

Delivering today for tomorrow

**MORGAN  
SINDALL  
GROUP**

## TRUE SUSTAINABILITY ENSURES THAT EVERYONE PROFITS

As a sustainable business, we want to ensure prosperity not just for ourselves but also for those within our sphere of influence. Through ethical performance, responsible procurement, enhancing local economic growth and providing leadership we are benefiting our customers, supply chain, local communities and the sustainability agenda as a whole.



Winter 2014-2015

## In this issue

The theme of this issue of TODAY is 'Profit' – one of our Total Commitments. We show how we are embedding sustainability within our commercial operations and beyond, and the ways that Group companies are supporting and adding value for the communities that we operate in.

## MORGAN SINDALL GROUP

### Being a responsible business means that everyone PROFITS

Innovation and efficiencies that deliver overall long-term value as well as benefits at project level are an increasing feature of strategic plans for many construction businesses. Initially driven by legislation and compliance, there is now a growing awareness of the business opportunities that they present. In parallel, demand for a sustainable built environment is increasing, with clients now looking for evidence that choosing a sustainable route for their projects will make good business sense – not just environmental and social.

Profit in sustainability terms goes far beyond financial outcomes, with measures opening up a host of opportunities based on:

#### Efficiency

- Improving waste management and reducing costs through correctly planning, ordering and storing materials, and by everyone behaving responsibly
- Going beyond energy compliance by continuously improving areas such as vehicle specification and building management systems, and taking a wider and more responsible view of whole life costing – not just a project-based focus

#### Innovation and design

- Seeking out little known products and processes that have proven track records
- Designing for efficient construction as well as de-construction, and engaging the entire supply chain in a collaborative process – the circular economy

#### Business development

- Enhancing market reputation through a portfolio of stand out sustainable and responsibly delivered solutions with evidence to support them
- Ensuring that a strong culture of responsibility drives the way we do business to make the Group compelling to stakeholders across the entire business process

#### Community engagement

- Having diverse and local supply chains that reduce travel and cost, and stimulate local economies
- Becoming the contractor and employer of choice

Opportunities are at their greatest when we collaborate. By working together and in collaboration with our entire supply chain, we stand out as a shining example of responsibility and sustainability, which can only mean profit for us all.

**Graham Edgell**  
Director of sustainability and procurement



## Dictionary corner

### Advocacy

'Advocacy' is defined as support for, or recommendation of, a particular cause or policy.

By actively advocating sustainable solutions in different forums we are able to keep a firm finger on the sector's pulse, contribute to debate, help shape policy and standards and enhance our reputation.

As a Group, our current advocacy works spans key cross-industry organisations, including the UK Green Building Council, the Construction Industry Research and Information Association, the UK Contractors Group, Civil Engineering Contractors Association, CIOB and the Supply Chain Sustainability School.



## Sustainability moves to the business agenda

### What are the business drivers?

Sustainable projects have always made environmental sense. Now they are proving to be good for business as well.

Across the private and public sectors, organisations are becoming increasingly aware that sustainable construction, infrastructure, urban regeneration, fit out and affordable housing make good business sense. Here we answer the key questions about the economic benefits of sustainability.

These range from reduced construction and operating costs to higher occupancy rates and improved staff wellbeing.

Widespread research shows that rental yields are higher in sustainable buildings: tenants stay longer, payback times are shorter, building performance is improved, running costs are lower, employee productivity is higher and absenteeism is lower.

For businesses, enhanced employee health, comfort and wellbeing and their associated positive impacts on productivity, are primary drivers for sustainable office premises, with letting agents consequently flagging up high sustainability ratings – such as BREEAM – in their marketing.

### Is there evidence that sustainable projects are a good investment?

Yes. There is compelling evidence of a business case for sustainability. This is evidenced in numerous market reports and surveys, and by the increase in questions about sustainability in tenders, proposals and framework agreements. For example, a World Green Building Council report published in September this year provides significant evidence that green buildings make economic sense for developers, owners and occupiers.

