

REPORT TO: Executive Board

DATE: 12 March 2015

REPORTING OFFICER: Strategic Director - Children and Economy

PORTFOLIO: Physical Environment

SUBJECT: Advertising Screen – The Hive

WARD(S) All

1.0 PURPOSE OF THE REPORT

- 1.1 Executive Board consider and support the location of a LED advertising screen on land at The Hive Widnes, in partnership with Silver Blades (Ice Rink)

2.0 RECOMMENDATION: That

- 1) the Board support the location of an LED advertising screen on land at The Hive, Widnes, in partnership with Silver Blades (Ice Rink), on the terms set out in this report;**
- 2) a grant to Silver Blades as set out in Section 4, to be funded from the Council's share of advertising income, be approved; and**
- 3) detailed terms and conditions, including any permissions required, be agreed with the Operational Director, Legal & Democratic Services and the Operational Director, Finance in consultation with the Portfolio Holder and the Leader.**

3.0 SUPPORTING INFORMATION

- 3.1 The Hive is a popular and thriving leisure location in Halton. It is important to advertise and market the facilities at the Hive to maintain and improve footfall.
- 3.2 The Council has an opportunity to provide an LED advertising screen on land to the rear of the Hive. The screen would be clearly visible from Ashley Way. The actual location of the screen is yet to be finalised but it will be visible to tens of thousands of vehicles every day.

- 3.3 The screen will offer the opportunity to advertise upcoming events at the Hive. It will also be available to the Council and third parties to advertise. Members may have seen similar signs at the junction of the M5/M6, on the M4 into London and at other locations around the country.
- 3.4 The screen may also encourage other larger advertisers to locate similar screens in Halton, giving the Borough a modern and vibrant feel consistent with a Borough on the move in the digital age.

4.0 BUSINESS CASE

- 4.1 The estimated capital cost of the screen is £100,000. Silver Blades have agreed to fund half (£50,000). Silver Blades have asked the Council to contribute a grant of £50,000 to meet the remaining costs. In return the Council will be entitled to advertising rights of 10 minutes per day for 365 days p.a. This would enable the Council to use the screen to support local events, inform the public in respect of council services or support advertising from selected third parties etc.
- 4.2 All the annual revenue costs, including the cost of power and content management (circa £25,000 p.a.), would be met from advertising income generated and Silver Blades would operate the screen and sell advertising. The Council would have a veto over the advertising content.
- 4.3 Any income after deducting operating costs would be shared on the following basis
- 1st £100,000 to Silver Blades
 - Anything between £100k - £150k to HBC
 - Anything over £150k – split 50:50 Silver Blades / HBC

It is estimated this would deliver a potential income to the Council of in the region of £25 - 50,000 p.a. The arrangement would be an open book arrangement with full auditing rights for the council.

- 4.4 With proper maintenance, the manufacturers of such LED advertising screens usually provide a guarantee of up to 10 years, but the estimated operational life of such a screen is actually in excess of 10 years.
- 4.5 The screen would be sited on land owned by the Council, however, the potential rental for use of the site will be waived as part of the income sharing arrangement outlined above.

- 4.6 Detailed terms and conditions, including any permissions that may be required, would be agreed with the Operational Director, Legal & Democratic Services and the Operational Director, Finance in consultation with the Portfolio Holder and the Leader.

5.0 POLICY IMPLICATIONS

- 5.1 The provision of a screen would enhance the environment of the Borough and support the further economic development of the Borough.

6.0 FINANCIAL IMPLICATIONS

- 6.1 As set out above

7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 7.1 **Children & Young People in Halton** □ The Hive has provided alternative activities for young people in the Borough.
- 7.2 **Employment, Learning & Skills in Halton** □ The Hive has provided additional employment for Halton residents.
- 7.3 **A Healthy Halton** □ The Hive has provided alternative activities for young people in the and has helped improve physical activity which aids good health and well being.
- 7.4 **A Safer Halton** □ The Hive has provided alternative activities for young people in the Borough and has helped reduce ASB
- 7.5 **Halton's Urban Renewal** The Hive has provided the opportunity to regenerate a former derelict area of Widnes Waterfront

8.0 RISK ANALYSIS

- 8.1 The risk to the Council is the loss of the £50,000 grant, this risk is mitigated as the Council will own the asset (the screen) should Silver Blades withdraw.
- 8.2 The Council will also have access to advertising revenue which would significantly outweigh the risks, should Silver Blades withdraw before the end of the 10 year period.

9.0 EQUALITY AND DIVERSITY ISSUES

- 9.1 The Hive offer facilities for able bodied and mobility impaired residents. Silver Blades, in particular, offers a high standard of facilities for mobility impaired residents.

**10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE
LOCAL GOVERNMENT ACT 1972**

10.1 There are no background papers under the meaning of the Act.