

How we saved £2m

Background

In 2009/10, Haringey Council spent £2.7m on design, print and related services; in 2011/12 the council spent £650k on the same services.

In 2009 we carried out a review of marketing communications. The review highlighted the following concerns:

The Findings:

- Our current systems and working processes were fragmented, inefficient and labour intensive
- Our work was often poorly briefed, unplanned and urgent
- The cost of our in-house and outsourced design and print was high
- Our internal print and design function was not being fully utilised
- Customer satisfaction was low with only 28% of our clients rating our service as good/excellent
- Print procurement and the specification process was time consuming for both the council and our suppliers
- The Design and Print service was struggling to manage demand resulting in an over use of externally commissioned services.

Our response to this review was ambitious, requiring commitment from every member of our team.

Objectives

- To adopt a project management system to cut costs and gain efficiencies
- For Marketing Communications, Design and Print (MCDP) to take a strategic lead in improving the council's marketing communications.

Strategy

In November 2009 it was agreed to trial a project management system for six months, designed to automate a number of our processes, helping us to be more efficient and have greater control. We went live in December 2009.

Timetable

Stage	Planned activity
Pilot Dec 09 – Jun 10	Trial a single online management system , to: <ul style="list-style-type: none"> • Find £100K of savings • Improve reputation to point where 50% of our clients rate our service good / excellent • Increase capacity and productivity within MCDP • Create clear, comprehensive overview of activity • Monthly review with Audit and Finance
Review June 10 – Oct 10	<ul style="list-style-type: none"> • Strategic analysis of outcomes from Pilot • Proposal and consultation on implementation • Corporate Board approval of implementation • Procurement of management system
Implement Oct 10 – Mar 11	Roll-out agreed process council –wide, to: <ul style="list-style-type: none"> • Find £500K of additional savings • Improve reputation to point where 60% of our clients rate our service good / excellent • Creation of Corporate Communications Plan for 2011-12
Extend Apr 11 – Mar 12	Analysis of activity, expenditure and priorities to: <ul style="list-style-type: none"> • Improve the planning of council communications • Find £200K of additional savings within MCDP services • Improve reputation to point where 70% of our clients rate our service good / excellent • Implement Corporate Communications Plan for 2011-12 • Create Corporate Communications Plan for 2012 -13

The results were instant:

Between January and March 2010 we delivered over £100k cashable savings.

Suppliers on the framework agreements and those providing ad hoc other services could now input and maintain their own pricing structure on the system, allowing the suppliers to offer reduced rates to reflect the reduced level of work required of them to provide speculative estimates.

There was an average price reduction on external design and print costs of 55% in respect of similar work carried out in the same period in the previous year.

There was an 80% reduction in administrative processes improving the team’s operational efficiency and productivity.

The Design Team were now freed up resulting in no design work being commissioned externally including the residents’ magazine Haringey People; and there was a significant improvement in customer and supplier satisfaction.

Centralisation

After three months the benefits of the system were apparent, a decision was made to:

1. Find a permanent project management solution, and
2. Centralise the council’s spend on communications, by creating a centralised budget.

Centralisation of the budget would allow us to develop a more cohesive communications strategy, consider alternative channels for communication and identify further efficiencies.

Through category management reports we were able to analyse how much the council was spending, on what and who was spending it. The process of centralising the budget took four months and delivered an instant saving of over £500k on all outsourced design and print.

Removal of the trading element

In addition to addressing the budget, the requirement to make a surplus on the in-house print and design activity was removed. The surplus was effectively achieved by money passing round the council rather than focusing on driving down costs.

The Annual Communications Plan

The council was carrying out a number of Support Function Reviews, and one of the reviews focused on staff that had a communications function whether out in services or in the corporate centre.

The decision was made to only have a centralised marketing communications team. Following the restructure this team now comprises of five marketing communications officers, down from 14 officers', a council wide saving of £300k. This newly formed team work with directorates and services to develop and deliver an integrated annual communications plan designed to assist in meeting the council's overall objectives and key priorities.

The Plan consists of several campaigns, large and small; it is integrated, costed, using the new project management system, and has a robust method of evaluation built in. We use SOSTAC®, a marketing planning model, which allows for all communications to be strategic, well thought out, data driven, outcome focused and underpinned by market research.

This planning process was implemented in April 2011 and has delivered significant savings by eliminating duplication, allowing our work to be more targeted and having a more campaign led approach.

The Print Room

The new project management system allowed us to do a robust analysis of the costs of the in-house print service versus our print framework and it was clear that the need for an in-house service could no longer be justified. The Print Room was closed in April 2011 only retaining one high volume copier for committee papers and legal copying delivering a further saving of £220k.

