



CYNGHRAIR | WELSH
CAFFAEL | PROCUREMENT
CYMREIG | ALLIANCE

HOUSING CONSTRUCTION SOUTH AND MID WALES

DYNAMIC PURCHASING SYSTEM

ref 'HCSWa DPS'



WELSH PROCUREMENT ALLIANCE (WPA) - WORKING FOR WALES

WPA provides Frameworks and Dynamic Purchasing Systems which can be used by local authorities, social landlords and other public sector bodies to procure works, products and services for the construction, refurbishment and maintenance of social housing, schools and public buildings. Our vision is to be recognised throughout Wales as a centre of excellence for public sector procurement.

We operate in Wales connecting construction companies, manufacturers and service providers with the needs of our clients. We bring buyers and suppliers together, to build and maintain public property more efficiently and cost effectively, and to benefit local communities.

Our activity is guided by our Executive Committee which is made up of Local Authorities and Housing Associations from across Wales.

WPA is backed by LHC, a not-for-profit organisation, governed by public law and a central purchasing body providing procurement services in the UK since 1966. All Contract Notices are issued on behalf of the WPA by LHC, who have an in-house team of technical procurement experts that produce and manage the Frameworks and DPS.

WPA aims to deliver solutions for compliance, quality and best value and provides procurement and technical support and advice throughout the duration of our clients' projects.

Any organisation that is publicly or partially publicly funded is eligible to utilise our services.

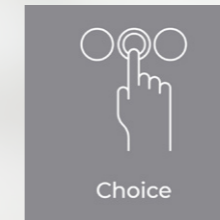
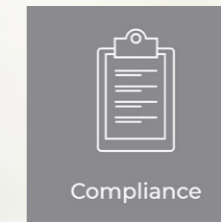
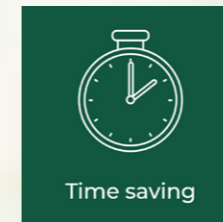


HOUSING CONSTRUCTION SOUTH & MID WALES DPS

WPA's Dynamic Purchasing System (DPS) for Housing Construction is an open market solution designed to provide buyers with access to a pool of pre-qualified contractors. It was developed following consultation with Welsh Government and the Councils and Housing Associations across South and Mid Wales to provide additional procurement options to our framework for Housing Construction that was set up in 2018.

The duration of the DPS is for ten years from 27 October 2020 until 26 October 2030.

BENEFITS OF USING OUR DPS



- **Time saving** - Quick and easy access to approved suppliers
- **Compliance** - Ensures procurement is compliant with U.K. public sector procurement rules
- **Quality and value** - Only suppliers who offer quality and value are pre-qualified with the right qualifications, experience, and financial standing to deliver your project
- **Choice** - Access to a wide number of pre-qualified suppliers
- **Local delivery** - Offers the opportunity to engage with local suppliers supporting the wider Government aim of working with local businesses for economic growth

PROJECT VALUE BANDS

The DPS offers four value bands in each of the South and Mid Wales counties:

- Micro 1-5 units
- Small 6-15 units
- Medium 16-49 units
- Large 50+ units

There are separate lots for traditional and modern methods of construction (MMC) at each value band plus a separate lot for accommodation projects.

THE SCOPE OF THE DPS INCLUDES:

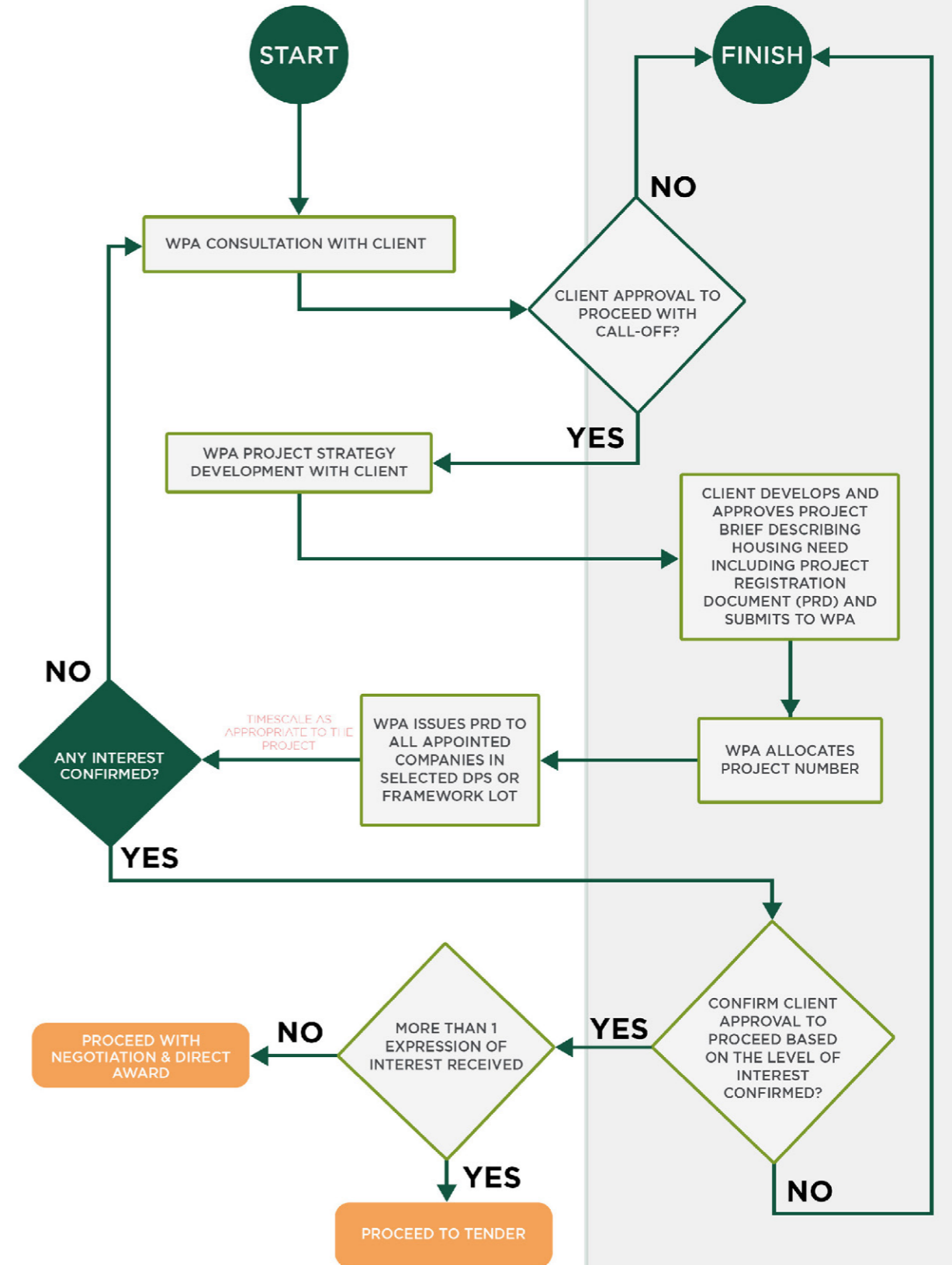
- Multi-dwelling accommodation (such as student residences and care facilities)
- The development of community buildings which are integral to residential developments
- The refurbishment of dwellings as part of a new build development and the re-development of buildings from non-residential to residential usages;
- and the scope also provides for land purchase and development financing (amongst other commissioning options)

CLIENTS CURRENTLY USING OUR HCSWa DPS



PROCESS

APPROVALS



HOW DOES A DPS DIFFER FROM A FRAMEWORK?

FRAMEWORK

- Maximum duration of 4 years
- Direct award permissible
- Fixed list of suppliers
- Call-off documents have to be in line with what was structured when establishing the framework
- Typically harder for small medium enterprises to access
- Finite number of suppliers

DPS

- No maximum time limit
- No direct award (further competition only)
- Flexible - suppliers can join during the lifetime of the DPS
- Allows Clients to use their own T&Cs, pricing and specification
- Increased accessibility for small medium enterprises
- No maximum number of suppliers

SUPPLIERS

Suppliers are appointed to the DPS in four value bands in each of the South and Mid Wales counties. Please ask WPA for the full list of the suppliers currently appointed in your region.

