

APPENDIX A

Committee/Meeting: Cabinet	Date: 8 June 2011	Classification: Unrestricted	Report No: CAB 005/112
Report of: Assistant Chief Executive Legal Services Isabella Freeman Originating officer(s) Takki Sulaiman – Service Head Communications		Title: East End Life Review Wards Affected: All	

Lead Member	Mayor Lutfur Rahman
Community Plan Theme	A Great Place to Live A Prosperous Community A Safe and Cohesive Community A Healthy and Supportive Community One Tower Hamlets
Strategic Priority	Promotion of all strategic priorities as required but specifically:- Supporting residents through welfare reform Fostering enterprise and entrepreneurship Reducing fear of crime Fostering greater community cohesion Helping people to live healthier lives

1. SUMMARY

- 1.1 At a meeting of the Council's Cabinet on 12th January 2011, Mayor Lutfur Rahman asked officers to conduct a review into the future of East End Life. This report presents the findings of the review and makes recommendations for action.
- 1.2 The review terms of reference, which were published on 31st January 2011, requested that the implications of the then draft Code of Recommended Practice on Local Authority Practice be explored. Additionally the review was asked to examine the purpose, performance and role of East End Life in the context of government cuts to local authority finances and the need to direct resources towards priority services.

2. RECOMMENDATIONS

The Mayor is recommended to:-

- 2.1 Adopt a weekly publication of East End Life reduced in size and cost as set out in Option 1 of the Review appended hereto. Option 1 will include:-
 - 2.1.1 The implementation of the £200,000 budget reduction agreed by council on 8th March 2011.

- 2.1.2 The adoption of the revised editorial and advertising policies attached to the review document.
 - 2.1.3 A redesign of East End Life to further differentiate it from commercial papers.
 - 2.1.4 That by September 2011 East End Life will have a Pagesuite version available to encourage online usage.
 - 2.1.5 That promotion of online access to information (including via My. Tower Hamlets) and monitoring of progress so that when the majority of East End Life readers access material online, the publication's print-run can be reduced.
 - 2.1.6 The proposed change of the existing advertising strategy.
- 2.2 That adherence to the Code of Recommended Practice on Local Authority Publicity shall be made a cornerstone of the editorial policy.

3. REASONS FOR THE DECISIONS

- 3.1 The code requires local authorities to have regard to the principles contained within it. These are fully set out in the report at Appendix 4. There are seven key principles and no indication of the weighting that should be applied between each principle. It is for local authorities to ensure that all these considerations are taken into account when reaching a decision.
- 3.2 When developing options for consideration the review panel considered the following factors which they rated as the main issues in seeking to achieve a balance between value for money and keeping residents informed:-
- the lack of cost-effective alternatives with sufficient reach for statutory notices and Housing Options
 - the need to communicate with residents about changes to service provision, transport disruption and events in the run up to the Olympics
 - the need to keep residents informed about service provision
 - the lack of a significant mass circulation alternative for community news and for delivering community plan priorities such as:
 - Supporting residents through welfare reform
 - Fostering enterprise and entrepreneurship
 - Reducing fear of crime
 - Fostering greater community cohesion
 - Helping people to live healthier lives
 - the ability of residents in Tower Hamlets to get access to a PC.
- 3.3 The panel also considered the weight of views from residents revealed in the consultation exercises which was in favour of saving money but also strongly in favour of keeping a weekly council publication.
- 3.4 In addition the following value for money factors suggest improving the current weekly format provides the optimum balance between cost effectiveness and the need to keep people informed:-
- the findings of the latest cost benefit analysis; and
 - the lack of a costed commercial alternative (i.e. similar to the Hammersmith and Fulham model) from local media despite initial enquiries being made; and
 - options involving a significant reduction in publication frequency are not necessarily cost saving due to the impact on advertising income

Given the priorities above and the weight of consultation evidence the review is minded to recommend the reduced weekly model (Option 1 on page 30) so there is no net cost to the Council.

- 3.5 The new Code recommends that publications should not be issued more than quarterly. In this respect, the Cabinet is asked to resolve to depart from the Code for the several reasons set out in this report at sections 3, 4, 7 and 8
- 3.6 East End Life plays a prominent role in the promotion of equality and community cohesion. This is dealt with at several points in the Review, for example in paragraphs 3.20, 3.26-3.28, 7.5, 7.7 and in the revised Editorial Policy at Appendix 4 of the Review. This important contribution to the promotion of equality and cohesion is a significant reason justifying this very limited departure from the Code.

