

# **MOPAC**MAYOR OF LONDON OFFICE FOR POLICING AND CRIME

## **INITIATE PROCUREMENT FOR CREATIVE ADVERTISING SERVICES**

#### MOPAC Investment Advisory & Monitoring meeting – 15<sup>th</sup> February 2023

Report by Stephanie Day on behalf of the Chief of Corporate Services

#### Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC

EXECUTIVE SUMMARY

This report concerns the MPS contract for creative advertising services. This contract will enable the Directorate of Media and Communications (DMC) to procure a range of creative design services such as print, radio, TV and online content to support the MPS's Police Constable volume recruitment, strategic crime prevention and internal campaigns, as well as the MPS's wider business group creative requirements for ad hoc projects.

The Board is requested to approve the following recommendations:

- 1. Approve to initiate procurement activity to allow MPS Commercial Services to tender against Crown Commercial Services (CCS) Campaign Solutions framework 2 (RM6125). The maximum value of the call off agreement will be £2m per year over a 2 year + 1+1 year arrangement, with a lifetime budget estimate of up to £8m.
- 2. Approve award of contract be delegated to the Director of Commercial Services following completion of the tendering process.
- 3. Approve MPS Commercial Services to go to market directly via an Open Procedure if the preferred option to procure via the CCS Campaign Solutions 2 Framework failed to yield any responses.

#### Time sensitivity

A decision is required from the Deputy Mayor by 20<sup>th</sup> February 2023. This is because the retender is past due and will allow MPS to procure fresh, fit-for-purpose creative media solutions, which offer flexibility for the long term. Authority to initiate procurement activity via the CCS Campaigns Solutions framework was previously granted by Portfolio and Investment Board (PIB) and MOPAC Investment Advisory and Monitoring (IAM) in 2019 (Decision Sheet Ref PCD 618), but due to the COVID pandemic, organisational and resourcing constraints, the tendering process was not initiated. Given the time that has now passed, we have elected to seek fresh approval to initiate this tender activity again. We are now taking decisive action to re-procure and ensure our next contracts are suitable for the creative needs of the organisation in the long term, including for the new Commissioner's needs.

#### Non-confidential facts and advice to the Deputy Mayor for Policing and Crime

#### Introduction and background

1. The Directorate of Media & Communications (DMC) is currently without a suitably contracted creative agency. Attempts have been made to address this over time, which has included individual contracts for discreet periods of time but the position is unsustainable. This paper seeks to address the issue with a compliant route to market via the CCS framework.

2. Through the creative services provided by agencies the MPS generates advertising campaigns (external and internal) to support organisational priorities. External campaigns include PC volume and diversity recruitment, anti-violence, domestic abuse, crime prevention and behavioural change campaigns around topics such as robbery and burglary. Whilst internal campaigns include standards campaigns, criminal justice outcomes, Covid 19, safeguarding and mor

3. Our creative partners take a brief from MPS to address an organisational issue. They recommend a creative route, suggested design, and then produce the assets to deliver the campaign. However, the arrangement with agencies accessed via our CDS contract also invites a management fee. This is no longer a sustainable route, because unforeseen requirements (referenced above including the National Uplift Programme and subsequent demand of additional officers, an increase in demand from business groups, and the impact of a change in Commissionership, which were not considered when the contract was put in place) have led to additional expense not originally anticipated, leading to inflated spend going through this contract, including the core print services within the scope of our contract with CDS.

4. A separate Business Justification paper has recently been approved (PCD1330) to cover our strategic print needs for the retender of our print contract through a new collaborative procurement with TFL. This paper therefore covers our strategic plans to rationalise and streamline our creative supplier relationships through a new procurement for a clearly defined scope.

5. 5. Strategically our campaigning activity is also now more integrated across all communication disciplines from internal communication, to Public Relations to traditional advertising.

6. 6. In 2016, the DMC participated in a collaborative arrangement with the GLA to establish a creative services framework to ensure a compliant route to market, namely TfL 91209 Lot 3 for Functional Bodies, Strategic Thinking, Creative Development & Production. There were two large agencies on the framework, but none of the agencies were tested for their ability to deliver integrated campaigns. As a result, the framework facility was not deemed suitable to meet the needs of the MPS, and was not accessed.

Subsequently in 2019 we sought – and were granted - authority from MOPAC IAM to initiate procurement activity allowing the MPS to identify a creative partner that would fulfil all of our strategic and tactical requirements.

The 91209 Framework itself expired on 31/03/2020. It was succeeded by the 94523 Framework however TfL have confirmed that this too is due to expire imminently (and will be subject to contract extension to 31/03/2025). Having already been granted authority to initiate our own bespoke procurement route, the MPS were not approached by TfL to collaborate on the specifications of the revised Framework, and as such the requirement will not have been tested against the full range of specific MPS requirements in particular volume recruitment marketing required for the attraction of police constables.

