

**North Yorkshire County Council**

**Business and Environmental Services**

**Executive Members**

**14 June 2021**

**Introduction of Dynamic Purchasing System (DPS)  
for the procurement of Passenger Transport Services**

**Report of the Assistant Director – Travel, Environmental and Countryside Services**

**1.0 Purpose of Report**

- 1.1 To seek approval to proceed with the introduction of a Dynamic Purchasing System to procure passenger transport services across North Yorkshire.

**2.0 Background**

- 2.1 Integrated Passenger Transport procure transport contracts to meet the requirements of Children and Young People's Services (CYPS), Health and Adult Services (HAS) and Business and Environmental Services (BES) transport services. We work with around 200 contractors who provide a combination of taxi, coach and bus services and have up to 1700 contracts in place at any one time.
- 2.2 The team procure a variety of contracts on a daily basis and where possible prices are requested from contractors through the YORtender electronic system. However, where urgent, short notice or emergency transport is needed, phone and email quotations are also used as a method of seeking prices for such Ad Hoc cases.
- 2.3 In addition to the day to day procurement, currently, Integrated Passenger Transport (IPT) undertakes to re-evaluate all of its subsidised home to school and subsidised LBS contracts across North Yorkshire through a programme of area reviews; the county is split into 4 review areas, the whole cycle taking 4 years to complete. The procurement is then undertaken using OJEU processes on the electronic YORtender system.
- 2.4 SEN contracts are also reviewed on a 2-3 yearly cycle and are procured through YORtender via the OJEU process.
- 2.5 HAS contracts are mainly delivered through the Councils "in house" fleet of minibuses. However, some clients require alternative transport due to the nature of their needs and or the location of their care provision. These additional services are procured by tendering taxi contracts as and when required.
- 2.6 The current system is well rehearsed and executed and has worked well for many years but means that repeated, time consuming, full OJEU procurement processes have to take place throughout the year alongside daily short term quotation solutions.

**3.0 What is a DPS?**

- 3.1 A DPS is a type of Framework Agreement. A tender process is used to put in place a list of suppliers that can be used as and when work is required. No contracts are

formed from an award of DPS and each individual mini-competition forms its own individual contract under the specification and terms and conditions already set out in the DPS agreement.

- 3.2 In a traditional Framework Agreement, after the tender is awarded only those suppliers that were successful can be allocated work therefore those that were unsuccessful or did not submit a tender cannot be used. Where a DPS differs is that the selection stage of the tender remains open for the entire duration of the DPS which means suppliers can submit a response and attempt to get onto the DPS at any time and as many times as they wish.
- 3.3 The DPS will result in a supplier list being created from successful tenderers. It will be used whenever a need arises for a mini-competition to select the best value supplier in each case. The Supplier List has the potential to grow throughout the life of the DPS which may maintain and improve competitiveness.
- 3.4 The DPS will be used for all Education, Social Care and LBS transport requirements during its life. Which means the Council will not have to undergo multiple full procurement exercises thus making the contracting process more streamlined.

#### **4.0 Consultation/Fact finding**

- 4.1 Officers from Legal services, Procurement Team and IPT visited East Riding Council to see how their DPS worked in practice and to discuss the pros and cons of using it. Officers also met with Norfolk Council who run a successful DPS for a question and answer session which was very useful.
- 4.2 Examples of DPS being used in other authorities to procure transport services have been researched and used to help to shape our proposed approach.
- 4.3 Some work with transport providers has been undertaken to ask for their views about how best we can engage with them in relation to tendering in the future.

#### **5.0 Legal Implications**

- 5.1 “The DPS is a procedure available for contracts for works, services and goods commonly available on the market. As a procurement tool, it has some aspects that are similar to an electronic framework agreement, but where new suppliers can join at any time. However, it has its own specific set of requirements. It is to be run as a completely electronic process, and should be set up (by a local Authority) using the restricted procedure and some other conditions as set out in *Regulation 34* of the *Public Contracts Regulations 2015 (PCR 2015)*.”
- 5.2 Regulation 34 of the PCR 2015 sets out the rules on DPS. Regulation 34(5) states that in order to procure under a DPS, contracting authorities should follow the rules of the restricted procedure, and subject to the provisions of clause 34. Therefore, Regulations that apply to the Restricted Procedure, and to procedures generally, apply to the DPS, except where regulation 34 specifically alters or dis-applies them.”

