

Decision Pathway – Report



PURPOSE: [Key decision](#)

MEETING: [Cabinet](#)

DATE: [09 March 2021](#)

TITLE	Advertising and Sponsorship Policy		
Ward(s)	Citywide		
Author: Tim Borrett	Job title: Director: Policy, Strategy and Partnerships		
Cabinet lead: Mayor Marvin Rees	Executive Director lead: Mike Jackson, Chief Executive		
Proposal origin: BCC Staff			
Decision maker: Mayor			
Decision forum: Cabinet			
Timescales: Where possible, the Policy will be implemented with immediate effect if approved. Any historical sponsorship, advertising or contractual arrangements affected by this policy would be reviewed at the next contractually available juncture.			
Purpose of Report: 1. To seek Cabinet approval of a formal Advertising and Sponsorship Policy and its associated guidance.			
Evidence Base: 1. The Council does not currently have a single corporate policy to set standards relating to advertising and sponsorship. 2. The Council fully supports well-managed advertising and sponsorship arrangements which contribute to the delivery of its services and support achieving its objectives, including income maximisation. 3. The Policy covers the council’s roles in both placing and hosting advertising content, and similarly in seeking sponsorship or acting as a sponsor. 4. The Policy in Appendix A: 4.1 provides a framework for how the council is promoted and how it promotes others, aligned to our core values and principles 4.2 establishes a consistent approach, through a set of standards and framework of controls that ensure compliance with legislation, advertising industry codes, council policies and guidelines (including planning policy) 4.3 seeks to ensure that our advertising and sponsorship practice upholds the council’s reputation 4.4 supports the Council securing Best Value, generating income and developing appropriate commercial partnerships 4.5 establishes governance arrangements that ensure that future advertising and sponsorship proposals are considered by appropriate Council directorates/divisions prior to approval			

5. The Policy seeks to strike an appropriate balance of restricting inappropriate content and avoiding conflicts of interest whilst maximising the commercial, social and reputational benefits that advertising and sponsorship can have.
6. Although the Council has no existing policy, it does hold a number of advertising contracts and concessions, operating in line with legislative requirements. The proposed Policy would go further than existing arrangements by introducing additional restrictions, preventing advertising (on Council-owned platforms) of:
 - Gambling products and services (except for the National Lottery, small or large society lotteries and local authority lotteries, as defined in the Gambling Act 2005)
 - Alcoholic drinks
 - Promotion of foods or drinks that are high in fat, salt and/or sugar (HFSS) as defined by the Department of Health and Social Care's nutrient profiling model
7. The Policy operates within a wide range of existing legislative requirements and codes of conduct, including the Advertising Standards Authority (ASA) UK Code of Non-broadcast Advertising and Direct & Promotional Marketing; the Government's Code of Recommended Practice on Local Authority publicity; the Equalities Act 2010; the Local Authority Supply of Goods and Services Act (1970); the Bristol City Council Brand Guidelines; the Town and Country Planning Act 1990 and the Data Protection Act 2018.
8. There is no formal requirement for the council to have a defined advertising and/or sponsorship policy.
9. By introducing additional restrictions, the Council may experience a loss of commercial income if alternative advertisements did not come forward to take the place of restricted adverts. This is not possible to predict but based on existing income of circa £1m per year and analysis of Top 10 Out of Home Categories 2019 from advertising industry body Outsmart, a reasonable worst-case scenario may be in the region of £150k. This should, however, be balanced with the opportunities of reducing the risk of public health harm and cost associated with the restricted products and services. Again, this is not possible to predict and is a matter of judgement for Cabinet to consider.
10. In terms of likelihood of the financial risk materialising, it should be noted that despite predictions of large revenue losses after a Healthier Food Policy (High Fat, Salt or Sugar ban) was implemented across the Transport for London network, their revenue actually increased. Some analysts had warned it would cost TfL as much as £35million per year ([Outsmart responds to Transport for London](#)) and that TfL ticket prices would go up as a result ([Advertising Association blasts looming TfL junk food ad ban](#)). However, TfL confirmed that revenues had in fact gone up by £1million in the first quarter after the policy was implemented ([TfL ad revenues unscathed by junk food ad ban](#)). Those figures have been sustained over the first year of policy implementation, with TfL reporting advertising revenues had gone up by £2.3million (before Covid) ([Transport for London advertising report 2018/19 and 2019/20](#)).
11. Consideration has been given as to whether the Council should introduce additional advertising restrictions in support of its environmental aims. In the absence of any suitable national standards or local authority precedents, the Council would need to identify and restrict particular industries, goods or services. Because it would be the first authority to do so, formal public consultation would be necessary. Any such consultation would not be possible until after local elections due to national restrictions during pre-election period. The consequence of doing this would be to delay implementing any policy until much later in 2021, by which time the Council would have missed the opportunity to put the policy in to action on at least one of its larger advertising concession contracts, with no further practical chance to do so for several years.

Taking this context in to account, the Council will continue to work with city partners to explore practical options for environmentally friendly advertising standards and how this could be applied more broadly in the city. In the meantime, alternative methods of making a positive difference will be explored during advertising-related procurement exercises; for example, the possibility of requiring digital advertising spaces to be powered by renewable energy sources.

