MOPAC | MAYOR OF LONDON

OFFICE FOR POLICING AND CRIME

REQUEST FOR DMPC DECISION – PCD 219

Title: Media Buying and Planning Services Contract Award

Executive Summary:

This report seeks approval to access the Media Buying framework which was awarded by TFL as part of the GLA Collaborative Procurement Programme. The MPS seeks approval to award a call-off contract for a maximum period of four years. The average spend per year is expected to be £3m or £12m over the contract duration of four years. The contract with MediaEdge CIA (MEC) will replace the current contract which expires on 30 June 2017.

Recommendation:

The DMPC is asked to

1. Approve access to the Transport for London framework and award a call off contract for 1+1+1+1 years for media buying and planning services. The contract value will be up to £3m per annum, totalling £12m over the four year period. The supplier of these services will be MediaEdge CIA.

2. To note that any expenditure against this contract will be subject to normal governance and funded from existing revenue budgets which include the Directorate of Media and Communication (DMC) publicity budget, the recruitment marketing budget and a separate Counter Terrorism grant.

3. To note in order to establish ongoing value for money, the DMC have appointed a media buying auditor. This will enable a more specific benchmarking to be conducted based on the MPS' requirements.

Deputy Mayor for Policing And Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.	
Signature Sophie Lender .	**Date** 20/6/17

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

Decision required – supporting report

1. Introduction and background

1.1. The MPS will use the Media Buying and Planning Services contract to plan and purchase advertising space in the most cost effective way by maximising the economies of scale achieved by buying space through a large media agency. The MPS buys advertising space for publicity, recruitment and corporate advertising campaigns.

1.2. In 2015, the MPS joined the GLA Collaborative Procurement Programme which has the aim of delivering third party contracts where it has commonality with other members of the GLA Family. The contract for media buying was awarded to MediaEdge CIA (MEC) as the sole provider. The MPS is now requesting approval to award a call off contract from the framework for four years via direct award.

2. Issues for consideration

2.1. The MPS will not have a contracted media buying agency, if it does not access this framework. This will impact on the MPS's ability to deliver key programmes of work such as 'BeSafe' crime prevention campaign and recruitment advertising campaigns.

3. Financial Comments

3.1. The MPS requires funding of £12m over the four year contract period and this funding is provided for in existing budgets.

3.2. Further details are discussed in the Part 2.

4. Legal Comments

4.1. There are no legal implications arising from this report.

5. Equality Comments

5.1. There are no direct equality or diversity implications arising from this report

6. Background/supporting papers

6.1. Report.

Public access to information
Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the MOPAC website within 1 working day of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred ? NO

Part 2 Confidentiality: Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rational for non-publication.

Is there a **part 2** form – Yes

If yes, for what reason: EXEMPT under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011.

ORIGINATING OFFICER DECLARATION:

Head of Unit: The Chief Financial Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	√
Legal Advice: The MPS legal team has been consulted on the proposal.	√
Financial Advice: The Chief Financial Officer has been consulted on this proposal.	√
Equalities Advice: No Equality and Diversity issues identified.	√

OFFICER APPROVAL

Chief Executive Officer

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature R, Lawrence **Date** 15/06/17

PART 1: PUBLISHABLE

Media Buying and Planning Services Contract Award

Investment Advisory Board 9 June 2017

Report by Martin Fewell, Director of Media & Communication on behalf of the Deputy Commissioner

EXECUTIVE SUMMARY

This report seeks approval to access the Media Buying framework which was awarded by TFL as part of the GLA Collaborative Procurement Programme. The MPS seeks approval to award a call-off contract for a maximum period of four years. The average spend per year is expected to be £3m or £12m over the contract duration of four years. This contract with MediaEdge CIA (MEC) will replace the current contract which expires on 30 June 2017.

A. RECOMMENDATIONS

1. That the DMC may access the TFL framework and award a call off contract for 1+1+1+1 years for media planning and buying services, of which the MPS value is up to £3m p.a.; £12m over four years.

2. To note that any expenditure against this contract will be subject to normal governance and funded from existing revenue budgets which include the DMC publicity budget, the recruitment marketing budget and a separate Counter Terrorism grant.

3. To note in order to establish ongoing value for money, the DMC have appointed a media buying auditor. This will enable a more specific benchmarking to be conducted based on the MPS' requirements.

B. SUPPORTING INFORMATION

1. In June 2011, the MPS let a contract with Mediacom for a period of four years. This was due to expire on the 31st May 2015 but further extension periods were requested and approved by MOPAC and Commercial Services, as permitted within their scheme of delegation. These extensions were required due to organisational changes such as outsourcing of particular services/units as well as joining the GLA wide collaborative initiative for procuring Media services. The award of the GLA framework initiative has been faced with delays and it was necessary to extend the contract in order to provide continuity of service until a contract was awarded by the GLA. The MPS has been involved in that process since the beginning.

2. These services for Media Buying and Planning enable the MPS to plan and purchase advertising space in the most cost effective way by maximising the economies of scale achieved by buying space through a large media agency. The MPS buys advertising space for publicity, recruitment and corporate advertising campaigns.

