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Tender

Conversational AI Platform

Department for Work & Pensions

UK4: Tender notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2026/S 000-000007

Procurement identifier (OCID): ocds-h6vhtk-0547fa ([view related notices](#))

Published 2 January 2026, 9:53am

Scope

Reference

C7876

Description

The Department for Work and Pensions (DWP) ("the Authority") is responsible for welfare, pensions, and child maintenance policy within the UK. As the UK's biggest public service department, it administers the State Pension and a range of working age and disability benefits to around 20 million UK citizens. The Authority is committed to doing everything it can to enhance the overall citizen experience. Citizens contact the Authority wishing to start, validate, change or query their benefit claims.

Citizens calling from within the UK contact the Authority via free of charge Non-Geographic Numbers ("NGNs") or via web chat when wishing to discuss their individual circumstances with regards to a type of service/benefit they have with the Authority.

NGNs are currently answered by advisors within the Authority's contact centre, which is the largest platform of its kind across all UK government departments and is one of the largest in Europe. The contact centre managed service ensures that all twenty-seven

business groups, spread across around 200 locations, can connect with and support citizens, whilst also offering specialist services such as debt recovery and support for citizens with complex needs.

Conversational AI Platform (“CaiP”) is a natural language call steering (“NLCS”) solution which allows citizens to speak naturally to the platform so it can determine why our citizens are calling. This enables the guiding of the citizen to the most effective outcome, whether that is to the right agent first time or to personalised call deflection and/or self-service offerings. This should enhance the citizen experience and produce operational efficiencies. The CaiP service will integrate with the Authority’s contact centre to help better serve millions of citizens by improving how DWP handles inbound calls, route queries intelligently, and offer self-service options.

Total value (estimated)

- £19,500,000 excluding VAT
- £23,400,000 including VAT

Above the relevant threshold

Contract dates (estimated)

- 6 July 2026 to 5 July 2030
- Possible extension to 5 July 2032
- 6 years

Description of possible extension:

Two separate 12-month extensions

Main procurement category

Services

CPV classifications

- 48512000 - Interactive voice response software package
- 79512000 - Call centre
- 64227000 - Integrated telecommunications services
- 72000000 - IT services: consulting, software development, Internet and support

Contract locations

- UK - United Kingdom

Justification for not using lots

The Authority has considered whether the Services could reasonably be supplied under more than one contract by dividing the procurement into lots. The Authority has concluded that splitting the procurement into lots could make the requirement disproportionately expensive to manage and increase the technical risk to deliver the requirement. The Services will be supplied under one contract.

Participation

Legal and financial capacity conditions of participation

Legal

The Authority intends to use the GOV.UK Mid-Tier Contract as the basis for this Contract amended only to the extent required to accommodate the specific needs of this procurement, and to incorporate the Tender response of the preferred Supplier. The Supplier is required to confirm acceptance of this approach in principle. The Supplier is required to confirm that they have in place, or that they will have in place by the award of

the Contract, the human and technical resources to perform the Contract to ensure compliance with the UK General Data Protection Regulation and the Data Protection Act 2018 and to ensure the protection of the rights of data subjects.

Financial

The Supplier is required to complete the Financial Viability and Risk Assessment Tool (FVRAT) (with input from any Related Persons and/or Sub-Contractors and/or Guarantors) that is included in the Portal library.

Insurance

The Supplier is required to confirm that they already have, or can commit to obtain, prior to the award of the contract, the levels of insurance cover indicated below:

- a) Employer's Liability Insurance = Not less than £10 million per claim.
- b) Third Party Public and Product Liability Insurance = Not less than £25 million in respect of any one occurrence, the number of occurrences being unlimited in any annual policy period, but £15 million in the aggregate per annum in respect of products and pollution liability.
- c) Professional Indemnity Insurance = for a potential breach of professional duty by the Supplier in connection with professional advice and /or professional services, not less than £10 million per claim and such policy to be maintained for 6 years following the End Date.
- d) Cyber Liability Insurance = for cyber risk exposures, not less than £10 million per claim.
- e) Fidelity Insurance = in respect of the loss, theft or misappropriation of sums appropriate to the Contract while such sums are in the possession of the Supplier, not less than £1 million per claim.

