

Logistics and Warehousing

RM6074

Customer guidance



Crown
Commercial
Service

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1. Introduction

This document has been developed by Crown Commercial Service (CCS) to guide and support public sector, charitable and third sector organisations in delivering best value from the Logistics and Warehousing (RM6074) Framework Agreement.

This agreement, created specifically for the Public Sector, is the only logistics and warehousing Framework Agreement available in the marketplace.

The eight Lots reflect the services and solutions offered by the logistics, storage and warehousing industry, fully integrating the needs relevant to the current and emerging business requirements of all customers.

2. Benefits of this agreement

This agreement will provide a range of commercial benefits including:

- **High quality** – we have carried out a rigorous competitive tender, testing suppliers to ensure that the best quality of service will be provided to our customers
- **Value for money** – with more public sector customers using the agreement, the resulting aggregated volume, simplification and standardisation of solutions will help drive commercial benefits
- **Efficiency** – fully compliant route to market that reduces procurement lead time and frees up resources for both customers and suppliers enabling our customers to focus on other key activities
- **Social value** – highly focused on supply chain transparency, Covid 19 recovery actions, ethical employment practises, supporting SMEs, regional and skills development
- **Environmental benefits** – designed to optimise resources, promote carbon reduction, clean air initiatives and sustainable operations

3. About the Framework

Framework scope and features

The Logistics and Warehousing Framework Agreement (RM6074) provides you with a fully compliant and competitive route to market, giving access to market leading solutions that meet both your transactional and complex logistics and warehousing requirements whether they be regional, national, or global.

The agreement has been structured to enable you to Call Off simple, transactional services in the Mandatory elements of each Lot supported by a suite of Non-Mandatory solutions

that customers may wish to consider for more complex requirements. The agreement is structured in eight Lots. Customers are able to Call Off services from a single Lot or from multiple Lots.

An overview of the Lot structure and the services available within each Lot is provided below. For a more detailed description of the services available under each Lot, please download a copy of the Framework Specification of Services which is available via the following link:

<https://assets.crowncommercial.gov.uk/wp-content/uploads/Attachment-9-Framework-Schedule-1-Specification-v9.1-.pdf>

Lot 1: Logistics – Transport

The following services are classed as Mandatory for all Suppliers on Lot 1 to provide:

- UK wide collection and delivery serviced by a broad range of vehicles, delivered through distribution networks of direct vehicle solutions
 - A range of delivery speeds that can cater for any size, type or quantity of commodities
 - Ability to flex to volumes on demand
- Tracking of commodities to provide peace of mind

The following additional services are classed as Non-Mandatory and only some of the Suppliers on Lot 1 may be able to provide them:

- Domestic and international distribution via air, rail, sea and land
- Customs clearance and ground handling services
- Ability to handle specialist goods including high risk / high value, dangerous and temperature controlled
- 24 hours, 7 days per week, 365 days per year operational availability

Lot 2: Logistics – Warehousing and Storage

The following services are classed as Mandatory for all Suppliers on Lot 2 to provide:

- UK wide warehousing and storage services
- Any size, weight or quantity of items including, cartons, pallets and irregularly shaped items
- Ability to flex to volumes on demand
- Service management, site security and facilities management at the customers' own premises
- Fulfilment services, order consolidation and order call off

The following additional services are classed as Non-Mandatory and only some of the Suppliers on Lot 2 may be able to provide them:

- Specially designed and fitted premises, including temporary structures
- Provision of forward stock locations, urban consolidation centres and off-site locations
- Customs clearance services
- Ability to handle specialist goods including high risk / high value, dangerous and temperature controlled
- Product assembly, rework and processing

Lot 3: Logistics – Waste Logistics, Recycling, Disposal and Destruction

The following services are classed as Mandatory for all Suppliers on Lot 3 to provide:

- UK wide collection and delivery of waste products and equipment
- Delivery of waste material to locations such as storage, processor or reseller
- Compliance with all regulatory requirements and licensing
- Proof of recycling, disposal and destruction
- Project management and planning services

The following additional services are classed as Non-Mandatory and only some of the Suppliers on Lot 3 may able to provide them:

- Domestic and international distribution via air, rail, sea and land
- Customs clearance and ground handling services
- Ability to handle specialist goods including high risk / high value, dangerous including waste products of animal and vegetable origin
- 24 hours, 7 days per week, 365 days per year operational availability
- Provision of secure, certified destruction, disposal, sale of assets including end-to-end payment processing.

Lot 4: Logistics – Removal, Relocation and Related Services

The following services are classed as Mandatory for all Suppliers on Lot 4 to provide:

- UK wide removal, relocation, and installation Provision of qualified engineers and fitters
- Ability to flex to volumes on demand
- Supplies of packaging and equipment required for the service
- Proof of recycling, disposal and destruction

The following additional services are classed as Non-Mandatory and only some of the Suppliers on Lot 4 may able to provide them:

- Domestic and international transport including customs clearance
- Temporary and long term storage services
- Ability to handle specialist goods including high risk / high value, dangerous and temperature controlled
- Sensitive laboratory and scientific equipment, collection and delivery to and from floors within buildings, specialist handling and IT / Software installation
- Sale of, or acquisition of, assets including the end-to-end payment processing
- Cosmetic and minor refurbishments of premises utility supply reconfiguration and reinstallation of lighting

Lot 5: Vehicle, Plant and Industrial Equipment – Transportation and Storage

The following services are classed as Mandatory for all Suppliers on Lot 5 to provide:

- UK wide collection and delivery of items including vehicles, industrial plant, machinery, parts, agricultural equipment, aircraft, maritime vessels and military equipment
- Specialist equipment such as forklift trucks, crane lorries, slide bed recovery vehicles, tow trucks, vehicle transporters and immobilisation devices
- Seizure, detention and immobilisation of vehicles, plant and restoration or release of vehicles
- Resources and labour including qualified engineers and fitters

The following additional services are classed as Non-Mandatory and only some of the Suppliers on Lot 5 may able to provide them:

- Domestic and international transport and storage, customs clearance and ground handling
- Management of 3rd party supply chains including hauliers, vehicle recovery agents and specialist engineering contractors
- Provision of 24 hour operational availability including 'Stand By' contingency transportation and storage capacity
- Ability to handle specialist goods including high risk / high value, dangerous and temperature controlled items
- Managed transportation of heavy, awkward and abnormal loads (including Special Types General Order - Category 1, Category 2 and Category 3)

Lot 6: Construction Logistics – Transportation and Storage

The following services are classed as Mandatory for all Suppliers on Lot 6 to provide:

- UK wide warehousing and storage services
- Management of construction materials and related services such as 'Lay Down' facilities or temporary structures
- Transportation and storage of bulk building materials, electrical components, furniture, IT equipment, waste material, fluids, gases, and plant
- The labour and resources required to deliver the service including qualified engineers, fitters, marshals, site agents and banksmen
- Management, operational management, security and facilities management at customers premises

The following additional services are classed as Non-Mandatory and only some of the Suppliers on Lot 6 may able to provide them:

- Domestic and international transport and storage, customs clearance and ground handling
- Temporary and long term storage at the Supplier's premises
- Site 'Set Up', implementation of health & safety management systems, installation of health & safety equipment, site security and traffic management
- Installation and management of vertical lifting equipment including cranes and hoists, and installation / de-installation of industrial plant

Lot 7: Healthcare Logistics – Transportation and Storage

The following services are classed as Mandatory for all Suppliers on Lot 7 to provide:

- UK wide transportation and storage of healthcare related items* such as equipment, pharmaceuticals, blood, tissue, biological samples, surgical instruments, clinical waste, pads, mattresses and other healthcare-related items
- Fulfilment services, assembly of diagnostic tests and inserts, order consolidation and order call off
- Delivery to controlled and / or unmanned locations including residential addresses, nursing homes, surgeries, pharmacies, key access / PAC access sites.
- Entry of a property whilst a service end-user is in residence

The following additional services are classed as Non-Mandatory and only some of the Suppliers on Lot 7 may able to provide them:

- Domestic and international transport and storage, customs clearance and ground handling
- Provision of temperature and environment controlled and monitored vehicles and packaging
- Service, operational, security and facilities management at customers' premises
- Supply and management of temporary emergency structures such as tents or semi-permanent buildings
- Management of third party supply chains

Lot 8: Logistics, Warehousing and Storage Solutions – Design & Support

The following services are classed as Mandatory for all Suppliers on Lot 8 to provide:

- Solutions whereby customers' operational information / data is gathered and analysed in order to develop strategies and tangible delivery plans that will identify and realise process efficiency, innovation and reduced operating costs
- Services to customers wishing to procure unbiased thought leadership whereby innovation, technology and standardisation of process can be delivered through industry specific consultancy
- Labour and resources required such as qualified engineers, technicians, analysts, industry specialists, project managers and observers

The following additional services are classed as Non-Mandatory and only some of the Suppliers on Lot 8 may able to provide them:

- Management of all logistical and storage services directly or via third parties to deliver a single interface between the buyer and supply chain providers
- Supply chain integration, optimisation and resource management enabling effective end to logistical solutions to be developed and implemented, including automation, artificial Intelligence, robotics, sequencing systems and digital modelling
- Brokerage services providing access to storage and distribution capacity via third parties
- Product procurement, product marketing, sale of asset, product cataloguing and marketing, and management of purchase-to-payment lifecycle

*** Lot 7. Customers should note that:**

- Suppliers storing or supplying medicinal products will hold a valid MRHA and GDP licences and certificates, and remain fully compliant with GDP practises
- Suppliers holding or possessing drugs domestically will hold a valid Home Office controlled drugs domestic licence. If a Supplier intends to import or export controlled drugs then the Supplier must hold a valid Home Office controlled drugs import/export licence
- Suppliers storing or supplying veterinary medicinal products will hold a valid VMD licence, remain fully GDP and pass regular inspections of the Supplier's operating locations.

A full list of suppliers listed on each Lot can be found at:

<https://www.crowncommercial.gov.uk/agreements/RM6074/suppliers>

4. How to use this Agreement

Customers can call off the Framework Agreement by using the direct award process or by conducting a further competition.

An explanation of how best to award using each method is included below:

How to directly award a Call Off Agreement without a further competition

The direct award procedure is available and is best applied when a customer requirement can be sourced directly from the mandatory elements of the Framework Specification of Services. A contract can be directly awarded if:

- You are satisfied that only one Framework supplier is capable of meeting your particular requirement
- Based purely on the information given in the Framework Specification of Services and pricing matrices, and you are able to determine which supplier's offering provides the most economically advantageous solution
- The terms of the proposed Call Off agreement are laid down in this Framework Agreement and the Call Off Terms do not require amendment or supplementary terms and conditions (other than the inclusion of optional provisions already provided for in the template Call Off Terms)

Awarding a Call Off Agreement using the Direct Award Procedure

The following steps are advised when considering a Direct Award:

1. Develop a clear statement of requirements
2. Review the standard terms and conditions and satisfy yourself that they provide the adequate coverage for your requirement. It is important that your organisation is certain that no additional clauses, liabilities, or insurances are needed
3. Apply the Direct Award criteria as set out in Table 2 (Evaluation Criteria - Direct Award) below to establish the suppliers capable of meeting the requirement. We recommend that you may wish to undertake a Request for Information (RfI) exercise to test this
4. Subject to the actions above being completed, then you may then contact the chosen Supplier to award a Call Off Agreement by sending a completed Order Form (Framework Schedule 6 - Order Form Template and Call Off Schedules) which is available for download from:

<https://www.crowncommercial.gov.uk/agreements/RM6074>

5. On the basis of acceptance, the awarded supplier shall then sign the Order Form and return this to your organisation for counter signature
6. A copy of the completed Order Form should be returned to the Supplier for their records

