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Contract

## **The provision of freight services for the supply of lateral flow test kits for testing of COVID-19**

Department of Health and Social Care

F03: Contract award notice

Notice identifier: 2021/S 000-000037

Procurement identifier (OCID): ocds-h6vhtk-02876b

Published 4 January 2021, 2:44pm

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Department of Health and Social Care

39 Victoria Street

London

SW1H 0EU

#### **Email**

[FreightContractNotices@dhsc.gov.uk](mailto:FreightContractNotices@dhsc.gov.uk)

#### **Country**

United Kingdom

#### **NUTS code**

UKI32 - Westminster

#### **Internet address(es)**

Main address

<https://www.gov.uk/government/organisations/department-of-health-and-social-care>

Buyer's address

<https://www.gov.uk/government/organisations/department-of-health-and-social-care>

#### **I.4) Type of the contracting authority**

Ministry or any other national or federal authority

#### **I.5) Main activity**

Health

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

The provision of freight services for the supply of lateral flow test kits for testing of COVID-19

Reference number

XMNPROGJAN1

#### **II.1.2) Main CPV code**

- 63521000 - Freight transport agency services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

The provision of freight services for the supply of lateral flow test kits for testing of COVID-19

#### **II.1.6) Information about lots**

This contract is divided into lots: No

### **II.1.7) Total value of the procurement (excluding VAT)**

Value excluding VAT: 8,402,500 USD

## **II.2) Description**

### **II.2.3) Place of performance**

NUTS codes

- UK - UNITED KINGDOM

### **II.2.4) Description of the procurement**

Direct Award under Reg 32 of the Public Contracts Regulation 2015 for COVID-19 response

### **II.2.5) Award criteria**

Price

### **II.2.11) Information about options**

Options: No

### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Award of a contract without prior publication of a call for competition in the cases listed below

- Extreme urgency brought about by events unforeseeable for the contracting authority

Explanation:

The Government has set out the increase of COVID-19 testing capacity as a cornerstone of its strategy to combat rising rates of infection, suppressing community transmission, saving lives and ultimately supporting societal and economic recovery. Successful validation of an initial range of newly developed COVID-19 lateral flow test kits was completed by the DHSC in September, allowing for orders to be placed to secure a sustainable supply of significant volumes of these products, as a fundamental enabler of the expansion of the testing programme. The supply of these new test kits is currently limited in the face of very high global demand and consequently it was necessary to contract for supply on an ex-works basis for product manufactured in China in order to secure the required quantity of product and prevent gazumping. Where product has been sourced on an ex-works basis it is imperative that this product is moved at the earliest opportunity to prevent it being sold to higher bidders. In addition the rising rates of infection in the UK and predicted growth in cases over the coming months, has created an urgent need for these new test kits to support the testing programme in the UK and therefore Air Freight presents the only viable mode for moving product to the UK in time to meet the operational requirements of the testing programme. In light of these factors the contract was awarded to Air Charter Service (ACS) to meet the specific urgent need to transport test kits to the UK, utilising flights from China to UK during January. The short lead time between validating new test kits and needing these kits in the UK to support the national response to a second wave of COVID-19 cases in the UK, justifies the use of direct award under Regulation 32 provision within the Public Contracts Regulations 2015. The Department is content the tests permitting use of the Negotiated procedure without prior publication (Regulation 32(2)(c)) are met: 1) Air freight charters were identified as strictly necessary to meet anticipated demand. 2) It is responding to COVID-19 immediately because of public health risks presenting a genuine emergency. 3) The events that led to the need for extreme urgency were unforeseeable: The Commission itself confirmed: "The current coronavirus crisis presents an extreme and unforeseeable urgency – precisely for such a situation our European rules enable public buyers to buy within a matter of days, even hours, if necessary." 4) There was no time to run an accelerated procurement under the open, restricted or competitive procedures with negotiation that would secure services within the required timescales. 5) The situation is not attributable to the contracting authority: It has not done anything to cause or contribute to the need for extreme urgency.

#### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: Yes

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## **Section V. Award of contract**

A contract/lot is awarded: Yes

### **V.2) Award of contract**

#### **V.2.1) Date of conclusion of the contract**

7 December 2020

#### **V.2.2) Information about tenders**

Number of tenders received: 1

The contract has been awarded to a group of economic operators: No

#### **V.2.3) Name and address of the contractor**

Air Charter Service Ltd

Millbank House, 171-185 Ewell Road

Surbiton

KT6 6AP

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

National registration number

Air Charter Services Ltd

The contractor is an SME

No

#### **V.2.4) Information on value of contract/lot (excluding VAT)**

Initial estimated total value of the contract/lot: 8,402,500 USD

Total value of the contract/lot: 6,944,214.88 USD

### **V.2.5) Information about subcontracting**

The contract is likely to be subcontracted

Short description of the part of the contract to be subcontracted

ACS is a brokerage company-this contract is therefore subcontracted to another company- details withheld because to do so would breach specific confidentiality agreements and would aggravate relationships with their service partners

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## **Section VI. Complementary information**

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

High Court

39 Victoria Street

London

SW1H 0EU

Country

United Kingdom

Internet address

<https://www.gov.uk/government/organisations/department-of-health-and-social-care>