Clear evidence that buildings, particularly offices, with high sustainability ratings are more attractive to tenants and offer a more secure investment for owners has also emerged. A survey this year of over 100 real estate investors in Europe, including the UK, is one example, which showed that 88 per cent were in favour of green certification schemes. Another is a survey carried out in the Netherlands, which put employee wellbeing at the top of the leader board for occupier considerations, with energy efficiency coming second. The return on investment benefit to people is also reinforced by the recent World Green Building Council's report, 'Health, Wellbeing and Productivity in Offices'.

## What about wider economic benefits?

Local employment and local spend add considerable economic value to communities. Projects incorporating best practice sustainability are therefore not just a business asset in their own right but also a positive contributor to local prosperity.

Sourcing local materials and services, spending income locally, employing local labour and offering apprenticeships as well as work experience are all examples of how our businesses help generate economic benefits for the communities that we work in.

## How can local spend be measured?

A key tool, which we use in the business, is Local Multiplier or LM3. This is a methodology for measuring and showing how an investment in a given area can contribute to the local economy. It helps to determine how money that's introduced to a community is spent and subsequently re-spent, such as by suppliers and employees. It also shows the difference that using local or non-local suppliers makes to the local economy.

Constructing Excellence cites increasing client demand for sustainability, reputation management, attracting and retaining the best employees and cost savings through greater material efficiency as four business cases for sustainability.

Green buildings have been shown to save money through reduced energy and water use and lower long-term operations and maintenance costs.

World Green Building Council

## What is the best way to get more information?

There are a wealth of reports and resources relating to all aspects of the business case for sustainability, such as the UK Green Building Council's Pinpoint online research platform. Internally, the Group's website, sustainability report, Intranet and Today newsletter amongst others offer a mine of information.

The Group also produces regular informative white papers designed to give a clear insight into pressing issues and help people across the businesses make the most of our considerable information resources.

Launching in early January 2015, 'Thinking Differently - Selling Sustainability' expands on the themes covered here and points the way to a host of external and internal resources.



There is unquestionably a clear business case for investing in, developing and occupying healthier, greener buildings.

Jane Henley,  
chief executive,  
World Green Building Council



Twitter 

@thebteamhq There's a business case for #sustainability and @adamelman of @marksandspencer has a good case study to share <http://ow.ly/Dfvjo>

## Collaborating to transform a school playground

A lifeless primary school playground has been turned into an attractive and engaging high quality space thanks to a collaborative project between Morgan Sindall in London, client Quadrant Estates, Southwark Council, young pupils and a school council.

Innovation, pooled resources and three days of hard work co-ordinated by Morgan Sindall resulted in a total transformation of the first and second year pupils' playground at Harris Primary Academy Peckham.

The children created artwork showing their ideal playground and played a part in its final design along with the school council. Stencil designs inspired by the artwork were hot-melted onto the tarmac, football goal posts were erected, 15 new planter boxes and plants were provided, a wooden decking stage for quiet play was laid and fencing for the playground was put up. The project was a great success, with the children and staff delighted with the outcome.

**Jo Conduit,**  
principal of the school, said:



The children love the playground. It went down so well that parents were taking photographs of their children on the stage and by the fence after school!! We are very grateful to you and all your team, please send on our thanks to them all.



## From work experience to team asset

Work experience has opened the door to promising careers for three talented young people.

As part of Morgan Sindall's national partnership with Jobcentre Plus to support the employability of local young people, three young people on a Utility Services' work experience programme at Summer Lane, Birmingham have joined the team full time.

The commitment and enthusiasm shown by Matthew Grant, Thomas Sunderland and Wayne Wilkinson has been matched by a notable increase in their knowledge and skills, making them a great asset to the business and in turn supporting local economic growth. They've also gained qualifications and have engaged with the 100% Safe and Perfect Delivery cultures to fully contribute to the business, with the three making firm plans to develop their careers with the company.



