

Nottingham City Council Delegated Decision



Reference Number:	3602
Author:	Claire Lambert
Department:	Development and Growth
Contact:	Claire Lambert (Job Title: Project Manager, Email: claire.lambert@nottinghamcity.gov.uk , Phone: 01158765872)
Subject:	Digital Media Advertising Screens
Total Value:	See Exempt Appendix (Type: Capital and Revenue)
Decision Being Taken:	<p>1) To seek a dispensation from Financial Regulations to make a direct award to Wildstone Consulting to provide specialist advice on the specification, locations and leasing terms for proposed media screens at Broadmarsh car park/bus station, at additional central and arterial locations, and to establish a network of advertising panels across the City, potentially to replace the existing wayfinder units and CIPs.</p> <p>2) To delegate the decision to the Corporate Director of Development and Growth to enter into a contract with Wildstone Consulting to advice on specifications, locations and leasing terms, to obtain all the required planning consents, and to take the screens to the open market.</p>
Reasons for the Decision(s)	<p>The Council is considering a number of sites for the installation of media advertising screens, the most prominent being the proposed Broadmarsh car park/bus station. Advertising, including digital screens, is a very specialist market that requires particular knowledge and expertise. In order to maximise the income of market-facing terms, the Council needs to appoint a specialist consultant to advise on the specifications, locations and leasing terms for the digital screens. An assumed income has been built into the Executive Board approval for the Broadmarsh car park. The specialist consultants will advice on the specifications and will also market the space and negotiate the most lucrative income/leasing terms.</p> <p>The Council has also identified a portfolio of central and arterial locations that we assume will provide a comprehensive network of digital media screens. Specialist consultants now need to be appointed to review the potential locations, undertake due diligence, advice on the most lucrative locations and screen size and advice on income/leasing terms. The consultant will also ensure the locations are supported by the Council's Planning Officers, market the space and negotiate letting terms on behalf of the Council. The Council is also seeking to open discussions with media operators to digitise and increase the network of advertising panels across the City, and expert advice is required to support negotiations.</p>

Briefing notes documents: CITY CENTRE DIGITAL MEDIA INTERIM PLANNING STATEMENT.pdf

Other Options Considered: Not to appoint a consultant: this option was rejected. The Council need to ensure that income from media screens is maximised with as little liability as possible. The Council does not have the in-house commercial skills and expertise to successfully negotiate with media operators. A consultant will provide advice on specifications and leasing and act as a leasing agent for the Council.

Background Papers: None

Published Works: The Council has adopted a plan-led approach to the siting of digital screens and approved the City Centre Digital Media Interim Planning Statement in January 2017. The strategy sets out matters to be considered when siting large digital screens and provides guidance to ensure that planning decisions can be made in a consistent and informed manner. (<https://nottinghaminsight.org.uk/d/aAXC5qc>)

Affected Wards: Citywide

Colleague / Councillor Interests: None

Any Information Exempt from publication: Yes

Dispensation from Financial Regulations: Yes

Exempt Information:

Description of what is exempt: The decision value, Financial advice and estimated income from the digital media screens.

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the decision contains details of expected income to the Council and may prejudice commercial negotiations if this information was disclosed.

Documents exempt from publication:

Digital Media Advertising Screens Exempt Information.docx, 190625 - DDM Finance Comments- Digital Media Advertising Screens (1).docx

Use of Consultants

Number of Days:93

Rate per Day:1200

Total value:112000

Start date:01/07/2019

End date:30/06/2020

Reason for using a consultant:

The Council needs to ensure that income from the media screens is maximised with as little liability as possible. Therefore, Property Services have negotiated an agreement with a media screen expert to provide advice on specification and leasing and act as a leasing agent for the Council. The necessary skills and expertise are not held in-house.

Other options considered:

Not to appoint a consultant: this option has been rejected. A consultant with specific experience in this field will be able to advise on specification and leasing terms which will ensure the Council maximises income.

Name of consultant:

Wildstone Consultants

Reason for selection?

The advertising market, including digital media screens, is a very specialist market. There are relatively few companies with the experience of letting this type of space and leasing arrangements are varied and complex. A consultant with specific experience in this field will be able to advise on specification and leasing terms which will ensure the Council maximises income.

Has the consultant previously completed work for the City Council?

The consultant has previously been engaged by the Council to provide advice on operational matters such as power usage, maintenance and structural/fixing requirements on the three digital media screens located on the new Broadmarsh Car Park/Bus Station.

Specific activities to be undertaken by the consultant are:

To review and discuss with the Client its objectives in relation to maximising income and revenue generating opportunities from advertising advise on potential locations, choices and options available to the Client to meet such Objectives. To assist the Client where necessary and liaise with professional advisers in relation to negotiations with Third Parties for advertising opportunities, and to prepare and submit all the documentation for planning consent. To market the Advertising Assets to secure the best available terms.

Period of engagement:

One year

By what process was the consultant selected?

Property Services carried out a review of potential consultants in the market and found that there is only one suitable company which offers a full package of services required.

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

There are no crime and disorder implications relating to this decision.

Equality:

EIA not required. Reasons: This is not a new or change to a Council policy, service or function. This decision adheres to all Council equality policies.

Relates to staffing:

Yes

Relates to Council Property Assets:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

07/08/2019

Advice Sought:

Legal, Finance, Human Resources, Property

Legal Advice:

The Council's Contract Procedure Rules (CPR) require that a full tender process is carried out for any contract for services over the value of £50,000.00 (CPR 5.1.2). Financial Regulation 3.29 permits a dispensation from the CPR where there are operational reasons for doing so. Those reasons, including the lack of in-house expertise in a specialised market area, are set out in this report. On the basis of this being a contract that is below the financial threshold for the purposes of the Public Contract Regulations 2015 and dispensation is permitted under the Council's Consitution, the decision is supported.

Advice provided by Naomi Vass (Senior Solicitor) on 18/06/2019.

Finance Advice:

This advice is exempt from publication and is contained within an exempt appendix.

Advice provided by Roma Patel (Commercial Business Partner) and Tom Straw (Senior Accountant - Capital Programme) on 25/06/2019.

Property Advice:

Media screen advertising is a specialist market and to ensure the best locations are selected to maximise income, the Council requires a consultant with expertise in this field. The Head of Property selected Wildstone as they have the required expertise to select advertising locations, negotiate occupational terms and advise on the structural and maintenance requirements of the screens. The Property Team does not have this specialist knowledge in-house therefore this proposal is supported.

Advice provided by Beverley Gouveia (Principal Surveyor) on 14/06/2019.

HR Advice:

The decision is supported on the basis that the Council does not have the in-house commercial skills and expertise to successfully negotiate with media operators as stated in the business case. A consultant will provide advice on specifications and leasing and act as a leasing agent for the Council.

Advice provided by Shilpa Arya (HR Consultant) on 20/06/2019.

Signatures:

David Mellen (Leader/ PH Regeneration, Safety and Communications)

SIGNED and Dated: 30/07/2019

Sam Webster (PH Finance, Growth and City Centre)

SIGNED and Dated: 31/07/2019

Chris Henning (Corporate Director for Development and Growth)

SIGNED and Dated: 25/07/2019

Laura Pattman (Strategic Director of Finance) - Dispensation from Financial Regulations

SIGNED and Dated: 22/07/2019

Chief Finance Officer's Comments: