



MISCELLANEOUS PROPERTIES COMMITTEE

Practice Note 21

REVALUATION 2005

VALUATION OF ADVERTISING PANELS ON BUS SHELTERS

1.0 INTRODUCTION

This Practice Note applies to the valuation of Bus Shelters, which also serve the role of Advertising Stations.

The two main companies who operate throughout Scotland are Clear Channel UK Limited t/a Adshel, and JC Decaux.

The contracts involve the supply, erection and maintenance of Bus Shelters and in return for this the companies receive the benefit of the revenue from the advertising rights.

2.0 BASIS OF VALUATION

The valuation comprises 2 elements, namely the structure and the advertising panels.

All available evidence of rents in respect of small display advertising has been examined, together with evidence relating to larger rental agreements. Bus shelter and small format advertising was also considered in the context of more general advertising industry indicators and trends.

The valuation rates incorporate cost elements for the shelter with advertising panels, and a sum for the advertising "right".

3.0 DESCRIPTION AND FORM OF ENTRY

A composite entry should be made for all shelters within each valuation area with the description "Advertising Shelters".

4.0 SHELTERS

There are 2 main types of shelter currently in use - modern Insignia MARK 1A and Insignia Cantilever. The vast majority of advertising panels at bus shelters are displayed as 6 sheets, with the typical format being double-sided 6-sheet displays, and the sites are normally illuminated.

5.0 RECOMMENDED RATES

5.1 6-Sheet Panels

The rate below is for the most common arrangement of a double-sided illuminated 6-sheet panel or two illuminated single-sided 6-sheet panels and is inclusive of structure, "advertising right" and planning costs.

Having considered all available evidence, a rate of **£500** is recommended for all Bus Shelters with one double-sided or two single 6-sheet advertising panels.

5.2 4-Sheet Panels

For bus shelters containing 4-sheet panels the rate adopted should be 2/3 of the rate applied for the equivalent 6-sheet panel. i.e. **£330**.