Figure 1: Direct Award Process Flow

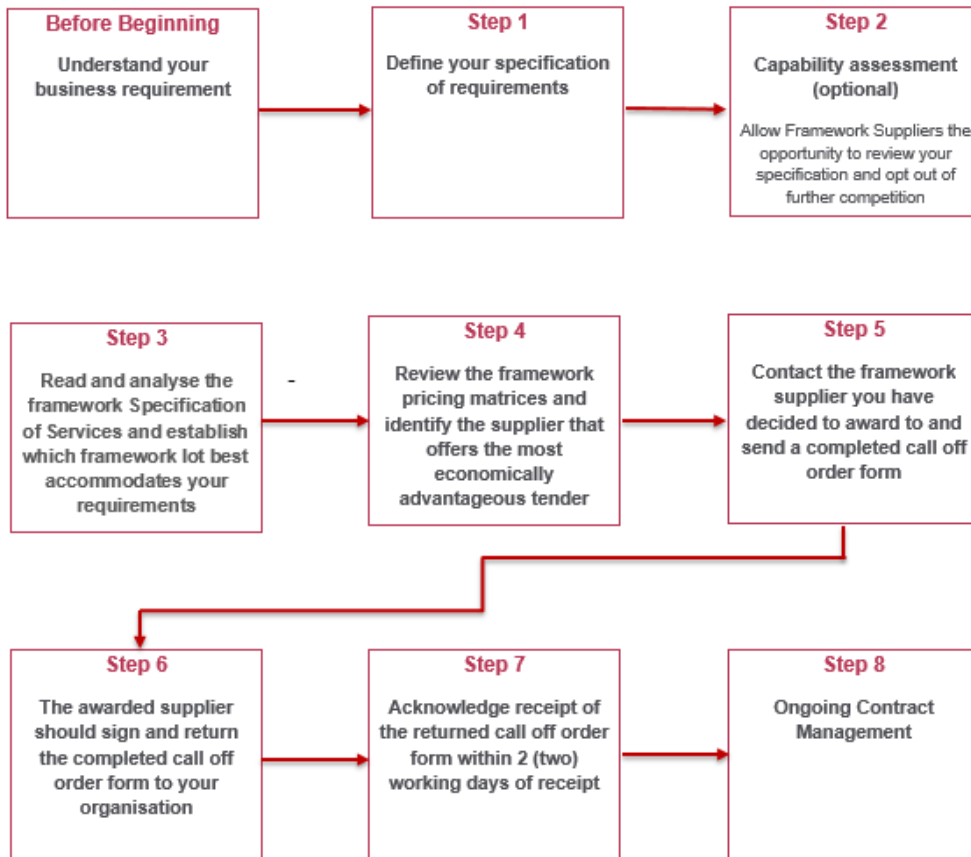


Table 1: Evaluation Criteria - Direct Award

Criteria	Relative weighting percentage <i>Percentage weightings to be set by the Customer conducting the direct award</i>
Price (life cycle costs, cost effectiveness & price; price and running costs)	50% <i>Buyers can modify the percentage weighting to meet their requirements using a variance level of +/- 20%</i>
Technical merit and Quality: coverage, network capacity and performance, delivery, account management and service	50% <i>Buyers can modify the percentage weighting to meet their requirements using a variance level of +/- 20%</i>

