

Updated Advertising Policy Executive Director of Corporate Services (S151 Officer)

Report to:	Cabinet
Meeting date:	9 March 2021
Ward(s):	All
Key Decision:	No
Appendix 1:	New proposed Advertising Policy (Recommended)
Appendix 2:	Current Corporate Sponsorship and Advertising Policy (2011)

Papers relied on: Advertising Consultant Report October 2020

Cabinet is recommended to:

- **Approve the proposed Advertising Policy as detailed in Appendix 1.**

Background, corporate objectives and priorities

This report provides the recommended update to the councils Advertising Policy which was last updated in 2011, taking into account the change in the economic market and rapidly emerging opportunities.

The policy update supports delivery of the Council Plan's key priorities:

- Strengthening communities;
- Protecting and enhancing our environment;
- Improving safety; and
- Planning for the future.

This supports the Fit for the Future theme in the priority plans, under the council plan and MTFS.

Glossary of terms

Term	Definition
MTFS	Medium Term Financial Strategy
SLT	Senior Leadership Team
SMB	Strategic Management Board

Main considerations

1 Executive Summary

- 1.1 The current Corporate Sponsorship and Advertising Policy was approved in 2011 and with the changing times and emphasis on income generation, the policy requires updating to support projects such as the advertising procurement currently taking place (subject to approval).
- 1.2 The proposed policy is in line with other policies used by councils that are promoting similar services and provides the flexibility to deliver advertising that supports local businesses, drives income whilst also providing the protection to the council around appropriated advertising.
- 1.3 Cabinet is asked to approve the proposed policy as detailed in Appendix 1.

2 The Proposal

- 2.1 The current Corporate Sponsorship and Advertising Policy was written and approved in 2011. Since then the market and national advertising guidelines have changed and the policy needs to be updated to support the council to drive forward new initiatives and support businesses in the borough.

- 2.2 The new policy is particularly important at this time to support the advertising project which is anticipated to bring in new income in excess of £0.12M (2021/22) and £0.22M by 2024/25 which will support the ongoing financial health of the council. It should be noted that this is net of a further £0.70M by 2024/25 to offset the cost of the Commercialisation Manager role. These proposals were approved by Council at its meeting in February 2021.
- 2.3 This document sets out a policy for hosting advertising and sponsorship, aimed at maximising revenue raised while at the same time encouraging local and national businesses to participate, and ensuring that the content is appropriate and reflects positively on the borough and the reputation of the council.
- 2.4 It is also designed to provide guidance for contractors and prospective sponsors and advertisers regarding what is and is not considered acceptable to the council.
- 2.5 The strategic review of Basingstoke and Deane's advertising and sponsorship activities (October 2020) set out a range of options for developing new and existing revenue streams for the council with proposals for additional income generation approved by Council in February 2021 enabling the council to protect valuable frontline services by leveraging its positive brand through a more commercial approach to its activities. This makes the need for a fit-for-purpose policy that can give the council greater confidence to innovate all the more necessary.
- 2.6 In the decade since the council's current advertising and sponsorship policy was developed, local authorities across the country have reassessed their methods of public service delivery in the interests of efficiency, adaptability and value for money.
- 2.7 The sector has looked beyond incremental efficiencies and instead developed a range of innovative methods of service delivery, which have generated significant cost savings and most importantly, significant income generation.
- 2.8 The Strategic Review for Advertising clearly identified a strong correlation between commercial success in other councils and agile policies capable of responding to rapidly changing market conditions and emerging opportunities. Therefore, having gained a thorough understanding of what we are seeking to achieve the next step is to develop the right policies to achieve our goals, all the while testing to ensure that they are suited to face up to the challenges facing the organisation and that firm and realistic plans for delivery are put in place.

3 Advertising Principles

- 3.1 As part of Basingstoke's wider Income Generation Strategy, the policy sets out the council's approach to seeking and accepting advertising and sponsorship. For the avoidance of doubt, this policy is applicable where the council is offering advertising or sponsorship opportunities to external

partners. Separate policies and systems are in place for agreements entered into whereby the council is the customer.

