



Supplying Goods and Services to UK Mail Group plc

This document is designed as an information source and guide for prospective and existing suppliers. It details our code of conduct, how we recruit and evaluate suppliers and how we aim to work together for mutual gain.

If you believe that your company has what it takes to be a UK Mail Group supplier, please complete the questionnaire at the end of this document and send to:

Robert Constable
Group Purchasing Manager
UK Mail Group
Express House
Wolseley Drive
Birmingham
B8 2SQ

robertconstable@ukmail.com

Range of Goods and Services

The UK Mail Group purchases a wide and diverse range of goods and services which include:

- Parcel and Mail Operations – cages, mail tubs, sorting equipment, binding equipment
- Engineering Equipment – forklifts, pallet trucks, MHE
- Transport – tractive units, trailers, various vans (18t, 7.5t, 3.5t) fridge and non fridge, fuel, fleet, livery, vehicle washing and valeting services
- Workwear – uniforms and protective clothing
- IT – computer equipment, software, scanners, copiers, printers and consumables
- Property – facilities management, catering, vending, cleaning and building maintenances and repair, energy, security and waste management
- Print and stationery – office stationery, customer documents, internal and customer print, consumables and packaging
- Travel – events, hotel accommodation, air, rail and conferences
- Professional Services – consultancy, PR, training and legal services

Supplying Goods and Services to UK Mail Group

UK Mail Group Code of Conduct

The UK Mail Group is one of the leading parcel and mail delivery companies in the UK and as such we are totally committed to working collaboratively with our suppliers to achieve maximum mutual benefit.

We have adopted a strict code of conduct which defines our minimum standards of business activity.

UK Mail expects all its employees (full and part-time or on temporary contracts) to follow the code of conduct when working with suppliers. This expectation also extends to consultants, agents and sub-contractors.

The code of conduct states:

- UK Mail Group aims to treat its suppliers fairly and conduct the relationship in an open and transparent manner
- UK Mail Group will have an open and honest approach to both prospective and existing suppliers, ensuring equality of treatment
- UK Mail Group will seek to develop trading relationships based on mutual trust
- UK Mail Group will expect prospective and existing suppliers to offer best conditions as to price, quality and service at all times
- UK Mail Group will aim to pay its suppliers on time within the agreed terms
- UK Mail Group will not unscrupulously use the purchasing power of the Group
- UK Mail Group will not disclose to third parties any confidential information concerning its relationships and dealings with suppliers
- UK Mail Group will not source from suppliers and/or manufacturers who use, or are aware of the use of, child or forced labour within their supply chain
- UK Mail Group will comply with the laws of the countries where it does business
- UK Mail Group may positively select suppliers based on their environmental credentials

In return, UK Mail Group will expect its prospective and existing suppliers to use the same principles within their own supply base and then incorporate these as part of routine improvement, compliance and audit activities.

Conflict of Interest

UK Mail employees and the employees of suppliers, must declare to Group Purchasing any material personal interest which may affect, or be perceived to affect, their impartiality or judgement in respect of their duties when dealing with the other party. Examples of a conflict of interest might include:

- (a) Employees or close family members or friends owning a significant shareholding in a prospective or existing supplier
- (b) Close family members or friend being employed by a prospective or existing supplier
- (c) A UK Mail Group employee who has a close personal friendship with an employee of a prospective or existing supplier

Where such arrangements are unavoidable they must be declared in writing to robertconstable@ukmail.com at Group Purchasing.

Where an employee of either UK Mail or the supplier has a conflict of interest, he/she will be excluded from having any direct involvement in any negotiations or agreement of commercial terms. In these instances, employees of both parties are obliged to maintain

strict confidentiality in relation to any important or sensitive information regarding other suppliers, e.g. prices, volumes, terms, which they become aware of in the course of their duties.

Employees should avoid as far as possible dealing with suppliers in their private affairs, particularly if this is likely to put them under some obligation to the supplier.

It is essential that any employee is not offered any sort of personal deal which is not commonly available to the business, and which could be construed as a reward for actions taken in the course of their employment.

Acceptance of gifts and Business entertaining

UK Mail Group have strict rules regarding the acceptance of hospitality and gifts as it may be perceived as an attempt to influence either party's judgement or impartiality particularly during commercial negotiations, contract renewal or a tendering exercise.

Suppliers may offer modest hospitality which should never exceed £25 in value or occur on a frequent basis

Suppliers should not offer gifts to UK Mail Group employees.

Failure to adhere to this rule will have a negative effect on the evaluation of a prospective supplier and may preclude an existing supplier from any further dealings with UK Mail Group.

UK Mail Group employees have an obligation to openly declare the offer of gifts and excessive hospitality by a prospective or existing supplier.

Conducting business in accordance with all applicable laws and regulations

All prospective or existing suppliers must comply with all national and other applicable laws and regulations relating to the respective country of operation. This includes ensuring that business transactions with UK Mail Group are fully reported and recorded and ensuring supplier employees are aware and properly trained to meet these requirements.

Confidentiality

Any information a supplier receives through business dealings with UK Mail Group must be deemed as confidential and not be disclosed to any third party without the prior consent of UK Mail Group or used for personal gain. This includes both commercial and technical information.

All suppliers will be expected to agree to and sign, a non-disclosure agreement before any commercial information can be provided to a supplier.

Prospective suppliers are required to have returned a signed copy of the non-disclosure agreement as a pre-requisite to any offer or proposal being considered or accepted.

Collusion

If UK Mail Group has reasonable grounds for suspecting that collusion has occurred between any of its prospective or existing supplier then those suppliers shall be excluded from any further dealings with UK Mail Group and/or removed from supplier list.

Any collusion which contravenes competition laws will be reported to the appropriate authorities.

Health and Safety

UK Mail Group places a duty on all suppliers to ensure that the products and services delivered constitute no hazard to health and safety of any of its employees, customers and local communities.

Environment

UK Mail Group places a duty on all suppliers to ensure that the products and services delivered constitute no environmental risks on any of its employees, site facilities, customers and local communities. UK Mail Group expects that any on-site service provision meets all environmental legislative requirements, including but not limited to the Duty of Care Regulations 1991.

Whistle Blowing

It is UK Mail Group's policy to support, protect, and where possible preserve the anonymity, of any of our employees who report apparently questionable and suspicious activity, even if their fears subsequently prove unfounded.

FAQ on becoming a UK Mail Group supplier

How does my company become a supplier to UK Mail Group?

At the present time, UK Mail Group is looking to rationalise its supply chain and is not actively looking for new suppliers. Should the need arise for a new supplier, UK Mail Group will search for an appropriate company/ies.

However, if you feel that your company can offer a product or service which can reduce our costs and improve the quality of our service offering to our customers we would like to hear from you.

How we select and engage suppliers?

UK Mail Group adopt a number of different methods in order to attract and engage with new suppliers such internal and external research, full market tenders, requests for quotes (RFQ) or recommendations from existing suppliers and customers.

How do we evaluate suppliers?

The criteria around how a prospective supplier is evaluated and selected will be dependent on a number of factors including: the type of product or service, the level of annual spend, and the criticality of the product or service to the business.

There are however a number of key drivers which are important to the business and which are taken into account when evaluating suppliers. These include the supplier being able to provide:

1. Consistent and competitive pricing
2. Open book costing
3. Innovative cost reduction ideas, discount structures and value added services
4. A high level of on-line capability
5. A comprehensive network of coverage and backup support
6. A clear demonstration of proactive account management and stakeholder support
7. A commitment to continuous improvement over the life of the business relationship
8. A clear demonstration of the suppliers commitment to provide an added value service
9. Compliance to the UK Mail Group sourcing and purchasing process
10. Financial stability
11. Compliance to all regulatory and legal obligations
12. A positive attitude to Corporate and Social Responsibility
13. A demonstration of a clear and proactive CSR policy
14. The provision of Management Information and willingness to work to an SLA and KPI's
15. A range of competency records for the individual carrying out work or for the company as a whole, including copies of training/qualification documents, equipment calibration certificates, statements of 'methods of work' and insurance liability cover certificates

Generally we will evaluate prospective suppliers and their offering against a formal scoring system.

As part of the selection process prospective suppliers may also be asked to provide details of :

1. Why you believe your company is the most suitable for this business
2. The size and type of your current client base
3. A summary of the key activities of your business
4. Account management and technical escalation processes and matrices
5. An organisation structure down to your third tier of management
6. An organisation structure as it affects the account management process
7. Your company's mission statement and your key corporate objectives, for the next five years
8. Your most recent audited accounts including both profit and loss and balance sheet, and estimated turnover for the current year
9. Evidence of commitment and success in the development of quality relationship management with existing customers of your organisation

It is our intention to work closely with the chosen suppliers to deliver maximum benefit to the business and our employees. Prospective suppliers, who provide innovative solutions, demonstrate creativity in their service offering and pricing model will be evaluated more favourably.

