

# Supply Chain Charter

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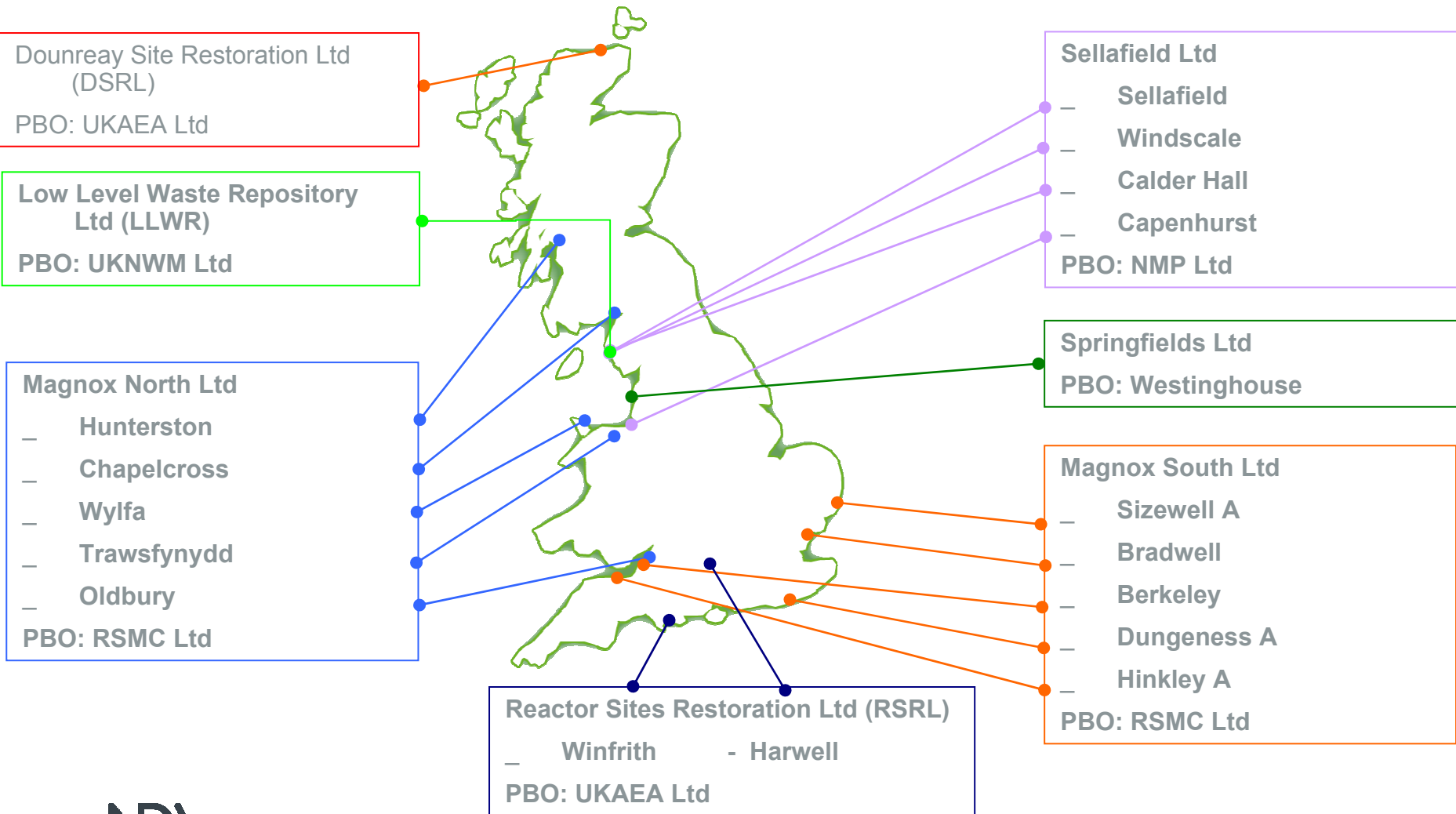
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# The Nuclear Decommissioning Authority (NDA)

- Arm of Government established in April 2005
- Remit to clean up the civil public sector nuclear legacy
- Annual funding of ~£2.8Bn
- Head Office based in West Cumbria
- Responsible for 19 sites & integrated waste strategy
- Sites and facilities built from 1940s onwards

