

**United Kingdom-Leeds: Banking services**

**OJ S 206/2018 25/10/2018**

**Contract notice**

**Services**

**Legal Basis:**

Directive 2014/24/EU

---

**Section I: Contracting authority**

**I.1. Name and addresses**

Official name: Transport for the North

Postal address: Ground Floor, West Gate, Grace Street

Town: Leeds

NUTS code: UK United Kingdom

Postal code: LS1 2RP

Country: United Kingdom

Contact person: All communications must be via the e-sourcing portal: Delta via <https://www.delta-esourcing.com/>

E-mail: [ist@transportfornorth.com](mailto:ist@transportfornorth.com)

Telephone: +44 1612440888

**Internet address(es):**

Main address: <http://www.transportfornorth.com/>

Address of the buyer profile: <https://www.delta-esourcing.com/>

**I.3. Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at: <https://www.delta-esourcing.com/respond/4XM6WJ22ZQ>

Additional information can be obtained from the abovementioned address

Tenders or requests to participate must be submitted electronically via: <https://www.delta-esourcing.com/respond/4XM6WJ22ZQ>

Tenders or requests to participate must be submitted to the abovementioned address

**I.4. Type of the contracting authority**

Other type: Sub-national transport body

**I.5. Main activity**

Other activity: Facilitation of Public Transport Services

---

**Section II: Object**

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

**II.1.1. Title**

Merchant Acquirer Services

**II.1.2. Main CPV code**

66110000 Banking services

**II.1.3. Type of contract**

Services

#### **II.1.4. Short description**

TfN is working in partnership with transport Operators, Local Transport Authorities and the Department of Transport on its Integrated and Smart Travel Programme to deliver a multi-operator, multi-modal account-based ticketing solution. Central to the programme's proposition is the Account-Based Back Office for Travel (ABBOT), a shared 'back office' to be used by third-party Operators which will collect information on all trips (across multiple Operators and transport modes initially in the North of England with the realistic potential to grow to a UK wide scope excl. London). The scope of this procurement is to appoint a Merchant Acquirer for ABBOT for the acceptance of contactless EMV bank cards or similar form of payment for integrated ticketing. Particular focus of this procurement will be processing of UKCA Model 1 and 2 transactions, and the minimisation of declined transactions to reduce the cost of sale of this retail channel as well as commercially attractive transaction fees.

#### **II.1.5. Estimated total value**

Value excluding VAT: 7 000 000,00 GBP

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

This contract is divided into lots: no

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

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

66110000 Banking services, 48217000 Transaction-processing software package, 48600000 Database and operating software package, 48000000 Software package and information systems, 48900000 Miscellaneous software package and computer systems, 72000000 IT services: consulting, software development, Internet and support, 30144400 Automatic fare collection, 66171000 Financial consultancy services, 66172000 Financial transaction processing and clearing-house services

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

NUTS code: UK United Kingdom

Main site or place of performance: United Kingdom

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

This Procurement will use a Competitive Procedure with Negotiation process. The Merchant Acquirer will provide merchant acquirer services and associated advisory services to TfN and a Special Purpose Vehicle (SPV) being constituted of the Commercial Operators in the North to manage and operate the scheme once developed. The scope of this procurement is:

- providing integration advice and support to TfN during the procurement of the main back-office service,
- processing UKCA Aggregated PAYG (Model 2) transactions as specifically implemented by each supported card scheme (Visa/Mastercard/Amex),
- processing Account Verification requests appropriate to each supported card scheme,
- providing the capability for customers to link their mobile device with their transit account, without knowledge of the underlying device PAN (supported DPAN),
- supporting UKCA Single PAYG (Model 1) transactions, specifically the capability to support delayed authorisation,
- monitoring and reporting financial transactions.

The Merchant Acquirer will be an integral advisor alongside TfN in procuring the Account Based Back Office for Travel contract and provide consultation to Operators on their

processes and equipment to be compatible with the end-to-end service and processes. TfN has appointed Qualified Security Assessor partner, and the Merchant Acquirer Services partner will be expected to work closely with them.

#### **II.2.5. Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6. Estimated value**

Value excluding VAT: 7 000 000,00 GBP

#### **II.2.7. Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months: 42

This contract is subject to renewal: no

#### **II.2.9. Information about the limits on the number of candidates to be invited**

Envisaged minimum number: 2Maximum number: 4

#### **II.2.10. Information about variants**

Variants will be accepted: no

#### **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**

The contract value is based on TfN's 3 scenarios on volume/usage in relation to the service:

- Base Business Case,
- Low Take-up Assumption and
- Low Take-up Assumption with accelerated rail implementation; and
- estimated annual transactions calculated over a period of 3 years.

On this basis, the final contract value could be subject to change given that actual volumes could be higher or lower.

