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Award

Merchant Acquiring Services, Equipment and Payment Gateway Service Agreement

Transport for Greater Manchester

F15: Voluntary ex ante transparency notice

Notice identifier: 2024/S 000-039478

Procurement identifier (OCID): ocds-h6vhtk-04c55a

Published 6 December 2024, 3:33pm

Section I: Contracting authority/entity

I.1) Name and addresses

Transport for Greater Manchester

Transport for Greater Manchester, 2 Piccadilly Place

Manchester

M1 3BG

Contact

Mr Julian Benson

Email

julian.benson@tfgm.com

Telephone

+44 7944976931

Country

United Kingdom

Region code

UK - United Kingdom

Internet address(es)

Main address

<http://www.tfgm.com>

Buyer's address

<http://www.tfgm.com>

I.4) Type of the contracting authority

Other type

Transport Authority

I.5) Main activity

Other activity

Transport

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Merchant Acquiring Services, Equipment and Payment Gateway Service Agreement

Reference number

DN746618

II.1.2) Main CPV code

- 66100000 - Banking and investment services

II.1.3) Type of contract

Services

II.1.4) Short description

TfGM in August 2017, following a Call-Off against Crown Commercial Services RM3702 Merchant Acquiring Services Lot 3 (Merchant Acquiring Services, Equipment and Payment Gateway Services) awarded a contract (with amendment by variation forms dated 19 February 2019, 30 September 2020, 1 December 2021) to Barclays Bank PLC (Trading as Barclaycard Payment Acceptance) to provide TfGM with Merchant Acquiring Services, Equipment and Payment Gateway services to process bankcard transactions at Travelshops, Ticket Vending Machines, Platform Validators (Model 2 Transit contactless bankcard Pay as you Go), e-commerce and other payment channels.

A Prior Information Notice (PIN) has been issued by TfGM in relation to the procurement of a Merchant Acquirer Service. This notice sets out the anticipated scope of the Merchant Acquirer service as a replacement to TfGMs current Merchant Acquiring Services Agreement and the proposed timing of the procurement. It is anticipated that the proposed procurement will follow the Open Procedure and issue of a call-for competition during 2025. A copy of this notice may be accessed on Contracts Finder by activating the following link:

While TfGM are proposing to initiate procurement of a new Merchant Acquirer Agreement, it is considered necessary to extend the term of TfGM's current Merchant Acquiring Services, Equipment and Payment Gateway Service Agreement with Barclays Bank PLC (Trading as Barclaycard Payment Acceptance) agreement until 30th June 2027. This notice provides transparency around the reasons for this single source requirement.

The decision to enter into a new contract with Barclays Bank PLC (Trading as Barclaycard Payment Acceptance) is necessary for the following reasons:

- Although TfGM has initiated a procurement exercise for a Merchant Acquirer Agreement, any transitional arrangements that may be required in order to on-board the new service is likely to need to be progressed in tranches so as to minimise the impact on customer experience and service before, during and after transition to a new contract. Transitional arrangements will need to reflect that the services in question are complex and require the protection of consumer bankcard data and as a consequence are highly regulated. Maintaining the current Merchant Acquiring Services, Equipment and Payment Gateway Service Agreement until 30th June 2027 will enable Tenderers that are participating in the new Merchant Acquirer Service Agreement to consider a phased approach to the implementation of their services;
- TfGM is committed to implement a Rail pilot scheme that is expected to require initiation before the current Merchant Acquiring Services Agreement expires and would require migration to the new Merchant Acquirer Agreement, once awarded. To minimise the impact on customer experience and service, TfGM proposes that its Rail pilot scheme in Greater Manchester continue to be supported by the current Merchant Acquiring Services, Equipment and Payment Gateway Service Agreement until the new Merchant Acquirer Service Agreement is in place from March 2027.

A change in the supplier of this service at this stage would cause significant disruption and cannot be made for economic and technical reasons, as there is a significant risk of disruption to the operation of light rail, bus and Rail pilot services in Greater Manchester, including the risk of disrupting the customer experience and service to the travelling public.

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: £1,200,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

The services provided under the proposed contract include the provision of Merchant Acquiring Services, Equipment and Payment Gateway Services for further period of 2 years (following expiry of the option to extend the current agreement in February 2025) during which the procurement of a new Merchant Acquirer contract may be progressed and transitional arrangements to migrate to the new service may be executed.

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

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

Although the additional services were not included in the original procurement, a change in contractor without proper consideration of the transitional arrangements to a new contract and service has the potential to cause significant disruption and cannot be made for economic and technical reasons, as there is a significant risk of disruption to the customer experience and service for the travelling public in Greater Manchester, including customer purchasing and payments for fares and ticketing products.

The proposed contract allows for continued operation of the current Merchant Acquiring Service provision during which the procurement of the new Merchant Services Agreement may be progressed, and transitional arrangements planned and executed.

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

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract/concession

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

1 October 2024

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

Barclays Bank plc

1 Churchill Place

London

E14 5HP

Country

United Kingdom

NUTS code

- UKI - London

The contractor/concessionaire is an SME

No

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

Initial estimated total value of the contract/lot/concession: £1,200,000

Total value of the contract/lot/concession: £1,200,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

The High Court of England and Wales

London

Country

United Kingdom