

Report to	<b>Lead Cabinet Member for Transport and Environment</b>
Date	<b>7 November 2005</b>
Report By	<b>Director of Transport and Environment</b>
Title of Report	<b>Roadside sponsorship policy review</b>
Purpose of Report	<b>To report on the consultation and agree a new policy</b>

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## **RECOMMENDATIONS**

- 1. Agree the revised policy statement (PS8/7) on roadside sponsorship (Appendix A);**
  - 2. Agree that an external company be employed to market roadside sponsorship their fees being met by a proportion of the sponsorship secured.**
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### **1. Financial Appraisal**

1.1 There are no significant financial implications arising as a result of this report. The maintenance of roadside features, sponsored areas and the setting-up costs would be covered through income from sponsorship contracts.

### **2. Background Information**

2.1 Sponsored roadside planting has been allowed under a policy agreed by the County Council in 1992, (Policy PS8/6). In April 2005 a new roadside sponsorship policy, informed through consultation with all county councillors, local councils in East Sussex, neighbouring authorities, Sussex Downs Conservation Board, Ashdown Forest Conservators, Sussex Police, the Highways Agency and the Scrutiny Committee for Transport & Environment, was approved by Cabinet.

2.2 The applicant or sponsor under this approved policy is required to provide a planting plan, procure implementation and undertake a maintenance period of the scheme, for up to five years, on the highway land (or provide financial reimbursement in the event of failure to fulfil the conditions). It was not anticipated that any income would accrue through implementation of this approach, rather that the maintenance of particular highway features, such as roundabouts, would be undertaken by the sponsor.

### **3. Discussion**

3.1 A limitation of this approach is the need for sponsors to hold appropriate public liability (PL) insurance. Only a few of the larger town and parish councils are prepared to provide this level of cover. Feedback from other authorities and sponsorship brokers is that most businesses carry £5 million PL cover, but the extra cost of increasing this to the required £10 million is sufficiently expensive that it would deter most potential sponsors or smaller councils from taking on sponsorship contracts. On the advice of its Insurers, based on actual claims experience nationwide, the County Council carries £10 million PL insurance and requires its contractors to carry the same insurance cover.

3.2 The current approach also relies on the sponsor procuring the design, implementation and future maintenance of a scheme which both respects the local environment and meets highway safety criteria. This is generally beyond the scope of a sponsor's core business and could similarly deter a number of potential sponsors.

3.3 There is scope to simplify this process which would widen the appeal to prospective sponsors and potentially generate a net surplus income to the County Council, although the policy agreed by Cabinet in April 2005 does not provide for this.

3.4 For these reasons it is recommended that the specific approach within the general Roadside Sponsorship Policy is altered, which would enable the County Council to design, implement and maintain any highway planting and market sponsorship opportunities. The applicant or sponsor would pay the County Council to undertake this work whilst gaining recognition for the planting through the erection of a standard sponsorship notice similar to those currently erected on sponsored sites. The proposed revised Roadside Sponsorship Policy is included in Appendix A.

3.5 Consultation responses on this policy amendment would not vary from those which informed the current policy approved in April 2005, and therefore no additional consultation is necessary.

3.6 There is a need to establish the distribution of any potential surplus income from sponsorship. A third of respondents to the original consultation said that surplus income, after setting-up and maintenance costs have been deducted, should be shared between the highway authority and the local parish or borough council. However, in that case the local council would be providing the public liability insurance and in effect underwriting the works. As this revised approach removes that obligation it is recommended that any net surplus income is utilised by the County Council.

#### **4. Marketing sponsorship of roadside planting**

4.1 A company should be employed to market the sponsorship of roadside planting as the County Council has limited expertise in marketing sponsorship opportunities. It is recommended that a tender be sought to provide specialist advice for that function. Any fee for the employed marketing company would be funded as a proportion of the sponsorship secured.

#### **5. Conclusion and Reason for Recommendation**

5.1 There is scope to simplify the process for roadside sponsorship which would widen the appeal to prospective sponsors and potentially generate a net surplus income to the County Council, although the policy agreed by Cabinet in April 2005 does not provide for this.

5.2 The proposed approach would give the County Council greater control over the design, implementation and maintenance of highway planting schemes, and would have full responsibility for any public liability claims which might arise, absolving the sponsor of the need to take out this cover. The sponsor would finance the highway planting scheme for a period of up to five years.

BOB WILKINS  
Director of Transport and Environment

Contact Officer: Peter Hayward Tel. No. 01273 482136  
Local Member(s): All

#### **BACKGROUND DOCUMENTS**

1. Policy Summary PS8/6 – Planting on Highways by Commercial Concerns.
2. H&T Committee 16 September 1992 – agenda item 9.1.
3. Lead Cabinet member for T&E, 1 November 2004 - Roadside Sponsorship Policy.
4. Consultation on a new policy relating to roadside sponsorship – February 2005.
5. Cabinet Committee, 19 April 2005 - Roadside sponsorship policy review.

<b>ROADSIDE SPONSORSHIP</b>	<b>PS8/6</b>
<p><b><u>Purpose of Policy</u></b></p> <p><b>To permit planting, landscaping and sponsorship of roadside features with appropriate recognition of sponsors.</b></p>	
<p><b><u>Specific Polices</u></b></p> <ol style="list-style-type: none"> <li>1. The Director of Transport &amp; Environment is authorised to agree planting, landscaping and installation of other features on the highway through sponsorship with appropriate recognition notices.</li> <li>2. The County Council will secure the design, implementation and maintenance of planting, landscaping or public art schemes on the highway. The applicant or sponsor will enter into an agreement to sponsor the scheme for a period of up to five years, and have this recognised on a sponsorship notice erected on the site.</li> <li>3. Schemes shall be in accordance with the Code of Practice for roadside sponsorship taking into account the following factors; road safety, maintenance of the feature, future highway Works, the appropriateness of the proposals within the local environment, layout and number of sponsorship notices (normal notice size not to exceed 0.2 square metres), and any other relevant matters.</li> <li>4. The procedure for designing schemes shall provide for taking into account the views of the local member and the Town or Parish Council.</li> <li>5. Proposals will need to satisfy current legislation concerning Public Utilities' apparatus.</li> </ol>	
<p><b><u>Supporting Statement</u></b></p> <p>Roadside sponsorship has been regulated by the provisions of the Highways Act 1980. This policy is designed to allow sponsoring organisations to improve the aesthetic appearance of the highway</p>	
<p><b>References - Further Information</b></p> <p>H&amp;T Committee 16 September 1992 – Agenda item 9.1  Transport &amp; Environment Committee 30 September 1997  Cabinet Committee 19 April 2005  Cabinet Committee 7 October 2005</p>	<p><u>Date of Approval</u>  16/9/92  19/4/2005</p>