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Planning

GHFT Pathology Managed Service

Gloucestershire Hospitals NHS Foundation Trust

F01: Prior information notice

Prior information only

Notice identifier: 2024/S 000-015847

Procurement identifier (OCID): ocds-h6vhtk-0468e3

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Section I: Contracting authority

I.1) Name and addresses

Gloucestershire Hospitals NHS Foundation Trust

Alexandra House, Cheltenham General Hospital, Sandford Road

Gloucester

GL53 7AN

Contact

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Email

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Telephone

+44 7766457290

Country

United Kingdom

Region code

UKK1 - Gloucestershire, Wiltshire and Bristol/Bath area

Internet address(es)

Main address

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

Buyer's address

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

I.3) Communication

Additional information can be obtained from the above-mentioned address

Electronic communication requires the use of tools and devices that are not generally available. Unrestricted and full direct access to these tools and devices is possible, free of charge, at

<https://health-family.force.com/s/Welcome>

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

GHFT Pathology Managed Service

II.1.2) Main CPV code

- 71900000 - Laboratory services

II.1.3) Type of contract

Services

II.1.4) Short description

Gloucestershire Hospitals NHS Foundation Trust (GHFT) Pathology department is critical in supporting the delivery of a high-quality, first-class clinical service that can meet the demand and needs of the acute Trust and our One Gloucestershire partners (Gloucestershire Primary care, Gloucestershire Health and Care NHS Foundation Trust), South Worcestershire Primary care, private healthcare providers and other out of county NHS healthcare organisations. The Pathology departments are spread across two sites (Gloucestershire Royal Hospital (GRH) and Cheltenham General Hospital (CGH)), with Haematology, Blood transfusion, and Chemical Pathology provided at both sites due to the acute clinical services at each site. Cellular Pathology services are consolidated and are based at CGH, and Immunology and Microbiology services are consolidated and are based at GRH.

THE NECESSITY OF PATHOLOGY SERVICE TRANSFORMATION

Pathology services form the backbone of modern healthcare, with 70-80% of clinical decisions and 95% of chronic disease pathways relying on their input. Several managed service contracts that support these critical services at GHFT are due to expire, and replacing these contracts is a minimum requirement to ensure the ongoing provision of pathology services, which are fundamental to almost every aspect of patient care.

INCREASING DEMAND AND COMPLEXITY

Over the past decade, national and local demand for pathology services has surged, becoming more complex and diverse. However, the ability to deliver a fit for the future pathology service is currently constrained by the estate occupied by the Pathology departments. Each discipline within Pathology has unique requirements for space, processing capacity, storage capacity, temperature control, and layout. Presenting workflow challenges that need to be reconfigured to achieve operational efficiency, lean

processes, and income-generating capacity.

THE CASE FOR CHANGE

The case for transforming pathology services has been outlined from two primary sources: a review of the strategic context (national, local, organisational, and departmental) and initial engagement with internal stakeholders. These sources have aligned in identifying key areas that need to be addressed:

- Upcoming Contract Expirations: Pathology have three critical managed equipment service contracts nearing their expiration dates within the next 12 to 18 months. To maintain uninterrupted service provision, proactive measures must be taken.
- Aging Equipment: Outdated and increasingly unreliable equipment is leading to delays in service provision.
- Insufficient and Inefficient Use of Space: The current facilities do not optimally utilise available space, hindering efficient operations.
- Capacity and Process Inefficiencies: Growing demand and inefficient processes are straining the ability to meet current service requirements.
- Inefficient Resource Utilisation: Resources are not being used optimally, due to lack of lean and automated processes, leading to inefficiencies and potential waste.
- Ineffective Contract Management: Existing contract arrangements and contract management practices hinder effective supplier performance management.

THE PATH FORWARD

To address these challenges, a comprehensive transformation of pathology services is necessary. This transformation should encompass facility upgrades, process optimisations, equipment modernisation, and effective contract management strategies. By doing so, GHFT Pathology can not only meet the growing demand for services but also position itself as a provider of bespoke analytical suites, generating additional revenue streams through collaborations with other NHS organisations, research and innovation entities, and private sector partners.

II.1.5) Estimated total value

Value excluding VAT: £300,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 33124100 - Diagnostic devices
- 33141625 - Diagnostic kits

- 33124110 - Diagnostic systems
- 33124130 - Diagnostic supplies
- 33696500 - Laboratory reagents
- 38434000 - Analysers
- 51430000 - Installation services of laboratory equipment
- 71900000 - Laboratory services
- 33190000 - Miscellaneous medical devices and products
- 33140000 - Medical consumables

II.2.3) Place of performance

NUTS codes

- UKK1 - Gloucestershire, Wiltshire and Bristol/Bath area

Main site or place of performance

Gloucestershire Royal Hospital (Great Western Road, Gloucester, Gloucestershire, GL1 3NN)

Cheltenham General Hospital (Sandford Road, Cheltenham, Gloucestershire, GL53 7AN)

II.2.4) Description of the procurement

See "VI.3.0.1 Additional information"

II.2.14) Additional information

See "VI.3.0.1 Additional information"

II.3) Estimated date of publication of contract notice

25 November 2024

Section IV. Procedure

IV.1) Description

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

The procurement is covered by the Government Procurement Agreement: Yes

Section VI. Complementary information

VI.3) Additional information

SCOPE

Gloucestershire Hospitals NHS Foundation Trust (GHFT) aims to procure a managed service contract(s) to support the operations of various Pathology departments at Gloucestershire Royal Hospital and Cheltenham General Hospital.

