**WP2236 Payment Provider for GOV.UK Pay:**

**Stage 1 Clarification Questions and Answers**

| **Activity** | **Date** |
| --- | --- |
| Launch of Procurement via [Find a Tender Service](https://www.find-tender.service.gov.uk/Notice/006015-2025?origin=SearchResults&p=1)/ [Contracts Finder](https://www.contractsfinder.service.gov.uk/notice/182de6c9-d246-421a-8204-5d50922b30de?origin=SearchResults&p=1) | 19 February 2025 |
| Deadline to ask Clarification Questions for Stage 1 | 5 March 2025 |
| Deadline to Answer questions | 12 March 2025 |
| Deadline to submit Stage 1 (SQ) responses | 19 March 2025 |

**Question 1**: As part of [original RFI](https://www.find-tender.service.gov.uk/Notice/029896-2024?origin=SearchResults&p=1), Question 1 requested whether we were interested in credit/debit card payments only, open banking payments only or both.

In our RFI response, We responded that we were interested in fulfilling open banking payments only, Payment Initiation Service Provider (PISP).

Having reviewed the tender documents, it is unclear whether you would still welcome a response from a provider who is only interested in providing PISP services.

Can you clarify whether you would like to receive a response that only covers open banking or whether you only want responses from vendors (or consortium) that can provide both cards and opening banking?

**Answer 1**: We're seeking a single contract for both card payments and open banking payments. Bidders may respond to this Procurement as a single supplier or group of suppliers (whether a consortium, including joint venture, or a prime contractor relying on sub-contractors to meet the Procurement requirements).

**Question 2**: Could you provide clarification on the following aspects of the tender:

1. Scope of Services – Does GDS intend to appoint a single provider to deliver both card payments and open

banking, or do suppliers have the opportunity to submit bids for individual services separately?

2. Contract Coverage – Could you confirm whether the contract applies to central government departments, or

whether it is limited to local authorities, police, armed forces, and other public sector bodies, thereby excluding

central government?

Your guidance on these points would be greatly appreciated to support our assessment of the opportunity.

**Answer 2**: 1. We're seeking a single contract for both card payments and open banking payments. Bidders may respond to this Procurement as a single supplier or group of suppliers (whether a consortium, including joint venture, or a prime contractor relying on sub-contractors to meet the Procurement requirements).

2. This procurement is to replace an existing contract that serves local authorities, police forces, armed forces and further education colleges. There may be an opportunity to expand the scope to crown bodies in the future.

**Question 3**: Can you advise if it’s possible to submit a tender response for individual lots/ services, or are you looking for a supplier to provide the total solution in its entirety?

**Answer 3**: We're seeking a single contract for both card payments and open banking payments. Bidders may respond to this Procurement as a single supplier or group of suppliers (whether a consortium, including joint venture, or a prime contractor relying on sub-contractors to meet the Procurement requirements).

**Question 4**: Suppliers is an Open Banking Service provider - not based in the UK.

Our question is, because we have built what the UK is trying to solve, eg the UK is developing / moving to open banking to open finance to open everything, our solution is already open everything, a solution that solves the problem of fragmentation and the issue related to the UK consumer data right.

Our deployment allows everyone to use open banking as a national payments solution.

Why can't you open up the tender to allow a capable provider to tender whom can provide a total end to end service?

**Answer 4**: [GOV.UK](http://gov.uk/) Pay is the payments platform for the UK public sector. You can read more about [GOV.UK](http://gov.uk/) Pay on our website: [https://payments.service.gov.uk/.](https://payments.service.gov.uk/) This tender is scoped for suppliers that take card payments and open banking payments, rather than for an end to end solution.

Non-UK companies are able to bid for this procurement. Suppliers are able to bid for this tender as long as they meet UK government procurement regulations.

**Question 5**: We are keen to understand more around the project, given our stance as a payment orchestration platform.

In the pre-RFP information questionnaire, we included information on how we can act as middleware in front of your incumbent acquirer, new acquirer and open banking providers to provide resilience and mitigate the reason for a new acquirer integration again.

I appreciate this RFP is acquirer & Open Banking focused, we were keen to understand more on the project and any wider context for the strategy of GDS. Across the public sector, including some local councils, and the British Council we are sharing as much information as we can on the value of payment orchestration.