12. The potential for further advertising restrictions or standards will be revisited at this Policy's next review date, and would include public consultation as required.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Approve the Policy and associated Policy Guidance Note as set out in Appendix Ai.
2. Note that the Policy would take immediate effect upon approval and should be applied to all future advertising and sponsorship arrangements.

Corporate Strategy alignment:

The Policy ensures that advertising and sponsorship arrangements support the strategic aims and principles set out in the Corporate Strategy and empowers the Council to reject any advertising or sponsorship opportunities which run contrary to its aims.

In terms of direct alignment, the Policy accords closely with the Council's principles to:

- Maximise opportunities to work with partners and other stakeholders locally, nationally and globally.
- Use our assets wisely, generating a social and/or financial return. Raise money in a fair but business-like way.

By applying additional restrictions to high fat, salt and sugar food and drink and to alcohol, it explicitly supports Key Commitment 1 of the Wellbeing theme:

- Embed health in all our policies to improve physical & mental health and wellbeing, reducing inequalities and the demand for acute services.

City Benefits:

The Policy aims to benefit the city by reducing potential public harm caused by exposure to advertising of harmful goods and services.

Consultation Details:

The Policy has been developed internally following a review of best practice in other authorities and through engagement with many different service areas and an expert advertising consultant.

It has not been subject to formal public consultation, but has benefitted from pre-decision scrutiny at Overview and Scrutiny Management Board (see Appendix C).

Background Documents:

The Advertising Standards Authority (ASA) UK Code of Non-broadcast Advertising and Direct & Promotional Marketing (CAP Code)

<https://www.asa.org.uk/codes-and-rulings/advertising-codes/non-broadcast-code.html>

The Advertising Standards Authority (ASA) UK Code of Broadcast Advertising (BCAP Code).

<https://www.asa.org.uk/codes-and-rulings/advertising-codes/broadcast-code.html>

Bristol City Council Corporate Strategy 2018 – 2023

<https://www.bristol.gov.uk/documents/20182/33620/Bristol+City+Council+Corporate+Strategy+2018+to+2023.pdf/3e7d7377-ed1f-5d67-c6ab-af49b7159a5e>

Code of Recommended Practice on Local Authority publicity

<https://www.gov.uk/government/publications/recommended-code-of-practice-for-local-authority-publicity>

Department of Health and Social Care nutrient profiling model

<https://www.gov.uk/government/publications/the-nutrient-profiling-model>

Gambling Act (2005)

<https://www.legislation.gov.uk/ukpga/2005/19>

Local Authority Supply of Goods and Services Act (1970)

<https://www.legislation.gov.uk/ukpga/1970/39/section/1>

Town and Country Planning Act 1990

<https://www.legislation.gov.uk/ukpga/1990/8/contents>

Revenue Cost	£0	Source of Revenue Funding	N/a
Capital Cost	£0	Source of Capital Funding	N/a
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: This report requests approval of BCC's new Advertising and Sponsorship Policy. It is recognised that there may be a consequent adverse impact on BCC's commercial advertising income as a result of some of the advertising restrictions proposed for inclusion. This impact has been assessed as low likelihood by the Policy service and estimated as up to £0.15m p.a.

Any adverse financial impact would occur within Growth and Regeneration directorate's Economy of Place division. It is recommended that the division should closely monitor actual advertising income against budget in order to identify early any emerging adverse financial risk and respond with mitigating actions.

Finance Business Partner: Jemma Prince, 25 January 2021

2. Legal Advice: The various external restrictions on advertising have been listed in paragraph 7 of the Evidence Base. The Public Services (Social Value) Act 2012 only places the duty upon the authority to consider improving 'the economic, social and environmental well-being of the relevant area' when services are being procured; it therefore isn't applicable to any of our existing contracts that involve third party advertising, although there are scenarios in which this could arise and legal advice should be sought accordingly. As the changes to the policy are linked to the social wellbeing of the area, the policy would assist in evidencing compliance with the Council's social value duty when a contract is procured.

Legal Team Leader: Husinara Jones, Team Leader/Solicitor, 11 February 2021

3. Implications on IT: No anticipated impact on IT Services

IT Team Leader: Simon Oliver. 25/01/2021

4. HR Advice: No direct HR implications evident.

HR Partner: James Brereton (People & Culture Manager), 26th January 2021

4. Procurement Advice: The report sets out the approval of new Advertising and Sponsorship Policy which will require to be reflected in how we engage with suppliers in related advertising and sponsorship arrangements.

Head of Strategic Procurement and Supplier Relations: Steve Sandercock, 25 January 2021

EDM Sign-off	Mike Jackson, Resources EDM	27/01/2021
Cabinet Member sign-off	Cllr Craig Cheney (pp. Mayor Marvin Rees)	01/02/2021
For Key Decisions - Mayor's Office sign-off	Mayor's Office	01/03/2021

Appendix A – Further essential background / detail on the proposal

YES

Ai - Advertising and Sponsorship Policy	
Aii - Advertising and Sponsorship: High Fat, Salt or Sugar Policy Guidance	
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	YES
Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO