



General Manager's Office University Hospital Waterford, Kilcreene Regional Orthopaedic Hospital, Kilkenny South/South West Hospital Group

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18<sup>th</sup> March 2021

Mr Matt Shanahan TD Dail Eireann, Leinster House, Kildare Street, Dublin 2.

PQ 11151 - To ask the Minister for Health if the equipment tender for the proposed new Cath Lab at University Hospital Waterford will allow for a company (details supplied) to tender; if his attention has been drawn to the fact that such inclusion will have no material effect to the pending date of cath lab build award approval; and if he will make a statement on the matter.

## Dear Deputy Shanahan

The Health Service Executive 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. I have examined the matter and the following outlines the position.

I can confirm that HBS Procurement have advised that under the HSE Framework Agreement for Diagnostic Imaging Equipment (HSE 4457) and the subsequent mini competition for Cardiac Catheterisation Laboratory Equipment (HSE 8978), there is provision for additional draw downs over a total of 48 months (inclusive of extension options) from July 2017. To date, a total of 6 Catheterisation Laboratories were purchased from this contract, including 1 unit at University Hospital Waterford.

Each of the 6 sites has installed the Phillips Catheterisation Laboratory Model Azurion 7M12 on site. In addition, there are other Catheterisation Laboratories on other sites across the country installed between 2007 and 2015, under previous procurement processes. Of note, sites that have 2 or more catheterisation laboratories have taken the position to install mirror systems. The main rationales behind such a decision are as follows:

- 1) With two mirror model Catheterisation Laboratories, clinical training requirements reduces significantly
- 2) Imaging protocols are similar across both systems
- 3) Familiarity in the use of similar systems allows for staff to seamlessly move from one Catheterisation Laboratory to the other, increasing efficiency and utilisation of staff
- 4) Images displayed across both systems are of similar format and quality, thus reducing inconsistencies
- 5) Possessing similar systems reduces accessory requirements and allows for accessory sharing.

HBS Procurement have advised that Government and HSE Procurement Policy include a "Comply or Explain" process in regard to contracts that have been awarded i.e. Agencies/Budget Holders requiring similar equipment must use the existing contract or provide a justifiable reason for not complying.

Therefore, HBS Procurement has advised that it is lawful for the HSE, in this case UHW, to award this contract for the second Catheterisation Laboratory based on the HSE 8978 contract to Phillips. A draft purchase order was prepared on September 8<sup>th</sup> 2020 and sent to HBS Estates. This draft purchase order was then circulated to the UHW Cardiology Team. No formal commitment has been communicated to Phillips, and hence, it is also lawful for HSE to determine that it does not wish to avail of this contract and to retender for the 2<sup>nd</sup> Catheterisation Laboratory at UHW providing it has justifiable reasons for this decision, for example, significant technological advance in this marketplace or improved value available, with note that expressed preference for another brand of equipment is not a sufficient reason.

HBS Procurement flagged that if the decision is taken to retender for this equipment, it is imperative that independent external subject matter experts are involved in the specification and evaluation process, given the expressed preference for another brand of equipment at UHW. HBS Procurement advised that they do not have the available capacity to conduct a new tender competition presently. However, they have procured external consultancy services to support urgent client needs under their governance. A tender competition of this nature would cost circa €50k - €60k and a minimum timeframe of 4 to 5 months would be required, providing there are no legal challenges. They cautioned that, in the event of a legal challenge, the cost and timeframes for completion can stretch significantly.

As you will be aware, HBS Estates have confirmed that the tenders for the construction works have been returned and assessed and are ready to be awarded. HBS Estates have advised that to ensure the building is constructed in line with the requirements of the Catheterisation Laboratory equipment, the preferred supplier for the Catheterisation Laboratory needs to be confirmed to the main contractor immediately after their appointment.

As a consequence, any delay in confirming the preferred equipment supplier will result in a delay in awarding the construction contract. HBS Estates have noted that the construction tenders are valid until 22<sup>nd</sup> May 2021. If HSE cannot award the construction contract before then, the process will have to be collapsed and a new tender process completed leading to a delay in the delivery of this project. The previous tender process for the construction works took 4.5 months to complete, a new tender process would take a comparable timeframe.

I trust the above is satisfactory but if you have any queries please do not hesitate to contact me.

Yours sincerely,

Grace Rothwell General Manager

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**University Hospital Waterford** 

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