



Contract Approval Request

Summary Page

Title:	A secure email and identity service for Community-based services for the Irish Health Service ('Healthmail')
Initial Term:	36 Months
Extension Period:	2 x 12 Months.
Awarded Supplier(s):	Three Ireland (Hutchison) Limited
Total Contract Value:	██████████ inclusive of VAT @ 23% (inclusive of 3-year initial contract + 2 x 12 month extensions)
Annual Contract Value:	██████████ inclusive of VAT @ 23%
Savings/ Additional Costs:	The tenderer cost is a reduction of ██████████ on the current annual contract value, a potential saving of ██████████ over a full 5-year contract incl. VAT @ 23%.
Incumbent Supplier(s):	Three Ireland (Hutchison) Limited
Date Submitted:	12 04 2024
Estimated Start Date:	01 09 2024
Portfolio Name:	Digital Health and Innovation (DHI)
Submitted by:	Caroline Davy
Summary:	The proposed contract is for development, implementation, hosting, deployment and support of a secure email & identity service for community-based services throughout the Irish Health Service. Healthmail is to be implemented as secure and bounded Microsoft Office365 service hosted in a cloud environment, for use by authorised and validated healthcare professionals from specified healthcare groups, for the exchange of data via email and for access to specific clinical applications delivered by the HSE.
Procurement Process Type:	Open Procedure
Issues encountered:	Some clarifications on cost were sought from Tenderers in order to ensure clarity on what was offered within tendered costs.



Contract Approval Request

Value for money:

Tender Contract Details

1.0 Explanation of Requirement

The proposed contract is to provide for the development, implementation, hosting, deployment and support of a secure email & identity service for community-based services throughout the Irish Health Service, known as 'Healthmail'. It will be implemented as a dedicated, secure and bounded Microsoft Office365 service hosted in a cloud environment and delivered to the HSE as a fully managed service.

Healthmail is required by in excess of 8,500 authorised and validated healthcare professionals to secure transfer of personal data and therefore assists health care professionals to comply with GDPR.

The preferred Tenderer is the current provider of the Healthmail service which from a user's perspective there will be no transition or interruption to the service.

2.0 Procurement Market

The secure mail service is a niche market with a limited number of suppliers. Thirty-seven (37) suppliers expressed an interest, and only three (3) tenders were received.

3.0 Procurement Strategy

The procurement strategy agreed was to seek to award a contract to a single supplier to provide the service for three (3) years, with the option to extend for 2 x one (1) year periods. The Invitation to Tender stated that the "HSE reserves the right to continue the overall support agreement with the successful Tenderer beyond the above period (i.e. initial 36 month contract, with the option to extend for 2 x 12 months), as required, subject to satisfactory system performance in meeting the HSE's requirements, the achievement of value for money and/or pending the procurement and implementation of a replacement solution."

Due to the specialised nature of the service, and the limited number of suppliers in the market, the decision was taken to publish the Invitation to Tender as an Open Procedure on eTenders and on the European Journal (OJEU).

4.0 Procurement Process

An Open Procedure was used to under Article 28 of the Public Procurement Directive 2014/24/EU. A Contract Notice was published on eTenders and European OJEU public procurement websites on 09.05.2023 inviting tenders from suitably qualified service providers, with a closing date for receipt of responses of 21.06.2023.

Three (3) tenders were received:

- [REDACTED]
- [REDACTED]
- [REDACTED]

5.0 Value for Money

- Of the three (3) tenders received, only two were evaluated under cost as one tender did not meet the Selection Criteria and therefore was not evaluated under the Award Criteria.
- The preferred tender proposed the lowest cost and was awarded maximum marks for cost. The tendered cost was based on increased volumes of licences from those currently held to allow for growth. [REDACTED]
[REDACTED]
[REDACTED] a full 5-year contract.

