

SERVICE INFORMATION FOR NATIONAL TECHNOLOGY AND LOGISTICS CENTRE

Version 2 – Tender Amendment 6 (*issued 11 November 2016*)

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SERVICE INFORMATION

[Service Information is to be prepared in accordance with the structure set out in the NEC3 TSC Service Information guidance. Include the following provisions as applicable. If a section of subsection is not required then insert the statement 'Not used']

Document Structure

SI 100	Description of the <i>service</i>
SI 200	General constraints on how the <i>Contractor</i> Provides the <i>service</i>
SI 300	Contractor's Design
SI 400	Contractor's plan
SI 500	Quality management
SI 600	Tests and inspection
SI 700	Management of the service
SI 800	Working with the <i>Employer</i> and Others
SI 900	Services and other things to be provided
SI 1000	Health and safety
SI 1100	Subcontracting
SI 1200	Acceptance or procurement procedure
SI 1300	Accounts and records
SI 1400	Parent company guarantee (Option X4)
SI 1500	Performance bond (Option X13)
SI 1600	Work call off arrangements
SI 1700	Task Order (Option X19)
SI 1800	<i>Employer's</i> service specification and drawings

SI 100 Description of the service

SI 105 Description of the service

The *Employer* requires the *Contractor* to provide and manage a service to provide a National Technology and Logistics Centre (NTLC) to primarily support the storage and distribution of components for roadside technology maintenance on our strategic road network. This is required to be a single site within the 30 mile proximity bounded by the triangle of Nottingham, Bedford and Birmingham, illustrated in Annex C.

The contract also provides a stock controller role to the south west regional stores based in Avonmouth which could also be extended to other regional stores across England in future.

The service is required to be fully functional by 1st April 2017. A 3 month mobilisation period is expected. This contract will replace the existing contract providing a National Distribution Centre that expires 31st March 2017 and is located in West Hallam, Derbyshire.

SI 110 Overall objectives

The *Employer* is Highways England the government company charged with operating, maintaining and improving England's motorways and major A roads.

Formerly the Highways Agency, the *Employer* became a government company in April 2015.

The *Employer* manages around 4,300 miles of carriageway and is made up of motorways and trunk roads.

Operational Technology is the term used to describe the technology that enables the *Employer* to operate and monitor the strategic road network. In addition the Operational Technology also provides the data required to model the current demands and predict future needs and identify areas for future investment.

The Operational Technology assets are categorised into the following areas: Roadside Technology - technology deployed at the roadside (signs, signals, CCTV cameras etc.).

Telecoms Services - the systems and services that interconnect the roadside technology with the Control Centre systems.

Control Centres - centralised systems that are used to monitor and control the roadside technology.

There are over 40,000 Roadside Technology assets installed across the SRN. Operational Technology has an estimated capital value of £1.5B.

Third Line Services is a term used to describe an inspection, test and repair service to be located within the NTLC but provided by Others with logistical support from the *Contractor*. The service will receive all inbound stock that has been labelled as faulty by a scheme or regional maintainer.

The Test and Innovation Centre is a term that describes a manned test area located within the NTLC which will be used for roadside equipment testing and fault finding and will be staffed by Others with logistical support from the *Contractor*.

The terms Stock and Stockholding describe all of the whole assets and components that are the property of the Employer and listed within the warehouse management system.

The objectives of this contract are:

- To provide a fulfilment function encompassing storage and distribution of Roadside Technology assets and components to support the *Employers* maintenance function.
- To provide a consolidation point for assets that are required for highways construction schemes.
- To provide facilities for our Third Line Services provider who undertakes an inspection, test and repair service for all Stock items returned from regional maintenance providers and schemes.
- To provide facilities for the *Employer* or their service provider to prototype a Test and Innovation Centre (TIC), this will allow for the testing of Roadside Technologies.

SI 115 Detailed description of the service requirements

Stockholding

The stock holding is owned by the *Employer* and will be managed by the *Contractor* as part of this service.

The assets to be held at the NTLC include, but are not limited to: -

- Drums of electrical cable for lighting, matrix signs and roadside telephones;
- Cabinets for switch gear;
- Electronic signs;
- Electrical equipment including cameras and telephones;
- Electrical connectors;
- Plinths and posts;
- Guard rails;
- Maintenance components including power suppliers and printed circuit boards.

As of March 2016 the number of assets in terms of live stock holding units is 1,400 Stock Keeping Units (SKU) with an estimated value of £28 million. The average number of bulk stock transactions of assets per month is 32.

Rolls of electrical cables will be held on wooden drums and, together with plinths and stanchions, will be held in outside storage.

Cabinets, electrical equipment and electrical connectors will be stored inside either on pallets, block stacked or stored on shelving or in bins.

The *Contractor* ensures all assets are moved using standard mechanical handling equipment or with the trailer mounted crane provided by the *Employer*. Cable drums can be moved using conventional fork lift trucks

Warehouse Requirements

The *Contractor* will provide a single NTLC site with flexible requirements to be based initially on the current service sizes at Annex A.

The NTLC provided by the *Contractor* will be within the 30 mile proximity bounded by the triangle of Nottingham, Bedford and Birmingham as detailed in the location graphic at Annex C

The site used for the NTLC does not have to be for the *Employer's* sole use.

The *Contractor* will make it possible for NTLC space requirements to be increased or decreased at the request of the *Service Manager*.

The *Contractor* will minimise the overall space used for storage.

The *Contractor* will provide appropriate, serviced welfare facilities for use by the *Employer*, *Service Manager* and Others.

