

EAST AYRSHIRE COUNCIL

CABINET - 24 MARCH 2010

SHARED SERVICES - CONTRACT FOR MEDIA ADVERTISING

Report by Depute Chief Executive/Executive Director of Corporate Support

1. PURPOSE

- 1.1 The purpose of this report is to update Cabinet on the current position relating to the Shared Services Contract for Media Advertising.

2. BACKGROUND INFORMATION

- 2.1 As part of the Shared Services Agenda in 2007, East, North and South Ayrshire Councils entered into a single contract for the provision of media advertising for the three Ayrshire Councils. Council at its meeting on 26 April 2007 approved the proposal that Advertising Works be appointed as the advertising agency following a formal tendering exercise.
- 2.2 The local press is used for advertising public notices, councillor surgeries, closure of council offices etc with the local, national and specialist press used for recruitment advertising as appropriate. The Council's expenditure on recruitment advertising has been decreasing as a result of the Council's participation in the National Recruitment Portal - myjobsscotland.gov.uk.

3. PROPOSAL

- 3.1 The current contract with Advertising Works terminates on 31 May 2010 and representatives of the three Ayrshire Councils have met to discuss the continuation of a single contract for the provision of media advertising for the three Ayrshire Councils.
- 3.2 North Ayrshire Council will continue to be Lead Authority for the tendering exercise and there are efficiency gains to continue to be realised as an outcome of a shared service approach.
- 3.3 Scotland Excel has recently undertaken a tendering exercise for media advertising throughout Scotland. However, they have divided media advertising into three separate contracts for Recruitment; Public Notices and Special Projects which has resulted in the potential for the Council to deal with three different agencies. In addition, they have advised that the number one Agency has indicated that they have formally withdrawn from the media advertising contract. The Scotland Excel tendering exercise has encountered a number of difficulties and favoured large regional companies to cover the whole of Scotland instead of local agencies who could provide a quality service at a local level.
- 3.4 In view of the difficulties being faced with the Scotland Excel contract and following discussions with the other Ayrshire Councils, it is proposed that, similar to the process which was undertaken in 2007, tenders be invited in accordance with procurement protocols to provide for a single contract for the provision of media advertising for the three Ayrshire Councils.

- 3.5 Tender documents will be issued by North Ayrshire Council Procurement Section and an assessment panel, made-up of representatives from each of the three Ayrshire Councils will evaluate the tenders and if considered appropriate then clarification meetings will be heard with the agencies developed from the tender submission.
- 3.6 The Agency considered most capable of delivering the required service to the three Ayrshire Councils will be made following the evaluation assessment. If appropriate, the current contract will be extended for a period of three months beyond 31 May 2010 to enable a smooth transition to take place to the new advertising agency to comply with Standing Orders relating to Contracts 20(2).

4. FINANCIAL IMPLICATIONS

- 4.1 The savings associated with the new contract are not quantifiable as they will depend on the future usage of media advertising but will be achieved through the negotiations of better discounts on rate card prices by the new Agency with the media we use regularly. The financial implications arising from recruitment advertising, advertising statutory public notices etc will continue to be met from within current individual departmental budgets.

5. LEGAL/ POLICY IMPLICATIONS

- 5.1 The recommendation to continue with a Media Advertising Contract assists the Council in maintaining Best Value in relation to media advertising and contributes to the achievement of the Scottish Executive's Shared Services Agenda.

6. RECOMMENDATION

- 6.1 Cabinet is asked to:-
- a. approve the proposal to re-tender the media advertising contract on a pan-Ayrshire basis;
 - b. note that North Ayrshire Council will act as Lead Authority for this contract; and
 - c. otherwise note the content of the report.

Elizabeth Morton
Depute Chief Executive/Executive Director of Corporate Support
11 March 2010

List of Background Papers

1. Report by Depute Chief Executive/Executive Director of Corporate Support On Shared Services –Contract for Media Advertising to Council meeting of 26 April 2007.

Any person wishing further information should contact Martin Rose, Head of Human Resources (Telephone 01563 576092).