

Nottingham City Council Delegated Decision



Nottingham
City Council

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| Reference Number: | 2812 |
| Author: | Jennifer Lewis |
| Department: | Strategy and Resources |
| Contact: | Jennifer Lewis (Job Title: Communications & Marketing Business Partner, Email: jennifer.lewis@nottinghamcity.gov.uk, Phone: 01158763381) |
| Subject: | contract for Granicus email marketing system |
| Total Value: | £134,478 (over 7 years) (Type: Revenue) |
| Decision Being Taken: | Approve dispensation from Contract Procedure Rule 5.1.2 in accordance with Financial Regulation 3.29 to award a long-term (up to 7 years) contract with Granicus (email marketing system). Delegate authority to Candida Brudenell (Corporate Director with responsibility for marketing) to award and sign the contract with Granicus. |

Reasons for the Decision(s)

Nottingham City Council has been successfully using Granicus (previously known as GovDelivery) as its email marketing system for both internal and external communications since 2014. The communications and marketing team lead on this work. We now have over 150,000 subscribers to 123 different email topics. The email marketing service has proved to be a highly effective way of communicating with both citizens and with colleagues, achieving such outcomes as improved attendance at events, a very high level of satisfaction with the service, and increased numbers of applications for NCC jobs. Since using this service, we have also been able to make significant cost savings for the organisation with the reduction of printed materials produced through the channel shift to email communications. For example, What's On booklet, events flyers, impact magazine.

In order to comply with procurement rules, it is proposed that we enter a contract with Granicus of 2 years plus 5 years in 1 year increments (providing an annual opportunity to end the contract if required), effective 1 April 2017. The total cost over 7 years would be £134,478. This is significantly below the EU procurement threshold. It is also worth noting that if we were to procure Granicus through G Cloud (as is possible), the cost would be several thousand pounds more.

It is proposed that we extend the duration of our existing contract with Granicus (rather than go back out to the market) for several reasons:

There are other e-mail marketing systems available in the market, however there are a number of reasons as to why Granicus is our preferred supplier:

- It is used by a number of central government departments and other local authorities. This means that it is less likely to be classified as spam by e-mail filters and it is more readily be recognised as a trusted brand.**
 - The Granicus Network - which includes any other organisation signed up to the system - works as a recruitment channel. When you sign up to alerts from another Granicus organisation, you are offered the chance to sign up to alerts by different organisations. More than half of all subscriptions are driven by the Granicus Network in this way. No other e-mail marketing service offers this. Note - This Network has 3 million UK subscribers and is also used by Nottinghamshire County Council.**
 - Many systems charge per e-mail or have a cut-off number for the amount of subscriptions. The Granicus price structure is based on the number of residents within the local authority's area: it is NOT determined by the number of e-mails or subscribers. So the price structure encourages us to communicate with our citizens rather than discourage us from sending out e-mails (which a price-per-email structure would do).**
 - Granicus does not use or share the data in any way. Granicus holds ICO registration in addition to IL2 (Secure) accreditation.**
- Finally, there would be a significant level of staff resource required if we were to switch email marketing suppliers in terms of transferring data, re-creating templates and lists, etc., which would not be best use of limited staff capacity.**

In summary, no other supplier offers the service which Granicus currently provides (which has been proven to achieve the desired outcomes for Nottingham City Council over the past 3 years), and any potential cost saving of moving to a cheaper supplier would be offset by the additional staff time required to transfer data, lists and templates, and would provide an inferior service.

Other Options Considered:

Move to another supplier - rejected. As outlined above, no other supplier offers the same functionality as Granicus (i.e. the cross promotion with other public sector organisation email marketing, and cross-promotion across the various Nottingham City Council email topics) which has proven to be very beneficial to our growth of the service. There would also be considerable disruption and high demand on staff time to transfer to another supplier, and limited, if any, potential cost savings considering the volume of subscribers we have and number of emails sent.

To cease the email marketing service - rejected. This option is rejected as it would significantly impair the council's ability to communicate effectively to citizens, colleagues and other stakeholders.

Background Papers:

Published Works:

Affected Wards:

Citywide

Colleague / Councillor Interests:

Any Information Exempt from publication:

Yes

Dispensation from Financial Regulations:

Yes

Exempt Information:

Description of what is exempt:

Annual pricing information from Granicus for this contract.

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it is commercially sensitive information from Granicus, and not appropriate to share in the public domain.

Documents exempt from publication:

The cost of our existing service with Granicus is.docx

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

None.

Equality:

EIA not required. Reasons: No Equality implications from this decision which does not relate to new or changing policies, services or functions.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

20/04/2017

Advice Sought:

Legal, Finance, Procurement

Legal Advice:

This report does not raise any significant legal issues and a direct award can be made. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 13/03/2017.

Finance Advice:

The cost of this decision is £134,478 over a 7 year period. This represents the current cost of the contract for the first two years uplifted by 3% every two years thereafter.

Under the circumstances described in the report and in the procurement advice below, the dispensation from contract procedure rules is appropriate.

Advice provided by Ian Greatorex (Finance Project Manager) on 20/03/2017.

Procurement Advice:

The request is for a direct award to be made to Granicus to prevent increasing costs over the next 7 years for an email marketing system. Procurement have assisted the report author in conducting benchmarking through the G Cloud website to assess value for money and it is on this basis that there are no significant procurement concerns with the approach. Advice provided by Rosalie Parkin (Category Manager) on 20/03/2017.

Signatures

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| Alex Norris (Portfolio Holder for Adults and Health) |
| SIGNED and Dated: 11/04/2017 |
| Candida Brudenell (Corporate Director for Strategy and Resources) |
| SIGNED and Dated: 06/04/2017 |
| Geoff Walker (Strategic Director Finance/CFO) - Dispensation from Financial Regulations |
| SIGNED and Dated: 04/04/2017 |
| Chief Finance Officer's Comments: |