



Milton Keynes Council

Dynamic Purchasing System Passenger Transport Services Operational Guide

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Milton Keynes Council – DPS Operational Guide

Milton Keynes Council (the Council) is working with *adam* to introduce a web-based system, SProc.Net, to manage the Council's Dynamic Purchasing System (DPS). The Council will use this system for the procurement of Passenger Transport Services, as and when required, over the lifespan of the DPS. The DPS will remain valid for 4 years, with the option to extend for a further 2 years. As a potential Service Provider, this document will take you through what a DPS is and how the Council will manage their commissioning and invoicing process using SProc.Net.

What is a Dynamic Purchasing System (DPS)?

A DPS is a completely electronic system established by the Council to purchase commonly used goods, works or services. A DPS is governed by Regulation 34 of the Public Contract Regulations 2015.

A DPS operates differently to a traditional contract/framework in that it is an 'open market' product allowing suppliers to apply to join at any time and is designed to provide the Council access to a pool of suppliers or supply base which can be constantly refreshed. Interested suppliers will have to apply to be admitted on to the DPS.

When the Council needs to procure specific Passenger Transport Services, it will publish the Requirement via the DPS and invite bids from suppliers admitted to the DPS in order to award a contract (called a Service Agreement) to provide the services.

How to join the DPS

Suppliers who wish to supply services to Milton Keynes Council will need to meet the Council's minimum entry criteria by applying online at www.sproc.net. It is a simple three step process consisting of Registration, Accreditation and Enrolment. Please refer to the 'DPS Application Guide' for details on the entry criteria and an explanation of the process. A supplier will only be eligible to participate in any tenders once they have successfully completed the Accreditation and Enrolment process and they have been notified as such by the Council.

Tender Requirements and Submission through SProc.net

When the Council requires a Passenger Transport Service, they will create and distribute a Requirement to the supply base (suppliers admitted onto the DPS). A Requirement is the name used for a tender on SProc.Net.

The Requirement is automatically distributed to Service Providers that have signed up to the respective Service Category (Lot) via SProc.Net. For any Requirement which includes special educational needs (SEN) suppliers must have, in addition all other specified requirements, responded to and passed the Scenario question 1 in the Enrolment stage of the process in order to be able to bid for such Requirements.

Depending on when the service is required to begin, the Council will stipulate the relevant timescales in relation to any published Requirement

The council reserves the right at all times to buy similar services and enter into other contractual arrangements other than through the DPS where, the Council acting reasonably, considers that this is necessary for particular cases.

Urgency requirement

The council reserves the right to require Offers to be submitted within a short timescale, which will be detailed at point of Requirement.

Open for Offers period

This period only applies when the Requirement has been distributed via the DPS. Service Providers can only submit an Offer during the 'Open for Offers' period. An Offer is the name used for a proposal submitted by a Service Provider. The Council will stipulate the timescale of this period on the Requirement. Once this period ends, no further Offers can be submitted by the supply base.

To create an Offer, Suppliers will state whether or not they can meet the requirements ('Features') and submit a price ('Price'). Offers submitted will be evaluated 90% on price and 10% Quality which will be developed from your

annual audits, visits to routes and eforms. Please note the council reserves the right to amend this quality criteria from time to time.

During the Open for Offers period, you will have visibility of your overall ranking in the list. Whilst the Open for Offers period is open, you can revise your Offer Price in an effort to improve your ranking.

When the Open for Offers period ends, all submitted Offers will be electronically sorted into a list. This will rank the Offers in order of the score which they have received.

Requirement Messaging Tool

A messaging tool is available during the Open for Offers period for you to communicate with the Council to clarify any specifics of the Requirement. Generally, any clarification messages which you send and the responses issued by the Council will be published and can be seen by all Service Providers who are placing Offers for the Requirement. As such, you should not include anything which identifies you or your business in any clarification message which you send. If you must include information which would be confidential information that should not be published to all suppliers, you should send your communication directly to the Council by emailing client.transport@milton-keynes.gov.uk. The Council will determine whether or not the clarification question and any response should be treated as confidential and will notify you if it deems that the clarification question and/or the response should be published to all suppliers. The Council's decision on whether or not a clarification question and/or the response to it should be treated as confidential shall be final. Improper use of the requirement messaging tool and any breaches to the below policy will be dealt with at the Council's discretion on a case by case basis with any required subsequent sanction actions taken as deemed appropriate by the Milton Keynes Council.

The following policy must be adhered to for use of the messaging tool. This policy is to ensure a full auditable trail and alleviate any risks to the Council or the Service Provider through miscommunication or malicious practice:

1. Identification

There must be nothing communicated through the messaging system which identifies either you as the Service Provider or a named member of the Council.

2. Prejudice

Nothing which betrays a bias for or against you as the Service Provider should be communicated through Requirement Messaging

3. Data protection

There must not be any sensitive information of a personal or commercial nature, pertaining to either you the Service Provider, a member of the Council or Service User communicated through Requirement Messaging.

4. Off-contract risk

There will be nothing which incites engagement outside of the system communicated through Requirement Messaging.