Technical ability conditions of participation

The Supplier must confirm that any proposed solution will be UK-shored in a dedicated cloud environment, compliant with:

- a) The Authority's procurement policies and procedures including the security policies and standards detailed within the following links:
<https://www.gov.uk/government/collections/dwp-procurement-policies-and-procedures>:

and,

[https://www.gov.uk/government/publications/dwp-procurement-security-policies-and-standards.](https://www.gov.uk/government/publications/dwp-procurement-security-policies-and-standards)

b) HMG security policy framework detailed within the following link:

[https://www.gov.uk/government/publications/security-policy-framework/hmg-security-policy-framework.](https://www.gov.uk/government/publications/security-policy-framework/hmg-security-policy-framework)

c) National Institute of Standards and Technology (NIST) and National Cyber Security Centre (NCSC) standards (e.g. FIPS 140-2, SP 800-175B, SP 800-67).

d) 'The Public Sector Bodies (Websites and Mobile Applications) (No.2) Accessibility Regulations 2018' in line with the HM Government's Technology Code of Practice point 2 detailed in the following link: <https://www.gov.uk/guidance/make-things-accessible> which currently requires WCAG 2.2 AA standard as a minimum.

Particular suitability

Small and medium-sized enterprises (SME)

Submission

Enquiry deadline

16 January 2026, 12:00pm

Submission type

Requests to participate

Deadline for requests to participate

2 February 2026, 10:00am

Submission address and any special instructions

The Authority will be administering the Procurement electronically via the Portal. All communications with the Authority must be conducted via the Portal, which can be accessed here: <https://dwp2.my.site.com/s/Welcome>

The Instructions to Suppliers have been specifically designed to be compatible with the Authority's e-Procurement requirements and must not, under any circumstances, be altered by Suppliers.

The Authority will provide Supplier response templates for all aspects of the procurement process, covering both the PSQ and Tender stages, including templates for every scored question. Templates will be available on the Portal within the folder titled "Response Templates" that is appropriate to the stage. This includes Tender templates for each of the Appendices to this document that are required to be submitted as part of that stage.

Suppliers must adhere to all instructions specified in the Instructions to Suppliers when submitting their responses to both the PSQ and Tender.

Tenders may be submitted electronically

Yes

Languages that may be used for submission

English

Suppliers to be invited to tender

Maximum 5 suppliers

Selection criteria:

The evaluation framework and selection criteria, including the ITP Stage down-selection and ITT Stage award criteria, are fully set out within the ITS document. The ITP Stage and ITT Stage criteria differ. For example, price will only be considered at Tender Stage.

The Authority will assess each ITP response as follows:

a) Information only questions

Suppliers are required to respond to all questions (even ones marked 'For Information Only') and to ensure that they are completed in full, and in the format requested. Failure to do so may result in the Supplier being disqualified from further participation in the procurement. If the question does not apply to your organisation, please state clearly "N/A". The Supplier is asked to provide basic background information about their organisation, any Associated Persons and any subcontractors who may be engaged as part of the proposed supply chain.

b) Pass or Fail questions

All the "Conditions of Participation" set out in paragraph 13.6 will be assessed using the Pass/Fail criteria. A "Pass" will be achieved where Suppliers achieve the minimum standard set by a question; or provide information requested by the question. A "Fail" will result from a failure to achieve the minimum standard; or failing to provide information where this is required. In the event of a failure, the Authority reserves the right to exclude the Supplier from the procurement.

c) Scored questions

The scored questions focused on technical ability explore the approach the Supplier adopted to the delivery of 3 comparable case studies. The associated questions are summarised below and, will be scored on a scale of 0 to 6. These scores will be then weighted as shown in brackets (totalling 100%) and summed for comparison purposes:

- i) Case Study Overview (15.0%)
- ii) Solution Design (25.0%)
- iii) Implementation and Transition (20.0%)
- iv) Tuning and Continuous Improvement (12.5%)
- v) Integration (15.0%)
- vi) Service Delivery (12.5%)

Award decision date (estimated)

1 June 2026

Recurring procurement

Publication date of next tender notice (estimated): 7 January 2030

Award criteria

Name	Description	Type
Price per Quality Point (PQP)	The Price per Quality Point (PQP) will be calculated by dividing the Whole Life Cost by the Total Quality Score. The qualifying Supplier with the lowest PQP score will be awarded the Contract. In the event of more than one Supplier having the same lowest PQP score, the Supplier with the highest Total Quality Score will be awarded the Contract.	Price

Weighting description

Please refer to the Instruction to Suppliers (ITS) document, specifically paragraphs 13.28 to 13.34, which fully set out the Stage 2 - Invitation to Tender (ITT) award criteria, including the question weightings and minimum scores.

