



# Design Council Business Plan 2006-07

## National Design Policy in Practice

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# 1 A History of Achievement

The Design Council has a history of success from its role in post-war reconstruction to consumer engagement and international promotion. With initiatives including the Haymarket Design Centre, the Kitemark, and Millennium Products, it has played an important role in our national life.

In 2004 the Design Council reset its priorities in light of the fast-changing global context and set new goals based around the central role of design as a driver of innovation, competitiveness and productivity.

## Highlights from the last two years include:

- A comprehensive change programme for UK firms has been developed, piloted and brought to market. By integrating design into strategy the programme is shaping the fortunes of hundreds of businesses.
- A ten-year biennial national design promotion has been developed with the first region announced for 2007 in the North East. *Designs of the Time 2007*, based in Newcastle, is organising public design commissions, showcases and education projects in schools.
- The Design Council has contributed successfully to an independent Treasury Review on the role of creativity in the competitiveness and productivity of business. The recommendations of the Cox Report have been agreed with government and implementation is underway.
- We have laid new foundations for developing and strengthening our design sector. A new partnership with Creative & Cultural Skills is co-ordinating the work of industry leaders and organisations around a joined-up national design skills plan.
- New approaches to public service innovation have been successfully trialled. Major agencies and providers, including some NHS regions, are integrating this work into their operations.

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### 3 About This Plan

The Design Council works on a three-year strategy cycle, with detailed business plans agreed annually. This is the third year of our existing strategy which was agreed with government in the Spring of 2004. In the light of the Cox Report and the acceleration of our programmes, the Council agreed a strategy review in advance of finalising the Business Plan for 2006.

The new plan, *National Design Policy in Practice*, rounds off the last year of the current cycle whilst also setting in place the cornerstones of the next three-year strategy 2007-2010. The timing is important as our approach needs to work responsively alongside the timetable and outcomes of the forthcoming Comprehensive Spending Review.

*National Design Policy in Practice* is intended as an internal business planning document. The primary audiences are:

- \_ The DTI and the DCMS, who as sponsoring departments, agree the plans.
- \_ Council who are the key governance body and finalise policy direction.
- \_ The management and team, who develop and execute the programmes.

As a public body the strategy is also published on our website and is made available to other agencies and partners.

## 4 Executive Summary

### Context

Design has been central to each major economic wave of the last 150 years. From the industrial revolution and the call to humanise manufacturing to recent rapid shifts in technology and communication. Each changing context has called for a new response. In the mid nineteenth century, Royal Commissions and Select Committees led to bold national projects such as the first government sponsored school of design (later the RCA) and the Great Exhibition. The Design Council itself was established with a brief to help British businesses re-emerge in a new post-war era with well-designed products and services.

The Cox Report to Treasury confirms that the global economy is facing another massive economic shift. We are in the midst of this new cycle with its complex and sometimes conflicting mix of pressures. Whilst international competition will intensify, including the meteoric rise of developing nations such as China and India, tough choices will have to be made in order to protect natural resources and reduce the impact of climate change. To compete and survive in this fast-changing environment will require new levels of creativity, innovation and ideas. The Cox Report provides a timely framework for national design strategy at a time when industry and governments around the world are looking to strengthen their creative capabilities.

This plan seeks to build on the experience, knowledge and programmes of the Design Council which have informed the Cox Report. It also seeks to build on the new agenda which has been agreed with government and advance this at the heart of national design strategy.

### Design at the heart of national economic and social priorities

The Design Council retains its focus on inspiring and enabling the very best use of design within business and the public sector in order to drive competitiveness, innovation and improve performance. This is matched by equal efforts to support our creative economy and develop the skilled designers of the future.

**In business** we aim to play a key role in accelerating UK competitiveness and productivity:

- Delivering the *Design for Business* programme to 6,500 businesses over five years.
- Facilitating and supporting agencies involved in the delivery of the Cox recommendations, including the RDAs, national executives and universities.

**In the public sector** we will seek a new joined-up approach to design innovation and service transformation:

- Expanding our RED design demonstrations into multi-agency public/private projects, starting with an emphasis on health and the elderly.

**In design** we aim to strengthen the training, education and skills development infrastructure encouraging the sector to flourish across the country:

- Accelerating the growth of regional creative economies and engaging the public through our biennial national design promotions.

- Providing a coherent skills development plan across schools, higher education and the workplace to meet the needs of the next creative generation.

### **Operating in a challenging environment.**

The Design Council is a national strategic body with an agenda that is recognised as vitally important by government. It is right therefore that its plans should be ambitious and far-reaching. Expediting the plans will not, however, be easy.

The Design Council is a small organisation. Despite the fact that its programmes have attracted significant investment and demonstrated the strength of demand, core grant-in-aid continues to diminish from an already relatively small base. This restricts our ability to invest and influence the outcomes of our programmes as they roll-out on the ground.

As we look forward there are a number of critical external dependencies which will affect our ability to deliver.

Our biggest programmes (*Design for Business* and *DotT*) are dependent on investment from the RDAs. Whilst funding has been secured for the period of this next business year, the RDAs are subject to zero-based reviews.

