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Planning

Payment Exception Service

Department for Work and Pensions

UK3: Planned procurement notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2025/S 000-010576

Procurement identifier (OCID): ocds-h6vhtk-04f71a ([view related notices](#))

Published 21 March 2025, 10:00am

Scope

Reference

PA23 PES

Description

Payment Exception Service is a cash-out over the counter service required to fulfil the Secretary of State obligation to pay benefit and pensions payments on time, on the due date, to the correct customer.

The service supports unbanked customers to receive payment of entitlement through an alternate method of payment.

The new service will include Lots 1) Cash Disbursement Service 2) Supporting Financial Inclusion

Total value (estimated)

- £25,000,000 excluding VAT
- £30,000,000 including VAT

Above the relevant threshold

Contract dates (estimated)

- 26 January 2026 to 25 January 2031
- Possible extension to 7 December 2033
- 7 years, 10 months, 13 days

Description of possible extension:

Allow the safe transition across to a replacement service and provides payment continuity to customers.

Main procurement category

Services

CPV classifications

- 66000000 - Financial and insurance services

Contract locations

- UK - United Kingdom
-

Lot 1. Cash Disbursement Service

Description

Service to be accessible nationwide to deliver a cash out disbursement

Lot value (estimated)

- £20,000,000 excluding VAT
- £24,000,000 including VAT

Same for all lots

CPV classifications, contract locations and contract dates are shown in the Scope section, because they are the same for all lots.

Lot 2. Supporting Financial Inclusion

Description

Support customers to move across to standard banking products

Lot value (estimated)

- £5,000,000 excluding VAT

- £6,000,000 including VAT

Same for all lots

CPV classifications, contract locations and contract dates are shown in the Scope section, because they are the same for all lots.

Submission

Publication date of tender notice (estimated)

10 July 2025

Enquiry deadline

7 August 2025, 11:59pm

Submission type

Tenders

Tender submission deadline

21 August 2025, 11:59pm

Tenders may be submitted electronically

Yes

Languages that may be used for submission

English

Award decision date (estimated)

26 January 2026

Award criteria

Lot 1. Cash Disbursement Service

Name	Type
Quality	Quality

Weighting description

Tender will be awarded based on technical ability, innovation, quality, price, social value

Lot 2. Supporting Financial Inclusion

Name	Type
Quality	Quality
Price	Price
Social Value	Quality

Weighting description

Tender will be awarded based on technical ability, innovation, quality, price, social value

Procedure

Procedure type

Competitive flexible procedure

Contracting authority

Department for Work and Pensions

- Public Procurement Organisation Number: PJCP-7274-TLRQ

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Region: UKD42 - Blackpool

Organisation type: Public authority - central government