

**REPORT OF THE LEADER OF THE COUNCIL****BEST USE OF COUNCIL-OWNED DIGITAL SCREENS****Purpose of the Report**

To make recommendations on the best use of digital screens to promote Council messages and secure best value for money.

**Information and Advice**

1. The Council owns a range of digital screens (e.g. LCD or TV screens). These include 18 LCD screens in libraries, 2 LCD screens in County Hall and a state of the art 2D video wall at the new Mansfield bus station. The registrations service is also intending to install LCD screens.
2. Digital screens are primarily used by the Council on its premises to communicate Council messages. Owning its own screens represents good value for money compared to if the Council was to pay to use screens in other locations such as GP surgeries or those owned by private providers, such as digital billboards.
3. As the screens are live for a large proportion of the day, there is an opportunity to get across advertising messages from partners or third parties in addition to Council messages. This means the screens provide an income opportunity for the Council as a secondary purpose.
4. By offering competitive advertising rates on Council owned digital screens, this supports partners and local businesses to secure best value for money. There is no conflict of interest with existing advertisers, as the Council owns the digital screens in its own premises.
5. The Council already has an Advertising and Sponsorship Policy, approved by Policy Committee in September 2012, which ensures that there is appropriate control over any advertising allowed on Council platforms. This includes:
  - the Council can approve the type and content of adverts (and advertisers)
  - there will be an appropriate balance between the amount of Council messages and paid-for advertising messages from partners or third parties
  - any advertising on Council sites should not have a negative impact on the Council's reputation

- that any advertising must be facilitated through the Council's Communications and Marketing team (to ensure a consistent approach and brand control)
6. The libraries service established a pilot to sell advertising space on LCD screens in Mansfield which has been running for four months since October 2012. This has raised £1,800 to date for the library service, based on the service receiving 30% of the total income. There are 18 LCD screens in total in libraries and it is estimated that selling advertising on these could achieve up to £93,312 a year (£5,184 per screen) for the library service if the Council receives 30% of the total income raised through a supplier selling this advertising space.
  7. Any revenue from selling advertising on the video wall at the new Mansfield bus station will be used to benefit the County Council (and Mansfield District Council), by offsetting a proportion of the £110,000 annual running costs of this station.
  8. Digital screens are an effective communications channel and the potential for revenue through advertising is calculated based on a number of factors. These include:
    - the 'opportunities to see' the advert including numbers of screens, visibility, location and footfall (e.g. 5 million passengers are expected to use the new Mansfield bus station, making it a very attractive site to advertisers).
    - the business model established (e.g. whether the Council sells the advertising space direct or employs a supplier to do this; and the type of income sharing or rental space arrangement).
  9. The total estimated income that the Council could expect from digital screen advertising revenue in 2013-14 is estimated to be between £6k and £100k, depending on the number of screens and the type of the business model established with the supplier.
  10. Any income achieved will go to the relevant Council service to offset other costs. The Communications and Marketing team will receive 5% of the income to offset the resources required to:
    - oversee the advertising contract and achieve best value for money for services;
    - ensure compliance with the Council's Advertising and Sponsorship Policy; and
    - ensure compliance with procurement and financial regulations.
  11. The recommended approach is for Communications and Marketing (as the gatekeeper of the Council's Advertising and Sponsorship Policy) to procure a single supplier to sell advertising across any appropriate digital screens on Council sites for twelve months. This will allow the Council to test the advertising market and use this project to inform future advertising strategy.

## **Other Options Considered**

12. Managing digital screen advertising in house by the Communications and Marketing team was considered. This is not recommended at this time because there is currently a lack of capacity and specialist expertise to do this.

### **Reason/s for Recommendation/s**

13. To ensure a consistent approach to the best use of digital screens to promote council messages.

14. To ensure control over any advertising on Council digital screens, in line with the Council's Advertising and Sponsorship Policy.

15. To ensure best value for money.

16. To support the local economy by providing an advertising opportunity on Council owned digital screens.

17. To ensure financial and procurement regulations are met.

### **Statutory and Policy Implications**

18. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **RECOMMENDATION/S**

1) Formalise the use of digital screens for advertising by sourcing a single supplier and test the market for 1 year - to inform future income generation strategy and a suitable business model that will ensure the greatest possible return for the Council.

**Martin Done, Service Director of Communications and Marketing**

For any enquiries about this report please contact: Martin Done, Director of Communications and Marketing on 0115 9772026 or email [martin.done@nottsc.gov.uk](mailto:martin.done@nottsc.gov.uk)

**Constitutional Comments (NAB 22/01/13)**

19. Policy Committee has the authority to approve the recommendation set out in this report.

**Financial Comments (RWK 23/01/13)**

20. The report proposes that Communications and Marketing procure a single supplier to sell advertising across any LCD screens on Council sites that are approved for the use of advertising messages. This arrangement will be for an initial period of 1 year.

21. The proposal will generate additional income for the County Council. The level of income will depend upon the details of the business model established with the provider and is not known at the present time.

**Electoral Division(s) and Member(s) Affected**

All.