5. Clarification

Further details to support the Requirement and aid Service Providers in constructing their Offers must always be communicated through Requirement Messaging.

Council Review period

This period only applies via the DPS procurement route. Following on from the Open for Offers period, the Council will evaluate the Offers. The purpose of the Council Review period is to ensure that the accepted Offer meets the requirements.

At the end of this review period, the Council will award the Passenger Transport Service contract for the Requirement to the top-ranked offer which meets the requirements. The Council may in its absolute discretion reject Offers in any of the following circumstances and further where appropriate, may exclude a supplier from the DPS;

- Abnormally low price, where the prices tendered appears too low to be credible, but only after a supplier has been given the opportunity to provide an explanation of the submission or part of the submission which the Council believes to be too low, and where the Council does not accept the explanation;
- If the submission is not complete;
- Where the supplier makes a qualified offer, which vary a Requirement;
- If Vehicle, Driver, PA or specific requirements not then available;
- Current performance issues;
- if a supplier enters into any agreement with any other person that such other person shall refrain from submitting a submission or shall limit or restrict the prices to be shown by any other supplier in its submission;
- if a supplier offers or agrees to pay or give or does pay or give any sum of money, inducement or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any other supplier or any other supplier's proposed submission, any act or omission;
- if a supplier in connection with the award of the contract commits an offence under the Bribery Act 2010 or an offence under Section 117(2) of the Local Government Act 1972
- if the supplier has directly or indirectly canvassed or attempted to canvass any member or official of the Council concerning award of the contract;
- if a supplier has done anything improper to influence the Council during the Offer Open period
- if there is a conflict of interest and the supplier has failed to declare any

conflict of interest or any circumstances that could give rise to a conflict of interest;

A rejection of an offer by the Council as above shall be without prejudice to any other remedies available in law.

If there are two suppliers that produce the same priced Offer then, subject to the rejection grounds above, the supplier who submitted their Offer first will be awarded the contract.

The Council reserves the right to amend the award criteria from time to time, to include but not be limited to the use of service user visits, interviews, historical service provider performance data and maximum and minimum price limits. Any such award criteria if applied by the Council will be published as part of the Requirement and evaluated accordingly.

Service Agreements

This is relevant for all procurement routes whether via the DPS or outside of the DPS. If your Offer is successful, you will enter into a Service Agreement which will be between you and the Council. The Council will inform all Service Providers of the outcome of Offers received via SProc.Net following the end of the Council Review period. The terms of the Service Agreement are included as part of the DPS documentation pack.

Changes to Service Agreements

If a change needs to be made to an active Service Agreement, the Change Order function in the system will be used by Council. The Change Order policy below outlines what changes to an active Service Agreement can be requested, and what constitutes a material change resulting in the active Service Agreement ending and a new Requirement being distributed to the supply base. Changes are at the sole discretion of the Council.

Changes to a Service Agreement

Where an unanticipated change in the service is required that changes the

requirements from original contract award, but not in a material way, it is permissible to request a change with the Service Provider. This change will be recorded in the system, but as it does not constitute a material change, the Requirement subject of the Service Agreement does not need to be redistributed to the supply base. For example, such changes could include but not limited to:

- Number of days the service is needed changes
- Start and/or end dates change
- Service paused while user temporarily not travelling

- Service user circumstances or route have changed
- Change to Driver or Passenger Assistant requested by the Council
- Change to Service Agreement description, equipment or requirements for the service user
- Additional passengers added to route
- Passengers removed from route
- Passenger days of travel changed
- Price increase/decrease required. Significant price increases/decreases would result in a new requirement at the discretion of the Council.

Any changes will also need to comply with any variation provisions set out in the Service Agreement.

Ending a Service Agreement

A change, when considered material, may result in the Service Agreement ending. The Council reserve the right to end the active Service Agreement and create a new Requirement to distribute to the supply base. Examples of a major change are, but are not limited to:

- Material change in the value of the service as a result of the change in requirement by the Council

All decisions made regarding the ending of a Service Agreement is at the Council's discretion.

As a Service Provider, if a change to service is identified, this will need to be raised to the Council via the electronic messaging functionality connected to each Service Agreement.

Intermissions

Occasionally, there may be an event which "interrupts" the delivery of the service to an individual. When a service is not being delivered due to a change in circumstances, the Service Agreement needs to be placed into an 'on hold' status on the system. This is called an Intermission. In cases of Intermissions as detailed below,

fees will not be payable throughout the period of an intermission. The council reserves the right to amend the below payment structure on a case by case basis, should the council see a reasonable reason for doing so.

