

<b>Report of:</b>	Director of Regeneration
<b>Submitted to:</b>	Deputy Mayor and Executive Member for Children's Services
<b>Date:</b>	8 September 2022
<b>Title:</b>	Advertising on Council website
<b>Report for:</b>	Decision
<b>Status:</b>	Public
<b>Strategic priority:</b>	Quality of service
<b>Key decision:</b>	Yes
<b>Why:</b>	Decision(s) will have a significant impact in two or more wards
<b>Urgent:</b>	No
<b>Why:</b>	Not applicable

**Executive summary**

The Council is in the early stages of building a new website which will replace the current [www.middlesbrough.gov.uk](http://www.middlesbrough.gov.uk).

The new website will have improved design and functionality for residents. Its aim will be to improve user experience and increase the number of online transactions, including payments and service requests.

This report recommends that approval is given for advertising to be sold on the website. Selling advertising would generate income that could assist the overall budget position of the Council.

The Council would ensure only suitable advertising was permitted and would have controls in place as part of any agreement with a third-party agent. Advertising that was contrary to the Council's values would not be permitted.

The implications of the recommendation have been considered by the appropriate officers and are set out in the main body of the report.

## **Purpose**

1. To seek approval of the Deputy Mayor and Executive Member for Children's Services to allow advertising space to be sold on the new Council website and to note the associated policy.

## **Background and relevant information**

2. The Council's ICT and Marketing and Communications teams are currently working on a project to develop a new Council website. This will replace [www.middlesbrough.gov.uk](http://www.middlesbrough.gov.uk).
3. This refresh is necessary as the current website has become outdated in terms of functionality and design. It is hoped the new website will be operational in 2023-24.
4. The introduction of a new Council website presents the opportunity to introduce new features, including advertising space.
5. A focus group of residents has been established as part of the wider website project. The group has been asked its opinion on the use of adverts on the website. Analysis shows 65% of respondents were happy for adverts to be used, providing usability of the website wasn't compromised.
6. Officers have spoken to the Council Advertising Network (CAN) as part of the research for the new website. The network generates income for public sector bodies by selling advertising on websites – at no cost to the organisations.
7. CAN works with the web and IT teams at the organisations it partners with to introduce simple technology that sells advertising space to quality brands. The advertising income is paid directly to the organisation quarterly.
8. Councils working with CAN have control over the type of advertising that appears on their websites. This is important from a reputational point of view. Councils can also promote local businesses or their own campaigns using CAN's technology.
9. CAN automatically blocks certain categories of advert including political, adult content, gambling, alcohol, fast food and payday loans. Organisations on the network can choose which categories they allow. Organisations can request an advert is removed at any time.
10. The policy at appendix 1 outlines what the Council's approach would be on the suitability of potential advertisers and positioning of any adverts.
11. Should approval be given to sell advertising space, the Council would consider a partner such as CAN.

## **What decision(s) are being recommended?**

That the Deputy Mayor and Executive Member for Children's Services:

- Gives approval for advertising space to be sold on the new Council website
- Notes the associated policy to be used by the Marketing and Communications team when making decisions on advertising.

### **Rationale for the recommended decision(s)**

12. Allowing advertising on the new Council website opens the potential to raise money that would support the overall budget position of the Council.

### **Other potential decision(s) and why these have not been recommended**

13. The alternative would be to develop the new Council website without the ability to sell advertising. This isn't recommended as the decision would cut off a potential revenue stream.

### **Impact(s) of the recommended decision(s)**

14. The impact of the recommended decision would represent a change for users of the Council website.

### ***Legal***

15. Any legal agreement with a potential partner would only be entered into after the input of legal services.

### ***Strategic priorities and risks***

16. The two items under the Quality of Service heading are affected by this issue, namely:

QOS 11 - Improve user experience of the council website, increasing online transactions

QOS 10 - Increase sponsorship income from businesses for various council activities.

17. Improving the user experience of the council website and increasing online transactions is the main objective of the new website project. A decision is required now as to whether we should incorporate advertising options into the design. Allowing advertising on the site would also present an opportunity to increase sponsorship income.

### ***Human Rights, Equality and Data Protection***

18. Protected groups would not be affected by this report's recommendation. Adverts that could be viewed as discriminatory or not supportive of the Council's commitment to fairness and inclusion would be permitted. An Impact Assessment is provided at appendix 2.

19. The advice of the Data Protection Officer will be sought before any contract is entered into. This will be relevant where personal data is used in relation to advertising cookies.

### ***Financial***

20. The development of the new Council website is at an early stage, however early discussions with an established potential partner in this field have taken place.

21. An estimate from the Council Advertising Network suggests the Council could see revenue of up to £5,000 per annum from advertising on the main Council website.

Extending advertising to a wider range of websites managed by the Council could see this figure rise to £12,000 per annum. This would be at no cost to the Council.

22. Any income generated from website advertising would contribute to the overall financial position of the Council.
23. If this report's recommendations are approved, full due diligence would take place before any arrangements is entered into with a potential partner.
24. This due diligence would take place in 2022 with the Head of Marketing and Communications authorised to enter into any subsequent legal agreement, after consultation with finance and legal colleagues.

### **Actions to be taken to implement the recommended decision(s)**

<b>Action</b>	<b>Responsible Officer</b>	<b>Deadline</b>
Complete due diligence on potential partner/s	Head of Marketing and Communications	TBC

### **Appendices**

<b>1</b>	<b>Proposed policy for controlling advertising on Council website</b>
<b>2</b>	<b>Impact Assessment</b>

### **Background papers**

No background papers were used in the preparation of this report.

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