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Tender

## **Warehousing, Storage and Delivery Services**

Post Office Limited

F02: Contract notice

Notice identifier: 2022/S 000-027499

Procurement identifier (OCID): ocds-h6vhtk-0371d9

Published 30 September 2022, 1:49pm

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Post Office Limited

London

##### **Email**

[Procurement@postoffice.co.uk](mailto:Procurement@postoffice.co.uk)

##### **Country**

United Kingdom

##### **NUTS code**

UKI - London

##### **Internet address(es)**

Main address

<https://www.postoffice.co.uk/>

#### **I.3) Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://postoffice.wax-live.com/S2C/SignIn.aspx>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://postoffice.wax-live.com/S2C/SignIn.aspx>

Tenders or requests to participate must be submitted to the above-mentioned address

#### **I.4) Type of the contracting authority**

Body governed by public law

#### **I.5) Main activity**

Other activity

Retail (Postal Services)

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Warehousing, Storage and Delivery Services

#### **II.1.2) Main CPV code**

- 63122000 - Warehousing services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

Warehouse Operation outsourcing opportunity. The Post Office are seeking interested organisations to participate in a restricted tender process to outsource the National Stock Centre (NSC) operation.

The Post Office are looking to award up to a 10 year contract.

#### **II.1.5) Estimated total value**

Value excluding VAT: £50,000,000

#### **II.1.6) Information about lots**

This contract is divided into lots: No

### **II.2) Description**

#### **II.2.3) Place of performance**

NUTS codes

- UK - United Kingdom
- UK - United Kingdom

#### **II.2.4) Description of the procurement**

The Post Office Ltd National Stock Centre (NSC) consists of two operations: Warehouse operations and Delivery Services. Warehouse operations includes forecasting, inventory

planning and receiving SKUs from suppliers all the way up to delivery of transactional and value stock. Carriage management includes the dispatch of thousands of parcels a year from the stock centre to Post Office locations across the UK. The Post Office distributes stock to branches under an outsourcing arrangement and will continue doing so with a third party courier which will end in 2025/2026. It is anticipated that from the end of the existing outsourcing arrangement, the supplier will be required to undertake logistics services for the remainder of the duration of the contract.

In the last operational year the Post Office:

- Processes c.900,000 orders per annum through the warehouse.
- Delivers c.600,000 of these orders) through next day and 48 hour parcel delivery services to c.11,500 Post Offices nationwide in the UK.
- Warehouse holds 2400 SKUs, stores 4500 pallets and receives 16,500 pallets annually.

Post Office are seeking to outsource their National Stock Centre operations so that they can benefit in the following ways:

#### Cost

- o Reduce operating costs to gain better visibility into the cost drivers.
- o Benefits to changes in volume leading to cost change.

#### Service

- o Post Office currently operates a legacy paper pick warehouse system and is looking to benefit from moving to a Vendor operating a modern warehouse software platform in order to improve pick accuracy.

#### Capability

- o Post Office would like to move towards a newer WMS platform with increased functionality and streamlined processes.
- o Post Office is looking to gain increased visibility of the order within the warehouse, with the ability to see when an order is received, picked, packed and shipped.
- o Confirm exactly what orders and SKUs have been dispatched on which trailer, ensuring that there is full visibility on what exactly is being sent to which location.

#### Flexibility

o What Post Office would like to have by outsourcing their operation is to be able to take advantage of being able to flex their volumes at peak times, reducing it once the peak is over and also benefit from the associated cost flex that is in line with volumes.

#### **II.2.5) Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

120

This contract is subject to renewal

No

#### **II.2.9) Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 5

#### **II.2.10) Information about variants**

Variants will be accepted: No

#### **II.2.11) Information about options**

Options: No

#### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

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## **Section III. Legal, economic, financial and technical information**

### **III.1) Conditions for participation**

#### **III.1.2) Economic and financial standing**

Selection criteria as stated in the procurement documents

#### **III.1.3) Technical and professional ability**

Selection criteria as stated in the procurement documents

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Restricted procedure

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

The procurement is covered by the Government Procurement Agreement: No

### **IV.2) Administrative information**

#### **IV.2.2) Time limit for receipt of tenders or requests to participate**

Date

31 October 2022

#### **IV.2.4) Languages in which tenders or requests to participate may be submitted**

English

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## **Section VI. Complementary information**

### **VI.1) Information about recurrence**

This is a recurrent procurement: No

### **VI.3) Additional information**

Please use the link below to register on Post Office's Web3 portal in order to access the event for this Procurement.

<https://postoffice.wax-live.com/S2C/SignIn.aspx>

If you have any queries about registering please contact [procurement@postoffice.co.uk](mailto:procurement@postoffice.co.uk)

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

Post Office Limited

London

Country

United Kingdom