

COMMITTEE Cabinet	DATE 10 January 2007	CLASSIFICATION Unrestricted	REPORT NO.	AGENDA ITEM NO.
REPORT OF THE ASSISTANT CHIEF EXECUTIVE Sara Williams ORIGINATING OFFICERS: Lorraine Langham, Communications Strategic Lead		TITLE: East End Life – Development Options Ward(s) affected: ALL		

1. SUMMARY

1.1 This report covers a range of matters relating to the council’s free weekly newspaper East End Life (EEL) and makes recommendations for improvements.

2. RECOMMENDATIONS

Cabinet is recommended to: -

2.1 Consider the developments set out in this report and decide whether improvements in paragraph 8 should be implemented immediately, or whether the Council should further progress discussions regarding a future publishing partnership or alternative trading arrangement;

2.2 Note the revised editorial and advertising policies in the attached at Appendix 1 and 2.

Local Government Act, 2000 (Section 97)
List of “Background Papers” used in the preparation of this report

Brief description of “back ground papers”

None

Name and telephone number of holder
and address where open to inspection.

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3. THE HISTORY OF EAST END LIFE

- 3.1 East End Life started publication in 1993 as a fortnightly 12 page paper aiming to build and strengthen community cohesion, and to publicise council services and successes. After a few years the paper increased frequency to 48 weeks a year.
- 3.2 EEL replaced Tower Hamlets News (THN), the previous council publication. Its remit was wider than THN, aiming to include community and local news stories, as well as council news and information, to make it more readable and to build a sense of place.
- 3.3 East End Life played a significant role in helping the council receive a number of Beacon Awards, commencing with 'Community Cohesion' in 2003. This recognised the council's efforts to encourage greater co-operation, understanding and acceptance between people from different racial, cultural and religious backgrounds.
- 3.4 The Home Office Beacon Award Report 2003 stated: 'Importantly, the newspaper includes sections originated and presented in community languages. The council uses this newspaper as an important tool in facilitating community cohesion, including celebrating the distinct cultural traditions of local communities.'
- 3.5 East End Life is available on tape and is uploaded on to the council's website each week.
- 3.6 In 1998 EEL became accredited with the Audit Bureau of Circulation (ABC) and has since had its distribution independently audited every six months as part of the Verified Free Distribution audit. This audit paved the way for the commercial development of the paper and, to date, it is both the only weekly council paper; and the only one independently audited by the ABC.
- 3.7 In 1999 the then Head of Communications established the post of Commercial Development Manager to fund the future development of EEL through increasing advertising revenues to cover the cost of expanding the paper at no further net cost to the council.
- 3.8 Since 1999 East End Life has increased its average pagination from 16 to 44 pages, incorporating additional editorial as well as advertising, and doubling the 'mother tongue' Harmony pages. The advertising to editorial split has increased from 75% editorial / 25% advertising to 50% / 50%. Advertising income has increased from £273K to over £1 million per annum. As a result, the paper has significantly increased in size and print run. However, this commercial success has inevitably had an impact on other local papers. This issue is addressed later in this report.
- 3.9 East End Life has won or been a close runner up in a number of awards:

- IPR Local Government Group Excellence in Communications Awards 2004 Best Civic Magazine/newspaper - Winner
- Commission for Racial Equality, Race in the Media Awards – runner up; 2000, 2001 & 2003
- The Mayor for London’s Refugee Media Awards 2005 - Winner

3.10 The objectives of EEL have been carefully formulated and are set out in Appendix 1.

3.11 East End Life also provides really good value for money. Whilst the accounts show a budgeted net cost to the council of around £445K in 2006/07 this brings a significant financial benefit (see cost benefit analysis in section 9 of this report) and would reduce if advertising sales income exceeds the budget target as in previous years. If the council did not produce East End Life, and therefore had to place its statutory notices and recruitment advertising in other papers, based on the current marketplace, to achieve the same readership, the increased cost to the council would be in the order of about £2 million. In addition, this does not include the cost of communicating with residents by other means, such as leaflets through doors or monthly / quarterly magazines produced by other councils which would be a significant added cost.

