
Subject:	DOVER LIVE SITE BIG SCREEN
Meeting and Date:	Cabinet – 9 September 2013
Report of:	Roger Walton, Director of Environment & Corporate Assets
Portfolio Holder:	Councillor Nigel Collor Portfolio Holder for Access and Property Management
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report: To seek Cabinet approval for the removal and disposal of the Dover live Site Big Screen.

Recommendation: That Cabinet approves the removal and disposal of the Big Screen at the earliest opportunity, approves the release of funds for its removal and the consequent reinstatement works to Market Square, and authorises the Director of Environment & Corporate Assets in consultation with the Portfolio Holder for Access & Property Management to:

- (1) agree the terms for its disposal;
 - (2) take all necessary steps at the appropriate time to surrender/terminate the licence agreements with KCC, Daktronics and the BBC
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1. Summary

- 1.1 A decision needs to be taken regarding the future of the Big Screen which is located in the designated 2012 Olympic Live Site in Dover town centre.
- 1.2 There are significant financial, maintenance and management issues associated with the Council's retention of the screen and there will be a need to secure a permanent planning consent for the screen when the current temporary consent expires in May 2014. This is likely to be problematic.
- 1.3 This report therefore recommends that the Council should seek to dispose of the screen by initially offering it for sale. While it currently seems unlikely that any receipt from the sale of the screen will exceed the cost of removing it, in the event that a surplus is achieved, it is recommended that this should be used to fund Olympic legacy related activities within the district.
- 1.4 While there is a local organisation which has shown some interest in buying the screen, there is no guarantee at this stage that this will come to fruition or that another buyer will be found for the screen as a complete unit or for its component parts. The report recommends that arrangements should be made for removal of the screen at the earliest opportunity and that the Head of Environment & Corporate Assets in consultation with the Portfolio Holder for Access & Property Management should be authorised to agree the best financial terms for its disposal .

2. Introduction and Background

- 2.1 The Big Screen is located in Dover Market Square which became the designated 'Live Site' in the lead up to, and during the 2012 Olympic games.
- 2.2 The cost of supplying and installing the Screen was met by the London Organising Committee of the Games (LOCOG). Dover Market Square was LOCOG's favoured site for the Screen and they successfully applied for a temporary planning consent in 2010.
- 2.3 The Council entered into a legal agreement with LOCOG on 7 July 2010 in relation to their Live Sites Project and under this agreement they undertook to provide and install the Screen and to procure a screen content service from the BBC.
- 2.4 The agreement resulted in the Dover Live Site and Screen becoming part of a UK network of similar sites and all the Council's with designated Live Sites were required to encourage community use of the live site space and support and help develop a number of Screen related events and activities inspired by the 2012 games and BBC coverage of national and international events. As well as providing and managing screen content from a Screen Operating Centre in Birmingham, the BBC also provided technical assistance with the local operation of the Screen.
- 2.5 The screen is situated on the highway maintained by Kent County Council and on 7 July 2010 LOCOG and the Council entered into a licence agreement with KCC for the erection and maintenance of the Screen on the highway. The licence agreement recites that the Screen "does not result in the production of income". Both agreements impose a liability on the Council to maintain the Screen and to meet this requirement the Council entered into a maintenance agreement with Daktronics for a period up to 1 July 2014.
- 2.6 In 2012 the Council was notified by the BBC that they had taken a decision not to continue supporting the screen with content or technical support. However, the BBC agreed to extend its support, albeit at a reduced level, until September 2013 to allow additional time for local authorities to explore options for the future operation of their screens.
- 2.7 Since the BBC announcement in 2012, the Council has been working with other screen local authorities to explore the potential for jointly procuring a screen content service. However, this partnership approach collapsed earlier this year leaving local authorities to either form smaller partnerships or identify individual solutions.
- 2.8 The legal agreement between the Council and LOCOG, referred to in paragraph 2.3 above, terminated on 31 December 2012. The agreement included provisions that "title in the screen shall automatically transfer to the Council on expiry of the Term". Initially, LOCOG argued that transfer of title was subject to the Council being able to demonstrate that it had used reasonable endeavours to secure a legacy for the screen. While the Council believed that the actions described in 2.7 above demonstrated that such endeavours had been made, it did not accept that under the terms of the agreement, this was a fundamental prerequisite for the transfer of title.
- 2.9 It had been intended that a report would be submitted to cabinet, regarding the future of the screen, as soon as possible following termination of the agreement. Unfortunately, this was not possible due to the need to confirm legal ownership of the screen and the lengthy period of communication with LOCOG that subsequently took place during which the Council continued to restate its view as to the ownership of

the screen and sought LOCOGs acceptance of this. While progressing this, the Council learned that LOCOG had gone into voluntary liquidation. However, in July the Council finally received confirmation from the liquidator that “LOCOG will not be claiming title over the screen and that they have no objection to the decommissioning of the screen”.

