# DON'T MISS A THING. Are **Tenders** on Your Radar?

# **National Procurement Day**

**Dublin, 16th Feb. 2012** 

www.een-ireland.ie/tender-success













# **Overview of HSE Procurement**& How to do Business with HSE

# SME Access to Public Procurement Conference

John Swords

HSE Procurement

Head of Portfolio & Category Management

# **HSE Overview Did you Know?**

- Provides health and personal social services to a population in excess of 4 million people
- Employs 109,972 staff largest employer in the state
- Annual Budget of 13.456bn largest public sector budget
- Spend on products and services €4.5bn
- 52 Acute Hospital
- Extensive community services (health centres, community hospitals, homecare

# **HSE Overview Did you Know? contd**

### Any Given Day:

- € 586,102 Inpatients
- € 733,131 Day Cases
- € 3,577,560 Outpatients
- # 365,061 Emergency Admissions
- # 74,279 Births Activity

## What is Procurement?

"Procurement in HSE should be interpreted to include all of the activities involved between the identification of a requirement for goods or services – right through to their acquisition and in some instances their eventual disposal"

## **Procurement Operating Model**

### **Improved Patient Care**

#### **Added Value**

#### Customers

Communications, Customer Relationship,

Portfolio & Category Management

Logistics & Inventory Management

**Staff Development & Training** 

**Business Support** 

**Enabling Technology** 

**Suppliers** 

# **HSE Procurement Leadership Team**

**CEO** 

Director of Commercial & Support Services

Brian Gilroy

**Head of Procurement** 

John Swords
Assistant National Director
Portfolio & Category Management

Julie Ryan

**Assistant National Director** 

Communications, Training, Customer Relationship Mgt & Business Support **Brian Long** 

**Assistant National Director** 

**Asst Heads of Logistics & Inventory Management** 

**Logistics & Inventory Management** 

**Asst Heads of Portfolio & Category Management** 

Michael Driscoll Professional Services, ICT, Office

Brendan White Equipment, Laboratories, Diagnostics Martin Quinlivan Medical, Surgical, Pharma Joe Redmond Hotel Services, Utilities Eddie Hogan

Hogan Dublin NE Francis Mollen HSE Dublin Mid Leinster

Stephen Lynch HSE South Brendan Shovlin HSE West

# Portfolio & Category Management

- For Traditionally known as "Contracting"
- Determines the level at which the HSE
  - should manage each category
  - enter the market
- Describes how specific categories will be contracted
- Objective of the category strategy
  - Determine opportunities in the supply market
  - Level of aggregation
  - Contracting approach
  - Performance requirements, service level requirements and logistics approach
- Planned, proactive and continuous engagement with the customer and supplier community

# **Strategic View**

- **€ 4.5** Bn. Contractible Expenditure
- **4 Major Portfolios** 
  - Hotel Services
  - Pharma & Medical
  - Equipment /Lab &Diagnostics
  - Professional/Office/ICT
- 31 Primary Categories and more than 390 Sub Categories
- Governed by EU procurement rules and HSE Procurement Policy



Pharma & Medical



- Aids & Appliances
- Surgical
- Orthopaedic
- Renal Dialysis
- Drugs & Medicines
- Vaccines
- Hygiene Continence
- Opthalmic
- Cardiology



Equipment, Lab & Diagnostics



- Lab
- Imaging
- Diagnostics
- Medical Equip
- Surgical Equip
- General Plant
- Physics & Bio Med



**Professional Services & Office** 



**Hotel Services** 



- Prof Services
- Insurance
- Train & Dev
- Trans & Travel
- ICT
- Office
- Furniture



- Provisions
- Cleaning
- Rent & Utilities
- Restaurant & Kitchen
- Clothing & Textiles
- Facilities, Prop Maint
- Waste Management



# Categories being targeted in 2012 Medical Surgical Pharma

### **Medical & Surgical Supplies**

- Renal
- Cardiology
- Orthopaedics
- Laparoscopic/End mechanics
- Drapes & Surgical Attire & HSSD
- Medical Gloves
- Dental Products
- Medical & Surgical Consumables
- Aids & Appliances Purchase