**Answer 5**: GOV.UK Pay is the payments platform for the UK public sector. You can read more about GOV.UK Pay on our website: <https://payments.service.gov.uk/>. This tender is scoped for suppliers that take card payments and open banking payments, rather than for an end to end solution.

**Question 6**:

1) Would a tender response for one component of the services only be considered? i.e. only for open banking services?

2) Would a tender response that incorporates subcontracted components be considered? i.e. A PSP response that outsources one part of the payment service provisioning to another party?

**Answer 6**: We're seeking a single contract for both card payments and open banking payments. Bidders may respond to this Procurement as a single supplier or group of suppliers (whether a consortium, including joint venture, or a prime contractor relying on sub-contractors to meet the Procurement requirements).

**Question 7**: We have question around annual transaction volumes, please could you provide this detail for us as the information provided quotes a variety of figures.

**Answer 7**: Please see the section titled 'STAGE 2: COMMERCIAL – Price ' in attachment 2 for information on the transaction volumes for this contract.

The suppliers who have passed all questions in Stage 1 will be invited to submit Technical, Social Value and Commercial responses in Stage 2.

**Question 8**: It would be really helpful to understand if we are able to progress with this opportunity entering a submission for PIS as a single solution if appropriate? We’re discussing options and need to agree best way forward with guidance on if this is possible or not.

**Answer 8**: We're seeking a single contract for both card payments and open banking payments. Bidders may respond to this Procurement as a single supplier or group of suppliers (whether a consortium, including joint venture, or a prime contractor relying on sub-contractors to meet the Procurement requirements).

**Question 9**: We note the criteria for the supplier “Being authorised and registered with the Financial Conduct Authority (FCA) throughout the contract term.”

Due to the way our group is set-up, we would look to submit with a lead member of the who is not authorised but sub-contracting the authorised activity to other authorised entities. Is this permitted?

**Answer 9**: The organisation that initiates the PISP payments must be FCA authorised and registered. This could be the sub-contractor.

**Question 10**: Within attachment 7, schedule 1, 6, 20 and all schedules under point G are missing. Are these to be ignored or can we receive copies?

Can we have clarification on "Where numbers are missing we are not using these Schedules", these are highlighted but are numbered

**Answer 10**: The attachment is a representation of the Award Form and potential schedules that we are utilising for the [GOV.UK](http://gov.uk/) Pay Tender.

You can view the Award Form and all the schedules for 'The Mid-Tier Contract' here:<https://www.gov.uk/government/collections/the-mid-tier-contract>

**Question 11**: Will the successful bidder for this tender be processing both the current Stripe and WorldPay volumes from 2026?

**Answer 11**: This procurement is to replace an existing contract that serves local authorities, police forces, armed forces and further education colleges. There may be an opportunity to expand the scope to crown bodies in the future.

**Question 12**: In attachment 5 and the pricing scenarios - is this the cumulative volume expected over the 3 years of the contract?

**Answer 12**: The volumes are based on three years with the first year being zero as Pay integrates with the service.

**Question 13**: Following on from the above, if Year 1 volume is 0, to get the projected annual volumes shall we divide the totals in the attachments by 2? The reason we ask for clarity is that all our pricing is based on annual volumes

**Answer 13**: Yes. This would give an average of the projections for the time period.

**Question 14**: Is there a preference for either IC+ or Blended pricing?

**Answer 14**: There is no preference for Interchange++ or Blended pricing. The model used in attachments 5a - 5c works out the cost of Blended and Interchange ++ (Card Acquiring fees, Scheme fees, Gateway & APM Service fees, Fraud Avoidance fees) as a 50/50 split for the Price Schedule.

**Question 15**: Would you consider Tiered pricing (ie your pricing could change each month as your volumes increase/decrease)?

**Answer 15**: We would consider tiered pricing based on volumes processed on the contract. However, we would not consider changing the tier applied on a monthly basis. We would consider a change to the tier applied on a 6 monthly or annual basis. We would expect the costs of each tier to be included in suppliers' bid.

**Question 16**: Supplier works with some excellent technology and integration partners within the Public Sector, would you be happy for us to put in a tender alongside the partners we think would be the best suited to help with some of the integration work?

