

# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>20<sup>th</sup> July 2016</b>
<b>Subject:</b>	<b>Council Advertising Network</b>		
<b>Report Of:</b>	<b>Cabinet Member for Performance &amp; Resources</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Wendy Jones, Customer Services Manager</b>		
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<b>Appendices:</b>	<b>1. Screen shot of example advert</b>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

This report seeks Cabinet approval to continue with the advertising on the Council's website via the Council Advertising Network for another year.

### 2.0 Recommendations

#### 2.1 Cabinet is asked to **RESOLVE** that:-

- (1) A twelve months extension of the term of the contract from October 2016 advertise via the web site through CapacityGrid be approved.
- (2) The contract be monitored on a regular basis with a report produced at the end of the contract with proposals for the future.

### 3.0 Background and Key Information

- 3.1 A pilot project for advertising on the website was approved at Cabinet 15<sup>th</sup> June 2015.
- 3.2 Following the web site development the contract went live mid October 2015. The pilot was to be reviewed July 2016 to consider extending the contract for another year or to give the provider 3 month's notice to cancel the service.
- 3.3 Following initial go live we did encounter a few problems with the display and appearance of certain adverts but these were ironed out by the supplier.
- 3.4 Since go live (7 months) we have generated £612.57 income with annual income estimated at £1,300 for this year 2015/2016.
- 3.5 The initial potential income target (£5,000) was not met due to system problems during the initial months and web page hit forecast being lower than expected. The

income is gradually increasing each month increasing from £53.00 in October 2015 to £170 in April 2016.

- 3.6 During the pilot we have only had two complaints about advert content; one about promoting 'safe sex – wear a condom'; the second advertising a vaping company to encourage people to stop smoking. . In both cases, once reported, the adverts were removed immediately.
- 3.7 We have received no complaints about displaying adverts on the web site.
- 3.8 There is no cost to the council for providing the adverts.
- 3.9 No advertising space was sold to new businesses but we did create a couple of adverts ourselves to promote the TIC, Coach Parking, the Museums passes and promoting Broadband.

#### **4.0 Other Options Considered**

##### **4.1 Build In House**

Having discussed this proposal with the Web Manager and other local authorities designing and running the service in house would require:-

- Dedicated resource to sell advertising space
  - Dedicated resource to design and amend adverts
- This work has proven to be time consuming and often the revenue generated does not cover the cost of the work involved.

##### **4.2 Using Other Advertising Suppliers**

The CAN offers advertising suitable for local authorities. Speaking to other local authorities (e.g. Birmingham) suggests that other potential suppliers demonstrated little care and attention to reputational risks. No attention was given to the suitability of adverts and standards often fell-short of what would be expected by the relevant local authorities.

#### **5.0 Future Work and Conclusions**

- 5.1 The recommendations contained within this report have been prepared to ensure Council services operate efficiently and effectively; achieving better value for money for local residents, and assisting the Council in obtaining another revenue stream while ensuring no impact on targets outlined for Budget savings.
- 5.2 There is no cost to the Council to provide advertising via the website. All reviews and any work involved with the running of the service are completed by the Digital Communications team. The system is up and running and embedded within the website so will not require any additional work for renewal of the contract for another year.
- 5.3 If Cabinet agrees the recommendations in the report, officers can analyse the findings after the 12 month and review the project moving forward. We are

currently working with Gloucestershire County Council to possibly move to their website content management system during 2017/18 so a decision will be needed at this time for continuation or cancellation of this service.

- 5.4 We can use the advertising space to promote our own campaigns/events during the year.
- 5.5 We will once again explore the possibility of selling advertising space to new businesses to help increase the income generated.

## **6.0 Financial Implications**

- 6.1 There is no charge, outlay or ongoing costs for this implementation.
- 6.2 An income savings target of £5k was budgeted during 2015/2016. The potential income in excess of £2,000 will contribute to this saving.
- 6.3 A further review of selling advertising space to new businesses will be completed before renewal of the contract is approved. This review should ensure that the income target is reached going forward.

## **7.0 Legal Implications**

- 7.1 The value of the contract is such that its extension is not subject to the requirements of the Public Contract Rules 2015. Thus the Council's obligation is to act in accordance with its own contract procedure rules. Paragraph 6.29 of the rules state that "a contract may be extended in accordance with its terms" i.e. in accordance with a clause regulating the granting of extensions. Clause 4.1 of the contract permits an extension of 12 months, provided that the parties agree this in writing at least three months prior to the expiry of the initial term.

## **8.0 Risk & Opportunity Management Implications**

- 8.1 If the Council does not agree to the advertisers on the white list (the list is controlled by the local authority having direct access to a portal where adverts can be veto'd from appearing on their web site) this may impact on the amount of revenue received.

No specific advertisers were rejected during 2015/2016.

- 8.2 If the Council has issues with a particular advert following the agreed monthly advertising list it can contact the CAN and request removal of a specific advert.

This was undertaken twice during 2015/2016.

- 8.3 If the Council does not manage to sell its 20% advertising space to local businesses this will impact on the amount of revenue received. Unsold inventory would be used to promote local events and initiatives.

We created promotional adverts for the TIC, Museum, Coach Parking, Broadband.

8.4 IT Security issues have been raised with Civica IT who confirm that this proposal does not provide a route into our data. We will be pulling images from their secure server onto our website. The CAN proposal provides IL3 level security where the standard for Local authorities is IL2 so they are offering a higher level of security than we could offer.

**9.0 People Impact Assessment (PIA):**

9.1 Completed – all neutral with some positive aspects where customers may benefit from Grants or Discounts advertised.

**10.0 Other Corporate Implications**

Community Safety

10.1 None

Sustainability

10.2 There will be positive impact on the Council's day to day operations.

Staffing & Trade Union

10.3 None

**Background Documents:** None

Example screen shot of web page with advert.

**Gloucester City Council**  
Transforming Your City

Search Our Site

Home Resident Business The Council

StayConnected Sign up to e-alerts

**9/10 homes that need insulating will get it for free. Yours could too!** Find out more **British Gas** Looking after your world

**Most Used Services**

REPORT IT

APPLY

PAY

Housing Application Housing Benefit

Garden Waste Electoral Registration

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My Gloucester

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Enter Your Postcode

**Council Events**

July 2014

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Click on a date to view an event

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