Suppliers interested in joining the DPS appointed companies list should visit the WPA website here:

www.welshprocurement.cymru/dps/housing-construction-south-and-mid-wales-hcswa/

ELIGIBILITY

WPA is part of LHC, a not-for-profit organisation, governed by public law, and a central purchasing body providing procurement services.

Over 300 publicly funded organisations throughout the UK currently use LHC frameworks and DPS to procure works, goods and services to construct, refurbish and maintain social housing, schools and public buildings. The specific classes of public sector organisation authorised to use the framework include:

- Local Authorities and any subsidiaries and joint-venture vehicles of those Local Authorities
- Housing Associations and other Registered Social Landlords (RSLs)
- Health Authorities, Councils, Boards and Trusts
- Publicly funded schools
- Universities, colleges and other further education establishments
- Police authorities
- Fire and Rescue services
- Registered charities
- Government departments

NB: this is not a definitive list of potential users. Please contact WPA for a full list of eligible organisations.



ACCESSING THE DPS

Companies appointed to WPA Dynamic Purchasing System are required to pay a small percentage ('the levy') of the total value of every invoice submitted to clients and to submit quotations to clients that are inclusive of the levy. As a not-for-profit organisation, WPA returns surplus levy income to our clients to support social value initiatives in the local communities they serve.

CALL-OFF PROCESS FOR LAND PACKAGES

1.1 WPA will consult with the Client and develop a Call-Off Strategy for the Land Package. This may involve consultation with the Appointed Companies in the relevant lots in the DPS.

1.2 The Call-Off Strategy for Land Packages should focus on the identified Housing Need that the Land Package will address. The Housing Need should focus on the outcomes to be achieved and the description of the Housing Need should (for example) include:

- the specific geographical area for which the housing need has been identified;
- the anticipated size of the land plot within specific geographical area;
- the number and types of homes required;
- the development lead time;
- (if known) the building code, design and energy efficiency standards;
- any social value and community benefits sought;
- any budget, grant funding limits etc.

1.3 The client will complete a Project Registration Document ('PRD') setting out the Housing Need. The Call-Off Competition commences once WPA has received the PRD from the Client.

1.4 The PRD will be issued to the Appointment Companies within the selected lot, to pre-warn them of the opportunity. Appointed Companies will have the opportunity to confirm their level of interest in the Land Package. Any Appointed Companies not wishing to participate in the process should withdraw their interest, as this will assist Clients in ensuring that sufficient resources are in place to ensure the expedient conduct of any Tender process.

1.5 A Client may withdraw their PRD if a level of interest is generated from Appointed Companies that is either:

- too little to ensure effective competition;
- or is disproportionate.*

1.6 A withdrawn PRD may be amended and re-issued by Clients to ensure that sufficient and proportionate interest is generated by a better-defined Housing Need (so far as this does not have the intention of deliberately limiting competition).

1.7 Should only 1 Expression of Interest be received, then the Client can proceed to negotiation and Direct Award of the Land Package.

1.8 Should more than 1 Expression of Interest be received, the Client can proceed to Tender. Tender documents must be sent to all Appointed Companies within the selected lot who have not withdrawn their interest in receiving the tender. (WPA will ensure that confirmation of interest is received from Appointed Companies within the lot.)

1.9 All submitted Tenders will be checked to ensure that they are compliant with the submission criteria. Compliant Tenders will then be evaluated to identify the most economically advantageous tender(s) ('MEAT') based on the quality and price criteria weightings.

1.10 The quality and price criteria should seek to identify the MEAT based on which Tender provides the best evidence that its proposal satisfies the Housing Need in terms of (for example):

- price: that the proposed cost of the Land Package (including development) is within the budget, either assessing tenders against the budget or relatively, against each other;
- quality: that desired outcomes are achieved e.g number and type of homes; developability and the likelihood of gaining planning permission; building standards and the social value to be generated.

