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Contract

Virus Testing Supplies

Department of Health and Social Care

F03: Contract award notice

Notice identifier: 2021/S 000-005093

Procurement identifier (OCID): ocds-h6vhtk-029b56

Published 12 March 2021, 4:22pm

Section I: Contracting authority

I.1) Name and addresses

Department of Health and Social Care

39 Victoria Street

London

SW1H 0EU

Email

Procurement.Operations@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

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Virus Testing Supplies

II.1.2) Main CPV code

- 38911000 - Manual swab test kits

II.1.3) Type of contract

Supplies

II.1.4) Short description

Provision of Nasopharyngeal Swabs

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: £5,915,232

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - UNITED KINGDOM

II.2.4) Description of the procurement

Provision of Nasopharyngeal Swabs

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:

The Government must protect the health and well-being of UK citizens. The COVID-19 outbreak is a Public Health Emergency of International Concern (PHEIC) as declared by the World Health Organisation on 30 Jan 2020. The WHO Director General characterised COVID-19 as a pandemic in March 2020. COVID-19 is serious and its consequences pose a risk to life. Cabinet Office published PPN 01/20: Responding to COVID-19 on procuring with extreme urgency in March 2020 which states that contracting authorities may enter into contracts without competing or advertising the requirement where certain tests are met:1) There are genuine reasons for extreme urgency as there is a significant

public health risk requiring immediate action as a result of COVID-19) The COVID-19 situation is novel and the Contracting Authority could not have reasonably foreseen these events³) It is not possible to comply with the timescales of another procedure due to the urgent requirement to obtain the supplies being contracted for. Additionally, there are many buyers competing for the same supplies. It is imperative that security of supply is maintained. Demand for equipment is high and there is little or no incentive for suppliers to participate in competitive procurement procedures.⁴) The situation is not attributable to the contracting authority DHSC intends to make a direct award of a contract for the purchase of swabs from Hutchison (the Supplier) via the negotiated procedure without prior publication (the Contract) pursuant to Regulation 32 of the Public Contracts Regulations 2015 (PCR 2015) rather than undertaking a competitive exercise. In summary: 1. The Products must be of a certain specification from a regulatory perspective and are only available from a small number of suppliers in the market. DHSC is utilising all available suppliers in the market however, due to scarcity in the market and high demand for products, urgent purchasing is still required while more competitive routes to market are established; 2. The Products are required to meet the Government's requirements of testing higher numbers of people, which continue to increase in order to fulfil the track and trace initiative which seeks to reduce the risk of having another nationwide lockdown of all social and economic activity; 3. DHSC had a relationship with the FCO in China who were originally facilitating the supply of the Products however, this option is no longer available and DHSC is unable to purchase the Products in this manner; 4. The Contract will be for a period of up to 12 weeks and is to plug the gap between the current urgent requirement to meet the testing demand and the mini-competition which is currently being run and will be completed in January 2021; 5. If DHSC does not commit to purchasing from the Supplier, there is a risk (as has happened with other suppliers) that DHSC will miss out on this demand and it will be allocated elsewhere; 6. DHSC has carried out market testing with other suppliers in the market, in relation to the urgent provision of the Products and no other suppliers are able to meet the urgent demand; 7. Further competitive routes to market are also being explored and DHSC has issued an RFI to the market to engage suppliers and understand whether suppliers in the market are able to meet the continuing demand;

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

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

6 November 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

Hutchison Technologies Ltd

Innovation Centre, 1 Harrison Road

Dundee

DD2 3SN

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

National registration number

SC176095

The contractor is an SME

Yes

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

Initial estimated total value of the contract/lot: £5,915,232

Total value of the contract/lot: £5,915,232

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

The High Court

Strand

London

WC2A 2LL

Email

generaloffice@administrativecourtoffice.justice.gov.uk

Country

United Kingdom

Internet address

<https://www.gov.uk/courts-tribunals>