## **Drugs & Medicine**

- Wound Management
- OPAT Outpatient Parenteral Antimicrobial Therapy
- Vaccines



# Categories being targeted in 2012 Professional Services ICT Office

## **Transport (Patients)**

- 6 new contracts for Patient Transport (Taxi) for all regional areas
- Ambulance Service

### Office

- Stationery
- Post
- Printing (Hospital Forms)
- Print Management Services
- Record Storage (Shredding)

### **Computers** (Information, Communication, Telecommunications)

- Wide Area Network (NH2)
- Fixed Landline (Voice & Data)

### **Professional Services**

- Fostering
- Assisted Admissions
- Insurance
- Banking



# Categories being targeted in 2012 Hotel Services Utilities

### **Cleaning & Washing**

- Consumables Washroom, Janitorial Products & Sharp Bins
- Facilities Management Security, Cleaning & Catering

### **Food Service**

Local tendering for Ambient, Perishable & Frozen Foods

### Facilities, Property Maintenance & Services

- Maintenance & Servicing of fire alarm systems and emergency lighting
- Fire fighting equipment/maintenance
- Domestic Waste
- Pest Control
- Heat, Light & Power

### **Continence**



# Categories being targeted in 2012 Equipment Laboratories Diagnostics

### Laboratory

- Lab reconfiguration strategy West & South
- Facilities Management Security, Cleaning & Catering
- Utilise Assisted Sourcing to maximise savings under National Framework Agreements
- Blood collection
- AGAR/PPM (AGAR Pre Poured Meds)
- POCT (Point of Care Testing)
- Reagents/Chemicals/Controls

## X-Ray Imaging

- Central Negotiation of all Diagnostic Imaging Service Contracts
- Interventional Radiology

## **Supplies & Contracts Other Medical Equipment**

## **Vehicle Running Costs**

Tendering for Service & Repair and Battery & Tyres

# Health Sector Procurement Policy

- **€** Low Value Purchases
- **# Intermediate Value Purchases**
- **# High Value Purchases**
- **EU Procurement**

# **Competitive Process**

## **EU Procurement Directives -2004/18/EC**

- Framework agreements
- Restricted
- Open
- Competitive dialogue
- eAuctions

# **Typical Qualifying Process**

## Selection / Qualification Process

- Economic & Financial Standing
- Technical & Professional Ability
- Quality Standards
- References / Sites

# How HSE buys.....

- Advertise all high value requirements on etenders website linked to European Union website www.etenders.gov.ie
- Typically attracts European / Irish interest depending on Category
- Low Value & below threshold contract local / centralised Purchasing teams (Logistics Service Plan)

# **Contract Award**

- **€** Award Process
  - Award of Contracts
  - Contracting authorities may award contracts based on either
    - Most Economically Advantageous Tender (MEAT)
    - Lowest Price only
- Examples of MEAT: (Life cycle model)
  - Quality and functional characteristics
  - Technical merit & environmental characteristics
  - Running costs & cost effectiveness & price
  - After sales & technical assistance
  - Delivery lead times or completion date

# **New Entrants**

- Registration on e-tenders
- Completing Tender Documentation
- Meeting standards Industry, Health & Safety, Medical Devices Directives
- Understanding HSE's requirements Terms and Conditions of Contract
- Positioning to bid "after sales" important to end users/clinicians
- F Training and customer support

# **How to do Business**

- Main route for New Business is the E-tenders Website <a href="https://www.etenders.gov.ie">www.etenders.gov.ie</a>
  - = Register Your Interest by Category
  - = Receive Notification of New Tenders in Category
- **HSE Procurement Contact Details for Market / Supply Base Enquiries** 
  - www.hse.ie/eng/about/Procurement/Contactus/
- Engage with relevant Portfolio & Category Management and Logistics & Inventory Management



# Things to Consider when Tendering

- **E** Is the requirement clear?
  - If not seek clarification in line with communication protocol specified in the Tender Documents
- Answer all the questions as fully as possible giving examples and referencing previous relevant experience
- **⊞** Be clear and concise
- Follow the requested format and Instructions to Tenderers
- # Attach all requested documentation and/or sample as requested
- Make sure to get your tender in ON TIME and to the CORRECT ADDRESS

# **HSE Procurement Message**

HSE recognise the valuable contribution of SME's and we want your participation

## **HSE Procurement Supplier Charter**



### HSE PROCUREMENT SUPPLIER CHARTER

Our goal is to work in partnership with our Suppliers to ensure that all supply chain activities are managed in line with HSE business principles, values and requirements.

