



Office of the National Director of Procurement
Health Business Services
Health Service Executive
Dr. Steevens' Hospital
Dublin 8
D08 W2A8



Oifig an Stiúrthóir Náisiúnta Soláthair
Seirbhísí Gnó Sláinte
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Deputy Róisín Shortall,
Dáil Éireann,
Leinster House,
Kildare Street,
Dublin 2.

22/12/2020

RE PQ 42725/20

Question

To ask the Minister for Health the procedure that occurs when a company that holds a HSE contract which it originally procured through a tendering process no longer wishes to hold the contract or ceases to be operational; if the contract must be offered to other parties included in the original tender; if not, if the company can nominate a group to which to transfer the contract; and if he will make a statement on the matter. -Róisín Shortall

Response

Deputy Shortall,

The Health Service Executive (HSE) has been requested to reply directly to you in the context of the above Parliamentary Question which you submitted to the Minister for Health for response.

The HSE typically utilises the Most Economically Advantageous Tender (MEAT) criteria when awarding contracts and notifies all tenderers of the outcome. The successful tenderer is awarded the contract. When the successful tenderer takes up and performs the contract this finalises the procurement process. If a successful tenderer does not take up the contract HSE can award the contract to the next highest scoring tenderer in the procurement process.

When a company that holds a HSE contract which it originally procured through a tendering process no longer wishes to hold the contract HSE is obliged to retender the contract and will not offer the contract to other parties included in the original tender.

However, under certain circumstances the HSE at its discretion may agree to legally novate (transfer) a contract as proposed by the company in question. Contract novation is a formal legal process and typically occur when a

company is taken over or a manufacturer changes its distributor etc. When a contract is novated all contract commitments and liabilities are transferred to the new entity.

I trust this information is of assistance to you, but should you have any further queries please do not hesitate to contact Brendan White (AND – Director of Sourcing) Brendan.white@hse.ie on (0)52 619 1240 or the Office of the Head of Procurement on (01) 635 2688 or via ohop@hse.ie.

Yours sincerely,



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