4. ALTERNATIVE OPTIONS

- 4.1 Four alternative models were considered and costed including the abolition of East End Life and replacing advertising, marketing and the publication of statutory notices with a basket of local media. These are fully set out in the Review in Clause 13. However the costings suggest that the recommended option presents the best value option for the Council

5. BACKGROUND

- 5.1 East End Life has been a significant presence in Tower Hamlets since its inception in 1993. It has grown from a fortnightly paper of 12 pages to its current 40/44 page weekly format. In that time it has become an important communications tool for the council and delivered to 87,000 homes.
- 5.2 The review report examines the genesis of East End Life, the findings of the 2007 Cabinet report, the statutory and regulatory framework, public perceptions of East End Life including readership levels, the local media environment and financial options for the paper.
- 5.3 At the 8th March 2011 Budget Council meeting the mayor accepted an amendment to save £200,000 from the budget of East End Life and requested that it be incorporated into the East End Life review.
- 5.4 The new Code of Recommended Practice on Local Authority Publicity was approved by the Houses of Parliament on 31st March 2011 and outlines seven key principles which are guidance for which the Council must have regard when coming to a decision on publicity. Publicity by local authorities should:-

- be lawful
- be cost-effective
- be objective
- be even-handed
- be appropriate
- have regard to equality and diversity
- be issued with care during periods of heightened sensitivity

Local authorities are required to have regard to its contents and the review has adopted the majority of the Code

5.5 The following paragraphs of the revised code are the most relevant in guiding local authorities when coming to a decision on publicity

“10. In relation to all publicity, local authorities should be able to confirm that consideration has been given to the value for money that is being achieved, including taking into account any loss of potential revenue arising from the use of local authority-owned facilities to host authority publicity.”

“13. The purchase of advertising space should not be used as a method of subsidising voluntary, public or commercial organisations.”

“Even-handedness

19. Where local authority publicity addresses matters of political controversy it should seek to present the different positions in relation to the issue in question in a fair manner.

“20. Other than in the circumstances described in paragraph 34 of this code, it is acceptable for local authorities to publicise the work done by individual members of the authority, and to present the views of those individuals on local issues. This might be appropriate, for example, when one councillor has been the ‘face’ of a particular campaign. If views expressed by or attributed to individual councillors do not reflect the views of the local authority itself, such publicity should make this fact clear.”

“28. Local authorities should not publish or incur expenditure in commissioning in hard copy or on any website, newsletters, newsheets or similar communications which seek to emulate commercial newspapers in style or content. Where local authorities do commission or publish newsletters, newsheets or similar communications, they should not issue them more frequently than quarterly, apart from parish councils which should not issue them more frequently than monthly. Such communications should not include material other than information for the public about the business, services and amenities of the council or other local service providers.”

“32. Local authorities should consider how any publicity they issue can contribute to the promotion of any duties applicable to them in relation to the elimination of discrimination, the advancement of equality and the fostering of good relations.”

5.6 The council’s Community Plan contains four main priorities which East End Life helps to deliver both by communicating service information and more proactively by seeking to support changes in lifestyle such as the Healthy Borough programme or helping to promote greater community cohesion.

- 5.7 The code supports the need to ‘influence public behaviour in relation to matters of health, safety, crime prevention, race relations, equality, diversity and community issues’ but it also states that council publications should appear no more than quarterly. By adopting the recommended option members will be departing from this one paragraph in the Code
- 5.8 In addition local authorities are required to select the most cost effective option when deciding upon plans for communicating key priorities and services.
- 5.9 The review seeks to balance these two elements and identifies a recommended course of action following a cost comparison analysis of the alternative options available to the council.
- 5.10 The revised editorial policy at appendix 4 of the review contains an analysis of compliance with each of the seven principles of the review. This is set out below:

Principle 1 – lawfulness

A number of legal rules relate to local authority publicity, including rules relating to referendums, and material designed to influence people in deciding whether or not to sign a petition relating to an authority’s constitutional arrangements. Plainly, publication of East End Life will adhere to legal requirements.

