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PROCUREMENT OUTCOME REPORT

PROCUREMENT FOR THE PROVISION OF
EQA MATERIAL
CAV-OJEU-58465

Agreement Type <i>Framework/Contract</i>	Contract
Brief Agreement Description	The provision of blood gas, co-oximetry, pO ₂ accuracy, and point-of-care haemoglobin and variant testing, which are fundamental to clinical decision-making across hospital wards, GP surgeries, emergency departments laboratories.
Agreement Duration Initial Term and Extension Option	5 years with the option to extend for two years in 12-month increments
Contract Dates <i>Initial Term & Extension Option</i>	Initial Term: 01/03/2026 – 28/02/2031 Extension option 1: 01/03/2031 – 28/02/2032 Extension option 2: 01/03/2032- 28/02/2033
Planned / Unplanned	Planned
No. of Tenders Issued	1
No. of Tenders Received	1
Annual Value of Current Agreement	£411,021.00 (VAT Exempt)
Annual Value of New Agreement	£630,000.00 (VAT Exempt)
Total Value of New Agreement <i>Including Extensions</i>	Contract Term: £4,410,000.00 (VAT Exempt)
Savings / Increase <i>Cash Releasing</i> <i>Cost Avoidance</i> <i>Cost Pressure</i>	This increase is not on a like-for-like basis, as the WEQAS business plan has increased the number of vials required in line with the growth of these programmes. Charges have also been uplifted year-on-year to ensure full cost recovery and to generate a modest surplus across most programmes.
Lead Body LHB or Trust	Cardiff and Vale University Health Board - WEQAS
Impact of Change	Risk Identified - High

1. Product / Market Overview

WEQAS delivers internationally recognised External Quality Assessment (EQA) programmes that ensure the safety, accuracy and reliability of diagnostic testing across NHS Wales, the UK and international healthcare providers. These programmes support blood gas, co-oximetry, pO₂ accuracy and point-of-care haemoglobin and variant testing and are fundamental to clinical decision-making in hospital wards, GP surgeries, emergency departments and laboratories.

While WEQAS manufactures most EQA and Internal Quality Control materials in-house, the specialist materials required for these programmes cannot be produced internally due to the need for complex and highly specialised manufacturing capability. As a result, these products have historically been sourced from Euro-Trol B.V., an international specialist supplier of reference-grade EQA and quality control materials.

The original contract (17/2389/EC) was awarded on 24th May 2019 following a compliant procurement exercise. The contract was let for an initial three-year term, with options to extend for a further two years in 12-month increments. As demand for WEQAS programmes increased, customer volumes grew and spend rose. Both contractual extension options were exercised to maintain service continuity and to retain the fixed pricing secured at contract award.

A new procurement exercise was initiated to re-tender the requirement, recognising that WEQAS anticipated a larger contract value to reflect growing customer demand. Although the tender was formally published, the evaluation process experienced delays, meaning that additional short-term Contract Change Notices (CCNs) were required to ensure uninterrupted supply. The original contract had been underspent, allowing these extensions to be accommodated within the previously approved financial envelope.

The following short-term extensions were therefore approved:

- In December 2024, CCN003 extended the contract from 1 January 2025 to 30 September 2025, with a built-in option to extend for a further three months to allow sufficient time for the replacement contract to be put in place.
- CCN004 was subsequently issued to formally exercise that three-month option, extending the contract from 1 October 2025 to 31 December 2025.
- A further short-term extension, CCN05, was approved from 1 January 2026 to 28 February 2026, to avoid any disruption to critical EQA programmes while the new procurement is finalised.

These extensions were not used to avoid competition, they were required to protect patient safety, maintain WEQAS's international service delivery and ensure continuity of a highly specialised supply chain while a fully compliant long-term procurement is completed.

2. Procurement Process

Cardiff and Vale University Health Board undertook a full competitive procurement exercise to establish a new contract for the supply of External Quality Assessment (EQA) materials for WEQAS. WEQAS delivers internationally accredited EQA programmes supporting blood gas, pO₂ accuracy, co-oximetry, point-of-care haemoglobin and Hb variant testing across NHS Wales, the UK and international customers. As these highly specialised materials cannot be manufactured in-house, they must be sourced from an external specialist supplier.