The *Contractor* will provide the following requirements;

- Hard standing for cable drums, pillars and palletised construction materials.
- An outside area of concrete pad for the storage of large items of electrical equipment. The area should be provided with electricity sockets. The power required is 3kw per socket
- An indoor area for the storage of large items of electrical equipment.
- Full, Half and 1.5 pallet locations for UK Pallets
- Storage bins for small electrical components (Approx. one cubic foot)
- Shelving within the racking
- Indoor temperature of a minimum of 12°C
- Indoor space for the Third Line Services provider & Test and Innovation Centre
- Outside space for the Test and Innovation Centre
- Office space for the *Contractor's* employees, Third Line Service and Test and Innovation Centre functions initially based on 6 desk positions.

Satellite Warehouse Requirements

The *Contractor* provides a stock controller to be based at the south west regional stores in Avonmouth.

The *Contractor* will maintain accurate stock records, process deliveries from and returns of stock to the NTLC, ensure all return and fault labels are fully completed and process any additional stock orders requested by regional maintenance engineers who work for Others.

The *Service Manager* can request that the *Contractor* provide stock control and warehouse services to other regional stores locations in England during the *service period*.

Stock classification

The *Contractor* will store all assets using the following classifications/definitions:

- Good stock - Can be sent to construction projects and maintenance contractors;
- 'Green label' stock - Can only be sent to maintenance contractors;
- 'Red label' stock - Stock awaiting inspection or repair by Others;
- 'Disposal' stock - Stock awaiting disposal by the Contractor or Others.

Site Access Requirements

The *Contractor* operates the NTLC Monday to Friday, excluding banks holidays

The *Contractor* allows access to the NTLC to meet transport delivery schedules for collecting and depositing vehicles during NTLC operating hours.

The *Contractor* is required to provide the *Service Manager* with a permanently manned out of hours telephone contact number.

If required due to warehouse security or an unscheduled/urgent consignment which requires the immediate attention of the *Contractor*, the *Contractor* will attend within 1-hour following notification by the *Service Manager*.

Distribution Requirements

The *Contractor* will provide a distribution service throughout England delivering to regional maintenance stores, construction scheme and supplier premises. Current volumes are found in Annex A.

The *Contractor* is responsible for providing the most cost efficient delivery services for each order which can include the use of subcontracted services.

The Contractor must ready all orders for despatch within 48hrs from time of notification via the Warehouse Management System (WMS) or paper order.

The *Contractor* must deliver all orders within 24hrs of them being ready for despatch.

If requested by the *Service Manager* the *Contractor* will be required to provide a same day pick, despatch and delivery service.

The *Contractor* will be liable for the cost of any lost or damaged assets belonging to the *Employer* whilst in the care or custody of a Subcontractor.

The *Contractor* will be liable for any additional transportation costs resulting from a mis-delivery caused by the negligence, fraud or breach of the Contract.

Warehouse Management System (WMS) Requirements

The *Contractor* shall use the WMS provided by the *Employer*.

The *Employer's* current WMS is Empirica but is expected to transition to Oracle Fusion by February 2017.

The *Employer* will provide the necessary data connection and maintain all software required for WMS.

The *Contractor* is responsible for adhering to the WMS system procedures and the *Employer's* IT Security Policies.

The *Contractor* will be responsible for following the *Employers* procedures so that their personnel only have the relevant WMS access required to complete their roles.

The *Contractor* is responsible for ensuring that warehouse locations are identified in the WMS in accordance physical identifiers in the warehouse.

Stock Receipt Requirements

The *Contractor* will be notified of the impending arrival of stock with a minimum notice period of 24 hours' by the *Service Manager* or an approved supplier as notified by the *Service Manager*.

The *Contractor* will use the WMS in planning for expected stock receipts.

The *Contractor* will manage all inbound deliveries and receipt them on to the WMS within 24 hours' of arrival at the NTLC.

The process for receipt of inbound deliveries must include;

- The *Contractor* to check delivery against quantity ordered and the asset stock code
- The *Contractor* to check for damage and place any stock suspected of damage in a quarantine area, they will advise the *Service Manager* immediately who will tell the *Contractor* how they must proceed

- The *Contractor* will note on the delivery note any discrepancies or damage and then create a discrepancy note that must be sent to the *Service Manager* on the same working day as the delivery.

Material and NTLC Quality Standards

The *Contractor* is responsible for correct handling of stock at all times when it is their custody, in line with any manufacturers recommendations.

The *Contractor* is responsible for storing all stock in an appropriate location in line with any instructions from the *Service Manager*.

The *Contractor* is responsible for the housekeeping of the NTLC with all areas swept and kept clear of debris.

The *Contractor* is responsible for ensuring that all indoor spaces remain dry.

The *Contractor* must provide clear traceability through their records of stock demonstrating the reference to asset number, customer order number and warehouse location.

The *Contractor* must adopt storage systems to facilitate efficient asset picking and auditing.

The *Contractor* must ensure secure segregation of stock that is damaged or quarantined pending inspection, disposal or return to stock.

Traffic Planning – Deliveries for construction schemes

Construction schemes are where roads are being built or refurbished or new assets being installed or replaced. They can be anywhere within England. Assets will be stored by the *Contractor* at the NTLC and called off by the *Service Manager* in writing or as an order as required.

The *Contractor* will phone the scheme contact provided by the *Service Manager* to agree the proposed delivery date and notify the *Service Manager* of the date agreed.

The *Contractor* will notify the *Service Manager* by 10.00 a.m. on the day of delivery of any orders not despatched.

The *Contractor* will liaise with the scheme contact and provide a suitable vehicle for the resources available for offloading at the point of delivery.

Traffic Planning - The movement of cable and signs using the trailer mounted crane

The *Contractor* will use the trailer mounted crane to complete deliveries and collections of cable drums, electronic message signs and signal at the request of the *Service Manager*.

The *Contractor* is responsible for the completion of suitable risk assessment, method statements, certifications and lift plans prior to using the trailer mounted crane and provide copies of these documents to the *Service Manager* and the scheme contact on request.