Principle 2 – cost effectiveness

As stated above it is necessary to be able to confirm that consideration has been given to value for money considerations. It can be seen from the East End Life Review that consideration has been given to such considerations. Financial matters are dealt with in particular in sections 8, 9 and 13 of the Review and in section 7 of this Report. Officers’ view is that ample consideration has been given to value for money considerations and that it has been demonstrated that the production of East End Life is and will remain cost effective.

Principle 3 – objectivity

It is necessary to ensure that publicity relating to central government policies and proposals is balanced and factually accurate. It is permissible to set out the authority’s views and reasons for holding those views, but the publicity should avoid anything likely to be perceived by readers as constituting a political statement or being a commentary on contentious areas of public policy. Furthermore, publicity regarding the authority’s own policies should be objective and fact-based, and should not attempt to persuade members of the public to hold particular views on matters of policy. In this regard, it is important to note that the objectives for East End Life (set out in Appendix 4 of the Review) includes communication of the council’s policies, initiatives and successes, and to create an understanding of the work of the council. In other words, it is not editorial policy to be persuasive, merely descriptive.

Principle 3 also involves that paid for advertising must be clearly identified as such and that advertisements for staff recruitment should reflect the political impartiality of local authority staff. By incorporation of the Code into the editorial policy, this will be explicitly achieved.

Principle 4 – even-handedness

This principle requires that in areas of political controversy, publicity should seek to present the opposing arguments fairly. Publicity may explain the work done by individual members of the authority, but must make it clear when the positions of the individual and the authority diverge.

Principle 5 – appropriate use of publicity

The Code states that authorities should not publish newsletters which seek to emulate commercial newspapers in style and content. Publicity should clearly identify itself as a product of the local authority. The Conclusions and Recommendations in section 16 of the Review make it clear that East End Life is to have a redesign to further differentiate it from commercial newspapers. It is not considered that a redesigned East End Life will be confused with a commercial newspaper. It will identifiably be a free-sheet produced and distributed by the local authority.

The Code also recommends that the publicity should not be issued more than quarterly. In this respect, the Cabinet is asked to resolve to depart from the Code for the several reasons set out in this report at sections 3, 4, 7 and 8. It is important to emphasise the important role that East End Life plays in promotion of equality and community cohesion. This is dealt with at several points in the Review, for example in paragraphs 3.20, 3.26-3.28, 7.5, 7.7 and in the revised Editorial Policy at Appendix 4 of the Review. This important contribution to the promotion of equality and cohesion is in and of itself a significant reason justifying this limited departure from the Code.

Principle 6 – equality and diversity

The Code permits publicity to seek to influence the attitudes of local people in relation to health, safety, crime prevention, race relations, equality, diversity and community issues. Authorities are also to consider how publicity can contribute to the fulfilment of their own public sector equality duties. It is a core principle of East End Life that it should achieve these objectives. For example, the third stated objective is to celebrate the diversity of the borough and to promote racial harmony and community cohesion. It is considered that this principle is strongly promoted by the publication, and indeed by the weekly publication, of East End Life.

Principle 7 – care during periods of sensitivity

By incorporation of the Code into the editorial policy of East End Life, plainly this principle will be observed.

It is considered by officers that, with the limited adjustments to the editorial policy of East End Life, it will promote all of the key principles in the Code. There will be a limited departure from one aspect of the Code in that it will be published more frequently than the Code recommends. However, it is considered that a departure is justified in this case for a series of reasons, including economic, practical, social and in order to promote equality, diversity and social cohesion in the borough.