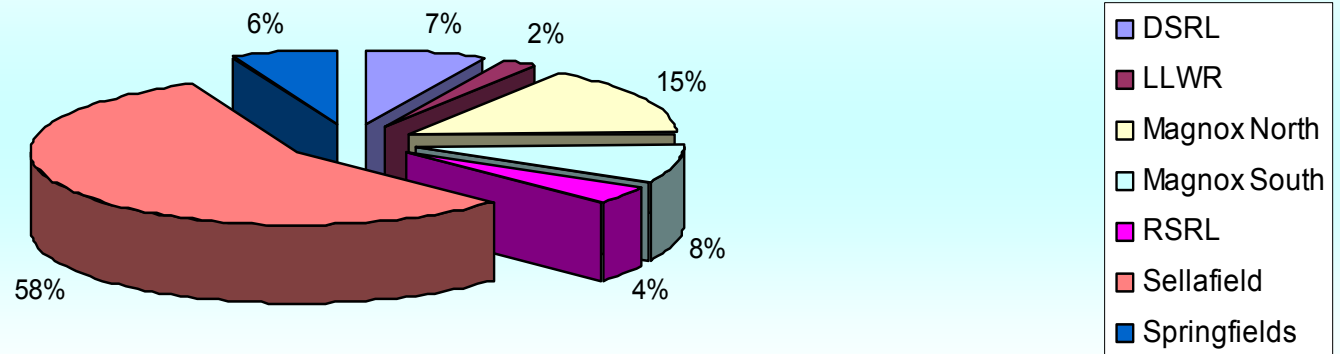


# The Site Licence Companies (SLCs)



# Supply Chain Spend

Split of Supply Chain Spend 08/09



- For the second year running around £1.3bn was spent in the supply chain
- Spend in the supply chain accounts for the single largest proportion of NDA's budget

# Supply Chain Strategy

## Underpinning Principles

- Transparent, timely, consistent
- Easily available Procurement Plans and tender information
- Assist SMEs with better information
- Key/Critical Supplier information
- Supplier Days/Meet the Buyer
- Supplier Network
- Route for complaints
- Procurement statistics
- Support other Gov Depts
- Promote the NDA portfolio

### Communications

- Share best practice
- Support development of consistent processes

### Processes

- Increase consistency of tendering processes
- Reduce cost and time for bidding
- Improve consistency of terms and conditions

- Reduce barriers to entry
- Early Contractor Involvement
- Partnering
- Sustainable procurement
- Supply Chain mapping
- Socio-economic impacts
- **Supply Chain Charter**
- Improve HSSE, Skills

### Relationships

### Synergies

- Development programmes
- Share information
- Common processes
- Best Practice

# Supply Chain Charter – What is it?

- Charter for boosting relationships across the Supply Chain
- Developed with all SLCs across the NDA Estate
- For all organisations no matter how big or small



The infographic is set against a dark purple background. It features a central white box with the title 'Supply Chain Charter' and three paragraphs of text. To the right of this box is a vertical list of logos for partner organizations under the heading 'Working In Partnership'. At the bottom right, there is a circular logo with seven colored segments and the text 'Supply Chain Charter' and 'Fostering good working relations across the Supply Chain within the NDA Estate'.

## Supply Chain Charter

This Supply Chain Charter aims to improve relationships, planning and performance through all tiers of the supply chain supporting the NDA estate.

The main principle behind the charter is for all levels of the supply chain to 'be a good client'.

All suppliers are encouraged to flow this Charter to their suppliers.

### The NDA Estate

The Nuclear Decommissioning Authority (NDA) is a Non-Departmental Public Body (NDPB) established under the Energy Act of 2004 with the mission to decommission and clean up the 19 civil nuclear sites in the public sector, the long-term management arrangements for the UK's higher radioactive wastes and developing UK-wide nuclear Low Level Waste (LLW) strategy and plans.

NDA places certain contracts, but day-to-day management and delivering the 19 site programmes is the responsibility of seven Site Licence Companies (SLCs). The SLCs directly contract with the supply chain for the goods and services they need to meet their programmes.

When working within the NDA estate supply chain, suppliers are encouraged to bring innovation, challenge costs and look for more efficient ways of working to continually demonstrate best possible value for money and improve delivery.

