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Tender

## **Rail Delivery Group (RDG) Central Back Office (CBO) HOPS**

RAIL DELIVERY GROUP LIMITED

F05: Contract notice – utilities

Notice identifier: 2021/S 000-003046

Procurement identifier (OCID): ocids-h6vhtk-02934d

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### **Section I: Contracting entity**

#### **I.1) Name and addresses**

RAIL DELIVERY GROUP LIMITED

2nd Floor, 200 Aldersgate Street,

London

EC1A 4HD

#### **Contact**

Sam Stevens

#### **Email**

[sam.stevens@raildeliverygroup.com](mailto:sam.stevens@raildeliverygroup.com)

#### **Telephone**

+44 7917506440

#### **Country**

United Kingdom

**NUTS code**

UKI - LONDON

**Internet address(es)**

Main address

<https://www.raildeliverygroup.com/>

**I.3) Communication**

Access to the procurement documents is restricted. Further information can be obtained at

<https://procurement.raildeliverygroup.com/>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://procurement.raildeliverygroup.com/>

**I.6) Main activity**

Railway services

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**Section II: Object**

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

**II.1.1) Title**

Rail Delivery Group (RDG) Central Back Office (CBO) HOPS

Reference number

please email [sam.stevens@raildeliverygroup.com](mailto:sam.stevens@raildeliverygroup.com) for access to documents

**II.1.2) Main CPV code**

- 72900000 - Computer back-up and catalogue conversion services

### **II.1.3) Type of contract**

Services

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

Rail Delivery Group (RDG) wishes to replace our Host Operator or Processing System (HOPS) and invites Bidders to demonstrate their capabilities for providing an innovative proposal in line with the requirements detailed within this specification.

There will be three phases for this work:

- 1) Replace existing solution;
- 2) Design and build of the additional requirements defined in the SOR; and
- 3) To provide ongoing support, maintenance and development to the HOPS.

RDG envisages the contract to cover the design and build elements as well as the support and maintenance, as Product enhancements are released iteratively. RDG is looking for the contract to have an initial term of four years, with the ability to extend for up to a further three years, either as whole or as increments.

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

This contract is divided into lots: No

## **II.2) Description**

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

NUTS codes

- UKI - LONDON

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

#### **4.1 Rail Delivery Group (RDG)**

RDG is a membership organisation that brings together the companies that run Britain's railway into a single team with one goal, to deliver a better railway. Modernising ticketing and improving the customer journey are top priorities for passengers and the industry.

The railway is the backbone of the economy, moving people and goods across the cities, regions and nations of Britain.

All of the passenger and freight rail companies are members of the RDG, as well as Network Rail and HS2. RDG provides services and support to enable our members to succeed in transforming and delivering a successful railway, benefiting passengers, taxpayers and the economy.

#### 4.2 Industry Vision and Strategy

There are a number of ongoing industry and government reviews and strategies being developed around the future vision for Customers, ticketing and the industry.

The Williams Review is likely to bring about large-scale changes to the rail industry. Indications are that there will be a focus on improving accountability and ending the fragmentation of industry systems. Evidence from the review specifically calls out the ticketing system as an example of this issue being borne out.

Regardless of the future structure of the industry, Customers will need to use tickets to travel (or an alternative way to authenticate travel) and an organisation will need to guide stakeholders to develop a coherent Customer proposition. RDG has co-ordinated industry thinking in this area and established the following vision: 'Making travel the simple, easy and tailored experience that Customer's want', which is aligned to Customer outcomes within RDG's corporate strategic plan.

This aims to fulfil the government's objective to 'ensure that passengers across the network can use mobile phones, barcodes and Smartcards across almost all of the network'.

#### 4.3 Smart Ticketing

There were 1.75 billion rail journeys across the UK in 2019, made with a ticket bought online, from one of the 2,500 ticket offices across the country, or by using their contactless credit or debit card as a token.

The UK Government defined standard for nationally accepted Smartcard ticketing in the UK is ITSO.

ITSO smart ticketing is a system that electronically stores a travel ticket on a microchip, which is then usually embedded on a Smartcard. This offers more convenience and flexibility for passengers, allowing seamless connections across different modes of transport and helping reduce ticket queues and crowding at transport interchanges.

In 2019, ITSO Smartcard tickets accounted for circa 7% of all ticket sales and circa 37%

of season tickets.

#### 4.4 Central Back Office (CBO)

The CBO is a rail-industry shared service, managed and operated by RDG to enable, support and innovate the use of ITSO-based smart ticketing solutions across multiple service operators' routes. This improves the TOCs' ability to provide flexible options, better passenger experience, and increased traveller mobility.

The CBO supports, or is interoperable with, all ITSO passenger rail schemes in Great Britain. It currently provides services to 14 TOCs and is interoperable with Govia Thameslink Railway (GTR), ScotRail and Transport for London (TfL) back offices. Merseyrail is partially integrated with the CBO. Other rail organisations such as Open Access Operators may also be onboarded or integrated during the lifetime of the new contract. Third Party Retailers are supported via a separate HOPS, which is not in scope for this RFP, but may be a requirement in the future.

#### 4.5 Smart Ticketing Hub Concept

The continued provision of ITSO Smartcard ticketing services to the industry is a priority for RDG in the forthcoming years. RDG has developed proposals to align its systems to the strategic direction of the industry, outlined in documentation such as the 'Easier Fares for All' report.