4. CURRENT PERFORMANCE

4.1 Currently EEL runs to an average 44 pages, plus occasional 4 page advertising ‘wraps’ and 4-16 page supplements, with an advertising target of just over £1 million.

4.2 East End Life’s current audited circulation (Jan-June 2006) is 78,921 compared to East London Advertiser (ELA) 10,194, The Wharf 33,442 and Tower Hamlets Recorder 971. EEL is ranked 44th highest circulation out of 597 free papers in the UK.

4.3 In 1996, the first independent market research of the effectiveness of the EEL, its readership and that of other local papers among residents and how readers want to receive information about the council was undertaken by MORI. Since then subsequent residents’ readership surveys have been undertaken by NOP (2001), and ICM (2003 & 2005).

4.3 East End Life is the first choice among adult residents (48%) when asked how they would like to receive information about the council.

4.4 East End Life is also the number one choice among adult residents, with a weekly readership of 67%; among Bangladeshi adults this rises to 70%. According to ICM research in 2005, over half of Tower Hamlets’ residents chose EEL as their favourite local paper (53%).

4.5 The BVPI General Survey Report (MORI 2004) noted: Two thirds of residents receive a copy of EEL to their home each week, and for 58% of residents this was how they obtained most of their information about

services they receive from the council. By 2005 some 83% of residents received EEL each week (ICM April 2005).

- 4.6 Importantly those residents 'who read the council newspaper every week are more likely to feel satisfied with and informed by their council' (MORI 2004). This was backed up by further research on residents being kept informed by, and their satisfaction with, the council (ICM April 2005).
- 4.7. To achieve this, the council's messages are presented in an easy to read, digestible, tabloid format supported by the strong use of photography. The council's five key themes and associated messages are weaved into editorial, with a balance of council and community news covered to make the paper readable. This balance is challenging to achieve and it is essential that the paper is not seen as 'propaganda'.

5. THE EDITORIAL APPROACH

- 5.1 Editorial content is produced by an in-house team of professional reporters, sub-editors and a photographer, supported by freelancers and the council's Communications Team.
- 5.2 Editorially the paper's content is sourced from: the Communications Team, other council officers, local partners (Tower Hamlets Partnership), external public bodies and private companies, local and national community organisations, residents, stakeholders and through journalism.
- 5.3 Editorial content is used in line with the EEL editorial policy and house style. Difficult editorial judgements are routinely made by the Editor. Contentious and/or sensitive stories are passed by either one or more of the Head of Communications, the Assistant Chief Executive, Assistant Chief Executive (Legal Services) or the Director of Resources as appropriate. This ensures the council both meets its obligations under the relevant legislation, as well as adhering to the council's policies and statements. During the period of a 'Notice of Election' further tighter clearance procedures are put in place to comply with the additional legislation concerning elections.
- 5.4 The existing clearance processes of professional checks and balances, appropriate political oversight, legislative frameworks and professional editorial judgement has resulted in EEL achieving a reasonable balance. Professional editorial judgement allows EEL to meet the weekly production deadline and fulfil the requirements of the council's priorities and communications targets. Of course it needs to be recognised that producing a weekly newspaper is not a science and is reliant upon judgements about what to include/exclude and what 'angle' to take on every story. Whilst individuals may take different views on a given approach from time to time, generally there are few complaints and few instances where the general consensus is that the team 'got it wrong'.