A procurement briefing paper was developed to propose a full re-tender of the expiring legacy contract to secure long-term continuity of supply, maintain patient safety and ensure regulatory and governance compliance. The paper confirmed that although short-term contract extensions had been used to maintain service continuity, a compliant long-term procurement solution was now required and recommended that an open tender be undertaken in line with the Public Contracts Regulations.

The proposed contract was estimated at £735,000 per annum, with a total value of £3.675 million over the five-year primary term and up to £5.145 million including extensions. As this exceeded the Welsh Government approval threshold, a Board paper was submitted to Welsh Government on 4th June 2024, with formal acknowledgement of the proposal received on 22nd August 2024.

Following Welsh Government approval, the procurement was progressed however there was a delay in releasing this tender officially until the 21st February 2025. The proposed agreement value was above the FTS threshold and was tendered under the Public Contract Regulation 2015. A Contract Notice was placed through the Find a Tender Service via Sell2Wales on 21st February 2025 with a closing date of 31st March 2025 and bidders were invited to tender for the following lots:

Lot Number	Lot
1	Blood Gas
2	pO ₂ Accuracy
3	Blood Gas with Haematocrit
4	Hb Variants
5	Co-oximetry
6	POCT Haemoglobin

Bidders were assessed on the following Most Economically Advantageous Tender (MEAT) award criteria:

Award Criteria	Percentage Weighting
Qualification	Pass / Fail
Technical Compliance	Pass / Fail
Technical	50%
Commercial	35%
Social Value	15%

After the publication of the tender notice, all potential suppliers were able to raise clarification questions until 24th March 2025. Clarification questions together, however no questions were documented in this time frame.

The evaluation phase took longer than originally anticipated and following completion of the formal scoring, a number of clarification requests were issued to the supplier. These did not affect the evaluation or scoring outcome and were required solely to obtain additional supporting information for each Lot, including documentation and packaging evidence, to fully validate compliance with the published specification.

Consistent with the previous tender exercise, only one supplier submitted a compliant bid for this procurement, namely the incumbent supplier.

3. Evaluation

<p>Qualification</p>	<p>Only one supplier submitted a bid for this procurement, the incumbent supplier. The bidder was assessed against the Conditions of Participation within the Qualification Envelope, including legal status, financial standing, technical capacity, conflicts of interest, and acceptance of NHS Wales contractual terms.</p> <p>The bidder passed all Conditions of Participation and was therefore eligible to progress to the Technical Evaluation stage.</p> <p>As only one bidder participated and met all qualification requirements, no bidders were excluded at this stage.</p>
<p>Evaluation Panel(s)</p>	<p>The evaluation was undertaken by the WEQAS team, who have the appropriate technical expertise and experience in assessing specialist EQA materials and who also evaluated the previous tender for this requirement. Their involvement ensured continuity, consistency and a detailed understanding of the clinical and technical requirements.</p> <p>The evaluation panel:</p> <ul style="list-style-type: none"> • Samantha Jones – Laboratory Manager • Annette Thomas – WEQAS Director • <p>Both evaluators were responsible for reviewing the technical submissions and supporting evidence in line with the published evaluation criteria and scoring methodology.</p>
<p>Technical & Commercial Scores</p>	<p>Only the incumbent supplier progressed to the Technical Evaluation stage, having successfully passed the Qualification (Conditions of Participation) stage and being the only supplier to bid.</p> <p>The supplier was required to demonstrate full compliance with the detailed Product Service Specification for each of the six Lots, including product</p>

performance, stability and homogeneity data, packaging standards, delivery arrangements, sample provision, quality control processes and non-conformance management.

In addition to the written submissions, the supplier was required to provide supporting documentation and product samples for independent verification by the WEQAS laboratory. Following the initial evaluation, clarification requests were issued to obtain additional supporting evidence, including copies of technical documentation and images of packaging. These clarifications were required to validate compliance with the specification and did not form part of the scored evaluation.

The WEQAS evaluation panel reviewed all responses in accordance with the published pass/fail and scored technical criteria. The supplier was confirmed as technically compliant across all Lots and was therefore eligible to proceed to the Commercial evaluation stage.

