

**United Kingdom-Liverpool: Smart card readers**  
**OJ S 88/2019 07/05/2019**  
**Contract award notice – utilities**  
**Supplies**

**Legal Basis:**

Directive 2014/25/EU

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**Section I: Contracting entity**

**I.1. Name and addresses**

Official name: Merseyrail Electrics 2002 Ltd  
Postal address: Rail House, Lord Nelson Street, Liverpool  
Town: Liverpool  
NUTS code: UKD North West (England)  
Postal code: L1 1JF  
Country: United Kingdom  
Contact person: Julia Jones  
E-mail: [jjones@merseyrail.org](mailto:jjones@merseyrail.org)  
Telephone: +44 1519552086  
**Internet address(es):**  
Main address: <http://www.merseyrail.org>

**I.6. Main activity**

Railway services

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**Section II: Object**

**II.1. Scope of the procurement**

**II.1.1. Title**

ITSO and Contactless Europay, Mastercard and Visa (EMV) Compliant Platform Validator (PVAL) Equipment and Associated Services

**II.1.2. Main CPV code**

30233300 Smart card readers - MA12 - MA08

**II.1.3. Type of contract**

Supplies

**II.1.4. Short description**

Merseyrail Electrics 2002 Ltd (Merseyrail) is currently working with the Merseyside Passenger Transport Executive (Merseytravel) to provide an integrated “smart ticketing” scheme across the Merseyrail estate. The “Smart” programme has identified a requirement for Integrated Transport Smartcard Organisation (ITSO) compliant platform validators (PVAL) equipment and associated services within Merseyrail stations. PVAL will be required in two forms: free standing and wall mounted, with hardwired power supply and ethernet connectivity. There will also be an optional requirement for wireless and mobile communication solutions. The

requirement includes the provision of equipment, hardware and software design, development, testing, installation services, maintenance and ongoing service support. Further information on this opportunity and about Merseyrail can be found at Section V1.3 Additional Information.

#### **II.1.6. Information about lots**

This contract is divided into lots: no

### **II.2. Description**

#### **II.2.2. Additional CPV code(s)**

30123100 Ticket-validation machines - MA12, 30162000 Smart cards, 60210000 Public transport services by railways

#### **II.2.3. Place of performance**

NUTS code: UKD North West (England)

Main site or place of performance: Potentially UK wide if the framework is called off by others as detailed at Section 11.2.4.

#### **II.2.4. Description of the procurement**

Merseyrail is currently working with Merseytravel to provide an integrated “smart ticketing” scheme across the Merseyrail estate. The “Smart” programme has identified a requirement for ITSO compliant Platform Validators (PVAL) equipment and associated services within Merseyrail stations. Merseyrail is offering the opportunity to provide this requirement. PVAL will be required in 2 forms – free standing and wall mounted, with hardwired power supply and ethernet connectivity. There will also be an optional requirement for wireless and mobile communication solutions. The requirement includes the provision of equipment, hardware and software design, development, testing and installation services. Maintenance and ongoing service support will also be required.

PVALs will conform to the ISO/IEC 14443 standard to allow reading of ITSO and Contactless Payment Cards (CPCs). They must also support the installation of an ITSO Security Application Module (ISAM), and be capable of interfacing with an ITSO Host or Operator Processing System (HOPS). PVALs shall operate within an ITSO infrastructure as defined by the ITSO 2.1.4 specification, ITSO on National Rail (NR) specification RSPS3002, and allow the collection and validation of ITSO products.

Merseyrail’s future vision is to allow customers to use CPCs for transit within, and potentially beyond, the Merseyrail area. This functionality will be delivered to ensure PVALs are EMV (Visa, MasterCard and American Express) enabled to read approved CPCs.

An integral part of the PVAL enablement is the requirement for CPC acceptance, this will include:

- EMV level 1 and 2 certification, and
- a tap landing area for the collection of CPC transaction data and provision of such data to an external fares and aggregation engine.

Adequate PCI DSS measures will be required within the PVAL unit and the tap landing Area to ensure the security of the cardholder data is not compromised.

To support the effective operation of PVALs an operational support system will be required to provide near real-time status of PVALs and the tap landing area and enable remote configuration and software updates.

The full specification, standards that need to be met and the approval requirements were provided at tender stage.

There is the potential for this framework to be called off by other Train Operating Companies (TOCs), Transport for the North (TfN), Department for Transport (DfT), Local Authorities and Transport Executives including but not limited to Merseytravel, Transport for Greater

Manchester (TfGM), West Yorkshire Combined Authority (WYCA) and South Yorkshire Passenger Transport Executive (SYLTE) across the length of the contract. A full list of TOCs can be found at <http://www.raildeliverygroup.com/about-us/governance/licensed-associate-members> detailed under the Licensed members column.

The estimated value stated in Sections V.2.4 of up to 10 000 000 GBP reflects the potential value if the framework is also called off from Merseytravel and a number of TOCs. The value detailed at Section II.1.7 is the value of the framework if only called off by Merseyrail.

There is no guaranteed of business under any resulting Framework Agreement or contract, indeed there is no guarantee that any Framework Agreement or contract will be put in place in relation to this notice. No compensation, etc. will be paid if a tender or resulting Framework Agreement is withdrawn for any reason.