Prospective suppliers will also be asked to complete the questionnaire detailed at the end of this document.

What other checks do we undertake on suppliers?

Financial and credit checks will be undertaken on all suppliers to assess their suitability to provide goods and services to the UK Mail Group.

How important is Corporate and Social Responsibility?

UK Mail recognises its environmental, community and employment responsibilities and devotes significant resources towards improving standards and reducing its carbon footprint.

UK Mail Group will look favourably on those suppliers who can also demonstrate their commitment towards CSR in particular, reducing their impact on the environment.

Do you consider managing supplier performance and supplier relationships as important?

Managing supplier performance and relationship management is a fundamental part of contract management and key to the success of the supplier meeting business expectations in terms of service, cost and added value. It should be seen as a two way process and

about working our together in a collaborative way so both parties mutually benefit from the process.

The purpose of managing supplier performance is to:

- a) Ensure all parties are meeting their obligation under the contract, and
- b) To identify areas for improvement and on-going continuous improvement

The degree to which we monitor supplier performance will depend upon on a number of factors including the level of spend, the criticality of the supplier or service to the business, the nature and complexity of product or service and the frequency of orders.

Suppliers shall be expected to use their expertise and understanding of the business to propose the best method of delivery of their solutions.

Do you have Service Level Agreements in place with suppliers?

The UK Mail Group is a Continuous Improvement company. The first step in managing and improving performance of the contract will be to measure and report against defined service levels and Key Performance Indicators (KPI's) with corrective action being taken to ensure that any problems are resolved quickly and effectively.

As the business relationship develops, it is envisaged that more sophisticated approaches such as Performance Measurement and Joint Business Plans will be introduced in order to ensure that both parties receive maximum benefit from the contract.

How would you expect the supplier to manage your account?

The chosen supplier must provide an experienced and competent contract and account manager who as a minimum will monitor the account, resolve any issues and liaise with the key stakeholders across the business.

On appointment of the successful supplier(s) it is intended that structured meetings will be held on a monthly basis to monitor implementation and the delivery of benefits as described in the Invitation to Tender response or proposal. Following an initial period, quarterly reviews shall be held to monitor performance and costs and to develop the relationship between the parties. It is expected that both parties shall share as much information as is appropriate to enable the smooth and cost effective delivery of benefits under the contract.

Furthermore, these meetings shall be used to develop other procurement tools such as Performance Measurement and Joint Business Plans to drive the relationship beyond that which may have been envisaged within the contract to the benefit of both parties.

How do you manage cost saving objectives & competitive advantage?

UK Mail Group strives to achieve competitive advantage on all of the goods and services it procures. Competitive advantage is considered to be where the pricing and service received

is better than would be achieved using economies of scale (i.e. that which would normally be achieved for a customer of our size).

It is acknowledged that this required differentiation cannot be achieved and maintained simply via negotiation, therefore UK Mail Group strives to differentiate itself and become the supplier's "Customer of Choice". Any prospective suppliers will be invited to indicate how UK Mail Group should be able to achieve this status. In support of this approach UK Mail Group shall select a supplier with whom a true partnership may be built in the future.

UK Mail Group reserve the right to benchmark supplier costs on an annual basis to ensure that they are receiving the most competitive prices on any goods or services taken since commencement of the Agreement. Should it transpire that rates quoted are not competitive within the marketplace, the supplier will be expected to compensate UK Mail Group for the shortfall.

What are the requirements on security and employment screening for suppliers?

UK Mail Group has a strict policy when it comes to screening of supplier employees who come into regular contact with our mail and high security operations.

The suppliers must be able to provide a minimum 5 year work history for each worker who comes into contact with functions that are regulated by Postcomm or the DfT.

All suppliers will also be expected to have a fully integrated and tested Disaster Recovery Plan and process in place

What are your payment methods and terms?

UK Mail Group has a requirement for payment to be charged by consolidated monthly invoice.

All invoices must quote the relevant Purchase Order number. Suppliers should note that invoices not meeting this requirement will be considered invalid and will not be paid.

Our standard terms of payment are 60 days following the end of the month in which the invoice is received. Payment will be made by BACS transfer and a remittance advice detailing invoices paid will accompany this.

The Groups policy concerning the payment of trade payables is to follow the CBI's Prompt Payers' Code which can be found at www.payontime.co.uk. We endeavour to agree standard terms of payment with our suppliers at the commencement of business. Suppliers fulfilling the conditions of supply are paid in accordance with the agreed standards and terms and conditions. Other suppliers are paid in accordance with contractual terms as agreed from time to time.

Can we use the UK Mail Group logo in our publicity material?

A supplier shall not refer to the UK Mail Group name, the trademarks, or products (these include any subsidiary of UK Mail Group plc) in connection with any publicity without the prior written permission of the Group Purchasing Manager.

As part of the selection process all potential suppliers are requested to complete the following questionnaire:

Questionnaire A: Company Structure and Financial Questionnaire

A.1 What is the full legal name and registered address of your company?

NAME.....

ADDRESS.....

.....

.....

TEL NOFAX NO.....

CONTACT NAMES:

SALES.....TITLE.....

FINANCE.....TITLE

A.2 Is your company a:

PRIVATE LIMITED COMPANY

☐

PUBLIC LIMITED COMPANY

☐

UNLIMITED LIABILITY

☐

OTHER (PLEASE SPECIFY)

☐

.....

A.3 Please list the following information:

COMPANY REGISTERED NUMBER.....

REGISTERED ADDRESS

.....

.....

DATE OF INCORPORATION.....DATE ESTABLISHED.....

PREVIOUS COMPANY NAME(S).....

CHAIRMAN.....CHIEF EXECUTIVE/MD.....

DIRECTORS.....

.....

NAME AND ADDRESS OF PRINCIPAL BANKERS.....

.....

.....

NAME AND ADDRESS OF ACCOUNTANTS.....

.....

.....

NAME AND ADDRESS OF AUDITORS.....

.....

.....

A.4 Please enclose one set of audited accounts for the last available 3 trading years

If accounts are not available please explain why

.....

When is your financial year end.....

A.5 Please provide the following data

FINANCIAL PERFORMANCE FOR THE LAST THREE YEARS
(To include last full year even if unaudited)

Year	Turnover (a)	Pre-tax Profit (b)	b/a%

FINANCIAL PROJECTIONS FOR CURRENT YEAR

Year	Turnover (a)	Pre-tax Profit (b)	b/a%

A.6 Please provide the following data.

NOMINAL CAPITAL

ISSUED CAPITAL

PAID UP CAPITAL

A.7 Please provide details of any proposed development of services within United Kingdom

Details Attached YES / NO

A.8 Please provide details of current liabilities for the last full trading month

.....

A.9 What is your current order book value:.....

A.10 Have you in the last 18 months, or do you plan within the next 5 years either to expand or relocate:

YES ☐ NO ☐

Please give details

.....

.....

A.11 Have you in the last 18 months, or do you plan within the next 18 months to expand your business which may include taking over any other companies:

YES ☐ NO ☐

A.12 Are you aware of any other company expressing an interest in taking over your company:

YES ☐ NO ☐

Details.....

.....

.....

A.13 Do you have a Parent Company?

YES ☐ NO ☐

Details.....

.....

A.14 Please supply a diagram showing the corporate structure of the Ultimate Parent Company's complete Group.

A.15 Please provide details of your staff

	Permanent	Temporary
Number of Managers
Number of Supervisors

Number of Support Personnel

Number of Contractors on Books

A.16 Please provide a diagram showing the usual organisation of management and supervisory staff for a contract of this type. This should include the initial project to transfer to the chosen supplier and the on-going contract management.

A.17 Which trade unions are represented at your company

(i)

(ii)

(iii)

A.18 Do you use resources in associated companies in your group

YES ☐ NO ☐

Details.....

.....

A.19 Please provide details of any Employee and Public Liability Insurance or other relevant insurance held by you company. Copies of Certificates of Insurance should be attached as Appendix I.

Questionnaire B: Quality & Environmental Questionnaire

B.1 Is your Company registered to any recognised Management Systems standards

ISO9001

BS5750

Part 1

☐

ISO9002

BS5750

Part 2

☐

ISO14001

☐

Other

please specify

.....

B.2 What is the scope of the registration (please attach copy of the certificate)

.....

B.3 Which work location does the registration apply to

.....

B.4 Name of registration body.....

B.5 Registration Number.....

IF YOU ARE REGISTERED, ANSWER B11 THEN B14 ONWARDS.

IF NOT, ANSWER ALL QUESTIONS.

B.6 If you are **not** registered do you intend to register

YES

☐

NO

☐

If Yes, and within 12 months give month.....year.....

B.7 Intended Quality Management System Standard

ISO9001

BS5750

Part 1

☐

ISO9002

BS5750

Part 2

☐

Other

Please specify

.....