It is with this in mind, coupled with the limited amount of time left to run on the Framework which would provide us with insufficient time to effectively on board the right agency, that it has been discounted as a viable route for the MPS to pursue.

#### Issues for consideration

- 1. In 2019, the DMC submitted a Business Justification paper to PIB and a subsequent paper to MOPAC IAM in order to seek approval to initiate procurement activity to allow the MPS to tender against the Crown Commercial Services (CCS) Campaign Solutions framework. Approval was granted (PCD618), but due to the COVID pandemic and organisational and resourcing constraints, the tendering process was not initiated. Given the time elapsed, we are seeking fresh approval to initiate this tender activity via the Campaign Solutions Framework 2 RM6125, which was made available to buyers in 2021.
- 2. We are therefore planning to use the Crown Commercial Services (CCS) Campaign Solutions Framework 2 RM6125 for the following:
  - Lot 1: To run a new competition among 12 suppliers to select a new strategic partner for creative solutions for up to 4 years, up to a value of £8m. For transparency, this value would also include the MPS to utilise:
    - Lots 3 and 4 of RM6125. This would be used for creative for any ad-hoc requirements including Content Versioning and Distribution (Lot 3) and the use of Stock Imagery, Footage and Sound (Lot 4).
    - The Communications Marketplace Dynamic Purchasing System (DPS) RM6124. While we would expect our strategic partner to fulfil the bulk of our requirements directly or through their network of subcontracted

partners, the communications marketplace DPS is a supplementary tool provided by CCS for use by any Public Service Authority. It provides flexible access to a niche range of Creative specialisms, which are not available among the suppliers on RM6125 Lot 1.

- CCS run the DPS and apply the normal 1% charge to the supplier; which is included in the £8m. No further approval is anticipated from MOPAC to access and use the DPS arrangement.
- 3. The DPS also offers access to a range of Small & Medium Enterprise (SME) suppliers in support of our objectives. However, we will take a view on the need for any ad-hoc creative services via the marketplace, once the strategic partner contract is in place.
- 4. This is a call-off contract with no commitment to spend against the contract. Any spend against the contract will be met from existing budgets from DMC or funding streams from the Home Office and MOPAC to support campaigns.
- 5. Overall, this strategy supports:
  - The renewal of an important set of creative services to support the work of DMC;
  - A new, compliant contract, with clear and sustainable supplier pricing for the next 4 years;
  - Consolidation of the various creative agencies currently in use;
  - Retention of strategic flexibility through an agile contracting process on the RM6124 marketplace, if required;
  - Fresh access to a diverse range of niche creative agencies via the RM6124 marketplace; and
  - Decoupling creative requirements from the print contract (separate BJP refers), while retaining an option to use that contract flexibly as a sensible contingency measure.

#### Contributes to the MOPAC Police & Crime Plan 2022-25<sup>1</sup>

- 1. MPS advertising campaigns contribute to all of the MOPAC's priorities, particularly increasing trust and confidence and reducing and preventing violence by supporting victims of crime.
- 2. As an example of this, we have an 'always on' Police Constable recruitment campaign that aims to increase consideration of a career in policing and build a long-term pipeline, while rebuilding trust and confidence in the Met from diverse and underrepresented groups.

<sup>&</sup>lt;sup>1</sup> Police and crime plan: a safer city for all Londoners | London City Hall

3. We also work closely with key partners and young people aged 11-17 years old to raise awareness of school age robbery, and help reduce the number of offences by equipping the young audience with crime prevention advice. The campaign is crime data led working alongside operational officers to ensure that the campaign is effectively targeted to the right locations. Agile in its approach, the ads are delivered in hotspot areas across London with a prime and prompt approach (priming ahead of moments of risk and prompting when in robbery hotspots) to ensure the messaging is delivered at the most relevant times. As part of the campaign, we work in partnership with Fearless, the youth arm of Crimestoppers, to provide an opportunity for young people to pass on information about robbery anonymously. The campaign is complemented by partnership activity in schools, whereby safer schools officers and youth engagement officers are equipped with collateral to help them deliver key messaging to a youth audience and their parents.