**Answer 16**: The [GOV.UK](http://gov.uk/) Pay team will be fully responsible for the technical integration of our platform with the supplier's APIs. We expect the supplier to provide a limited amount of technical support (see Statement of Requirements section 6.9.3) which the supplier may provide via a third party if needed.

**Question 17**: Does GOV.UK Pay store the KYC / AML information on behalf of existing users of the service, and if so are permissions in place to share such information with other providers for the purpose of onboarding?

**Answer 17**: KYC (know your customer) / AML (Anti-Money Laundering) information for existing relying services is stored with the incumbent. [GOV.UK](http://gov.uk/) Pay will work with the incumbent and the new supplier to transfer relevant information during the integration period.

**Question 18**: Service Provider (prime contractor) has developed an Open Banking gateway that utilises a third-party provider (TPP) to leverage open banking connections. This gateway is integrated within Service Provider’s payment platform to offer all payment methods, including Pay By Bank, through a single API. In this scenario, would it be necessary to list the third-party TPP as a sub-contractor?

**Answer 18**: Yes. As mentioned in Attachment 4, we require 'subcontractors' who met the following criteria listed below:

- The role each subcontractor will take in providing the works and /or supplies e.g. key deliverables - if known

- The approximate % of contractual obligations assigned to each subcontractor, if known

- Is the subcontractor being relied upon to meet the selection criteria (i.e. are you relying on the subcontractor for economic and technical standing and/or technical and professional ability?) and, if so, which criteria are you relying on them for?

**Question 19**: Is it possible for a supplier to only bid for the Open Banking business?

**Answer 19**: We're seeking a single contract for both card payments and open banking payments. Bidders may respond to this Procurement as a single supplier or group of suppliers (whether a consortium, including joint venture, or a prime contractor relying on sub-contractors to meet the Procurement requirements).

**Question 20**: Can a supplier complete all the necessary onboarding checks and meet your timelines, without using an API?

**Answer 20**: As per the Statement of Requirements section 6.1, API-driven onboarding is a requirement for this contract.

**Question 21**: Please advise implementation and go live dates for this contract after award has been allocated.

**Answer 21**: Please refer to the timeline in Section 7 of Attachment 3 - Statement of Requirements.

**Question 22**: Please can you provide a MoSCoW method for the capability required.

**Answer 22**: All sections in the Statement of Requirements are required for this contract. There are no optional requirements.

**Question 23**: Question: We note the criteria for the supplier “Being authorised and registered with the Financial Conduct Authority (FCA) throughout the contract term.”

Is it permitted to submit with a lead member that is not authorised, sub-contracting the authorised activity to other authorised entities? Eg we would sub-contract to an entity or 3rd Party who offers payfac etc?

**Answer 23**: The organisation that initiates the PISP payments must be FCA authorised and registered. This could be the sub-contractor.

**Question 24**: Can you advise if the lead entity’s financial standing as per the minimum turnover specified and FVRA, will be accepted on behalf of sub-contractors being used? Eg will sub-contractors/ 3rd parties be required to complete and pass the financial minimum and/or FVRA separately in order to participate?

**Answer 24**: Sub-contractors only need to meet this requirement if they are being 'relied' upon by the lead entity to meet the minimum threshold.

**Question 25**: ***Attachment 3 – Section 6.4.8*:** We would like to understand why settlement accounts must be held with fully licensed banks with FCSC-protected accounts, and not institutions with E-Money Licences.

**Answer 25**: Where settlement accounts are used, these must be held with fully Prudential Regulation Authority (PRA) or Financial Conduct Authority (FCA) licensed banks with FCSC-protected accounts, and not institutions with E-Money Licences. This is a mandatory requirement.

This approach provides organisations using [GOV.UK](http://gov.uk/) Pay with enhanced financial protection for up to £85k. It also ensures that we have clear sight of where the money is in the flow.

**Question 26**: ***Attachment 3 – Section 6.4.8*:** Is this a firm requirement or can there be flexibility? There are many benefits to both Merchant Accounts and Settlement Accounts (which can be the same thing) operating on the basis of full EMI safeguarding rather than the £85k limit afforded by FSCS. Therefore, would you accept a response that proposes the use of accounts safeguarded under E-Money licences?