Whilst we are playing a central role in advancing the implementation of the Cox Report, around which some may judge our success, accountability lies with government and responsibility is devolved across many agencies.

The ability of the Design Council and other agencies to deliver to the Cox agenda, will be dependent on a successful outcome from the Government's 2007 Comprehensive Spending Review. We know that this will be a harsh funding round.

The DCMS has joined the DTI as joint departmental sponsor of the Design Council. The DCMS is itself defining its priorities over the summer/autumn period in a review called 'The Creative Economy Programme'.

The strategic responses to these and other variables have been discussed by the Council within this recent review period. The key principles were agreed and have been incorporated into this plan. They include:

- Creating a distinction and separation between the core activities of the Design Council as a national strategic body and those that relate to programme delivery. Major delivery programmes will frequently be delivered through satellite or joint-venture vehicles.
- The organisation's role as a national strategic body will continue to be enhanced, with a strong emphasis on facilitating and connecting up the system. This will include a programme for decision-makers and opinion-formers across the many agencies involved in delivering programmes and policies.
- Managing and influencing delivery within a more complex funding environment will call for enhanced business skills within the organisation. A new role of Enterprise Director will be appointed at executive director level. One of their early priorities will be to ensure the effective set up of the venture business that will deliver the *Design for Business* programme.
- In a changing world the Design Council will need to be as adaptive as possible. A new matrix-based organisational model will be adopted

placing the emphasis on flexible project teams and core skills rather than departmental structures.

## **Conclusions**

Design and designers play a hugely significant role in national life. And now Britain needs more. More design and design thinking integrated into the fabric of business. More designers with the skills to support, own or drive new enterprise. Design and creativity at the heart of our public services, so they delight and surpass the expectations of UK citizens. Our national spirit is not about giving in to competition but rising to the international challenge.

The Design Council has a strong track record with new relevant and proven programmes. It is working to a national economic agenda agreed with government. As with any ambitious plan there are sticky obstacles and challenges. But there are genuinely good reasons to be optimistic. For instance, in the North East, where we have been working on the national design promotion, bold plans have been hatched to use design as a driver for the regional economy. Northumbria University has a £100m capital project bringing together its business college with its design faculty. The city is planning a “design corridor” to link to the planned £19m Design Centre. This in turn will be the northern base for the Design Council’s business programme. Initiatives like this – large and small – are now in train around the country.

There is energy and commitment to the Design Council’s policies and programmes from industry, education, economic development agencies, designers and even the public. This plan aims to turn the policies and programmes into a national habit.

## 5 Programme Synopsis

We have aligned our structure and our programme to our key areas of activity. In other words, we have grouped everything according to what we do and deliver rather than by department or theme.

It is a simple cascade...

**We are the national strategic body for design.**

Our purpose is:

**To strengthen and support the UK economy and society by inspiring and enabling the best use of design.**

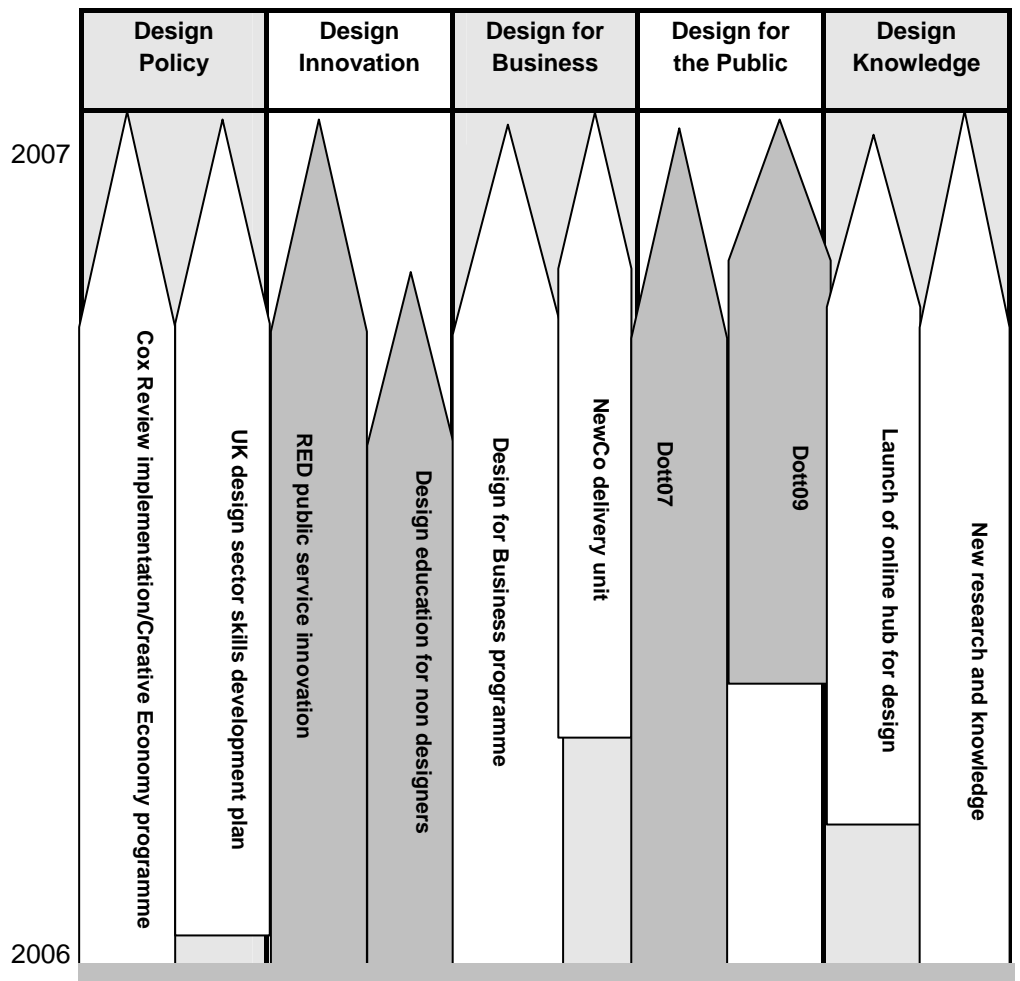
And our goal is that:

**UK management is the best user of design in the world, supported by the most skilled and capable design professionals.**

What we do to achieve this is in five key domains:

<b>Domain</b>	<b>What we do</b>
<b>Design Policy</b>	Maintain and develop national design strategy.
<b>Design Innovation</b>	Initiate new thinking on the application of design.
<b>Design for Business</b>	Direct a programme of direct support for UK firms.
<b>Design for the Public</b>	Coordinate a biennial national design promotion.
<b>Design Knowledge</b>	Provide the UK with authoritative design research, knowledge and signposting.

The diagram below gives an *illustration* of some of the projects we will be carrying out within each of the domains during 2006-07.



The following section sets out in more detail the work in each of the five core activity areas:

- \_ Design Policy
- \_ Design Innovation
- \_ Design for Business
- \_ Design for the Public
- \_ Design Knowledge

For each activity we will briefly cover:

- \_ Core successes from 2005-06
- \_ Key success factors for 2006-07
- \_ Core objectives and milestones for the coming year.

## Design Policy

Maintain and develop national design strategy.

### 2005-06 successes

- The Design Council's key recommendations to the Cox Review were strongly supported by government and an implementation plan is going forward.
- A national design skills plan was developed for consultation in partnership with Creative & Cultural Skills.
- We coordinated a Sustainable Design scoping study with policy recommendations on behalf of the DTI & DEFRA.

### Key success factors for 2006-07

- Cox Recommendations well supported with implementation on track.
- Design Sector Skills Development Plan published and well-supported.
- New Design Council opinion-former programme established.
- Strong funding outlook for core UK design policies within CSR2007.
- Design Council and design well represented within DCMS Creative Economy Programme Report.

### Objectives for 2006-07

#### **Support and advance the timely implementation of the Cox Review**

- Monitor progress across all the recommendations, providing appropriate levels of support where required, including inputs to the cross-Whitehall and Ministerial boards.
- Lead on the implementation of the Cox Report recommendations with regard to business awareness and the Design for Business programme.
- Provide support and advice to the RDA network and the devolved administrations to assist in embedding design strategies within their economic plans.

#### **Establish and co-ordinate the implementation of the UK design sector skills development plan, in partnership with Creative & Cultural Skills**

- Complete an industry-wide consultation including regional focus groups and on-line questionnaire.
- Support the industry-led Design Skills Advisory Board in finalising a development plan to take forward to government and other agencies.
- Maintain a programme of active design skills research and pilot activity in order to validate and advance new approaches and policies in UK design education within schools, colleges and universities.

#### **Sustain momentum around national design policy development including strengthening a national network of leaders and opinion-formers**

- Extend and develop the opportunities for UK and international decision-makers and opinion-formers to meet and exchange knowledge around design policy, including through new and enhanced regular communications, events and conferences.
- Formulate and advance robust CSR2007 proposals and supporting campaign with the aim of achieving funding aligned to priority national policy objectives around business competitiveness, public services and the creative economy.

Contd...

- Provide the DCMS Creative Economy Programme with comprehensive design policy input.
- Influence the outcome of the forthcoming Education Select Committee on design within Building Schools for the Future including giving evidence and providing a formal submission.
- Support the DTI & DEFRA to integrate effective UK Sustainable Design Policies in line with the Design Council's Scoping Report.
- Engage government in partnership with business organisations around new policy proposals that support the commercialisation of technology.

## Design Innovation

Initiate new thinking on the application of design.

### 2005-06 successes

- Demonstrated the strategic role of design within public service innovation through partnership projects in Health (NHS) and Energy (GLA).
- Energy Savings Trust and GLA to take forward the ideas on energy reduction as developed through the Future Currents Project.
- Bolton Diabetes Network taking forward tests of preventative health service ideas, including diabetes cards..

### Key success factors for 2006-07

- One new RED demonstration project informing UK policy development.
- Public sector research and evidence published.
- Viable plans agreed within CSR for embedding strategic ("transformation") design within the public sector.