- 5.5 A slightly revised editorial policy is attached in the appendix. A number of minor changes have been made to reflect current practices. For example the personal opinion columns have been dropped for some time and the letters page was held over prior to the election and has not been re-instated. The option of taking letters in response to campaigns and the occasional viewpoint column remains open within the revised policy. Proposals to refresh East End Life's editorial content include expanded arts and listings section, with video games reviews, expanded council information section including meetings and A-Z listings, a healthy living page, personality interview page (with residents and council staff) and occasional columns from Leading Members.
- 5.6 The contents of council publications are limited by law, most notably the Local Government Act 1988, which prohibits the use of material designed in whole or in part to affect support for a political party. EEL is also published against a backdrop of other legislation and guidelines, including the Code of Recommended Conduct on Local Government Publicity 2001, the Defamation Act 1996, the NUJ and Society of Editors Code of Conduct, and the Code of Advertising Practice and Sales Promotion 1995. Throughout its history there has not been a single legal challenge regarding content.
- 5.7 EEL is printed by Trinity Mirror plc, which won a competitive tender in 2005. The current print run is 99,000 of which nearly 80,000 are distributed door to door under a separate contract. Distribution is constantly under review to see where improvements can be made. Bulk distribution takes place to 'gated place communities' and over 450 bulk drop venues including council offices, to Idea Stores and libraries, community and voluntary organisations, hospitals and police stations. Increases in print run are planned to match the development of new build homes over the coming years and the cost of this will need to be met by increased advertising.

6. EAST END LIFE IN CONTEXT

- 6.1 The strategic plan commits the council to review EEL and consider its future role and development.
- 6.2 The continued development of EEL has to be considered, both in terms of improving it as a communications channel and the impact it has on the wider local media marketplace. The current local media marketplace can be segmented into local print and broadcast media.
- 6.3 The local print media can be further segmented into: generic local print media (the ELA, The Wharf, Tower Hamlets Recorder and The Docklands); national Bangladeshi print media published locally (Surma, Janamot, Notun Din, Potrika, Bangla Mirror, Euro Bangla); and other print media including Somali Eye.

- 6.4 The broadcast media can be split into radio and television. TV specific to local south Asian communities includes Channel S, Bangla TV, Vectone, Zee TV and others. Radio media has a more limited local angle with a 'Bangla' programme on the BME community station Sunrise Radio, Somali Voice, Bangla Radio, and the annual Radio Ramadan. There are, of course, a plethora of other TV channels and regional radio stations which local people may watch or listen to.
- 6.5 The generic local print media are divided into two media owners. Trinity Mirror plc publishes The Wharf and The Archant Group publishes the following newspapers as part of the East London series of titles:
- The East London Advertiser
 - Tower Hamlets Recorder
 - The Docklands
 - Hackney Gazette
 - Newham Recorder
 - Stratford and Newham Express.
- 6.6 Without EEL, the Archant Group would have a virtual monopoly position among generic local newspapers. When Archant sought to increase its ownership locally, EEL was seen by the Monopolies and Mergers Commission (now the Competition Commission) as being one of a few newspapers imposing a degree of competitive constraint on the dominant Archant titles.

7. RELATIONSHIPS WITH LOCAL NEWSPAPERS

- 7.1 EEL is seen as a commercial competitor by other local newspapers which would like to receive a greater proportion of the council's advertising, which at present mainly goes into East End Life. At least one local publisher would like to see EEL cease publication in its current semi-commercial format.
- 7.4 Through discussion, the council's right to publish a commercially successful weekly paper has been challenged and there have been threats of action against the council should the position remain unchanged. The main issue relates to fair trading and they argue that the council should not 'subsidise' a paper in competition with their own. However, the council refutes the subsidy argument as the benefits of producing EEL far outweigh the current net cost.
- 7.5 Any decisions to renew, regenerate and review EEL must be taken with full consideration of the impact this could have on all local press and their wider relationship with the council. The council's desire is that all should co-exist in a vibrant market place where different views and perspectives are available.
- 7.6 The national Bangladeshi print media, which are published locally, have a significant influence among the local Bangladeshi community and whilst their readership penetration is limited in terms of numbers, their influence

and impact appears to be greater than their actual readership. The Bangladeshi press 'punches above its weight' locally, although there is limited available research or evidence to evaluate publications individually.

