

PERTH AND KINROSS COUNCIL**Strategic Policy and Resources Committee****30 November 2016****Transformation Review of Council Assets for Commercial Sponsorship****Report by the Depute Chief Executive, Environment
(Sustainability, Strategic and Entrepreneurial Development)****PURPOSE OF REPORT**

The purpose of this report is to propose a policy for Sponsorship and Advertising for the Council, and to provide an update on the progress being made with the Transformation Review of Council Assets for Commercial Sponsorship.

1. BACKGROUND

- 1.1 The review of the Council's assets for commercial sponsorship is one of the Phase 2 reviews of the Council's Transformation Programme. This review aims to take an innovative approach by using the Council's existing assets as a means of producing a revenue stream, by offering sponsorship and advertising opportunities to commercial organisations. The revenue generated from this project can offset the costs of providing valuable public services. The targeted income generation for this review is £50,000 per annum by 2019/2020.
- 1.2 To date work has been undertaken to research market opportunities and identify potential sponsors, drawing on learning gained from other Local Authorities across the UK, in collaboration with the Cross Council Revenue Group, a consortium of Local Authorities which work together to share information on income generation. Learning has also been gained from the Council Advertising network, a group of over 50 Local Authorities which collaborate on website advertising.
- 1.3 Opportunities for sponsorship of assets that have more likelihood for early achievement and reasonable return have been identified and prioritised. Assets were categorised into three tranches as described in paragraph 2.4 below. These included advertising on the sides of refuse collection vehicles in tranche 1, which was thought to provide the best prospect for an early income stream and assets in tranche 2 that should provide a good return in a shorter timeframe than the remaining assets. The third tranche identifies more specialist assets and ones that are harder to determine their viability or are potentially more sensitive.

2. PROGRESS UPDATE

- 2.1 A tender exercise with potential suppliers to advertise on refuse collection vehicles did not result in a bid. Unfortunately around that time, the supplier which was the leading specialist for refuse vehicle advertising went into administration. Discussion is still underway with other potential suppliers and may result in refuse collection vehicles being included in a wider package of assets with other fleet vehicles, as market feedback determined that this area of sponsorship was specialist and could benefit from being marketed together.
- 2.2 A partner with a proven track record in providing advertising and sponsorship of Local Authority assets across the UK has been procured through a Scottish Government framework agreement to progress opportunities identified in tranche 2 below. The supplier has started marketing sponsorship opportunities, aiming to generate income for the Council early in the new year.
- 2.3 Further research and market testing of tranche 3 assets are being undertaken and will be progressed following tranche 2, by February 2017, unless earlier opportunities arise.
- 2.4 An indicative list of the three tranches of assets for sponsorship is listed below:

1st Tranche	2nd Tranche	3rd Tranche
Refuse Collection Vehicles	Roundabouts	Sponsorship boards on Council buildings
	Litter bins/Dog bins	Website sponsorship
	Grit bins	Public wifi welcome page
	Lighting columns	Hi-vis vests
	Cycle lockers	Sponsorship of greenspace and parks (i.e naming rights)
	Sponsorship boards at recycling centres	Naming rights for events & locations
	Sponsorship boards at car parks	Sponsorship boards in Council building foyers
	Sponsorship boards near parks & greenspace	Large Fleet Vehicles
	Sponsorship boards on Council owned land	Small Fleet Vehicles
	Sponsorship boards outside schools	
	Sponsorship of bridges	

3. SPONSORSHIP AND ADVERTISING POLICY

- 3.1 Appendix 1 details a proposed sponsorship and advertising policy to govern contractual arrangements with suppliers and sponsors, to ensure that these arrangements support the delivery of the Council's public services and that the integrity of the Council's operations is not compromised or brought into question. The policy is based on benchmarking with other Local Authorities including via the Cross Council Revenue Group.
- 3.2 The policy has been developed with consultation from the Head of Legal and Governance Services and the Head of Democratic Services.

4. RECOMMENDATIONS

- 4.1 The Strategic Policy and Resources Committee is asked to:
- (a) Approve the Sponsorship and Advertising Policy for use by the Council.

Author(s)

Name	Designation	Contact Details
Steve Homer	Transformation Manager	shomer@pkc.gov.uk 01738 475606
David Fraser	Project Assistant	dsfraser@pkc.gov.uk 01738 475073

Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive, Environment (Sustainability, Strategic & Entrepreneurial Development)	16 November 2016

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	None
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	Yes
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	Yes

1. Strategic Implications

Community Plan/Single Outcome Agreement

This report supports the delivery of the Strategic Objectives within Community Plan/Single Outcome Agreement 2013-23 and Corporate Plan 2013-18.

2. Resource Implications

Financial

2.1 There are no additional financial implications arising from this report.

Workforce

2.2 There are no direct workforce implications arising from this report.

Asset Management (land, property, IT)

2.3 There are no direct asset management implications arising from this report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as not relevant for the purposes of EqIA.

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The proposals within this report have been considered under the terms of the act and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

4. Consultation

Internal

- 4.1 The policy has been developed with consultation from the Head of Legal and Governance Services and the Head of Democratic Services.

External

- 4.2 Not applicable.

5. Communication

- 5.1 Communications with staff will be undertaken as the review develops.

6. BACKGROUND PAPERS

2.1 No background papers have been referred to in this report.

7. APPENDICES

- Appendix 1 – Sponsorship and Advertising Policy