

## **Dynamic Purchasing Systems (DPSs)**

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**Introductory guide for suppliers**



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## Version history

Contributor(s)	Date	Version	Comments
Zuleika Henderson	Pre 2021	0.1	Published pre-2021
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# Dynamic Purchasing Systems

## What is a Dynamic Purchasing System?

A Dynamic Purchasing System (DPS) is a mechanism that allows public sector organisations to buy goods and/or services compliantly through a simple procurement process. It is unlike a traditional framework for the supply of goods, works or services. It's an electronic system which suppliers can join at any time. An 'open market' solution, a DPS is designed to give buyers access to a pool of pre-qualified suppliers.

DPSs managed by NHS LPP are available for use by the entire public sector. DPSs can be divided into categories of works, services or goods and suppliers can apply to be listed on single or multiple categories within a DPS. It is possible that prior to running a further competition in a category, a capability assessment can be run. Prior to going out to competition a supplier list can be generated based on criteria such as location, category and contract price. A capability assessment is a form of pre-market engagement which allows a Contracting Authority to approach the suppliers on their list with a set of criteria they would need to meet to bid on the work, the Contracting Authority can then choose to invite only those suppliers who meet those criteria to bid.

## A DPS offers many benefits for both suppliers and buyers.

### Benefits for suppliers awarded a place onto a DPS

- Suppliers don't have to demonstrate basic suitability and capability each time they wish to compete for a public sector contract.
- The approval process is often quicker and simpler than a framework
- Improved accessibility for small to medium enterprises (SMEs)
- Award of individual tenders can be quicker
- Unlike a Framework, a DPS remains open to new suppliers throughout agreement period.
- Suppliers can apply for additional categories throughout the life of the DPS if their business expands into new areas

### Benefits for buyers purchasing through a DPS

- A fast and easy procurement process with simple tenders able to be completed in 10 days
- Based on generic service specifications; buyers can adapt to their specific requirements
- Buyers can include their incumbent providers by inviting them to apply for the DPS prior to starting their competition
- By following the guidelines, buyers can be confident they are adhering to current procurement legislation
- Ongoing spot checks occur throughout the life of the DPS so buyers can be assured that the suppliers are appropriate for their needs

# Dynamic Purchasing Systems

## Why you should apply

### A DPS offers you:

- The ability to supply your services to the entire UK public sector including the NHS, local government, universities and emergency services
- A quick and compliant route to market
- The opportunity to limit the tenders you are invited to bid for based on categories.
- Limited competition as only those awarded are invited to tender, therefore increasing your chances of success
- A service that is free to join; we will only ever charge activity-based income on any contracts awarded. ABI is between 0.5%-5% (depending on the agreement) with the rate of 1% being the most common).

## How the NHS LPP DPS works

Inclusion on the Dynamic Purchasing System is a two-stage process

**Stage 1:** Suppliers complete a Standard Selection Questionnaire (SQ) which was previously known as a Pre-Qualification Questionnaire (PQQ). From here, all suppliers who meet and pass the exclusion and section criteria in the SQ are admitted to the DPS to the relevant categories. Suppliers that are unsuccessful this time, are given useful feedback to help them reapply at a later date, if they'd like a further chance to join the DPS.

**Stage 2:** Buyers award individual contracts through the DPS. The buyer invites all suppliers on the DPS (or for a particular DPS category) to compete and bid for a specific contract unless a capability assessment has been carried out, in which case, the shortlisted suppliers from that activity will be offered the opportunity to bid. Suppliers are not obliged to bid.

## Where do I apply to join an NHS LPP DPS?

### To apply to join a DPS:

1. Register on the Atamis Health Family portal by navigating to <https://health-family.force.com/s/Welcome> - and select **Register Here**.
2. Once registered you will be able to view the relevant opportunity including all supporting documentation, by searching in **View our Live Opportunities**.
3. You will then need to register an interest in the project and complete and submit the electronic questionnaire.

# Dynamic Purchasing Systems

## DPSs support Small and Medium Sized Enterprises (SMEs)

The open market nature of a DPS supports SMEs and businesses that have little or no experience in tendering for work with the public sector.

### It does this in the following ways:

- The selection stage is easier as the supplier only has to complete this stage on entry to the DPS instead of having to re-submit their information for each procurement opportunity
- The DPS is open to suppliers all through its duration. This means that new start-ups or businesses that wish to move into new public sector markets are encouraged and not frozen out for what can be a lengthy period of time
- The division of DPS into category by type of requirement, size of contract, or geographical place of delivery, can be arranged to ensure that specialist suppliers have maximum opportunity to compete
- The flexibility of the mini-competition process allows buyers to structure their competition in such a way as to make it attractive to SME

## Supplier numbers

If a DPS is divided into categories, a supplier can apply to become a supplier for as many suitable categories as it wishes. The number of suppliers on a DPS is not limited. Any supplier who meets the selection criteria must be admitted to the DPS.

## The DPS supports buyers to meet the 'buy local' agenda

The flexibility of keeping a DPS agreement open to new suppliers enables public bodies to promote potential 'calls for competition' under the DPS in their geographical region. This provides the opportunity to engage with local potential suppliers and supports wider government aims of working with local businesses for economic growth.

## What are the DPSs currently available from NHS LPP?

This information is available on our website. Please visit [the supplier area on our website](#) for a full list of current DPSs.

## Any further questions?

Please get in touch with the contacts listed within [the supplier area of the website](#). Alternatively, please contact the Category Manager for the relevant DPS as detailed within [the framework and DPS area of our website](#).