Intermission type	Fee payable to Supplier
Route failure due to vehicle breakdown	0% payment per failed trip
Non-delivery due to adverse weather conditions at choice of provider, whether Council/user have been notified or not	0% payment per failed trip
Non-delivery due to adverse weather conditions by choice of destination (e.g. school emergency closure)	0% payment
Morning pick up cancelled on arrival by service user but no notice given to provider	100% payment of morning trip 0% payment of same day afternoon trip
Afternoon pick up cancelled on arrival but no notice given	100% payment of trip
Morning and/or afternoon pick up cancelled with 24 hours' notice	0% payment of trip
Intermission for school holidays	0% payment
Intermission for long term sickness/other reason for long term after notice has been given	0% payment

Suspensions

The Council reserves the right to suspend a Service Provider from the DPS supply base, for reasons such as, but not limited to;

- Safeguarding concerns
- Licenses, insurances, declarations and documentation revoked or

out of date

- Persistent poor service (e.g. recurrent complaints from service users)
- Meeting penalty points thresholds as detailed in the Service Specification

A Suspension means that a Service Provider will not receive new Requirements distributed by the Council. The Council may in its absolute discretion end any other Service Agreements with a supplier in the event that any of the matters above or similar arise with regard to that supplier.

Provider suspensions will be lifted once issues identified have been rectified to the acceptance of the Council as detailed in the Service Specification.

Service Providers may also choose a voluntary suspension of delivery while addressing concerns, in partnership with the Council. This voluntary suspension and the subsequent length of this suspension will need to be agreed by the Council.

Suspension

The Council may in its absolute discretion exclude a supplier from the DPS if any of the following occur:

- Where there is proof of breach of any safeguarding requirements by a supplier;
- if a supplier is found to have engaged in conduct of price fixing, or enters into any agreement with any other person that such other person shall refrain from submitting a submission or shall limit or restrict the prices to be shown by any other supplier in its submission;;
- if a supplier in connection with the award of any contract under the DPS commits an offence under the Bribery Act 2010 or an offence under Section 117(2) of the Local Government Act 1972
- if the supplier has directly or indirectly canvassed or attempted to canvass any member or official of the Council concerning award of any contract under the DPS;
- If a supplier persistently performs the services poorly

Service Receipting and Self-Billing

Once a Service Agreement has been entered into and the service has commenced, as a Service Provider, you will be required to submit weekly bills (Service Receipts) through SProc.Net. The Service Receipts are a record of the service delivered, and will be used by the Council to pay you, against Self-Bills generated from approved Service Receipts. *adam* will act as payment agent on behalf of the Council. Service Receipts should be submitted on a Monday and Tuesday to be included in that week's invoice run. Please refer to the *adam* training user guides for full guidance on the process for Service Receipting.

Communication

Service Provider Relationship Management module

The Council will be using the Supplier Relationship Management (SRM) module within SProc.Net to communicate with Service Providers. The SRM module will allow the Service Providers to communicate directly with Council officers in an open and transparent manner. Further information can be found in the System User Guide on SProc.Net in the 'Help' section.

Feedback and Complaints

If you wish to request any feedback or to lodge a complaint, please contact the Council via email to client.transport@milton-keynes.gov.uk

Glossary

Accreditation – this is the first part of the second step (selection) of the process that a Supplier is required to complete in order to join the DPS. It involves responding to a series of questions and uploading documents.

adam – adam HTT Ltd trading as *adam*, the provider of SProc.Net, who will also act as the Council's payment services provider.

DPS – Dynamic Purchasing System used for the procurement of Services.

Enrolment – this is the second step of the selection process that a Supplier needs to complete in order to join the DPS. It involves submitting further information based which enables the Council to evaluate the capability of your organisation to deliver Services to the Council.

Entry Criteria – the selection criteria that a supplier must meet and maintain throughout the duration of the DPS in order to successfully complete and retain their Accreditation and Enrolment on the DPS.

Intermission – a “hold” on the delivery of Services under a Service Agreement while the Service Agreement remains in force.

Offer – your tender against a Requirement confirming that you are able to deliver the Services required and your Price for doing so.

Open for Offers Period – the period during which you are able to submit an Offer against a Requirement distributed by Milton Keynes Council on the DPS, or review your Offer.

Price - the Supplier's proposed costs for carrying out a Requirement as contained in an Offer.

Public Contract Regulations – the Public Contract Regulations 2015, and as amended from time to time, that govern how public sector procurements must be carried out.

Requirement – a request issued by the Council on the DPS, describing the specific Services for which the Council is seeking to award a Service Agreement.

Self-Billing Procedure – arrangements you sign up to as part of the Supplier Agreement in order for *adam* to generate invoices billing Milton Keynes Council on your behalf and to process payments to you on behalf of Milton Keynes Council.

Service Agreement – this is the contract to deliver a Requirement issued by Milton Keynes Council accepting your Offer and confirming agreement on what Services are going to be delivered and at what price.

Service Category – Vehicle sizes (Lots) as specified in each Requirement.

Service Receipt – this is a weekly electronic record submitted via the DPS to confirm the services you have delivered in the specified week. This replaces invoicing the Council for services delivered.

Services – these are the Passenger Transport Services that the Service Provider will provide in accordance with the Contract.

Specification – the outline description of the Services Milton Keynes Council may require from time to time via the DPS.

SProc.Net – this is an internet based technology platform through which Milton Keynes Council will be operating the DPS to procure Services (web link is www.sproc.net).

Supplier Agreement – this is the overarching agreement between Milton Keynes Council and a supplier setting out how Milton Keynes Council will award Service Agreements via the DPS and the terms and conditions applicable to such Service Agreements.