- 7.7 The Bangladeshi broadcast media provides the council with further communications opportunities and challenges. Generically south Asian communities are more likely than other communities to access additional terrestrial broadcast channels – cable and satellite – and the local Bangladeshi community accesses Bangla TV and Channel S in particular. Again whilst viewing figures are not readily available it appears that these channels carry significant influence with the community.
- 7.8 The council has established communications channels with local media, including targeting staff time and holding regular media briefings. The council also targets appropriate and proportionate advertising highlighting key messages and campaigns.
- 7.10 It is proposed that, notwithstanding decisions made regarding East End Life, the council reviews the placement of its recruitment, statutory and run-of-the-paper advertising in all other media, to ensure that it is getting good value for money and is effective in targeting all segments of the local community.

8. OPTIONS SUMMARY

- 8.1 The council has two options in terms of the future of EEL:
- Continue as at present with planned improvements in editorial and advertising and reductions in cost to the council
 - Further explore the possibility of a joint venture or look at other options such as an arm's length trading company.

Other options such as changing format and frequency have been considered and rejected by officers as they would not to achieve communications objectives and do not provide value for money.

- 8.2 Options have been considered against four criteria:
- Service considerations
 - Financial considerations
 - Wider impact
 - Longer term planning

8.2 Option One: Planned Improvements

- 8.3 This option proposes a redesign to update the look and feel of EEL to ensure it remains an informative, entertaining and enjoyable read which is attractive to residents. It would maintain its tabloid format and add best practice from free print media.

- 8.4 Option one would seek to make the product more readable and attractive to advertisers and residents by expanding EEL and increasing the scope of its content. This option would seek to address concerns about fairness and proposes creating a more equal playing field by working towards reducing the net cost of EEL to the council. This option offers financial and service benefits and would help to provide greater interest and balance to the publication's content, carrying more local community news in relation to council news. This would also help to ensure greater balance and trust.
- 8.5 Following a three year business plan, EEL would look to incrementally increase advertising revenue, reduce the net cost and allow income to cover increased print, distribution, sales and production staffing costs required to facilitate this. EEL would look to enhance existing advertising platforms (recruitment, property, retail and leisure), and develop new ones, such as motors and additional advertorial spreads and supplements. This would be in line with the existing policy.
- 8.6 This option would require an invest to save plan whereby increased costs for print, distribution and sales and production staffing are factored against increasing revenue returns, which may not come in year one but would balance out over a number of trading years – like any commercial business plan.
- 8.7 This option would reduce the net cost, with the council's commercial team incrementally stepping up their operations. However, this approach could have a negative impact on relations with sections of the local press. It is proposed that all proposed expansions of the commercial operation (above and beyond those listed at 8.5 above) are specifically considered in light of the advertising policy review at 7.17 to minimise any unacceptable adverse impacts.

8.8 Option Two: Publishing Joint Venture with a private sector partner

- 8.9 The council could enter into a publishing joint venture with a private sector partner and there have been early indications that this would be of interest. It is also possible that the council could seek to sell EEL, but this has not been looked into.
- 8.10 Informal discussions suggest that the council could possibly enter into a local publishing partnership to, for example, replace EEL with a weekly magazine supplement delivered door to door with another newspaper. However, there is a risk that such an approach would be less successful – and certainly other council publications struggle to attain the same level of readership as EEL. There could also be message conflict as two publications would arrive together giving out different views about the council and its services. However, these matters are not insurmountable and would need to be subject of detailed further discussions and negotiations if the council was minded to progress with the partnership option.

8.11 The financial implications could vary significantly dependent upon the results of any detailed negotiations. It is possible, of course, that there could be a potential saving to the council.

8.12 At this stage Members are being asked to indicate whether they would like officers to work with a local publisher to bring such proposals to fruition, or not.

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8.13 Alternatively, the council could set up a local authority trading company in partnership with another partner/s. Again, this option would require detailed evaluation and cost benefit analysis. It is also doubtful whether sufficient expertise exists to pursue the trading company option as there is limited experience across the country upon which to draw and this option would have to be viewed as a high risk. For these reasons it is not recommended.