Budget

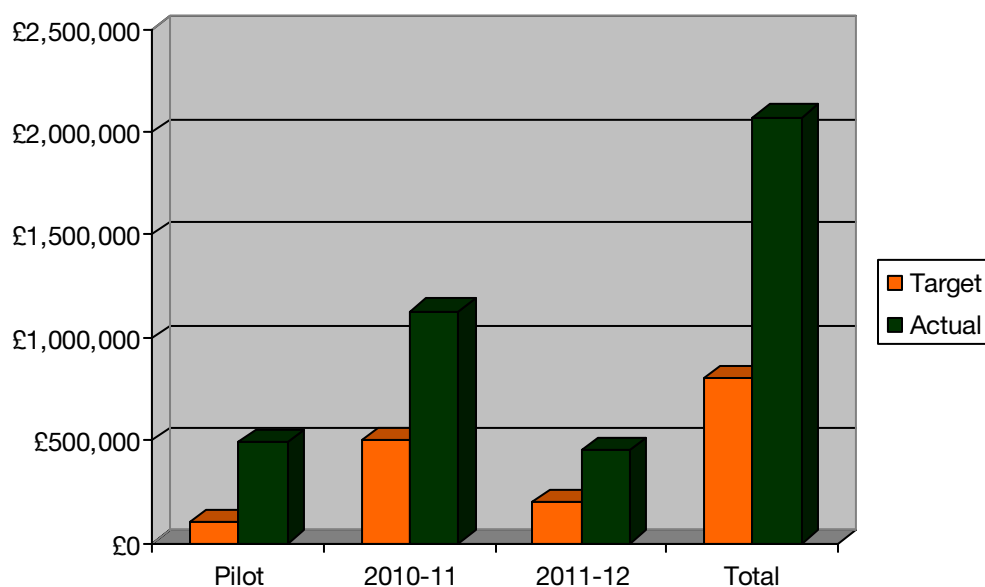
We have achieved a significant improvement in our customers satisfaction and have made savings of £2m over 3 years (and reduced our staffing costs) by having a concentrated and committed team effort and an investment of £84,000 in a new system.

	Investment	Return on Investment
System for pilot	£27,400	£493,993
Licence to system 2010 -11	£26,950	£1,127,050
Licence to system 201 1-12	£29,400	£452,131
		+ reduced staff costs

Evaluation

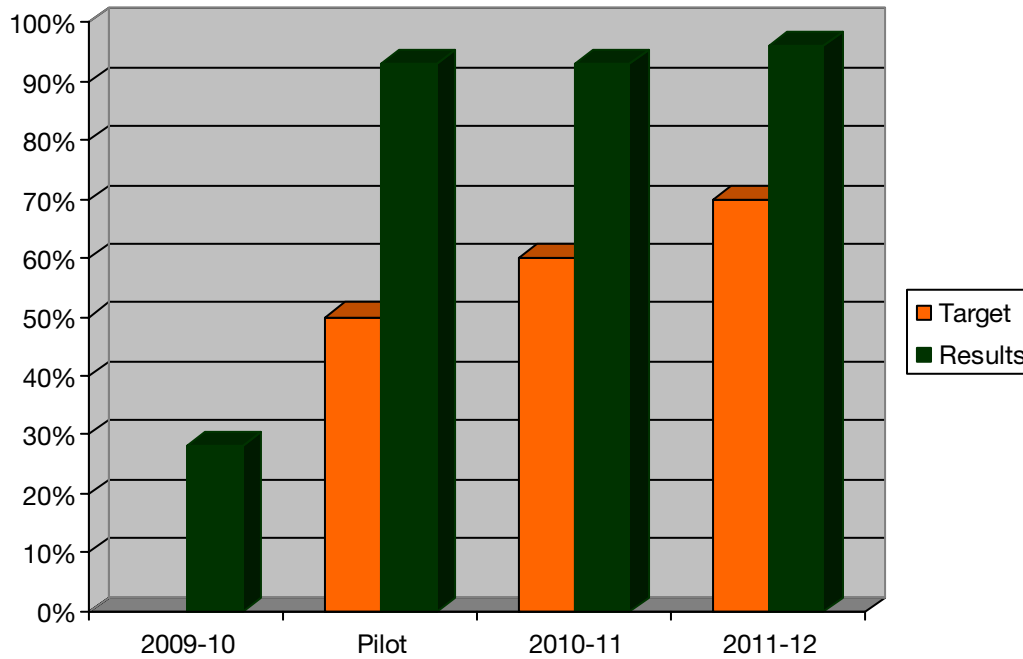
We beat our savings target for the Pilot five-fold. The project management system allows us to make informed decisions, frees up our time to plan marketing activity proactively and has cut the prices we pay for our services by 55-70%.

Savings



Our customer satisfaction improved by 68%. Feedback was captured on 2,659 campaigns and jobs (31% of MCDP's work) during the pilot. Our reputation has improved massively and currently 96% of our clients rate our service good/excellent.

Customer satisfaction



Conclusion

The introduction of the project management reduced our administrative processes by 80% improving the team's operational efficiency and productivity. It also delivered a significant reduction in design and print charges to the council. This allowed us to take a strategic approach to the way we manage marketing activities for the council and we developed the communications annual planning process.

The introduction of the Annual Communications Plan created for the first time the ability to monitor and control costs, but more than that it gave the MCDP team and the council a complete overview of yearly marketing activities, council wide. This overview enables the MCDP to prioritise activities against the council's key priorities, to provide integrated campaigns for each service, to link initiatives council wide and truly work as one council.

Team

- Lesley Gordon MCIM, Chartered Marketer; Head of Marketing
- Laura Cooper; Senior Marketing Communications Officer
- Eilidh Murray; Marketing Communications Officer
- Ryan Ledger; Marketing Communications Officer
- Skevi Jordanou; Marketing Communications Officer
- Sean Healy; Marketing Communications Officer
- Rachel Wynne; Production Director; Panacea

CONTACT DETAILS:

Lesley Gordon MCIM, Chartered Marketer

Telephone: 020 8489 6943

Email: lesley.gordon@haringey.gov.uk