

RM6003 - MEDIA BUYING - LETTER OF APPOINTMENT

Dear Sirs

Letter of Appointment

This letter of Appointment is issued, in accordance with the provisions of the Framework Agreement (RM6003) between CCS and the Agency, dated 22nd May 2018

Capitalised terms and expressions used in this letter have the same meanings as in the Call-Off Terms unless the context otherwise requires.

Customer Order Number:	Orders will be issued for each individual Brief.
From:	The Ministry of Defence with offices at MOD, Abbeywood, Bristol, BS34 8JH ("Client")
To:	OMD Group Limited with offices at 85 Strand, London, WC2R 0DW ("Agency")
Effective Date:	26th November 2018
Expiry Date:	End date of Initial Period: 31st May 2022 End date of Maximum Extension Period: N/A Minimum written notice to Agency in respect of extension: n/a
Services required:	Set out in Section 2 (Services offered) and refined by the Client's Brief attached at Annex A. The Parties may enter into such Statements of Works as are agreed between the Parties. All call-off work must be agreed between both Parties using the Client Briefing Template

	<p>(Schedule 2 of the call off terms and conditions).</p> <p>For each order, the Client will provide a Media Buying Brief detailing what is needed from the Agency and the outcome to be achieved. The Agency shall adopt and accept a flexible approach to the management of the media buying brief and both electronic and paper-based briefs shall be accepted.</p> <p>The Agency shall only commence work on media buying briefs when they receive a valid Purchase Order via Exostar.</p>
<p>Key Individuals:</p>	<p>For the Client:</p> <p>REDACTED</p> <p>For the Agency:</p> <p>REDACTED</p>
<p>Guarantor(s)</p>	<p>N/A</p>
<p>Call-Off Charges (including any applicable discount(s), but excluding VAT):</p>	<p>The Client shall pay the sums set out in each agreed Media Buying Brief which are payable in accordance with Framework Schedule 3 (Charging Structure). Charges will be inclusive of all expenses but exclusive of VAT.</p> <p>This Call-off Contract shall be valued at £112,000,000.00 with no guarantee of spend value or volume of orders.</p> <p>All invoices are to be submitted in arrears. Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables. Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.</p> <p>Any/all invoices and receipts will be requested for auditing purposes and should be provided when requested; this will include any third-party suppliers.</p>

Insurance Requirements	No additional insurance requirements above those stipulated in the Framework Terms and Conditions.
Client billing address for invoicing:	<p>The Agency shall register on the Client's Purchase to Pay system known as Contracting, Purchasing and Finance (CP&F); this is the mandated payment mechanism.</p> <p>Due to current lack of access to CP&F by some of the Client's contract users, (e.g. Arms Length Bodies and Associated Charities), the Agency shall also accept payments via ePC and BACS if and when required.</p>
Alternative and/or additional provisions:	The Agency shall adhere to MoD specific clauses. Further details can be found at Annex C- Call of terms and conditions, Call-off Schedule 4 Additional Clauses.

FORMATION OF CALL-OFF CONTRACT

BY SIGNING AND RETURNING THIS LETTER OF APPOINTMENT (which may be done by electronic means) the Agency agrees to enter a Call-Off Contract with the Client to provide the Services in accordance with the terms of this letter and the Call-Off Terms.

The Parties hereby acknowledge and agree that they have read this letter and the Call-Off Terms.

The Parties hereby acknowledge and agree that this Call-Off Contract shall be formed when the Client acknowledges (which may be done by electronic means) the receipt of the signed copy of this letter from the Agency within two (2) Working Days from such receipt.

For and on behalf of the Agency:

For and on behalf of the Client:

Name and Title:

Name and Title:

Signature:

Signature:

Date:

Date:

ANNEX A

Client Brief

1. PURPOSE

1.1. The Ministry of Defence inclusive of Arm's Length Bodies and associated charities require a media buying service.

2. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

2.1. This Contract will allow the Client to complete media buying activities.

2.2. The Client will manage this contract through its dedicated internal Central Commodity and Services Procurement (CC&SP) team, who will handle all contract management activities for the duration of this contract.

