

Industry Report

GAMBICA lobbies Minister to buy PPE from reputable suppliers

Jacqueline Balian, GAMBICA, jacqueline.balian@gambica.org.uk

GAMBICA Chief Executive, Steve Brambley, has written to Vaccine Minister, Nadhim Zahawi, offering to identify reputable and cost-effective suppliers to help get vaccines to UK residents.



Gambica Chief Executive Steve Brambley

His action, which has been supported by life sciences industries across the UK, was prompted by member concern at the Government's buying practices in relation to PPE.

November's National Audit Office report on the government's purchasing practices for PPE raised a number of red flags, and it is not clear that action has been taken to address the issues.

The procurement of PPE during the early stages of the pandemic was run by a cross-government team of around 450 staff from the Department of Health & Social Care, NHS England & Improvement, the Cabinet Office, the Ministry of Defence, and the Department for Education. The procurement activity included assessing and processing offers of PPE support from over 15,000 suppliers, leading to the award of over 400 contracts.

The cross-government PPE team established a 'high-priority lane' to assess and process potential PPE leads from government officials, ministers, MPs and members of the House of Lords and senior NHS staff, considering that leads from these sources were more credible or urgent. Leads came into to a dedicated mailbox which was publicised across Whitehall.

Procurement regulations aim to ensure that there is a level playing field for suppliers to compete for contracts, while allowing for direct awards in cases of extreme urgency. Offers in the 'high priority' lane for PPE procurement were assessed against the same eight-stage process as others but about one in ten 'high-priority' suppliers (47 out of 493) obtained contracts compared to less than one in a hundred suppliers that came through the ordinary lane (104 of 14,892).

By 31 July 2020, over 8,600 contracts had been awarded, with a value of £18 billion. £10.5 billion worth of contracts were awarded directly without any competition; £6.7 billion were awarded directly through framework agreements; and contracts worth almost £0.2 billion were awarded using a competitive tender process or using a competitive bidding process from a framework agreement.

Contracts ranged in value from less than £100 to £410 million and some were awarded retrospectively. For example, the Cabinet Office awarded a £3.2 million contract on 21 July 2020, which had been effective from 14 March. On 5 June 2020, the Cabinet Office awarded an £840,000 contract for focus groups and other communications work, with the contract having been effective from 3 March 2020.

Guidance from the Crown Commercial Service recommends that all awarding bodies publish basic information about the award of all contracts within 90 days. Of the 1,664 contracts awarded up to the end of July 2020 with a value above £25,000, 55% had not had their details published by 10 November.

One contract worth £350 million processed through the 'high priority' lane was with PestFix, a retailer of pest control products, to supply 25 million FFP2 masks based

on a design which complied with the BS EN149 standard but was not in line with the government's published PPE specifications at the time of the order. The masks ordered and delivered were of the specification agreed, but after 600,000 had been delivered, the Department realised that they could not be used. The Department varied the order and requested that PestFix instead supply Type IIR masks.

There was no documented financial and company due diligence at the time of the original award. The due diligence retrospectively carried out in June rated Pestfix as amber but Pestfix is continuing to work with the department.

Everybody recognises that there was an urgent need to procure PPE quickly during the first few months of the pandemic, but members of the lab industry have been critical of decisions to use untried suppliers instead of experienced industry members, and of the Government's failure to respond to its offers of help.

The objective of lobbying Nadhim Zahawi now is to ensure GAMBICA members along with other reputable suppliers are included in any new 'high priority' mechanism in relation to vaccine supplies.



Vaccine Minister Nadhim Zahawi

In his letter, Steve said: "GAMBICA members manufacture or supply much of the laboratory technology, clinical equipment and consumables that will be needed in order to secure a successful rollout. They have experience of producing equipment and consumables to the necessary standards. They have supply chains from across the world,

all of which are tested to ensure that they too can meet the standards we expect in the UK. They are also used to supplying equipment and meeting orders on extremely tight deadlines.

"As well as standard PPE, medical disposables, and administrative items, the scale and speed of the rollout will require additional laboratory equipment and consumables of various types. This may include refrigerators and freezers, temperature monitoring and validation equipment, water baths for controlled thawing, pipettes for accurate dilution, laboratory consumables, etc. Vaccination centres will need to receive new equipment quickly and our members can rise to the challenge - as they are already doing for the virus testing rollout.

"We recognise that you and your team of civil servants have a massive task ahead and we would be happy to apply our resources to support putting you in contact with appropriate UK based suppliers for the goods you need. It might be useful for you to meet with some of our members to better understand what they can provide, and we would be happy to organise such a meeting. Alternatively, if you provide a list of what you need, we would be happy to source the relevant companies."

Nadhim Zahawi's team have made the right noises so far, but this campaign will continue until we have a clear undertaking that reputable suppliers will be at the top of the list for future contracts.