### Objectives for 2006-07

#### **Create a programme of cross sectoral partnership work developing public service innovation, with a view to these being developed at scale.**

- Deliver RED demonstration projects following scoping within the fields of ageing and services for the elderly.
- Investigate and scope design innovation opportunities around the Olympics with particular emphasis on health.

#### **Strengthen the practice and expertise around design for service innovation and transformation.**

- Identify long terms plans for a RED programme of professional development for designers run in partnership with training providers.
- Provide input into future UK course and student development including through the Design Skills Development Plan.
- Ensure that the *Dott07* Public Design Commissions in the North East benefit from the latest Design Council methods and skills.
- Share findings, methods and evidence from RED demonstrations with key UK and international business, education and design networks (eg McKinsey Conference, on-line etc).

#### **Identify and develop long term policies and plans for broadening the use and application of strategic design within UK public services**

- Expand, communicate and publish an evidence base of research and case studies.
- Scope methods and approaches for extending the reach of the Design Council RED unit through a mix of private and public investment.

**Lead and engage with national and international debate on transforming public services, achieving positive social and economic development, and the contribution that design can make.**

- Continue to grow a network of opinion-formers within government and the private sector with an interest in “transformation” design.
- Identify and exploit opportunities to raise the profile of Design Council public service projects, through external platforms (eg Davos) as well as our own channels (eg new magazine, website and Dott07).

## Design for Business

Direct a programme of direct support for UK firms.

### 2005-06 successes

- Delivered successfully in 05/06 within the South West and Yorkshire.
- Interest secured across the RDA network including five in-principal agreements.
- Promoted within the Treasury pre-budget report and incorporated as a key recommendation within the Cox Report.

### Key success factors for 2006-07

- *Design for Business* programme running successfully in three regions.
- New name, brand and marketing attracting right firms.
- 700 businesses and 100 business advisers benefit and provide new stories and impact analysis.
- Design Council subsidiary established with funding for national roll-out.
- Implementation, impact and insights successfully communicated.

### Objectives for 2006-07

#### **Maintain the ongoing growth and development of the *Design for Business* programme**

- Upgrade and implement business-to-business marketing strategies, including naming, brand framework, marketing materials and events.
- Finalise new and outstanding content development including the Alumni Programme and the design production of delegate and teaching materials.
- Complete programme delivery with South Yorkshire and commence with One North East, AWM and SEEDA.
- Ensure that the evaluation methods and framework are upgraded and maintained.

#### **Establish a delivery unit with appropriate funding in order to meet the targets for national roll-out, as set with the Cox Report**

- Continue phased business development work on trading subsidiary in line with the agreed implementation plans.
- Seek government funding and support to advance national delivery including core programme elements, such as the Designer Matching Service.
- Maintain close working relations and communication with all RDAs, national executives and relevant business and design bodies with regard to progress and plans.

#### **Devise and implement a communication programme to share the findings, knowledge and outcomes from the programme**

- Package and editorialise new knowledge and findings through Design Council channels, including through the website, *Dott07*, press activity and opinion-former events.

## Design for the Public

Coordinate a biennial national design promotion.

### 2005-06 successes

- *Dott07* was launched in the North East.
- A management company has been set up in Newcastle.
- £4.5m has been committed to date (including £1m from the Design Council).

### Key success factors for 2006-07

- *Dott07* launched nationally and achieving strong media presence.
- Spring activities well supported and full programme on track.
- Region for *Dott09* identified and agreed.

### Objectives for 2006-07

#### **Oversee the implementation of *Designs of the Time 2007 (Dott07)***

- Finalise marketing plans including confirmed partners and sponsors.
- Launch *Dott07* programme including Public Design Commissions, showcases, educational programme and awards.
- Ensure a robust evaluation plan is agreed between the Design Council and ONE.

#### **Determine the nature, funding and location of the 2009 national design promotion (*Dott09*)**

- Appoint a consultancy to carry out the tender for the next region, ensuring that all RDAs and national executives are fully consulted.
- Agree the host partner with funding and commence the set up of *Dott09* management company.
- Complete detailed scoping of the programme including analysis of the region, consultation with national organisations and further funding opportunities.

#### **Maximise the national impact of *Dott* and ensure that it has a strong fit with the Design Council and its brand**

- Finalise the Design Council marketing plans for *Dott07*, including national press, web content, supplementary material and events.
- Identify and integrate relevant Design Council programmes into the *Dott07* promotion.

## Design Knowledge

Provide the UK with authoritative design research, knowledge and signposting.

### 2005-06 successes

- The website had 33% more unique visitors than 2004-05 and 54% more people registered for the regular news e-bulletin.
- We launched our first design sector research. 80% of recipients found it useful and the evaluation demonstrates the work has engaged a debate within the design and non-design communities.

### Key success factors for 2006-07

- New website launched and 50% increase in visitors one year from launch.
- 3,000 users registered for our online products and 8,000 users registered for our e-bulletin, one year from launch.
- New *Value of Design Factfinder* launched and received well by users.