- 3.2 It makes clear that the council is keen to develop appropriate advertising and sponsorship opportunities to support its activities either directly or indirectly and that it will encourage commercial relationships which do not conflict with the delivery of its strategic goals.
- 3.3 The policy aims to provide helpful advice to council employees and prospective advertisers and sponsors on what is, and is not, an acceptable form of advertising or sponsorship.
- 3.4 The policy relates to advertising and sponsorship opportunities connected to the council's assets, services, events and other activities that it has responsibility for.

4 Purpose

4.1 The purpose of this policy is to:

- provide a robust framework and control measures for advertising and sponsorship activity in support of income generation;
- maximise opportunities to attract advertising/commercial sponsorship for appropriate assets, events, campaigns or initiatives;
- ensure there is no conflict with council priorities, values or services
- establish a unified and corporate approach to advertising and sponsorship across the council;
- ensure compliance with legislation, advertising industry codes of practice and other relevant council policies;
- support the development of commercial partnerships with the private sector;
- safeguard the image and environment of the borough;
- support the council's reputation and corporate identity;
- to ensure that there is transparency in the way that Members and officers deal with advertisers and sponsors.

5 Advertising and sponsorship process

5.1 The new policy will support the commercialisation strategy and advertising opportunities across the council. The advertising portfolio has been reviewed to understand the potential income benefits to the council and an advertising project initiated. The advertising project will focus on four key areas;

- Updated advertising and sponsorship policy;
- the Malls (digital);
- other outdoor space, street scene and green spaces, bus shelters and others;
- print and online (Basingstoke & Deane Today already carries some advertising).

- 5.2 As part of the advertising project the council are seeking a partner to manage and maintain advertising opportunities and contracts to generate income for the council. In line with the policy, a process will need to be agreed for approval of advertisers and advertising content between the partner organisation and the council.
- 5.3 Once the draft policy is agreed a process will be developed to ensure all advertising and sponsorship opportunities are assessed against the policy and agreed by appropriate lead officers.

Corporate implications

6 Legal

- 6.1 The Localism Act 2011 introduces a power of general competence, providing local authorities with the power to do anything that individuals may generally do, providing it is not on breach of any other law. Accordingly, by virtue of this power of general competence, any agreement entered into pursuant or subject to the new advertising policy will be lawful and enforceable, where no other express power was available or where the extent of an existing power was in doubt.
- 6.2 Any contract award to a third party advertiser or supplier that needs a competitive process will be subject to the requirements of the Council's Contract Standing Orders.

7 Financial

- 7.1 The development of a revised policy is fundamental to delivering the income targets that are built into the MFTS, approved by Council in February 2021. There are no additional direct costs associated with it at this stage as the activity is being carried out within existing resources and funding allocation under the Fit for the Future Transformation programme. As noted above, the income generated will support the cost of the Commercialisation Manager which is intended to be a self-funded role.

8 Risk management

- 8.1 A risk assessment has been undertaken in accordance with the council's risk management process and has identified no significant (Red or Amber) residual risks that cannot be fully minimised by existing or planned controls or additional procedures.

9 Equalities

- 9.1 An Equality Impact Assessment was undertaken to consider the impact of the proposed implementation of an updated advertising policy on the protected characteristics groups and the implications for the Public Sector Equality Duty (Equality Act 2010). This assessment concluded that the proposal will have a neutral impact on all groups. The policy meets national standards and ensures that no advertising contains any content that is discriminatory, inappropriate or offensive for any groups.

10 Consultation and communication

- 10.1 Senior officers have been consulted in completing the report content. Once adopted, internal communications will need to ensure all service teams are aware of the policy and process for assessing advertising and sponsorship opportunities. Promotion of advertising and sponsorship will need to be appropriate and safeguard the council's reputation.

11 Climate change

- 11.1 The adoption of the new advertising policy will have no direct carbon impact although the shift to a more digital advertising campaign would be expected to have an overall positive impact

12 HR

- 12.1 There are no specific HR implications arising from the content of the report.

