

Supply Chain Policy (Public)

1. Introduction

This MAXIMUS UK Services Limited Supply Chain Policy is written for anyone involved in the purchasing of goods and services for MAXIMUS UK Services Limited. The document outlines MAXIMUS UK Services Limited policy for robust supplier selection and due diligence in accordance with our commitment to maintain Merlin accreditation and comply with the Prime Contract directives.

As always early engagement is critical if the Supply Chain Team (SCT) are to support the business and anyone involved with the purchase of goods or services on behalf of MAXIMUS UK Services Limited is required to contact the SCT at the earliest opportunity.

A full process guide is available and anyone involved in the purchasing of goods or services on behalf of MAXIMUS UK SERVICES Limited should familiarise themselves with this document (Supply Chain Process).

2. Legal Processes and Non-Disclosure Agreements (NDA)

Before you enter into any kind of commercial agreement with MAXIMUS UK Services Limited you should consider whether we are likely to disclose any commercial, operational or politically sensitive information. If this is the case MUL shall ensure that we have agreed our standard non-disclosure agreement **before** we share any information. The standard NDA can be provided on request.

3. Supplier Due Diligence

All suppliers are subject to “background” checks and these. Broadly speaking these checks shall be carried out when choosing new suppliers for Goods and Services.

- Market analyses and initial research carried out once requirement is established.
- Issue of a Non-Disclosure Agreement (NDA) to proposed supplier.
- Financial checks carried out on potential suppliers using the credit assessment service.
- Further financial due diligence is performed on certain suppliers dependent on spend, low scoring within credit checks, type of supplier requirement.
- Request For Information (RFI) Request for Quote (RFQ) or Request For Proposal (RFP) document is issued to potential suppliers dependent on requirement, risk, spend or supplier activity.

- Information Security Questionnaire issued to suppliers, where required, and acknowledgement of flow down terms related to the Prime Contract with the DWP.
- Scorecards, risk assessments, proposal documents, technical due diligence carried out before a supplier is appointed. SCT can support with this documentation.
- Contracts negotiated.
- Obligations within the DWP Contract followed with regard to Suppliers and Sub-Contractors.
- 2nd suppliers where relevant are frequently appointed for major contracts to mitigate risk.
- SAP Purchase to Pay order system in place. Supply chain will provide on-going supply chain governance of the system and will administer the supplier contracts in the system.

Dependent on type of spend, risk and value of spend some or all of the above processes must be followed. More specific procedures relating to type of spend are documented in the Process Document.

Suppliers with Technology Solutions or sub-Contractors

ALL spend (£0+) with a Third Party which offers a technology solution (IT) that is new or represents a change to an existing solution (which requires IT engagement) or is considered a sub-Contractor (service delivery impact) must adhere to the following procedures. In addition any solution that contains personal information shall require the support of the Data Security team and refer to the Purchasing Process.

General

ALL spend requires a contract to be in place before any supplier begins work. No supplier shall be allowed to begin work, and cannot be paid, until contract terms are agreed and in place. The following details outline how a supplier is selected to progress to contract.

4. Purchasing Policy for EXISTING SUPPLIERS (CONTRACTED)

Once a supplier has been selected, and a contract is in place, Purchase Orders (PO) will be required and are arranged with the support of the Purchasing team. Invoices shall quote a valid PO number and be handled by the Accounts Payable team. All such invoices, that reference a Purchase Order number, shall be paid in relation to the existing contract after receipt (in SAP).

5. Purchasing Policy for NEW SPEND (NO CONTRACT)

No commitment shall be made to any supplier until SCT and Legal have agreed

contract terms.

Please note that sourcing suppliers with a technical solution, services that require the sharing of personal or commercial data or a service that is considered to provide a “service delivery function”* follows a separate decision making process although it would still be led by the following:

* means any supplier:

- (a) which, in the opinion of the SCT, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services; and/or

The MAXIMUS UK Services Limited Supply Chain Team will obtain quotes and references where necessary and engage with suppliers to ensure appropriate terms are agreed and the supplier is added to the relevant systems for payment. All spend in this category must have a valid PO issued for the goods/services to ensure that MAXIMUS UK SERVICES Limited's standard Terms of Purchase are issued to the supplier.

Exceptions to the above:

- Where a preferred supplier exists for the requested goods or service, and the additional business does not constitute a significant material change, the requirement to tender may not apply. This means that the existing contract covers the services we may require (for extensions/increases in volume etc.).
 - Supply Chain may give approval to dispense with the necessity for competitive quotations where there are extenuating circumstances. Despite this the SCT will support to ensure appropriate governance and contractual compliance are addressed.

DWP Process

MAXIMUS UK Services Limited has a contractual obligation to inform, and gain approval, for sub-contractors. As such any potential engagement with a new supplier will require guidance from the SCT to determine the relevant process. This is a necessary step as a sub-contractor contract will have a pre-defined number of flow down agreements from the Prime contract that must be included and agreed before any work can commence.

MAXIMUS UK Services Limited Purchase and Payment Process

The payment structure for Suppliers is clearly stated at the engagement level and MAXIMUS UK Services Limited work hard to manage expectations. Where possible MAXIMUS UK Services Limited will accommodate deviations to the standard payment terms where the business model requires this.

Where contracts contain specific Service Level Agreement (SLA) based credit structures the SCT will work with Suppliers to agree final calculations and any manual adjustment to invoicing required. MAXIMUS UK Services Limited maintains several tools for tracking management information and examples can be provided on request.

Any commission from MAXIMUS UK Services Limited will be accompanied by a Purchase Order (PO). The PO is delivered to the supplier's email address which would have been provided during the contracting process (by completing the "New Supplier form").

On receipt of the PO the supplier may then issue the invoice, quoting the relevant number and details, to our Purchase Ledger team. By preference invoices should be sent by email to:

purchaseledger@maximusuk.co.uk

Or by mail to:

MAXIMUS UK Services Limited
Ash House
The Broyle
Ringmer
East Sussex BN8 5NN

All invoices are paid within 30 days of MAXIMUS UK Services Limited receiving the final agreed invoice and are approved by the business lead. Each Supplier has a detailed contract with MAXIMUS UK Services Limited that gives them full clarity of the billing procedure. MAXIMUS UK Services Limited operates a strict purchasing policy to ensure finance management. This now means MAXIMUS UK Services Limited operates a "no PO, no pay" policy and has been clearly communicated to all internal and external stakeholders and Suppliers in line with the stated communication plan (Appendix 23 No PO, No Pay).