#### **6.0 Equalities Implications**

- 6.1 Consideration has been given to the potential for any adverse equality impacts arising from the proposed standards. It is the view of officers that the proposals will not have significant adverse impact on any groups of people with protected characteristics identified in the Equalities Act 2010. Proper regard has been given to

the public sector equality duty and a 'decision not to EIA' document has been completed and is appended at Appendix 1.

## **7.0 Financial Implications**

- 7.1 The DPS would replace the current system of procuring transport services over an initial 5 year period. It is not anticipated that its introduction will provide cashable savings but will reduce the amount of time and processes required on an ongoing basis.
- 7.2 The total budget per annum for transport services amounts to around £26m and the DPS contract would be used to procure services in line with the renewal of contracts as and when they are required during that period using allocated budgets.

## **8.0 Climate Change Implications**

- 8.1 Consideration has been given to the potential for any adverse climate change impacts arising from the recommendation. A Climate Change Impact Assessment is included as Appendix 2 of this report. There are no adverse impacts as a result of the decision.

## **9.0 Recommendation**

- 9.1 It is recommended that the Corporate Director – BES, in consultation with the BES Executive Member for Access agrees to proceed with the introduction of a Dynamic Purchasing System for the future procurement of transport services.

Michael Leah  
Assistant Director - Travel, Environmental and Countryside Services

Report author: Catherine Price

Background documents: None

Initial equality impact assessment screening form			
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate	Business and Environmental Services		
Service area	Integrated Passenger Transport		
Proposal being screened	Introduction of a Dynamic Purchasing System for the procurement of Transport Services		
Officer(s) carrying out screening	Catherine Price, Contract & Commissioning Manager Graham Pearey, Category Procurement Officer		
What are you proposing to do?	Introduce a Dynamic Purchasing System to procure passenger transport services across North Yorkshire		
Why are you proposing this? What are the desired outcomes?	To create a list of approved tenderers To remove the need for multiple OJEU procurement exercises-cutting down on process and duplicated effort each year. To encourage new providers to the market through simplified processes. To maintain and improve competitiveness across the market		
Does the proposal involve a significant commitment or removal of resources? Please give details.	No		
<b>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristics</b> As part of this assessment, please consider the following questions: <ul style="list-style-type: none"> <li>To what extent is this service used by particular groups of people with protected characteristics?</li> <li>Does the proposal relate to functions that previous consultation has identified as important?</li> <li>Do different groups have different needs or experiences in the area the proposal relates to?</li> </ul> If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your <a href="#">Equality rep</a> for advice if you are in any doubt.			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		No	
Disability		No	
Sex		No	
Race		No	
Sexual orientation		No	
Gender reassignment		No	
Religion or belief		No	
Pregnancy or maternity		No	
Marriage or civil partnership		No	
<b>NYCC additional characteristics</b>			
People in rural areas		No	

People on a low income		No	
Carer (unpaid family or friend)		No	
<b>Does the proposal relate to an area where there are known inequalities/probable impacts</b> (e.g. disabled people's access to public transport)? Please give details.	No		
<b>Will the proposal have a significant effect on how other organisations operate?</b> (e.g. partners, funding criteria, etc.). <b>Do any of these organisations support people with protected characteristics?</b> Please explain why you have reached this conclusion.	No, the proposal will have no significant effect on how other organisations work.		
<b>Decision (Please tick one option)</b>	EIA not relevant or proportionate:	X	Continue to full EIA:
<b>Reason for decision</b>	No adverse impact is anticipated.		
<b>Signed (Assistant Director or equivalent)</b>	Michael Leah		
<b>Date</b>	07 06 2021		

## Climate change impact assessment



The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance please email [climatechange@northyorks.gov.uk](mailto:climatechange@northyorks.gov.uk)

**Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:**

Planning Permission  
Environmental Impact Assessment  
Strategic Environmental Assessment

However, you will still need to summarise your findings in in the summary section of the form below.

Please contact [climatechange@northyorks.gov.uk](mailto:climatechange@northyorks.gov.uk) for advice.