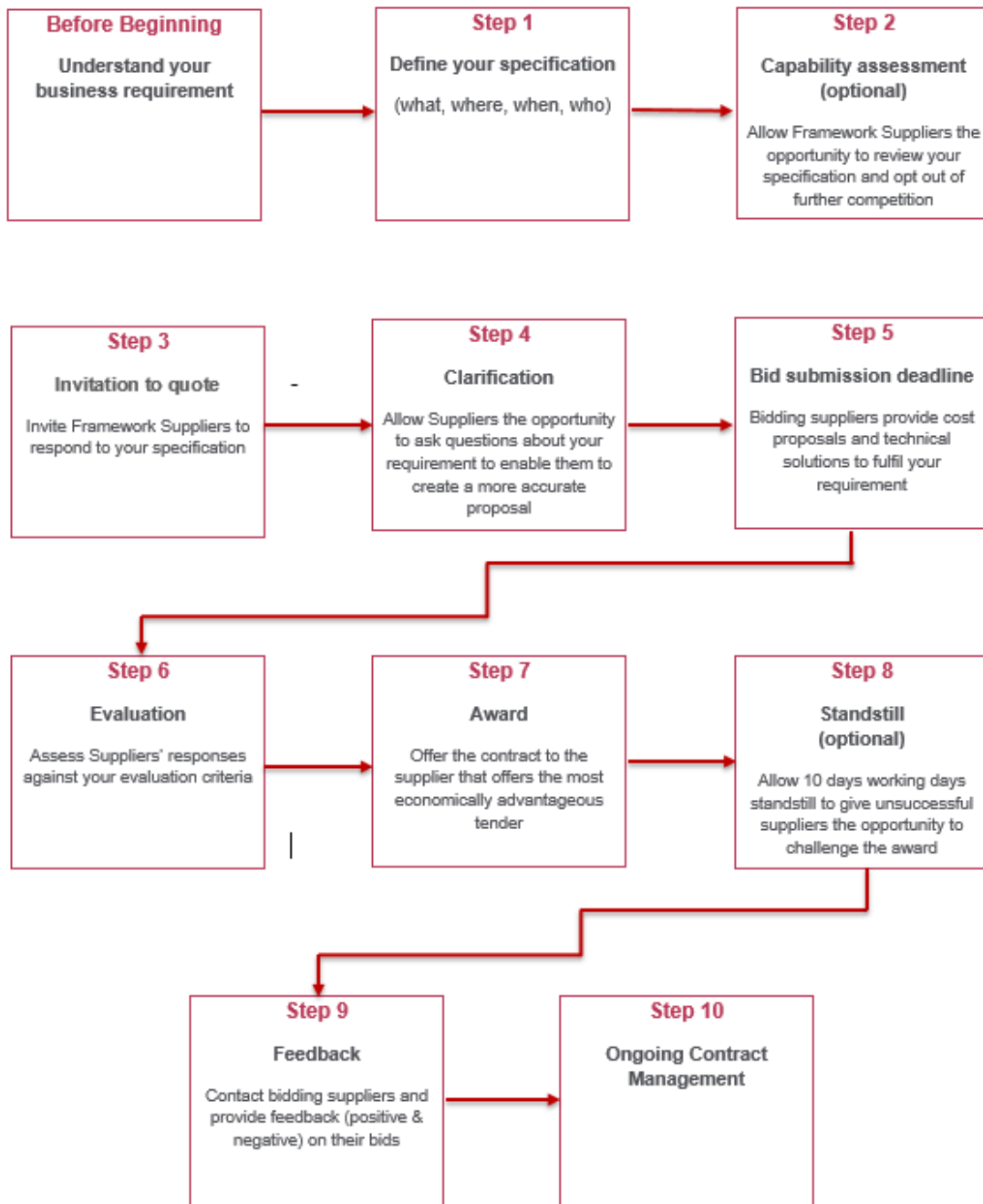
Awarding a Call Off Agreement using the Further Competition Procedure

A further competition procedure is recommended where your business requirement is more complex, high value or when tailored or innovative solutions are required. A further competition will allow Suppliers to assess your actual requirement and provide pricing based on the services and solutions you need. Your Invitation to Quote (ITQ) should include:

1. Develop a Statement of Requirements (Specification). This should set out a full and accurate statement of what is required and forms part of the documentation that is sent out to all Suppliers when inviting them to tender, e.g.
 - i. Metrics, volumes, locations to be serviced and the types of products that will be processed
 - ii. Any special security requirements such as vehicle and premises security considerations or specific information handling concerns
 - iii. The service levels and performance indicators that the supplier will need to adhere to
 - iv. Are service credits to be improved and are they proportional to the service and value of the contract?
 - v. How the contract and relationship with the supplier will be managed. What are the reporting and management information requirements?
 - vi. The invoicing and payment requirements