**Answer 26**: Where settlement accounts are used, these must be held with fully Prudential Regulation Authority (PRA) or Financial Conduct Authority (FCA) licensed banks with FCSC-protected accounts, and not institutions with E-Money Licences. This is a mandatory requirement.

**Question 27**: ***Attachment 4 – Section 5.4a***: Please can you clarify this as we are unsure how to interpret this. The contract ‘value’ is £49,212,000. Do we need to split this over 3 years and then calculate 1.5x to meet the requirements of 5.4a?

**Answer 27**: As stated in Attachment 4, Question 5.4 - please show ans yes or no to if you have 'minimum annual turnover of 1.5 times the annual contract value.

Please confirm that you can meet this requirement. For this purpose bidders should assume an equal split in contract value over the term of contract.'

**Question 28**: ***Attachment 4 – Section 5.4a***: Does this section apply individually to all consortium members?

**Answer 28**: This requirement applies to the leading entity. Sub-contractors only need to meet this requirement if they are being 'relied' upon by the lead entity to meet the minimum threshold.

**Question 29**: It appears the tender has not been issued through the DPS? Does this mean Gov.UK Pay are open to appointing suppliers not currently on the DPS or will they need to be at the point of contract? We’d appreciate further clarification on your position.

**Answer 29**: Suppliers not currently on the Crown Commercial Service's open banking Dynamic Purchasing System (DPS) are eligible to bid for this tender.

**Question 30**: Are GOV.UK Pay looking for a PSP who also has an open banking solution, or are you open to separate suppliers? We ask because Amex are not a PSP but we will be answering the tender to represent Pay with Bank transfer. We’d also love to discuss direct acceptance of American Express.

**Answer 30**: We're seeking a single contract for both card payments and open banking payments. Bidders may respond to this Procurement as a single supplier or group of suppliers (whether a consortium, including joint venture, or a prime contractor relying on sub-contractors to meet the Procurement requirements).

**Question 31**: Question 6.3 refers to ‘supply chains’ – because can you clarify what you mean by ‘supply chain’?

**Answer 31**: Supply Chain refers to organisation(s) the supplier is dependent on. Without this supplier, the supplier will no be able to provide this function.

For example, hosting services for [GOV.UK](http://gov.uk/) for example. If the hosting provider is unable to perform a service, it will impact on people trying to access [GOV.UK](http://gov.uk/)

**Question 32**: Based on forecasted PIS volumes (taken from attachment 5 pricing matrix) can we assume that the drop from 10.4 million transactions per year (number taken from the 94 million transactions that were over c.9 years, in document - Attachment 1 - about the procurement) to a forecasted 3.25 million transactions per year over 2026 and 2028 takes into consideration forecasted open banking transactions.

**Answer 32**: This procurement is to replace an existing contract that serves local authority, police, armed forces, further education college. There may be opportunity to expand the scope to crown bodies in the future. The numbers reflect that need, rather than the entirety of Pay's outputs

**Question 33**: Is there an opportunity to bid for Open Banking as a standalone product?

**Answer 33**: We're seeking a single contract for both card payments and open banking payments. Bidders may respond to this Procurement as a single supplier or group of suppliers (whether a consortium, including joint venture, or a prime contractor relying on sub-contractors to meet the Procurement requirements).

**Question 34**: Can you please supply a system architecture for us to understand the process flow better?

**Answer 34**: GOV.UK Pay's technical documentation and API reference is publicly visible at <https://docs.payments.service.gov.uk/api_reference/>

**Question 35**: Do you have a time frame in mind for turning around any onboarding that falls out of the BAU application process?

**Answer 35**: As described in section 6 of Attachment 3, the supplier must be able to provide API-based onboarding of relying services within the timeframe specified in the Service Levels (section 14.2) table, in a way that abstracts the relying service from the supplier.

**Question 36**: Can you please share how many applications you’re getting through per month currently?

**Answer 36**: Please see the section titled 'STAGE 2: COMMERCIAL – Price ' in attachment 2 for information on the transaction volumes for this contract.

**Question 37**: ***Appendix 3: Question 6.6.2***: Please could you confirm that customer service requirement is for Relying Service merchants and not end consumers/card holders.

**Answer 37**: The supplier will provide customer support to the GOV.UK Pay team only. The supplier will be fully abstracted from relying service and consumers/card holders.

