

## **Sponsorship of and advertising on Highway Assets**

Report of the Chief Officer for Highways, Infrastructure Development and Waste

***Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect.***

### **Recommendations: That**

- (a) the proposed policy for sponsorship and advertising on Highway assets and associated infrastructure be approved;**
- (b) a procurement exercise is undertaken to manage and deliver this service;**
- (c) delegated Authority is given to the Chief Officer for Highways, Infrastructure Development and Waste and Cabinet Member for Highway Management to make minor amendments to the policy where appropriate.**

### **1. Summary**

This report outlines a proposed approach to sponsorship and advertising on Highway assets across Devon, to provide opportunity for organisations to sponsor/advertise on Highway assets and generate an additional income for the Authority.

### **2. Background**

Nationally, it is common practice for Highway Authorities to have in place opportunities to sponsor highway assets; these might include street lighting columns, roundabouts, bridges, properties, web pages, or fleet vehicles. Our only current offer is that of sponsoring roundabouts. However, this offer varies in approach across the County which isn't well understood or marketed. Devon has a large and varied highway asset and could secure additional income to assist in general service delivery if this was pursued in a better managed way.

It is not the intent to proliferate the County with obtrusive signage but merely formalise and bring a greater level of consistency to how we currently manage our offer.

To date our approach has been to dispose of the maintenance associated with the relevant roundabout and charge a flat fee of £398 per annum for sponsorship. The expectation being that sponsors take on grass cutting/planting in relation to that asset. In some areas responsibility for maintenance/sponsorship was passed onto Town, City, or District Councils for some or all roundabouts within their boundaries leading to an element of inconsistency in approach and style around the County.

Sponsorship has not historically been used to create a meaningful funding source for highways maintenance (or other Council activities). Informal discussions and interest from managing agents for such activity appear to provide opportunity to create a good return, albeit that return would depend on constraints placed on any offer.

### **3. Proposal**

A basic desktop analysis suggests we have between 100-120 roundabouts which would be suitable for sponsorship, similarly we have in excess of 70,000 lighting columns. It should be stressed that it is likely that only a proportion of lighting stock would likely be appropriate or commercially attractive for sponsorship.

It is proposed to source a contractor to manage sponsorship and advertising on highway assets on behalf of the Authority. Having conducted initial market engagement it would not appear that there would be any upfront costs to the Authority, with the third party taking an agreed percentage of income to cover the management and signing costs associated with sponsoring the asset. This model of business will provide the contractor with motivation to realise the full commercial value of assets and seek sponsors, it would therefore be likely that rather than a flat fee approach as currently charged different sites would be of different cost dependent on style, location, and volume of traffic.

Appendix I to this report will act as our policy position to guide on the principles around sign dimension, content, environmental and safety considerations being required. It will also act as a framework with which to begin the procurement exercise. This document may need amendments and it is proposed that the Chief Officer for Highways, Infrastructure Development and Waste in consultation with the Cabinet Member for Highway Management be given delegated authority to make minor amendments where necessary.

A procurement exercise would be required to establish who can deliver the best managed solution, with a view to deliver sponsorships and advertising. It would be envisaged that the initial agreement would include opportunities in relation to roundabouts, street lighting, and some verges with the opportunity to add potentially to this in future, be it for the immediate service or wider Council if considered appropriate.

Consideration will be given to securing a number of sites (or utilising sites not yet benefiting from sponsorship) to promote the activities of the Authority and the City/Borough/District Authorities.

Depending upon the final procurement arrangement it is likely that the managing agent (or DCC) would undertake basic maintenance funded by the sponsor, removing the current requirements for sponsors to undertake/arrange the work themselves. It is likely that this would be the preference of sponsors, however, options for sponsors to continue themselves will be a consideration in the procurement exercise.

Where arrangements exist with current sponsors, those sponsors will be given first options to retain the sponsorship of that asset.

### **4. Consultations**

Discussions have taken place with the in-house teams responsible for the management of the assets concerned, including colleagues in Trading Standards, Street Lighting and the neighbourhood highways teams. Colleagues in Safer Travel, Environmental Audit, and the Traffic Management Team will also assist in developing how signing associated with sponsorship will be presented on the Network.