2.3. The Contract will cover all UK mainland and overseas requirements for the Contracting Authority, its Arm's Length Bodies and Associated Charities

3. DEFINITIONS

Expression or Acronym	Definition
CP&F	Contracting, Purchasing and Finance
Defcons	Defence Conditions
Deforms	Defence Forms
CC&SP	Central Commodity and Services Procurement
Demand	The end user within the Contracting Authority

4. SCOPE OF THE REQUIREMENT

4.1. This call off contract shall cover all online and offline channels including:

4.1.1. TV, 'second screen', Radio and Cinema

4.1.2. Press and advertorials

4.1.3. Out-of-home (including ambient)

4.1.4. Digital, email, mobile, tablet and text

4.1.5. Gaming and in-game advertising

4.1.6. New channels

4.1.7. Direct mail, inserts and leaflets

4.1.8. Paid for media sponsorships, social media advertising and media partnerships

4.1.9. Word of mouth, content seeding and viral

4.1.10. Video on demand (VOD) and online video advertising

- 4.1.11. Advertising-funded programme and product placement
- 4.1.12. Affiliate, paid-for search marketing and click-to-call
- 4.1.13. Multi-brand partnerships
- 4.1.14. Blogging
- 4.1.15. Events
- 4.1.16. Thought Leadership.

5. THE REQUIREMENT

- 5.1. The Client requires a full end to end media buying service for all campaign activity from November 26th 2018 until the framework agreement concludes. The Agency must provide the best possible outcomes for communication campaigns whilst providing value for the taxpayer.
- 5.2. The Agency shall deliver services throughout the UK (on a national, regional and local basis) and international locations.
- 5.3. The Agency shall provide services in relation to the supply of the Services to the Client including:
 - 5.3.1. taking orders for the Services from the Client;
 - 5.3.2. undertaking to meet all the Client's requirements;
 - 5.3.3. complying with key performance indicators, service levels, and any reporting requirements;
 - 5.3.4. complying with the contracting Client's Management Information requirements;
 - 5.3.5. providing a dedicated senior account manager to resolve any issues arising from the Call Off Contract
 - 5.3.6. providing a support function to deal with Client 's enquiries and issues;
 - 5.3.7. conforming to the Charging Structure;
 - 5.3.8. undertaking any billing requirements
- 5.4. The Agency shall demonstrate how every applicable media plan will be measured based on outcomes. The Agency shall provide evaluation and measurement of campaign performance/outcomes, this may include:
 - 5.4.1. reporting against outcome key performance indicators outlined in Briefs;
 - 5.4.2. being able to adjust live campaign activities to take account of ongoing evaluation and measurement results. The Agency shall regularly update the Client on optimisation work undertaking to improve the performance of activity and to enable the Client to utilise this feedback to help improve future campaigns;

- 5.4.3. working to the time lines set out in the Commercial Agreement, the Call-Off Contract and the Media Buying Briefs;
 - 5.4.4. ensuring all Agency work is in line with the Government Communication Service evaluation framework (which can be accessed here: <https://gcs.civilservice.gov.uk/guidance/evaluation/tools-and-resources/>).
- 5.5. The Agency shall deliver the best possible service across all the Client's campaign types.
- 5.6. The Agency shall provide a proactive approach to each media buying brief, ensuring innovation and best in class media buying solutions (in terms of quality, value and safety).
- 5.7. The Agency shall meet all service delivery key performance indicators outlined in the Media Buying Briefs and proactively manage multiple relationships with the Client and the Client's related organisations to take advantage opportunities to create and ensure greater efficiency, value and deliver best results for the Client.
- 5.8. The Agency will provide expertise in delivering all service aspects, continuous workable capability (including any initial implementation arrangements).
- 5.9. The Agency shall provide a robust and detailed implementation plan ahead of the contract start date;
- 5.10. The Agency shall provide dedicated and experienced resource to cover all campaign types.
- 5.11. The Agency shall ensure it is able to demonstrate:
- 5.11.1. Campaign budgeting – outcome based budget recommendations, rather than only recommending to spend to briefed budget;
 - 5.11.2. Outcome value – value of media buys based on delivering outcomes, rather than only lowering cost to the detriment of outcomes;
 - 5.11.3. Media buying approach – an integrated service into full process approach from first brief;
 - 5.11.4. Digital and data excellence – use data and digital capabilities to improve outcome based approach;
 - 5.11.5. Competitive pricing – a competitive pricing the provision for four year inflation.
- 5.12. The Agency shall provide sufficient resource for out of hours, emergency, bank holiday periods and ensure sufficient resilience and back up expertise is available when needed.