- vii. If the service is already in existence set out the contract expiry date, the commencement date of the new contract and the mobilisation period
 - viii. Does TUPE potentially apply?
- 2. You should develop a pricing matrix based on the information you provide within the Statement of Requirements (Specification)
- 3. You should develop a 'How to Bid' document which sets out the process that Suppliers will follow and how the further competition will be conducted, including how you intend to split the technical requirements v commercial (Quality v Price)
- 4. Allow Framework Suppliers the opportunity to review your specification and opt out of the further competition. This is an optional step but provides for a fair and open process
- 5. Clear and transparent criteria for proposals to be evaluated against
- 6. The further competition timetable setting out key milestones, e.g.
 - i. Publication of ITQ
 - ii. Deadline for submission of supplier clarification questions (Typically 3 to 6 weeks after ITQ publication)
 - iii. Deadline for publication of responses to clarification questions
 - iv. Supplier bid submission deadline
 - v. Evaluation period
 - vi. Proposed award date
 - vii. Expected contract commencement date

Figure 2. Further Competition Process Flow



To support a transparent process, all clarification questions and responses during the clarification period should be recorded and must be shared with all bidding suppliers in writing.

Remember, questions such as financial standing, business continuity and previous experience have all been previously evaluated when this Framework Agreement was tendered and therefore should not be reassessed at further competition.

Apply the Further Award criteria as set out in Table 3 (Evaluation Criteria - Further Competition Award) as set out below to establish the suppliers capable of meeting the requirement in order to establish which of the Framework suppliers provides the most economically advantageous solution.

Table 3. Evaluation Criteria - Further Competition Award

Criteria	Relative weighting percentage <i>Percentage weightings to be set by the Customer conducting the further competition award</i>
<p>Quality <i>Which consists of, but is not limited to the following criteria:</i></p> <ul style="list-style-type: none"> ● <i>Added Value / Innovation</i> ● <i>Social Value</i> ● <i>Approach to Delivery of the Services</i> ● <i>Implementation</i> ● <i>Use of Supply Chain / Partners</i> 	<p>50% <i>(Buyers can modify the percentage weighting to meet their requirements using a variance level of +/- 20%)</i></p>
<p>Price</p>	<p>50% <i>(Buyers can modify the percentage weighting to meet their requirements using a variance level of +/- 15%)</i></p>

Guidance to Customers – Industry Liabilities in the event of Loss or Damage in Transit or Storage:

Please review the standard terms and conditions and satisfy yourself that they provide the adequate coverage for your good liabilities and insurances.

It is common practice within this industry to apply standardised limits of liability relating to the loss or damage of goods whilst in transit or in storage. Such limits are in commensurate with international conventions and contained within guidance issued by trade bodies e.g., British International Freight Association, Road Haulage Association or UK Warehousing Association.

This means that the standard industry limits of liability terms affecting the carriage or storage of goods may automatically be applied unless you define the specific liability limits during the Call Off procedure and mutually agree these with your Supplier.

Therefore it is important that you:

- Review clause 11 of the Core Terms and Joint Schedule 3 (Insurance Requirements) to ensure that the standard terms of this framework provide you with necessary insurance levels and liabilities that you need
- Consider if additional insurance is needed to adequately cover the goods being stored or transported. If you feel that additional cover is required, then this should be defined within your Call Off Order Form

For the avoidance of doubt this is a feature of the industry and not limited to this framework agreement.

5. Introduction to CCS

Who are we?

We're the biggest public procurement organisation in the UK. We help organisations across the whole of the public sector find the right commercial solutions for over £15 billion of spend each year.

We cover everything from temporary staff and electricity to laptops and cars. Our customers include NHS trusts, local authorities, police forces, emergency services, schools, colleges, government departments, housing associations and charities across the UK.

