

# Procurement Policy

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## Introduction

This policy outlines the arrangements for the selection, approval, and performance management of all suppliers and contractors working for or on behalf of MAPP or Clients of MAPP.

## Supplier & Contractor Selection

It is essential that suppliers and contractors operate within a framework that ensures the delivery of value for money, statutory and contractual compliance, client requirements, and sustainability amongst a range of other service specific factors. MAPP in turn retains a duty to ensure these are monitored and reviewed on a regular basis.

Any contractor wishing to supply goods or perform services for or on behalf of MAPP and their clients must undergo a number of rigorous operational, compliance and financial checks, which are designed to ensure that they are fit for purpose and are aligned with our values and those of our clients.

On nomination and acceptance, each supplier or contractor receives a Contractor Approval Questionnaire and a copy of MAPP's Standard Terms & Conditions which they are required to complete and accept if they are to be considered further. The questionnaire seeks to identify a supplier or contractor's approach to a number of considerations such as health, safety, and environmental management, social responsibility, quality assurance, and financial standing.

Information received is reviewed by the relevant internal subject matter expert, with each needing to sign off their respective area before a supplier or contractor is successfully added to the Approved Supplier and Contractor Database. Once approved, there remains an ongoing periodic review of core documents or when there are changes to contractor information due to legislative or industry change.

Only after a contractor has been 'approved' will they be eligible to be instructed.

## Inherited Contractors

As part of the handover process on any new property mandate, MAPP will review all inherited contractors within a three month period for their continuing suitability.

## Client Instructed & Appointed Contractors/Suppliers

MAPP encourages its clients to use MAPP approved suppliers that have fulfilled vetted criteria and have signed MAPP's T&C's. When the client has instructed a contractor directly, MAPP will only be responsible for checking the supplier or contractors CIS status and banking details for any works to avoid any fraudulent payments. The Client Directors are responsible for informing the clients of this arrangement and the indemnity for MAPP not being involved in pre-qualifying the supplier or contractors.

## Benchmarking & Competitive Tenders

MAPP will undertake a benchmarking review of all supplier and contractor contracts inherited on new property instructions, as well as periodically throughout all service contracts awarded through a competitive tender (see below).

The benchmark reviews seek to compare contractor's processes and performance metrics to industry and MAPP best practices. The process will look at a number of factors, including measures for quality, time and cost. Where appropriate, MAPP will seek support from independent specialist consultants who will provide additional advice on technical specifications, legal requirements and performance.

The findings from the review are used to enable informed decisions around the services and goods being delivered and to ensure that the performance of those who are instructed on a term basis continues to compare favourably to the wider industry.

On a rolling basis and in accordance with the RICS *Service Charges in Commercial Property, Code of Practice*, MAPP will conduct 'regional' or 'sector specific' tenders for the following services:

- Cleaning Services;
- Mechanical & Electrical Services;
- Security Services;
- Lift Equipment Services;
- Landscaping;
- Utility Services;
- Waste Management; and
- Risk Management Consultants.

Each tender will capture the service requirements across the entire client portfolio to maximise the opportunity to attract competitive prices through increased economies of scale.

Every tender will comprise of the following elements/activities:

- Establishment of needs;
- Production of a Specification and Service Level Agreement;
- Tender Process (consisting of RFI, RFQ/RFP/ITT, Evaluation and Decision stages);
- Production of Tender Analysis Report; and
- Mobilisation of Contract Plan.

## Performance Management

MAPP will carry out regular high level performance monitoring of all contracted services awarded on a regional basis and will score the contractors performance against an agreed set of Key Performance Indicators (KPI's) and each Service Level Agreements (SLA's) relating to:

- Management (Performance, Financial & Quality Assurance);
- Health, Safety, Fire & Environmental Risk Management;
- Service Specific Compliance (e.g. relating to Security, Cleaning, M&E, Lifts, etc.); and
- Sustainability (improvement of environmental performance and delivery of positive social impact outcomes).

The proposed SLA will be discussed and agreed with each Contractor, and will be agreed prior to contract commencement for each site.

## **Corporate Social Responsibility**

MAPP believe that by working collaboratively and constructively with our Contractors, that we can positively influence the environmental, social and economic impacts of the goods and services we source.

MAPP actively encourages our Contractors to read and support the implementation of this policy. We will instruct our Contractors to adopt the following practices:

### **Comply with the letter and spirit of all relevant applicable legislation and standards:**

- Implementation of a company Fire, H&S Management System accredited to ISO 45001;
- Comply with all applicable laws, statutes, and regulations relating directly to the activities/services being procured but also to bribery and corruption, including but not limited to the Bribery Act 2010;
- Zero involvement in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010;
- Zero involvement in fraudulent or corrupt behaviour; and
- Zero involvement in anti-slavery or any form of unethical practices.

### **To be compliant with relevant environmental legislation, as well as standards and codes specific to their industry. Our service providers will be asked to evidence a reduction in their environmental footprint through:**

- Implementation of a company Environmental Management System (EMS) accredited to ISO 14001 or BS 8555, or an Eco-Management and Audit Scheme (EMAS);
- Procuring legal and sustainable sources or Forest Law Enforcement, Governance and Trade (FLEGT) licensed or equivalent sources in line with the FSC guidelines.
- Conservation of resources, including the use of energy, water and materials;
- Minimisation of waste within operations;
- Limiting the use of packaging materials and ensuring its correct removal and disposal;
- Utilising recycled goods and materials where possible with the supply chain; and
- Provide efficient, low carbon delivery methods.

### **To work with MAPP to deliver a program of clear and direct social benefits through their core business by:**

- Purchasing goods and services that are produced and delivered in line with the principles of the International Labour Organisation (ILO), in respect to human rights and conditions of employment;
- All good meet the required fire, health, safety and environmental standard

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- Supporting a diverse supply chain by offering opportunities for minority businesses and social enterprises;
- Providing adequate training opportunities for all employees;
- Ensuring that all employees meet or exceed the national minimum wage. All suppliers are also encouraged to match the recommended wage outlined by the Living Wage Foundation; and
- Submitting dual pricing models where applicable that detail standard and Living Wage Foundation rates for comparison and discussion.

### **Drive economic growth through:**

- Supporting local community job creation and facilitating opportunities for small to medium enterprises (SMEs).

### **Governance and Audit**

The Procurement teams' processes will be subject to periodic external review under the ISAE 3402 - International Standard on Assurance Engagements, Assurance Reports on Controls at a Service Organisation.

Internally, the MAPP Procurement teams' processes are subject to internal audit review and sample audits are programmed annually, undertaken by the Head of FM. Any internal and external complaints are investigated.

Any non-conformities found during the audits raised above or from investigations are reported to the Senior Executive Management Board under the Procurement Performance section.

MAPP will ensure that its employees are aware of the impacts of their procurement activities and will provide training and guidance to assist. This Policy will be reviewed on a regular basis, to evaluate its continued relevance, to monitor compliance and to drive continual improvement.