## Technology triumphs

Morgan Sindall's use of Building Information Modelling (BIM) is generating tangible benefits for the business and valuable solutions for clients.

**BIM is a collaborative design and construction process that combines key product and asset information and 3D computer modelling to support all activities throughout a project's lifecycle.**

Use of BIM for Morgan Sindall's new-build extension for Beal High School in Ilford delivered a host of advantages, including a shorter overall design period, quicker product installation, reduced waste, faster handover, a shorter project programme and repeat business.

Development of the design in 3D was a significant driver of the project's gains and a key benefit for the client. With the client and stakeholders able to clearly see what the completed new building would look like, they were able to make more informed decisions and make changes at an early stage. The result was shorter and more productive client meetings, and as work progressed, considerably fewer requests for changes than usual for a project of this size.

Client and premises staff's familiarity with the 3D model meant that handover training was a lot simpler, the handover process took only two hours and the project scored full marks for client satisfaction.



**“ Darren Lincoln,**  
project manager at  
Beal High School, said:

One of the things that contributed towards achieving 10 out of 10 for Recommended and Delighted Customer was the fact that the building was exactly the same as the BIM model.



## One of the first for ethical standards recognition

Morgan Sindall's ethical standards are set to gain prestigious external recognition. The company has had an anti-bribery management system (ABMS) and anti-bribery policy in place for some time. This is part of the Group's absolute commitment to transparent and fair trading. In order to reinforce this commitment, boost its professional standing and client trust as well as ensure that people are protected, the business is working towards achieving BS ISO 10500 certification. It is only the 4th business in the UK to do this, with the process involving independent assessment of the current ABMS against the standard's criteria.

### Benefits of certification

The advantages to Morgan Sindall include:

- Demonstrates legal compliance
- Meets growing stakeholder demand for anti-bribery measures
- Ensures that appropriate governance systems are in place for suppliers, so that they comply with anti-bribery requirements
- Helps the business stand out, as there are only currently a few that have the certification
- Gives new and prospective customers improved confidence in the business
- Enhances the Group's reputation
- Underpins commitment to the highest ethical standard
- Reduces the risk of investigation and prosecution

The first stage of the assessment was successfully completed at the end of October and the second and final stage will be completed by the end of February 2015. Certification is valid for three years and Morgan Sindall's ABMS will be reviewed on an annual basis to ensure ongoing compliance.

**MORGAN  
SINDALL**  
CONSTRUCTION  
INFRASTRUCTURE

Twitter

@ILM\_UK  
What value do #apprenticeships bring? Find out what @ChrisJones\_CEO thought in our recent Q&A <http://ow.ly/Cr6CQ> #ILMQA

Twitter

@IRCA\_INform Our resource of the week is a fascinating @Qualityworld interview about anti-bribery standard BS10500. Find out more <http://bit.ly/1pjjnll>

## Gold award for customer satisfaction

The ultimate test of how successful, and therefore sustainable, we are as a business is what our customers think of us. For Lovell in Scotland, efforts to ensure a very positive experience for their customers resulted in a Gold Award for Customer Satisfaction in an independent survey of new homebuyers.

The survey was carried out by research specialist In-house Research, who asked customers who bought homes from Lovell in 2013 if they would recommend the company to other homebuyers based on their overall experience of purchasing a new home. More than 90 per cent of customers who responded said that they would, earning the business the prestigious Gold.

“ Lovell regional director Alan Taylor said:

Ensuring that people who move into the homes we have built are absolutely delighted is of the utmost importance to us, so we are pleased to get such positive feedback. The award is a great testament to the continuing hard work and commitment of our construction and sales teams. ”

LOVELL

Twitter 

@AesScotlandLtd  
Lovell Gets Gold Award For Customer Satisfaction dlvr.it/1Zgdnk  
Meet #Lovell's 1000th apprentice! John starts #construction career with us in #Carlisle learning joinery & carpentry: ow.ly/DMG3E

## A milestone 1000<sup>th</sup> apprenticeship

Lovell has marked its commitment to delivering lasting positive impact for local people by recruiting its 1000<sup>th</sup> apprentice.