- 5.13. The Agency will deliver an agile solution for the Client, regardless of macro factors (e.g. emergency campaigns, unplanned pauses) whilst mitigating impact on budgets.
- 5.14. The Agency will allocate specific named account teams for the Client.
- 5.15. The Agency will work with the Client and provide the media buying implementation service tailored to the Client's requirements.
- 5.16. Requirements can be broadly grouped in to three types:
 - 5.16.1. Strategic implementation: The Client or demanders who have some existing media knowledge, and require deep media expertise with forward thinking approaches and innovation for media buying routed in the strategy for campaigns. The Agency will be engaged from the first briefing with the creative and planning agencies to facilitate this change in role;
 - 5.16.2. Support implementation: The Client or demanders who need good quality media thinking and guidance in media buying opportunities and support in understanding the rationale for proposal and implications of buying recommendations; and
 - 5.16.3. Buying implementation: campaigns from the Client or demanders that require straightforward booking of media to secure the best value to deliver the desired outcome objective and metric set for the activity.
- 5.17. All media plans and briefs shall provide an accurate and full breakdown report of all costs and commissions incurred.
- 5.18. The Agency shall provide counsel on latest industry trends and developments, including new audience targeting methods, buying techniques, outcome measurement innovations and emerging issues, including new methods of fraud to the Client in order to support the continued improvement of communications;

6. KEY MILESTONES

6.1. The Agency should note the following project milestones that the Client will measure the quality of delivery against:

Milestone	Description	Timeframe
1	Contract Commencement	26th November 2018
2	Account manager appointed and contact details / emails for requests provided	Within week 1 of Contract Award
3	Implementation meeting	Within week 1 of Contract Award

6.2. Milestones will be confirmed and recorded on an individual brief basis. This may include post campaign analysis and evaluation.

7. CLIENT'S RESPONSIBILITIES

7.1. The Client's CC&SP team will be responsible for the contract management of this Contract, which will include the following responsibilities:

- 7.1.1. Monitoring and auditing of performance;
- 7.1.2. Audit of purchasing and payments;
- 7.1.3. Dispute resolution.

8. REPORTING

8.1. The Agency shall provide on a monthly basis accurate, timely and comprehensive management information to the CC&SP team on all activities related to this Contract. The Format to be agreed at implementation meeting and subject to periodic review by the Client.

8.2. The Agency's reports shall include as a minimum the following management information covering the preceding calendar month and linked to the contract KPI's.

- 8.2.1. Provide management Information detailing work carried out by the Agency.
- 8.2.2. Campaign related reporting as specified, to include measures on effectiveness and efficiency (these shall be outlined in each Brief).
- 8.2.3. Evaluation and reporting to demonstrate effectiveness (as defined by the Client).

8.3. The Agency shall work with the Client and use reasonable endeavours to ensure advertising technology platforms and any other systems used to collect and/or store data on the Client's behalf are compatible with the Client's data management systems.

8.4. The Agency shall operate a transparent media buying process, giving the Client full oversight of all media buying costs and any other costs incurred as a result of buying advertising space on the Client's behalf.

9. VOLUMES

9.1. The exact number of campaigns that will require media buying is not known at this time and remains unclear. The Client will share details of expected campaign numbers as soon as possible.

10. CONTINUOUS IMPROVEMENT

10.1. The Agency will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration. This will be done in line

with an annual contract review which enables Crown Commercial Service to revise the Commercial Agreement throughout its life as the market and industry advances and innovative approaches and ways of working become available.

10.2. The Agency shall present new ways of working to the Client during quarterly Contract review meetings.

10.3. Changes to the way in which the Services are to be delivered must be brought to the Client's attention and agreed prior to any changes being implemented.

