

adam

# Surrey County Council

Dynamic Purchasing System

Passenger Transport Services

Operational Guide

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# What is a Dynamic Purchasing System (DPS)?

A DPS is a fully electronic system used by public sector bodies to award contracts for works or services and is compliant and governed by Regulation 34 of the Public Contract Regulations 2015 (as amended from time to time).

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 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 to the DPS.

Service Providers must meet the Council's minimum criteria for entry to the DPS, but there are no other restrictions on who can or cannot join. The DPS is open for new providers to join at any time the DPS is active. Please see the 'How to Become an Approved Provider' section for Surrey County Council on <http://demand.sproc.net>.

The DPS is a fair and transparent process for all Service Providers. As a Service Provider, you will benefit from access to all opportunities to provide services in your specialism because the use of SProc.Net means:

- You will be competing on a level playing field with other organisations for new opportunities to provide services.
- You will have reduced administration costs and an easy to use, streamlined process.

# How will the Council use SProc.Net?

## 1. Requirements

When the Council requires a passenger transport service to be delivered, they will create and distribute a Requirement to the supply base in respect of the relevant Service Category. A Requirement is the name used for a tender on SProc.Net.

The Requirement will be distributed to all approved Service Providers for the relevant Service Category via SProc.Net.

Depending on when the service is required to begin, the Council will stipulate the relevant timescales, whereby different actions can be taken during the subsequent periods described in this guide.

When distributing requirements, the Council may choose to distribute only to selected Distribution groups. These groups are based on the geographical make-up of the county and are as follows:

### North East

1. Elmbridge
2. Epsom and Ewell
3. Spelthorne

### North West

4. Runnymede
5. Surrey Heath
6. Woking

### South East

7. Mole Valley
8. Reigate & Banstead
9. Tandridge

### South West

10. Guildford
11. Waverley

This means that only the companies signed up to this group will receive notification of the Requirement. Membership of the groups can be amended at any time so if a company expands, additional groups can be signed up to and vice versa.

Through this DPS the Council will be procuring client passenger transport services for different vehicle requirements, as per the Service Categories that are selected by the transport Providers as part of the onboarding process.

There may arise a situation that is an exception to the standard DPS process. In this situation, the Council reserve the right to contact a single Service Provider, or a specified selection of Service Providers. Detailed below is a list of example exception situations in which this may occur:

- In circumstances where there has been no appropriate offer received.
- Where the service is needed urgently/immediately.
- When services are needed in out of core office hours (5pm-9am overnight, Weekends or Bank Holidays).
- Services are needed when Tribunal or appeal process is in progress.
- If the service required is out of the county.
- When the Council wants to add a service user to an existing route.

## 2. Open for Offers period

This period only applies when the Requirement has been distributed via the DPS. Service Providers can only submit one 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 provider base.

To create an Offer, Suppliers will state whether or not they can meet the requirements ('Features') and submit a price ('Price'). **Suppliers will only be able to submit one Offer, there will be no ranking or visibility of Offers submitted by other suppliers.** Offers submitted will be evaluated 95% on price and 5% on Quality attained at the enrolment stage.

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 – This will not be visible to suppliers. All Offers submitted by Service Providers which remain when the Open for Offers period ends are considered binding and final.

### **I. Withdrawing an Offer**

The Service Provider has the ability to withdraw the Offer (once) if you no longer wish to be considered for that Requirement. Please note that if you withdraw the Offer then you will not be able to make any additional offers on the Requirement.

### **II. Rollback**

The Council has the ability to 'roll back' a Requirement (and offer it back to the Service Providers) once it has passed the Open for Offers period, in the event that no Offers or no appropriate/acceptable Offers have been received. This process will be used as and when the Council wish to recirculate the Requirement to individual Service Providers.

In the event a Requirement is rolled back, all Service Providers enrolled since the original distribution date will have visibility and opportunity to respond to the Requirement.

### **III. 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. Requirement messages and their responses will be published on the Requirement and can be seen by all Service Providers who are placing Offers. As such, you must not include anything which identifies you or your business in any Requirement messages.

The following policy must be adhered to for its use. 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 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.

You may also email [tcc.enquiries@surreycc.gov.uk](mailto:tcc.enquiries@surreycc.gov.uk) or call the Operator Call Line to clarify any specifics of the Requirement.

