

Supply Chain strategy

A guide for our partners



Our Supply Chain strategy

Developing long-term relationships with our subcontractors and suppliers to support Perfect Delivery and 100% Safe.

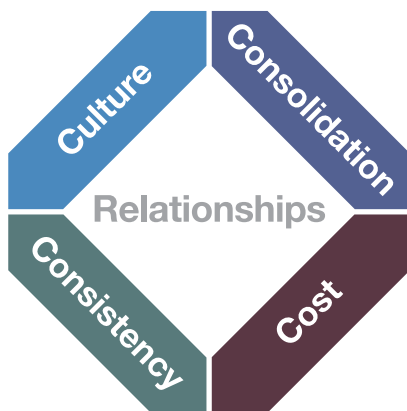
What does this mean?

Developing long-term relationships with you, our supply chain partners, is the key to us achieving what we hope will be mutual business objectives creating measurable value.

To do this we promote our best performing subcontractors to preferred status.

To achieve preferred status, you must have worked on at least two projects where Perfectly Delivery has been achieved and have received a score over 60% from our Project Team. In addition there is a 360-degree performance relationship assessment matrix.

How do we achieve it? By working together on:



Relationships: relationships are key to success and can only be achieved through effective communication and expectations exchanges between us.

Culture: by sharing our philosophy of Perfect Delivery and our inherent cultural behaviour of 100%Safe.

Consolidation: by working with fewer, high performing subcontractors and suppliers.

Consistency: working repeatedly with only our best performing subcontractors to increase our Perfect Delivery successes.

Cost: by working together to achieve Perfect Delivery we increase efficiency and reduce costs.

Why do we do it?

- To support our vision of being the best in the industry through consistently providing exceptional customer service
- To delight our customers
- To form a better relationship with you and continually improve our performance
- To give us both the best chance of winning every tender
- We want to be the contractor of choice for our subcontractors and suppliers
- To reduce the time we otherwise might waste on unsuccessful tenders
- To get a firm commitment from you to best price before we issue our tender documents so that we target the same projects
- We increase our Perfect Delivery successes together
- To develop a greater understanding of your own business ambitions and capabilities
- To improve all our margins by improving cost and time predictability on projects
- To delight our customers.

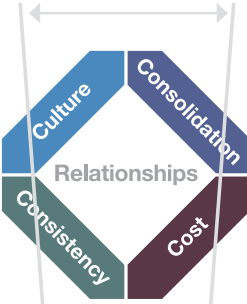
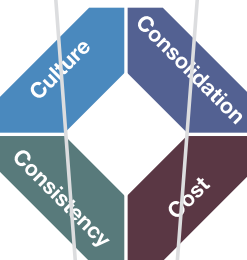
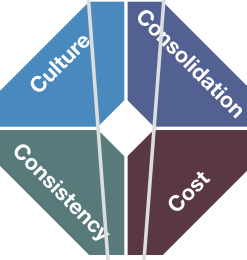
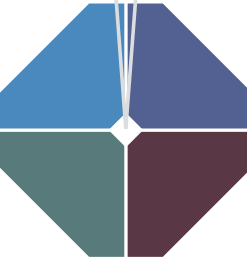
Where is the strategy in place?

It is intended to be applied across the whole of our business. Our preferred subcontractors are appointed on an business unit basis. This means preferred status is specific to where your business has a relationship with one of our business units.

How you will be selected

Our partner selection process is driven by securing 'best value'. Best value is represented by a partnership commitment to both Perfect Delivery and 100% Safe and not in any way associated with being 'the cheapest'.

Key principles of our strategy

STRATEGIC		<p>Morgan Sindall's first choice business critical partner delivering excellence with us as a high performing team</p>	<p>As per preferred plus:</p> <p>Minimum requirements</p> <ul style="list-style-type: none"> You must have worked on four projects which have achieved Perfect Delivery A minimum assessment score of 75 per cent on all projects. <p>Benefits to you</p> <ul style="list-style-type: none"> No retention held.
PREFERRED		<p>High performing partners striving for excellence with us as a team</p>	<p>As per approved plus:</p> <p>Minimum requirements</p> <ul style="list-style-type: none"> You must have worked on two projects that achieved Perfect Delivery A minimum assessment score of 60 per cent on all projects. <p>Benefits to you</p> <ul style="list-style-type: none"> Full retention released at practical completion if Perfect Delivery achieved If Perfect Delivery not achieved retention automatically released at the end of the defects liability period and rectification of defects 360-degree assessments enabling subcontractors to assess Morgan Sindall's performance.
APPROVED		<p>Meets minimum Morgan Sindall requirements</p>	<p>Minimum requirements</p> <ul style="list-style-type: none"> A minimum assessment score of 40 per cent on all projects All operatives on our sites are CSCS compliant A firm commitment to price and best price first time! <p>Benefits to you</p> <ul style="list-style-type: none"> Limited tender competition - a maximum of four subcontractors per trade No secondary sendouts No using subcontractors who submit unsolicited bids.
UNAPPROVED		<p>Not to be used: rejected, suspended and untried</p>	<ul style="list-style-type: none"> We do not work with any subcontractors in this category.

For more information please contact your local Morgan Sindall supply chain representative.

Key behavioural principles and expectations

What our subcontractors can expect from Morgan Sindall	What Morgan Sindall expects from all our subcontractors
<p>Tender stage</p> <ul style="list-style-type: none">• An opportunity to advise on programme, design and method• Forecast of future workload• A phone call before an enquiry is sent out• Sensible pricing timescales• Protection of subcontractors' intellectual property rights, ie we do not disclose your design and ideas• Rejection of unsolicited quotes• Comprehensive pre-let meetings to ensure common understanding and objectives. <p>Construction stage</p> <ul style="list-style-type: none">• A commitment to Perfect Delivery• A safe working environment with good welfare facilities and commitment to 100% Safe• Agree realistic and achievable programmes with check and hold points• Experienced, committed and informative staff who take responsibility for their projects• A team-working and collaborative approach to Perfect Delivery• Open and honest communication• Feedback during and upon completion including recognition for good performance and open discussion of areas for improvement• Clear and fair payment terms which are honoured• Back to back terms and conditions with the main contract. <p>Post-construction stage</p> <ul style="list-style-type: none">• Timely communication of any post construction issues• No chasing retentions.	<p>Tender stage</p> <ul style="list-style-type: none">• Shared commitment to targeted projects• Best price first time• Advise immediately if unable to price• Early involvement on technical, programme and commercial issues• Advice on alternative materials, construction technologies and methods. <p>Construction stage</p> <ul style="list-style-type: none">• A commitment to Perfect Delivery• Commitment to 100% Safe• 100% CSCS compliance• Employees to be aware of our relationship and trained to work in the required manner• An agreed programme• Named supervisor maintained on site for the duration of the project• Continuous improvement – sharing lessons learnt• Conduct toolbox talks• Supply/share technical training on products• Tangible evidence of a plan towards achieving Perfect Delivery on own works• To be open and honest• No commercial surprises – day one final accounting• A positive 'can do' approach• Consideration for other supply chain partners' work• Feedback during and upon completion. <p>Post-construction stage</p> <ul style="list-style-type: none">• Speedy rectification of any post construction issues.

graphicdesign@morgansindall.com/MS3330

What happens next?

Your status will be confirmed following our visits to you.

Any questions?

For more information or to discuss any part of this booklet, please contact your local Morgan Sindall supply chain contact.

morgansindall.com

Morgan Sindall plc
Corporation Street Rugby Warwickshire CV21 2DW
T 01788 534500 F 01788 5346

A part of Morgan Sindall Group plc

