GUIDANCE PAGES TO BE DELETED WHEN PUBLISHED

ASDEFCON (SUPPORT)

SECTION 1: GUIDANCE for DSD-SUP-W&D

(Warehousing and Distribution SERVICES)

Status: Optional

This DSD is mandatory for contracts where Warehousing and/or Distribution Services are required to be delivered to the Commonwealth (ie, the DSD is not required simply because the Contractor will require a warehouse or for internal distribution). This DSD may not be needed under a limited number of contracts that only require Stock Assessment, Codification and Cataloguing, or procurement services with no Contractor storage and distribution requirement (eg, where the Contractor is only required to deliver orders directly to the Defence Warehousing and Distribution (DW&D) contract delivery point).

The Defence Enterprise Resource Planning (ERP) System will replace Defence information systems over a number of years, with functions that have been performed using the Military Integrated Logistics Information System (MILIS) being replaced by ‘Supply Chain Management’ functions within ERP. For further information, refer to the Defence ERP Program websites.

**Once details for the introduction of the relevant Defence ERP System functions are known, this DSD, and documents referenced by it, will require update.**

Purpose: Refer to the ‘Description and Intended Use’, clause 3.

Policy: ESCM Volume 8, Warehousing and Distribution.

Guidance: Depending on the type of services to be provided in this DSD, drafters will need to select the clauses in this DSD that best suit their requirements. The clauses are provided for guidance and are likely to require further tailoring as they are generic in nature.

Depending on the implementation schedule for the Defence ERP System and an individual tender, this DSD may need to be updated before tender release, before ED, and/or during any resultant Contract. Changes may be required in reference to the Electronic Supply Chain Manual (ESCM) (clause 5), and any references to the ESCM processes added by the drafter.

Drafters should note that, as set out in ESCM Volume 8 Section 3 Chapter 1 the DW&D contract is the ‘prime contract for commercial, domestic distribution for the ADF’ and its use is ‘strongly encouraged’. Notwithstanding, it may not always be appropriate or cost-effective to utilise the DW&D contract, depending upon the specific requirements of the proposed Contract. For example, it may not be appropriate for the DW&D contractor to be ‘artificially’ inserted into the Contractor’s processes because of the impact on the Contract boundaries (ie, interfaces with other parties) and the associated Key Performance Indicators (KPIs).

Further guidance on this DSD, including any interactions with the DW&D contract, can be obtained from the Directorate of Warehousing and Distribution (DWD) in Joint Logistics Command (JLC).

Related Clauses/ Documents: None

Optional Clauses: None

6.2.2 General Warehousing Services

Status: Optional

Policy: ESCM Volume 8, Warehousing and Distribution

DEFLOGMAN Part 2 Volume 5 Chapter 24*, Defence Volumetric Data Policy*

Guidance: This clause addresses generic Warehousing Services, while clause 6.2.3 addresses any special storage conditions for particular types of Products. If these Services are required (ie, the Contract is not limited to ‘Specific Warehousing Services’), then this clause should be included; otherwise, the clauses under clause 6.2.2 may be deleted and replaced with a single ‘Not used’.

The scope of Warehousing Services, particularly when provided at Commonwealth Premises (ie, in GFF), may depend on the use of the DW&D contract for other warehousing services, which in turn, may also need to be provided to the Contractor as GFS (in Attachment E).

Where Warehousing Services are to be provided, drafters must select from the optional clauses for warehousing from Contractor-provided facilities close to Commonwealth Premises (Option A), and Commonwealth Premises (ie, GFF) (Option B). Drafters may change the driving time identified in Option A and, if applicable, should consider the impact of traffic conditions throughout the day (eg, ‘peak hour’).

Drafters must consider the required times and days of operation for the Warehouse / store and include these in clause 6.2.2.4 where indicated. Clause 6.2.2.5 may be included when an after-hours call-out Service, for issues from the Warehouse, is required. If a call-out Service is only required during a period of Surge, drafters should modify clause 6.2.2.5 accordingly. For example, precede the existing clause with ‘During a period of Surge, when notified by the Commonwealth Representative in writing, […]’.

To improve the quality of costing information in tender responses, drafters should seek to obtain and provide volumetric information to support the RFT. Volumetric information may be obtained from MILIS (or the replacement of this function in the Defence ERP System) or CENCAT (or its replacement) as described in the policy above. When linked to a Contract (Acquisition), volumetric information may become available during that contract through the delivery of Logistic Support Analysis Record data and/or Codification Data.

