

REQUEST FOR DIRECTOR DECISION – DD1243

Title: Licence agreement with the Newspaper Licensing Agency

Executive Summary:

It is important for the GLA and its functional bodies (GLA Group) to effectively engage with the media thereby reaching Londoners and beyond. Media monitoring plays an important part in meeting that objective. It provides the respective media teams with a comprehensive report of media reaction to the strategies, policies and activities of the GLA and its functional bodies.

Newspaper Licensing Agency's (NLA) role is to ensure all organisations have access to the news they need whilst ensuring they are copyright compliant. The NLA licenses the copying of newspaper content on behalf of the copyright owners under the authority of the Copyright Designs and Patent Act 1988. The current NLA licence, approved through ADD24, expires on the 25th May 2014. It is proposed that a licence agreement is entered into by the GLA with the NLA for one year up to a maximum expenditure of £56,928.13.

Decision:

That the Director approves:

- The GLA's entry into a licence agreement with the Newspaper Licensing Agency for one year and payment of the annual fee up to a maximum expenditure of £56,928.13
- Receipt of £52,574.34 from functional bodies and a net expenditure of £4,353.79 for the GLA towards this service
- A related exemption from the requirement to seek three or more competitive quotations /make a call off from an accessible framework for the provision of the licence to reflect the Newspaper Licensing Agency's position as sole licensor of copyright materials circulated by way of the press cutting service

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Will Walden

Position: Director of Communications and Official Spokesperson

Signature:

Date: 29 July 2014

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

1.1 The GLA Group press cutting service was established in 2003 in order to deliver a more focused, responsive and efficient media monitoring service. This is a daily newsprint (national, regional, local and papers and trade journals) monitoring service that supports the communication work of the Mayor, Assembly and Transport for London. It is important for the GLA Group to engage effectively with the media and thereby reach Londoners and beyond and media monitoring plays an important part in meeting that objective.

1.2 The Media Monitoring service provided the respective media teams with a comprehensive report of media reaction to the strategies, policies and activities of the GLA Group. In October 2010 the in-house service was outsourced to an external media monitoring agency.

1.3 Following the decision in 2002-3 to establish an in-house service, and subsequently outsource the entire service in 2010 the GLA is still required to procure a licence annually from the Newspaper Licensing Agency (NLA). A fee has been negotiated for 2014-15 following an NLA audit and this fee is applicable irrespective of who supplies the service.

1.4 The service is jointly funded by TfL, Met Police and Crossrail and they are invoiced quarterly by the GLA to recover their contributions. The costs are proportional to the amount of coverage each functional body attracts.

2. Objectives and expected outcomes

To continue to operate the Media Monitoring service in compliance with legal requirements. It is expected that the GLA Group will continue to hold a valid licence with the NLA.

3. Equality comments

There are no identifiable potential impacts, both positive and negative, of the decision on those with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation)

4. Other considerations

a) Links to strategies and Corporate Plan

The Mayor is committed to public information and engagement as stated in the corporate plan and the media is an established avenue of reaching Londoners and beyond. To ensure that the GLA communication strategy is effective, it is important to monitor media coverage of the GLA Group. Also establishing a GLA Group in-house monitoring service is in-line with the convergence agenda.

b) Impact assessments and Consultation

Consultation with TfL, the Met Police and Crossrail in regards to licence fees and aligning/merging the Met Police & Crossrail NLA licences has been carried out at the time of drafting of the original and subsequent Media Monitoring service agreements and at the regular quarterly service meetings held between TfL, GLA, Met Police, Crossrail & Precise. No further consultation was considered appropriate or necessary in the circumstances.

c) *Risk*

It is illegal to operate or utilize a press cutting service without a licence and failure to procure one leaves the authority open to legal proceedings/challenge.

5. Financial comments

5.1 The cost of the Media Monitoring service's Newspaper Licensing Agency fee to cover the period 25th May 2014 to 24th May 2015 is £ 56,928.13.

5.2 The table below details the breakdown of fees:

| Period 25/5/14 – 24/5/15 | £ |
|---------------------------------|-------------------|
| Basic | £903.00 |
| Regional Banded | £1,893.00 |
| Magazine Banded | £228.00 |
| Foreign titles | £216.09 |
| Digital Universal | £51,352.54 |
| Digital Universal Magazines | £2,335.50 |
| Total Renewal Fee | £56,928.13 |

5.3 The GLA, Transport for London, Met Police and Crossrail all fund the media monitoring services. The proportional contribution towards this fee from the respective parties is broken down below.

| Description | £ |
|--------------------|------------------|
| GLA (8%) | 4,353.79 |
| TfL (78%) | 44,641.13 |
| Met Police (8%) | 4,641.26 |
| Crossrail (6%) | 3,291.95 |
| Total Fee | 56,928.13 |

5.4 The GLA's share of these costs is £4,353.79. £3,450.79 will be met from the 2014-15 Press Office Media Monitoring budget, held in External Affairs directorate, with the remaining £903.00 met by equal contributions from the 2014-15 Facilities Management budget, Resources directorate and the 2014-15 Opinion Research and Statistics budget, Intelligence Unit, Communities & Intelligence directorate.

5.5 The Press Office Team, within the External Affairs Directorate, will be responsible for ensuring that all agreements comply with the GLA contracts and funding code and for recovery of the contributions from TfL, Met Police and Crossrail via quarterly invoicing.

6. Legal comments

6.1 The forgoing sections of this report indicate that:

6.1.1 the decisions requested of the Director fall within the powers of the Authority, to do anything which is facilitative of or conducive or incidental to the promotion of economic development

and wealth creation, social development and the improvement of the environment in Greater London; and

6.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the Authority'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.

6.2 Under the Authority's Contracts and Funding Code ("Code")) three or more competitive quotations would need to be sought or a call off made from an accessible framework for licensed services with a value of £56,928.13. However, section 5 of the Code also provides that an exemption from this requirement may be justified on the basis that there is no other suppliers in the market. Therefore, as officers have indicated in this paper that NLA are the sole owner and licensor of the required rights, the Director may approve the exemption and entry into a licence with NLA.

6.3 In order to facilitate the cost sharing arrangements with TfL, the Met Police & Crossrail, the Authority may charge TfL, the Met Police & Crossrail for the Authority's press cutting services under Section 93 of the Local Government Act 2003 but officers should ensure the sums charged do not exceed the costs of providing the service.

7. Planned delivery approach and next steps

The Newspaper Licensing Agency (NLA) is responsible for copyright protection of Newspapers - national, regional and local including digital copying and has the sole power to issue licences for the press cutting team's use of copyright protected materials. The GLA cannot use the materials lawfully without this license and therefore, the license is a legal requirement which only the NLA can fulfil.

This DD seeks permission to be exempted from the GLA's Contracts and Funding Code by way of directly appointing NLA to carry out the services. One of the grounds for exemption in section 5 of the GLA's Contracts and Funding Code to undertake a competitive procurement exercise is where no other supplier is able to undertake the services and consequently there is a complete absence of competition. Officers have confirmed that this is the case, and that this approach will provide value for money

This is an annual licence and this latest licence will cover the GLA for another year up to and including 24th May 2015. The current licence expires on the 24th May 2014

Appendices and supporting papers:

N/A

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:

Stephen Howell has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

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

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date