### Objectives for 2006-07

#### **Continue to grow and develop the website to provide the UK with the most extensive, authoritative and visited on-line hub for design**

- New-look site completed in October 2006, conforming to highest standards of usability and reflecting the Design Council brand.
- Develop and implement new web marketing plans to support visitor growth and support seasonal campaigns (eg programme launches such as *Dott07*).

#### **Enhance the publishing and commissioning of new research and knowledge on design in order to maximise content across diverse audiences**

- Maintain and develop the existing programme of knowledge experts, case study development and editorial management
- Build on the lessons from the new *Value of Design Factfinder* to leverage new research as usable business tools.
- Extend and deepen the Design Council research base across its core areas of business, the public sector and design including through new partnerships (eg joint university, industry or public body projects).

#### **Strengthen the Design Council's mechanisms for knowledge transfer to ensure the cross-fertilisation of ideas, methods and information across its activity base.**

- Ensure that the Design Council programmes and activities incorporate best-practice in knowledge transfer, including the codification of methods, approaches and information.
- Ensure that the enhanced opinion-former programme (including events, magazine etc) are used to maximum effect to transfer knowledge across key groups (eg sharing of design strategies across the RDA network etc).

## 6 Objectives and Performance

Our goal is that we strengthen and support the UK economy, by making UK management the best users of design, supported by the most skilled design professionals. Specific, desired impacts by audience and sector are laid out in our Corporate Plan 2004-07 however, these are long range impacts and will take time to evaluate.

Shorter term, our success will be measured in the following ways:

- \_ The reach and demand for our knowledge, information and methods among our key audiences - business, the public sector and design – proxy indicators of progress towards our ultimate desired impacts (see below).
- \_ Key outputs, outcomes and impacts against each corporate objective (see next page).

### Key Performance Indicators - Audience Reach and Demand

	2004-05 Actual	2005-06 Actual	2006-07 Target
<b>Business</b> <ul style="list-style-type: none"> <li>• Business managers benefited from our programmes</li> <li>• Business managers accessed our knowledge/ information</li> <li>• Funds committed by RDAs and others to <i>Design for Business</i> programme.</li> </ul>	<p style="text-align: center;">1,355</p> <p style="text-align: center;">56,248</p> <p style="text-align: center;">£679,918</p>	<p style="text-align: center;">1,580</p> <p style="text-align: center;">82,136</p> <p style="text-align: center;">£810,602</p>	<p style="text-align: center;">3,000</p> <p style="text-align: center;">100,000</p> <p style="text-align: center;">£1,500,000</p>
<b>Public Sector</b> <ul style="list-style-type: none"> <li>• Public sector managers benefited from our programmes</li> <li>• Public sector managers accessed our knowledge/ information</li> <li>• Funds committed by other government departments &amp; agencies for public sector work.</li> </ul>	<p style="text-align: center;">70</p> <p style="text-align: center;">36,638</p> <p style="text-align: center;">£209,554</p>	<p style="text-align: center;">190</p> <p style="text-align: center;">53,850</p> <p style="text-align: center;">£440,186</p>	<p style="text-align: center;">400</p> <p style="text-align: center;">70,000</p> <p style="text-align: center;">£550,000</p>
<b>Design Sector</b> <ul style="list-style-type: none"> <li>• Students, designers and the public benefited from our programmes</li> <li>• Students, designers and the public accessed our knowledge/ information</li> <li>• Funds committed by other organisations to design skills and public engagement (<i>Dotf</i>).</li> </ul>	<p style="text-align: center;">461</p> <p style="text-align: center;">151,461</p> <p style="text-align: center;">£26,958</p>	<p style="text-align: center;">1032</p> <p style="text-align: center;">221,289</p> <p style="text-align: center;">£639,733</p>	<p style="text-align: center;">1200</p> <p style="text-align: center;">280,000</p> <p style="text-align: center;">£1,200,000</p>