9. COST BENEFIT ANALYSIS

9.1 The most recent cost benefit analysis, financial years 2004/05, demonstrated a continuing significant real saving to the council from its publishing of EEL on a weekly basis. At that time, if the council did not publish EEL on a weekly basis it would have cost around £2.5m to place the same amount of advertising in both the ELA and Surma (which at that time was the best performing Bengali weekly paper). In comparison the full gross cost of publishing EEL at that time was about £1.3m. Once the EEL advertising and other income was taken into account, the net cost to the council was only £214,000. (The net cost has reduced further since then due to a renegotiated print contract). Therefore in 2004/5 the overall cost benefit analysis shows a net saving to the council of over £2m if you deduct the actual cost of £214K from the assumed cost of doing the same thing by other means £2.5m.

9.2. Looking at this cost benefit analysis is important as it demonstrates the savings to the council of producing a paper rather than buying space in someone else's. It ignores the far greater savings that accrue through using EEL to communicate with local people instead of leaflets, advertisements, posters, letters and so forth. Whilst a publishing partnership could potentially provide some short term benefits, if the advertising market remained static, it could leave the council exposed to significant future risks at the end of the contracted term or if circumstances changed.

9.3 There is a strong strategic and financial value to retaining the publication of EEL in-house. This strategic communications resource, which is recognised by the IDeA as an example of best practice in communications, enables the council to effectively counter any negative media publicity, which affects the council, the borough, our residents or partners, community cohesion and reputation. There are, however, disadvantages too as set out in this report.

10. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 10.1 The two options each have differing financial implications for the council, both direct and indirect, which need to be considered as part of the way forward for EEL.
- 10.2 The direct implications of Option one to continue with EEL include the effect on the net budgeted cost of EEL, based on its current format and frequency, of £445k. This covers the costs of the editorial staff, sales staff and printing and distribution, net of EEL advertising income only. This budgeted net cost can move up or down as it is subject to any increase or decrease in advertising sales income. Option one does involve a strategy to reduce this net cost over the medium term.
- 10.3 The indirect implications involve the effect on the cost of council services seeking ways of effective communication and publicity. It is important that these indirect costs are also considered as part of any option appraisal.
- 10.4 The precise details of option two have yet to be determined and consequently it is difficult to predict the likely financial effects. However any appraisal of the eventual details will need to consider the financial impact of issues related to the staff currently employed to produce EEL and any impact on the cost of other communication that the councils needs or wishes to undertake.

11 CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

- 11.1 The legal framework governing the publication of EEL is referred to in the report. There are no other immediate legal implications though further consideration will be necessary once a direction of travel has been determined.
- 11.2 Earlier this year (March 2006) a publisher challenged the Council's position regarding the publication of a semi-commercial weekly free newspaper, even considering a formal complaint to the Office of Fair Trading. The Council sought external legal advice on this matter regarding the two areas of the complaints; anti-competitive behaviour, and that the Council cannot lawfully publish court reports and statutory notices.
- 11.3 With regards to anti-competitive behaviour the legal advice received was that this could only occur if one of the following situations were occurring: EEL is dominant in the market and is pursuing an abusive predatory pricing strategy contrary to the Competition Act 1980, seeking to drive competitors out of the market with a view to increasing prices thereafter, or EEL is receiving a subsidy from the Council which enables it

to undercut the publisher's advertising rates, amounting to illegal state aid contrary to the Treaty establishing the European Communities.

- 11.4 On both counts legal advice was that the Council is not acting anti-competitively, as EEL is not dominant in the local newspaper market place – as established by a 2004 report of the Competition Commission. In fact this report stated that it was the existence of EEL imposing a degree of competition that put a restraint upon the publisher being anti-competitive. Secondly the claim of illegal state aid would only be a possibility if the subsidy had a potential effect on trade between European Commission member states, which it does not.
- 11.5 With regards to the publisher's claim that the Council can not lawfully publish court reports and statutory notices; under section 6 of the Crime & Disorder Act 1988, the Council has a statutory duty to formulate and implement a strategy for the reduction of crime and disorder and section 111 of the Local Government Act 1972 gives the Council the power to do anything calculated to facilitate the discharge of its functions. The publication of court reports is part of the Council's strategy to both reduce fear of crime and disorder in the community and to show that crime and disorder do not pay and that justice is shown to be done. The Council also has a 'duty of wellbeing' with powers under section 2 of the Local Government Act 2000 to promote or improve the economic, social or environmental well-being of its area. With regard to the publication of statutory notices, the Council has the power under section 142 (2) of the Local Government Act 1972 to arrange for the publication of information regarding the functions of the Council.
- 11.6 Therefore contrary to the publisher's view the Council is both acting legally and within its powers in publishing EEL, is not acting in an anti-competitive manner, nor illegally receives a state aid subsidy and can lawfully publish court reports and statutory notices.