The *Contractor* is required to undertake any location or scheme specific inductions and put in place required permits as requested by the *Service Manager*.

Confirmation of All Deliveries

The *Contractor* must provide the *Service Manager* with proof of delivery (POD) within 24 hours of delivery.

The *Contractor* will hold proof of delivery records for a period of 3 years from the original delivery date either by hard copy or electronically.

On request the *Contractor* will make proof of delivery records available to the *Service Manager* within 3 hours of the request.

Notification of Delivery Problems/Delays

The *Contractor* will report all delivery problems and service failures to the *Service Manager* immediately.

Where a delivery problem occurs at a location owned or operated on behalf of the *Employer* the *Contractor* must inform the *Service Manager* who will provide instructions on how to proceed.

Stock Returns

From construction schemes;

- The *Service Manager* will be responsible for agreeing the return of any items through the approval of a MCH1371 return stock voucher.
- The *Service Manager* will add a sequential reference number and send the MCH1371 return stock voucher to the *Contractor*.
- The *Contractor* will pass all returned items to the Third Line Services provider for inspection
- If the Third Line Service providers confirms an item is suitable for stock the *Contractor* will submit the supplier delivery note to the *Service Manager* and place the item back in stock within 24 hours.

Process for regional technology maintenance stores:

- The regional maintainer will provide the *Contractor* with details of items to be returned which as a minimum will include the oracle stock code and the quantity. If this detail is missing the *Contractor* shall request it from the regional maintainer prior to agreeing any collection.
- The *Contractor* upon receipt will be responsible for agreeing collection either at the time of the next delivery or within 72hrs of receipt of the request, whichever is the earliest.
- The *Contractor* will pass all returned items to the Third Line Services provider for inspection within 24hrs of their return to the NTLC.

The *Contractor* must ensure that a copy of the collection documentation is retained as proof of collection.

The *Contractor* must notify the *Employer* of any discrepancies or damage at the time of collection.

Stock Control

Asset movements and stock losses will be recorded on the WMS by the *Contractor* and confirmed by the *Service Manager*.

The *Service Manager* will provide the *Contractor* with a current stock take record from the outgoing provider at the initial contract meeting.

The *Contractor* is required to complete a full stock take during the mobilisation phase as the stock is transferred to the *Contractor's* premises.

The *Contractor* will be required to complete a full stock take at the end of the *service period* prior to any stock being transferred to a replacement contract. A complete record of the stock take will be passed to the *Service Manager*.

The *Contractor* will operate a system of perpetual inventory control by carrying out a 100% rolling stock check every 3 months with specified start and end dates.

The *Contractor* will complete a stock take of each product code four times per year.

The *Contractor* must achieve a minimum stock accuracy level of 98.5% at each stock take.

The *Contractor* is required to provide the stock take results and progress to the *Service Manager* as part of the monthly performance assessment and at any other time upon request.

The *Contractor* shall record the stocktake figures for each stock item on the WMS.

The *Service Manager* will inform the *Contractor* of monthly administrative deadline to enable the physical stock count to be accurately reconciled to the WMS.

The *Contractor* must identify any damaged stock prior to any stock count.

The *Contractor* is responsible for notifying the *Service Manager* immediately of any unaccountable stock losses and for investigating the issue to the satisfaction of the *Service Manager*.

The *Service Manager* is required to provide the *Contractor* access to all records and materials to support the investigation.

The *Service Manager* can undertake a stock control audit at the NTLC any time without notice during normal operating hours.

Mechanical Handling Equipment Requirements

The *Contractor* will be required to provide mechanical handling equipment appropriate to the proper performance of the operation at all times.

Mobilisation

The *Contractor* completes their mobilisation period within three months of the Contract Date unless otherwise agreed with the *Service Manager*.

The *Contractor* details their mobilisation activities within the first Contractors Plan submitted to the *Service Manager* for acceptance which must include: TUPE considerations, setup and transfer of stock records, set up of NTLC, physical transfer of stock and transport planning.

The *Contractor* provides a named key person who will be responsible for the preparation and supervision of mobilisation activities

The *Contractor* reports on mobilisation progress to the *Service Manager* at intervals agreed at the initial contract meeting.

The *Contractor* will be responsible for compiling the standard operating procedures for the contract and for seeking acceptance from the *Service Manager*.

The *Contractor* allows time and access for the *Employer* to deploy their WMS.

The *Contractor* will be responsible for the transfer of stock within the WMS.

The *Contractor* will be responsible for the phased physical transfer of stock from our current national distribution centre in West Hallam, Derbyshire to the *Contractors* NTLC.

The *Contractor* will be responsible for redirection of inbound stock to the NTLC during the mobilisation process

SI 200 General constraints on how the *Contractor* Provides the *service*

SI 205 General constraints

Business Continuity and Disaster Recovery

The *Contractor* will be responsible for preparing, maintaining and enacting business continuity procedures that will allow the *service* to continue as normal.

If the *Contractor* needs to enact a business continuity procedure they will inform the *Service Manager* immediately and confirm the plan to resume business as usual.

The *Employer* or *Service Manager* will provide the *Contractor* with adequate disaster backup for the WMS and a disaster recovery plan that will ensure continuity in the event of a systems failure.

Contractors Additional Obligations

The *Contractor* will protect and hold all assets and property of the *Employer* free from all liens, charges and other encumbrances.

The *Contractor* is required to have in place the Required Insurances described in the Insurance Table shown in Appendix A.

The *Contractor* will release to the *Employer* upon demand by the *Service Manager* any stock as required notwithstanding any disputes currently taking place.

