

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD1296

Title: Marketing Supplier Services

Executive Summary:

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

In tandem with the recent framework contract extension agreed between TfL and MEC media planning and buying (MEC) the GLA wishes to continue to use MEC media planning and buying for the period of 12 months between 1 January 2014 and 31 December 2014 and as such wishes to extend the framework contract between MEC and the GLA dated 1 January 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. If the services are still required, TfL Marketing and GLA Marketing will determine whether to extend the MEC contract (in March 2014) until the end of 2015 or re-tender. After the end of 2015, a re-tender must take place due to the maximum term of the framework ending

Decision:

That the Mayor approves:

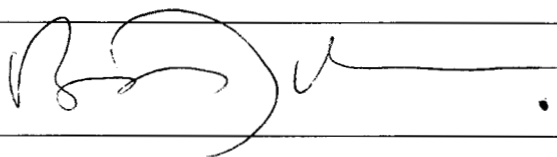
1. The variation of the framework contract with MEC media planning and buying services for the duration of the contract extension period 1 January 2014 to 31 December 2014 up to a maximum value of £1,000,000.

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:

16.1.2014

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

Decision required – supporting report

1. Introduction and background

Media Planning and Buying Services

The GLA and TfL work with MEC to deliver media planning services to optimise communication campaigns. Planning services include: target audience definition, interrogation, channel analysis, channel strategy and report. Media buying services include, media buying in the form of negotiating 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.

For each individual media campaign which is run through the External Relations team, the individual 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.

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. The award of the framework contract to MEC was approved by the director (under DD458) in January 2011, for a period of 6 months with an option to extend for a further period of 2.5 years. TfL, on behalf of the GLA executed service reviews and the GLA were happy with the results and as such the contract was extended to the 31st December 2013 by TfL procurement, on behalf of the GLA.

In order to continue using the services provided by MEC between 1st January and 31st December 2014, 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 detailed procurement history and next steps:

- 1) The original OJEU notice in 2010 stipulated the Media Planning & Buying contract will be for a period of 3 years with the option to extend for a further 2 years.
- 2) The GLA award paper prior to Contract commencement also reiterated the above. Subsequently, 2 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.
- 3) TfL Marketing & 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.
- 4) TfL Marketing concluded revised SLA in early December and Procurement proceeded to draft a paper including background, issues and recommendation for sign off. This paper also includes the Contract Variation stating extension for 1/1/14 - 31/12/14 and revised SLA is also attached for MEC.
- 5) Procurement will be approaching TfL Marketing & GLA Marketing in March 2014 to gauge whether a further extension for 2015 will be required or whether TfL Marketing & GLA Marketing would like to re-tender.

2. Objectives and expected outcomes

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.

3. Other considerations

a) Risk

If this request is not approved, authorisation for use of MEC services will not be approved, which in turn will delay projects.

b) Links to strategies and Mayoral and corporate priorities

Using the services of a media planning and buying supplier allows the GLA to ensure that London's strengths are promoted effectively. To that end, the GLA 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.'

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 the GLA to 'ensure that London's strengths are promoted effectively' (Strategic Plan).

Through using a specialist agency the GLA will ensure that its marketing approach, channel strategies and target audience mapping are effective and efficient, so that best value may be delivered for Londoners.

c) Impact assessments and Consultation

Assessment has been made on spend thresholds based on previous usage by the GLA, and is tracked and monitored accordingly by the Marketing Team.

The specialist agency will be evaluated through the assessment of campaign reports on all projects, post campaign questionnaires (where appropriate) and adherence to the service level agreement.

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.

4. Financial comments

Approval is being sought for usage of MEC Media Planning and buying services for the duration of the contract extension 1 January 2014 to 31 December 2014.

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.

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.

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 the Contracts and Funding Code.

5. Legal comments

5.1 Sections 1-3 of this report indicate that:

The decisions requested of the Mayor fall within the GLA's statutory powers to do such things as may be considered facilitative of or conducive to the GLA's general powers.

5.2 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.

5.3 TfL procurement should advise on the most appropriate form of variation to the existing contract for services between MEC and the GLA in accordance with the framework Agreement between MEC and the GLA.

5.4 For completeness, although not expressed within DD458 or DD698, it should be noted that the MEC Contract (GLA 01834) was let on an initial 6 months (Jan 2011 – June 2011), with an option to extend for a further 2.5 years (July 2011 – Dec 2013) plus a second option to extend for 12 months (calendar year 2014) and a third (and final) option to extend for 12 months (calendar year 2015).

5.5 All extensions to be granted are subject to satisfactory performance.

6. 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.

7. Planned delivery approach and next steps

Activity	Timeline
Extending contract [for externally delivered projects]	January 2014
Announcement [if applicable]	n/a
Delivery Start Date [for project proposals]	n/a
Final evaluation start and finish (self/external)	March 2014
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

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

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:

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

✓

Assistant Director/Head of Service:

Kevin Austin 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

N. D. Allen

Date

9.1.14

CHIEF OF STAFF:

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

Signature

Edmund

Date

10:01:2014