Other information

Payment terms

Please refer to the Contract documents, including the Award Form, Core Terms clause 4 and Schedule 18 (Prompt Payment).

Description of risks to contract performance

The Authority has identified the following known risks which satisfy the description at paragraph 6(a) of Schedule 8 of the Procurement Act 2023, because if they arise, either individually or otherwise, they could jeopardise the satisfactory performance of the contract and, because of their nature, cannot be addressed unambiguously in the draft contract. They are therefore intended to be permitted modifications pursuant to Schedule 8 Procurement Act 2023:

- a) Government changes to welfare policy not covered by the qualifying change in law provisions in the draft contract, and
- b) Changes required due to government re-organisation, including as a consequence of devolution.

Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Competitive flexible procedure

Competitive flexible procedure description

This procurement is being conducted in accordance with the Procurement Act 2023. 12.1 This Competitive Flexible Procedure will be conducted in two (2) stages: Stage 1 - Invitation to Participate (ITP), and Stage 2 - Invitation to submit a Tender (ITT).

1) ITP Stage

Stage 1 commences with the issuing of this Tender Notice and the publication of the attached Instructions to Suppliers (ITS) document. A Procurement Specific Questionnaire (PSQ) is available on the Portal which all Suppliers are required to complete and return in accordance with the procurement timetable and instructions within the ITS document. The PSQ will contain a mixture of informational, pass/fail and scored requirements. The pass/fail questions will be based on the Conditions of Participation, which must be met for a Supplier to advance to the tender stage. The scored component will focus on technical and professional ability.

Alongside the PSQ response, Suppliers will be required to submit, a signed Non-Disclosure Agreement (NDA), a completed Financial Viability Risk Assessment Tool (FVRAT). If any potential conflicts are identified by any party (the Authority, the Supplier, or a 3rd party) Suppliers may also be required to sign an Ethical Wall Agreement (EWA). The EWA should be accompanied by a letter from the Supplier to the Authority setting out the identified risks and associated mitigating actions that the Supplier has put in place. NDA, FVRAT, and EWA templates will also be available on the Portal, alongside the draft Contract which will contain the required service specification, performance levels and outline implementation plan.

The assessment of these ITP responses will identify the five (5) highest scoring qualifying Suppliers (and in the event of a tie for fifth place, those Suppliers with the same score) to be invited to participate in Stage 2 (Invitation to Tender).

2) ITT Stage

Stage 2 will commence with the issuing of a letter inviting Suppliers that have been successfully shortlisted at Stage 1 (Invitation to Participate) to submit their Tenders. Tenders must be submitted in accordance with the timetable and instructions set out in this ITS document and any additional information provided.

Shortlisted Suppliers will be invited to formally respond to a set of Quality questions and submit pricing in the form of a Financial Model. The Authority will conduct an assessment of all Tenders in order to identify the Supplier which has submitted the most advantageous Tender in accordance with the assessment methodology and Award

Criteria set out in this Tender Notice and described in the ITS document. In carrying out this assessment, the Authority will disregard any Tender from a Supplier that does not satisfy the Conditions of Participation.

Once the assessment has concluded, the Authority will provide an assessment summary to all Suppliers that submitted Tenders to inform them if they have been successful in being awarded the Contract, or otherwise, in accordance with the requirements of the Act. The Authority will then publish a contract award notice to commence the Standstill Period, and Stage 2 will end with the Authority entering into the Contract. The Authority reserves the right not to award any contract and neither the Authority nor its advisors nor any third party will be so liable to the Supplier.

Documents

Documents to be provided after the tender notice

Any additional documentation will be added to the Portal.

Contracting authority

Department for Work & Pensions

- Public Procurement Organisation Number: PJCP-7274-TLRQ

Caxton House, 6-12 Tothill Street, London, SW1H 9NA

London

SW1H 9NA

United Kingdom

Email: cp.commercial@dwp.gov.uk

Website: <https://www.gov.uk/government/organisations/department-for-work-pensions>

Region: UKI32 - Westminster

Organisation type: Public authority - central government