3. Campaigns may be national, such as counter-terror related or pan-London. Increasingly campaigns are targeted to specific boroughs or communities or other demographic sections of London's population. Channels, such as TV, social, radio, print mobile and cinema will be recommended and selected to ensure that marketing campaigns reach the intended audiences with the minimum amount of wastage. The requirement requires negotiating with the relevant media owners for example outdoor sites, radio, magazine publishers, newspapers or digital networks to achieve value for money. The provider will also measure success where possible on business outcomes. There is also an element of research to assist in identifying target audiences and helping to change consumer behaviour, these are all in scope of the GLA/TFL framework. The current contract began in 2011 with Mediacom, and will expire on the 30th June 2017, following all extension periods.

4. The GLA framework is now in place and in accordance with the MPS' strategic commitment to access collaborative arrangements wherever possible we are now in a position to access the framework and require permission to do so.

5. The GLA framework will provide the MPS with a compliant and viable route to market for media buying requirements and will negate the need for multiple smaller contracts. Although it has not been possible to conclusively prove that the new contract will provide increased value for money the DMC have appointed a contractor to carry out a media buying audit which will enable the MPS to more accurately benchmark our media buying for future procurement exercises.

6. This paper requests approval to award a contract for Media Buying and Planning services to the sole supplier on the TFL framework, MEC. It outlines the key details to allow the Corporate Board members to make an informed decision when considering granting approval to access the framework.

7. In 2015, the MOPAC joined the Greater London Authority (GLA) Collaborative Procurement Programme which has the aim of delivering third party contracts where it had commonality across the GLA family including Transport for London (TfL), London Fire Brigade (LFB), *Mayor's Office for Policing and Crime* (*MOPAC*), Metropolitan Police Service (MPS) and others. The objective of this collaboration was to provide value for money, from combined volumes of purchase, for all participating bodies.

8. The Media Buying and Planning category was within scope of the Collaborative Procurement Programme and requirements from all functional bodies were considered and consolidated and TFL lead an OJEU tender process. It was also the first major procurement exercise undertaken by the GLA Central Procurement Team (CPT) on behalf of the GLA participating bodies.

9. Following the tender process MediaEdge CIA (MEC) has been appointed as the sole provider of Media Buying services lot. This paper now requests approval to award a call-off contract from the framework for four years via a direct award. The terms of the framework permit that '*a Contract may extend beyond the termination or expiry of this agreement*'.

10. The call off contract from the framework will have a duration of 1+1+1+1 and the contract has been priced accordingly. In line with the TFL award report the initial period will only be for the first 12 months with three extension options of twelve month each. Structuring the contract in this way will ensure we are receiving the appropriate service as the entire duration is not guaranteed. A review of the previous years' service, effectiveness and

rates will take place prior to initiating the renewal of the contract. The structure allows us to terminate the contract at each renewal date should the need arise.

11. MPS Commercial Services and DMC were involved in the Restricted OJEU tender process with the GLA which resulted in this framework agreement. Lot one 'Media Planning and Buying' is a sole supplier lot, thus there is no further competition required. The MPS will ensure MPS specific Service Level Agreements (SLA) are in place to ensure an effective service is being delivered.

12. 12. The OJEU tender process was led by TLF but MPS and the GLA were represented on the evaluation panel. The Restricted OJEU process consisted of a Pre-Qualification Questionnaire (PQQ), invitation to Tender (ITT) and Pitch Presentation. MEC scored the overall highest thus were appointed as the sole supplier. Each Authority had the option to call-off from the framework however they are still subject to their own governance procedures, thus requesting approval to access the framework from Procurement Board (PB), Portfolio & Investment Board (PIB) and Investment Advisory Board (IAB).

C. OTHER ORGANISATIONAL & COMMUNITY IMPLICATIONS

Equality and Diversity Impact (mandatory)

1. There are no equality or diversity implications to this paper.

Financial Implications / Value for Money (mandatory)

1. The stated value of the framework value for lot one is circa £66m over the four year duration for all functional bodies, of which the value for the MPS is £3m per year, £12m over 4 years.

Legal Implications (mandatory)

1. N/A

Consultation undertaken (mandatory)

1. This brief section should indicate to the reader the extent to which the subject matter has been discussed (internally and externally if appropriate) and the extent of support / resistance it has received. It may help to display this information in table form like the example below.

Consultation grid

Key stakeholder engagement (up to what level)	Supportive / Supportive with concerns / Not supportive / Not affected
Head of procurement	Supportive
Deputy Director Finance	Supportive

Risk (including Health and Safety) Implications (mandatory)

1. We have twice extended the current media buying contract to the maximum amount of time in order to really try and establish whether the contract offers the MPS increased value for money.

2. If we do not now access the new framework we will not have a contracted media buying agency this will impact on our ability to deliver key programmes of work such as the 'BeSafe' crime prevention campaign and recruitment advertising campaigns.

3. The current contract with Mediacom let in 2011 expires on 30 June 2017.

Real Estate and Environmental Implications (if relevant to the subject)

1. There are no environmental implications associated with this contract award.

Report author: Stephanie Day

Background papers: None