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Report of Head of Communications

Report to Chief Officer Strategy & Improvement

Date: 16/02/2015

Subject: Procurement Waiver for Virtual Newsroom

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? Access to Information Procedure Rule number: 9.2 a Appendix number: 3	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. This waiver report seeks approval to enter into a communications contract with Presspage for 36 months, without going out to competitive tender. The Chief Officer of Strategy & Improvement is recommended to approve the waiver of the following Contracts Procedure Rule: Contracts Procedure Rules No. 8.1 and 8.2 (Intermediate Value Procurements).
2. The aim of the contract is to provide a more effective, up-to-date and future-proof digital press room which offers engaging multimedia content which can be shared and curated on multiple platforms quickly and efficiently with a high level of cyber security.
3. Our existing news room, provided through a blogging platform, is outdated and no longer fit for purpose.
4. Recommendations

5. The Chief Officer of Strategy and Improvement is recommended to approve the waiver of the following Contracts Procedure Rule: Contracts Procedure Rule No. 8.1 and 8.2: Intermediate Value Procurements.

1 Purpose of this report

- 1.1 The report seeks approval to enter into a contract with Presspage for 36 months (with an option to review after 24 months) without going out to competitive tender.

2 Background information

- 2.1 The current virtual newsroom has been in use for a number of years and is no longer fit for purpose. It is a highly labour intensive, broadcast only, transactional system. It does not offer multimedia, multichannel engagement and is not able to keep pace with changes in technology or consumption patterns. There may also be issues around its level of security. Levels of engagement with LCC are likely to drop significantly unless we can improve the user experience and offer an up-to-date news platform. This could also greatly inhibit our ability to communicate with the public at key times such as civil emergencies or during significant consultations and decision making periods.
- 2.2 Leeds.gov is becoming increasingly transactional and more of the population are become digitally enabled. This provides an opportunity to deliver news directly to those accessing services and making payments online through Leeds.gov and its social media streams.

3 Main issues

Reason for Contracts Procedure Rules Waiver

- 3.1 The existing virtual newsroom system is no longer fit for purpose. It has a number of operational 'glitches' which result in it being slow and unpredictable. On occasion this means time critical stories take longer than ideal to publish online and to the subscriber list of journalists and others.
It occasionally freezes altogether meaning that on time critical issues – such as the closure of the Bridgewater Place road junction in high winds or in civil emergencies – we may struggle to provide information to the press and public in a timely manner. Since the system is our primary communication channel with journalists and through them the public- who can also access the information directly online- this could have wider implications for those relying on up to date information.

The current system only allows single channel distribution. It's a very transactional system which offers no interaction or engagement with stories published or issues raised. This means our audience is likely to access our information through other channels, reducing our ability to deliver our messages in the most appropriate form for us.

The proposed new system to be procured, Presspage, is a multimedia, multichannel system which offers much greater levels of interaction and engagement. It utilises social media and offers a much more user-friendly back office system to free up staff time and ensure we can publish stories in good time across a range of media options. Presspage is dynamic and future proof and has the ability to adapt to different functions and provide searchable, shareable content.

The system is cloud hosted (but LCC branded) allowing greater continuity of service (even if the LCC website is down) and security. This is particularly important in times of emergencies, allowing us to continue to publish public information via external means should the council's own systems be affected as a result of the emergency. Access is not restricted to council IT

solutions meaning officers can update content from a range of devices even if unable to access council IT systems. The level of security is greatly improved. (see appendix 3).

Our internal IT solutions provider has been consulted and is content that the system will integrate with our existing IT suite and that internal delivery of a comparable system is not viable.

Presspage is currently used by a range of public, private and 3rd Sector organisations, such as:

- Camden Council
- Hackney Council
- Unicef
- Chartered Institute of Public Relations
- KLM
- Heinz
- Mastercard

Following research into this niche market area by senior leadership within the communications and marketing team, including the manager of the press team, it has become apparent that Presspage offers the most suitable solution which fulfills the range of requirements for the LCC virtual newsroom. Research into alternative options found that other suppliers of similar products, were unable to provide the range of features and functions in one product that Presspage delivers at a comparable cost.

A competing system tested offers only a set template for publishing press releases with options to link to social or other media. On the plus side it offers a simple, fast way of publishing content; however, the system is not easily adaptable and would require LCC in-house IT support for any adaptations or updates which may require specialist training for software engineers with associated costs. Whereas Presspage includes support from specialist engineers to cover upgrades and any software issues.

Consequences if the proposed action is not approved

- 3.2 No alternative product with the desired level of functionality and future proofing exists within the current market place. Failing to procure an appropriate replacement for the current virtual newsroom could result in excess staff time lost to using an inefficient and ineffective system.