The existing arrangements have been under review for some time, interested parties contacting the Authority in the past 18 months have been made aware of the ongoing review and their details have been held so they can be re-engaged by any future agent.

There is recognition that historically arrangements have been made with other Authorities in some parts of Devon to arrange sponsorship and/or maintenance, notably Exeter City Council, Mid Devon District Council, and Barnstaple Town Council. These Authorities will be engaged as proposals are further developed.

## **5. Financial Considerations**

Initial market engagement has indicated suppliers of managed solutions for sponsorship of highways assets regularly engage with local businesses. By providing local businesses with additional means to advertise, we can mutually develop our own commercial activities whilst supporting local economies.

An increased income for the authority will benefit public services.

As any managing agent will require an element of profit share the income could be less than if managed in-house. However, it is thought felt that the organisation doesn't have the resource to be able to do this in a cost-effective way given other competing priorities.

## **6. Environmental Impact Considerations**

Signing relating to sponsorship does already exist on our network but is inconsistent. Whilst it is accepted that poorly managed advertisements and sponsorships may be visually intrusive; this can be mitigated by developing a standard that ensures advertisements are of similar size and form. Similarly, advertisements would not be ostentatious or offensive, parameters around suitable material can be found in Appendix I and is common to other Authorities.

There is potential for a positive environmental impact to be achieved if a proportion of signing opportunities are utilised to promote the sustainable transport/public health initiatives of the Authority and the City/Borough/District Authorities.

An Impact Assessments has been undertaken for Sponsorship of and advertising on Highway Assets and circulated separately to Cabinet Members and is also available on the Council's website at <https://new.devon.gov.uk/impact/published/>, which Members will need to consider for the purposes of this item/meeting.

## **7. Equality Considerations**

There is not considered any equality consideration in relation to these proposals.

## **8. Legal Considerations**

The third-party supplier successful in the procurement exercise must ensure that they abide by any legislation that governs advertisement, see Appendix I.

It may be appropriate for Trading Standards to utilise signage to improve awareness of the 'buy with confidence' approved traders scheme, in place to link consumers with reputable and vetted firms.

## **9. Risk Management Considerations**

It is proposed that any standards relating to sponsorship will utilise rules and guidelines laid out by the Advertising Standards Agency (ASA) and uphold the rules laid out in the British Codes of Advertising and Sales Promotion and the Code of Recommended Practice on Local Authority Publicity.

The basic principles of the codes are contained in Appendix I.

## **10. Public Health Impact**

There are not considered to be any negative public health impacts of this proposal.

There is potential for a positive public health impact to be achieved if a proportion of signing opportunities are utilised to promote the sustainable transport/public health initiatives of the Authority and the City/Borough/District Authorities.

## **11. Options/Alternatives**

The following options have been considered:

Option A: Do nothing, maintain current arrangements.

Option B: Review how sponsorship and advertising is managed in-house.

Option C: Procure the services of a third-party supplier to manage sponsorships and advertising, generating revenue for reinvestment in the highway network.

## **12. Reason for Recommendation/Conclusion**

It is not considered appropriate for existing arrangements to continue as the current approach is inconsistent and to a degree confusing for potential sponsors. Nor is it considered appropriate to review and manage in-house due to limited staff resource and expertise in establishing commercial value and managing these assets in a commercial manner.

Therefore, it is recommended that the Authority procures the services of a third-party supplier to provide a managed solution to sponsorships and advertising.

This proposal will provide an opportunity to develop a revenue stream to the authority at no cost. As profits are shared with the supplier, there is motivation for them to realise the full commercial value of assets and seek sponsors, with little risk to the authority. Although there may be officer time spent on procuring the supplier, on-going officer time would be minimal with the supplier leading on securing new advertisers and sponsors.

