

ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Property and Resources
DATE	23 April 2015
DIRECTOR	Angela Scott
TITLE OF REPORT	Sponsorship of Roundabouts
REPORT NUMBER	OCE/15/008
CHECKLIST COMPLETED	Yes/No

1. PURPOSE OF REPORT

The purpose of this report is to update the Committee on the sponsorship of roundabouts scheme, which was brought in-house on 1 April 2014 for a trial period of one year.

2. RECOMMENDATION (S)

It is recommended that the Committee

- a) approve that this scheme continue to be managed in-house;
- b) authorise the issuing of two year contracts in order to secure future income levels.

3. FINANCIAL IMPLICATIONS

The service has challenging targets to meet for income generation in 2015/16. By providing this service in-house it is possible to retain 100% of the income generated.

4. OTHER IMPLICATIONS

There are no other implications as the Marketing and Design Team will continue to manage this scheme from existing resources.

5. BACKGROUND/MAIN ISSUES

It was agreed by the Enterprise, Strategic Planning and Infrastructure Committee on 13 March 2014, to bring the sponsorship of roundabouts scheme in-house for a period of one year. The scheme was previously outsourced to an external marketing agency, whereby they kept a percentage of the income generated. The Marketing and Design Team had been managing the contract with the marketing agency since 2011 and believed that the scheme could be successfully run in-house.

Since bringing the scheme in-house sales have remained steady with most companies automatically renewing their contracts. However, some of our sponsors are in the oil and gas industry and due to the current financial climate have decided they no longer wish to sponsor a site. This along with the removal of two roundabouts due to changes in road layouts, has led to a drop in income. The team however are on budget to meet their 2014/15 income generation target.

The team does not have a staff member actively selling vacant sites, but has now established a dedicated webpage on the Council's website giving details of the scheme as well as listing which sites are currently available. They have also started to replace sponsorship panels on vacant sites advising that they are available. This has proved to be successful with interest in the scheme and sales from new sponsors increasing since their introduction.

The team have also received numerous requests asking if discounts can be offered to companies wishing to sponsorship the sites for longer periods. As the scheme was only brought in-house for a trial period of one year, we have been unable to offer this. By offering two year contracts we will be better able to plan and secure income.

6. IMPACT

Corporate – the ability to reach income levels as set out in the 5 year Corporate Business Plan and the Marketing and Design Service Plan by maximising income generation, by not paying a percentage to a third party.

Public – No

7. MANAGEMENT OF RISK

The Marketing and Design team will be at risk of not being able to meet the income generation targets set for the 2015/16 financial year, if the sponsorship of roundabouts scheme is not continued in-house.

8. BACKGROUND PAPERS

Sponsorship of Roundabouts Report dated 13 March 2014 (EPI/14/033)

9. REPORT AUTHOR DETAILS

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