



REPORT OF THE DIRECTOR OF CITY DEVELOPMENT

EXECUTIVE BOARD

Date: 14 May 2008

**Subject: ADVERTISING ON LAMP POSTS
PROPOSALS FOR DISTRIBUTION OF INCOME**

NOT FOR PUBLICATION: The appendix to this report is Exempt/Confidential under access to Information Procedure Rule 10.4 (3)

Electoral Wards Affected:

ALL

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

EXECUTIVE SUMMARY

On 19th December 2007 this Executive Board approved the award of a contract for advertising on street lighting columns for the period 2008-2023. The Board requested a further paper on advertising opportunities identified by Area Committees and share in profits. This report is the response to the Board's request and after a review of options proposes that Area Committees should benefit from a 20% share the income from all the lamp post advertising sites, to be spent in the wards where the adverts are located.

PURPOSE OF THIS REPORT

- .1 To propose a scheme for share in profits from lamp post advertising.

BACKGROUND INFORMATION

- 2.1 The contract for advertising on lamp posts covers the whole of the city with the exception of the city centre area as bounded by the Inner Ring Road to the West and North, Marsh Lane to the East and the river to the South. A further report will be presented to Executive Board in the future regarding advertising sites in the City Centre.

- 2.2 All lamp post advertising is required to comply with The Advertising Design Guide (Supplementary Planning Documentation as approved by the Executive Board) and the council's guidance on advertising content.
- 2.3 The service provider is responsible for identifying sites, obtaining advertising consent, installing suitable columns and panels to support the adverts and selling the advertising space.
- 2.4 Income to the council is a fixed amount for each site with advertising consent. There is RPI index linking built into the contract.
- 2.5 The income will therefore be limited by the number of sites approved through the council's own planning process.
- 2.6 There are already 52 sites which were installed as part of a trial. Additional sites will be installed mainly over the next three years and will be coordinated with the column replacement programme for the street lighting PFI. The Service Provider would eventually like to install 800 sites by 2012/13.
- 2.7 It may be possible to accelerate and increase the income, given local support to promoting potential sites. For the Service Provider to progress such sites, they would need to be commercially viable, comply with the Advertising Design Guide and tie in with the street lighting PFI replacement programme.
- 2.8 The public interest in maintaining the appendix as exempt outweighs the public interest in disclosing the information by reason of the fact that it contains commercially sensitive information which, if disclosed, could be prejudicial to contract confidentiality.

3.0 PROPOSALS FOR DISTRIBUTION OF INCOME

- 3.1 It is proposed that Area Committees be offered a 20% share of the fixed income for every lamp post advert site with planning consent, to be spent in the wards where the adverts are located.
- 3.2 The income this would generate for area committees is considered to be a sufficient sum to be of value to the area committees while still supporting the income generation requirements for the street lighting service.
- 3.3 The option is transparent and simple to administer. It provides financial benefits which will enhance delivery of services in those wards where the advertising income is being generated.

4.0 TIMETABLE

- 4.1 The lamp post advertising Service Provider will commence new applications for advertising consent during 2008.
- 4.2 The Service Provider will notify the council of the number of sites with consent on a quarterly basis. They will then be invoiced based on the contract fixed income per site. 20% of the income received will then be transferred to Area Committees.
- 4.3 The annual income will build up over a period of three years as the Service Provider co-ordinates their work with the street lighting replacement programme.

5.0 CONSULTATION

- 5.1 The Street Lighting PFI Service Provider is working with the Lamp Post Advertising Service Provider in coordinating works with the column replacement programme.
- 5.2 Area Managers have been advised of the income share proposals.
- 5.3 The Lamp Post Advertising Service Provider will write to ward members and advise them in advance of any proposals to seek advertising consent for sites in their ward.

6.0 RESOURCE IMPLICATIONS

- 6.1 Staff: The management of a street lighting advertising contract will be delivered by Highways Services.
- 6.2 Budget: The minimal costs to the council associated with delivery of street lighting advertising will be funded from the income generated and will generate a significant net income to the council.

7.0 RISK ASSESSMENT

- 7.1 The Council will take the risk of obtaining planning advertising consent for the sites. The service provider will take the risk of installing and marketing the sites.
- 7.2 The proposals for sharing of income will generate community benefits and may reduce the risk of opposition during the planning advertising consent process.

8.0 IMPLICATIONS FOR COUNCIL POLICY AND GOVERNANCE

- 8.1 This report is consistent with the council's policy on advertising on lamp posts as established by the Executive Board on 15 November 2006.

9.0 RECOMMENDATIONS

- 9.1 The Executive Board are requested to approve the arrangements for distribution of income from lamp post advertising as described in this report.

10.0 BACKGROUND PAPERS

- Report to Executive Board, 15 November 2006 "Advertising on Lamp Posts" and associated confidential addendum on income generation.
- Advertising Design Guide and Advertising Content Guidance.
- Report to Executive Board, 19 December 2007 "Advertising on Lamp Posts" approving the award of an advertising contract.