Upon acceptance the *Contractor* will be liable for the *Employer's* stock and property lost and damaged whilst in the *Contractor's* custody, possession or control (including whilst they are in the custody, possession or control of any permitted Subcontractor).

The liability of the *Contractor* will cease under the following circumstances;

- The *Contractor* or their Subcontractor has delivered the stock or property to the correct consignee and has received a properly completed and legibly signed proof of delivery or
- The *Contractor* or their Subcontractor delivers the stock or property to the *Employer* or its agents as provided for in this contract; or

- The correct consignee has collected the stock or property and the *Contractor* or their Subcontractor has obtained a properly completed and legibly signed POD.

Environmental Impact

The *Contractor* will provide the *Service Manager* with their environmental policies as part of the mobilisation period.

SI 210 Confidentiality

The *Contractor* must seek the approval of the *Service Manager* before undertaking any publicity linked with the provision of this service

The *Contractor* must seek the approval of the *Service Manager* before using any of the *Employer's* brandings or logos and must always adhere to any advised policies on their use.

The *Contractor* must make the *Service Manager* immediately aware of any event that could lead to unexpected publicity of the service and the *Employer* during the *service period*.

SI 211 Conflict of Interest

The *Contractor* does not take an action which would cause a conflict of interest to arise in connection with this contract. The *Contractor* notifies the *Service Manager* if there is any uncertainty about whether a conflict of interest may exist or arise.

The *Contractor* notifies his employees and Subcontractors (at any stage of remoteness from the *Employer*), and ensures any Subcontractor informs its employees, who are Providing the Service, that they do not take an action which would cause an actual or potential conflict of interest to arise in connection with the *services*.

The *Contractor* ensures that any employee and that any Subcontractor (at any stage of remoteness from the *Employer*) ensures any of its employees, who are Providing the Service, completes a declaration of interests and conflict of interests in the form provided by the *Service Manager*. The *Contractor* issues to the *Service Manager* any completed declaration of interests and conflict of interests.

The *Contractor* procures any Subcontractor (at any stage of remoteness from the *Employer*) immediately notifies the *Contractor* and *Service Manager* if there is any uncertainty about whether a conflict of interest may exist or arise and immediately notifies the *Service Manager* if there is any

uncertainty about whether a conflict of interest may exist or arise.

A reason for not accepting the submission is that it does not resolve any conflict of interest. The *Contractor* amends the proposal in response to any comments from the *Service Manager* and resubmits it for acceptance by the *Service Manager*. The *Contractor* complies with the proposal once it has been accepted.

SI 215 Control of *Contractor's* personnel

The *Contractor* will carry out basic security and identity checks on their employees and Subcontractors before they are involved in Providing the Service.

SI 220 Cleanliness

Not used

SI 225 Waste materials

The *Contractor* will allow the Third Line Services provider to utilise skips if required to dispose of obsolete items.

If requested by the *Service Manager* the *Contractor* will undertake the disposal of items in accordance with relevant legislation.

SI 230 Deleterious and hazardous materials

Not used

SI 235 Security and protection of the NTLC

The *Contractor* is responsible for the security of the NTLC and the *Employers* property.

The *Contractor* is responsible for NTLC access control including personnel working in Third Line Services and the Test and Innovation Centre.

The *Contractor* is responsible for undertaking vehicle and personnel checks in line with their standard operating procedures.

The *Contractor* is responsible for the health and safety of personnel and visitors at the NTLC and providing them with a briefing which as minimum will

cover; evacuation procedures and expected testing, specific hazards, PPE, location of welfare facilities, search procedures and reporting systems.

SI 300 *Contractor's Design*

Not Used

SI 400 *Contractor's plan*

SI 405 Plan requirements

In addition to the requirements at 21.2 of the *conditions of contract* the *Contractor* must show service mobilisation, standard operating procedures and service exit on the Contractors Plan.

For service mobilisation the *Contractor* must include key milestones and people who will deliver this work.

The *Contractor* provides the Contractors Plan in a format compatible with Microsoft Office 2010.

The *Contractor* provides all timelines or plans in a format compatible with Microsoft Project 2010.

SI 410 Methodology statement

The *Contractor* uses methods that are detailed within their standard operating procedures.

SI 415 Work of the *Employer* and Others

The *Contractor* collaborates with the Third Line Service provider as they mobilise their service within the NTLC.

Mobilisation of the Third Line Services provided by Others will require them to set up test benches and equipment within an agreed area of the NTLC to be provided by the *Contractor*.

The Contractor will provide logistical support to Others during the mobilisation of Third Line Services by transferring equipment and red stock from the current national distribution centre to the NTLC.

The *Contractor* collaborates with the *Service Manager* and Others in maintaining normal service levels during the mobilisation period.

The *Contractor* notifies the *Service Manager* immediately where the work of the *Employer* or Others may impact the *service*. The *Service Manager* shall determine any action to be taken.

SI 420 Information required

The first Contractors Plan must be submitted to the *Service Manager* for acceptance within two weeks of the Contract Date by the *Contractor*.

The *Contractor* will ensure that the first Contractors Plan contains the full mobilisation plan for the *service*.

SI 425 Revised plan

Not used.

SI 500 Quality management

SI 505 Quality statements

The *Contractor* provides to the *Employer* details of applicable accredited quality systems that will apply to the provision of the *service* as part of the first Contractors Plan.

The *Contractor* is responsible for the review and development of quality systems and all standard operating procedures in collaboration with the *Service Manager*.

The *Service Manager* may request that the *Contractor* further details and review of quality systems at any time during the *service period*.

SI 510 Quality management system

Not used

SI 600 Tests and inspection

Not Used

SI 700 Management of the *service*

SI 705 Communications

The *Contractor* shall arrange an initial contract meeting with the *Service Manager* to be held within one week of the Contract Date at the NTLC.

