
From: Jane Hill[jane.hill@GRO]
Sent: Fri 18/01/2019 9:57:39 AM (UTC)
To: Mark R Davies[mark.r.davies@GRO]
Cc: Melanie Corfield[melanie.corfield@GRO]; Alice Cookson[Alice.Cookson@GRO]
Subject: Fwd: Cancellation of Public Affairs Procurement

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From: Jane Hill <jane.hill@GRO>
Sent: Thursday, January 17, 2019 5:29 pm
To: Melanie Corfield
Cc: Alice Cookson
Subject: RE: Cancellation of Public Affairs Procurement

Hi Mel – further to our conversation this morning, how's this draft plan for handling internal stakeholders around Portland. Let me know what you think. J

- We propose to end our relationship with Portland at the end of January, and commence procurement for PA agency immediately thereafter.

Reasons to end our relationship with Portland after end January 2019

- £35k a month – very expensive for questionable value
- For some time they have not provided valuable communications advice (examples)
- (they may have added a degree of reassurance about our communications strategy, but £35k pcm is expensive for reassurance)
- The next stage of the GLO will require a greater internal comms element – Portland have no experience with this.
- They scored poorly in initial stage of agency procurement
- In the run up to the Horizon trial, less background knowledge and a fresh perspective would be a benefit, and any good agency would be able to add value.

How we will manage GLO comms without Portland

- Media trainer, Duncan, has provided valuable general advice to the team over the years. If his session with AI next week goes well, we could suggest we use him to text external lines
- Ensure that Public Affairs agency procurement exercise is complete by end of February so that we have an agency, with internal comms expertise as well as PA, in place by March



Jane Hill
Public Affairs Director

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[GRO]

jane.hill [GRO]

From: Mark R Davies
Sent: 15 January 2019 14:59
To: Jane Hill <jane.hill [GRO]>
Cc: Alice Cookson <Alice.Cookson [GRO]>
Subject: Re: Cancellation of Public Affairs Procurement

Yes but we need to think through the handling of Portland inc with internal stakeholders. Please can you put your heads together with Mel to come up with a plan?

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From: Jane Hill <jane.hill [GRO]>
Sent: Tuesday, January 15, 2019 1:54 pm
To: Mark R Davies
Cc: Alice Cookson
Subject: FW: Cancellation of Public Affairs Procurement

Hi Mark

Alice and I sat down with Barbara yesterday. For reasons that I only semi understand, it will be complicated to have 4 or 5 agencies on our roster. And this would be for the one-off, big ticket projects – which, apart from the GLO, are unlikely in the current budgetary climate.

Instead, it would make our and procurement's lives easier if we were to complete the process in order to have one agency on the formal roster. We would be at liberty to work with any other agency on a project by project basis to a £25k limit.

If you're happy suggest we issue an invitation to pitch to the three agencies who came top in the initial exercise (Four Communication, MHP, Weber Shandwick). This won't include Portland, but if we issue the invitation at the beginning of Feb this shouldn't be a problem. The pitch question could be the GLO.

Would you be OK with this?

Jane



Jane Hill

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jane.hill@postoffice.co.uk [GRO]

From: Mark R Davies

Sent: 14 January 2019 12:43

To: Barbara Brannon <Barbara.Brannon@postoffice.co.uk [GRO]>; Jane Hill <jane.hill@postoffice.co.uk [GRO]>; Alice Cookson <Alice.Cookson@postoffice.co.uk [GRO]>

Subject: Re: Cancellation of Public Affairs Procurement

Hi Barbara

Thanks for your helpful note: I've removed Patrick and added Jane and Alice.

Jane/Alice: please can you consider and come back to me: we can then pick up with Barbara?

Mark

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From: Barbara Brannon <barbara.brannon@postoffice.co.uk [GRO]>

Sent: Monday, January 14, 2019 12:19 pm

To: Patrick Bourke; Mark R Davies

Subject: Cancellation of Public Affairs Procurement

Morning Patrick – apologies for disturbing your holiday.

I've received the attached from Angela Lamarra, one of my team who has been working with Alice and Mark on your requirements/tender process over the summer. Given you are at the very end stage [presentations/selection and contract award], rather than cancellation my preference would be to continue the tender process and close it out for a few reasons.

My understanding is that while you have a budget reduction in place for next year, additional budget may be made available on an exceptional basis. Given litigation in progress, it's quite possible additional funds may be released.

Any expenditure of additional funds with the incumbent supplier [Portland] will place POL in breach of PCR due to accumulated spend. In practice while services procurement is generally at low risk of PCR challenge, this sector along with marketing more generally is not low risk. The team have assisted with two erroneous media reports within industry press on marketing tenders in 2018. The irony of creating reputational damage to POL in the process of buying services to protect our reputation is not lost on me and we have raised market awareness by running the process in the first place.