Related Clauses/ Documents:

Clause 6.2.3, Specific Warehousing Services

DID-SUP-SSP or DID-SSM-SSMP, as applicable

DSD-SUP-SERV, Routine Supply Services

Optional Clauses: None

6.2.3 Specific Warehousing Services

Status: Optional

Policy: ESCM Volume 8, Warehousing and Distribution

DEFLOGMAN Part 2 Volume 5 Chapter 24, *Defence Volumetric Data Policy*

Guidance: This clause is only applied when the Commonwealth needs to define specific Warehousing Services, including any special storage conditions required.

Examples of the types of specific Warehousing Services that may be required in a DSD are provided below:

* […INSERT VOLUME…] cubic metres for dry provisions with a shelf life of […INSERT PERIOD…].
* Inflammable Stores – […INSERT QUALITY…] The Contractor shall store at […INSERT LOCATION…] […INSERT VOLUME…] litres of AVGAS and […INSERT VOLUME…] litres of diesel fuel.
* ammunition (magazines) – bunker storage as laid down in Ordnance Instruction […INSERT RELEVANT INSTRUCTION…].
* Inflammable stores, paints etc.
* diving stores.
* cool rooms (compartments) for perishable goods- […INSERT MEASURE…] cubic metres temperature controlled from to […INSERT TEMPERATURE…] degrees Celsius.

Related Clauses/ Documents:

DID-SUP-SSP or DID-SSM-SSMP, as applicable

DSD-SUP-SERV, Routine Supply Services

Optional Clauses: None

6.2.4 Long-term Storage

Status: Optional

Policy: Nil

Guidance: This clause addresses long-term storage, in addition to the Warehousing Service, where the storage of items requires special procedures to prepare for, and recover from, long-term storage (eg, special packaging procedures and draining of fuels and oils, etc). This would normally only apply to specific items of Reserve Stock. If not required, the clauses under heading clause 6.2.4 may be deleted and replaced with a single ‘Not used’.

When applicable, drafters may need to prepare a new Annex to the SOW to identify the applicable items for which long-term storage is required, including any applicable conditions. Reference to this annex will also need to be inserted into the clause. Alternatively, these items and conditions could be inserted directly into this clause 6.2.4.

Where the preparation and recovery of all items for long-term storage is addressed in a single manual, this manual should be identified in clause 6.2.4.1, as indicated. If different manuals address the preparation and recovery of different items, it may be easier to list these manuals within the new annex and insert ‘in accordance with the applicable references identified in Annex […]’ into clause 6.2.4.1.

Related Clauses/ Documents:

DID-SUP-SSP

Optional Clauses: None

6.2.5 Distribution Services

Status: Optional

Policy: Nil

Guidance: This clause addresses generic Distribution Services, with clause 6.2.6 addressing special Distribution Services. If there are Distribution Services required that are of a general nature, and the use of DW&D contract is not suitable, then this clause should be included; otherwise, the clauses under heading clause 6.2.5 may be deleted and replaced with a single ‘Not used’.

The use of the DW&D contract, for distribution, may still be used by the Contractor to deliver some items to Defence users even when other items will be delivered directly by the Contractor (eg, depending on priority of demand, Contract KPIs and other factors). If the Contractor is to use DW&D contract, it must be included as a GFS in Attachment E.

Where Distribution Services are to be provided, drafters must insert the applicable details for locations, third party delivery/collection points (if applicable), and required collection times, as indicated. Note that it may not be necessary to include collection times if the Services are measured by an appropriate KPI (eg, for the total turn-around time of items to be repaired). Consideration should be given to any higher level of Services that may be required during periods of Surge.

Related Clauses/ Documents:

DID-SUP-SSP

Optional Clauses: None

6.2.6 Special Distribution Services

Status: Optional

Policy: TBD

Guidance: This clause is only applied when the Commonwealth needs to define specific Distribution Services.

Examples of the types of specific Distribution Services that may be required in a DSD may include specific provisions in relation to the distribution of:

* flammable stores;
* ammunition (magazines) and/or Explosive Ordnance; and
* particular types of Hazardous Chemicals.