This strategy exploits the following opportunities:

1. To simplify the ticketing offer (Product types and fulfilment methods). At present, there are four main Product fulfilment methods:

- Paper (magnetic stripe credit card sized tickets);
- Smartcard (ITSO);
- Barcode; and
- Contactless/EMV (Europay Mastercard Visa).

The industry wishes to retire paper tickets. To achieve this, the smart ticketing media offering must be broadened to match the current paper ticket coverage that meets the needs of all demographics.

2. To support Account Based Ticketing (ABT), Pay-as-You-Go (PAYG), Smart Ticketing on Mobile (SToM) and the rail element of multi-modal travel, by bringing all 'taps' together in a single place and processing them consistently.

3. To improve the collection and analysis of rich data.

4. To simplify Customer access to a personalised rail service to meet their intersecting travel needs.

The Smart Ticketing Hub is part of the wider fares and ticketing strategy and will manage the acceptance and verification of Products across the National Rail network irrespective of ticket media, issuer or location, with a focus on ensuring:

- All verification methods are supported.
- A combination of local data and that provided within the smart media provides enough information to determine whether the smart media contains a Product that is valid for travel.
- All information is collected and made available to operators to facilitate operations and customer services.
- Interoperability to ensure a passenger's entitlement to travel and media can be used widely, thus inspiring trust and journey transparency.
- A simple and consistent Customer experience across operators and devices.

The Smart Ticketing Hub architecture must be modular in design, to allow the industry to deliver:

- Flexibility of Product and service provision for passengers in line with future fares industry reforms.
- Simplicity of passenger choice and ease of use, straightforward operational services for Participant staff and simplified service provision for RDG.
- Future-proof through new functionality development using a common platform and in line with the industry standards.

#### 4.6 Smart Ticketing Hub Design Principles

The principles used when making design decisions are:

1. Minimise the costs of 'ticketing' whilst enhancing the customer value proposition;
2. Minimise the overall day-to-day management of infrastructure;
3. Make use of existing smart ticketing infrastructure, plan for, but do not rely on always-

on comms;

4. Aspire for intelligent back office and dumb devices;
5. Develop a token-agnostic back office to facilitate the implementation of Account Based Ticketing irrespective of the media used;
6. Have a single Customer account view inclusive of all varying media and
7. Ensure the outcome is deliverable.

RDG's approach to design can be characterised as aspiring for a centralised, component-based back office platform, that incorporates current and future ticketing authentication methods and leverages core shared services.

#### 4.7 Smart Ticketing Hub Procurement Drivers

The procurement of a HOPS service is a priority for RDG due to:

1. Existing contracts expire in December 2021;
2. The current infrastructure is not suitable for achieving the improvements that the industry requires;
3. The infrastructure needs to be secure, scalable, robust, resilient and reliable.

RDG are looking to replace their current HOPS and as such is looking for Bidders that can provide the following:

- 1) Replace existing solution;
- 2) Design and build of the additional requirements defined in the SOR; and
- 3) To provide ongoing support, maintenance and development to the HOPS.

RDG envisages the contract to cover the design and build elements as well as the support and maintenance, as Product enhancements are released iteratively. RDG is looking for the contract to have an initial term of four years, with the ability to extend for up to a further three years, either as whole or as increments.

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

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

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

Duration in months

48

This contract is subject to renewal

Yes

Description of renewals

RDG is looking for the contract to have an initial term of four years, with the ability to extend for up to a further three years, either as whole or as increments of the three years.

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

Envisaged minimum number: 3

Maximum number: 5

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

Variants will be accepted: Yes

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

Options: Yes

Description of options

RDG is looking for the contract to have an initial term of four years, with the ability to extend for up to a further three years, either as whole or as increments.

### **II.2.12) Information about electronic catalogues**

Tenders must be presented in the form of electronic catalogues or include an electronic catalogue



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

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

#### **III.1.1) Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers**

List and brief description of conditions

Experience in providing a Host Operating or Processing System (HOPS) to UK Public Transport Industry.

Must be a certified ITSO member

See documentation for further information, by expressing your interest with [sam.stevens@raildeliverygroup.com](mailto:sam.stevens@raildeliverygroup.com)

#### **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.1.4) Objective rules and criteria for participation**

List and brief description of rules and criteria

See documentation, available by expressing interest with [sam.stevens@raildeliverygroup.com](mailto:sam.stevens@raildeliverygroup.com)

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## **Section IV. Procedure**

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

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

Negotiated procedure with prior call for competition

#### **IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue**

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

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

Date

15 March 2021

Local time

11:00pm

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

19 April 2021

#### **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)

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## **Section VI. Complementary information**

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

This is a recurrent procurement: No

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

Please contact Sam Stevens, Procurement Lead, at RDG, should you wish access to the SQ & RFP documentation at [sam.stevens@raildeliverygroup.com](mailto:sam.stevens@raildeliverygroup.com) by 15th March, 2021.

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

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

Rail Delivery Group Limited

2nd Floor, 200 Aldersgate Street,

London

EC1A 4HD

Email

[sam.stevens@raildeliverygroup.com](mailto:sam.stevens@raildeliverygroup.com)

Telephone

+44 7917506440

Country

United Kingdom

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

Precise information on deadline(s) for review procedures

Please see documentation. You can request access by emailing [sam.stevens@raildeliverygroup.com](mailto:sam.stevens@raildeliverygroup.com).