The *Service Manager* will provide the agenda for this meeting.

The *Contractor* shall compile any required minutes and actions resulting from this meeting and issue them to the *Service Manager* within seven days of the meeting.

Contract Performance Reporting

The *Contractor's* performance shall be assessed using the current version of the *Employer's* "Collaborative Performance Framework" (CPF), in line with the specified reporting frequency and reporting deadline. CPF will be updated on a regular basis by the *Employer*.

The *Contractor* will complete the CPF worksheet and provide evidence of performance to the *Service Manager* on a quarterly basis at times agreed at the initial contract meeting.

Additional Service Reporting

The *Contractor* will submit to the *Service Manager* a daily report each morning detailing stock receipts, failed deliveries and customer comments from the previous day.

The *Contractor* will submit to the *Service Manager* a weekly report on the first day of each week that includes the listed information for the previous week;

- Summary of daily reports with detail
- Total deliveries made
- Picking errors
- Damaged goods
- Status reports on customer complaints and failed deliveries
- Space usage
- Financial data

The *Contractor* will submit to the *Service Manager* a monthly report based on the agreed CPF measures by the seventh day of the following month. The report must also be capable of providing the following information;

Warehouse Operation

- Picking accuracy by order line
- Orders fulfilled in full
- Percentage of receipt, returns and inspected items put away and logged onto the computer within the specified times

Distribution

- Number of orders delivered by different services/percentages
- Percentage and actual deliveries not achieving requested and despatched delivery time listed by service requested and details
- Percentage of items/equipment not collected within specified times

Administration

- Achievement of on time updating of the WMS for all orders
- Analysis of claims with separate report for those not settled within 3 days.
- Claims outstanding and claims settled
- Damaged goods in transit and in warehouse
- Damaged goods returned via customer
- Security check reports

Volumes

- No. of loads received at Goods In
- Stock received
- No. of orders received processed by category
- Details of urgent orders
- Storage levels at the beginning of each week
- Warehouse utilisation
- Open storage utilisation

Monthly Performance Meetings

The *Contractor* will attend a monthly performance meeting with the *Service Manager* to be held at the NTLC on dates to be agreed at the initial contract meeting.

The meeting will cover as a minimum the contents of the monthly service report and progress towards the next quarterly CPF assessment.

At meetings where a quarterly CPF assessment is due this will be discussed as part of the regular monthly meeting.

The *Service Manager* will be the chairperson and shall provide an agenda to the *Contractor* five days before the agreed meeting date.

The *Contractor* is responsible for taking the minutes from the meeting and issuing these to attendees within five days of the meeting.

Monthly Spend Forecasting

The *Contractor* will as part of the first Contractors Plan provide the *Service Manager* with an initial twelve month financial forecast.

The *Contractor* will provide the *Service Manager* with an updated twelve month financial forecast three working days before the end of each month.

The *Contractor* will provide the *Service Manager* with confirmation of in-month spend three days before the end of each month using a format as in Annex B.

The *Service Manager* may at any time request additional forecasts or financial information from the *Contractor* who will response within the *period for reply*.

SI 710 Payment provisions

The *Contractor* will send one application for payment to the *Service Manager* each month for assessment.

The *Contractor* must include evidence that clearly demonstrates how the application has been built up to allow the *Service Manager* to assess the request.

All invoices must be approved by the *Service Manager* prior to submitting to the *Employer* for payment, and must contain the release and receipt number provided by the *Service Manager*.

At the same time as submitting invoices, the *Contractor* submits all the supporting information required by the *Service Manager* to demonstrate how the amount stated as due in each invoice has been assessed.

SI 715 Project team - Others

The *Contractor* will provide a contract manager to manage the service and its mobilisation.

The *Contractor* will provide suitably trained and experienced staff to deliver all *services* required by this contract.

SI 800 Working with the *Employer* and Others

SI 805 Co-operation

The *Contractor* shall collaborate with the *Service Manager*, Third Line Service provider and any Test and Innovation Centre personnel in delivery of their services.

The *Contractor* shall provide services to Third Line Services and the Test and Innovation Centre as set out within this Service Information.

The Contractor shall provide services to regional stores operated by Others as set within this Service Information.

The *Contractor* shall escalate any issue arising from the activities of the *Employer* or Others to the *Service Manager* immediately for resolution.

SI 810 Co-ordination

The *Contractor* will work with the *Service Manager* and Others in coordinating the delivery of the services.

SI 900 Services and other things to be provided

SI 905 Services and other things for the use of the *Employer*, *Service Manager* or Others to be provided by the *Contractor*

The *Contractor* will provide the *Service Manager* with access to meeting rooms when requested.

The *Contractor* will provide the *Service Manager* with access to desk space and a suitable high speed internet facility when requested.

Third Line Services Facilities and Support Requirements

The *Contractor* will provide administrative support to the Third Line Services provider by recording all stock movements and creating monthly stock reports with the Warehouse Management System.

The *Contractor* will provide warehouse support to the Third Line Services provider through internal distribution of stock.

The *Contractor* will provide of a secure indoor working area initially in line with stated current service sizes stated in Annex A which will be used for inspection and test workstations.

The *Contractor* will ensure the area provided is away from doors that are regularly opened.

The *Contractor* will provide 30 x 13 Amp electrical points protected by Residual Current Device (RCD) within the Third Line Services area.

The *Contractor* will provide an access door 5 metres high and full height to the Third Line Services area.

The *Contractor* shall provide access to office facilities for the Third Line Services providers use based initially on the current service sizes stated in Annex A and located near to their working area.

The *Contractor* will provide high speed internet access to the office facility.

The *Contractor* will provide two fixed telephone lines to the office facility.

The *Contractor* will provide appropriate serviced welfare facilities for Third Line Services staff and their visitors.