#### **HSE Commits to:**

#### Fair Competition

Applying the highest standards of integrity, fairness, legality, confidentiality & disclosure of interest to all procurement related transactions.

Applying all relevant procurement regulations so that competition is promoted, value for money secured, equal access to

#### publicly funded contracts is afforded to all taxpaying suppliers & openness & transparency assured.

#### **Prompt Payment**

Payment in accordance with the Prompt Payment of Accounts Act 1997 as amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2002.

#### Social Responsibility

Taking account of relevant environmental & social factors when buying products, services or works.



#### HSE Expects Suppliers to: Maintain Security of

#### Supply Deliver to agreed

Deliver to agreed specification on time & to agreed cost.

Demonstrate a commitment to putting patients first.

Advise HSE promptly regarding any change of delivery or safety issues.

#### Comply with all Legal Requirements

Requirements
Adhere to HSE Standard
Terms, except where
otherwise agreed & treat
information obtained from
HSE as confidential.

#### <u>Provide Management</u> <u>Information</u>

Provide on request & in a timely fashion full details of all goods & services supplied across HSE by time, location, quantity & current price, including any products

Take a non-adversarial approach to dispute resolution.

Manage deliveries in agreement with HSE staff.

#### Consistent & Favourable Pricing

Apply consistent, competitive & favourable pricing to all HSE goods & services supplied.

supplied under Community
Schemes which are
reimbursed by the Primary
Care Reimbursement
Service.

Provide on request, a full breakdown of price identifying cost elements, cost drivers, market forces & associated weightings for supplied goods & services.

#### Sales & Marketing Activity

Give advance notice of all sales & marketing activity occurring on HSE sites.

Do not cause or facilitate any publicity regarding sales to HSE without prior HSE consent.

#### **Act Ethically**

Ethically manage all elements of their supply chain including protection of workers pay & conditions, non-use of child labour & environmental responsibility.

Declare any potential conflicts of interest.

Avoid engaging in any activity which might reasonably be interpreted as an attempt to affect the impartiality of HSE employees.

#### Together we will:

Protect frontline patient services

Deliver quality goods & services on-time & within budget

Reduce cost & eliminate waste through continuous improvement

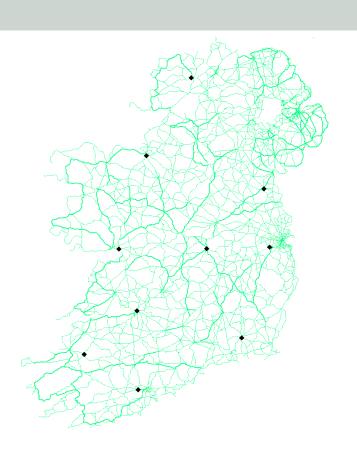
# Logistics and Inventory Management

New model for Logistics & Inventory Management within HSE

# Comprehensive Review resulted in the following recommendations:

- Increase level of management of stock at point of use (POU)
- Consolidation of fragmented stores infrastructure into a National Distribution Centre distributing to 9 Hubs
- Implementation of appropriate supply channels

# NDC & Hubs



# **Logistics & Inventory Management**

"Implementation of the Logistics & Inventory Management review is a positive development lending itself to Logistics & Inventory Management operating in line with leading edge Supply Chain Management"

# HSE Website links for further Information

- HSE Internet Website link to Procurement available through accessing:
  - www.hse.ie/eng/about/Procurement
- # HSE Procurement Supplier Charter www.hse.ie/eng/about/Procurement/SupplierCharter/
- # HSE Procurement Contact Details www.hse.ie/eng/about/Procurement/Contactus/
- Main route for New Business is the E-tenders Website www.etenders.gov.ie

# **Conclusion**

F Thank You for your attention

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