6.0 Environmental Impact Statement

Three Ireland has an ongoing commitment to operate as a more sustainable company and demonstrated the importance of it as an area of focus for the business. In order to maximise the impact of its sustainability work, in 2023 Three Ireland launched its sustainability strategy, 'Sustainable Connections'

In 2022, Three Ireland's parent company CK Hutchison Group Telecoms (CKHGT) set science-based targets aligned to a 1.5 degree pathway, verified by the Science-Based Targets initiative. The targets are to reduce absolute Scope 1 and 2 emissions (i.e., direct emissions) by 50% by 2030 against a 2020 baseline and to reduce absolute Scope 3 emissions (indirect emissions) by 42% by 2030. CK Hutchison Group Telecoms has committed to being Net Zero in their own operations (Scope 1 and 2) by 2040.

7.0 Budget

The invitation to tender documentation indicated "Without prejudice the HSE has endeavoured to give potential respondents an accurate description of the requirements. The information given in these documents are indicative only and the HSE does not make any commitment or any guarantee of business resulting from the contract award."

8.0 Risk Management

Healthmail enables secure transfer of personal data and therefore assists health care professionals to comply with GDPR. From a user's perspective, having no interruption to service is vital in a clinical setting. The risks involved with migrating to a new platform would be considerable, and this is avoided by the contract award to the incumbent service provider.

The HSE Standard Terms for ICT Supplies and Services and associated Schedules will apply. There will be no material deviation from the standard terms and the HSE's interests will be adequately protected; there will be no material deviation from the standard HSE levels of insurance required.

The Award of the Contract will ensure the HSE complies with its obligations under Public Procurement Regulations and Guidelines.



Contract Approval Request

9.0 Contract Management

The budget will be managed by Access to Information and Health Identifiers (A2IHIDs) division within eHealth.

10.0 Approval

The Procurement Team recommends the award of this contract as detailed above and confirms:

1. The procurement process detailed above complies fully with Statutory Instrument No. 284 of 2016 EUROPEAN UNION (AWARD OF PUBLIC AUTHORITY CONTRACTS) REGULATIONS 2016 giving effect to Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC; HSE Procurement Policy; and HSE National Financial Regulations;
2. No member of the Evaluation Team or anyone else involved in the above procurement process had any registered interest or conflict of interest with any of the tenderers;
3. Award of contract(s) is subject to the receipt of satisfactory tax and insurance certificates;
4. Award of contract will be governed by legally binding contracts which protect HSE interests. The contract will include appropriate confidentiality clauses;
5. Funding is available to meet the cost of this contract.
6. Total life cost analysis has been carried out and the recommended contract represents best value for money;
7. The business benefits identified will be tracked to ensure that they are realised and will in due course be available to Board/CEO/National Director etc. and C&AG;
8. A contract will not be concluded within the standstill period required under European Communities (Public Authorities' Contracts) (Review Procedures) Regulations 2009.



Contract Approval Request


Submitted By:

Procurement Team Lead

Date: 21 02 2024



The undersigned accepts and supports the recommendation of the Procurement Team.
Recommendation Accepted & Supported by:



Assistant Head of Sourcing & Contracting

Date: 01st May 2024




AND Strategic Sourcing & Contracting

Date: 01/05/2024

Approval

In accordance with HSE Purchase to Pay National Financial Regulations Board/CEO/National Director etc., (edit as appropriate) approval is requested

	Procurement Process Approval	Budget Holder Approval
Approved By		
Position	National Director of Procurement	
Date	02/05/2024	