We know that tight control over budgets and resources is a key priority and we want to help you save time and money when buying everyday goods and services, so that you can focus on the things that really matter to your organisation.

You can use our commercial solutions free of charge, and we're committed to helping you achieve maximum value by leveraging our commercial expertise and national buying power.

As we're an Executive Agency of the Cabinet Office, we also lead on developing and implementing the UK's public sector procurement policy and delivering government's commercial policy priorities.

Why choose us?

- we put our customers first, working in partnership to help you achieve best value
- we help our customers save millions of pounds every year
- we're making public sector procurement simpler
- we're making it easier for smaller businesses to win contracts
- we're committed to continuously developing our commercial expertise and seeking innovative solutions for our customers

We recognise the need to transform business processes to align with the public sector digital agenda. Our commercial agreements encompass new technologies and products to support you with achieving best value and innovation, while future proofing your processes.

6. The role of CCS in this agreement

CCS are the Framework Authority for this agreement, which was awarded by CCS following a competitive tender exercise in compliance with Public Procurement Regulations (specifically Regulations 27, 33 and 67).

Throughout the 4 year term of this Framework Agreement CCS will monitor the financial health of the suppliers and their compliance with the Framework terms. CCS will continue all monitoring activity past Framework expiry until the expiry of the last Call Off contract on and this will include: CCS will include:

- monitoring Framework Performance Indicators; complaints; insurance and cyber security certification; implementation and 'go live' progress; and monthly data provision.
- identifying opportunities for greater contractual efficiencies; value for money; and supplier continuous improvements
- identifying areas where buyers can improve efficiency.

Through our comprehensive commercial management of contracts we have a supplier audit function who audits suppliers' systems to an agreed plan, giving you confidence that the prices you are charged are in line with the agreed rates. We work with all our suppliers to identify opportunities for greater efficiencies to achieve best quality and value for money through regular benchmarking reviews.

We work closely with Buyers across the public sector to:

- Share supplier feedback on potential efficiencies, supporting savings and best buying practise
- Gain feedback on supplier performance to support performance management and ensure customer satisfaction
- Implement policy and best practice to deliver savings and drive efficiency

With the customer at the heart of everything we do, we act as an escalation point for all Framework Agreement related matters. In the event that there are any contractual or performance issues these can be escalated to us, and we will work with both you and the supplier to resolve them.

7. How we work with Suppliers

Supplier assurance undertaken

CCS has carried out an open competition in compliance with all public procurement regulations to appoint suppliers to this agreement. The procurement process undertaken was in accordance with the Public Contracts Regulations 2015 (the Regulations), specifically the Open Procedure (Regulation 27 of the Regulations) and the requirements relating to Framework Agreements (Regulation 33 of the Regulations).

The award evaluation criteria for all eight Lots was based on the Most Economically Advantageous Tender (MEAT) and was defined in the OJEU Contract Notice in accordance with Regulation 67.

We will closely monitor supplier performance to ensure that your requirements are being met

CCS will manage the performance of this agreement by undertaking regular reviews with suppliers to:

- monitor Framework Performance Indicators, complaints, implementation and 'go live' progress and monthly data provision
- identify opportunities for greater contractual efficiencies, value for money and supplier continuous improvements
- identify areas where buyers can improve efficiency

Commercial Contract Management (CCM)

Through our comprehensive commercial management of contracts we have a supplier audit function who audits suppliers' systems to an agreed plan, giving you confidence that the prices you are charged are in line with the agreed rates. We work with all our suppliers to identify opportunities for greater efficiencies to achieve best quality and value for money through regular benchmarking reviews.

We work closely with Buyers across the public sector to:

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Further information

If you require any further information please contact:

Email us: info@crowcommercial.gov.uk

Tel: 0345 410 2222

You can also learn more about Crown Commercial Service at:

Website:

crowcommercial.gov.uk

Twitter:

[@gov_procurement](https://twitter.com/gov_procurement)

LinkedIn:

[Crown Commercial Service](https://www.linkedin.com/company/crown-commercial-service)

