

Subject:	Advertising and sponsorship – permission to tender		
Date of Meeting:	27 May 2010		
Report of:	Director of Environment Director of Finance & resources		
Contact Officer:	Name: Kevin Kingston	Tel: 29-3846	
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Key Decision:	No		
Wards Affected:	All		

FOR GENERAL RELEASE**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 In late 2008 a spend to save initiative was agreed to employ Pax Consultancy to carry out a two stage audit and review of the opportunities for advertising and sponsorship across the city with a view to increasing the city council's income from advertising and sponsorship. Pax believe that there are significant opportunities for the city to increase its income from advertising and sponsorship, particularly in view of the number of visitors to the city, its unique seafront and cultural and tourism offer.

2. RECOMMENDATIONS:

- 2.1 That the Cabinet agrees the commencement of a tendering process for the procurement of a range of city wide advertising and sponsorship opportunities to increase the council's income, based on six lots as detailed in paragraph 3.1 below.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Pax consultancy, with the support of various officers/service areas in the council, completed an audit of potential advertising inventory across the city in late summer 2009. It was agreed in late 2009 to progress to stage two of the project and it has been agreed that the following 6 lots (some may be sub lots) be advertised and taken out to tender as soon as possible. Birmingham City Council has recently advertised similar lots with the support of Pax consultancy.

Table 1

Lot 1 – Iconic gateways and structures incorporating large format advertising on the 5 main routes into Brighton & Hove as well as 48 and 96 sheet poster hoardings on council owned land at roadside junctions, roundabouts at on the periphery of regeneration construction sites.

Lot 2 – Building wrap advertising on high visibility buildings and structures being refurbished or built.

Lot 3 – Sponsorship and advertising on roundabouts, boundary and directional signage and bridges.

Lot 4 – Sponsorship of other items including seasonal displays, sponsorship of events and street furniture (including litter and dog bins), sponsorship in toilets and car parks.

Lot 5* – six sheet advertising on seafront (south of A259 and between Arundel Road in the east and the A2023 in the west) in pedestrian areas/other seafront and roadside areas in other parts of the city.

**Lot 5 would be subject to, and dependent upon, the legal interpretation of the current clear channel bus shelter contract.*

Lot 6 – other small advertising ie advertising sales in council magazines and advertising on plasma screens in council buildings, reception areas and leisure centres.

Tendering process

- 3.2 The requirement is a Service Concession and therefore outside the full ambit of the Public Contract Regulations. However, in order to maximise income for the council, increase competition and maintain fairness it has been decided that a non-mandatory OJEU advertisement will be placed and that the procurement process will adhere to the spirit of EU Procurement guidelines and procedures.

Identification of advertising /sponsorship locations

- 3.3 Alongside the tendering process we have identified, on maps, all existing advertising locations around the city (sites where we currently receive income) and have also identified new potential locations for advertising/sponsorship including prime locations in the city i.e. seafront, major roads into the city as well as other potential opportunities for advertising i.e. in car parks, on litter bins, in toilets etc. (see lots above).
- 3.4 This long list of potential new advertising sites across the city is currently being discussed with planning, conservation and highway colleagues and, as appropriate, the Highways Agency, to ensure that the advertising does not

compromise safety and to ensure that the council's planning and conservation policies are not compromised. Following these discussions, the locations on the long list will be 'flagged' or 'classified' as either red (serious concerns re advertising), amber (concerns that could be overcome), and green (sites given the go ahead). These will then be discussed with appropriate cabinet members and a short list will be finalised. It is important to state at this point that any sites and locations that are not considered suitable will reduce our income potential. It is hoped that all this can be completed by end of May so that the OJEU notices and Invitation to Tender (ITT) processes can start shortly after.

- 3.5 Once the short list of sites and locations has been agreed it will form part of the tenders that are offered. However, it should be noted that the successful tenderers for all appropriate lots will still be required to apply for planning permission in accordance with appropriate procedures for any new structures and hoardings that are erected.

4. CONSULTATION

- 4.1 The project has been discussed with legal services, procurement, property services and corporate communications, and the potential new locations for additional advertising are being discussed with colleagues in the Environment Directorate including planning, conservation and highways. Once a short list of potential new locations has been agreed there will be further discussions with members to finalise the shortlist of new locations that will be subject to the tender process.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The appointment of Pax consultancy has been funded by a spend to save budget of £55k that has been agreed by Strategic Finance and that this money would be repaid from advertising revenue once contracts are in place. It is anticipated that once the tendering process has been completed and contracts are in the place that the quality of advertising around the city will be improved and the council's income from advertising and sponsorship will increase. However, at the present time, it is not possible to estimate this increase in income.

Finance Officer Consulted: Louise Hoten Date: 26/04/10

Legal Implications:

- 5.2 For the purposes of the Public Contracts Regulations the contract will be a Service Concession, and therefore outside the full ambit of the Regulations. The Council is nevertheless required to comply with EU Treaty objectives of non-discrimination and openness in procurement, as well as comply with its obligation to seek Value for Money. Where the value of the contract is in excess of £75,000 it must be in a form approved by the Head of Law. The council must take the Human Rights Act into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in this report.

Lawyer Consulted: Sonia Likhari Date: 23/04/10

Equalities Implications:

- 5.3 The tender documentation and specification will explain the council's approach and policies in respect of equalities and we will expect all successful tenderers to observe and respect these policies.

Sustainability Implications:

- 5.4 The tender documentation and specification will explain the council's approach to sustainability and we will expect all successful tenderers to observe and respect this approach and our sustainability policies.

Crime & Disorder Implications:

- 5.5 There are no crime and disorder implications to consider.

Risk and Opportunity Management Implications:

- 5.6 It is clear that the quality of inventory for advertising and sponsorship in the city is poor compared to many other cities and our income from this inventory is also minimal. This project hopes to increase this income without compromising the city's heritage and physical environment and infrastructure.

Corporate / Citywide Implications:

- 5.7 As described earlier the completion of the tendering processes should enable the council to increase its income from advertising and sponsorship which in turn will support the council's revenue budget. There will be a visual impact from the installation of new advertising structures in the city but any installation will be subject, where appropriate, to planning and advertising approvals and regulations. Other locations that are not subject to planning approval will be agreed by the relevant conservation and highways colleagues. Through the tendering process we will also ensure that local businesses continue to have opportunities to purchase advertising space.

6. EVALUATION OF ANY ALTERNATIVE OPTIONS

- 6.1 Alternative options were evaluated at the inception of the project in 2008 when a waiver of standing orders was agreed to appoint Pax consultancy to work with the council on this project mainly because of their unique position and expert knowledge in this specialist field.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The recommendation should be approved so that we can progress the tendering process and get contracts in place as soon as possible so as to ensure that the council increases its income revenue from advertising and sponsorship and makes the most of its highways and other infrastructure, land and property portfolio in order to support our overall revenue budget.

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms

None

Background Documents

None