#### **II.2.11. Information about options**

Options: no

#### **II.2.13. Information about European Union funds**

The procurement is related to a project and/or programme financed by European Union funds:  
no

#### **II.2.14. Additional information**

### **Section IV: Procedure**

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#### **IV.1. Description**

##### **IV.1.1. Type of procedure**

Negotiated procedure with prior call for competition

##### **IV.1.3. Information about a framework agreement or a dynamic purchasing system**

The procurement involves the establishment of a framework agreement

##### **IV.1.8. Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: no

#### **IV.2. Administrative information**

##### **IV.2.1. Previous publication concerning this procedure**

Notice number in the OJ S: [2017/S 147-305075](#)

##### **IV.2.8. Information about termination of dynamic purchasing system**

##### **IV.2.9. Information about termination of call for competition in the form of a periodic indicative notice**

The contracting entity will not award any further contracts based on the above periodic indicative notice

### **Section V: Award of contract**

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**Contract No:** 1

**Title:**

ITSO and Contactless Europay, Mastercard and Visa (EMV) Compliant Platform Validator (PVAL) Equipment and Associated Services

A contract/lot is awarded: yes

## **V.2. Award of contract**

### **V.2.1. Date of conclusion of the contract**

14/03/2019

### **V.2.2. Information about tenders**

Number of tenders received: 2

The contract has been awarded to a group of economic operators: no

### **V.2.3. Name and address of the contractor**

Official name: INIT Innovations in Transportation Ltd

Postal address: Price House, 37 Stoney Street, The Lace Market

Town: Nottingham

NUTS code: UKF14 Nottingham

Postal code: NG1 1LS

Country: United Kingdom

Internet address: [www.init.co.uk](http://www.init.co.uk)

The contractor is an SME: yes

### **V.2.4. Information on value of the contract/lot**

### **V.2.5. Information about subcontracting**

The contract is likely to be subcontracted Value or proportion likely to be subcontracted to third parties Proportion: 60 % Short description of the part of the contract to be subcontracted:

Generally, the projects are carried out jointly by several subsidiaries. INIT Ltd will receive all necessary support from INIT GmbH in carrying out the project.

### **V.2.6. Price paid for bargain purchases**

## **Section VI: Complementary information**

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### **VI.3. Additional information**

Merseyrail is an urban network of vital importance to the transport infrastructure of Liverpool and its environs, operating on the Wirral and Northern Lines within Merseyside. It is one of the most punctual and reliable railway networks in the UK, with consistently high scores for customer satisfaction.

At a glance:

- 75 route miles, outer termini at Southport, Ormskirk, Kirkby, Hunts Cross on the Northern Line, and New Brighton, West Kirby, Chester and Ellesmere Port on the Wirral Line.
- core city centre underground network, including 6,5 miles in tunnels and 5 underground stations, giving easy access to work, study, shopping and leisure.
- underground section includes the original Mersey railway tunnel opened in 1886,
- approximately 100 000 passenger journeys per weekday or 36 000 000 passenger journeys per annum,
- nearly 50 % of passengers are daily users,
- 67 stations of which 66 are managed by Merseyrail,
- one of the most intensively used networks in the UK with over 800 train services daily (Monday to Friday),
- clockface, regular interval timetable (15 minute frequencies, increasing to 5 minute on city centre sections),

- approximately 1200 staff,
- a fleet of 59 refurbished Class 507 and 508 trains.

Merseyrail is a unique concession in the UK as the Department for Transport has been delegated by Parliament to the Merseyside Passenger Transport Executive (Merseytravel) and the concession agreement is between Merseyrail and Merseytravel. This gives much better local control by local people of local services. Another unique feature is the length of the concession which is 25 years from 20.7.2003 with review dates along the way.

The concession is operated by Merseyrail Electrics 2002 Ltd, a 50/50 Joint Venture company between Serco and Abellio.

#### **VI.4. Procedures for review**

##### **VI.4.1. Review body**

Official name: Merseyrail Electrics 2002 Ltd  
Postal address: Rail House, Lord Nelson Street  
Town: Liverpool  
Postal code: L1 1JF  
Country: United Kingdom  
E-mail: [jjones@merseyrail.org](mailto:jjones@merseyrail.org)

##### **VI.4.2. Body responsible for mediation procedures**

Official name: See Section VI.4.1)  
Town: Liverpool  
Country: United Kingdom

##### **VI.4.3. Review procedure**

Precise information on deadline(s) for review procedures:

Merseyrail Electrics 2002 Ltd incorporated a standstill period, following award of the contract. The period commenced on the day following award notification, and was in accordance with The Utilities Contracts Regulations 2015, and all subsequent amendments and directives. At present, this standstill period shall be no less than 10 calendar days. This period allowed unsuccessful tenders to seek further debriefing from Merseyrail Electrics 2002 Ltd before the contract is entered into.

The Utilities Contracts Regulations 2015 provide for aggrieved parties who have been harmed, or at risk of harm by a breach of the rules, to take action. Any such action must be brought within 30 day (or the first working day thereafter) of the date when the aggrieved party knew or ought reasonably have known about the alleged breach. Where a contract has not been entered into, the court may order the setting aside of the award decision, or order the authority to amend any document and may award damages. If the contract has been entered into, the court may only award damages.

##### **VI.4.4. Service from which information about the review procedure may be obtained**

Official name: See Section VI.4.1)  
Town: Liverpool  
Country: United Kingdom

##### **VI.5. Date of dispatch of this notice**

02/05/2019