Test and Innovation Centre Facilities Requirements

The *Contractor* upon the request of the *Service Manager* provides the following facilities for the Test and Innovation Centre (TIC).

The *Contractor* will provide administrative support to the Test and Innovation Centre by recording all stock movements within the Warehouse Management System.

The *Contractor* will provide warehouse support to the Test and Innovation Centre through internal distribution of stock.

The *Contractor* will provide of a secure indoor working area in line with the current contract sizes stated in Annex A which will be used for workstations and test equipment.

The *Contractor* will provide 30 x 13 Amp electrical points protected by Residual Current Device (RCD) within the TIC area.

The *Contractor* will provide an access door 5 metres high and full height to the TIC area.

The *Contractor* shall provide access to office facilities for TIC use based initially on the current service volumes and located near to their working area.

The *Contractor* will provide high speed internet access to the office facility.

The *Contractor* will provide two fixed telephone lines to the office facility.

The *Contractor* will provide access to appropriate serviced welfare facilities for TIC staff and their visitors.

SI 910 Services and other things to be provided by the Employer

Trailer Mounted Crane

The *Contractor* shall operate and maintain a trailer mounted crane owned by the *Employer* as part of this *service*.

The *Contractor* shall provide insurance covering storage and operation of the trailer mounted crane during the *service period*.

When not in use the *Contractor* will provide a suitable and secure storage location and any protective materials for the trailer mounted crane.

The *Contractor* is responsible for provision of a tractor unit and driver to operate the trailer mounted crane upon request of the *Service Manager*.

The *Contractor* is responsible for ensuring that they operate the trailer mounted crane in line with the accepted standard operating procedures for this *service*.

The *Contractor* is responsible for providing working maintenance and an annual service of the trailer and crane in accordance with the manufacturers stated requirements provided by the *Service Manager*.

The *Contractor* is responsible for providing the trailer MOT, annual weight test and certifications for the lifting chains and beam required to operate the trailer mounted crane safely.

If any part of the trailer mounted crane needs repair or replacement the *Contractor* will notify the *Service Manager* who will instruct on how to proceed.

The *Employer* is responsible for the cost of repairs or replacements except for any deterioration, damage or defect caused to the equipment by the *Contractor*. Any deterioration, damage or defect caused by the *Contractor* shall be remedied at the *Contractor's* cost.

SI 915 Access to information at the end of the *service period*

The *Contractor* will be required to provide the *Service Manager* with access to all delivery records for the minimum storage period of three years from the date of delivery.

SI 1000 Health and safety

SI 1005 Health and safety requirements

The *Contractor* will create and maintain a health and safety plan as part of the Contractors Plan for acceptance by the *Service Manager* which should as a minimum cover suitable risk assessments and mitigations, training and compliance/enforcement activities.

The *Contractor* will take account of the *Employers* current health and safety plan within their planning and demonstrate alignment to the *Service Manager*.

The *Contractor* reports to the *Service Manager* immediately details of any serious incidents involving any person injured or killed in connection with the *service*.

The *Contractor* reports such incidents through the *Employer's* accident and incident reporting system.

The *Contractor* and the *Service Manager* will notify each other of any known specific health and safety hazards which may affect the *service*.

The *Service Manager* will advise, and the *Contractor* shall maintain as a formal procedure, a register of individual *Employer's* staff, Subcontractors and Others who are pre-approved to visit the NTLC. All visitors shall be defined as either;

- Escorted - whereby the *Contractor* shall as a minimum provide the visitor with a briefing note on the key hazards and procedures associated with the NTLC on arrival. The visitor shall be escorted at all times by a member of the *Contractor's* staff.

- Un-Escorted – Whereby the *Contractor* shall provide an appropriate briefing on the hazards and procedures associated with the NTLC, including the areas where access is permitted.

The *Contractor* shall comply fully with all health and safety processes and procedures required by Others when operating within regional stores and attending other locations, including construction schemes for deliveries and collections.

The *Contractor* shall liaise with the *Employer's* contractors responsible for those locations and attend any induction training as required.

SI 1010 Method statements

Standard operating procedures

The *Contractor* will Provide the Service in accordance with standard operating procedures prepared by the *Contractor* and accepted by *Service Manager* during the mobilisation period and in any case within one month of the Contract Date.

The *Contractor* shall submit the format of standard operating procedures to the *Service Manager* for acceptance such that each procedure contains sufficient detail to be used for training and audit purposes.

The *Contractor* and *Service Manager* shall jointly agree amendments to existing or new standard operating procedures.

Where a new standard operating procedure is required or an existing one requires amending then a new or amended version shall be submitted by the *Contractor* to the *Service Manager* for acceptance within 7 days of the need being recognised.

SI 1015 Legal requirements

Not used

SI 1020 Inspections

The *Employer* and *Service Manager* have the right to undertake a health and safety inspection of the NTLC by giving a minimum of 24 hours' notice.

Health and safety tours will be based on the *Employer's* current standard template and will be completed in collaboration between the *Service Manager* and *Contractor*.

The *Contractor* will be responsible for providing an action plan to *the Service Manager* within three days of an inspection for any issues raised.

SI 1100 Subcontracting

Not used

SI 1200 Acceptance or procurement procedure

Not used

SI 1300 Accounts and records

Not used

SI 1400 Parent company guarantee (Option X4)

Not used

SI 1500 Performance bond (Option X13)

Not used

SI 1600 Work call off arrangements

Not used

SI 1700 Task Order (Option X19)

SI 1705 Programme requirements

Not used

SI 1710 Methodology statement

The Contractor shall utilise existing standard operating procedures and evidence this within the methodology statement.

Where a standard operating procedure does not exist or requires amendment the Contractor shall detail this within the methodology statement.