12. EQUAL OPPORTUNITIES IMPLICATIONS

- 12.1 Communication and the local media play an important role in either promoting, or undermining, local harmony and cohesion. East End Life plays a primary role in communicating both the council's policies and operational objectives to the borough's diverse communities. Most if not all the council's partners in the Local Strategic Partnership, and other statutory, non-statutory and third sector organisations also use EEL in this way.
- 12.2 East End Life is acknowledged to have played a key role in the council achieving three Beacon Status Awards; Community Cohesion in '03/'04 and the Getting Closer to Communities and Promoting Racial Equality Beacons Awards in '05/'06.

12.3 East End Life also plays a significant role in both the council, and other partner organisations aims to achieve a workforce to reflect the community. It is acknowledged as a primary recruitment vehicle enabling both the council and other organisations through their recruitment advertising to reach both Bangladeshi and other target markets that read EEL in greater numbers and more often than any other media in Tower Hamlets. Furthermore, through its editorial and campaigning approach EEL plays a significant role in raising understanding and reducing discrimination amongst the equalities groups across the borough.

13. ANTI-POVERTY IMPLICATIONS

13.1 EEL can play a significant role in terms of access to services, employment and information for local people. By advertising all the council's jobs in EEL, the council is ensuring that local people have the opportunity to apply. In addition specific editorial and advertising campaigns are run to combat poverty, for example through promoting education, training or benefits take up.

14. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

14.1 EEL has also played a major role in environmental campaigning, including most recently encouraging recycling through a number of editorial features and advertising wraps around the paper. Almost all editions of EEL are printed on 100% recycled paper, when this paper stock is rarely not available a 50% recycled stock is used. The council is working with Trinity Mirror to ensure that EEL is printed on 100% recycled paper for every issue.

15. RISK MANAGEMENT IMPLICATIONS

15.1 As an element of risk an overarching financial 'health warning' must be placed upon all income projections, whichever option is chosen by the council, including the no change option. The advertising market can go down as well as up as advertising revenues fluctuate dependent upon the health of the economy and the consumer outlook both locally and nationally; plus the competition offered by the full range of media options both locally and nationally, including new and emerging media, which has hit print advertising revenues in both the local and national market place. It should be noted that whilst EEL has consistently outperformed the regional (local) newspaper sector in terms of year on year growth in advertising revenues on EEL this is not guaranteed. Overall it must be noted that there are significant downward pressures on advertising revenues on regional (local) print media.

15.2 A publishing partnership or arms length trading operation could expose the Council to a range of risks as well as commercial opportunities, which would need to be carefully considered and brought back before Cabinet for determination.

16. EFFICIENCY STATEMENT

16.1 East End Life provides the council with a highly effective and cost efficient medium of communicating directly with residents as shown by numerous surveys which demonstrate EEL's popularity with, and high readership by, local residents especially among hard to reach groups. Also the cost benefit analysis demonstrates an efficiency saving of over £2 million to the council by publishing EEL as a weekly free newspaper.

APPENDICES

Appendix 1 - East End Life Editorial Policy

Appendix 2 - East End Life Advertising Policy

APPENDIX 1

East End Life Editorial Policy

The editorial policy below clarifies the objectives of the paper and sets out the process by which editorial content is decided upon.

