

Cabinet

11 October 2018

Tender to establish a Dynamic Purchasing System (DPS) for Learning and Organisational Development

Recommendations

That Cabinet:

- 1) Approve proceeding with a tender for the provision of a Dynamic Purchasing System for Learning and Organisational Development.
- 2) Authorise the Joint Managing Director (Resources) to enter into a DPS arrangement for the provision of Learning and Organisational Development as well as all subsequent call-off Contracts there-under.

1.0 Background

- 1.1 The Learning and Organisational Development (L&OD) Team are responsible for commissioning learning and organisational development interventions across the County Council which consist of the 'Corporate Menu' - a range of core skills training programmes for all staff, management and leadership training, organisational development programmes to support change and transformation and learning and development programmes for all staff across the People Directorate. The learning and development commissioned by L&OD is supplemented by specific learning and development (often as part of continuing professional development arrangements) by Directorates and Business Units locally.
- 1.2 The L&OD team is currently utilising the ESPO Framework for Managed Training Services to procure L&OD supply via a Managed Service Provider (MSP).
- 1.3 The Council has been using this Framework for 4 years and over the course of the contract, the rates offered through this arrangement have increased and are no longer considered to offer best value when compared to purchasing from the training providers directly. The suppliers required for learning and organisational development provision across the Council need to cover a wide range of different specialisms and access to a large and flexible supply chain is essential. It is therefore considered appropriate to now establish new competitive procurement arrangements.

2.0 Proposal

- 2.1 It is proposed that the Council develop a Dynamic Purchasing System (DPS) to procure learning and organisational development. Evaluation of other procurement methods found that a DPS would be the most suitable method, due to its flexibility to continually grow a supply chain and its simplicity of use for both suppliers and the Council.
- 2.2 A DPS is a completely electronic system used by a Contracting Authority (WCC as buyer) to purchase commonly used goods, works or services. Unlike a traditional procurement framework, suppliers can apply to join at any time. It is an 'open market' solution which will provide WCC with access to a pool of pre-qualified suppliers
- 2.3 The set-up of a DPS will require interested companies to complete an initial pre-qualification questionnaire before they can be invited to bid for individual call-offs. This process will be fully compliant with the Public Contract Regulations and will allow for submissions throughout its validity. It is anticipated that as more suppliers are approved on to the DPS, an increase in both competition and savings will be realised as suppliers drive down prices to remain competitive. The DPS gives no guarantee of volume of work or the value at which it will be carried out. These variables are determined under the individual call-offs as and when they occur. There are a number of DPS arrangements active within the authority that have proved to be successful in both reducing costs and procuring services effectively.
- 2.4 Use of a DPS offers the following potential advantages:
 - 2.4.1 Competition on price via evaluation of tenders using cost and quality criteria or a two stage process, whereby all tenderers of sufficient quality would be invited to a price 'auction' which will enable WCC to commission the supplier providing best value.
 - 2.4.2 WCC will be able to fix prices for the duration of the call off contracts.
 - 2.4.3 Continual advertising of the DPS will ensure access to a wide supply market as suppliers can join at any time.
 - 2.4.4 Once a tender is awarded a supply of dates can be requested and scheduled efficiently as contact will be direct with the suppliers.
 - 2.4.5 Automated administration of the DPS via 'CSW Jets', Coventry Solihull and Warwickshire's on-line e-procurement system.
 - 2.4.6 The need for fewer exemption requests to Contract Standing Orders.
 - 2.4.7 Reduced costs incurred by WCC from supplier travel expenses, as there is a potential for more local supply to be generated.

- 2.4.8 The County Council can determine the length of the DPS and can cancel it when appropriate with one months' notice.
- 2.4.9 The contract will be procured in a manner that will allow Coventry City Council, Solihull MBC and certain other Public Bodies to access the contract, therefore enabling procurement on a collaborative basis if required.
- 2.5 This existing framework arrangements would continue to be utilised until the Dynamic Purchasing System (DPS) is developed to ensure continuity of service provision. WCC may also continue to contract from the framework arrangement after the development of the DPS, where conditions are favourable.
- 2.6 The proposals outlined in this report can be funded from within the Business Unit's existing resources.

3.0 Timescales associated with the decision

- 3.1 If Cabinet approval is granted; the DPS should be available as a procurement method by December 2018. It is proposed that the DPS will be advertised with an initial 'period of validity' of 7 years but will be kept under constant review and the validity period shortened or extended as appropriate.

4.0 Background Papers

None

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The report was circulated to the following members prior to publication:

Local members: N/A

Other members: Councillors Boad, Kaur, O'Rourke, Singh Birdi and Timms