6. BODY OF REPORT

- 6.1 The review report at Appendix 1 sets out in detail the history of East End Life and how it has developed since it was launched by the council in 1993. It was launched in response to the council's desire to promote the activities and services of the Council. There were also worries about the negative portrayal of the borough's diverse communities in the media.
- 6.2 As well as highlighting and promoting council services and activities, EEL aims to portray a positive image of the community, build and strengthen community cohesion and encourage engagement with residents.
- 6.3 The total budget for East End Life in 2010-11 was £1.48m with £1.05m raised in advertising revenue.
- 6.4 The average annual cost to the council of East End Life over the last five years has been approximately £268k per annum.
- 6.5 The council's communications function seeks to contribute to the delivery of the community plan themes by supporting the strategic priorities. For many priorities this will be a matter of communicating that a service is available to the public. However for a defined number of community plan priorities a council publication is essential in promoting behaviour campaigns that benefit the borough as a whole. The report identifies how for instance East End Life has been instrumental in supporting the Healthy Borough campaign.
- 6.6 It is one of only two weekly newspapers produced by a local authority in the UK. In 2010-11 a further 9 councils published fortnightly.
- 6.7 The current print run is 99,000 of which 83,277 are distributed door to door. The remainder is delivered to over 450 drop off points across the borough.
- 6.8 Editorial and advertising policies were agreed for East End Life by the Cabinet in 2007 after which the paper was given a re-design.
- 6.9 Content is currently produced in line with the Code of Recommended Practice on Local Authority Publicity (as amended in 2001). The new Code of Recommended Practice on Local Authority Publicity was approved by both Houses of Parliament on 31st March 2011. This review examines current practice and suggests a way forward to ensure the Council has regard to the code in its approach to publicity.
- 6.10 The challenge of reducing publication frequency or the print run for East End Life in order to reduce cost is complicated by considerations of displacement costs and the impact on our ability to communicate effectively with residents. This is the balance the new code asks councils to consider.
- 6.11 East End Life plays a major role in showcasing efforts to tackle inequalities and also to promote inclusion.
- 6.12 The paper is regularly used by voluntary and community groups to promote services and events and NHS Tower Hamlets have a free monthly page to promote issues relating to Health and Wellbeing.

- 6.13 There is also a regular page on crime and community safety supplied by the Police on their work with the council detailing efforts to improve community safety and reduce the fear of crime.
- 6.14 Whilst audited and verified readership levels for East End Life are falling they are falling even faster for other local print media. The long term plan is to replace the printed copy with an online version once there is evidence that our readers are able and wish to access the publication online
- 6.15 Of the 624 consultation responses received, 72% of respondents felt positively about East End Life, with 28% expressing a negative opinion.
- 6.16 Over half (53%) of respondents would like to see East End life continue as a weekly publication, however 13% wished to see East End Life abolished entirely. Almost 1 in 6 (16%) preferred a fortnightly edition and 4% wanted the publication limited to quarterly.
- 6.17 Five models are considered in the paper:-
- reduced weekly
 - fortnightly publication
 - monthly publication
 - quarterly publication
 - abolish East End Life.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 This report describes the review requested by the Mayor of the implications of the Code of Recommended Practice on Local Authority Practice and the purpose, performance and role of East End Life and includes information on its financial costs and performance and an analysis of estimated comparative costs under various options.
- 7.2 The budget for East End Life in 2011/12 is £82,000, which reflects the £200,000 savings target agreed at the Budget Council meeting. It is an important objective of the review to ensure that the cost of East End Life can be contained within this new, stricter budget target.
- 7.3 The estimated costs to the council associated with the five options are described in paragraphs 13.1 to 13.5 of the detailed review. The cost to the council in pursuing each option is presented below.

Options	Publication times	Net cost to the Council
1	Weekly	£49,000
2	Fortnightly	£75,500
3	Monthly	£24,000
4	Quarterly	£51,500
5	Closure	Estimated between £600K-2.1M

The analysis of the five options in the report indicates that the lowest cost option, and therefore the one that can be contained within the available budget with least risk, is to maintain a scaled-down weekly publication.

- 7.4 The financial viability of East End Life as an effective means of the authority meeting its duty to communicate does depend upon the generation of external income and the fact that the Council uses it to meet its own statutory and non-statutory advertising needs. These income sources are volatile and could change over time. Consequently it is important that the value for money offered by East End Life is kept under review going forward.
- 7.5. The costs of various options reflect the direct costs of running the newspaper. As the detailed report points out, the analysis has not included an allocation of all overheads to East End Life because these costs would be the same under all options and are thus not relevant when it comes to comparing one option with another. However these costs may be subject to change in the longer term and this is another reason why the costs of East End Life should be kept under review.
- 7.6. The report contains an analysis of advertising costs compared with other alternative newspapers. This is not a full market testing exercise, and it cannot be stated with certainty that the analysis fully reflects the outcome if such an exercise was to be carried out. However the cost difference indicated is large enough to suggest that strong reliance can be placed on the conclusion that comparative costs would be likely to be greater if other outlets were used.

