

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD1433

### Title: Marketing Supplier Services

#### Executive Summary:

The GLA has a requirement to communicate to Londoners about the work of the Mayor of London and the London Assembly and engage them in that work so they can access the benefits. This marketing communications activity includes bought media, such as outdoor, radio, press and digital advertising.

In tandem with the recent framework contract extension agreed between TfL and MEC, the GLA wishes to continue to use MEC planning and buying for the 2015 calendar year and as such wishes to extend the framework contract between MEC and the GLA dated 29 March 2011. The cost to the GLA will be dependent upon the usage of the services during the relevant period. In accordance with procedure, each communication campaign is subject to the appropriate approval from the GLA unit for which the campaign is being executed.

TfL Marketing and GLA Marketing are starting a re-tender process for a new contract to commence from November 2015 for potential new supplier(s) to be embedded and engage with TfL / GLA Marketing representatives on 'new' campaigns. Existing campaigns will continue with MEC until final campaign completion for continuity purposes.

#### Decision:

The Mayor approves

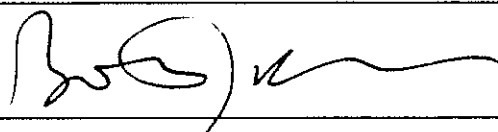
the variation of the framework contract with MEC media planning and buying services to extend its duration until 31 December 2015 (with an estimated maximum call-off value of £1,000,000).

#### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

9.2.15

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

### **Decision required – supporting report**

#### **1. Introduction and background**

##### Media Planning and Buying Services

- 1.1 The GLA and TfL work with MEC to deliver media planning services to optimise our communication campaigns. Planning services include: target audience definition, interrogation, channel analysis, channel strategy and reporting. Media buying services are delivered through negotiation of price, position and volume of any given media for the GLA. MEC negotiate on the GLA's behalf with media owners to book media space in a given vehicle for a fixed campaign period, duration, space and size. By working in partnership with TfL, the GLA benefit from the economies of scale generated by size and scale of TfL's marketing spend. The GLA's contract with MEC is a mirror of the TfL contract.
- 1.2 For each individual media campaign which is run through the External Relations team, the individual GLA project/event team will pay for MEC bought media costs and commission fees from their project budget, therefore this decision is not for a fixed amount of money.
- 1.3 TfL, on behalf of the GLA executed service reviews. The GLA were happy with the results and as such the contract was extended to 31 December 2013 by TfL procurement, on behalf of the GLA.
- 1.4 In order to continue using the services provided by MEC between 1 January and 31 December 2015, TfL have agreed a contract extension for MEC to remain on the framework as an approved supplier and to act as the media planning and buying agency for TfL and the GLA.

The below outlines the procurement history and next steps:

- 1) TfL ran, on its own behalf and that of the GLA, an OJEU competitive tender process in June 2010 to contract services for a media planning and buying agency.
- 2) The original OJEU notice stipulated the Media Planning & Buying contract will be for a period of 3 years with the option to extend for a further two years and e MEC was approved as the framework supplier by the director (under DD458) in January 2011, for a period of six months with an option to extend for a further period of 2.5 years.
- 3) Subsequently, two separate contracts were issued for TfL and GLA commencing 1/1/2011 for an initial 6 months and were then extended for 2.5 years up to 31 December 2013 as performance was deemed satisfactory.
- 4) TfL Marketing and GLA were approached in May and September 2013 on whether they wished to extend for a further year. GLA advised they had no problems and wished to extend.
- 5) TfL Marketing concluded a revised service Level Agreement (SLA) in early December 2013 and Procurement proceeded to draft a paper including background, issues and recommendation for sign off. Copies of the contract variation, revised SLA and the associated MD1296 approving the contract variation are appended to this paper.
- 6) In order to continue using the services provided by MEC in the 2015 calendar year, TfL have agreed a further contract extension for MEC to remain on the framework as an approved supplier and to act as the media planning and buying agency for TfL and the GLA.

- 7) TfL Marketing and GLA Marketing are starting a re-tender process for a new contract to commence from November 2015 as indicated under 'Executive Summary' and under 'Planned Delivery Approach / Next steps'.

