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Contract

Supply of raw materials for the production of non-medical face coverings

The Minister for the Cabinet Office acting through the Cabinet Office

F03: Contract award notice

Notice identifier: 2021/S 000-001208

Procurement identifier (OCID): ocds-h6vhtk-028c0e

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Section I: Contracting authority

I.1) Name and addresses

The Minister for the Cabinet Office acting through the Cabinet Office

1 Horse Guards Road

London

SW1A 2HQ

Email

marketsandsuppliers@cabinetoffice.gov.uk

Telephone

+44 3450103503

Country

United Kingdom

NUTS code

UK - UNITED KINGDOM

Internet address(es)

Main address

https://www.gov.uk/government/organisations/cabinet-office

I.4) Type of the contracting authority

Ministry or any other national or federal authority

I.5) Main activity

Health

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Supply of raw materials for the production of non-medical face coverings

II.1.2) Main CPV code

• 19000000 - Leather and textile fabrics, plastic and rubber materials

II.1.3) Type of contract

Supplies

II.1.4) Short description

The Cabinet Office will purchase raw materials for use in the production of UK-compliant non-medical face coverings (Type IIR medical-grade masks in extremis), which are required to support the national effort to combat 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: £3,005,630.05

II.2) Description

II.2.2) Additional CPV code(s)

• 19200000 - Textile fabrics and related items

II.2.3) Place of performance

NUTS codes

• UK - UNITED KINGDOM

II.2.4) Description of the procurement

Materials required for the production of Face Coverings

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

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:

- 1. The COVID-19 outbreak is a Public Health Emergency of International Concern as declared by the World Health Organisation on 30 January 2020. The WHO Director-General characterised COVID-19 as a pandemic on 11 March 2020. As of 6 April 2020, scientific knowledge regarding the disease and its transmission was still emerging, however the WHO advised that COVID-19 transmission can occur via 'infective respiratory droplets' and wearing a mask represented one prevention measure that can limit the spread of viral diseases such as COVID-19.
- 2. In April 2020 the UK did not possess any face covering manufacturing capability and was reliant on securing supplies from overseas producers. Problems were experienced in obtaining reliable supplies of medical PPE-grade masks in a global market due to increased global demand and the disruption to the supply chain caused by the pandemic. There was a concern that insufficient volumes of non-medical masks would become available or, if available, they would be of inferior quality or charged at exorbitant prices.
- 3. In May 2020 Cabinet Office (CO) considered it crucial in the public interest to source initial supplies of face covering raw materials as part of a wider Face Coverings Programme in order to secure the UK's domestic manufacturing capacity to:
- a. produce medical grade masks immediately (if necessary);
- b. create an immediate and reliable supply of high-quality non-medical face coverings at affordable prices for the domestic market; and
- c. create national resilience to supply chain shocks within a global market.

This was because in April 2020 there was a considerable shortage of medical and non-medical PPE globally, there was real fear that items available would be impounded at borders so domestic production was urgently required to mitigate the impact of COVID-19.

- 4. In May 2020 CO purchased 10 non-automated production machinery lines (see CAN 141-348171). This was followed later by the purchase of automated producion machinery lines (see CAN 2020-S/1430352966). In light of the urgent requirement to place the machinery with identified producers as soon as practicable and to commence their prompt operation, the CO also procured 13 weeks' supply of the necessary raw materials to enable the immediate domestic production of non-medical face coverings. Due to the heightened international demand for raw materials utilised in the production of face masks/coverings, the long lead times, and the price volatility in the global market due to COVID-19, the CO procured the raw materials in order for them to be immediately available to the domestic producers. Waiting for the identified producers to be appointed and then for them to procure the raw materials individually would have caused delays of up to a month to the production commencement date, which would have severely impacted HMG's effort to stimulate the urgent production of face coverings for the domestic market.
- 5. An accelerated PCR procurement was impossible if the supplies of raw materials were to be available in sufficient quantities in time for the domestic production of face coverings to commence. Any delay caused by having to engage the market through an open competition or restricted procedure ran the risk of failing to secure the necessary raw materials in the required timeframe (given the international demand for such materials and the lead times involved in procuring them). That would have caused knock-on delays to other aspects of the Face Coverings Programme, such as the manufacturers commencing production of the face coverings and their ability to produce sufficient volumes for the anticipated domestic demand, which would undermine HMG efforts to mitigate Covid-19 risks in the UK.
- 6. CO is satisfied the tests permitting use of the urgent direct award procedure (Regulation 32(2)(c)) t as set out in section VI 1.3 (Additional Information) above are met.