Objectives of the council's weekly newspaper:

- ❑ To communicate the council's policies, initiatives and successes
- ❑ To enhance residents' ability to access local services by providing information about services, meetings, advice, in the language or format which they need
- ❑ To celebrate the diversity of the borough and promote racial harmony and community cohesion
- ❑ To encourage engagement in democratic processes and community initiatives
- ❑ To encourage democratic engagement with young people and to give a platform for their achievements and successes
- ❑ To develop a sense of identity for the borough and therefore with the council
- ❑ To encourage debate on issues involving the council and the community eg crime and crime reduction initiatives, drugs, community cohesion
- ❑ To promote positive lifestyle choices to support healthy well being and prosperity
- ❑ To create an understanding of the responsibilities and work of the council and of councillors
- ❑ To promote the activities and role of the Tower Hamlets Partnership
- ❑ To promote a positive image of the community and the borough
- ❑ To improve equality of opportunity by promoting the services available from the council and from the local voluntary and community sector
- ❑ To engage residents in the cultural activities of the borough.

Editorial Policy

- 1 Editorial is defined as news, features, information, anything that is not a paid-for advertisement. Where an advert is guaranteed a place in a specific issue of the newspaper, copy submitted as news is not.
- 2 Discretion over topics covered, style, content and presentation rests with the editor, and in her absence, the deputy editor, with the approval of the head of communications and/or the assistant to the chief executive. Judgements are made within the restraints of the Local Government Act 1988 and council policies and priorities. The council has agreed that East End Life should function with professional independence, within the objectives set out above and with the oversight of the deputy leader, who holds the communications portfolio. Vetting of stories or features before they are published is impractical on a weekly publication, although standard fact-checking is carried out and a reasonable oversight given when appropriate.
- 3 East End Life is designed within the style of the corporate identity and has an agreed editorial 'house' style for copy.
- 4 There is also a recognised photographic content and style in line with editorial policy. Use of pictures is designed to reflect the multi-cultural diversity of the community.
- 5 Stories are selected on their news value and the information they give residents about issues, eg community safety, anti-racism initiatives, healthy eating schemes. Priority is given to council news and information.
- 6 News and information is published on the Harmony pages in Bengali and Somali each week with priority given to council stories.
- 7 There is no guarantee that an article or feature will appear in a specific issue although content is planned within the framework of a forward plan of features based around the council priorities, agreed with the directorates.
- 8 East End Life operates within the Code of Recommended Conduct on Local Authority Publicity (as amended in 2001). It cannot be used as a platform for individual councillors. The leader, deputy leader, lead members and scrutiny chairs are quoted where appropriate.
- 9 No political material is accepted and no information promoting a particular councillor or party can be covered, in compliance with the Code of Recommended Conduct on Local Authority Publicity (April 2001).
- 10 Regular columns are published giving advice and information on council and other services deemed appropriate to the council's own priorities. Other "guest" writers may also contribute topical columns on specific events where suitable.

- 11 Letters are invited in response to specific council campaigns to encourage debate and discussion with the community, in line with the emphasis on more open government and the aims of the Community Plan. Publication is at the editor's discretion.
- 12 Court stories are used where appropriate with details of defendants published in accordance with the law. Reports of anti-social behaviour orders are also published in accordance with the law which allows for juveniles to be named. The council has a policy to name perpetrators.

APPENDIX 2

East End Life Advertising Policy

Purpose

Commercial Operations, the professional in-house sales team for East End Life, accepts internal and external advertising on a commercial basis from customers directly and through their recognised agents.

The aim of this service is to generate revenues, which will provide a high quality, cost effective medium to reach the majority of the borough's residents, as well as providing legitimate competition in the media market. Therefore enabling the council to communicate directly with its residents - achieving its communications aims.

East End Life has a policy of ethical selling, its sales people are honest, decent, ethical, truthful and professional in all transactions with customers. The paper's ethical policy extends to the categories of business to which it sells advertising space. Unlike other local papers, East End Life does not accept advertisements from any business engaged in the sexual services industry.

