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Contract

E Observation System

GATESHEAD HEALTH NHS FOUNDATION TRUST

F20: Modification notice

Notice identifier: 2025/S 000-010390

Procurement identifier (OCID): ocds-h6vhtk-04efab

Published 20 March 2025, 1:00pm

Section I: Contracting authority/entity

I.1) Name and addresses

GATESHEAD HEALTH NHS FOUNDATION TRUST

Queen Elizabeth Hospital, Sheriff Hill

Gateshead

NE96SX

Email

matthew.james1@nhs.net

Telephone

+44 1914452805

Country

United Kingdom

Region code

UKC2 - Northumberland and Tyne and Wear

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

<https://www.gatesheadhealth.nhs.uk/>

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

E Observation System

II.1.2) Main CPV code

- 48180000 - Medical software package

II.1.3) Type of contract

Supplies

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKC - North East (England)
- UKD - North West (England)
- UKE - Yorkshire and the Humber
- UKF - East Midlands (England)
- UKG - West Midlands (England)
- UKH - East of England
- UKI - London

- UKJ - South East (England)
- UKK - South West (England)

II.2.4) Description of the procurement at the time of conclusion of the contract:

Gateshead Health NHS Foundation Trust procured an e-Observation solution which commenced in 2019 for a period of 5 years with 2 x 12 months extensions following a mini competition via the QE Procurement Clinical IT (Software and Hardware) Solutions for use in all areas of Healthcare (CI/16/06 - 2016/s 156-283835) - Framework

The resulting contract was for the successful contractor to deliver an E Observation System capable of development, In particular providing governance around track, trigger and treating deteriorating patients with appropriate business intelligence.

II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

84

Section IV. Procedure

IV.2) Administrative information

IV.2.1) Contract award notice concerning this contract

Notice number: [2016/S 156-283835](#)

Section V. Award of contract/concession

Contract No

CITS/0018/0052

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

19 March 2019

V.2.2) Information about tenders

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

V.2.3) Name and address of the contractor/concessionaire

Softwareone UK Limited

41-47 Hartfield Road

Wimbledon

SW19 3RQ

Country

United Kingdom

NUTS code

- UK - United Kingdom

Companies House

06629601

The contractor/concessionaire is an SME

Yes

V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract;excluding VAT)

Total value of the procurement: £2,993,778

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

High Court

Royal Courts of Justice, Strand

London

WC2A 2L

Country

United Kingdom

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

- 48180000 - Medical software package

VII.1.3) Place of performance

NUTS code

- UKC - North East (England)
- UKD - North West (England)
- UKE - Yorkshire and the Humber
- UKF - East Midlands (England)
- UKG - West Midlands (England)
- UKH - East of England
- UKI - London
- UKJ - South East (England)
- UKK - South West (England)

VII.1.4) Description of the procurement:

Gateshead Health NHS Foundation Trust procured an e-Observation solution which commenced in 2019 for a period of 5 years with 2 x 12 months extensions following a mini competition via the QE Procurement Clinical IT (Software and Hardware) Solutions for use in all areas of Healthcare (CI/16/06 - 2016/s 156-283835) - Framework.

The resulting contract was for the successful contractor to deliver an E Observation System capable of development, In particular providing governance around track, trigger and treating deteriorating patients with appropriate business intelligence.

The purpose of this notice is to notify the market of the extension of terms to ensure continuity of service for the authorities E-Observation System.

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

Duration in months

21

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£621,575.28

VII.1.7) Name and address of the contractor/concessionaire

Softwareone UK Limited

41-47 Hartfield Road

Wimbledon

SW19 3RQ

Country

United Kingdom

NUTS code

- UK - United Kingdom

Companies House

06629601

The contractor/concessionaire is an SME

Yes

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

The contract was entered into on 19th March 2019 and envisaged a five year term, with the option for two 12 month extensions.

The contract was extended in accordance with the terms on 19 March 2024 for a year (until 18 March 2025), and will be extended for a further year until 18 March 2026, as envisaged in the original terms.

It has become necessary to extend the contract beyond its envisaged total original term of seven years for an additional period from 18th March 2026 until 31st December 2027.

The extension is required to ensure essential continuity of service, as further explained below.

VII.2.2) Reasons for modification

Need for additional works, services or supplies by the original contractor/concessionaire.

Description of the economic or technical reasons and the inconvenience or duplication of cost preventing a change of contractor:

The E-Observation System supplied by the contractor is critical to the safe delivery of patient care, given the Trust's reliance on the data it produces in its clinical decision-making and governance processes.

1. A change of system cannot be made for the period of the proposed extension for technical reasons related to requirements of interchangeability and/or interoperability:

a) Proprietary software and installations procured under the existing contract are deeply embedded within the Trust's technical infrastructure, governance and clinical decision-making processes. New non-proprietary software would not interoperate with the existing systems relied on by the Trust and its patients, thus putting patient care at risk.

b) Attempting to implement new systems without adequate transitional hand-over arrangements would render the system open to disruption which could directly harm patients by undermining or otherwise hindering clinical decision-making.

2. A change of contractor for the extension period would cause significant inconvenience and duplication of costs.

The extension is necessary to ensure continuity of essential services until a new procurement has been carried out. Conduct of the new procurement is subject to the outcome of the current ongoing review of the contracting authority's front line digitisation programme. That programme, however delivered, is intended to ensure that the Trust (and potentially the wider healthcare system) achieves maximum value for money whilst achieving excellent patient care.

A change of contractor during this period for a short-term contract would undermine the developing front line digitisation programme, thereby impacting patient care in numerous other areas. This would prejudice the Trust's ability to deploy finite public resources in a coordinated way that delivers value for money for the taxpayer while delivering the best level of patient care. This would cause substantial inconvenience not only to the Trust but potentially to its patients as well.

Given that the digitisation programme review impacts on spending across digital services procured by the Trust (many of which are embedded with day to day systems), reprocuring one system among others without taking into account the outcome of the review is highly likely to lead to substantial duplication of costs, given that the review may provide for a separate re-procurement of other combined services, or discreet elements of the existing services in separate lots. This would lead to a replacement system being quickly replaced again, thus duplicating costs.

Finally, taking into account the requirements of regulation 72(1)(b)(ii), the cost of the modification does not exceed 50% of the original contract value. This adjustment preserves the contract's core purpose while ensuring operational continuity, meeting the criteria for a permissible change under Regulation 72(1)(b).

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptions and average inflation)

Value excluding VAT: £2,993,778

Total contract value after the modifications

Value excluding VAT: £3,615,353.28