Key Performance Indicators – by Corporate Objective

	Short term measures 2006-07	Mid - long term measures
Design Policy	<ul style="list-style-type: none"> <li>• Cox Recommendations well supported with implementation on track.</li> <li>• Design Sector Skills Development Plan published and well-supported.</li> <li>• New Design Council opinion-former programme established.</li> <li>• Strong funding outlook for core UK design policies within CSR2007.</li> <li>• Design Council and design well represented within DCMS Creative Economy Programme Report.</li> </ul>	<ul style="list-style-type: none"> <li>• Our recommendations feature in Creative &amp; Cultural Skills industry recommendations</li> <li>• 3% increase in GiA funding through the CSR.</li> <li>• Number of RDA economic development plans including a commitment to design.</li> <li>• Increase in positive perception of the Design Council as an authority on key policy issues.</li> </ul>
Design Innovation	<ul style="list-style-type: none"> <li>• One new RED demonstration project informing UK policy development.</li> <li>• Public sector research and evidence published.</li> <li>• Viable plans agreed within CSR for embedding strategic (“transformation”) design within the public sector.</li> </ul>	<ul style="list-style-type: none"> <li>• ‘Delivery model’ for public services work developed.</li> <li>• ‘Delivery model’ for RED work developed; joint venture set up.</li> <li>• Evidence of return on investment on design for public services.</li> </ul>
Design for Business	<ul style="list-style-type: none"> <li>• <i>Design for Business</i> programme running successfully in three regions.</li> <li>• New name, brand and marketing attracting right firms.</li> <li>• 700 businesses and 100 business advisers benefit and provide new stories and impact analysis.</li> <li>• Design Council subsidiary established with funding for national roll-out.</li> <li>• Implementation, impact and insights successfully communicated.</li> <li>• Skills training: 400 business and technology students and 200 designers and design mentors trained.</li> </ul>	<ul style="list-style-type: none"> <li>• Statistically significant increase in use of design in the North East by 2009, and in the UK by 2011.</li> <li>• Statistically significant increase in investment in design in the North East by 2009, and in the UK by 2011.</li> <li>• <i>Design for Business</i> to have a quantifiable impact on 6,500 businesses by 2010</li> </ul>
Design for the Public	<ul style="list-style-type: none"> <li>• <i>Dott07</i> launched nationally and achieving strong media presence.</li> <li>• Spring activities well supported and full programme on track.</li> <li>• Region for <i>Dott09</i> identified and agreed.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in public awareness and understanding of the importance and value of design to national prosperity and well-being in NE by 2008, nationally by 2018.</li> </ul>
Design Knowledge	<ul style="list-style-type: none"> <li>• New website launched.</li> <li>• New <i>Value of Design Factfinder</i> launched and received well by users.</li> </ul>	<ul style="list-style-type: none"> <li>• Website usage one year from launch: 600,000 unique visitors; 8,000 users registered for our e-bulletin.</li> <li>• Website usage 3 years from launch: 1 million unique visitors; private/public sector managers increase to 60% users.</li> </ul>

## Annexe 1: 2006-07 budget

### Summary

We are proposing a budget of £8.5m - at a similar actual level of expenditure to 2005-06. This is based on confirmed income of £7.6k, with the balance contingent on earning a further £870k.

As forecast in our Corporate Plan the 2006-07 budget continues to reflect the changing financial profile of the organisation. Increasingly sources of funds are more diverse and less predictable.

We face a number of complex and interwoven funding issues.

The good news is that the Design Council is taking an increasingly entrepreneurial approach to achieve substantial growth in both the resources it generates itself and those that it leverages from others in pursuit of its aims and is already able to show results. We are currently expecting to earn £767k from the *Design for Business* programme and anticipate that for 2006-07 a further £900k will be committed to the programme by RDAs.

Similarly for each £1.00 of Design Council contributes to *Dott07* in 2006-07 will be matched by a further £4.70 from other sources.

Current discussions with RDAs confirm that further investment on a similar scale is in the pipeline for 2007-08. For example, £1.75m is committed to *Dott 07* and in the order of £1.5m likely for the *Design for Business* programme.

However, as our leveraging of resources develops momentum we are faced with reductions in core funding:

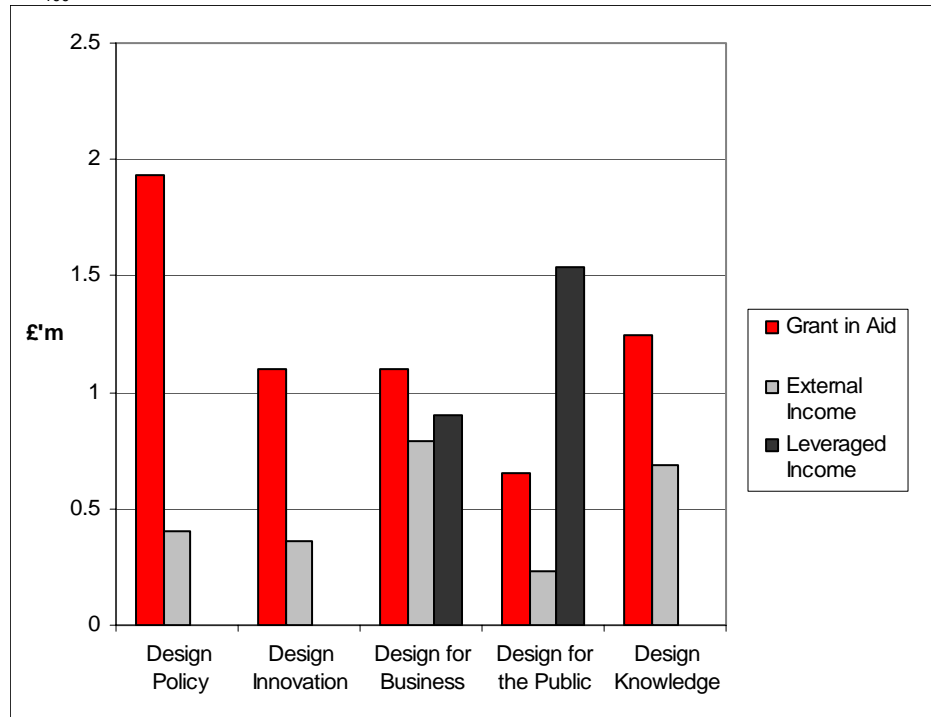
- In the first year of the business planning cycle ahead, 2006-09, our grant-in-aid will reduce by £0.7m, or 10% (and thereafter subject to the CSR2007 review).
- In the second year, 2007-08, the £2.6m special project funding for the Design for Business programme will end, resulting in a loss of £1m income in 06/07 (a 14% reduction in core funding).