The Commercial evaluation was undertaken in accordance with the methodology set out in the Invitation to Tender. The supplier submitted pricing for all chargeable elements for each Lot using the prescribed Commercial Response forms. As only one compliant bid was received, the supplier’s pricing was assessed for completeness, accuracy and compliance with the tender requirements, including price capping, inclusion of carriage, and adherence to the CPI-linked price variation provisions.

Lot	Lot	Technical (50%)	Financial (35%)	Social Value (15%)	Total Score
1	Blood Gas	12	35	2	49
2	Co-oximetry	20	35	2	57
3	pO ₂ Accuracy	19	35	2	56
4	Blood Gas + Haematocrit	Not Sored – Unavailable	Not Sored – Unavailable	2	Not Sored – Unavailable
5	Hb Variants	19	35	2	56
6	POCT Haemoglobin	20	35	2	57

4. Price Benchmarking Information

The previous tender exercise and market engagement confirmed that Euro-Trol remains the only supplier with the technical capability, manufacturing infrastructure and accreditation required to supply the full range of materials across all six Lots. This places the market in a single-supplier position, which limits the availability of traditional price benchmarking.

Value for money has therefore been assessed through:

- Competitive tendering and market testing, confirming the absence of alternative capable suppliers
- Historical price comparison against the previous contract and extensions

- Price controls within the contract, including fixed pricing for the primary term and CPI-linked limits on any future increases

Taken together, this provides assurance that the prices submitted represent best available value within a constrained and highly specialised global market and that WEQAS is protected from inflationary risk through contractual pricing being fixed.

5. Financial Implications

Between 2019 when the contract was created and 2025, where the new quotation has been submitted, the UK saw high inflation rates as a result of Covid-19 pandemic which then in turn led to high rates of CPI etc. To assess whether the new EQA material prices represent value for money, the 2019 contract prices have been updated using CPI to estimate what those prices would be expected to be in 2025 if they had simply increased in line with general inflation. These CPI-adjusted values have then been compared to the actual prices achieved through the 2025 re-tender:

Lot	2019 Price	Expected Inflation-Adjusted 2025 Price	2025 Actual Price	Actual vs CPI Difference	
Lot 1 – Blood Gas	£1.65	£2.12	£1.88	-£0.24	£0.24 (11%) below CPI
Lot 2 – pO ₂ Accuracy	£10.34	£13.26	£12.06	-£1.20	£1.20 (9%) below CPI
Lot 3 – Haematocrit	£3.30	£4.23	£3.85	-£0.38	£0.38 (9%) below CPI
Lot 4 – Hb Variants	£4.37	£5.61	£4.98	-£0.63	£0.63 (11%) below CPI
Lot 5 – Co-oximetry	£5.04	£6.48	£5.75	-£0.73	£0.73 (11%) below CPI
Lot 6 – POCT Hb	£5.49	£7.06	£6.26	-£0.80	£0.80 (11%) below CPI

The table above shows the prices that would have applied to each Lot in 2025 had the 2019 contract prices increased in line with UK CPI inflation rather than being fixed. With the final Contract Change Notice now expiring, this comparison between the inflation adjusted prices and the new contract quotations demonstrates that the re-tendered prices are lower than what would have been expected under CPI-linked pricing. This provides clear evidence that the new contract represents value for money across all Lots.

The increase in contract price is not driven by an increase in supplier margin, which WEQAS is comfortable with, but reflects growth in the WEQAS business plan and the corresponding increase in the number of vials required to support expanding programme volumes. Charges have also been uplifted year-on-year to ensure full cost recovery and to generate a modest surplus across most programmes.