<b>Title of proposal</b>	Introduction of a Dynamic Purchasing System for the procurement of Transport Services
<b>Brief description of proposal</b>	Introduce a Dynamic Purchasing System to procure passenger transport services across North Yorkshire
<b>Directorate</b>	Business and Environmental Services
<b>Service area</b>	IPT
<b>Lead officer</b>	Catherine Price
<b>Names and roles of other people involved in carrying out the impact assessment</b>	
<b>Date impact assessment started</b>	May 2021

**Options appraisal**  
 Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

N/A

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**What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?**

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

The proposed introduction of a DPS will allow procurement to be undertaken through framework type agreement. Whilst it is not anticipated that tender prices will reduce due to the introduction of the system it is hoped that we can maximise competition in the market to our advantage and see an increase in interested providers.

The budgets used to procure transport services to meet the Councils statutory duties in relation to transport are expected to remain the same following the introduction of the DPS

<p><b>How will this proposal impact on the environment?</b></p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p><b>Positive impact</b> (Place a X in the box below where relevant)</p>	<p><b>No impact</b> (Place a X in the box below where relevant)</p>	<p><b>Negative impact</b> (Place a X in the box below where relevant)</p>	<p><b>Explain why will it have this effect and over what timescale?</b></p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> <li>• Changes over and above business as usual</li> <li>• Evidence or measurement of effect</li> <li>• Figures for CO<sub>2</sub>e</li> <li>• Links to relevant documents</li> </ul>	<p><b>Explain how you plan to mitigate any negative impacts.</b></p>	<p><b>Explain how you plan to improve any positive outcomes as far as possible.</b></p>
<p>Emissions from travel</p>		<p><b>X</b></p>				

How will this proposal impact on the environment?  N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.		Positive impact (Place a X in the box below where relevant)	No impact (Place a X in the box below where relevant)	Negative impact (Place a X in the box below where relevant)	Explain why will it have this effect and over what timescale?  Where possible/relevant please include: <ul style="list-style-type: none"> <li>• Changes over and above business as usual</li> <li>• Evidence or measurement of effect</li> <li>• Figures for CO<sub>2</sub>e</li> <li>• Links to relevant documents</li> </ul>	Explain how you plan to mitigate any negative impacts.	Explain how you plan to improve any positive outcomes as far as possible.
Minimise <b>greenhouse gas emissions</b> e.g. reducing emissions from travel, increasing energy efficiencies etc.	Emissions from construction		X				
	Emissions from running of buildings		X				
	Other		X				
Minimise <b>waste</b> : Reduce, reuse, recycle and compost e.g. reducing use of single use plastic			X				
Reduce <b>water</b> consumption			X				
Minimise <b>pollution</b> (including air, land, water, light and noise)			X				

<p><b>How will this proposal impact on the environment?</b></p> <p><b>N.B.</b> There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p><b>Positive impact</b> (Place a X in the box below where relevant)</p>	<p><b>No impact</b> (Place a X in the box below where relevant)</p>	<p><b>Negative impact</b> (Place a X in the box below where relevant)</p>	<p><b>Explain why will it have this effect and over what timescale?</b></p> <p><b>Where possible/relevant please include:</b></p> <ul style="list-style-type: none"> <li>Changes over and above business as usual</li> <li>Evidence or measurement of effect</li> <li>Figures for CO<sub>2</sub>e</li> <li>Links to relevant documents</li> </ul>	<p><b>Explain how you plan to mitigate any negative impacts.</b></p>	<p><b>Explain how you plan to improve any positive outcomes as far as possible.</b></p>
<p>Ensure <b>resilience</b> to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers</p>		<p><b>X</b></p>				
<p>Enhance <b>conservation</b> and wildlife</p>		<p><b>X</b></p>				
<p>Safeguard the distinctive characteristics, features and special qualities of <b>North Yorkshire's landscape</b></p>		<p><b>X</b></p>				
<p>Other (please state below)</p>		<p><b>X</b></p>				

**Are there any recognised good practice environmental standards in relation to this proposal?** If so, please detail how this proposal meets those standards.

N/A

**Summary** Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

The introduction of a new procurement system will not have an impact on the environment.

#### Sign off section

This climate change impact assessment was completed by:

<b>Name</b>	<b>Catherine Price</b>
<b>Job title</b>	<b>Contract and Commissioning Manager</b>
<b>Service area</b>	<b>Integrated Passenger Transport</b>
<b>Directorate</b>	<b>Business and Environmental Services</b>
<b>Signature</b>	<b>Catherine Price</b>
<b>Completion date</b>	<b>21 May 2021</b>

**Authorised by relevant Assistant Director (signature): Michael Leah, Assistant Director, Travel, Environmental and Countryside Services**  
**Date: 1/6/2021**