

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Cabinet

Date: 16/12/2024

Subject: Digital Advertising Hoarding Overview

Report of: Councillor Rowan Ree, Cabinet Member for Finance and Reform

Report author: Joanna McCormick – Assistant Director – Procurement and Commercial

Responsible Director: Sukvinder Kalsi - Executive Director Finance & Corporate Services

SUMMARY

Hammersmith and Fulham Council holds a number of digital advertising hoarding leases around the Borough. The leases held between H&F and media providers outline the length of the term and the rental agreement along with other necessary stipulations. This report gives an overview of all current digital advertising sites and an update on future planned sites.

RECOMMENDATIONS

1. To note that Appendices 1-5 are not for publication on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
 2. To note the lease status and marketing position of current advertising sites.
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Wards Affected: (All)

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	When leases are agreed with marketing partners it benefits the borough and ultimately our residents
Creating a compassionate council	Creating advertising spaces can enable the council to manage issues that affect residents more innovatively.
Doing things with local residents, not to them	Enables the Council as digital advertising landlords to influence advertising and income generation against resident priorities through innovation and commercial approaches.

Being ruthlessly financially efficient	Digital advertising creates many income generating opportunities within a successful market with little expenditure for the council.
Taking pride in H&F	Ensuring advertising hoardings have green walls, where possible, to provide natural and vibrant structures within the community.
Rising to the challenge of the climate and ecological emergency	Ensuring that we as a landlords highlight the council's commitment to climate and ecological emergency in our digital advertising leases. Whilst developing an approach for the council to reduce promotion within high-carbon products and services at its sites including advertising sites.

Financial Impact

Comments on the financial performance and implications for the council's advertising hoarding sites for both the General Fund and the Housing Revenue Account (HRA) are held in the exempt appendix 5.

GF- Alex Pygram, Head of Finance, Corporate Services, 23 September 2024

HRA - Madhav Acharya, Finance Manager, Corporate Finance, 24 September 2024

HRA Verified by -Danny Rochford, Head of Finance, Housing, 24 September 2024

GF Verified by - James Newman, AD Finance, 30 September 2024

Legal Implications

This report asks that the Cabinet notes the position in respect of the letting of sites for advertising across the borough. There are no procurement issues since the arrangements are land transactions/leases and therefore not covered by the Public Contracts Regulations 2015.

Angela Hogan, Chief Solicitor (Contracts and Procurement), 24 September 2024

The erection of Digital Advertising Hoardings would require 'advertising consent' from the Council, as the local planning authority, to display the advertisement. It would also need the consent from the Council, as landowner, to erect the hoarding. If the hoarding is on the highway, it would also require a highway license to erect the hoarding on the highway. Separate planning permission is not required providing there is advertising consent.

The advertising control system is governed by the Town and Country Planning Act 1990 and the Town and Country Planning (Control of Advertisements) (England) Regulations 2007. In granting consent, the local planning authority can only consider amenity and public safety taking into account the development plan and any other relevant factors. It can consider whether the design and cumulative impact of the advertisements impact on the amenity of

the area, but it cannot control its content. Consents usually last for 5 years but can be granted for longer or shorter periods.

The council can, as landowner, control the content of the advertisements if hoardings are located on Council land.

If the hoarding is to be erected by a third party on council owned land the council can grant a lease for a charge or rent under the Landlord and Tenant Act 1954, subject to such terms as it thinks fit, including the content of such advertisements. Such leases are granted usually for 12 – 15 years.

The highway authority has power under sections 115B and section 115E of the Highways Act 1980 to license the erection structures, for certain specified purposes and to permit advertising on such structures subject to conditions and to charge a small fee to recover its costs pursuant to section 115F. The Council as highway authority can also grant a licence to erect scaffolding or hoarding on the highway under section 169 of the Highways Act 1980 in connection with construction works to adjoining land. These hoardings could also be used for advertising purposes.

Mrinalini Rajaratnam- Chief Solicitor Planning and Property, 30 September 2024

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Proposals and Analysis of Options

1. The council has a number of active, proposed, and agreed advertising sites.
2. Digital Advertising sites generate income for LBHF via payment agreements over a fixed term lease.
3. Out of home media has encountered a number of market pressures in recent years, this has had a major impact on income generation for H&F. The decrease in income may be attributed to the increase in internet advertising and reduction in footfall for high street shopping, although more recently this has seen a slow and steady rise.
4. H&F Climate Change team are looking into the environmental impact of hoardings and producing an advertising policy for the council to adopt. Primarily focusing on restrictions on advertising fossil fuel-derived products. This will have an unknown impact on income generation. For context and reference following consultants' advice, a restriction on sugar related advertising resulted in a 20% reduction in income for another local authority. The potential impact of a new advertising policy will be outlined when the policy is brought forward.