- 2.10 Ongoing maintenance of the screen may become problematic and potentially more expensive in future. Daktronics, the current maintenance contractor, has recently informed the Council that:

“The Dover display is a Panasonic model – with Panasonic parts and control equipment and is slightly different to the Daktronics displays. This has implications for the continued support in terms of service and maintenance of the display.

Unfortunately we find ourselves in a position where we are unable to support the Panasonics displays (in terms of parts) to the level that we would like to offer. The difficulty comes from Panasonic no longer manufacturing the parts and control equipment for the display in Dover (and three other UK cities). Because of this, we are reliant on our current stock holding of Panasonic parts in order to continue to support the equipment to the level that we have been. Moving forward we will only be able to offer parts coverage on a repair and return basis; there will be no new replacements available.

In terms of other third party equipment installed at site (including some audio components and control systems), we will be able to support these in a labour capacity only”.

- 2.11 The Council is aware that two other local authorities with live site screens have already taken a decision to dispose of their screens; Norwich and Leicester. Norwich were successful in finding a local organisation that wished to acquire the screen but in the case of Leicester it is believed that the maintenance support issue set out in 2.10 above may have made it more difficult to find a buyer.

3 Identification of Options

- 3.1 There has been some limited interest expressed by commercial organisations who would like to take on the operation of the screen. All of these expressions of interest are based on some level of commercial content being shown and it may be possible for the council to secure a financial return from such an arrangement. However, the current planning consent and license agreement with KCC does not allow for commercial content to be shown and any operator would need to secure an advertising consent for the screen as well as a variation to the licence agreement. Also, these organisations will face a significant challenge in relation to securing a permanent planning consent for the screen when it expires in May 2014.

- 3.2 The options are therefore:

- (a) Option 1: The Council to continue to operate the screen and source its own screen content provider.
- (b) Option 2: To negotiate an agreement with a commercial operator which at the very least would negate the need for the Council to meet any day to day running costs.

- (c) Option 3: To dispose of the screen and, if possible, seek a payment which would help cover the cost of its removal and any reinstatement work required. Any surplus to be used to support Olympic legacy activities.

4 Evaluation of Options

- 4.1 Option 1 is not the preferred option as it would require the Council to pay the on-going running costs for which there is no budget provision and to take action to secure a permanent planning consent for the screen. The Council does not have the technical expertise to take direct responsibility for the operation of the screen or securing appropriate content.
- 4.2 Option 2 is not the preferred option because of the planning complexities involved, the potential loss of control over screen content and the unknown level of staff support that such an arrangement would necessitate.
- 4.3 Option 3 is the preferred option for the following reasons:
- While the Screen has, in the past, been the centre point of a number of successful events there is no longer sufficient resource internally or externally to promote or manage events linked to screen.
 - Screenings of events such as live football can give rise to significant costs associated with road closures and stewarding.
 - Use of the screen to show commercial content is likely to be problematic both in terms of public perception and the specific planning consent required.
 - There are copyright issues associated with any background music broadcast on the screen. This is currently covered by a blanket licence held by the BBC which expires on 30 September 2013.
 - Securing a permanent planning consent for the screen is also likely to be challenging.
 - The screen technology is becoming outdated and the Screen manufacturer has advised they are no longer prepared to support the screen with spare parts which is likely to mean that the screen will become increasingly difficult and potentially more expensive to maintain.
 - A recent inspection of the screen has revealed signs of significant corrosion, again an indication of potentially considerable future maintenance expense.
- 4.4 The Council would not be the first local authority to take a decision to decommission its screen. Norwich City Council and Leicester City Council have also recently taken this decision.
- 4.5 Removal and disposal of the screen will not have a service impact in relation to the management of events and is primarily an asset disposal matter.

5 Resource Implications

- 5.1 There is currently no budget provision for the on-going running costs related to the screen.

- 5.2 Efforts will be made to try and find a buyer for the screen either as a complete unit or for its component parts. If a buyer is found, the aim will be to use the receipt to offset any costs the Council may incur in its removal and reinstatement of the highway. In the event that a receipt is obtained which exceeds this cost, the surplus will be used to fund Olympic legacy related activities within the district.
- 5.3 We know from other local authorities who have taken a decision to dispose of their screens that there is likely to be very limited interest and that the on-going maintenance issues described in this report will add to the difficulty.
- 5.4 In a worst case scenario where no buyer can be found it will be necessary to employ a specialist contractor to remove and dispose of the screen and related equipment. A realistic provision has already been made within this year's budget for carrying out this work (including reinstating the highway) and accords with a recent estimate provided by a specialist company.

6 Corporate Implications

- 6.1 Comment from the Section 151 Officer: Finance has been consulted and has no further comment. (KW)
- 6.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 6.3 Comment from the Equalities Officer: The Equality officer has been consulted during the development of this report and has no further comments to make other than to remind members that in discharging their responsibilities they are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

7 Appendices

None

8 Background Papers

None

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