Contract Approval Request

Appendix A: Procurement Report Summary

Tender Procedure	Open Procedure OJEU	
Publication Date www.etenders.gov.ie	09.05.2023	
Publication Date on OJEU	09.05.2023	
Number of Expressions of Interest Received (For Restricted Procedures Only)	N/A	
Number of Tenders Received by Closing Date	3	
Closing Date	21.06.2023	
Tender Opening Date	21.06.2023	
Tenders Opened by	Paul Keating, Category Specialist Caroline Davy, Asst Category Specialist	
Procurement Team		
Name	Title	Role
Karina Hull	Healthmail Operations Manager	Lead/ Technical Evaluator/ Cost Evaluator
Philip McKee	General Manager - A2IHIDs Infrastructure and Platform Development	Technical Evaluator/ Cost Evaluator
Barry Sorensen	Information Security Manager	Technical Evaluator
Richard Keating	Head of Cloud Platforms	Technical Evaluator
Sean Lennon	Head of Office 365 CoE	Technical Evaluator
Caroline Davy	Asst Category Specialist, HSE Procurement S&C	Procurement Lead/ Cost Evaluator

Selection Criteria		
Main Criteria	Sub-Criteria	Minimum Requirement
Economic and Financial Standing (Art 57)	Overall Turnover	Minimum of €1 million per annum for each of the last 3 years or pro rata if more recently established.
	Turnover Relating to Specific Product(s)/ Service(s)	For Information purposes.
	Professional Statement	Demonstrate sufficient financial capacity to undertake this contract.
Technical and Professional Ability (Art 58)	3rd Party Products	Where a tenderer proposes a 3rd party product, please describe in detail the relationship between your company and the product manufacturer and confirm you hold all accreditation and permissions necessary to support this product.
	Interoperability with Existing Systems	Tenderers must agree that Interoperability with existing HSE systems will be the responsibility of the successful tenderer, in the first instance.
	Security Assessment Questionnaire	For Information purposes - The successful vendor will be required to complete the HSE Supplier IT Security Assessment Questionnaire in full before any contract can be awarded.
	Microsoft Relationship	Tenderers must meet the requirements outlined in the response document regarding their relationship with Microsoft
	Tender specific company references similar to those required	Provide a minimum of one relevant example, where an email managed service similar to the HSE's



Contract Approval Request

		<p>requirement, provided within the last three years, indicating the software solution(s) implemented and version(s), with a Comprehensive Description of Services provided including key performance indicators, which best demonstrates the organisations skills, processes, capability, approach, resource allocation, and benefits brought to the customer.</p> <p>Indicate how long the company has been a supplier of the system on offer.</p> <p>For the purposes of this evaluation, any implementation references should have consisted of comparable functionality to that set out within this tender.</p>
	Relevant experience, education and professional qualifications of core team or key staff to be employed in provision of tendered requirement	Demonstrate sufficient suitably qualified staff for projects similar to the specific requirements of this tender.
	Capacity (Manpower and Facilities)	Demonstrate overall staffing resources and facilities are sufficient to manage contracts/projects similar to the specific requirements of this tender, including how many technical support staff etc. are available in Ireland and worldwide.
	Administrative Support & Management Reporting	Demonstrate satisfactory administrative support facilities including ability to provide management reports.
Quality Assurance Standards (Art 62)	Quality Assurance Procedures	Demonstrate satisfactory quality assurance procedures in place and in operation, including details of any quality management system that may be in place, or expected to be in place within the proposed implementation timeframe.
	Staff Training & Vetting Procedures	Demonstrate satisfactory staff training and vetting procedures in place and in operation.
	Data Protection	Demonstrate satisfactory policies and procedures in relation to maintaining data protection and security of information, including details of any Information Security Management System that may be in place, or expected to be in place within the proposed implementation timeframe.
Environmental Management Policies (Art 62)	Environmental Management	For information purposes, provide environmental management and waste disposal policies and procedures relevant to this tender.