#### IV. Client Review period

Following the Open for Offers period, the Council will evaluate the Offers submitted by all Providers (this subsequent period is referred to as the "Client Review Period"). The purpose of the Client Review period is to ensure that the accepted Offer is the one that best meets the needs of the Service User.

The evaluation of the Offers shall be conducted based on the price that has been submitted on the Offer. In the unlikely event that two suppliers have submitted an offer with the same price and have achieved the same Quality score at Enrolment then the Offers are considered as tied and TCC will make the decision on who to award the route to at their discretion. The Council reserves the right at any time to not award a Service Agreement in respect of any Requirement.

The Council reserve the right to reject Offers should they be deemed inappropriate. For example, but not limited to:

- Provider is unable to meet the full requirement of the route.
- If the Provider has been suspended since the Requirement was placed.
- Recent complaint received regarding the Providers ability to deliver services.
- If the Offer price submitted is too high or low and not economically sustainable.

The Council reserves the right to amend the award criteria from time to time, subject to prior notification to Service Providers.

### 3. Award Criteria

All Service Providers who are enrolled to a Service Category will be able to submit an Offer against a Requirement.

The Council, for each individual Requirement via the DPS, will follow the following award criteria:

- Price: 95%
- Enrolment Quality Score: 5%

As part of the Offer process, Service Providers will be required to complete one or more of the following:

- i. state whether or not they can meet the “Features” and “Capabilities” in relation to the Requirement.
- ii. submit Outcome Statements in relation to the Requirement.

#### **I. What is a Feature?**

“Features” are core criteria or “must haves” a Service Provider must have or be able to do, to deliver the Service. This criterion is a “pass or fail” hurdle, which will filter out Service Providers unable to provide the services specified. Features are displayed as tick boxes on the system.

#### **II. What is an Outcome Question?**

The “Outcome Questions” are free-text questions, which are related to an outcome and/or choice. These are defined by the Council and require free-text responses from the Service Provider. The Service Provider’s response to the Outcome Statements must demonstrate how they will meet the service user’s needs.

## 4. Service Agreements

If your Offer is successful, a Service Agreement will be created on SProc.Net. This is the contract between you and the Council for the provision of the Services detailed in the Requirement. You will also receive confirmation and contractual paperwork by email.

The Council will inform all Service Providers of the outcome of Offers received via SProc.Net following the end of the Client Review period.

Once the Council has notified the Providers of the outcome of the Tender process, the successful Service Provider will then be notified that a Service Agreement has been created on the system. The Provider will need to confirm acceptance of the Service Agreement before this takes effect and becomes active. The service to the Service User should not begin until this contract is active as no payment will be able to be made for services completed until the agreement is active.

The Service Agreement will be entered into electronically by the acceptance of the Service Agreement via SProc.Net. The Service Provider will ensure that before acceptance of the Service Agreement, that the person agreeing to the Service Agreement has the authority and capacity to do so.

#### **I. Changes to Service Agreements**

The Council reserves the right to make in-contract changes to any of its Service Agreements in accordance with the terms of the Supplier Agreement, particularly relating to variations, performance default and termination.



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.

- There has been a re-assessment of the Service Users needs and service requirements are changing. The current provider will be advised of these changes via email or phone, if they are unable to meet the new needs of the Service User the whole package will be re-distributed to market, and the Service Agreement ended once a new Provider is identified.
- Where an impromptu change in the service required, it is permissible to request a change with the Service Provider. This change will be recorded but does not constitute a material change and so the Service Agreement does not need to be redistributed to the supply base. For example, changes could include but not limited to:
  - Start and/or end dates change
  - Service paused while users temporarily not utilising the Service
  - Service User circumstances
  - Passenger Assistant or Driver information incorrect on Requirement
  - Change to Driver or Passenger Assistant requested by the Council
  - Change to Service Agreement description, equipment, or requirements for the Service User
  - Change to the number of dates, or specific days of travel
  - Passengers added or removed from the route
  - Price increase or decrease required
- The Council has a responsibility to ensure that the routes/vehicles are used to full capacity and deliver best value. On occasions there will likely be a need to add a service user/child on to an existing route or remove a service user/child from an existing route due to changes in their school placements.
- Where there is a need to add or remove a service user/child the Council reserves the right to review the route to ensure that it is delivering best value, and it is wholly at the Council's discretion whether the route should be put back out to market.
- Where the Council decides that the amended route should remain with the Service Provider, the Service Provider will receive updated contractual documentation for the route. The cost the Council will pay for the additional passenger(s), or deduct for the removal of passenger(s), will be based on the increase, or decrease, in the daily total mileage for the route, as generated by the Council's choice of route planning software.