### **Section III: Legal, economic, financial and technical information**

---

#### **III.1. Conditions for participation**

##### **III.1.2. Economic and financial standing**

Selection criteria as stated in the procurement documents

##### **III.1.3. Technical and professional ability**

Selection criteria as stated in the procurement documents

#### **III.2. Conditions related to the contract**

##### **III.2.2. Contract performance conditions**

It is expected that the Merchant Acquirer will enter into a bipartite agreement initially with TfN for advisory services which would then novate to the Special Purpose Vehicle (SPV) for the run services. The SPV will be constituted and managed by Commercial Operators and Local Transport Authority representatives (along with TfN in its statutory capacity as the Sub-

National Transport Body for the North) across all transit modes in the North and will be limited by guarantee.

## **Section IV: Procedure**

---

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

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

Competitive procedure with negotiation Accelerated procedure Justification:

Through a series of detailed market engagements TfN has established that the potential supply market capable of meeting TfN's mandatory requirements is small. As such several interested Merchant Acquirers have waived the opportunity to progress with TfN's engagement as they are unable to meet the mandatory positions discussed at length with the market as a whole and in specific one-to-one sessions with Potential Bidders.

In addition, a large proportion of MA contracts are mandated positions from either the Card Schemes or from the Financial Regulator. As such, TfN has been able to formulate a draft Merchant Service Agreement which takes into account this position with a TfN-specific front-end to cover its requirements. This approach greatly reduces the amount of negotiation needed for this contract Furthermore, TfN has articulated its intent to follow an accelerated procedure with the Potential Bidders all of whom have supported the approach and timescales this would result in.

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

#### **IV.1.5. Information about negotiation**

The contracting authority reserves the right to award the contract on the basis of the initial tenders without conducting negotiations

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

The procurement is covered by the Government Procurement Agreement: yes

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

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

Notice number in the OJ S: [2018/S 105-239621](#)

#### **IV.2.2. Time limit for receipt of tenders or requests to participate**

Date: 27/11/2018 Local time: 12:00

#### **IV.2.3. Estimated date of dispatch of invitations to tender or to participate to selected candidates**

Date: 08/01/2019

#### **IV.2.4. Languages in which tenders or requests to participate may be submitted**

English

#### **IV.2.6. Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 6 (from the date stated for receipt of tender)

## **Section VI: Complementary information**

---

### **VI.1. Information about recurrence**

This is a recurrent procurement: no

## **VI.2. Information about electronic workflows**

Electronic ordering will be used  
Electronic invoicing will be accepted  
Electronic payment will be used

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

The Contracting Authority considers that this contract may be suitable for economic operators that are Small or Medium Enterprises (SMEs). However, any selection of tenderers will be based solely on the criteria set out for the procurement.

TfN has adopted the use of a web-based 'e-tendering' tool Delta-eSourcing to manage this procurement. Therefore, your tender must be submitted by this means.

Any communication concerning this procurement must be submitted through Delta-eSourcing portal. Organisations wishing to be considered for appointment as a provider of these services must submit a completed response form in compliance with the instructions and before the prescribed deadline.

TfN reserves the right to:

- (i) withdraw from the procurement process; and/or
- (ii) not to award any contract resulting from the competition called for by this notice; and/or
- (iii) to make whatever changes it may see fit to the structure, timing and dates of the competition. TfN shall not be liable for any costs or expenses incurred by any candidates in considering and/or responding to the procurement process.

All correspondence will be conducted in English. Tenders and supporting documents must be priced in Pounds Sterling and all payments under the contract will be made in Pounds Sterling.

For more information about this opportunity, please visit the Delta eSourcing portal at:

<https://www.delta-esourcing.com/tenders/UK-UK-Leeds:-Banking-services./4XM6WJ22ZQ>

To respond to this opportunity, please click here:

<https://www.delta-esourcing.com/respond/4XM6WJ22ZQ>

GO Reference: GO-20181022-PRO-13421011

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

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

Official name: Transport for the North

Postal address: Ground Floor, West Gate, Grace Street

Town: Leeds

Postal code: LS1 2RP

Country: United Kingdom

E-mail: [IST@transportfornorth.com](mailto:IST@transportfornorth.com)

Telephone: +44 1612440888

Internet address: [www.transportfornorth.com](http://www.transportfornorth.com)

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

Official name: Transport for the North

Postal address: Ground Floor, West Gate, Grace Street

Town: Leeds

Postal code: LSI 2RP

Country: United Kingdom

E-mail: [IST@transportfornorth.com](mailto:IST@transportfornorth.com)

Telephone: +44 1612440888

Internet address: [www.transportfornorth.com](http://www.transportfornorth.com)

## **VI.5.**

**Date of dispatch of this notice**

22/10/2018