B.8 Name of registration body

B.9 Has a member of staff been nominated to co-ordinate the preparation, approval and

maintenance of the procedures

YES ☐ NO ☐

If Yes, please provide:

Name of Person.....

Job Title.....

Name and Job Title to Who He/She Reports.....

.....

B.10 Is there a written quality policy approved at Board level which has been promulgated throughout the Company

YES ☐ NO ☐

B.11 Do you have documented procedures covering the following areas:

	YES	NO
Contract Review	<input type="checkbox"/>	<input type="checkbox"/>
Quality Planning	<input type="checkbox"/>	<input type="checkbox"/>
Design	<input type="checkbox"/>	<input type="checkbox"/>
Control of Non Conformance	<input type="checkbox"/>	<input type="checkbox"/>
Health and Safety	<input type="checkbox"/>	<input type="checkbox"/>
Experience Feedback	<input type="checkbox"/>	<input type="checkbox"/>
Corrective Action	<input type="checkbox"/>	<input type="checkbox"/>
Quality Auditing	<input type="checkbox"/>	<input type="checkbox"/>
Training	<input type="checkbox"/>	<input type="checkbox"/>
Subcontractors	<input type="checkbox"/>	<input type="checkbox"/>
Cost Control applied on contracts	<input type="checkbox"/>	<input type="checkbox"/>
Project Planning and Reporting	<input type="checkbox"/>	<input type="checkbox"/>
Document control	<input type="checkbox"/>	<input type="checkbox"/>
Change Control & Verifications to Contract	<input type="checkbox"/>	<input type="checkbox"/>

B.12 Who is responsible for maintaining the procedures if different from B.9

NameTitle

B.13 Do all staff/operatives have access to procedures relevant to them

YES ☐ NO ☐

B.14 How are staff/contractors introduced to procedural changes

Informally /Verbally	Explained by Supervisor Training	As part of On-going
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.15 How do you appraise the skills levels of site personnel

NVQ	Supervisor Appraisal	Informal
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.16 How do you identify critical procedures

Quality Planning	Inspection Instructions	Checklists	Not Formally Identified
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.17 Are all critical processes recorded

YES ☐ NO ☐

B.18 How do you monitor quality performance

By Fault Type	Rework Costs	Client Complaints Analysis	Cost of Quality
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.19 How do you monitor improvements in the cost on non-conformance (tick one)

Cost Base Analysis	Frequency of Occurrence	Not Monitored
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.20 When do you set up targets against your quality performance (tick one)

Monthly/
Quarterly

☐

Annually

☐

Performance
Dependant

☐

B.21 In which areas do you monitor quality performance

Site ☐

Office ☐

Purchasing ☐

Accounts ☐

Maintenance ☐

B.22 How do you rate your suppliers/subcontractors (tick one)

Previous history based on experience

☐

Record demerits based on performance

☐

Formal evaluation system

☐

B.23 How often are formal internal system audits carried out

Monthly ☐

Every 6
Months ☐

Annually ☐

☐ 2 mths +

☐

B.24 How do you respond to client complaints (tick one)

Formal
System ☐

Informal
System ☐

No
System ☐

B.25 Do you operate Approved Lists

Suppliers

☐

Sub-Contractors

☐

Questionnaire C – Operational Requirements

C.1 During the past 12 months, what percentage of your sales has been won through competitive tendering (by value) ?

.....%

C.32 During the past 12 months, what percentage of tenders have you won out of those invited to?

.....%

C.3 Please give details of any relevant strategic alliances with other companies, providers and/or institutions/associations that you may use during this project including duration and cessation dates of such agreements.

.....

.....

.....

.....

C.5 Have liquidated damages for delay ever been paid by your company in the past two years ?

YES · NO ·

If yes, please provide details. Attached sheets may be used if necessary

.....

.....

C.6 Experience and Supplier References

Please give details of 4 contracts relevant to this procurement which you have been awarded during the last three years.

Client	Description	Value	Dates
.....
.....
.....
.....

C7. Please provide a minimum of two contact names, telephone numbers and addresses

of persons who will be prepared to act as referees on your behalf. Of particular interest are the following areas:

- Customer Service;
- Long Term Cost Reduction and Cost Management; and
- Experience in the Transport and Distribution Services sector.

	Reference 1	Reference 2
Name:
Position:
Company:
Address:

Post Code:
Telephone:
Account Value:
Scope of Supply:

