This is a published notice on the Find a Tender service: https://www.find-tender.service.gov.uk/Notice/064255-2025

Tender

Payment Exception Service - Amended Notice

Department for Work & Pensions

UK4: Tender notice - Procurement Act 2023 - view information about notice types

Notice identifier: 2025/S 000-064255

Procurement identifier (OCID): ocds-h6vhtk-056964

Published 10 October 2025, 3:22pm

This is an old version of this notice. View the latest version.

Scope

Reference

C5154

Description

DWP is procuring a Supplier to create and operate a system (the "Payment Exception Service") which will allow benefit and pensions recipients (which DWP refers to as "Customers") without bank accounts to receive payment of entitlement through an alternate method of payment.

The service is required to fulfil the Secretary of State obligation to pay benefit and pensions payments on time, on the due date, to the correct customer.

Customers will need to be able to access their payments in cash at a wide range of geographical locations. Suppliers will need to ensure comprehensive coverage, which DWP further defines in the specification document.

The geographical scope of the Payment Exception Service will be for Great Britain and Northern Ireland.

Benefit payments are usually paid weekly, monthly or 4 weekly.

This will be a "Payment Service" as defined by the Payment Services Regulations 2017.

DWP considers that a simple and robust delivery model is the best way to ensure that particularly vulnerable customers can access their payments.

To meet the Governments mission-led focus, DWP's ambition is to ensure that only customers who need the service are relying on PES over the coming years. Customers who are able to, should be paid by alternative means, to help support them to become financially included.

Conditions of Participation are set out below and will be described in detail in Procurement Specific Questionnaire (PSQ).

All bids will be assessed based on legal, financial capacity and technical ability.

Core Conditions of Participations:

- registration on the Central Digital Platform
- meeting all legislative requirements to operate the required service in the UK
- being fully registered member of the Financial Conduct Authority
- being registered Payment Service Provider (PSP)
- evidence intention to have all required insurances in place
- being able to provide an independent service without integration with any of the DWP systems

DWP strongly advise that potential suppliers review the Conditions of Participation and the fundamental requirements carefully before compiling a full bid as failure to meet these requirements may result in your bid being excluded.

Please note the values of this notice have been changed as of 10/10/2025.

Total value (estimated)

- £24,501,147 excluding VAT
- £29,401,376 including VAT

Above the relevant threshold

Contract dates (estimated)

- 5 February 2026 to 4 February 2029
- Possible extension to 4 February 2031
- 5 years

Description of possible extension:

For clarity, the value of £14,649,875 excluding VAT in the 'Total Value (estimated)' section of the Tender Notice is the estimated value for the initial 3-year period. The value across the total contract term including all potential extensions is £24,501,147 excluding VAT. We do not consider that this information will have a material impact on providers ability to respond to the ITT documents and therefore it is not necessary to extend the tender deadline or re-open the clarification deadline. However, if any bidder has any questions regarding the clarified values please do contact us via the procurement portal in the usual way.

Main procurement category

Services

CPV classifications

66000000 - Financial and insurance services

Contract locations

• UK - United Kingdom

Participation

Particular suitability

- Small and medium-sized enterprises (SME)
- Voluntary, community and social enterprises (VCSE)

Submission

Enquiry deadline

7 October 2025, 11:59pm

Submission type

Tenders

Tender submission deadline

24 October 2025, 11:59pm

Submission address and any special instructions

DWP use Atamis to submit tenders. Please login and use the supplier portal: https://dwp2.my.site.com/s/Welcome

Send through your bid in the "My proposals and quotes" area.

Tenders may be submitted electronically

Yes

Languages that may be used for submission

English

Award decision date (estimated)

5 February 2026

Award criteria

Name	Туре	Weighting
The Payment Solution	Quality	18%
Funding Solution and Minimum Customer Functionality	Quality	18%
Managing Payments, Returns, and Data Provision	Quality	15%
Social Value	Quality	10%
Customer Support and Safeguarding. Plus, Financial Inclusion	Quality	8%
Implementation, Migration and Set-up	Quality	6%

Name	Туре	Weighting
Disaster Recovery, Business Continuity, and Incident Management	Quality	5%
DWP Agent Portal, Helpdesk Support, and Training. Plus, Management Information and Reporting	Quality	5%
Security, Fraud Prevention, Data Protection, and Audit. Plus, Accessibility and Regulatory Compliance	Quality	5%
Financial Services	Quality	5%
ISQ	Quality	5%

Other information

Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Competitive flexible procedure

Competitive flexible procedure description

Procurement with tender, and evaluation. No further stages planned at this stage.

Justification for not publishing a preliminary market engagement notice

The service was altered from a 2 lot to a single service. The previous 2 lot procurement had a UK2 procurement notice published: https://www.find-tender.service.gov.uk/Notice/011609-2025

Documents

Associated tender documents

https://dwp2.my.site.com/s/Welcome

Go to the above link then click on "supplier registration here".

Then click on the supplier login button with the your login details.

Under find opportunities and click here.

Select Payment Exceptions Service C5141

Contracting authority

Department for Work & Pensions

Public Procurement Organisation Number: PJCP-7274-TLRQ

Peel Park Brunel Way

Blackpool

FY4 5ES

United Kingdom

Email: louise.rice@dwp.gov.uk

Region: UKD42 - Blackpool

Organisation type: Public authority - central government