#### **Financial, Commercial and Procurement Comments**

- 1. This contract will enable the DMC to procure a range of creative design services such as print, radio, TV and online content to support the MPS's PC volume recruitment, strategic crime prevention and internal campaigns, as well as the MPS's wider business group creative requirements for ad hoc projects.
- 2. The contract will be procured for up to four years on a 2 year +1 +1 year arrangement, with an annual value of £2m and a lifetime budget estimate of £8m. This is not a guaranteed spend but an anticipated maximum spend, so funding would be from existing budgets both within the DMC and across the MPS.
- 3. The contract will include clear requirements for supplier reporting and performance management, along with commitments for regular management meetings with MPS.
- 4. The typical available funding from the DMC Budget is up to £600k, but we do often have access to other funding streams from the Home Office and MOPAC to support campaigns. The contract is also open to Recruitment for police constable advertising (the funding of which is held by DMC and other parts of the MPS who fund creative projects from their own budget lines). This is in addition to the £600k.
- 5. In terms of commercial improvements on this new procurement activity:
  - We will ensure that a minimum of 10% of the evaluation criteria are allocated to Social Value factors. For the creative media and communications category, this is likely to include initiatives such as supporting jobs in communities, apprenticeships and promoting workforce equality through diverse contributors on creative campaigns;

- We will review Service Level Agreements and reassess the KPIs required by MPS for our relationship with the Strategic partner;
- We will ask an evaluation question to test the Strategic partner's innovative ideas on working with us to address the concern about relationship fatigue;
- We will ensure this contract contributes to the MPS Small and Medium Enterprise (SME) agenda by building requirements to report on SME contributions on campaigns; and
- We will set a requirement on visibility of the supplier's subcontractors and the diligence that we need our partner to undertake before subcontractors work on our creative account. This may include the right for MPS to approve the selection of subcontractor.
- 6. The contract is a call-off contract, which does not commit the MPS to expenditure with the supplier in any particular year. However, it will be awarded on the understanding that the MPS will use it as the primary solution for any creative requirements
- 7. This is a call-off contract with no commitment to spend against the contract. Any spend against the contract will be met from existing budgets from DMC or funding streams from the Home Office and MOPAC to support campaigns.
- 8. The MPS assure that any approved suppliers will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as suppliers to MOPAC. The evaluation exercise will consider their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives such as Responsible Procurement and the London Anchors Institutions' charter. The re-procurement of the Creative Advertising contract will be via the Crown Commercial Services Framework RM6125. As such, we can only select suppliers who are already part of this established framework. However, we will look for benefits from the suppliers on the framework that will support the charter working alongside other public sector and government agencies to give greater leverage.

9. Should our preferred option to procure via the CCS Campaign Solutions 2 Framework fail to yield any responses, we will seek to move to a position of going to market directly via an Open Procurement. Any successful agency would be procured in full compliance with the Public Contract Regulations 2015. MPS have good experience of running these procedures.

#### Legal Comments

 MOPAC is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £213,477 (inclusive of VAT) or above must be procured in accordance with the Regulations. This report confirms the proposed contract exceeds this value. Accordingly, the Regulations will be engaged.

- 2. The use of a compliantly procured Framework Agreement will constitute a compliant process where the Framework Agreement's ordering processes are followed. Recommendation 1 can be lawfully approved in compliance with the applicable procurement law on this basis.
- 3. The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve:
  - a. Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and
  - b. All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13).
- 4. Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent for the approval of the award of all contracts, with the exception of those called in through the agreed call-in procedure. Recommendation 2 can be approved on this basis. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.
- 5. Recommendation 3 can be approved on the basis that Commercial Services conduct a procurement process in compliance with the Public Contract Regulations 2015 if it is necessary to do so.

#### **Equality Comments**

- There are considered to be no negative equality or diversity implications arising from this process negating the requirement to present any mitigation. Any approved suppliers will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as suppliers to MOPAC. The evaluation exercise will consider their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives.
- 2. In addition, it should be noted that the MPS support the Mayor's Responsible Procurement Policy including: Enhancing Social Value, Encouraging Inclusion, Diversity and Equality, Embedding fair employment practices, Enabling skills, training and employment opportunities, promoting ethical sourcing practices and improving environmental sustainability.
- 3. The MPS assure that any approved suppliers will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as suppliers to MOPAC. The evaluation exercise will consider their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives such as Responsible Procurement and the London Anchors Institutions' charter.

### **Privacy Comments**

- The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
- Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
- 3. The Creative Advertising Services Contract does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered. If the Creative Advertising Services Contract uses personally identifiable data of members of the public at a later date DPIAs will be completed as needed.

#### **Real Estate Implications**

No real estate implications.

#### **Environmental Implications**

- 1. Environmental impact will be a consideration in the procurement of the new contract and prospective suppliers will be assessed on their commitment to reducing waste and harm to the environment.
- 2. No implications for the London Anchor Institutions' Charter.

#### Background/supporting papers

N/A

Report author: Stephanie Day, Head of Campaigns and Marketing 07584 601786

# Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.

The Government Security Classification marking for Part 2 is: OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of Business Justification Paper for the Creative Advertising Services contract is exempt from publication for the following reasons:

Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).

- The relevant section under the FOIA that would exempt this information from disclosure is:
  - Commercial Interest Section 43

The paper will cease to be exempt until January 2024.