*Considered in the context of the Client's opinion of the value, strategic importance, complexity and timescales of the Land Package and the need to ensure effective competition, balanced with considerations of conducting a process efficiently, with a proportionate level of resource investment.

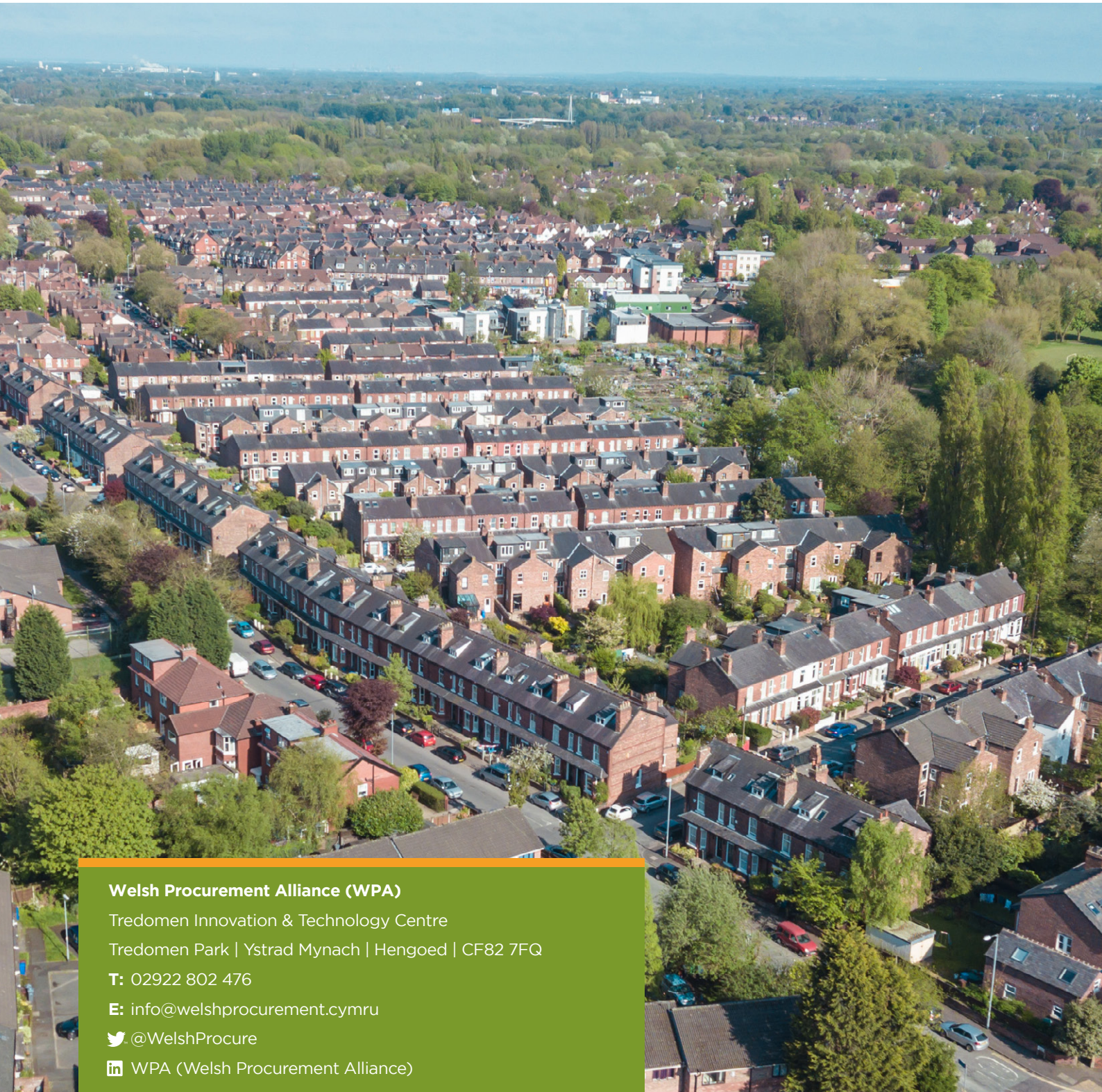


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In association with:



Trusted procurement for
better buildings and homes



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