5. During marketing exercises media providers are asked to sign our West London Alliance Low Carbon Charter, requiring them to support H&F initiatives to tackle climate change. This Charter does not carry a fee to providers. This programme is enabling H&F to be ruthlessly financially efficient whilst ensuring we are rising to the challenge of the climate and ecological emergency. (Exempt Appendix 1)
6. Digital advertising consultants reviewed potential sites in 2022 around the Borough for possible development (Exempt Appendix 3 and 4).
7. The commercial team have taken management of the digital advertising portfolio in house after the contract with consultants expired. Bringing this in house potentially offers a saving to the council.
8. Advertisement Consent would be required for each digital advert. The council as a Local Planning Authority is required to determine Advertisement Consent applications in the interests of amenity and public safety, including highway safety. Tenants and leaseholders would be notified by Housing in advance of any Advertisement Consent application being submitted for a digital advert on HRA land. Planning would carry out a public consultation on each Advertisement Consent application received. Any applications with a recommendation for approval from Planning Officers would need to be reported to the Planning Applications & Development Control Committee for their determination.
9. LBHF are now exploring other options for advertising in the Out of Home Media Market, including small digital site and bus shelters. If a business case is identified, appropriate approval will be sought.

Site and fund (GF/HRA)	HRA/GF site	Leaseholder name on lease	Lease end date
Existing sites			
Hammersmith Twin Towers (South of A4 Hammersmith Flyover)	GF	Global	29/06/2027
Hammersmith Twin Towers (North of A4 Hammersmith Flyover)	GF	Global	29/06/2027
245 Hammersmith Road (outside L'Oréal)	GF	Ocean	25/06/2034
Woodstock Grove (facing Holland Park Roundabout) - GF joint site with TfL	GF	JCDecaux	6/04/2034
Walham Green Court -	HRA	Daylite LED Media	05/07/2034

Barton House	HRA	Daylite LED Media	01/12/2037
Linacre Court (facing A4 Talgarth Road) -	HRA	JCDecaux	01/06/2026
Falkland House, Edith Villas (facing A4 West Cromwell Rd)	HRA	Outdoor Media Management / UK Billboards	30/04/2028
Void sites			
Bentworth Park (facing A40 Westway)	GF	N/A	Removed
Imperial Road (Paper & Paste)	GF	Clear Channel	Removed

GF – General Fund

HRA – Housing Revenue Account

Risk Management Implications

There are no identified risks associated with this initiative.

Jules Binney, Risk and Assurance Manager, 24 September 2024

Climate and Ecological Emergency Implications

The Commercial team is currently working with Legal and the Climate team to establish a Fossil Fuel Advertising Policy, which will limit advertising of fossil fuel-derived products and services.

Advertising in the UK was responsible for 208 million tonnes of CO2 in 2022 – 32% of the emissions of every single person in this country. This is due to the uplift in sales generated by advertising, particularly for the most polluting products such as flights and cars ([Adfree Citites](#)).

The Climate Unit recommends implementing a H&F ethical policy prohibiting the advertising and sponsorship of fossil-derived products and services, unhealthy food (HFSS) and e-cigarettes & vapes to align with our climate and ecology strategy and public health messaging. The policy will further support the Council by securing H&F additional Council Climate Action Scorecard points with a policy in place.

The H&F Public Health team and Climate Unit have been working together to draft and develop a joint low carbon / junk food advertising and sponsorship policy which is a year one priority in the H&F Food Plan. The Food Plan actions will be reviewed in January 2025 for implementation.

Several Councils in the UK have already adopted policies in favour of healthier and/or low carbon advertising and sponsorship including but not limited to Bristol, Luton, Haringey, Merton, Tower Hamlets, Newham, Barnsley, Brighton, Southwark, Edinburgh, Somerset, Cambridgeshire County and Sheffield. TfL, Sheffield Council and others, all with policies in place prohibiting the advertising and sponsorship of specified items, have confirmed that the policies did not lead to revenue generation loss, and some have led to revenue generation opportunities.

Laura Humphreys, Circular Economy Lead, 27 September 2024

Verified by: Hinesh Mehta, Assistant Director, 14 October 2024

Property

The paper sets out how Hammersmith & Fulham Council plan to continue with current leases and to grow the advertising hoarding portfolio over the next 12 months. Corporate Property will support the Council's commercial team to sustain and grow income by supporting with the lease arrangements.

Jonathan Skaife, Assistant Director, Corporate Property Services. 27 September 2024

LIST OF APPENDICES

Exempt Appendix 1 – West London Low Climate Commitment Charter

Exempt Appendix 2 – Breakdown of existing sites

Exempt Appendix 3 – Breakdown of potential new sites and direction of travel

Exempt Appendix 4 – Map of potential new sites

Exempt Appendix 5 - Financial impact