**Question 38**: ***Appendix 3: Question 6.10.2***: Support for transfer of existing KYC/AML information - please confirm that this is the collection and application of valid documents and not a request for Reliance on a 3rd Party KYC

**Answer 38**: KYC (Know you customer) / AML (Anti-Money Laundering) information for existing relying services is stored with the incumbent. [GOV.UK](http://gov.uk/) Pay will work with the incumbent and the new supplier to transfer relevant information during the integration period. The supplier must provide automated KYC/AML checks when subsequently onboarding relying services, following the integration.

**Question 39**: ***Appendix 3: Question 9.3***: Please confirm whether the 12 months latency on the migration switch is depending on the incumbent's ability to decouple services or the expectations of the new supplier. If the new supplier could integrate services faster, would the Relying Services migrate sooner?

**Answer 39**: The GOV.UK Pay team will be fully responsible for the technical integration of our platform with the supplier's APIs. We do not expect the timelines to rely on the incumbent's ability to decouple services.

**Question 40**: *Appendix 5:* Please could you confirm that all parts of the pricing attachments i.e 5a, 5b, 5c and 5d are required for submission and advise as to the intended purpose/application of the different templates?

**Answer 40**: The suppliers who have passed all questions in Stage 1 will be invited to submit Commercial responses in Stage 2. The scenarios are designed to give different possible volumes for the product and provide wider understanding of the market. Please see the section titled 'STAGE 2: COMMERCIAL – Price ' in attachment 2 for information on the transaction volumes for this contract.

**Question 41**: ***Appendix 5***: Would GOV.UK Pay consider any pricing proposal (if selected) which is not based on Blended pricing e.g. Interchange plus plus for card processing volumes.

**Answer 41**: We ask for Blended and Interchange ++ pricing in attachments 5a-c.

The model used in attachments 5a - 5c works out the cost of Blended and Interchange ++ (Card Acquiring fees, Scheme fees, Gateway & APM Service fees, Fraud Avoidance fees) as a 50/50 split for the Price Schedule.

**Question 42**: Could you provide more clarity on how you define group, consortium, subcontractor, partnership, and joint venture please? Specifically in relation to completing a separate part 1 and 2 of the Selection Questionnaire, and with reference to the paragraph I have pasted after this question from Attachment 4. Open banking is often provided as a payment method integrated into a payment service provider, whereby there is not a separate contractual agreement and the payment service provider would collect and settle the funds to the relying service bank account. This could be (for illustrative purposes) for example Klarna, which can be provided as a payment method by a payment service provider. There would not be an additional contract with Klarna, and funds would be collected from the paying customer and settled to the relying service by the payment service provider. Would Klarna in this example be required to submit part 1 and 2 of the selection questionnaire separately from the payment service provider?

Attachment 4 Selection Questionnaire states: We require all the organisations that form part of your bidding group/consortium and each subcontractor that you are relying on to meet the selection criteria to provide a completed part 1 and part 2. This means that when you are joining a group of organisations, including joint ventures and partnerships, each organisation in that group must complete one of these self-declarations. Subcontractors that you rely on to meet the selection criteria, must also complete a self-declaration (although subcontractors that are not relied upon do not need to complete the self-declaration).

**Answer 42**: In reference to your example. Klarna in this case is not considered as group, consortium, subcontractor or partnership: - rather this constitutes supply chain and as such this supplier would not need to complete the declaration.

Consortium/Group: Two or more businesses/organisations that work together to achieve a common goal.

Subcontractor: A person or business that performs work for a contractor as part of a larger project.

Partnership/Joint-ventures: An agreement between two or more people or organisations to work together Responsibility is shared.

**Question 43**: Is gateway in the scope as well or only acquiring?

**Answer 43**: The GOV.UK Pay platform provides the secure user-facing payment gateway where users enter their card details, and the reporting interface for relying services. The supplier is required to provide an API-driven merchant acquiring service (see section 6.3 of the Statement of Requirements).

**Question 44**: Is there any difference between Pricing scenarios A, B, C, D apart from the turnover?

**Answer 44**: The average transaction amount also varies between scenarios A-C

**Question 45**: Are the turnover numbers in the pricing scenarios for online and per year?

**Answer 45**: The turnover numbers in scenarios A-D reflect online payments and Moto payments. The volumes are based on three years with the first year being zero as Pay integrates with the service. Moto payments are broken out in the drivers tab

**Question 46**: Could you please advise your preference for settlement of funds net or gross?

**Answer 46**: The supplier must be able to provide net settlement for card payments as per paragraph 6.2 of the Statement of Requirements, and the Service Levels (SLAs) in section 14 of the Statement of Requirements.

**Question 47**: We are very clear on your requirement for payment service provider for processing credit and debit card payments and pay by bank (open banking). Would it be also useful for us to include into our proposal popular in the UK alternative payment methods such as PayPal, Apple Pay and Google Pay?

**Answer 47**: As per the Statement of Requirements 6.3.5, support for wallet payments (Apple Pay and Google Pay) is a requirement for this contract.

**Question 48**: From***Attachment 4 - Selection Questionnaire***, please confirm the details of Annex D (grounds for discretionary exclusion). Only Annexes A & X are referenced.

**Answer 48**: Please refer to Annex A

**Question 49**: Will there be an expectation for you to present suppliers with the framework for the [GOV.UK](http://gov.uk/) Pay API in order to achieve abstractification from the chosen underlying service?

**Answer 49**: GOV.UK Pay's technical documentation and API reference is publicly visible at <https://docs.payments.service.gov.uk/api_reference/>

**Question 50**: Will there be an expectation for the [GOV.UK](http://gov.uk/) Pay API to be built further, to interact with the underlying service's API in order to achieve abstractification?

**Answer 50**: The GOV.UK Pay team will be fully responsible for the technical integration of our platform with the supplier's APIs.

**Question 51**: As part of our systems and controls to operate a compliant payments service, all service users agree to our terms and conditions. This allows the terms to be kept up to date with the latest legal and regulatory requirements. The terms are freely available on our website and offer protections for both parties. We trust we are aligned on the regulatory constraints on this point?

**Answer 51**: The overarching Terms of contract are the terms that govern the Cabinet Office mid-tier contract(s). Any further User Agreements, albeit standard practice, would require review before agreement.

**Question 52**: Would it assist to provide more information on the service user protections, or helpful to discuss any aspect above further?

**Answer 52**: This information can be provided as part of the Technical response in Stage 2 of the bidding process.

**Question 53**: Our competitive pricing, for quality delivery and breadth of service offering, is calculated in line with our terms and conditions. Can we confirm if [GOV.UK](http://gov.uk/) Pay is seeking the most competitive pricing, combined with quality delivery and breadth of service?

**Answer 53**: Pricing is scored as part of the process. Please see Attachment 2 for more details.

**Question 54**: We look to deliver excellent customer service that exceeds expectations. We note the SLAs and other operational expectations, for example in Schedule 13. We would normally cover these matters operationally, rather than in the contract. We would like to explore the options for SLAs to be covered by evidence of ongoing platform performance, over a sustained period, as experienced by existing users. Please can you provide some examples of how this might be possible.

**Answer 54**: The Government's approach is to include contractual performance standards across commercial contracts so that both parties understand, and the supplier is bound to, the standards expected in exchange for the public money. The contracting authority is legally entitled to insist on receiving that standard of performance or, to exercise it's reserved remedies. Issues caused by matters outside the control of the supplier which may affect performance of the SLA, will, so long as they constitute “force majeure” (as defined in the contract terms), entitle the supplier to claim relief.

Any specific amendments to the contract terms should be proposed via the procedure set out in paragraph 17.1 and 17.2 of Attachment 1. The form for this process is contained within Attachment **10** of the documents (please note an error in 17.1 where it states Attachment [9]). Please see further details in the answer to question 57 below.

**Question 55**: In the interests of transparency, some of the terms in the Core Terms, for example around subcontracts, competitive terms and step-in trigger events, are not operationally practical for a provider of our size and complexity. We suggest that any robust payments services provider, capable of delivering the required service offering, would be similarly complex and encounter similar operational realities. Will the contractual terms be aligned so that the terms are suitable for the characteristics of the service provider?