8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

- 8.1 By s 2(1) of the Local Government Act 1986 local authorities are prohibited from publishing, or arranging for the publication of, any material which, in whole or in part, appears to be designed to affect public support for a political party. This prohibition applies at all times.
- 8.2. S 4(1) of the 1986 Act (as amended) states:

“The Secretary of State may issue one or more codes of recommended practice as regards the content, style, distribution and cost of local authority publicity, and such other related matters as he thinks appropriate; and local authorities shall have regard to the provisions of any such code in coming to any decision on publicity¹.”

- 8.3 Case law clearly demonstrates that guidance such as that contained in the Code of Recommended Practice on Local Authority Publicity must be given due regard by the Council. However that case law also shows that it is permissible to depart from guidance where there is good reason to do so.
- 8.4 This report and the Review Report at Appendix 1 set out a number of factors that have influenced the recommendation to publish *East End Life* weekly. In particular less frequent publication would oblige the Council to publish statutory notices in other newspapers, at additional cost to the Council. It would also reduce the effectiveness of *East End Life* as a means of communicating with those residents who are dependent on Council services and who are less likely to have access to the internet. As the most widely-read local newspaper including material in Bengali, and the only one containing material in Somali, reduced publication could deprive certain sections of the community of an important source of timely information about public services.
- 8.5 In light of the proposed principles that local authority publicity should be cost-effective and should have regard to equality and diversity, and the guidance in paragraphs 10 and 32 of the revised code (as set out in paragraph 5.5 above), in Clause 5 the principles are reviewed and the comments under each demonstrate that these are proper reasons for departing from the recommended limit on frequency of publication in paragraph 28 of the revised code.
- 8.6 In addition the Council has the public sector equality duties from 5th April 2011 by virtue of the Equality Act 2010. These general duties require the Council to have due regard to
- the need to eliminate discrimination,
 - advance equality of opportunity and
 - foster good relations between groups.
- The recommended option assists the Council in fulfilling those duties and the Review report sets out in detail how that is achieved.

9. ONE TOWER HAMLETS CONSIDERATIONS

- 9.1 East End Life plays a key role in representing the rich diversity of communities within Tower Hamlets. Not only is the harmony section an important element in reaching out to the Bengali and Somali reading population but it has an active editorial policy that seeks to promote tolerance and understanding of different lifestyles and beliefs.

¹ S 6 of the 1986 Act defines publicity as “any communication in whatever form, addressed to the public at large or a section of the public”.

- 9.2 The publication has a policy of using news items and case studies illustrating and supporting community cohesion. This often involves working with a range of community groups who regularly use East End Life to promote the needs of their service users.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 During the tender process for both the East End Life print and distribution contracts matters relating to sustainability were incorporated into the scoring of each bid.
- 10.2 Both winning suppliers scored highly in this section with our print supplier one of the first twelve companies to be awarded the Carbon Trust's environmental certificate. The supplier had provided evidence of reducing carbon emissions in the previous three years by 18%.
- 10.3 The review explores the possibility of moving to a digital edition to further reduce the environmental footprint and cost. However given the consultation responses it is clear residents are not yet ready to replace print copies with a digital edition. Over the next few years we will run both a digital and print edition to encourage a gradual switchover.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 The risks to the external and internal income required to support East End Life has been clearly documented in the report. Mitigating actions have been addressed in sections 8 and 10 in the review document.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 12.1 East End Life plays a key role in promoting the work of both the Police and the council in tackling crime and disorder. There are regular features on the work of Police and the various teams around the council who impact on this agenda including the Drug and Alcohol Act Team, the Licensing team, Environmental Health and the Youth Service.
- 12.2 The publication also carries court reports and has a policy of naming and shaming those convicted of serious crimes committed locally.

13. EFFICIENCY STATEMENT

- 13.1 The review identifies £200k worth of savings and a reduced print run. In addition measures to explore further efficiencies are constantly considered.

14. APPENDICES

- Appendix 1 – East End Life Review and appendices

Code of Recommended Practice on
Local Authority Publicity (DCLG, March
2011)
East End Life Development Options
(LBTH Cabinet report January 2007)

Takki Sulaiman
Clove Crescent
London E14 2BG

Report authors should refer to the section of the report writing guide which relates to Background Papers when completing this section. Please note that any documents listed in this section may be disclosed for public inspection. Report authors must check with Legal Services before listing any document as 'background papers'.