

**REPORT TO: CITY DEVELOPMENT COMMITTEE–25 MARCH 2013**

**REPORT ON: ROUNDABOUT SPONSORSHIP**

**REPORT BY: DIRECTOR OF CITY DEVELOPMENT**

**REPORT NO: 141-2013**

## **1 PURPOSE OF REPORT**

- 1.1 To advise Committee of progress in relation to sponsorship opportunities relating to landscaped roundabouts within Dundee City.
- 1.2 To authorise the Director to participate with Angus Council as partners in the Tayside Procurement Consortium in relation to the appointment of a specialist to procure sponsors for suitable roundabout sites within Dundee and manage all aspects of the project.

## **2 RECOMMENDATION**

- 2.1 It is recommended that the Committee:-
  - a notes the progress towards roundabout sponsorship
  - b authorises the Director to participate in a partnership agreement with Angus Council to procure the sponsorship of roundabouts within Dundee through Community Partners Ltd.

## **3 FINANCIAL IMPLICATIONS**

- 3.1 The minimum level of sponsorship of a roundabout is such that the sponsor will meet all costs in relation to provision of signing and subsequent maintenance of the roundabout and its landscaping. The net cost to the Council is, therefore, at least neutral. Should the value of sponsorship exceed the basic costs, the excess will be shared 50/50 with the specialist.
- 3.2 Environment Department will save on its revenue costs of maintaining a sponsored roundabout.
- 3.3 The specialist intends to engage Tayside Contracts for supply and installation of signing and Environment Department for roundabout maintenance providing further income opportunities.

## **4 BACKGROUND**

- 4.1 Officers of City Development have been working with their counterparts in Angus Council to investigate the possible sponsorship opportunities afforded by erecting appropriate signage on landscaped roundabouts within both Councils.
- 4.2 All 32 Scottish local authorities were surveyed to ascertain their attitude towards roundabout sponsorship. Of the 12 authorities who responded to the survey, four permitted advertising on roundabouts with our near neighbouring Councils Fife and Aberdeen City Council being two of these.

4.3 Three options for marketing of sponsorship were considered

**Option1 – employ a specialist to take responsibility for all aspects of the project including supply and installation of signing and landscape maintenance.**

This proposal has limited risk to the Council in that only if the specialist finds a sponsor would there be a change to the status quo.

The Council does not have to commit resources to seeking sponsors which may not ultimately produce an income.

This option removes the maintenance burden on the Council for any sponsored sites.

The net income to the Council is likely to be less than other options as the specialist will cover its costs and risks and share any net income. However, all income to the Council would be surplus and could be re-invested in other City development priorities.

**Option2 – employ a specialist to undertake the sponsorship role with the supply and installation of signing and landscape maintenance responsibility retained by the Council**

There are a larger number of companies who specialise in selling advertising but would not take on the required physical works.

The Council would undertake the installation of signing and landscape maintenance with associated administration. The staff costs related to this would reduce the value of any surplus income.

This option is higher risk as the value of sponsorship and expectation of sponsors is not directly related to the Council's costs.

**Option3 – the Council undertakes all roles of sponsorship, signing and landscape maintenance.**

This option allows the Council to retain all surplus income. However, the costs involved in marketing, administration and physical works may outweigh any income.

All risks relating to the success of the project are retained by the Council.

**Option 1 was considered the appropriate option to proceed with.**

- 4.4 Tenders were issued on the basis of Option 1 to three potential specialists in September 2012, the following tenders were received:-

<b>Tenderer</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Overall Score</b>
Community Partners Ltd	70	19.5	89.5
Immediate Solutions	60.65	24.9	85.55

These tenders were assessed on the basis of 70/30 price/quality and the recommended tenderer is Community Partners Limited.

- 4.5 Sponsorship will not be accepted from companies associated with:-

- Alcohol
- Tobacco
- Any products which may contravene the Council's stance on equality or diversity
- Political parties

No lighting of any nature will be permitted as part of the sponsorship. All sponsorship will be subject to the approval of Dundee City Council.

## **5 POLICY IMPLICATIONS**

- 5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

## **6 CONSULTATIONS**

- 6.1 The Chief Executive, the Director of Corporate Services and Head of Democratic and Legal Services have been consulted and are in agreement with the contents of this report.

## **7 BACKGROUND PAPERS**

- 7.1 None.

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FW/RW/EH

14 March 2013

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