## **2. Objectives and expected outcomes**

- 2.1 The GLA and TfL require a media planning and buying service in order to deliver the integrated offline and online above the line communications to Londoners. As part of every marketing strategy delivered for the GLA, the External Relations Team investigate the best route to communication with Londoners, through the most effective channels in the most engaging way. Continuing to operate with the same supplier as TfL enables economies of scale benefits and a joined up approach to the delivery of the marketing campaigns reducing the potential for conflicting campaigns being in place at the same time.

## **3. Equality comments**

- 3.1 The construction of all of the GLA's marketing campaigns takes into account the audience for which the campaign is targeted. In every case, the materials are assessed to ensure they are fully accessible and in line with the public sector equality duty.

## **4. Other considerations**

### **a) Risk**

- 4.1 If this request is not approved, authorisation for use of the MEC services will not be approved by TfL, which in turn will delay projects. The procurement of a new media buying agency will be progressed as a joint procurement with TfL in 2015.

### **b) Links to strategies and Mayoral and corporate priorities**

- 4.2 Using the services of a media planning and buying supplier allows us to 'ensure that London's strengths are promoted effectively.' Further to that we will be working with MEC to ensure all digital channels are explored and used in our communications planning, therefore 'riding the wave of digital engagement.'
- 4.3 Using the services of a specialist distribution agency will allow the GLA to communicate the work of the Mayor of London and how Londoners can access the benefits again allowing us to 'ensure that London's strengths are promoted effectively' (Strategic Plan).
- 4.4 Through using a specialist agency we will ensure that our marketing approach, channel strategies and target audience mapping are effective and efficient, so that we are delivering value for Londoners, assisting London government to deliver better value from every pound they get from London's taxpayers to help deliver our goals.

### **c) Impact assessments and Consultation**

- 4.5 Assessment has been made on spend thresholds based on previous usage by the GLA, and is tracked and monitored accordingly by the Marketing Team.
- 4.6 The specialist agency will be evaluated through assessing campaign reports on all projects, post campaign questionnaires (where appropriate) and adherence to the service level agreement.
- 4.7 Colleagues who use the media planning and buying service have been consulted to ensure that the needs of the GLA are reflected in the contract and that the agency are measured and evaluated through continued feedback, service level agreements and post campaign questionnaires.

## **5. Financial comments**

- 5.1 Approval is being sought for the continued usage of MEC for Media Planning and buying services for the duration of the contract extension 1 January to 31 December 2015.
- 5.2 The total cost to the GLA will be dependent upon usage of the service over the period. Estimated expenditure across the GLA is £1,000,000.
- 5.3 Teams across the GLA that utilise these services will be charged directly from their own allocated budgets with appropriate approvals being obtained via the Authority's decision making process.
- 5.4 The Marketing Team within the External Relations Unit (External Affairs Directorate) will continue to be responsible for managing these contracts, ensuring compliance with the Authority's Financial Regulations and Contracts and Funding Code.

## **6. Legal comments**

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the GLA's statutory powers to do such things as maybe considered facilitative of and conducive to the GLA's general powers.
- 6.2 In formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
  - (a) pay due regard to the principle that there should be equality of opportunity for all people;
  - (b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
  - (c) consult with appropriate bodies.
- 6.3 Officers should:
  - (a) liaise with TfL procurement to ensure that the appropriate form of variation is used and executed by the GLA and MEC in accordance with the framework agreement ; and
  - (b) continue to monitor and manage contract performance to ensure that it remains satisfactory.

## **7. Investment & Performance Board**

Each decision to spend budget on marketing is subject to the GLA decision making process and further appropriate approval. No spend can be made to MEC without a signed MD/DD.

## 8. Planned delivery approach and next steps

Activity	Timeline
Extending contract [for externally delivered projects]	January 2015
Announcement [if applicable]	n/a
Final Procurement Strategy sign off	January 2015
Pre Qualification Questionnaire evaluation	April 2015
ITT evaluation and short-listing	June 2015
Final Pitch / Presentations	July / August 2015
Award Recommendation	September 2015
Contract commencement	November 2015
Delivery End Date [for project proposals]	n/a
Project Closure: [for project proposals]	n/a

### Appendices and supporting papers:

1. MEC Planning & Buying contract plus extension
2. DD902, DD698, MD1296

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

**Part 1 Deferral:**

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

If YES, for what reason:

Until what date: (a date is required if deferring)

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Patora Dyrma has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

**Assistant Director:**

Emma Strain has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Sponsoring Director:**

Will Walden has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

Will Walden has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

Date 3 February 2015

**CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

Date 04.02.2015