During these two years, a range of projects will be reaching their launch points, contingent on adequate investment. Others are committing themselves on this basis.

If we are to sustain leveraged growth in our programmes of the kind already seen, we must maintain, even increase, our capacity to invest in sustaining and scaling up our programmes, and in underpinning the framework of our intended economic model.

The consequences of our reducing base include the threat of delay to our intended acceleration of Design for Business programme. Yet it is already attracting very substantial commitment from RDAs in the belief that the Design Council will provide up-front investment.

Similarly, the delivery of the *Dott* biennial programme is generating serious interest among other agencies and companies. Again, they have corresponding expectations of us.



Our capacity to leverage resources depends very largely on our ability to initiate and develop programmes so that prospective investors are able to see clear evidence of initial success. This formula hinges totally on our seed funding.

The subsequent partnerships then depend on our continuing commitment, the aim being to reduce this investment progressively as a proportion of the whole. We have good reason to know that this is a successful formula, but it cannot work if the guaranteed resources in our key domains are reduced below critical thresholds.

## 2006-07 budget

	Design Policy	Design for Business	Design for the Public	Design Innovation	Design Knowledge	Total
<b>INCOME</b>						
Grant in Aid	1,932,236	1,106,353	654,757	1,090,232	1,251,423	6,035,000
External Income	404,431	786,255	228,248	360,166	690,288	2,469,387
<b>Total Income</b>	<b>2,336,667</b>	<b>1,892,608</b>	<b>883,004</b>	<b>1,450,398</b>	<b>1,941,711</b>	<b>8,504,387</b>
<b>EXPENDITURE</b>						
Salaries	1,114,077	811,496	229,798	618,950	650,437	3,424,758
Direct Programme Costs	273,000	614,000	460,000	370,000	900,000	2,617,000
Support Costs	949,590	467,112	193,206	461,447	391,274	2,462,629
<b>Total Expenditure</b>	<b>2,336,667</b>	<b>1,892,608</b>	<b>883,004</b>	<b>1,450,398</b>	<b>1,941,711</b>	<b>8,504,387</b>
Leveraged Resources	-	934,840	1,539,100	-	-	2,473,940

## Annex 2: Marketing

### Summary

A new marketing approach is now called for which fully reflects what we have dubbed the new Design Council “cosmos”. At the heart of our cosmos is the Design Council as a national strategic body. In orbit around the Design Council are its satellites that deliver direct to the end-user. From a marketing perspective the primary audience for the Design Council as a national strategic body is largely an “opinion-former” and “decision-maker” audience.

The role that marketing plays is to support the organisations activities to influence and connect up the system (for instance our work on design skills involves regional development agencies, education institutions, government departments etc). On the other hand, the audiences for our satellite programme ventures are the end-users. The role that marketing plays is to ensure that these distinct brands reflect and connect to the Design Council core-brand, whilst also being fit for purpose - attracting and supporting the relevant customer-base (in the case of the *Design for Business* programme the core customers are MD's of UK firms).

### Key principles

Underpinning the Design Council marketing plans will be the following principles:

- A well-segmented audience model to support the experience and “transactions” across our diverse user-base.
- A brand framework which maximises and unifies the Design Council brand, whilst responding to market and partner sensitivities.
- A balanced resource capability in strategic marketing versus implementation.
- A fully integrated campaign-based approach to amplify messages and co-ordinate marketing activity.

### Key priorities

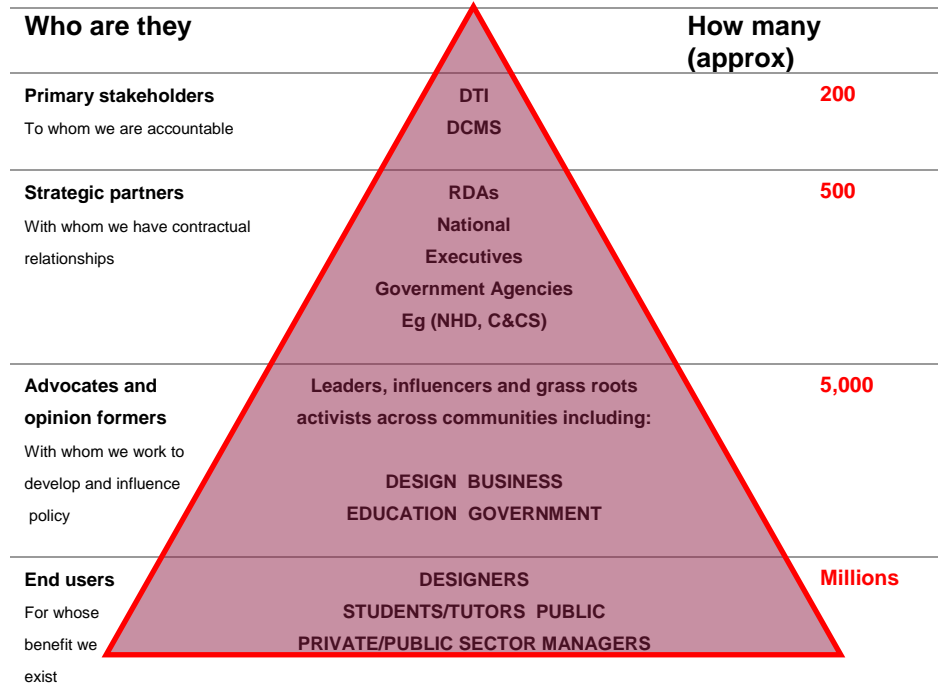
A detailed Marketing Plan is being developed to support implementation against the new strategy. The key priority outputs are, as follows:

- Enhanced Design Council corporate brand guidelines will be introduced, in time to support priority projects like the web whilst also providing a framework for satellite ventures.
- A marketing strategy will be developed and implemented to support the roll-out of the *Design for Business* programme, including delivery of naming and brand guidelines.
- The planned opinion-former programme will be supported with appropriate marketing tools, including a magazine, events and other relationship management methods.
- The Design Council will advise and influence the *Dott07* marketing strategy and implementation, ensuring the effective integration of key corporate and policy messages and projects.
- The new project-based Design Council management system will be supported by well-integrated marketing planning, maximising the opportunities for synergies and timetabled “campaigns”.

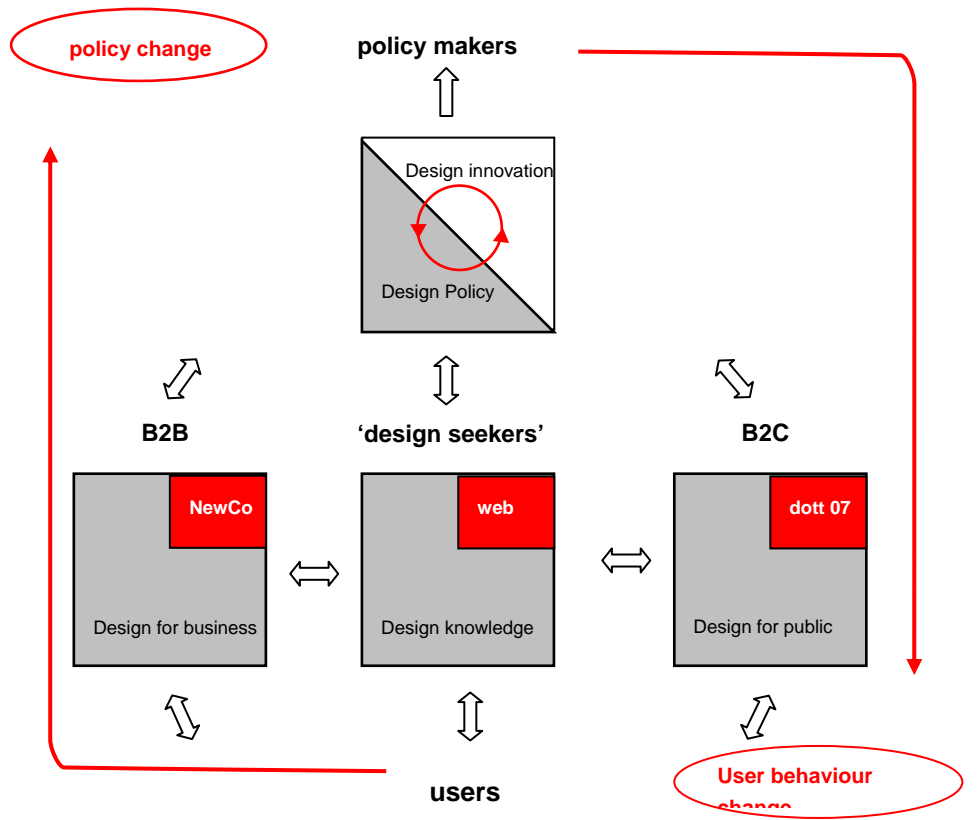
The diagrams below provide a graphic illustration of:

- \_ our audiences
- \_ our programme channels

**Audience model**



**Programme channels**



### Annex 3: Organisational Model

We are organising ourselves to deliver our strategic aims flexibly, effectively and economically. The main principle behind our structure is the clear separation of our targeted outputs or deliverables through projects and initiatives, and the investment of skills, funds and other resources in them. This matrix approach is being put into place currently as we evolve from our earlier standing teams.

The projects are brought together under five priority areas of activity, or domains, as indicated earlier. Within these five, a range projects are grouped so that they can make both individual and collective contributions to our aims. Both our projects and the priority areas will evolve over the life of this plan, but project orientated focus will remain.

Our professional skills are grouped in five generic categories, some with distinct sub-specialisms. These groups are Knowledge Managers (research/web, etc), Designers, Project Managers, Communicators and Enterprise Developers. From these groups, staff are deployed into projects as required. The groups maintain and enhance our skills base and engage external contractors as required.

