

Subject: Public Information Pillars

Report to: Scrutiny – 26<sup>th</sup> September 2013

Report by: Director of Customer Services

This report outlines the position in relation to the Public Information Pillars (PIP's) and the licence agreement with Great Yarmouth Tourist Authority.

## **1. BACKGROUND**

The Council in 2009 invited tenders for the Highways Act 1980 licence to site and operate PIP's at various location around Great Yarmouth.

The successful tenderer was the Great Yarmouth Tourist Authority (GYTA) and the license was issued with effect from June 2010 for a five year period.

The GYTA agreed a payment to the Council of £5,000 per quarter and entered into an agreement with Sutton Media Ltd for the management and marketing of the PIP's at the commencement of the license for a four year period.

In January 2011 negotiations between the GYTA and Sutton Media had broken down and it was suggested by the GYTA that they may wish to relinquish the license. A single member report was undertaken on the 18<sup>th</sup> January offering two alternatives:

- To grant the licence to the next best offer made during the original tender procedure.
- To repeat the tender process.

The decision relating to the report of the 18<sup>th</sup> January 2010 was taken by Cllr Stone and approved to grant the licence to the next best offer made during the original tender procedure the recommendation should have clearly stated this was the action agreed should the GYTA formally surrender the licence.

The Cabinet member and support members at the time, Cllr Plant and Cllr Coleman, were both members on the board of the GYTA and therefore unable to consider the report of the 18<sup>th</sup> January 2010 because of the conflict of interest.

Once the report was agreed a letter was sent to Sutton Media enquiring of their interest should the license be relinquished, no reply was received to this letter.

After clarification with NPLaw regarding the above the following is clear:

- The license was granted to the Greater Yarmouth Tourist Authority in 2010
- The Cabinet decision in January 2011 to offer the license to the second bidder was taken on the understanding GYTA would formally surrender the PIPs license.
- GYTA did not formally surrender the license and clearly all parties believed this to be the case.
- The PIP's license granted in 2010 to GYTA is therefore still valid and operational.

The management and marketing of the PIP's remained problematic throughout 2011 and this culminating in the GYTA issuing a Statutory Demand notice to Sutton Media in September 2012.

Negotiations between all parties have been ongoing during the entire lease period and since the issue of the Statutory Demand Notice in September 2012 an agreement was reached with Sutton Media (copy attached) on the 4<sup>th</sup> February 2013.

## **2. CURRENT POSITION**

With the agreement reached on the 4<sup>th</sup> February 2013 a payment plan was developed and the current position is as follows:

Original Debt to March 2013	£44,630.95
Payments due to date for 2013/14	£15,000.00

Payments received from GYTA	(£27,444.59)
-----------------------------	--------------

Outstanding debt	£32,186.36
------------------	------------

It is anticipated that the debt will be clear by the end of the 2013/14 financial year.

**THIS AGREEMENT** is made the 4<sup>th</sup> day of February Two Thousand and Thirteen  
**BETWEEN THE GREAT YARMOUTH TOURIST AUTHORITY (GYTA)**

(Co. Reg No. 3090229) of 25 Marine Parade, Great Yarmouth, Norfolk (the "Tourist Authority")  
of the one part and **SUTTON MEDIA LIMITED (SM)** (Co. Reg. No. 05943772) of Park House,  
15 Nottingham Road, Kimberley, Nottingham, NG16 2NB (the "Company") of the other part

**W H E R E A S**

1. SM agrees to pay the sum of £45,000 in respect of 2010, 2011 and 2012 seasons
2. GYTA agrees to suspend legal action in lieu of this agreement
3. GYTA agrees to rent all of the columns in situ and in storage for the Great Yarmouth borough area for the seasons 2013 and 2014 for £5,000 per annum
4. SM & GYTA agree to offset items 1) and 2)
5. The net sum payable of £35,000 is to be paid over a period of 18 months commencing with January 2013 and finishing in June 2014, at a rate of £2,000 per month except that in June 2014 the balancing payment will be £1000.
6. The first payment being due on completion of this agreement no later than January 30<sup>th</sup> 2013
7. Should SM default with its monthly payments within the first 12 months then within this agreement SM agrees that the ownership of all columns as above, will transfer to GYTA as of immediate effect.
8. GYTA agrees to appoint SM as a sales agent for the said columns for the seasons of 2013 and 2014 at a gross commission rate of 35%, any discounts granted by SM are to be deducted from that commission
9. An essential part of this agreement is that both parties have equal accessibility to advertising space, and existing bookings within the existing price structure will be honoured (list attached).
10. SM agrees that GYTA will be responsible for all operational matters and that the same advertising rates and discounts will be available from either party or its agents to potential customers
11. GYTA will notify current members and advertisers of the new arrangements within 14 days of this agreement at which time sales activity for the 2013 season will commence

**EXECUTED as a Deed by the GREAT YARMOUTH TOURIST AUTHORITY**

**Acting by its Director DAVID WILLIAM MARSH**

*David William Marsh*

**EXECUTED as a Deed by the SUTTON MEDIA LIMITED**

**Acting by its Director NEIL OAKDEN**

*Neil Oakden*