Options Summary

13 Options Considered and Rejected

- 13.1 Do nothing: The current policy is outdated and effectively blanket blocks some sectors from advertising that, in other areas are allowed with caveats under updated national standards. While there are some advertisements where this is appropriate, there are some unintended consequences of this that mean that some of the borough's largest businesses and employers can't actually advertise through council opportunities or sponsor council events.
- 13.2 Therefore, the policy needs to be updated to current practices and standards to support the council's requirement to increase income through appropriate advertising using its assets.
- 13.3 Update the policy in line with national standards: The policy is recommended to be updated to support advertising activities of the council and income generation.
- 13.4 The policy still allows control over the type of advertising and the council may reject adverts, however, outside of the British Code for Advertising and standard requirements for councils, the policy does not immediately prohibit other adverts but allows them for consideration.

Conclusion

It is recommended that the advertising and sponsorship policy be updated to reflect current organisational positioning and national standards and an approval process is developed to ensure all advertising and sponsorship enquiries are assessed and approved between the partner organisational and the council in line with the policy.

Date: 9 February 2021
Decision taken by: SMB

Lead officer	Sue Cuerden, Executive Director of Corporate Services (S151 Officer)
Report author	Kerry De Rosa – CPMO Project Manager Sara Shepherd – Communications and Marketing Manager
Version	Final Cabinet
Dated	March 2021
Status	Open
Confidentiality	It is considered that information contained within this report (and appendices) do not contain exempt information under the meaning of Schedule 12A of the Local Government Act 1972, as amended, and therefore can be made public.

Appendix 1:

Proposed Advertising and Sponsorship Policy

The borough has a population of more than 176,580, across fast developing Basingstoke itself and the affluent rural towns and villages of North Hampshire.

There are 7,985 businesses in the borough, employing some 85,000 people. Basingstoke's is a young population with 20% more higher and intermediate managerial, administrative or professional households than the national average.

The borough is also headquarters to a number of world renowned companies and venues and visitor attractions. Easy access to the M3 and M4 and major rail routes linking to London and Southampton mean that there are increasing numbers of people who live, work or travel through the borough every day.

This policy sets out the ways companies can reach these audiences to effectively market their products and services with appropriate use of council assets. It recognises the potential benefits of advertising. These include adding interest to the street scene, bringing colour and making areas safer at night through better illumination. However, it also recognises that done badly or in the wrong place, advertising can be harmful. It can result in visual clutter, obstacles to pedestrians, and hazard or distraction to road users.

The council is keen to maximise revenue from advertising, and so rather than define all specific permitted advertising, we work on the basis that advertising is permitted unless it falls into a number of prohibited categories see following section, but the council still retains the right to reject inappropriate advertising, especially where this conflicts with its priorities.

General principles for advertising and sponsoring products and services.

The council encourages the involvement of the private and voluntary sectors in the sponsorship of and advertising through council assets, events or activities wherever appropriate. Sponsorship may involve the council receiving sponsorship or advertising revenue in the form of income generation, with the intention in all cases being to support the delivery of the council's public services.

Sponsorship can be advantageous for all parties, however, the council must ensure all sponsorship and advertising agreements do not compromise or question the integrity of the council's operations, or be associated with products /services which are inconsistent with the values or objectives of the organisation, with regard to the nature of the sponsor.

This guide is in accordance with the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 and the requirements of the National Planning Policy Framework (NPPF). In this regard, the NPPF advises that, "Advertisements should be subject to control only in the interests of amenity and public safety, taking account of cumulative impacts". Some forms of advertising may be acceptable at certain times but not at others, for example organisations with current planning applications or contractors bidding for current tenders or organisations in financial or legal conflict with the council.

Advertising opportunities fall into two specific categories which carry the potential of different levels of reputational risk to the authority, and will therefore be treated differently:

- Section 1: Those channels which are most clearly associated with Basingstoke and Deane Council – including but not exclusively our main and associated websites,

intranet, corporate and service publications, vehicles and wholly-owned outdoor sites and buildings.

- Section 2; Those channels where the council acts as landlord or operator but which may be managed for us under transparent and tendered arrangements - including but not exclusively outdoor advertising such as billboards, hoardings on our properties or land and public transport. These outlets will be subject to advertising rules which deal with the proximity of outdoor advertising to schools and religious organisations etc.

The policy assumes that all advertising presented falls within the rules and guidelines laid down by the Advertising Standards Authority and that all advertising must comply with the British Code of Advertising, Sales Promotion and Direct Marketing– full details can be downloaded at www.asa.org.uk

This policy includes the provision that marketing communications must be legal, decent, honest and truthful; must not bring advertising into disrepute; must conform to the code; and must respect the principles of fair competition.

Advertising will be subject to the Local Government Publicity Code under the Local Government Act 1986, especially the period of extra sensitivity before local or national elections, and to the Financial Services Authority.

An advertisement will not be accepted if it, in the reasonable opinion of the council:

- Is inappropriate or objectionable
- may result in the council being subject to prosecution
- promotes gambling
- promotes payday loans
- refers to tobacco or similar products
- promotes the misuse of alcohol or promotes the use of alcohol to children
- might be deemed inappropriate for children, for example, violent films
- that could promote goods or services that contradict the climate change and air quality strategy for examples promotion of fossil fuels
- appears to influence support for a political party or candidate
- appears to conflict with the council's wider promotion of healthy and active lifestyles
- appears to promote racial or sexual discrimination, or discrimination on the basis of disability, faith, gender, sexual orientation or age
- Is the subject of a complaint to the Advertising Standards Authority and upheld by such authority as a legitimate complaint.

The above list is not exhaustive, and the council retains the right to refuse advertising on the grounds that, in the council's opinion, it is inappropriate, or it conflicts with services already provided by the organisation.

Commercial policy considerations

The council will not permit any sponsorship or advertising that represents a conflict of interest or is likely to cause serious or widespread offence. There should be no real or apparent



conflict between the objectives and community goals of the council and those of the advertiser or sponsor.

The council needs to ensure that the offering of different pricing strategies or discounts does not constitute financial aid. The council will seek appropriate advice and clearance from the Head of Law and Governance and Monitoring Officer and the Executive Director of Corporate Services (S151 Officer) or delegated officers.

Sponsorship and advertising agreements must include a statement that the council's functions will continue to be carried out fully and impartially, notwithstanding the existence of a sponsorship arrangement.

Any commercial agreement will include a statement to the effect that any attempted influence on the council's regulatory functions will result in an automatic review and/or termination of the sponsorship agreement.

Agreements are formed with regard to public accountability and transparency with clear statements of objectives and benefits. The reasons for accepting sponsorship and advertising or offers of a partnership with an agency must be openly clarified by the council. The agreement of sponsorship must clearly provide suitable provisions to deal with issues, which could include termination or suspension of the sponsorship agreement until the matter is resolved.

It is expected that any individual or organisation entering into, or already in, a sponsorship or advertising agreement with the council will disclose whether there is a current planning application or planning matter relating to them, or if the individual or organisation is involved in any current dispute with the council.

Agreements can be terminated by Basingstoke and Deane Council if conditions of this policy are not met.

Disclaimer

Acceptance of advertising or sponsorship does not imply any endorsement of the sponsor's products or services by the council. This must be stated in any council publication that carries advertising.

Conflict of interest

Council officers and councillors are required to declare in advance if they have any personal interests, involvement or potential conflict of interest with any potential advertiser or sponsor.

In the event of a potential conflict of interest, that officer or councillor will take no part in the consideration of sponsorship or advertising with that particular organisation.

Policy review

This policy will be subject to an annual review.

Public accountability / reporting

The council is committed to principles of open government and of public accountability, transparency and accessibility.

To meet these objectives, the council agrees that:

- sponsorship and advertising agreements must be in the form of written agreement;
- the council's Sponsorship and Advertising Policy is publicly available and listed on the council's website;
- a public register of sponsorship and advertising agreements is maintained by the Council.