Related Clauses/ Documents:

DID-SUP-SSP or DID-SSM-SSMP, as applicable

DSD-SUP-SERV, Routine Supply Services

Optional Clauses: None

Detailed Service Description

1. DSD NUMBER: DSD-SUP-W&D-
2. TITLE: Warehousing and Distribution SERVICES
3. DESCRIPTION AND INTENDED USE

This DSD describes the Warehousing and Distribution Services, which are provided by the Contractor on behalf of the Commonwealth, for the following types of Items, as applicable:

Commonwealth-owned Stock Items;

Contractor-owned Stock Items; and

Software that is not managed as a Stock Item.

Note to drafters: Edit the following clause depending upon the tailoring of clause 6.

This DSD is applicable where the Contractor is required to provide:

Warehousing Services on or near Commonwealth Premises, which directly interact with the end-users of the Items;

Warehousing Services on behalf of Defence for specific Items, such as flammable stores and Explosive Ordnance (EO);

Distribution Services on behalf of Defence for delivery to, and pickup from, third parties;

Distribution Services on Commonwealth Premises, which involve delivery to, and pickup from, the end-users of the Items; or

some combination of the Services defined in sub-clauses a to d of this clause.

This DSD is not applicable:

to those Items consumed internally by the Contractor in the course of providing Services that are specified elsewhere in the Contract;

to internal Warehousing and Distribution activities undertaken by the Contractor as part of meeting the other Service requirements of the Contract; or

if the Contractor is performing a combination of the activities listed in sub‑clauses a and b of this clause.

1. INTER-RELATIONSHIPS

This DSD forms part of the SOW.

This DSD must be applied in conjunction with the Supply Services defined in the Supply Support requirements of the SOW and associated DSDs.

1. APPLICABLE DOCUMENTS

The following documents form a part of this DSD to the extent specified herein:

Note to drafters: Edit the list of documents in the table below to suit the requirements of this DSD (ie, include the relevant references that are applicable to Warehousing and Distribution Services). Do not include reference to a Defence policy unless the obligations for contractors are explicitly set out in the referenced policy; otherwise, these types of documents can be open to interpretation within a contract. Reference to the ESCM may require update with the introduction of the Defence ERP System.

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| --- | --- |
| ESCM | DEFLOGMAN Part 3, *Electronic Supply Chain Manual* |
| 1. AAP 8000.011 | 1. Defence Aviation Safety Regulations (DASR) |
| 1. ANP 3411.0101 | 1. Naval Materiel Assurance Publication |
| 1. LMSM | 1. Land Materiel Safety Manual |
| 1. eDEOP 101 | 1. Department of Defence Explosives Regulations |

1. SERVICE DESCRIPTION
   1. Introduction
      1. Scope of DSD

Note to drafters: Amend the following list to ensure that the exact scope of the DSD is clear. For example, if Software is considered to be a Stock Item, the reference to ‘Software’ should be deleted. Additionally, if Contractor-owned Stock Item is not a requirement of this Contract, then delete the applicable sub‑clause.

The Contractor shall provide Warehousing and Distribution Services, as described in this DSD, for the following types of Items that are in the care, custody and control of the Contractor:

Commonwealth-owned Stock Items listed in Annex A to the SOW;

Contractor-owned Stock Items listed in Annex A to the SOW; and

Software listed in Annex A to the SOW.

* 1. Services
     1. General

Note to drafters: If only a portion of the Applicable Documents listed in clause 5 are applicable, then the following clause would need to be modified to ensure that only the applicable portion of each of the documents is mandated on the Contractor.

The Contractor shall provide Warehousing and Distribution Services in accordance with the applicable documents listed in clause 5 of this DSD.

* + 1. General Warehousing Services

Note to drafters: The following clause may require amendment to define the specific location for the Contractor’s Warehouse. The intent of the words ‘within 15 minutes driving distance’ is to accurately define ‘near’, which has no definitive meaning contractually. Drafters should ensure that any amendment to the following clause specifies the Commonwealth’s requirement in such a way that there is no ambiguity.

