

**United Kingdom-Newcastle upon Tyne: Financial and insurance services**

OJ S 187/2017 29/09/2017

**Contract notice  
Services****Legal Basis:**

Directive 2014/24/EU

**Section I: Contracting authority**

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**I.1. Name and addresses**

Official name: NHS Business Services Authority (the 'Authority') which is represented in the Procurement by the Secretary of State for Health

Postal address: Stella House, Goldcrest Way, Newburn Riverside Business Park

Town: Newcastle upon Tyne

NUTS code: UK United Kingdom

Postal code: NE15 8NY

Country: United Kingdom

Contact person: Steve Powell

E-mail: [transactionalservices@dh.gsi.gov.uk](mailto:transactionalservices@dh.gsi.gov.uk)

**Internet address(es):**

Main address: <http://www.nhsbsa.nhs.uk/>

Address of the buyer profile: <https://www.gov.uk/government/organisations/department-of-health/about/procurement>

**I.3. Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at: <https://www.gov.uk/government/organisations/department-of-health/about/procurement>

Additional information can be obtained from the abovementioned address

Tenders or requests to participate must be submitted to the abovementioned 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://www.gov.uk/government/organisations/department-of-health/about/procurement>

**I.4. Type of the contracting authority**

Ministry or any other national or federal authority, including their regional or local subdivisions

**I.5. Main activity**

Health

**Section II: Object**

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**II.1. Scope of the procurement****II.1.1. Title**

NHS Supply Chain Future Operating Model — Transactional Services.

Reference number: ITT60478

### **II.1.2. Main CPV code**

66000000 Financial and insurance services

### **II.1.3. Type of contract**

Services

### **II.1.4. Short description**

A current contract between the Authority and its incumbent provider (trading as 'NHS Supply Chain Ltd') relating to the procurement and supply chain of goods in the NHS is due to expire on 30.9.2018. As part of the Future Operating Model (FOM), the Authority is disaggregating the services and this procurement is for the award of a single contract for the provision of transactional services over a 3-year + 2-year term. The supplier will support the FOM in its aim to deliver on going annualised c 600 000 000 GBP in savings by growing market share from approximately 40 % to 80 %. A functional provision of the services to customers along with excellent customer query management is essential to delivery of this growth. The supplier must provide a flexible platform capable of dealing with increases in transactional activity in line with anticipated growth.

### **II.1.5. Estimated total value**

Value excluding VAT: 47 500 000,00 GBP

### **II.1.6. Information about lots**

This contract is divided into lots: no

## **II.2. Description**

### **II.2.2. Additional CPV code(s)**

79211000 Accounting services, 79999000 Scanning and invoicing services, 79211100 Bookkeeping services, 79211120 Sales and purchases recording services, 79222000 Tax-return preparation services, 79211200 Compilation of financial statements services, 75130000 Supporting services for the government, 66172000 Financial transaction processing and clearing-house services

### **II.2.3. Place of performance**

NUTS code: UK United Kingdom

Main site or place of performance: An optional site visit to the current NHS Supply Chain Finance Function based in Alfreton is available. Please refer to procurement document to register interest (ITT).

### **II.2.4. Description of the procurement**

The scope of this procurement is for a single transactional processing service providing:

- accounts payable (invoice processing and payment);
- accounts receivable (sales invoice generation and cash collection);
- customer service for invoice queries;
- cash and treasury management (i.e. keeping track of liquidity of the business);
- savings tracking and reporting;
- administration, configuration and improvement of financial systems; and
- consolidation of the FOM financial information including periodic reporting, forecasts and annual planning information.

The supplier will be required to deliver a coherent financial transactional service across the disaggregated functions of the FOM, ensuring that consolidated invoicing for customers is maintained.

The objectives for the Services include, but are not limited to:

- delivering seamless service continuity through transition to the FOM;
- enabling the on-going delivery of the FOM;
- enhancing the effectiveness and sustainability of FOM financial service processes and controls;
- delivering improvements across the supply chain through active enablement of FOM objectives and the enhancement of the customer experience through timely financial data;
- facilitating decision making in the Authority through the provision of accurate and timely financial data.

The supplier must maintain the current practice of providing consolidated monthly invoices to the NHS Customers. Consolidated invoicing is seen as a key contributor to growth ambitions, and is received extremely favourably by existing and future NHS Supply Chain Customers (including but not limited to NHS trusts, other NHS entities, other UK government department agencies or other statutory bodies and/or private sector providers of NHS funded care).

The supplier must ensure high degrees of accuracy are maintained, to preserve the integrity of financial controls and protect the public purse. The incumbent provider is currently responsible (through the NHS Supply Chain contract) for transacting product spend of circa 2 000 000 000 GBP (goods purchased by NHS and non-NHS customers), and circa 200 000 000 GBP of operational spend. The supplier will be responsible for transacting the current volume of spend and increased expenditure as this increases under the FOM.

The supplier will be required to provide robust debtor and creditor management in order to manage cash flow with growing volumes of transactions. This will be enabled by the customer /supplier support functions, and managed through robust contractual key performance indicators.

A full description of the Services is more specifically set out in the procurement documentation.