Definitions

Sponsorship can be defined as “a business relationship of mutual benefit involving the transference of funds, resources or services from the sponsor to the sponsored party in return for an association which is to the mutual satisfaction of both parties”. To sponsor something is to support an asset, event, activity, person, or organisation financially or by providing products or services. It should be mutually beneficial. Sponsorship provides the association of a sponsor's name with council assets, events or activities. It can be particularly attractive in terms of the opportunities for media coverage and as a display of support for public services. Sponsorship can help make the most of the commercial potential of the council's tangible and non-tangible assets, allowing more productive use of existing resources and, potentially, generate an income for the council to help reduce budgetary pressures.

Advertising is a form of communication used to raise awareness, encourage or persuade an audience - viewers, readers or listeners or a specific group of people – to do or believe something. Advertising messages can take a variety of forms and can be viewed via a variety of traditional and digital media (for example, publications, outdoor advertising, direct mail and websites). A person who consumes advertising is anyone who is likely to receive a given marketing communication, whether in the course of business or not.

Appendix 2:

Current Corporate Sponsorships and Advertising Policy (2011)

Adopted by the communications portfolio holder in 2011, following feedback from the Economic Prosperity and Performance Overview and Scrutiny Committee.

1 Introduction

- 1.1 Basingstoke and Deane Borough Council seeks to encourage external funding through sponsorship and advertising, wherever possible and appropriate to a particular publication or project.
- 1.2 This policy:
 - sets guidelines to ensure a coordinated approach and best practice.
 - aims to protect the council's public image and acts as a reminder that associations that risk the council's reputation must not be pursued.
- 1.3 The council regularly communicates with local residents, visitors or businesses. This makes many of our facilities, services and activities attractive to sponsors or advertisers who want to reach either general or specific target audiences.

2 Definitions

- 2.1 Advertising can be defined as 'paid for communication intended to inform or influence an audience to purchase or use products or services'.
- 2.2 Sponsorship can be defined as 'a business deal between two or more parties in which one party meets all or part of the costs of a project or activity in exchange for commercial benefit'
- 2.3 For our purposes sponsorship can be further defined as 'a business relationship between the borough council and an individual or organisation that invests money, resources or services in return for some rights and association that may be used for commercial advantage'.
- 2.4 This is different from charity or patronage where no return is expected.
- 2.5 The contribution to the costs of the project can be made in kind if appropriate, for example through businesses or services to support the project or publication to an agreed and appropriate equivalent cost.

3 General principles

- 3.1 The borough council will endeavour, where possible and appropriate, to work in partnership with local, regional or national or international businesses to identify opportunities for sponsorship or advertising that will be of mutual benefit.
- 3.2 The council approach is that sponsorship and advertising can be considered unless it falls into the restricted categories shown on the next page.

- 3.3 Any sponsor or advertiser should appreciate the aims and objectives of the council and its projects and be prepared to work in support of these. No sponsor or advertiser will be given undue control over the direction or content of the project.
- 3.4 Sponsorship or advertising agreements will not mean that a business gains favourable terms from the borough council in any other business agreements, for example planning.
- 3.5 The borough council will only seek to enter into sponsorship or advertising agreements with businesses or organisations whose values, practices and products are not in conflict with council policy.
- 3.6 The council must not be seen to endorse the products or services of its sponsors and advertisers. Any publications carrying advertising must carry wording stating this, agreed with the communications team.
- 3.7 Sponsorships will be of limited duration appropriate to the term of the project, as defined in the contract or letter of agreement.