Therefore, while there are increases in the direct costs of the materials used by WEQAS to produce the vials, these are broadly in line with CPI inflation. A detailed price comparison is provided in the table below:

Lot Name and Description	Eurotrol											
	Lot 1 - Blood Gas		Lot 2 - pO2 Acc (F178)		Lot 3 - HAEMATOCRIT (F222)		Lot 4 - Hb VARIANT		Lot 5 - CO-OXIMETRY (F249)		Lot 6 - POCT Hb (F161)	
17/2389/EC (previous contract values)	€ 1.65	£ 1.43	€ 10.34	£ 8.96	€ 3.30	£ 2.86	€ 8.62	£ 7.47	€ 5.04	£ 4.37	€ 5.49	£ 4.76
CAV-OJEU-58465 (New contract values)	€ 1.88	£ 1.63	€ 12.06	£ 10.45	€ 3.85	£ 3.34	no longer available		€ 5.75	£ 4.98	€ 6.26	£ 5.42
Price increase	€ 0.23	£ 0.20	€ 1.72	£ 1.49	€ 0.55	£ 0.48			€ 0.71	£ 0.61	€ 0.77	£ 0.66
Increase %	13.98		16.62		16.78				13.95		13.86	

The overall contract cost comparison as highlighted above will show an increase due to an increase in the WEQAS Business plan:

Contract	Cost Per Annum (VAT Exempt)	Cost for Full Contract duration including extensions (VAT Exempt)
(17/2389/EC)	£411,021.00	£2,055,105.00
CAV-OJEU-58465	£630,000.00	£4,410,000.00
Increase to accommodate new business plan	£218,979.00	£2,354,895.00

Cost Avoidance:

By entering another long-term contract with Euro-Trol B.V., WEQAS will secure fixed unit pricing and is therefore protected from future CPI-linked cost increases that would apply. This mirrors the approach taken under the previous contract, where fixed pricing delivered savings against inflation.

The table below shows what each Lot would cost if prices had increased in line with CPI, compared to the prices secured under the new contract. This demonstrates that the fixed-price arrangement continues to deliver cost avoidance across all Lots by insulating WEQAS from future inflationary pressures and providing price certainty over the life of the contract.

Lot	2025 Price	2026 CPI	2027 CPI	2028 CPI	2029 CPI	2030 CPI	2031 CPI	2031 CPI Projected Price
Lot 1 – Blood Gas	£1.88	£1.94	£2.00	£2.07	£2.13	£2.20	£2.27	£2.27
Lot 2 – pO₂ Accuracy	£12.06	£12.44	£12.84	£13.26	£13.69	£14.14	£14.60	£14.60
Lot 3 – Haematocrit	£3.85	£3.98	£4.12	£4.26	£4.40	£4.55	£4.70	£4.70
Lot 4 – Hb Variants	£4.98	£5.14	£5.31	£5.48	£5.66	£5.84	£6.03	£6.03
Lot 5 – Co-oximetry	£5.75	£5.93	£6.12	£6.31	£6.51	£6.72	£6.94	£6.94
Lot 6 – POCT Hb	£6.26	£6.46	£6.66	£6.87	£7.08	£7.30	£7.53	£7.53

Without a fixed-price contractual arrangement, the cost of materials within each Lot would increase in line with inflation. The table below shows the projected per vial price increases that would apply if the agreement were not in place, demonstrating the level of cost escalation that has been avoided through this contract.

Lot	2025 Price (locked)	2031 If CPI Linked	Difference £ (CPI – Locked)	Difference %
Lot 1	£1.88	£2.27	£0.39	20.70%
Lot 2	£12.06	£14.60	£2.54	21.10%
Lot 3	£3.85	£4.70	£0.85	22.10%
Lot 4	£4.98	£6.03	£1.05	21.10%
Lot 5	£5.75	£6.94	£1.19	20.70%
Lot 6	£6.26	£7.53	£1.27	20.30%

6. Sustainable Procurement

Sustainable procurement considerations were built into the tender design and evaluation approach to ensure the resulting contract supported NHS Wales and Welsh Government policy obligations, alongside the technical criticality of the EQA materials.

Environmental management and decarbonisation

The tender documentation required suppliers to demonstrate appropriate environmental and sustainability management arrangements as part of the wider procurement process, including supply chain continuity and resilience planning and alignment to NHS Wales' sustainability

agenda. Contract pricing and delivery requirements were also structured to support efficient logistics (e.g. planned ordering, defined lead times and quality controls) to minimise waste and avoid unnecessary repeat shipments arising from product failure or breakage.

