

Report of Finance Manager, Resources and Housing

Report to Chief Officer of Highways and Transportation

Date: 03 December 2019

Subject: Approval to procure a corporate contract for producing and publishing the Council's statutory public notices in the local press from the Eastern Shires Purchasing Organisation framework 3A-16 'Advertising Solutions'

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of main issues

1. The Council in undertaking its statutory functions as both Highway and Traffic Authority promotes a large number of traffic orders, schemes and events under the powers and provisions contained within various enabling Acts i.e. The Highways Act 1980 and The Road Traffic Regulation Act 1984. The promotion of these matters is governed by regulations and directions which require the Council to publish their proposals in a 'newspaper circulating in the locality'.
2. The annual cost of publishing the notices varies depending on the number produced; in 2018/2019 Highways and Transportation spent in excess of £302,000 on notices.
3. In addition to Highways and Transportation notices, other service areas within the council place similar statutory notices in the local press. These include City Development (Customer Services); Resources and Housing (Legal Services) and Communities and Environment (Licensing). Council-wide spend on local press published notices over a period of twelve months in 2018/2019 equated to approx. £420,000.

4. To provide this service a previous report gave approval from the Chief Officer (Highways and Transportation) to enter into a contract with Johnston Press. Unfortunately Johnston Press have entered administration.

Recommendations

The Chief Officer (Highways and Transportation) is asked to approve the recommendation to tender for the supply of local advertisement and publication services of all Statutory Notices.

1 Purpose of this report

- 1.1 This report is seeking the approval of the Chief Officer (Highways and Transportation) to enter into a procurement exercise to choose a preferred supplier for publication of the Council's statutory public notices in the local press.

2 Background information

- 2.1 The Council in undertaking its statutory functions as both Highway and Traffic Authority promotes a large number of traffic orders, schemes and events under the powers and provisions contained within various enabling Acts e.g. The Highways Act 1980 and The Road Traffic Regulation Act 1984. The promotion of these matters is governed by regulations and directions which require the Council to publish their proposals in a 'newspaper circulating in the locality'.
- 2.2 Notices published include temporary road closures for works or events taking part in the city, stopping up orders, amendments to traffic regulations and compulsory purchases. It also includes planning notices, other statutory legal notices and licensing applications.
- 2.3 In 2004 the ODPM published a study entitled 'a Review of the Publicity Requirements for Planning Applications'. Many of the recommendations were concerned with replacing a manual method of publicity by an electronic one and allowing local authorities to decide whether to use local newspapers. Following a period of consultation, the Government (in 2009) concluded that the statutory requirement to publish in newspapers should be upheld as it was not convinced that good alternative arrangements could be readily rolled out.
- 2.4 Furthermore, failure to publicise notices appropriately could call into question the council's commitment to transparency and accountability with the risk of adverse challenge and reputational damage should notices go unseen.

3 Main issues

- 3.1 To respond to the terms of the Authority's Contract Procurement Rules and the Public Contract Regulations 2015, the council is required to have an appropriately procured mechanism to publish all public notices.
- 3.2 Due to the incumbent provider entering administration the Authority does not now have a current contract with a publisher to place statutory notices and is presently purchasing this service on a case-by-case ad-hoc basis.

- 3.3 A national framework for 'Advertising Services' founded and procured by Eastern Shires Purchasing Organisation ('ESPO') is available for public sector use.
- 3.4 Case studies and testimonials posted on the ESPO website suggested significant savings could be achieved by engaging one of the service providers on the framework.
- 3.5 To substantiate these claims, a soft market testing exercise was undertaken amongst the five providers under the framework.
- 3.6 There was sufficient information to suggest that the suppliers could undertake the council's statutory obligation on public notices and save approximately 25% of current costs. There is also the likelihood of a reduction in the number of invoices issued by the supplier issuing one comprehensive invoice a month rather than one invoice per legal notice, which would also be of further benefit to the authority by saving resource on processing invoices.
- 3.7 Directing all of the council's requirements through an individual provider will enable the Council to adopt a more corporate approach to publication of notices and achieve better value for money by consolidating spend and achieving consistent pricing across all directorates.
- 3.8 Approval is now being sought to run a competitive tendering exercise through the ESPO framework to award a contract to the provider that represents the most economically advantageous tender.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Following a spend analysis exercise consultation has taken place with other key users of publication services throughout the Council, and there have been no objections to the proposed procurement strategy.

4.1.2 The recommendations of this report will have no impact to service users and members of the public.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 This recommendation is not considered to impact on Equality and Diversity.

4.3 Council Policies and City Priorities

4.3.1 This decision is aligned to the Best Council Plan 2018/2021 'Safe, Strong Communities' and relates to the Council's outcome to 'more around a well-planned city easily'

4.4 Resources and Value for Money

4.4.1 By subjecting the requirements to competitive tender, it is expected that savings could be achieved both in terms of resources (process efficiencies) and value for money

(cost savings) by streamlining all of the Council's requirements through a single provider.

- 4.4.2 The soft market testing exercise suggests this could achieve 25% savings which, based on current spend, would equate to approximately £105k across the Council.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This is a Key Decision and is subject to call-in under the provisions made in the Council Constitution. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 4.5.2 A competitive tendering exercise will be conducted in compliance with the framework guidance, the Contract Procedure Rules and the Public Contracts Regulations 2015 where applicable.
- 4.5.3 A contract will only be awarded where it can be shown that engaging a single provider achieves the anticipated benefits and will be the subject of a further report.

4.6 Risk Management

- 4.6.1 In the absence of a formal contract there is a concern around the council's order compliance.
- 4.6.2 Failure to publish notices may place the council in breach of current legislation which requires statutory notices to be published in a 'newspaper circulating in the locality'.
- 4.6.3 There is the possibility that during the course of the contract period it may become permissible to place such notices on-line via electronic or digital media, in which case the cost of publishing notices will be considerably reduced. However, until such time as this is permitted the council must continue to incur the costs of advertising in the local press.
- 4.6.4 There is a risk that no suitable tenders are received as a result of approving this revised procurement route. However this risk is considered low.

5 Recommendations

- 5.1 The Chief Officer (Highways and Transportation) is asked to approve the recommendation to tender for the supply of local advertisement and publication services of all Statutory Notices.

6 Background documents¹

- 6.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.