28-year-old John Postlethwaite, who had been trying to get back into the workplace for two years, had completed a full time joinery course at college but was struggling to find work. When he took a construction course organised by housing provider Riverside with Lovell staging practice interviews for the trainees, Lovell took him on as a mature apprentice working as part of the team building affordable homes in Carlisle in partnership with Riverside and Carlisle City Council.

With the company's support, John is now working towards qualifications in joinery and carpentry whilst learning his trade on site, which he says will get him the life he wants and means he can support himself and help his two-year-old daughter have a better life.

Kerry Glaister, employment and training project officer for Riverside, said:

“ This really demonstrates the huge benefits of working with development partners and local training providers. Through these partnerships we are helping local people access employment and training opportunities within their community, transforming lives and revitalising neighbourhoods. ”



## Win-win for a local community

Jobs for some 40 local people, six apprenticeships and a donation to a local charity made Overbury's recent project for Reading Council's relocated civic offices a real asset to the community.

Using a local employment agency, around 40 local people were recruited for the contract, amounting to over 40 per cent of the project's work force. They included Reading-based Vicki Jones, who was taken on as site secretary and has now become a permanent employee. The project's sub-contractors also made their own contribution by including six apprentices on their teams.

Locally sourced plant, material and services as well as a charitable donation injected wider support for the community. A local recycling company collected all the scrap metal from the project, and Overbury is donating a proportion of its value to the Mayor of Reading's charity of choice.

Andy Pritchard, design manager at Hampshire County Council, which works collaboratively with Reading Borough Council, said:

“ Thank you for your considerable efforts in the delivery of this high profile project and for maintaining the collaborative team approach through a pressured programme. ”



## Ripple effect for an ambitious city

Regeneration of a derelict 15-acre docks area in Plymouth is reaping meaningful rewards for people in the city now and into the future.

Millbay is Plymouth's largest development project since the Second World War and will transform the area into an exciting new harbourside community with a mix of residential and commercial space, including bars, restaurants, shops and businesses.

Shared-equity schemes for three phases of completed residential development are helping local people to get onto the property ladder, with use of locally sourced materials and trade skills benefiting the local economy. A stylish marina has also opened, creating waterfront activity and helping to attract people.

The partnership project between Muse and English Cities Fund in conjunction with Plymouth Council and the HCA is a key part of Plymouth's ambitions to become one of Europe's finest, most vibrant waterfront cities. As the commercial side of the project progresses, considerable local business and employment opportunities will be generated, with the positive effects set to spread far beyond the site itself.

Twitter 

@HCA\_UK #Plymouth's Millbay regeneration among UK's 'top 50 projects' <http://bit.ly/1wcHQxo>

# Healthy gains for Camden

The wellbeing of a community, the backbone of local prosperity, has been boosted by development of the Kentish Town Health Centre.

The integrated care centre, which houses a wide range of NHS health and social care services and a large general practice, is supporting local people by bringing services closer to where they are needed. In the first year of operation, the general practice saw a 10 per cent increase in patient registrations and a significant improvement in attendance rates for breast and other screening initiatives.

Facilitated by Morgan Sindall Investments and developed through a Public Private Partnership, the centre is also designed to allow for integration of more services and greater community involvement as local needs change in the future.



**Rob Larkman**, chief executive of Camden Primary Care Trust, said:



The very existence of the new Kentish Town Health Centre is testament to what can be achieved when you have a real partnership between local people, GPs, commissioners, architect and developers.



**MORGAN SINDALL**  
INVESTMENTS

## Green buildings mean business

The benefits to people have long been thought of as the ultimate test of whether building green makes good business sense. According to a major new report by the World Green Building Council, there is now overwhelming evidence of a link to the health, wellbeing and productivity of staff.

