Haringey

Business Planning / MTFS Options 2020/21 – 2024/25

20/25 - YC10

Title of Option:	Income from Outdoor Media - Strand 1 (Additional sites for on-street digital advertising and other advertising opportunities)			
Priority:	Your Council - P5	Responsible Officer:	Joanna Sumner	
Affected Service(s) and AD:	Strategy and Communications	Contact / Lead:	Lesley Gordon	

Description of Option:

•What is the proposal in essence? What is its scope? What will change?

• What will be the impact on the Council's objectives and outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes, and Borough Plan Evidence Packs)

• How does this option ensure the Council is still able to meet statutory requirements?

•How will the proposal deliver the benefits outlined?

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

The proposal is to generate an income from the advertising opportunities in the borough. While we have recently awarded contract for our digital on street advertising, we are now looking at other forms of advertising, which are sympathetic to the surroundings and maximise the councils commercial returns;

1. Street Advertising

We have a contract with Clear Channel for digital on street advertising that came into effect in April 2019. For the existing contract we earn £175k per year for 15 sites in the borough. £129k of this has been taken as a saving with the remaining £46k contributing to the cost of the Communications Service. We are in discussions with Clear Channel on increasing the number of sites, and they are actively looking at potential sites in Tottenham and in the West of the Borough. Five additional double sided sites would generate £58k, 10 sites £116k. The contract includes provision for us to use these sites for a fixed proportion of the time for Council publicity.

2. Out of home advertising

Making use of the assets available to us and the viewability and high footfall locations. The commercial manager has met with a number of providers to understand their offering for the borough, and believes that CP media would be a viable and sound option for the borough. Negotiating a 60% return of revenue for the council approx. £22k in year after deducting implementation and further development costs, with an increase year on year. Potential opportunities include; eight welcome to the borough signs, one roundabout, 40 potential landscape signs, 17 car parks, 130 lampposts banners.

3. Libraries and Customer services advertising

Our libraries are an important part of our community, our footfall is high and subsequently these locations have a fantastic reach with high visibility. These locations will be an excellent platform four our local SME's to have an out of home digital platform to promote to the community they serve. Sympathetic advertising on the entrance to our sites will generate an income, which will not only generate a return of revenue for the council - but also generate capital to invest in further screens in additional locations. We have explored a number of options, however, digital advertising screens will to deliver the highest return for the council, and also give the communications and libraries service access to promote corporate messages. Potential of £70k savings after deducting costs for implementation and investment for further developments.

Financial Benefits Summary

Savings	2020/21	2021/22	2022/23	2023/24	2024/25	Total
All savings shown on an incremental	£000s	£000s	£000s	£000s	£000s	£000s
New net additional savings	110	52	50	-	-	212
Capital Implementation Costs	2020/21	2021/22	2022/23	2023/24	2024/25	Total

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	£000s	£000s	£000s	£000s	£000s	£000s
Total Capital Costs	-	-	-	-	-	-

Financial Implications Outline

How have the savings above been determined? Please provide a brief breakdown of the factors considered.
Is any additional investment required in order to deliver the proposal?
If relevant, how will additional income be generated and how has the amounts been determined?

1. The level of additional income is based on an existing contract. The amounts have been determined on a per site basis. Five additional double sided sites would generate **£58k**, 10 sites £116k. The contract includes provision for us to use these sites for a fixed proportion of the time for Council publicity.

2. CP Media have given a projection of returns based on the assets we hold. We would be looking at a conservative return of **£22k** in year one (this takes into account the cost of the infrastructure in Year 1), with an increase year on year. Additional projected income for Year 2 is **£52k**. It will be the responsibility of the Commercial Manager and the Head of Comms to monitor the contract returns. 3. Packages for display would be dependant on frequency and length of advertising. To ensure that we encourage our local Small and medium-sized enterprises (SMEs) to advertise a cost effective advertising package will be put in place. Working to the library opening times, which is on average of 8 hours a day. Below gives an idea on a proposed rate card and projected returns. 8 hours a day will generate 2,880 advertising slots. It is of the commercial managers opinion, to generate a good return, and making this an affordable out of home advertising platform for our local SME's, we should look at a rate card of £1 per 10 seconds. This has the potential of generating over £2,500 per day, and £360k per annum, but this is based on them being used to full capacity. Therefore a realistic income of **£70k** per annum. However, £40k has been allocated in 19/20 to Libraries therefore incremental income of **£30k** from 20/21 is achievable after deducting costs for implementation and further development for future savings.

Delivery Confidence

At this stage, how confident are you that this	3
option could be delivered and benefits	
realised as set out?	
(1 = not at all confident;	
5 = very confident)	

Indicative timescale for implementation

	N/A		N/A
Est. start date for consultation DD/MM/YY		Est. completion date for implementation DD/MM/YY	
	N		
Is there an opportunity for implementation			
before April 2020? Y/N ; any constraints?			

Implementation Details

•How will the proposal be implemented? Are any additional resources required?

•Please provide a brief timeline of the implementation phase.

•How will a successful implementation be measured? Which performance indicators are most relevant?

1. Current contract in place - negotiations will need to take place with Planning and planning approval will be needed for any new sites.

2. In order to optimise the return of revenue, approval was requested to agree to delivering via direct award through the ESPO framework as a priority.

3. Approval to purchase two screens at £10k - this is to be funded from existing Customer Services Transformation Capital budget.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed? List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

There is an positive impact the we can also use the sites for council and partners communication. Which can contribute to residents feeling more informed.

Negative Impacts

Residents may object to advertising from external agencies in certain areas.

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? List both positive and negative impacts.

Positive Impacts

Provide more opportunities to promote their services.

Negative Impacts

N/A

How does this option ensure the Council is able to meet statutory requirements?

Keeping residents informed of council services and initiatives.

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

	Impact	Probability				
Risk	(H/M/L)	(H/M/L)	Mitigation			
No new sites are identified M L		L	None			
No planning approval H L		Engage planning as early possible to identify sites				
Has the EqIA Screening Tool been completed for this proposal?			Yes			
EqIA Screening Tool						
Is a full EqIA required?			No			