Meg Booth

Chief Officer for Highways, Infrastructure Development and Waste

## **Electoral Divisions: All**

Cabinet Member for Highway Management: Councillor Stuart Hughes

Local Government Act 1972: List of Background Papers

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Background Paper

Date

File Reference

Impact Assessment

March 2018

<https://new.devon.gov.uk/impact/published/>

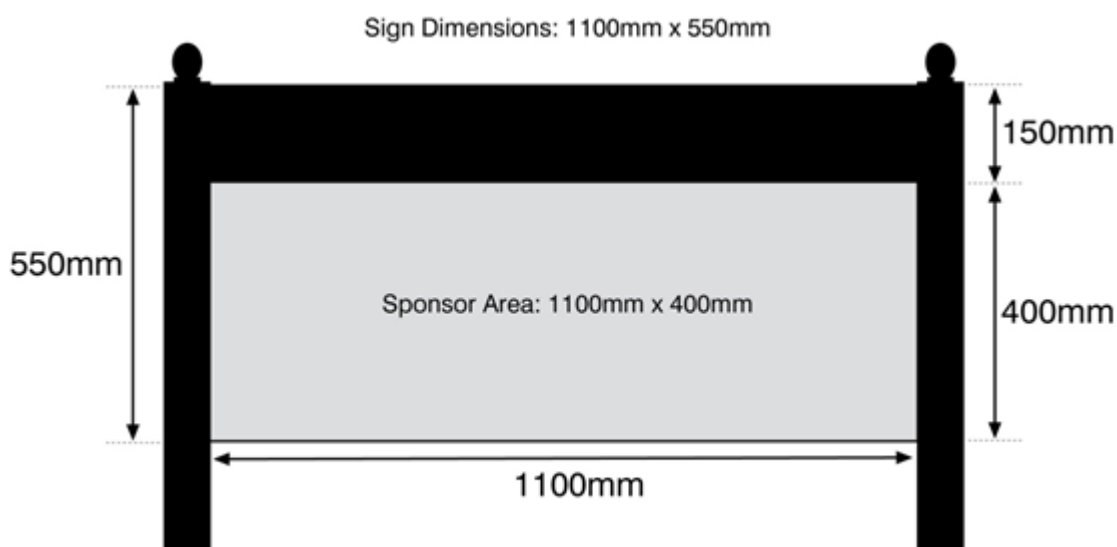
ms220218cab sponsorship of and advertising on Highway Assets hk 08 050318

## **Sponsorship Policy Position**

### **Purpose**

To provide a consistent framework for organisations wishing to provide sponsorship and advertising on the Highway Asset.

### **Indicative sign appearance**



Within the sign the Devon County Council logo must be incorporated.

**To be added - indicative appearances of lamp column banners will be added in addition to any other form of sponsorship/advert material.**

### **Standards**

Any officer or contractor securing advertising on the Council's behalf must follow the guidelines below.

All advertising must comply with legislation and official bodies codes of practice such as:

- The Advertising Standards Agency (ASA)
- The Committee of Advertising Practice (CAP).

Advertisements must comply with all acts of Parliament, UK and EU regulation and case law regarding advertisement.

Advertisements must not be false and must not contain deceptive messages.

### **Prohibited advertisements**

Devon County Council is committed to equality and diversity and challenging discrimination.

Advertisements must not feature violent content, discriminate against, or promote violence or hatred against any organisation, person/s or protected group.

Protected characteristics include:

- Age
- Disability
- Gender reassignment
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Religion or Belief
- Sex
- Sexual Orientation.

Advertisements must not promote:

- Sexual or adult content including pornography, lap dancing or prostitution
- Weapons including firearms, imitation firearms, knives and toys which imitate firearms, knives or other weapons
- Illegal items such as phone and radar jammers, counterfeit documents and fake IDs
- Illegal drugs and drugs paraphernalia
- Hate groups such as far right groups or extremist organisations
- Events associated with illegal activity, such as unlicensed bars, parties or clubs
- Illegal services such as unlicensed taxis
- Alcohol
- Tobacco
- Both illegal and legal gambling
- Any other illegal activity.

Advertisements for products claiming a health or medical benefit must comply with the Medicines Act 1968 as well as guidance from the Medicines Control Agency.

Advertisements for financial services or products must comply with the Financial Services and Markets Act 2000, as well as follow all guidance and regulations set by the Financial Services Authority.

In addition to the above, the Council reserves the right to refuse any advert that may bring the Council into disrepute. Consultation will occur with DCC Trading Standards service in the event of any proposed messages being of concern prior to use.

### **Safety Considerations**

A basic form of safety audit will be required for each site.

### **Environmental Considerations**

In addition to prescribing maximum dimensions (above) where any new sign is installed the scope for rationalisation of existing signs will also be investigated.