Income generated from sales of advertising space in East End Life covers the costs of printing and distribution of the paper, and as much of the staffing costs as possible on an incremental basis. It has not been an objective that advertising should fully fund the entire costs of East End Life, due to the higher salary costs of local government employees compared to local newspapers in the commercial sector. Accommodation and other overheads such as the cost of training provided are also significantly higher than in local papers.

However Commercial Operations does work on a cost reduction basis (see below), whereby increases in income either deliver a larger better quality paper and no extra cost to the council or this income further drives down costs where the paper's quality and size remain the same. Where further commercial efficiencies can be gained through improved cost effectiveness on print, distribution and other third party budgets a virtuous 'magic circle' of increased income, lower costs, improved quality, larger paper and higher circulation can be achieved.

Organic growth on a cost reduction basis

East End Life operates commercially on a cost reduction basis. It reduces costs through organic growth of advertising, which generates increases in income over and above the costs of additional pages required. This gives the paper both increases in editorial pages, and income to either invest in editorial or offset against existing costs. Where and when revenues do not grow or meet targets the size and scope of the paper is reduced so as to not expose

the paper (council) to unnecessary costs, and to maintain cost efficiencies. Unit costs for pagination and print run increases are monitored and advertising rates, targets and 'tipping points' to enable such increases, or further cost reductions are regularly monitored, reviewed, and implemented.

Advertising Rates

Advertising Rates are set by the Commercial Development Manager in consultation with the Advertising Manager and with regard to current market conditions locally and nationally. The advertising rates are adjusted when and where applicable so as to maximise income for the council without reducing revenue streams through becoming priced out of the local market place. These are then published with the 'Rate Card', which is made freely available to all advertisers and their agents, and applied transparently.

Discounts and Agency Commission

The Commercial Development Manager in consultation with the Advertising Manager sets any customer discount rates and 'agency commission'. Both of these are then published with the 'Rate Card', which is made freely available to all advertisers and their agents, and applied transparently.

Terms & Conditions of Acceptance of Advertising

East End Life has Terms and Conditions of Acceptance of Advertising, cleared by the Council's Legal Service. A copy of this is available to advertisers. These Terms and Conditions of Acceptance of Advertising are regularly reviewed in light of operational and legislative changes.

All advertising is accepted in compliance with the Advertising Standards Authority published Code of Advertising Practice and Sales Promotion. Registered charities may seek an exemption from VAT by completing the relevant VAT exemption form as supplied by the Inland Revenue.

Advertising Confirmation and Cancellation

All advertisements and inserts booked into East End Life must have an auditable 'written' confirmation. This can be done by; customer purchase order, letter, fax, memorandum or e-mail, or on a confirmation form supplied by East End Life.

Advertising agencies may supply verbal confirmation, as this method is industry standard using a named agency person, sometime followed by a verbal or written purchase order number, which all legitimate 'bonded' agencies will honour.

Cancellations of advertising bookings are only accepted in writing giving, verbal cancellations are not accepted. Long term contracts are subject to a

notice period, which is notified to the sales customer during negotiations and is clearly displayed on East End Life's booking forms.

Advertising Booking & Copy Deadlines

Advertising booking and copy deadlines are set by the Commercial Development Manager, in consultation with the editor and production manager of the paper, and are published for sales customers and their agents.

Advertising Rate Card

An advertising rate card is published, and regularly updated containing the full advertising rates, discounts, mechanical data and other necessary information required by both advertisers and their agents. The advertising rate card is made freely available to both advertisers and their agents. In both paper and electronic format.

Advertising Revenues Pagination Schedules

The Commercial Development Manager, and or the Advertising Manager decide the pagination of the paper each week, in consultation with the Editor, based upon the advertising revenue booked into the paper against the costs for print & reprographics and distribution.

Training & Personal Development

A schedule of both in-house and external sales and team development training is in place reflecting requirements identified in the PDR process and subsequent one to one with staff. A positive attitude to staff development and training is encouraged within Commercial Operations with team members actively encouraged to enhance and develop their skills and knowledge.