#### **II.2.5. Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6. Estimated value**

Value excluding VAT: 47 500 000,00 GBP

#### **II.2.7. Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months: 60

This contract is subject to renewal: no

#### **II.2.10. Information about variants**

Variants will be accepted: no

#### **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

#### **II.2.14. Additional information**

Additional supporting information for this Invitation to Tender is available within the Authority's secure document storage facility (the 'Data Room'). To request access to the Data Room, please send an email to [transactionalservices@dh.gsi.gov.uk](mailto:transactionalservices@dh.gsi.gov.uk) with a PDF signed version of the Non Disclosure Agreement (Attachment 15 in the procurement documents).

## Section III: Legal, economic, financial and technical information

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### III.1. Conditions for participation

#### III.1.1. Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers

List and brief description of conditions:

As stated in the procurement documents.

#### III.1.2. Economic and financial standing

Selection criteria as stated in the procurement documents

#### III.1.3. Technical and professional ability

Selection criteria as stated in the procurement documents

## Section IV: Procedure

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### IV.1. Description

#### IV.1.1. Type of procedure

Open procedure

#### IV.1.3. Information about a framework agreement or a dynamic purchasing system

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

The procurement is covered by the Government Procurement Agreement: yes

### IV.2. Administrative information

#### IV.2.2. Time limit for receipt of tenders or requests to participate

Date: 01/11/2017 Local time: 15:00

#### IV.2.3. Estimated date of dispatch of invitations to tender or to participate to selected candidates

#### IV.2.4. Languages in which tenders or requests to participate may be submitted

English

#### IV.2.6. Minimum time frame during which the tenderer must maintain the tender

Duration in months: 6 (from the date stated for receipt of tender)

#### IV.2.7. Conditions for opening of tenders

Date: 01/11/2017 Local time: 15:00

Place:

By electronic means using the Department of Health e-sourcing portal.

Information about authorised persons and opening procedure: Sealed bid process where the Procurement Lead will only be able to unlock responses once deadline is reached.

## Section VI: Complementary information

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### VI.1. Information about recurrence

This is a recurrent procurement: no

### VI.2. Information about electronic workflows

Electronic ordering will be used  
Electronic invoicing will be accepted  
Electronic payment will be used

### VI.3. Additional information

The contract resulting from this procurement will be executed by the NHS Business Services Authority ('the Authority'). This procurement is being managed by the Department of Health ('DH') on behalf of the Authority. An Intelligent Client Co-Ordinator ('ICC') has been established for the Future Operating Model. The contract resulting from this procurement may be novated to the ICC.

The estimated costs provided in Sections II.1.5 and II.2.6 is the maximum sum available based on performance across a sixty (60) month contract term including the twenty four (24) month extension.

This procurement exercise will be completed via the Department of Health's e-Sourcing Portal. Potential providers should visit <https://www.gov.uk/government/organisations/department-of-health/about/procurement>

to register on the e-Sourcing Portal and download instructions on how to respond to this opportunity. The e-Sourcing Portal will contain the ITT and all the procurement documentation to download. Please note that the Department of Health is in the process of changing its e-tendering systems and may change the e-sourcing tool during this Procurement. The Department of Health will try to minimise the impact this will have on this Procurement and all Potential Providers will be kept informed of any changes.

Any questions regarding this notice must be sent to the Authority using the Clarification Question Submission Template provided within the ITT and sent to [transactionalservices@dh.gsi.gov.uk](mailto:transactionalservices@dh.gsi.gov.uk)

All questions must be received by the deadline for receipt of clarifications as stated in the ITT. Responses to non-commercially sensitive questions will be shared by the Authority to potential providers using the DH's e-Sourcing Portal.

All tenders must be submitted using the e-Sourcing Portal. The e-Sourcing Portal reference number for this exercise is ITT60478

If you require assistance, please contact the Supplier Helpdesk on +44 1132545777 [orsupplier.helpdesk@dh.gsi.gov.uk](mailto:orsupplier.helpdesk@dh.gsi.gov.uk)

This helpdesk is available from 10:00 to 16:00, Monday to Friday excluding Bank Holidays.

The contract duration specified in II.2.7 includes the 24 month extension but does not include the transition period at the beginning of the Contract.

The Authority reserves the right to terminate the procurement process (or part of it), to change the basis of and the procedures for the procurement process at any time, or to procure the subject matter of the contract(s) by alternative means if it appears that it can be more advantageously procured by alternative means. The Authority may, at its sole discretion, modify the ITT (including any part of it) by amendments in writing, including extending the deadline for receipt of tender responses.

Tenders and all supporting documentation for the contract must be priced in sterling and written in English. Any agreement entered into will be considered a contract made in England according to English law and will be subject to the exclusive jurisdiction of the English Courts. In accordance with the Government's policies on transparency, potential providers should note that the Authority intends to publish the ITT suite of documents on Contacts Finder. The Authority also intends to publish any contract awarded, subject to possible redactions at the discretion of the Authority. Further information on transparency can be found at: <http://www.cabinetoffice.gov.uk/resource-library/guidance-transparency>

The costs of responding to the ITT and participation in the procurement will be borne by each applicant.

**VI.4. Procedures for review**

**VI.4.1. Review body**

Official name: Department of Health

Postal address: 79 Whitehall

Town: London

Postal code: SW1A 2NS

Country: United Kingdom

E-mail: [XXXXXXXX@dh.gsi.gov.uk](mailto:XXXXXXXX@dh.gsi.gov.uk)

**VI.4.4. Service from which information about the review procedure may be obtained**

Official name: Department of Health

Postal address: 80 London Road

Town: London

Postal code: SE1 6LH

Country: United Kingdom

**VI.5. Date of dispatch of this notice**

26/09/2017