This Prior Information Notice serves to notify potential suppliers about GHFT's intention to initiate the procurement process. The specialisms within the scope of this procurement exercise are:

- Pre & Post Analytics
- Cellular Pathology
- Chemical Pathology
- Haematology, Immunology & Transfusion medicine
- Infection Sciences

It has not yet been formally decided whether Point of Care testing is within the scope of this procurement.

THE MANAGED SERVICE

- The scope of the Managed Service includes:
- The provision and maintenance of all pathology equipment, associated IT interfaces, middleware, and licenses
- The provision of all associated consumables, reagents, test kits, quality control/calibration material essential for the delivery of the activity
- The transferring of existing assets and contracts
- The end-to-end management and delivery of the Supply Chain, incorporating all products and the execution of a full Inventory Management System

This procurement exercise is not intended to be an outsourcing of the services to another provider. Instead, it is the provision and management of the equipment, technology, reagents, and other consumables. GHFT will provide the facilities for the suppliers to install their equipment and deliver their consumables and services, but GHFT's pathology department will provide the staff to operate the equipment and deliver the results/outcomes daily.

Due to the complex nature of these services, there is a requirement for flexibility in the

procurement of often highly specialised, limited-option equipment, IT solutions, and consumables.

PRE-MARKET ENGAGEMENT

The Prior Information Notice aims to notify suppliers of this forthcoming procurement and seek expressions of interest from potential suppliers to participate in pre-market engagement activities (involving 'no obligation' site visits, response to a questionnaire, and attending meetings to provide feedback on the intended approach and present potential solutions). The Trust intends to commence this pre-market engagement by providing an opportunity for potential suppliers to visit the sites between May 28, 2024, and June 7, 2024. Further meetings will be planned for the end of June/beginning of July for suppliers to provide feedback.

To express your interest and for further information on site visits and the questionnaire, please refer to the documentation on Atamis, project ref 'C286110 GHFT Pathology Managed Service,' but please try to confirm your participation in pre-market engagement activities and your preference for a site visit by May 23, 2024.

Prior to the publication of the contract notice, GHFT will endeavour to share draft specifications, over-arching terms and conditions, and other relevant tender documentation, although this cannot be guaranteed.

PROCUREMENT PROCESS & TIMESCALES

The routes for procuring the managed service contract will be subject to the new Procurement Regulations 2024, due to take effect from October 2024, which replaces the Public Contracts Regulations 2015.

GHFT will undertake its own procurement process, as opposed to using an existing route to market (i.e., via a Framework Agreement), as the complexities involved in this procurement are better addressed through running their own procedure and using documentation bespoke to their requirements/approach.

The formal publication of the procurement is planned for November/December 2024, and the Authority intends to work to a timescale to ensure that the award of the contract is complete by October 2025, to coincide with the end of their largest managed service contract, with an implementation period thereafter.

The most advantageous combination of cost, quality, and sustainability to meet the requirements has yet to be discussed in detail but should look to give greater benefit to suppliers who can better address the problem statements while offering value for money. The Authority reserves the right to change its approach, the scope of the procurement, the procurement procedure, and timelines as a result of the pre-market engagement or any further engagement. For the avoidance of doubt, suppliers do not need to participate in the pre-market engagement activities to be eligible to submit a formal bid when the procurement formally commences.

FINANCIALS

The Total Cost of Ownership is projected to fall within the range of £143 million to £225 million, excluding VAT. This estimate is based on contract durations spanning a minimum

of 10 years to a maximum of 15 years. The primary cost driver is rooted in current spending levels, with anticipated growth rates, inflation rates, and a risk component incorporated into the cost estimates. The projections have been designed with built-in flexibility, allowing for the repatriation of tests and the ability to adapt to regulatory changes, technological advancements, evolving industry practices, and equipment refresh. However, costs for construction and enabling works are not included in the figures above but are intended to be clarified as part of pre-market engagement activities. NOTE: The trust is planning but has yet to receive approval for moving the Mortuary out the current spaced occupied at Gloucestershire Royal Hospital; this creates an opportunity for this space to be utilised by the Pathology departments. As part of pre-market engagement we are asking potential suppliers to look at the entire footprint currently occupied by the pathology departments and the mortuary, to develop high level proposals and costings as to how the space can best be utilised, to improve workflow and enable greater collocation at the same site and on the same floor

Invoiced spend with suppliers currently InScope for the most recent 12-month period is circa £11.02M (Qty 139 suppliers), where the top 50 suppliers represent 97.2% of spend, and the top 10 suppliers represent 80% of spend. NOTE: Expenditure with other NHS bodies is mostly linked with send-away tests, apart from NHS Supply Chain, where expenditure is mostly on consumables.

CONTACTS

Please direct any and all inquiries about this procurement via Atamis; no direct contact is to be made with Trust staff.