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

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract

Contract No

11-HOLDE-108

Title

Supply of a total of 15 million meters of spun bond ("Spun Bond")

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

17 June 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

Tame Valley Padding Co. Limited t/a Holden Laminates

Moss Rose Mill Springfield Road

Kearsley

BL4 8JW

Country

United Kingdom

NUTS code

• UK - UNITED KINGDOM

National registration number

00643830

Internet address

http://www.john-holden.co.uk/division_johnholdenandsons.php

The contractor is an SME

No

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

Total value of the contract/lot: £1,350,000

Section V. Award of contract

Contract No

7-NPS S-106

Title

Supply of meltblown polypropylene width 175mm at 30gsm ("Meltblown")

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

16 June 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

NPS Worldwide – UK Limited

10 Orange Street

London

WC2H 7DQ

Country

United Kingdom

NUTS code

• UK - UNITED KINGDOM

National registration number

02985506

Internet address

https://www.npscorp.co.uk/

The contractor is an SME

No

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

Total value of the contract/lot: £1,130,141.25

Section V. Award of contract

Contract No

10-TEXTI-105

Title

15 million metres of 2.5mm round elastic (Polyester and Spandex) for face covering production

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

23 July 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

Textile Enterprises Ltd

26 The Square

Dungannon

BT71 7SG

Country

United Kingdom

NUTS code

• UK - UNITED KINGDOM

National registration number

NI029772

Internet address

https://www.textileenterprises.co.uk/

The contractor is an SME

No

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

Total value of the contract/lot: £337,500

Section V. Award of contract

Contract No

12-NATIO-111

Title

3 month supply of recyclable clear film to package face coverings

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

26 June 2019

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

National Flexible Limited

2 Battlefield View

Birkenshaw

BD11 2PT

Country

United Kingdom

NUTS code

• UK - UNITED KINGDOM

National registration number

03486101

Internet address

https://www.nationalflexible.co.uk/

The contractor is an SME

No

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

Total value of the contract/lot: £138,403.36

Section V. Award of contract

Contract No

SR20017-9

Title

Supply of 3.0mm wide and 0.45mm single ferric core PE nose wire ("Nose Bridges")

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

12 June 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

Shenzhen Sinrui Technology Co., Ltd

Floor 4, Building 7, Huafeng Science and Technology Park, FengWei Community FuHai Street Baoan District

Shenzhen

Country

China

NUTS code

• 00 - Other NUTS code

Internet address

http://en.sinruitech.com/products.aspx?typeid=10

The contractor is an SME

No

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

Total value of the contract/lot: £26,584.94

Section VI. Complementary information

VI.3) Additional information

The text below is a continuation of paragraph 6 of Annex D1

- a. There are genuine reasons for extreme urgency: CO has responded to Covid-19 immediately due to public health risks presenting a genuine emergency. The raw materials were critical for the production of face coverings, it would not be possible to commence production without the raw materials.
- b. The events that have led to the need for extreme urgency were unforeseeable: The European Commission (Commissioner Breton April 2020) has confirmed that the coronavirus crisis presents an extreme and unforeseeable urgency.
- c. It is impossible to comply with the usual timescales in the PCR: There was no time to run an accelerated procurement under the open, restricted or competitive procedures with negotiation that would allow CO to secure all of the raw materials in the immediate term. That is particularly so in light of the likely delays to any procurement timeline for example, drafting the technical documents required for the ITT stage and the operational and commercial risks for the other inter-related aspects of the Face Coverings Programme that would arise as a result of any hold-up with sourcing the raw materials.

Each individual component would require a separate tender process and delays to one element could delay production entirely.

- d. The situation is not attributable to the Contracting Authority: It has not done anything to cause or contribute to the need for extreme urgency.
- e. As far as is strictly necessary: The CO needed to act promptly as there is a substantial lead in time for the sourcing and delivery all of the raw materials, with some materials procured from China. A delay in sourcing and delivery of any of the raw materials has the risk of delaying production entirely. There was also price volatility to contend with due to international demand for face mask/covering associated raw materials, therefore CO needed to secure orders as soon as possible.

VI.4) Procedures for review

VI.4.1) Review body

The Minister for the Cabinet Office acting through the Cabinet Office

1 Horse Guards Road

London

SW1A 2HQ

Email

marketsandsuppliers@cabinetoffice.gov.uk

Telephone

+44 3450103503

Country

United Kingdom

Internet address

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