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Contract

Supply of Plant and associated Services

The Minister for the Cabinet Office acting through the Cabinet Office

F03: Contract award notice

Notice identifier: 2021/S 000-005125

Procurement identifier (OCID): ocds-h6vhtk-029b76

Published 12 March 2021, 10:56pm

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 3150103503

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 Plant and associated Services

II.1.2) Main CPV code

- 33100000 - Medical equipments

II.1.3) Type of contract

Supplies

II.1.4) Short description

The Cabinet Office will entrust a supplier to procure fully automated plant machinery which can be utilised for the production of UK-compliant non-medical face coverings (and Type IIR medical-grade masks in extremis), which are required urgently 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: £3,797,324.60

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - UNITED KINGDOM

II.2.4) Description of the procurement

The Cabinet Office will entrust a supplier to procure fully automated plant machinery which can be utilised for the production of UK-compliant non-medical face coverings (and Type IIR medical-grade masks in extremis), which are required urgently to support the national effort to combat Covid-19.

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 30/01/20. The WHO Director-General characterised COVID-19 as a pandemic on 11/03/2020. As of 6/04/2020, 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 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 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. Analysis by Cabinet Office (CO) at the time highlighted that the average price of respirator masks was £3.14 (medical-grade) and Type IIR (medical-grade) was £0.67, whilst non-medical was £0.51 per unit. During a normal trading period the cost of a Type IIR mask would be approximately £0.05 per unit, sourced from China.

3. In May 2020 Cabinet Office (CO) considered it crucial in the public interest to source the supply of face covering production machinery 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). However, these lines were not considered sufficient to deal with anticipated demand and supply chain disruptions. CO worked with external consultants (WS Atkins) to identify a further supplier that could make non-medical or medical-grade masks. In the light of WS Atkins input, CO purchased ten lines of fully automated production machines from Expert Tooling & Automation Limited ('Expert machines').

5. An accelerated PCR procurement was impossible if the supplies of face coverings were to be available in sufficient quantities in time. Any delay caused by having to run an open competition or restricted procedure ran the risk of failing to secure production machinery. That would have caused knock-on delays to other aspects of the wider Face Coverings Programme, such as the appointment of manufacturers and their ability to produce sufficient face coverings in the required timeframe.

6. CO is satisfied the tests permitting use of the urgent direct award procedure (Regulation 32(2)(c)) are met: see section VI.3

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

EXCO120620

Title

Supply of Plant and associated Services

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

Expert Tooling & Automation Ltd

Technology Centre, 30 Sayer Drive

Coventry

CV5 9PF

Country

United Kingdom

NUTS code

- UK - UNITED KINGDOM

National registration number

03489117

The contractor is an SME

Yes

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

Total value of the contract/lot: £3,797,324.60

Section VI. Complementary information

VI.3) Additional information

As part of this contract award notice the following can be accessed at:

<https://www.contractsfinder.service.gov.uk/Notice/415e2c45-0b38-42de-b34a-8ab9cd56b17f>

The text below is a continuation of paragraph 7 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 DCR Machines possess the capability to produce

Type IIR face masks, which could be utilised by the NHS in extremis, therefore providing domestic

resilience during the crisis.

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 production machinery 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 that would arise due to the delays.

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 UK only had limited suitable machinery available at the time the Expert Machines were purchased leaving the UK vulnerable should other countries have embargoed such machinery or medical and non-medical grade face coverings.

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

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