The firms involved and indeed POL have committed time and resources, therefore cost in getting to this point in good faith. We can certainly advise that anticipated spend has reduced leaving it with them as to whether or not they wish to continue, however I don't think the commercial difference is hugely material.

It is entirely possible to do three things:

- A) Remove exclusivity from the contract. It's not in the spirit of the tender, but it can be done.
- B) Advise all firms that we intend to continue with Portland until the close out of the litigation process [knowledge transfer etc etc]. New work will be awarded to the winning bidder. This is both logical and PCR risk would be negligible.
- C) Award the contract not to start until date X which could be anywhere up to 6 months away. This materially reduces our PCR risk as a tender has taken place and we are simply "transitioning services". It's not unusual to simply award new work to a new provider while closing out old business. The same will be true of POL Legal who will have law firms on the current panel who may not be carried forward into the new 5 year panel.

If we do cancel the process now, we can mitigate the PCR risk by obtaining 3 quotes for all work estimated over £25k plus vat for the foreseeable. It does leave us with a risk of challenge from one of the firms if we continue to award work to Portland without evidence of competition and the probability of re-running the process at a later date.

If it is the case that you do not agree with the outcome of the scoring and evaluation carried out by your team on the bidding firms, then we should discuss in person.

I note that you are on annual leave until 29th January and presentations are still in the calendar for the week commencing the 21st so the timetable will need to alter regardless. If you or Mark could let me know how you would like to proceed I'd be very grateful and we will work with your team to cancel/find alternative diary friendly dates.



Best Regards,

Barbara Brannon

Procurement Director

1st Floor,
20 Finsbury Street,
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From: Angela Lamarra

Sent: 10 January 2019 18:45

To: Barbara Brannon <Barbara.Brannon@GRO>

Cc: Antony Ray <antony.ray@GRO>; Rhona McLaren <Rhona.McLaren@GRO>

Subject: FW: Public Affairs Procurement

Hi Barbara,

Following our conversation about the PA tender, please see more details below.

The suppliers who responded to the RFP are the following: (together with ranking):

	Four Communication	Engine	Cohne Wolfe	Portland (Incumbent)	Weber Shandwick
	Score				
Quality	48.63	45.16	42.67	44.60	40.91
Pricing	30.00	14.50	10.14	6.45	14.11
InfoSec	3.05	3.75	2.50	1.00	2.00
Business Continuity	1.50	2.25	1.50	2.40	1.50
TOT Scoring	83.18	65.66	56.81	54.45	58.52
RANKING	1	2	4	5	3

The evaluators were Alice Cookson (Head of Public Affairs) and Mark Cazaly (Public Affairs Manager).

As mentioned, the incumbent supplier Portland didn't make the top 3 and the RFP was delayed because of the sensitivity of the work they were undertaking for the Communication team.

For this reason the Business asked to delay the suppliers presentations and to send a communication to the agencies to inform them we would hold the pitches in January 2019 (week 21st) due to unavoidable work challenges.

As per Patrick's email below, they have informed us they want to stop the process because they will not have sufficient budget for external support in the public affairs area and that, instead, they will work on a case by case basis in respect of any small scale requirements they may have.

In relation to Portland, I chased the Business several times to get the signed copy of the contract and checked with CoSec but apparently there isn't a signed copy so I made them aware of all the risks involved and options.

The spend with Portland was quite low in the past years (around 40k) but went up in July 2018 taking this above threshold (probably due to the sensitive case they were working on). The business was made aware that they were also non-compliant with PCR, hence the need to continue with the procurement exercise.

Please let me know if you need any further details.

Thanks

Angela



Angela Lamarra
Category Manager

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From: Patrick Bourke

Sent: 08 January 2019 09:58

To: Angela Lamarra <Angela.Lamarra[GRO]>
Cc: Rhona McLaren <Rhona.McLaren[GRO]>; Jane Hill <jane.hill[GRO]>
Subject: Public Affairs Procurement

Dear Angela

I have missed Rhona before she went on leave, but I wanted to update you on this intended procurement.

Along with everyone in the business, we've been doing our budgets for the year ahead and have, regrettably, come to the conclusion that we will not have sufficient budget to undertake any work in the public affairs area which would need significant external support. As such, we would like to bring this exercise to an end, before any further work is undertaken by any of the agencies. Instead, we would wish to work with you on a case by case basis in respect of any small scale requirements we may have – none of these would get close to PCR threshold, but we appreciate some streamlined competitive process would be good practice.

In the circumstances, could I ask you to communicate this decision to the agencies concerned ?

Happy, of course, to discuss.

Kind regards

Patrick



Patrick Bourke
Corporate Affairs Director

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GRO