Social value and socially responsible procurement

Social value was explicitly incorporated into the award model as a weighted criterion (15%) alongside technical quality and commercial value. This ensured that, where the market was able to offer it, wider social and community outcomes could be differentiated and assessed transparently as part of the Most Advantageous Tender approach

Welsh policy alignment

The procurement approach was structured to align with Welsh policy expectations, including:

- Social Partnership and Public Procurement (Wales) Act 2023 principles through the inclusion of social value, community benefits expectations, and supplier engagement.
- Well-being of Future Generations (Wales) Act 2015 through protecting patient outcomes and diagnostic quality (A Healthier Wales), and by embedding longer-term thinking via a multi-year contract with controlled pricing and active contract management.

7. Risks and Mitigations

Known Risk:

The market for these specialist EQA materials is extremely limited, with Euro-Trol historically the only supplier capable of meeting the full technical, quality and accreditation requirements across all six Lots.

- This created a risk of limited competition and supplier dependency.
- Mitigation: A full open and transparent procurement was undertaken, including preliminary market engagement and a competitive tender via Find a Tender Service and Sell2Wales to formally test whether any alternative suppliers existed.

There was a risk of service disruption if the existing contract expired before a replacement was in place.

- Mitigation: Controlled short-term extensions were implemented via Contract Change Notices (CCNs) to ensure continuity of supply while the new procurement was completed.

Operational and transition risk

The risk of disruption during contract changeover is mitigated by retaining continuity with a technically compliant supplier, phased implementation where required, and forward ordering and volume forecasting arrangements to ensure uninterrupted supply.

8. Recommendations

It is recommended that the contract for the provision of EQA materials be awarded to Euro-Trol BV for an initial five-year term, with the option to extend for up to a further two years in 12-month increments, at a total contract value of £4,410,000 (VAT exempt)

9. Contract Management

This contract will mirror the previous contract where WEQAS will order the vials when required. Spend will be reviewed as part of the contract management meetings to review usage and identify any unexpected creep/shortfalls in ordering patterns.

10. Approvals Process & Next Steps

The procurement outcome report will be circulated on docusign to be authorised by WEQAS and Finance to support the recommendation of award:

Jacob Stokes: Senior Procurement Business Manager
 Sarah Yellen: Assistant Head of Procurement
 Samantha Jones: Laboratory Manager
 Annette Thomas: Director of WEQAS

Upon full approval, a request for approval (RFA) and Board Paper will be created and submitted for consideration and approval at the January Board Meeting. Given the contract value the relevant WG approval paper will be submitted for approval to award contract. Approval from both Board and Welsh Government will then enable the Procurement team to formally award contract and publish the necessary contract award notices.

11. Contact Information

If you have any issues you wish to discuss, please do not hesitate to contact:

Prepared by	Charlie Webber Assistant Procurement Business Manager Charlie.Webber@wales.nhs.uk	Date	14/01/2026
Checked by	Jacob Stokes Senior Procurement Business Manager	Date	
Approved by	Sarah Yellen Assistant Head of Procurement	Date	15-Jan-26

12. Acceptance

Please confirm your acceptance to participate in this procurement and your agreement to the proposal either by e-mail or by signing and returning this Procurement Outcome Report.

NB. Your prompt response to this document is critical to maintain agreed timelines.

Agreement to participate:	
Cardiff & Vale University Health Board	
Designated Approver	
Title	
Agreement to Proceed <i>(if different from above)</i>	YES
Date	
I confirm acceptance of the outcome detailed in this report, and that the expenditure has an identified budget and will not cause any financial pressure which could result in the Organisation not delivering its financial breakeven duty.	
Cardiff & Vale University Health Board	
Designated Approver	Annette Thomas <i>Annette Thomas</i>
Title	Weqas Director
Agreement to Proceed <i>(if different from above)</i>	YES
Date	16-Jan-26
I confirm acceptance of the outcome detailed in this report, and that the expenditure has an identified budget and will not cause any financial pressure which could result in the Organisation not delivering its financial breakeven duty.	
Cardiff & Vale University Health Board	
Designated Approver	Robert Gordon <i>Robert Gordon</i>
Title	Senior Finance Business Partner
Agreement to Proceed <i>(if different from above)</i>	YES
Date	16-Jan-26
I confirm acceptance of the outcome detailed in this report, and that the expenditure has an identified budget and will not cause any financial pressure which could result in the Organisation not delivering its financial breakeven duty.	

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