11. QUALITY

11.1. The Agency shall provide the Client with a Quality Plan which is maintained and updated throughout the duration of the Contract.

11.2. The Agency shall update the Quality Plan to meet new and emerging quality standards including risk management and disaster recovery plan.

11.3. The Agency shall ensure that their Staff shall at all times during the Call Off Contract Period:

11.3.1. Faithfully and diligently perform those duties and exercise such powers as necessary in connection with the provision of the Services;

11.3.2. Obey all lawful instructions and reasonable directions of the Client

11.3.3. Apply all due skill, care, diligence and are appropriately experienced, qualified and trained to supply the Services in accordance with this Call Off Contract.

11.4. The Agency shall ensure at all times during the Call Off Contract Period that:

11.4.1. It performs its obligations under this Call Off Contract in a timely manner and in accordance with the date(s) specified in this Call Off Contract and any Media Buying Brief;

11.4.2. It supplies the Services in conformity with the specification in the overarching Framework RM6003 and any Media Buying Brief and in accordance with all applicable Laws including but not limited to, as applicable, any obligation under section 2 of the Supply of Goods and Services Act 1982;

12. SUSTAINABILTY

12.1. The Agency shall be responsible for the sustainability of the Services and shall at all times provide a level of sustainability which is in accordance with Good Industry Practice.

13. PRICE

13.1. Pricing will be in accordance with CCS Framework RM6003 Media Buying

13.2. No additional service charges shall be added outside of the agreed rates.

14. STAFF AND CUSTOMER SERVICE

14.1. The Client requires the Agency to provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service to all Parties.

14.2. Agency staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract.

14.3. The Agency shall ensure that staff understand the Client's vision and objectives and will provide excellent customer service to the Client throughout the duration of the Contract.

14.4. The Agency shall meet with the Client quarterly to review service delivery

15. SERVICE LEVELS AND PERFORMANCE

15.1. The Client shall measure the quality of the Agency's delivery by

KPI/SLA	Service Area	KPI/SLA description	Target
1	Support response	The Agency acknowledges receipt of Media Buying Brief within 1 working day.	99%
2	Support response	The Agency agrees Media Buying Brief specification to the End users satisfaction and in accordance with required standards, within the timescale agreed between the Client's end user and the Agency.	98%
3	Support response	The Agency provides a costed Media Buying brief back to the Client end user within the timeline agreed between the Client and the Agency	99%
4	Support response	The Agency submits monthly reports to the Client's nominated representatives (as advised by the Client) within 10 working days of the end of each calendar	98%

		month.	
5	Telephone/Email support	The Agency shall ensure all queries are acknowledged within 4 hours.	99%

- 15.2. KPI's/SLA's for individual briefs will be agreed on an individual campaign basis.
- 15.3. In the event of any disputes, the parties will adhere to the escalation process/Dispute resolution set out in points 17.4 - 17.13 of the Framework Agreement.

16. INTELLECTUAL PROPERTY RIGHTS (IPR)

- 16.1. The Client will apply Defcon 703 (08/13) Intellectual Property Rights - Vesting in the Authority.

17. SECURITY REQUIREMENTS

- 17.1. The data security classification for this call off Contract shall be OFFICIAL.
- 17.2. The Agency shall comply with the latest Government Security Classifications, details available via the following link.
- 17.3. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/251480/Government-Security-Classifications-April-2014.pdf
- 17.4. The Agency shall have Cyber Essentials Scheme Certificate at the commencement date of the Client's Call off contract. Cyber Essential Scheme requirements can be located at <https://www.gov.uk/government/publications/cyber-essentials-scheme-overview>
- 17.5. The Agency must report any security incidents or breaches directly to the Client's Contract manager. The Security Policy Framework can be found at the below link: <https://www.gov.uk/government/publications/security-policy-framework>
- 17.6. The Agency must comply with all Data Protection Legislation and ensure all future appropriate data safeguards are in place for handling the Client's data

18. LOCATION

- 18.1. The location of the Services will be carried out at the Agency's premises and delivered throughout the UK and Overseas if required.

ANNEX B

Part 1: Agency Proposal

As per the Framework Agreement

Part 2: Call-Off Terms

Please see attached Annex C Terms and Conditions.