- The mileage rate to be applied per vehicle type is shown in the table below.

Vehicle Type	Adjusted Daily Mileage - Price added/reduced per mile		
	0 – 19.99 miles	Each mile over 20 miles (up to 39.99 miles)	Each mile over 40 miles (up to 59.99 miles)
Saloon/MPV (up to 8 seats)	£2.50	£2.00	£1.50
W/C accessible (up to 8 seats)	£3.00	£2.50	£2.00
Minibus	£4.00	£3.50	£3.00
W/C accessible minibus	£4.00	£3.50	£3.00

The same methodology will apply to the calculation of cost reductions for the removal of passengers from a route.

- The Service Provider is under no obligation to accept the amendment request permanently. Should the Service Provider reject/not accept the amendment, then they can give notice to terminate the route. The route cost will revert to the amended cost including the additional/reduced mileage rate for the duration of the notice period. The route will then be redistributed to the market and the Service Agreement ended once a new Provider is identified and awarded the route.

As the Service Provider delivering the service to the Service User you have the opportunity to raise Change Orders as well for the Councils review and approval. The Provider is requested to provide a description and reason for the changes via email to allow the council to make an informed decision on the request.

## II. Suspensions

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

- Non-Compliance with Safeguarding
- Licenses and documentation revoked or out of date
- Consistently poor service delivery
- The provider is in breach of the Terms and Conditions set out in the Supplier Agreement

A Suspension means that a Service Provider will not receive new Requirements distributed by the Council. A joint discussion between the Service Provider and the

Council (and other appropriate parties), will determine the impact, and any necessary action, in respect of the Service Provider's other active Service Agreements.

In general, once suspended from bidding for new Requirements, current Service Agreements will continue. However, in the case of serious complaints/concerns/performance issues the Provider may have some or all Service Agreements removed and a new Requirement will be redistributed to the remaining Provider base, at the Council's discretion.

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

A Provider will be automatically suspended should any of the documents uploaded as part of their Accreditation and Enrolment expire. The suspension will be lifted when the documents are updated and approved.

Service Providers may also choose a voluntary suspension of placements while addressing concerns in partnership with the Local Authority.

## 5. Invoicing

Providers should submit monthly invoices – with backing documentation stating the route(s), day rates and number of days claimed, ensuring that routes are claimed wholly and completely for that month on one invoice. It is the responsibility of the Provider to ensure that days on which transport is not provided, such as school inset days, are not claimed for. Inaccuracies in claims will be notified to the Contracts and Control team and may be subject to performance management sanctions. Each invoice should have its own unique reference number. Invoices should be emailed to [travel@surreycc.gov.uk](mailto:travel@surreycc.gov.uk) and payment will be made within **30 days** receipt of a correct invoice.

## 6. Communication

The Council may use the Supplier Relationship Management (SRM) module within SProc.Net to communicate with approved 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 (post Go-Live).

The Council has the option to distribute E-forms that can be sent out to the supply base regularly for Providers to complete. You will receive more information concerning this should the Council begin to adopt this functionality.

## 7. Feedback and Complaints

If you wish to request any feedback or to lodge a complaint, please contact the Council via email at [tcc.enquiries@surreycc.gov.uk](mailto:tcc.enquiries@surreycc.gov.uk)

## 8. Glossary

**adam** – adam HTT Ltd trading as adam, the provider of SProc.Net

**Accreditation & Enrolment** - the onboarding process all providers will go through

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

**Offer** – your tender against a Requirement confirming that you are able to deliver the services required

**Open for Offers Period** – the period during which you are able to submit an Offer against a Requirement distributed on the AQP framework

**Price** – the rate that you will submit as a part of your Offer on a Requirement

**Public Contract Regulations (PCR 2015)** – 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 and which may include terms and conditions applicable to the provision of those Services which supplement the terms and conditions set out in the Supplier Agreement

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

**Service Category** – a category of service, listed in the Supplier Agreement and the Specification, in relation to which type of Provider may be admitted to the DPS to provide Services.

**SProc.Net** – this is an internet cloud-based technology platform through which the Council will be operating the DPS to procure Passenger Transport Services (web link is [www.sproc.net](http://www.sproc.net)).

**Suspension** – A process where the Service Provider is suspended from receiving any new Requirements and all current Offers are cancelled.