Failure to approve the waiver and proceed with the recommended action may lead to incurring greater cost in a less effective system replacement in the future and loss of engagement with local residents, businesses and 3rd sector organisations in the meantime. Additionally reputational issues may be encountered should the current virtual newsroom fail to provide the ideal level of narrative provision.

There is also a potential issue around the security of the existing site; any cyber-attack on our current virtual newsroom could result in significant reputational damage.

Advertising

- 3.3 No advertising has been undertaken. Virtual newsrooms are a highly specialised product. Research has been undertaken to establish the most appropriate product available. There is no internal option to deliver a virtual newsroom with the same level of functionality and usability.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Some consultation with the current users of the virtual newsroom has been undertaken. This is essentially a back office system which will allow those publishing news stories to do so across a range of media types and channels in a quicker, more efficient way.

Current users have expressed concern over the functionality and ease of use of the current system as well as its security. Overall there is a desire to move to a new, more user friendly system.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The proposed new virtual news room will provide a more inclusive service than is currently available to a wide range of council service users across the city.

4.3 Council Policies and City Priorities

4.3.1 Delivering quality communications is key to all council policies and objectives. Ensuring the Leeds story is told in the best way underpins a range of major policies and plans, specifically relating to the best city plan, and our values of being open, honest and trusted.

4.4 Resources and Value for Money

4.4.1 While the investment in a new system over three years is initially substantial (£30000) the longer term savings it represents in terms of staff time, reputation and responsiveness balance this out. Additionally this investment is for a 36 month licence and operating period.

IT project board have reviewed the licence agreement and are content it is fit for purpose and offers the necessary range of services and support.

The glitches experienced using the current system, together with the length of time it takes to upload news stories is problematic and when information needs to be provided to the public at pace presents a significant reputational risk. It also means team members are spending far longer than necessary on basic tasks. A new system will free up staff time resulting in a more efficient, effective service.

As PressPage is multi-channel, the new system also supports an increased number of users within the team publishing content and news – further integrating our communications and increasing reach.

Funding for the new system will be coming from the Communications team budget. The initial costs for Presspage are for 36 months of provision and include a range of key services as set out in appendix 1.

At 33 months the service provision will be reviewed and if necessary an exit plan agreed and if necessary a further procurement task will be undertaken.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The Procurement Unit have advised that it would be lawful for the Council to waive Contracts Procedure Rule 8 provided the Chief Officer of Strategy and Improvement is satisfied that this offers the Council 'best value for money'

Appendix 3 is exempt from public disclosure under the Access to Information rule 9.2a

Due to the value of the contract this will be an admin decision and therefore not subject to call in.

Presspage have provided terms and conditions of engagement, see appendix 4.

4.6 Risk Management

4.6.1 Risk of granting the waiver: An alternative supplier presents legal challenge over the procurement of Presspage.

Risk management: Research undertaken by leadership within the communications team has been unable to identify suitable alternative providers. Virtual newsrooms are a very niche market and Presspage has been identified as the option which offers the full range of services we require.

Risk of not granting the waiver: Going through a full procurement cycle results in ending up with a less suitable product at greater cost. During the procurement process the issues with the current system cause reputational damage and reduce public confidence in council services.

Risk management: Currently we are unable to sufficiently manage the risks, hence the need for a new system.

5 Conclusions

5.1 The council's current provision is no longer fit for purpose.

5.2 Presspage offers a bespoke service which will not only enhance the functionality of the council's press room by allowing multimedia, multichannel communications but also reduce the pressures on staff resource in this area and offer much greater levels of cyber security in this area.

5.3 Presspage is a market leader in this area and other providers, including internal options, are unable to offer a comparative service and product.

5.4 A discount on the standard fees has been negotiated.

5.5 The contract is for 36 months however there is an option to review after 24 months.

6 Recommendations

6.1 The Chief Officer of Strategy and Improvement is recommended to:

1) approve the waiver of the following Contracts Procedure Rules in relation to intermediate value procurements:

- Contracts Procedure Rule No. 8.1: which specifies that where no appropriate ISP, Exclusive Supplier, existing provider, or Approved Framework exists, competition is required for procurements valued over £10,000 but at or below £100,000.
- Contracts Procedure Rule No. 8.2: which specifies that at least three written tenders will be invited.

- 2) award a contract to Presspage to sum of up to £30,000. The contract shall commence on the (date in February 2015 tbc) and expire on the (date in February 2018 tbc) with an option to review provision in (date in February 2017 tbc).

Background documents

7.1 Documents used in the production of this report:

- Quote from Presspage, Appendix 1
- Summary of newsroom specification, Appendix 2
- Presspage Security details, Appendix 3
- Presspage Terms and Conditions, Appendix 4