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## **Expanding Pay As You Go on Rail in the South East**

Department for Transport

F15: Voluntary ex ante transparency notice

Notice identifier: 2021/S 000-030896

Procurement identifier (OCID): ocids-h6vhtk-030027

Published 10 December 2021, 10:45pm

### **Section I: Contracting authority/entity**

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

Department for Transport

Great Minster House, 33 Horseferry Road

London

SW1P 4DR

#### **Email**

[RailPayasyougo@dft.gov.uk](mailto:RailPayasyougo@dft.gov.uk)

#### **Country**

United Kingdom

#### **NUTS code**

UK - United Kingdom

#### **Internet address(es)**

Main address

[www.dft.gov.uk](http://www.dft.gov.uk)

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

National or federal Agency/Office

#### **I.5) Main activity**

General public services

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## **Section II: Object**

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

#### **II.1.1) Title**

Expanding Pay As You Go on Rail in the South East

Reference number

TROP0016

#### **II.1.2) Main CPV code**

- 34980000 - Transport tickets

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

Supplies

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

The Rail Group's Passenger Services Directorate within the Department for Transport ("DfT") is planning the expansion of Pay As You Go (PAYG) rail ticketing in the South East of England, following publication of the Williams-Shapps Plan for Rail. Following a consultation held in 2019, the DfT settled on an expanded geography that will see circa 233 new stations converting to a new EMV based contactless payment system. The Government's timetable for implementation requires the majority of the extension stations to be delivered by May 2024, with extension of PAYG to all stations completed by the end of 2024. The contactless payment system will also need to seamlessly integrate with the existing Transport Trading Limited ("TTL")/TOC CPAY area in order to allow passengers to travel to/from London using a single tap in/tap out with their bank card. TTL is a wholly owned subsidiary of Transport for London ("TfL"). The project therefore requires a

technical solution that can be deployed and integrated successfully within the existing operating environment to achieve the DfT's required objectives.

The DfT is publishing this transparency notice to inform suppliers of its intention to grant funding to TTL for the delivery of a new EMV-based contactless payment system across circa 233 stations in the South East of England. TTL will deliver the required PAYG solution, subcontracting the provision of on-station validation equipment to Cubic Transportation Systems Limited ("Cubic"), a provider of PAYG services to TfL under the existing Revenue Collection Contract.

Entry into the contract will take place following a period of at least 30 days from the date of publication of this notice.

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

This contract is divided into lots: No

#### **II.1.7) Total value of the procurement (excluding VAT)**

Value excluding VAT: £68,100,000

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

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

- 60210000 - Public transport services by railways

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

NUTS codes

- UK - United Kingdom

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

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#### **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

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## Section IV. Procedure

### IV.1) Description

#### IV.1.1) Type of procedure

Negotiated without a prior call for competition

- The products involved are manufactured purely for the purpose of research, experiment, study or development
- The works, supplies or services can be provided only by a particular economic operator for the following reason:
  - absence of competition for technical reasons

Explanation:

The Department for Transport (DfT) held a market engagement day with potential suppliers of the required PAYG solution on 7 September 2021 and followed this up with a questionnaire to potential suppliers. The DfT reviewed responses to the questionnaire and has concluded that there is an absence of competition for technical reasons. The potential options for delivery of the required PAYG solution proposed by respondents to the questionnaire did not in the DfT's judgment constitute alternative, effective methods of delivering the required PAYG solution in a way that would meet the DfT's objectives (as outlined above, including timeframe for delivery, seamless integration, risk transfer and/or delivery itself).

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

The procurement is covered by the Government Procurement Agreement: Yes

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## Section V. Award of contract/concession

### Contract No

TROP0016

### Title

Expanding Pay As You Go on Rail in the South East

A contract/lot is awarded: Yes

## **V.2) Award of contract/concession**

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

9 December 2021

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

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

### **V.2.3) Name and address of the contractor/concessionaire**

Transport Trading Limited (TTL)

5 Endeavour Square

London

E20 1JN

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor/concessionaire is an SME

No

### **V.2.4) Information on value of contract/lot/concession (excluding VAT)**

Total value of the contract/lot/concession: £68,100,000

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

The contract/lot/concession is likely to be subcontracted

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## **Section VI. Complementary information**

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

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

The High Court

London

WC2A 2LL

Country

United Kingdom