

Overview

National Grid is one of the largest investor-owned energy companies in the world, with primary interests in the UK and US.

Operating in diverse markets across the UK and US, National Grid are proud of their strong procurement policy, namely to procure goods and services competitively, economically, ethically and efficiently in accordance with all applicable legislative requirements.

National Grid faced a number of key challenges that required a sustainable solution including:

- The growing need to manage supply chain risk across all categories
- A lack of consistent procedures and policies for managing supply-chain risk across the business, both within UK and globally

Achilles and National Grid worked together to develop a sustainable procurement risk model that determined the risk level associated with a supplier's products and services, driven by their primary product/service offering.

The category risk analysis considered multiple risk parameters such as spend, health & safety, quality, environment, human rights and climate change.

Finding a solution

A solution was required that provided existing and potential suppliers with a clear qualification process in line with National Grid's internal procurement policies.

As Achilles' services were already used by National Grid (UVDB, the UK utilities supplier pre-qualification service) to manage risk in certain areas of the supply chain, the new TSMS was built around the existing Achilles' services and extended to all National Grid suppliers. TSMS assesses supplier risk and communicates the outcome via a basic registration form, hosted by Achilles, and accessed via the National Grid web-site. Now, for the majority of National Grid purchases, it is a condition of supplying to National Grid that vendors are registered on Achilles, which ensures that all suppliers are validated and monitored to the standards driven by this scheme.

The National Grid TSMS has a dedicated Achilles Account Manager whose role has evolved from setting up the risk model to facilitating supplier engagement and adoption of the service within the National Grid community.

Results

- Clear visibility of all risk across total supply-chain
- Raised profile of managing category risk
- Regularly updated, standardised, single, accurate data source
- Consistent approach to supplier qualification



services for sustainable procurement
global resource. **local** skills.

"Through TSMS, National Grid now has a clear and transparent process for supplier engagement, and a means to align procurement processes across the National Grid business globally. The opportunity to build on this platform is promising."
Leah Fry, Head of UK Procurement



National Grid is a member of UVDB, the Achilles supplier management service for the utilities sector in the UK. For more information on UVDB, please visit www.achilles.com/uvdb