### Working In Partnership

- NDA
- Dounreay Site Restoration Ltd
- LLW Repository Ltd
- Magnox South
- Magnox North
- Research Sites Restoration Ltd
- Sellafield Ltd
- Westinghouse

## Supply Chain Charter

Fostering good working relations across the Supply Chain within the NDA Estate

# Supply Chain Charter – What is it?

- **Based on a series of simple principles:**
  - Relationships
  - Planning
  - Performance
- **Asks for a formal commitment to the Charter by each organisation**
- **‘Wordmark’ prominently displayed on company correspondence and websites**
- **Signatories publicised across NDA estate**



# Supply Chain Charter - Relationships

- **Treat each other openly, fairly, without bias, and how you would wish to be treated**
- **Maintain the highest standards of honesty, integrity, impartiality and objectivity**
- **Only send genuine tenders or set out the basis for requesting a price estimate**
- **Agree objectives and make it clear what is expected of suppliers and potential suppliers**
- **Provide constructive feedback on performance and behaviour, and encourage 2-way feedback**
- **Define and publicise contact points for handling of supplier enquiries and complaints**
- **Protect commercially sensitive information and respect and protect other's intellectual property**





# Supply Chain Charter - Planning

- **Make available as much information as practicable on future procurement plans**
- **Enter into early consultation on draft acquisition strategies, pricing options, specifications, and statements of requirement where appropriate**
- **Publish tender lists where appropriate**
- **Make available sufficient time and information for suppliers to respond to the bidding process appropriate for the work**
- **Provide accurate information and updates throughout the procurement process, and make visible to lower tiers**
- **All conflicts of interest identified and managed as early as possible**



# Supply Chain Charter - Performance

- **Apply rigorous health, safety, security and environmental protection standards, and demonstrate responsible environmental performance**
- **Demonstrate the highest professional standards in the award and management of contracts**
- **Provide clear specifications which where appropriate encourage innovation and use industry standards**
- **Manage the bidding process so as to avoid/minimise the burdens on suppliers, while preserving genuine competition and avoiding discrimination**
- **Make available the criteria for evaluation of bids, evaluate bids objectively and notify the outcome promptly**
- **Not partake in Market Abuse or Anti-Competitive Behaviour**
- **Pay promptly for work done in accordance with contract conditions**



# Why do we need it?

- **Feedback from suppliers indicated improvements that were desirable at the Tier 2, 3 and 4 levels of the Supply Chain**
- **Benchmarked in external industries, ie: Oil & Gas**
- **Aims to help deliver:**
  - **For all levels of the supply chain to be a ‘good client’**
  - **To foster good working relations**
  - **Improve planning and performance through all tiers**
  - **Better all-round communication**
  - **Mutually beneficial relationships**



# What's your view?

- Do you support signing up to the Charter, or do you think it is something that should just be promoted generally?
- Do you consider the current drafting sufficient to address non-bias treatment for all suppliers? If no, what would your suggestion be?
- If a company signs up to the Charter and then acts in a manner that is not in alignment, how do you think this should be addressed?
- Would you want to use this as part of your relationship management with both your clients and suppliers?
- Are there any further principles that you think should be included?



# Next steps?

• Consultation is open until 16th December 2009

The screenshot shows the Sellafield Ltd website. The main heading is "Charter for boosting relationships across the supply chain - your views". Below the heading, there is a sub-heading: "The NDA is seeking views on a draft charter that aims to foster good working relations throughout its supply chain." A paragraph follows: "The two-page document is a simple set of principles that are important to the NDA and Site Licence Companies (SLCs), which we trust our suppliers also value and would be willing to sign up to." Another paragraph states: "The NDA and SLCs worked together to formulate the charter which arose out of the new Supply Chain Development Strategy adopted in May this year." A final paragraph mentions: "During consultation for the Strategy a range of possible NDA and SLC initiatives were identified, but feedback from suppliers indicated improvements that were desirable at the Tier 2, 3 and 4 levels of the supply chain. As NDA and the SLCs value the whole supply chain, the concept of a Supply Chain Charter was identified to help deliver the following:"

The screenshot shows the NDA website. The main heading is "Dialogue". Below the heading, there is a sub-heading: "Development of new supply chain charter". A date "23 October 2009" is displayed. The text reads: "The NDA is seeking views on a draft charter that aims to foster good working relations throughout its supply chain." Another paragraph states: "The two-page document is a simple set of principles that are important to the NDA and Site Licence Companies, which we trust our suppliers also value and would be willing to sign up to." A third paragraph mentions: "The NDA and Site Licence Companies worked together to formulate the charter which arose out of the new Supply Chain Development Strategy adopted in May this year." A fourth paragraph notes: "During consultation for the Strategy a range of possible NDA and SLC initiatives were identified, but feedback from suppliers." A purple box with a logo and the text "Supply Chain Charter" is visible. Below the box, it says "Fostering good working relations".

Further details from:  
[www.nda.gov.uk](http://www.nda.gov.uk)  
[www.sellafieldsites.com/suppliers](http://www.sellafieldsites.com/suppliers)



# Be Heard!

- Express your views to:
- [samantha.dancy@nda.gov.uk](mailto:samantha.dancy@nda.gov.uk)
- **Before Wednesday 16th December 2009**

