

Date: 22 January 2010  
Your ref:  
Our ref: ce/zq  
Enqs to: 0844 798 2103

The Rt Hon Stephen Timms MP  
Minister for Digital Britain  
Department for Business, Innovation & Skills  
1 Victoria Street  
London SW1H 0ET

Dear Stephen

### **Council periodicals and other communication with the public**

I am writing to inform you of the Audit Commission's conclusions from research into council periodicals and communication with the public. The evidence supporting these findings is set out in an appendix to this letter. We have responded to the elements of the *Digital Britain* request as far as our powers allow, as explained in my letter of 24 July 2009 to Lord Carter. We recognise the important role that local commercial newspapers can play in providing information to the public, but our remit does not enable us to assess competition in the local media market or the impact of council activities on commercial entities.

There are seven key findings from our work, which covered English councils:

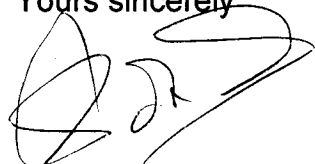
- Over 90 per cent publish a periodical, but almost all of these are published once a month or less frequently;
- 47 per cent of council periodicals contain private sector advertising, including those with very limited or occasional advertising;
- Only 5 per cent of council periodicals contained statutory notices (1 per cent outside London); only 6 per cent contained recruitment advertising (3 per cent outside London);
- One third of 1 per cent of council spending (£257 million) in 2008/09 was recorded as being on communication with the public;
- Claims about the value achieved by communication spending are not well supported by evidence;
- Councils should review their editorial policy to ensure that it is politically neutral and publicly defensible; and
- The current accountability framework provides adequate safeguards against misuse of public money for political ends.

Communication is important to inform the public of the services councils provide and the functions they perform. It is also important to explain to voters and council taxpayers the reasons for particular policies and priorities. The Audit Commission encourages the provision of information to improve accountability to taxpayers for spending; we also consider that councils should have a duty to publish annual reports.

The money being spent by councils is not unreasonable, though they should always consider whether it provides good value. Few council publications are published sufficiently frequently to be viable media for most local advertising.

I am copying this letter to your colleagues and other interested parties as detailed below, and will make the letter available on the Audit Commission's website.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Steve Bundred', written over a white background.

**Steve Bundred**  
**Chief Executive**

cc Secretary of State, Communities & Local Government (Rt Hon John Denham MP)  
Minister for Creative Industries (Siôn Simon MP)  
Shadow Secretary of State, Communities & Local Government (Caroline Spelman MP)  
Shadow Minister for Housing (Grant Shapps MP)  
Chief Executive, Local Government Association (John Ransford)  
Chief Executive, Office of Fair Trading (John Fingleton)  
Communications Director, Newspaper Society (Lynne Anderson)  
Chair, LGcomms (David Holdstock, London Borough of Hillingdon)