|  |
| --- |
| Option A: Include the following clause if the Contractor is required to provide the Warehouse.  The Contractor shall provide a Warehouse within 15 minutes driving distance from […INSERT DETAILS OF SPECIFIC COMMONWEALTH PREMISES…], with the capacity to store the types of Items listed in clause 6.1.1.1 in sufficient quantities to satisfy Performance Measures, while meeting the other requirements of the Contract.  Option B: Include the following clauses, amended as required, if the Commonwealth will be providing the Warehouse(s) and associated equipment (eg, materials handling equipment).  As identified in Attachment E, the Commonwealth will provide a number of government-furnished Items to the Contractor for the purposes of providing Warehousing and Distribution Services, including […INSERT DETAILS OF GFF (EG, FACILITIES NUMBERS)…] as Government Furnished Facilities (GFF) and certain items of Government Furnished Equipment (GFE).  The Contractor shall provide all equipment and materials required to undertake the work defined in this DSD within the Recurring Services Fee, with the exception of the GFE detailed in Attachment E. |

The Contractor shall ensure the Warehouse is open for operation (ie, able to issue and take in stores) from […INSERT TIME…] to […INSERT TIME…] daily, […DRAFTER TO INSERT DETAILS OF DAYS PER WEEK, WEEKS PER YEAR, WEEKS/ DAYS NOT REQUIRED, EG, EXCEPT FOR PUBLIC HOLIDAYS…].

The Contractor shall ensure that outside of the standard times for operation, as defined in clause 6.2.2.4, Contractor staff shall be able to be notified about requisitions for, and then issue, the required Items within […INSERT TIMEFRAME (HOURS)…] of the requisition.

Note to drafters: Remove the words ‘subject to the provisions of clause 3.7 of the COC’ if the Warehouses are not being provided as GFF.

The Contractor may, subject to the provisions of clause 3.7 of the COC, use the Warehouse to store other Stock Items, which are not the subject of this Contract, provided that the requirements of this Contract are not affected.

* + 1. Specific Warehousing Services

Note to drafters: See guidance in this DSD for examples of specific Warehousing Services. If the clause is not required, then delete the draft sub-clauses and mark as ‘Not used’.

The Contractor shall provide Warehousing Services for […DRAFTER TO INSERT CLAUSE(S) DEFINING SPECIFIC WAREHOUSING SERVICES…].

Notwithstanding the specific nature of these Warehousing Services, the Contractor shall provide the Commonwealth Representative with the same level of access to stored Stock Items as for the general Warehousing Services defined in clause 6.2.2, unless explicitly defined otherwise by the Commonwealth Representative.

* + 1. Long-term Storage

Note to drafters: There may be a requirement for the Contractor to provide long-term storage and preservation of military equipment. If the clause is not required, then delete the draft sub-clauses and mark as ‘Not used’.

The Contractor shall prepare equipment for preservation in storage, recover it from storage when required, and then make it ready for use in accordance with […INSERT APPLICABLE SUPPLY SUPPORT/ STORAGE MANUAL…].

The Contractor shall place the Items listed in Annex […INSERT APPLICABLE ANNEX REFERENCE, DRAFTER TO DEVELOP ANNEX…] to the SOW in long-term storage, for the expected periods as listed in that annex.

If requested by the Commonwealth Representative, the Contractor shall recover equipment from storage, for use, within the periods defined in Annex […INSERT ANNEX REFERENCE…] to the SOW.

* + 1. Distribution Services

The Contractor shall provide the following Distribution Services for the types of Items listed in clause 6.1.1.1:

pickup from, and delivery to, […INSERT LOCATIONS (EG, END-USER UNIT)…] for those Items that are either issued by or demanded by the Commonwealth;

pickup from, and delivery to, […INSERT LOCATIONS (EG, THIRD PARTY)…] for those Items that are required by […INSERT NAME OF THIRD PARTY…] to meet its contractual requirements; or

[…INSERT ADDITION DISTRIBUTION SERVICES…].

The Commonwealth Representative shall notify the Contractor when Stock Items (eg, Items requiring Maintenance) are available for collection from the Commonwealth. Upon notification from the Commonwealth Representative, the Contractor shall collect the Stock Items within […INSERT DAYS OR NORMAL BUSINESS/WORK HOURS…].

The Contractor shall select the most cost-effective mode for the transport of Stock Items, taking into consideration the priority of the demand.

* + 1. Special Distribution Services

Note to drafters: Insert any special Distribution Services or conditions with which the Contractor will be required to comply. This does not need to incorporate legislation because these requirements are covered through clauses 12.2 and 12.4 of the COC. Packaging requirements are also covered through clause 9.5 of the SOW.

[…DRAFTER TO INSERT…]