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**HEALTH AND SAFETY EXECUTIVE  
The HSE Board**

**Communications budget: spend for remaining part of 2006/07**

**A Paper by Shelagh Molloy/Vinny Kenny**

**Advisor(s): Frank Dolan/John Lack**

**Cleared by Colin Douglas / Vivienne Dews on 28 November 2006**

**Issue**

- Options for further reduction in the Communications budget for 2006/07.

**Timing**

- Immediate.

**Recommendation**

- That the Board consider the options for making further savings on Communications in the table at para 9.

**Background**

4. The current year's Communications budget was reduced by £1.5 millions to £8.68 millions, following a Board discussion in June 2006. The budget funds a range of communications activities including the advertising costs of the big campaigns, direct mailings, PR support from agencies, conferences, SHADs and other events, publications and web development. The Board subsequently agreed that it might be necessary to look for further reductions in Communications spend if efforts to reduce spend elsewhere were not sufficient in bringing HSE within budget for 2006/07 and 2007/08.

- Paper B/06/114 discusses the 2007/08 position. For the current year at 31 October the position in broad terms was as follows:

Budget	£8,688k
Spend	£4,003k
Committed	£3,141k
Uncommitted	£1,545k

6. The committed spend of £3,141k includes some £2,601k shown as commitments on HSE's TAS finance system and some £540k in the process of being committed (work agreed but not yet recorded on TAS):

- £220k - Disease Reduction Skin Campaign;
- £200k - Stress Programme events;
- £90k - Disease Reduction Programme asbestos campaign;
- £30k – Corporate stakeholder research;

Note: The 'skin campaign' was agreed by the Board.

7. Much of the rest of the uncommitted money is allocated to programmes with multiple small-scale activity e.g. agriculture and construction programmes which account for £834k. Construction Programme believe that HSAOs are in the process of committing up to £100k for Working Well Together. The two big ticket corporate communications activities – spend on GNN media support to the Press Office and Programmes, and investment in web developments – together account for about another £500k.

### **Pressures on the budget from non priced publications**

8. A significant pressure within the Communications budget is the spend on printing and re-printing non-priced publications (e.g. leaflets). Demand is difficult to forecast by Communications Directorate and CDS. CDS are currently reviewing the causes of an increase. There is already a challenge function in place within CDS for any seemingly excessive demands for large volumes of non-priced publications, but some HSE colleagues remain unconvinced by arguments that distributing large volumes of leaflets at SHADs and other events is not only unaffordable, but is not effective communication either. In order to cap costs in the current year which are proving so difficult to control, Communications Directorate have introduced measures to restrict unfunded print and re-print costs from 24 November. CDS are working with Programme teams and Sectors, including LAs, to identify specific leaflet demands for the remainder of the year and reviewing alternative ways of providing the information.

### **Options for surrendering cash**

9. The table below sets out the planned spends for the rest of 2006/07 in 3 categories depending on the risks as far as loss of goodwill and reputation with stakeholders are concerned. The easy savings would yield £380k. The more difficult a further £210k, and the very difficult a further £950k.

### **Consultation**

10. CDS, Fit3, FOD, HID, Construction, PEFD

### **Presentation**

11. Any presentational benefits to staff who see communications as a luxury in times of financial pressure from a further cutting back on this budget will be offset by concern from delivery teams whose effectiveness will be compromised by reductions in communications support for activity designed to achieve targets. The impact of different options on external

stakeholders is another critical factor for the Board to consider – presentation of any cutbacks across several programmes will best be handled via an agreed Board message to help ensure that the right messages are consistently delivered.

### **Costs and Benefits**

12. Any cash surrendered from the Communications budget will be used to offset pressures elsewhere in HSE's budget.

### **Financial/Resource Implications for HSE**

13. See paragraph 9, Table below and Annex 1. Any agreed reduction will provide the Board with flexibility in managing the in-year financial position or contribute to resources for delivery in 2007/08.

### **Environmental Implications**

14. None

### **Other Implications**

15. None

### **Action**

16. Board to consider options in paragraph 9.

Option	Cutback	£k	Impact
<b>1. No/Low pain</b>	National awards	90	No impact
	Stress Programme	280	No impact but programme team have asked for £36K to cover overspend in one area
	Image library & web accessibility audit	10	Disappointment among users and loss of measurement of accessibility
<b>Total</b>		<b>380</b>	
<b>2. Medium pain</b>	As 1. above plus:		
	Respiratory disease exhibitions, publications	50	Low impact – publication can be deferred.
	Reduce remaining Agriculture and Construction Programme activity by a third	100	(See box below)
	Corporate Communications contracts: reduce Government News Network contract; halt work on MORI survey and corporate publications testing; stop 7 major website upgrades	60	Loss of key management information used for Balanced Scorecard and other tracking systems  Deferral of website upgrades to next year would have knock on effect
<b>Total</b>		<b>210 (590)</b>	
<b>3. Severe pain</b>	As 1 & 2 above plus:		
	Agriculture – stop SHADs	125	Will affect multiple small scale (£10k or less) events with local, regional and national stakeholders
	Construction – stop programme activity – Working Well Together; CDM launch preparations activity; web developments inc. OH management tool, 4 events.	190	Impact on delivery hard to assess – campaign evaluation shows that combined comms/inspection activity is more effective than single intervention approaches; pulling WWT events will breach verbal commitments and industry contribution (£3 for each HSE £1); OH tool critical to successful shift of industry towards health
	FOD - stop all divisional spend with GNN on proactive support	50	Loss of gearing of enforcement activity
	Respiratory disease campaign sector initiatives (MVR, Wood, Bakeries)	40	Loss of reputation with stakeholders; Asthma campaign designed to eliminate 170 cases of asthma by 2008
	Government News Network contract	340	Loss of regional impact for corporate and regional communications; Loss of goodwill with GNN for unplanned disruption to longstanding support relationships
	End corporate contracts: new web content management system, 6 additional major website updates, web analytics, new online communities, extranets including Northern Ireland Inspectorate site; end AS Biss contract	190	Loss of online contractors. Experienced in HSE business – difficult to rebuild momentum and skills;  Loss of political monitoring data;
	HID events	15	
<b>Total</b>		<b>950 (1,540)</b>	

## Communications Budget 2006/07

## Summary of Expenditure and Committed Spend as at 31 October 2006

Programme Area	Budget	Spend @ 31/10	Committed @ 31/10	Balance
	£k	£k	£k	£k
<b>FIT 3</b>				
Agriculture & Food	83	156	3	0
Backs	2,500	212	2,155	133
CACTUS	20	3	-	17
Construction	330	118	13	199
Disease Reduction	690	149	377	164
Falls	1,468	1,436	-	32
Managing Sickness/R2W	20	20	-	-
Manufacturing	20	45	1	0
Noise and Vibration	60	62	-	0
PSP/Stress	1,000	335	337	328
Slips and Trips	15	5	-	10
Workplace Transport	30	48	-	0
<b>FIT 3 Total</b>	<b>6,236</b>	<b>2,589</b>	<b>2,886</b>	<b>883</b>
<b>Major Hazards</b>	146	117	2	27
<b>FOD Operations</b>	210	99	4	107
<b>Strategic Enabling</b>	180	199	1	0
<b>Policy Core</b>	30	36	15	0
<b>Corporate</b>	1,886	1,104	233	528
Adjustment for credit	0	-141	0	0
<b>Totals</b>	<b>8,688</b>	<b>4,003</b>	<b>3,141</b>	<b>1,545</b>