SI 1715 Work of the *Employer* and Others

The *Service Manager* shall provide the *Contractor* with plan by the *Employer* and Others to support their planning of the task.

SI 1720 Information required

Not used.

SI 1725 Revised plan

Not used.

SI 1800 *Employer's* service specification and drawings

SI 1805 *Employer's* service specification

MCH 1371 Return Stock Voucher

Annex A – Current Service Volumes**Space Requirements**

Storage Type	Current Service Size
Outdoor – hardstanding	Main Area – 110,000 sq. ft.
Outdoor – hardstanding/concrete pad With Power Sockets	Main Area 20,000 sq. ft. with 20No. 3kw Sockets Test Area – 60,000 sq. ft. with 20No. 3kw Sockets
Indoor space	Main Area – 10,000 sq. ft. Third Line – 7,000 sq. ft. Test Area – 6,000 sq. ft.
Pallet locations (UK Size)	Full Pallet Locations – 1500No. Half Pallet Locations – 300No. 1.5 Pallet Locations – 450No.
Small storage bins (Approx. 1 Cu. Ft.)	200No.
Shelving with racking	800ft.
Office space – for NTLC, Third Line and Test Centre Use.	6 Desk Positions

Transport Volumes

Transport Type	Qty.
Average articulated lorry deliveries/collections per month	20
Average pallet deliveries per month	47
Average pallets per delivery	1.7
Average parcel deliveries per month	15
Average lorry mounted crane deliveries per month	8

Service People Resources

Role	Area Supported	No.
Operations/Contract Manager	NTLC	1
Team Leader	NTLC	1
Stock Controller	NTLC	2
	Avonmouth	1
Administrator	Outbound NTLC	1
	Inbound/Returns NTLC	1
	Third Line Services	1
Warehouse Operative	NTLC	1
	Third Line Services	1

Annex B - Example of weekly/Monthly/Yearly rolling sheet

Week Commencing Date		25/05/2017	25/05/2017	Total
Outside		£	£	£
Full Pallets		£	£	£
1.5 Pallets		£	£	£
Annex		£	£	£
Motorway Overhead Signs		£	£	£
Pallet Locations - AMI & Normal Pallets		£	£	£
Main Warehouse Sq. Ft		£	£	£
Outside Gantry Storage Sq. Ft		£	£	£
Storage Total		£	£	£
Stock Controller		£	£	£
Admin Clerk		£	£	£
Store Keeper x 2		£	£	£
Section Manager		£	£	£
Manager (pt time)		£	£	£
Additional Labour		£	£	£
Additional Hours		£	£	£
Labour Total		£	£	£
7T Counter Balance		£	£	£
Reach Truck		£	£	£
HPT		£	£	£
Boom		£	£	£
RWE120 Stacker truck		£	£	£
3.5T Counter Balance		£	£	£
MHE Total		£	£	£

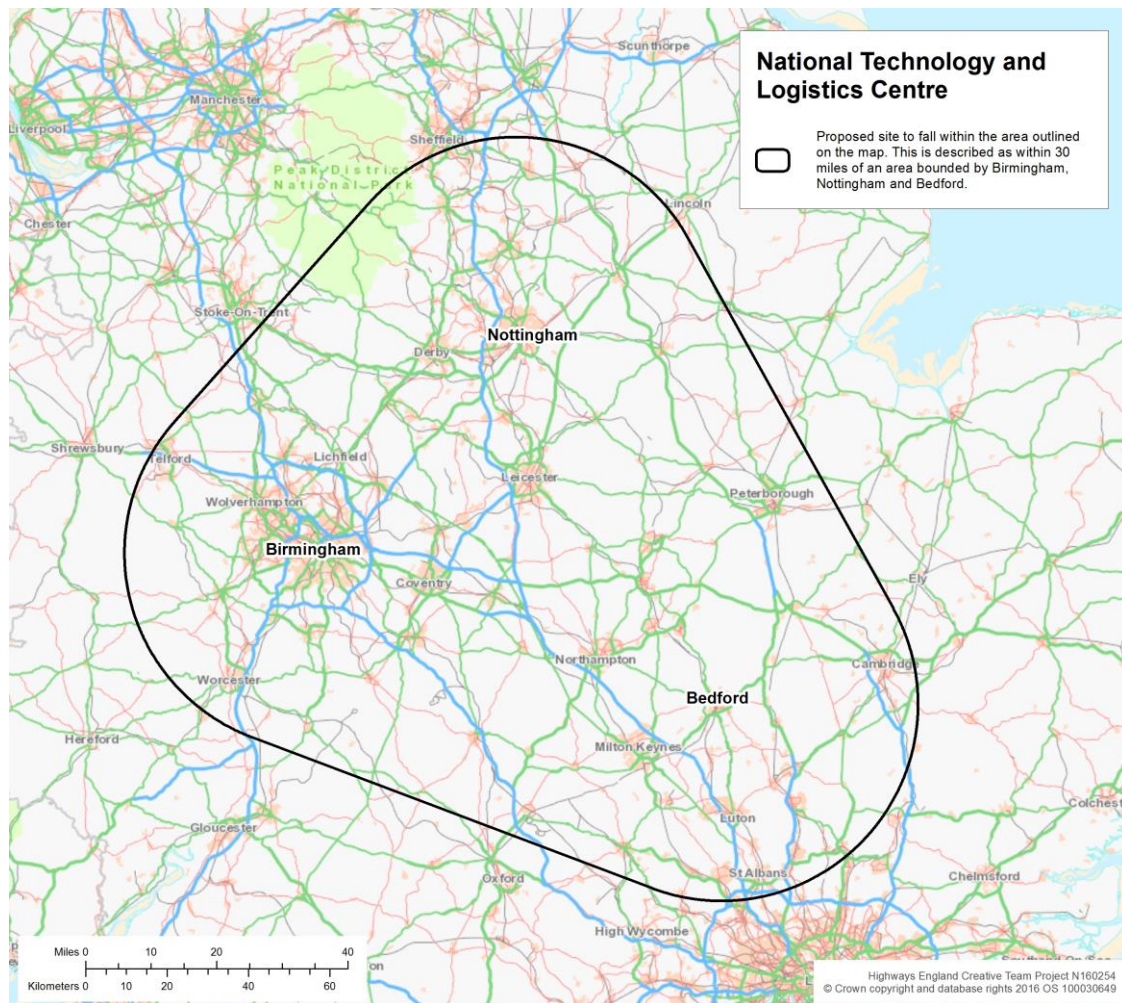
Service Information for National Technology and Logistics Centre