**Answer 55**: Please use the procedure in paragraph 17.1 and 17.2 of Attachment 1: About the Procurement. The template table is set out in Attachment 10 for bidders to propose and explain any significantly important amendments to the contractual terms that they believe are necessary in order to a) participate, or b) offer a value for money tender. However, it will be entirely at the contracting authority’s discretion as to whether any such proposals are adopted. The contracting authority may re-issue the contract documents to reflect one or more specific amendments if satisfied of the necessity.

Whilst there may be some scope for discussion about contractual T&C's at the negotiation stage it is expected that any significant issues will have been raised in accordance with Attachment 10. It is unlikely that the contracting authority would be prepared to accept any material amendment proposed by a bidder during the negotiation stage unless satisfied that such amendment would offer materially improved value for money. Bidders are politely reminded that the contracting authority may proceed to contract without undertaking the negotiation stage as per paragraph 12.27 of Attachment 1.

**Question 56**: Some of the terms in the Special Terms, for example around the Buyer vetting platform Quality Plans before implementation, do not appear to align with our regulatory requirements. Can we confirm that [GOV.UK](http://gov.uk/) Pay would not seek to impose terms that could, in our reasonable opinion, lead to potential regulatory questions over our system and controls?

**Answer 56**: You are referred to the procedure set out in paragraph 17.1/ 17.2 and the form in Attachment 10 of the Procurement documents. Please use this procedure to propose and explain any amendments to the contractual terms that you believe are necessary in order to comply with regulatory controls and procedures. Please also refer to the answers to questions 54 and 55.

**Question 57**: Please could you further explain the contractual negotiating process and the teams at [GOV.UK](http://gov.uk/) Pay involved in that process at each stage?

**Answer 57**: Stage 3: negotiation is optional phase for 'Payment Provider for [GOV.UK](http://gov.uk/) Pay' At the end of 'Stage 2', Cabinet Office will make a decision on whether to proceed into 'Stage 3: Negotiation' or proceed into awarding contract to selected winning supplier.

[GOV.UK](http://gov.uk/) Pay Team will be involved at all aspects of tender stage for 'Payment Provider for [GOV.UK](http://gov.uk/)'

**Question 58**: Can you please advise specifically what’s meant by KYC/ AML in the context of this contract?

**Answer 58**: Notwithstanding the fact that this question was received out of time, the contracting authority will provide you with an answer. In future please be mindful of the deadlines imposed, and use your best endeavours to meet them. The contracting authority cannot promise it will answer any further questions.

In the context of this contract, KYC is Know Your Customer and AML is Anti Money Laundering.

**Question 59**: Can you please advise whether the data provided includes interchange++ fees and card fees? Is the £49 million in contract value, also inclusive or exclusive of these fees?

**Answer 59**: Notwithstanding the fact that this question was received out of time, the contracting authority will provide you with an answer. In future please be mindful of the deadlines imposed, and use your best endeavours to meet them. The contracting authority cannot promise it will answer any further questions.

Attachments 5a-c ask for pricing for Interchange++ or Blended pricing. The model used in attachments 5a - 5c works out the cost of Blended and Interchange ++ (Card Acquiring fees, Scheme fees, Gateway & APM Service fees, Fraud Avoidance fees) as a 50/50 split for the Price Schedule. The scenarios are designed to give different possible volumes for the product and provide wider understanding of the market. Please see the section titled 'STAGE 2: COMMERCIAL – Price ' in attachment 2 for information on the transaction volumes for this contract.

**Question 60**: Some of the data provided refers to 1/2/3 years worth, instead of the same timeframe – can you provide anything else to give a better view please?

**Answer 60**: Notwithstanding the fact that this question was received out of time, the contracting authority will provide you with an answer. In future please be mindful of the deadlines imposed, and use your best endeavours to meet them. The contracting authority cannot promise it will answer any further questions.

Attachment 5a-c scenarios are designed to give different possible volumes for the product and provide wider understanding of the market. Please see the section titled 'STAGE 2: COMMERCIAL – Price ' in attachment 2 for information on the volumes for this.

**Question 61**: Could you please let us know if you would be happy to sign our NDA, as part of the tender process?

**Answer 61**: Notwithstanding the fact that this question was received out of time, the contracting authority will provide you with an answer. In future please be mindful of the deadlines imposed, and use your best endeavours to meet them. The contracting authority cannot promise it will answer any further questions.

Cabinet Office (Government Digital Service) will not be signing a NDA as part of the Tender Process.