Award Criteria				
Main Criteria	%	Sub-Criteria	%	Min %
Approach & Methodology	15	Project Management	8	4.8
		Migration Planning	7	4.2
Quality & Technical Merit	25	Functional & Technical Specification	12	7.2
		Security Management (SM)	7	4.2
		Business Continuity	5	3
		Reporting	1	0.6
Post Implementation	20	Support & Operations	15	9
		Testing & Training (TT)	5	3
Sustainability	5	Sustainability Management	5	N/A
Overall Cost	35	Costs	35	N/A
Suppliers who Failed to Qualify at Award Stage				
Name		Reason		
N/A		N/A		
Financial Ranking Following Award Evaluation				
#	Name		Score	
1	[REDACTED]		3,500	
2	[REDACTED]		3,301	
Non-Financial Following Award Evaluation				
#	Name		Score	
1	[REDACTED]		5,650	
2	[REDACTED]		4,740	
Most Economically Advantageous Ranking Following Award Evaluation				
#	Name		Score	
1	[REDACTED]		9,150	
2	[REDACTED]		8,041	



Contract Approval Request

Cost Drivers		
Element	%	Influencing Factors
Energy (excluding transport)		Inflation due to energy costs and security of supply
Transport		Increase in fuel costs and disruption in transport in gulf region due to geopolitical factors
Process		Unknown
Material		Worldwide shortage in data chips
Labour		Potential demand for pay increases due to inflation
Margin		Unknown
Total	100%	

Budget Savings or Cost (Calculate both columns based on pre contract full year volumes)		
Pre Contract Full Year Cost	Post Contract Full Year Cost	Full Year Benefit

See Appendix B for detail

Procurement Process Assurance The Procurement Team Confirms <input type="checkbox"/>		Tick to Confirm
1	The Procurement process detailed above complies fully with Statutory Instrument No. 284 of 2016 European Union (Award of Public Authority Contracts) Regulations 2016 giving effect to Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public Procurement and repealing Directive 2004/18/EC; HSE Procurement Policy; and HSE National Financial Regulations.	✓
2	No member of the Evaluation Team or anyone else involved in the above procurement process had any registered interest or conflict of interest with any of the tenderers.	✓
3	Total life cost analysis has been carried out and the recommended contract represents best value for money.	✓
And subject to recommended contract being approved:		
4	A contract will not be concluded within the standstill period required under European Communities (Public Authorities' Contracts) (Review Procedures) Regulations 2009.	✓
5	Award of contract(s) will be subject to the receipt of satisfactory tax and insurance certificates.	✓
6	Award of contract will be governed by legally binding contracts which protect HSE interests.	✓
7	A contract award notice will be published on eTenders.	✓



Contract Approval Request

Appendix B Contract Price List

Cost Element	€ (incl. VAT)		
	Current Contract Cost	New Contract Cost	Diff € Cost
Total 1-Year Cost Licencing & Managed Service			
Total 5-year Cost Licencing & Managed Service			
Contract Savings			



Contract Approval Request

Appendix C Supplier Savings/Cost

Cost Elements	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	Total Incl. VAT 23%	Description
On-boarding Cost	0	Once-off cost for taking on the service and managing out/over any incumbent vendors to include on-boarding and knowledge transfer activities at start of contract					Zero
Web Application Development	0	The cost of deploying the proposed web applications/portals.					Zero
Cloud Infrastructure Deployment Cost	0	The cost of deploying the proposed cloud infrastructure.					Zero
Mailbox & Identity Account Migration	0	The cost of migrating all existing mailboxes and identify accounts.					Zero
Re-establishment of TLS connections	0	The cost of re-establishing all existing TLS connections.					Zero
Licencing for ██████ Full Service Users	██████	██████	██████	██████	██████	██████	Total annual licence fee charged in respect of required licences.
Licencing for ██████ Large Users	██████	██████	██████	██████	██████	██████	Total annual licence fee charged in respect of required licences.
Licencing for ██████ Identity Only Users	██████	██████	██████	██████	██████	██████	Total annual licence fee charged in respect of required licences.
Managed Service	██████	██████	██████	██████	██████	██████	Full managed service to include: operations, support, security, business continuity and reporting.
Training Costs for 5 years	0	0	0	0	0	-	Zero
Total Cost	██████	██████	██████	██████	██████	██████	