4 Sponsorship/advertising restrictions

- 4.1 The council will accept adverts or seek sponsorship from businesses and other organisations provided they comply with the requirements below.
- 4.2 No advertising or sponsorship will be accepted for:
- anything encouraging or showing racial, sexual, or other prejudice;
 - anything to do with weaponry;
 - anything which does not comply with Advertising Standards Authority;
 - cigarettes, tobacco, alcohol, illegal drugs or associated products;
 - political parties, or advertising with political content;
 - services of a sexual nature/sex shops;
 - anything involving faith, religious or ethnically based organisations where the promotion of the faith/ religion/belief is the main purpose;
 - anything involving trade organisations and employment organisations where the promotion of their ideals is the main purpose.
- 4.3 Income from organisations involved with legal or financial disputes with the council or who have a current planning application with the council or against whom planning enforcement action is being taken should, in general, be avoided.
- 4.4 Competition with a council run or owned facility or service shall not be seen, in itself, as a reason to reject advertising or sponsorship.
- 4.5 No advertising space will be sold to the council's own services without prior approval by the communications team.
- 4.6 The council reserves the right to veto any advertising or sponsorship at any time. The council shall be entitled at its sole discretion to refuse the inclusion of any

advertisement in its publications or refuse any sponsorship and shall be under no obligation to disclose the reasons for its decision, which shall be final.

- 4.7 All potential advertisers or sponsors must be approved by the council's communications team and advertising copy supplied with a final proof sufficiently ahead of the editorial deadline to allow for any gaps from vetoed adverts to be filled.

5 Style and content

- 5.1 Editorial control and copyright will remain with the borough council and/or the project's partners as appropriate.
- 5.2 Advertisers must recognise that the council cannot permit advertising which is sexual in nature or that appears to promote or give undue attention to illegal or 'inappropriate' behaviour or lifestyles.
- 5.3 The use of humour should be approached with caution. Humour can often mock specific groups and cause offence and would be inappropriate in council publications.
- 5.4 All advertisers should respect the council's core values and equality and diversity policies.
- 5.5 If there is any doubt as to the style and content of advertisements or sponsorship this should be referred to the council's communications team.

6 Co-ordination and approval procedure

- 6.1 Any officer or elected member planning to approach a business with an advertising/ sponsorship proposal should first consult the communications team to avoid several approaches being made at the same time to the same advertiser/sponsor by different parts of the council.
- 6.2 The communications team:
- will check with financial services/legal services to ensure that the potential sponsor is not in legal or financial conflict with the council.
 - may also consult with Hampshire County Council's trading standards team to determine whether the potential sponsor is known to operate in a manner that may be considered as prejudicial to the best interests of consumers or in breach of any trading standards legislation.
- 6.3 An officer seeking sponsorship must identify the broad level of funding required and the nature of the project that the sponsorship will be used for.
- 6.4 A legal contract between the council and the sponsor should support all sponsorship agreements. It must be signed by the relevant officer on behalf of the council and the business partner. For smaller amounts it may be appropriate to provide a letter of confirmation.
- 6.5 The borough council will nominate a named officer to act as the main contact with the sponsor throughout the duration of the sponsorship agreement.

7 Financial procedure

- 7.1 Consideration must always be given to ensure that the cost of receiving the sponsorship or advertising income does not outweigh the benefit.

7.2 Full payment should be received by the council at the start of the period of sponsorship, unless otherwise agreed (in writing).

7.3 It is the responsibility of the named officer to ensure that:

- the council's finance team are aware of the potential income for budget purposes
- the financial regulations are adhered to in respect of sponsorship income.

8 Marketing and media relations

8.1 Marketing and media relations for all sponsorship agreements will be handled by the council's communications team unless they agree otherwise.

8.2 All information for the media produced by the sponsor must be approved by the communications team before circulation.

8.3 Sponsors' logos can be carried appropriately in marketing materials and at events to mark their support. However in most circumstances, the council will not accept the supporters' name being used in the title of an event or facility, for example Bloggs' Basingstoke Live.

8.4 The use of sponsors' logos and other branding must not interfere with the council's own corporate identity.

8.5 The size and positioning of sponsors' logos on promotional material and signs must be approved by the communications team.

8.6 Agreements should be set out for all sponsorship, making it clear what benefits, including communications and marketing, sponsors can expect in return for their support. It is important to ensure that these benefits do not outweigh the contribution being made. Good practice is to set out at the beginning the partnership packages available.

8.7 The use of the council's name or corporate identity on any sponsors' publicity must be approved by the council's communications team in consultation with the named officer.