'Health, Wellbeing and Productivity in Offices: the Next Chapter for Green Building' highlights a range of features that typically feature in green office building design, including good indoor air quality, thermal comfort, good lighting, optimum layout and green outdoor spaces. It clearly demonstrates that both the physical office environment and its location have a direct impact on health, comfort and wellbeing: It therefore follows that good design that positively encourages health and wellbeing reduces absenteeism and staff turnover and increases productivity, to the considerable benefit of a business as well as its staff.

### Understanding the link

Importantly, the report acknowledges that although buildings designed for energy and resource efficiency often benefit both people and planet, such as through daylighting and natural ventilation, they don't automatically make people healthier and more productive. The key is for individual organisations to understand the link between workers and their workplace and the business advantages of higher quality, healthy and greener buildings in the context of their own circumstances.

With salaries and benefits typically responsible for 90 per cent of an organisation's operating costs, says the report, any higher construction or occupation costs are far outweighed by even small improvements in staff performance. The goal should therefore be buildings that maximise benefits for people and leave the planet better off as well.

## Meet the Sustainability Steering Group



**Graham Edgell**  
Morgan Sindall Group



**Brian Handcock**  
Morgan Sindall Group



**Martin Worthington**  
Construction and Infrastructure



**Charmaine Morrell**  
Construction and Infrastructure



**Louise Townsend**  
Construction and Infrastructure



**Darryl Hammond**  
Affordable Housing



**Sam French**  
Construction and Infrastructure



**Clare Sheridan**  
Morgan Sindall Group



**Joe Croft**  
Fit Out



**Graham Sprigg**  
IMS Consulting

## Recent awards and accolades

Place in the Climate Disclosure Leadership Index (CDLI)

Construction and Infrastructure Green Apple Awards for environmental best practice (Silver, Bronze and Associate Awards)



## Sustainability events calendar

### December

Group collection for Whitechapel Homeless Mission, London

### 14<sup>th</sup> January

Supply Chain Sustainability School Horizon Group Meeting

### 26<sup>th</sup> – 31<sup>st</sup> January

Achilles CEMARs and ESOS audit

### 2<sup>nd</sup> February (TBC)

2025 Next Generation Panel meeting

### 10<sup>th</sup> February

Affordable Homes Sustainability Forum

### 19<sup>th</sup> February

Preliminary results announcement

### 10<sup>th</sup> March

Supply Chain Stakeholder Panel meeting

### 7<sup>th</sup> May

Publication of the Group Sustainability Report

### 7<sup>th</sup> May

Group Annual General Meeting

## Construction and Infrastructure

Offers national design, Construction and Infrastructure services to private and public sector clients. The division works on projects and frameworks of all sizes across a broad range of markets including commercial, defence, education, energy, healthcare, industrial, leisure, retail, transport and water.



## Fit Out

Specialises in fit out and refurbishment projects in the commercial and government offices, education, retail, technology and leisure markets. Overbury operates as a national fit out company through multiple procurement routes and Morgan Lovell specialises in the design and build of offices.



## Affordable Housing

Specialises in the design and build, refurbishment and maintenance of homes and the regeneration of communities across the UK. The division operates a full mixed-tenure model creating homes for rent, shared ownership and open market sale.



## Urban Regeneration

Works with landowners and public sector partners to unlock value from underdeveloped assets to bring about sustainable regeneration and urban renewal through the delivery of mixed-use projects. Typically creating commercial, retail, residential, leisure and public realm facilities.



## Investments

Facilitates project development, primarily in the public sector, by providing flexible financing solutions and development expertise. The division covers a wide range of markets including urban regeneration, education, healthcare, housing, emergency services, defence and infrastructure.



# MORGAN SINDALL GROUP

## Morgan Sindall Group plc

Kent House  
14-17 Market Place  
London W1W 8AJ  
Company number: 00521970

Twitter: @morgansindall  
morgansindall.com

Written, designed and produced  
by IMS Consulting

