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RESEARCH NOTE 44

Quango Communication Costs

At the last count 1,162 public bodies functioned at a national level in the UK. Costing over £64 billion and employing over 700,000 people, these organisations are responsible for implementing large sectors of government policy, from approving medicines to rebuilding church roofs.¹

Public accountability within this enormous quango state is minimal. The Freedom of Information act has enabled some scrutiny, but the law's complexity restricts its utility. Most quangos exist below the radar of public and media attention. Quangos spend considerable proportions of their budgets on 'communication', often in an attempt to build public and political support.

A sample of 32 public bodies – of a variety of size and function – shows that almost two thirds have considerably increased their communication budgets since 2006-07. While not all of this has gone on spin doctors, an average increase of 24 per cent suggests that many quangos are now diverting valuable resources towards media and political relations. For instance both the Rural Payments Agency and the Marine and Fisheries Agency have set up dedicated communication teams in the past two years, and many others have increased spending on their press departments.

The key findings from the research suggest:

- On average, quangos have increased their spending on 'communication' by 24 per cent since 2006-07.
- The number of people employed in 'communication' has risen by 11 per cent since 2006-07.
- Spending on communication has increased at a faster rate than general administration budgets. For instance the running costs of the Charities Commission only increased by 7 per cent between 2006-07 and 2007-08, while spending on communication increased by 34 per cent.
- Over a third of public bodies in the sample successfully reduced 'communication' budgets. Nearly the same amount cut the number of staff employed in 'communication'.

¹ TaxPayers' Alliance (2008), *The Unseen Government of UK* - http://tpa.typepad.com/home/files/080515_structure_of_government_1_unseen_government_amended.pdf



The TaxPayers' Alliance sent Freedom of Information requests to a sample of 65 public bodies. 32 of those organisations responded with adequate information. The full details of their responses can be found in Appendix A.

From the information provided it is clear that some public bodies do have legitimate reasons for spending money on 'communication'; public health campaigns and the advertising of services, for instance.

However the evidence suggests quangos disguise self-promotion and spin within broader descriptions, such as 'stakeholder engagement' and 'informational publications'. Regional Development Agencies for example claimed that the £286,000 spent at the 2008 Party Conferences was to "contribute to debates on key issues of relevance [...]"; lobbying, in other words.²

The British Council provided information on just their Press and Parliamentary office, the cost of which was up 31 per cent from 2006-07 to over £680,000. This shows that some quangos are spending considerable sums purely on PR and lobbying.

Getting at the true cost of spin and PR in the public sector is difficult. But monitoring budget items such as 'communication' enables the taxpayer to hold quangos to account. Public bodies should try and minimise any unnecessary spending on communication, and central Government should consider closely whether the UK taxpayer needs all these quangos.

Ben Farrugia, Policy Analyst at the TaxPayers' Alliance:

"Quangos should spend less time talking about what they are doing and more time doing the job that they are paid to do. Some quangos have legitimate reasons to spend on communication, but far too much goes on expensive public relations and spin. Given the size of the quango state, the UK taxpayer is footing an enormous and unnecessary bill for PR."

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² Bolton News "90k Junket Bill Sparks Row", 1 January 2009



Appendix A:

Quango Communication Departments

Name	Staff		Total Cost		Percentage Cost Increase	Notes
	2006-07	2007-08	2006-07	2007-08		
Marine and Fisheries Agency	1	3	15,600	129,200	728.21%	MFA established a dedicated communications team in 2007.
Natural England	76	67	1,836,000	5,250,000	185.95%	Natural England was created in October 2006. Figures for 2006-07 only reflect costs of communications between October 06 and March 07.
Rural Payments Agency	10	10	741,447	1,441,335	94.39%	
Driving Standards Agency (DSA)	11	18	1,150,577	2,174,719	89.01%	
Nuclear Decommissioning Authority	14	17	2,002,034	3,140,347	56.86%	NDA merged with Nirex in 2007.
Olympic Delivery Authority	-	28	1,120,060	1,719,503	53.52%	
Office for Standards in Education (OFSTED)	26	32	1,859,023	2,784,218	49.77%	OFSTED underwent significant structural change in 2007, taking on new responsibilities.
Charity Commission for England and Wales	7	9	509,588	680,908	33.62%	
British Council	5	7	521,000	682,000	30.90%	Figures only reflect staff and cost of the Press and Parliamentary Affairs team.
Learning and Skills Council	-	-	2,305,170	2,924,430	26.86%	Unable to distinguish staff dedicated solely to communications.
Competition Commission	3	3	213,863	262,460	22.72%	
Health Protection Agency	29	32	1,675,000	2,035,000	21.49%	
South West England Development Agency	9	11	964,134	1,120,147	16.18%	
North West Development Agency	7	8	306,942	356,093	16.01%	
Higher Education Funding Council for England	9	11	573,327	663,494	15.73%	
UK Atomic Energy Authority	24	20	1,624,000	1,850,000	13.92%	



Name	Staff		Total Cost		Percentage Cost Increase	Notes
	2006-07	2007-08	2006-07	2007-08		
National Institute for Health and Clinical Excellence	40	50	3,886,000	4,418,000	13.69%	
UK Sport	5	6	519,000	586,000	12.91%	
Office of Fair Trading	35	24	3,459	3,784	9.40%	OFT underwent significant structural changes in 2006, with the OFT Library transferred out of the Communications department.
Identity and Passport Service	39	56	7,800,000	8,500,000	8.97%	
Advantage West Midlands	16	20	1,811,934	1,952,712	7.77%	
Civil Aviation Authority	6	6	820,000	845,000	3.05%	Figures are for the internal Corporate Communications Dept.
East Midlands Development Agency	5	5	440,930	442,016	0.25%	
Gambling Commission	5	5	494,362	492,362	-0.40%	
British Nuclear Fuels PLC	4	2	2,300,000	2,200,000	-4.35%	
VisitScotland	12	12	847,000	808,000	-4.60%	
English Heritage	19	16	1,646,002	1,511,430	-8.18%	
Yorkshire Forward	11	11	624,381	568,643	-8.93%	
British Waterways	16	14	796,630	721,229	-9.46%	
Office of Rail Regulation	13	14	696,966	629,664	-9.66%	
Commission for Architecture and the Built Environment	8	8	915,100	813,200	-11.14%	
East of England Development Agency	11	12	1,462,331	1,008,982	-31.00%	
	476	537	42,481,860	52,714,876	24.09%	