Transport to Site		£	£	£
Additional Hours		£	£	£
Motorway Overhead Signs		£	£	£
Transport to Site		£	£	£
Additional Hours		£	£	£
Transport to Site		£	£	£
Transport Total		£	£	£
Trailer With Crane		£	£	£
Hiab Trailer - Approved Contractor Credit		£	£	£
Hiab Inspection Charge		£	£	£
Trailer Usage (Mileage)		£	£	£
Trailer Total		£	£	£
Pallet Network		£	£	£
Parcelforce		£	£	£
Couriers Total		£	£	£
See Misc Tab for Detail		£	£	£
Miscellaneous Total		£	£	£
Telephones (Excluding Third Line)		£	£	£
Cleaning		£	£	£
Security		£	£	£
Consumables		£	£	£
Contract Management		£	£	£
IT		£	£	£

Service Information for National Technology and Logistics Centre

Other		£	£	£
Motorway Overhead Signs		£	£	£
Cleaning		£	£	£
Security		£	£	£
FTE & MHE		£	£	£
Contract Management		£	£	£
Contract Management		£	£	£
Management Charge Total		£	£	£
Invoice Total		£	£	£

Annex C – NTLC Location Graphic



Annex D – Insurances

Class of TSC required insurance	Employer insured party status
1. <i>Employers</i> Liability Insurance	1. Indemnity to principals.
2. Motor Third Party Liability Insurance	2. Indemnity to principals.
3. Third Party Public and Products Liability Insurance	3. Options of both co-insured status or indemnity to principals protection
4. Property Damage "All Risks" Insurance (including Terrorism)	4. <i>Employer</i> co-insured with non-vitiation, waiver of subrogation and notice of cancellation protection.
5. Contractor's Own Plant and Motor Vehicle Damage Insurance (own plant and hired in plant)	5. None, no <i>Employer</i> insurable interest.

Service Information Supplementary Insurance Table (Required Insurances)**1. Third Party Public and Products Liability Insurance****1.1 Insured****1.1.1 *Contractor*****1.2 Interest**

To indemnify the Insured in respect of all sums which the Insured may become legally liable to pay, (including claimant's costs and expenses) as damages in respect of accidental;

1.1.1 death or bodily injury, illness or disease contracted by any person;

1.2.2 loss or damage to property;

happening during the Period of Insurance and arising out of or in connection with the Contract.

1.3 Limit of Indemnity

Not less than ten million pounds (£10,000,000) in respect of any one occurrence, the number of occurrences being unlimited, but ten million pounds (£10,000,000) for any one occurrence in the aggregate per annum in respect of products or pollution liability.

1.4 Territorial Limits

United Kingdom and elsewhere in the world in respect of non-manual visits.

Service Information Supplementary Insurance Table (Required Insurances)

- 1.5 Period of Insurance
From the *starting date* until the end of the *service period* or a termination certificate has been issued.
- 1.6 Cover Features and Extensions
- 1.6.1 Indemnity to principals clause.
 - 1.6.2 Cross liability clause.
 - 1.6.3 Contingent motor vehicle liability.
 - 1.6.4 Legal defence costs.
 - 1.6.5 Health & Safety at Work Act(s) clause.
 - 1.6.6 Data Protection Act clause.
 - 1.6.7 Defence appeal and prosecution costs relating to the Corporate Manslaughter and Corporate Homicide Act 2007.
- 1.7 Principal Exclusions
- 1.7.1 War and related perils.
 - 1.7.2 Nuclear/radioactive risks.
 - 1.7.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured arising out of the course of their employment.
 - 1.7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicles.
 - 1.7.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.
 - 1.7.6 Events more properly covered under a professional indemnity insurance policy.
 - 1.7.7 Liability arising from the ownership, possession or use of any aircraft or marine vessels.
 - 1.7.8 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.
 - 1.7.9 Cyber risks.
- 2. Policies to be taken out as required by United Kingdom law.**
- 2.1 The *Contractor* is required to meet its statutory insurance obligations in full. Insurances required to comply with all statutory requirements including, but not limited to, *Employers' Liability Insurance* and *Motor Third Party Liability Insurance*.

Service Information Supplementary Insurance Table (Required Insurances)	
2.2	The limit of indemnity for the <i>Employers' Liability Insurance</i> shall be any one occurrence inclusive of costs, the number of occurrences being unlimited during the period of insurance or such greater amount as is required by the applicable law for the duration of the Contract or such greater period as is required by law.
2.3	Compulsory insurances to contain an indemnity to principals clause in respect of claims made against the Employer arising out of the performance of the Contractor of its duties under this Contract.
2.4	<p>The limit of indemnity for motor vehicle third party liability insurance shall be any one occurrence the number of occurrences being unlimited in any annual period of insurance.</p> <p>The motor third party liability insurance shall contain an indemnity to principals clause.</p>
2.5	The insurance shall be maintained from the <i>starting date</i> until the end of the <i>service period</i> or a termination certificate has been issued.