual expenditure had reduced to £531,032. Comparing the period January – March 2009 with January - March 2010, expenditure has reduced by a further 29.2%. If this trend continues throughout 2010, annual expenditure will have reduced to £372,781.
- 1.2 There are a number of reasons for the reduction in this expenditure including the general reduction in recruitment advertising, the move to advertising job opportunities on the Council's website and the use of electronic job advertising sites such as 'Monster'. It is realistic to expect that expenditure in this area will continue to reduce over the next few years however it will not disappear completely because of the requirement on the Council to advertise public notices in the local press.

2. Options

- 2.1 When the Council's current Advertising Services contract came up for a renewal, two options were considered: -
- (i) Renew the contract in the traditional way but with the possibility that Warwickshire County Council's reduced volumes would lead to a

reduction in discount levels and therefore an increase in costs for the advertising we undertake; or

- (ii) Look to aggregate our requirements for this service with that of other authorities to maintain discount levels.

- 2.2 Members will be aware that Warwickshire recently created a shared Procurement Service with Solihull MBC and Coventry City Council. As part of our discussions with these authorities when establishing the shared service, we were advised that Solihull MBC had recently established a contract for Advertising Services, which was accessible to the whole of the West Midlands region.
- 2.3 The media discounts available via the regional contract are slightly more beneficial than the Council's current contract and offer moderate savings of £2,664 per annum based on 2009 levels of expenditure (although 81% of this saving is within schools). However, in addition to the immediate media discount savings, further savings on additional services such as creative fees, digital design and production fees will be available should 5 or more West Midlands authorities join the contract. Warwickshire will be the 4th authority to join this contract should members agree the recommendation contained within this report.

3. Conclusion

- 3.1 In considering our options for the renewal of the Council's current Advertising Services contract, the objective was to preserve current discount levels with significantly reduced expenditure. By joining the regional Advertising Services contract established by Solihull MBC, not only will discount levels be preserved, they will be slightly improved. This offers the Authority moderate costs savings, potentially avoids any additional costs associated with a reduction in discounts as a consequence of reduced expenditure, and saves the Council the cost of running our own procurement exercise. This solution also lends support to the spirit of the shared procurement service created with Coventry City Council & Solihull MBC and to shared services in general.

4. Recommendation

- 4.1 Members are recommended to approve Warwickshire County Council joining the regional Advertising Services contract established by Solihull MBC.

DAVID CLARKE
Strategic Director, Resources

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Warwick

May 2010