Defence Review 2013
A review of Carillion’s activities in the UK defence sector from mid-2012
Introduction

Proud of our work
Richard Howson, Chief Executive, Carillion plc

This Review covers all of Carillion’s work in the defence sector over the past year or so. Looking back, I have found a lot to make me proud. As Chief Executive, I am happy of course that Carillion has continued to deliver some substantial business within the defence sector. But behind our business successes are our people, and they are what make me most proud.

I know it is our people who build the great relationships, and who have such tremendous dedication to their jobs and their clients that they are prepared to go the extra mile. They remain positive in many challenging circumstances – a trait I believe is truly appreciated by their military clients.

I am particularly proud of our record in Health & Safety, as we continue to progress towards our vision of zero accidents and ensuring defence facilities are safe and compliant. Carillion continues to be a recognised leader in Health & Safety in our sector. In our defence work in particular we have seen significant improvement, with the number of injuries and health-related incidents reducing substantively.

It is also very pleasing to see how many people working in our military contracts are committed to sustainability. I have been delighted to see initiative shown by so many, from volunteering to help military families create green spaces where they can grow their own produce; to delivering large energy-saving projects that are making a big difference to DIO and service family budgets. Our work with the MOD to support the increase in reservists is now firmly embedded in our business.

As we await the outcome of several bids to take us forward into the future, I can be sure, whatever the outcome, that Carillion people will continue to put 100 per cent effort into all their work in defence.

Richard Howson
Chief Executive, Carillion plc

Our mission
Making tomorrow a better place

Contents

Introductions  2
Who is Carillion?  4
New work  10
People  14
Project updates  18
Looking ahead  32
Introduction

A year of partnership
Richard Lumby, Managing Director, Carillion Defence

This year the UK Armed Forces and the Ministry of Defence (MOD) have been continuing their biggest transformation for a generation. Their need for partners who are stable, understanding and high performing has never been more critical.

This brochure sets out our achievements as a partner to the defence sector in the period between mid-2012 through to the autumn of 2013. A glance through its pages will be enough to convince any reader of the extraordinary breadth and depth of our work with the military.

I also hope that it gives a small glimpse of how, through the commitment of our people, we have very often gone above and beyond our contract requirements, and have also been able to provide the flexible outcomes that the MOD and the Armed Forces desire.

Some examples are:

• winning awards for being good partners in facilities management and being considerate constructors, as well as a prestigious DIO Sanctuary Award for Sustainability Projects (Aspire, see pages 18-19)
• increasing our customers’ satisfaction with our service, already recognised with a ServiceMark (MODern Housing Solutions, see pages 20-21)
• helping the Defence Infrastructure Organisation (DIO) beat its energy-saving targets (CarillionEnterprise, see pages 22-23)
• completing construction work for the RSME at Bicester, having included additional work within the programmes and time constraints (Holdfast Training Services, see pages 24-25)
• encouraging our military client to reach out to the local community (Joint Forces Command HQ, Northwood, see pages 26-27)
• handing over buildings for Defence Medical Services ahead of deadline (Whittington, see pages 28-29)
• achieving accreditation to BS11000, the standard for collaborative working, at Northwood, and on the CarillionEnterprise and MODern Housing Solutions joint ventures.

Signing the MOD’s Corporate Covenant in October 2013 was a major symbol of our commitment. Through the Covenant we have set out the many ways in which we will provide support in the next five years, including: promoting ourselves as an Armed Forces-friendly organisation; supporting the development of the future reserve forces; providing resettlement career opportunities; and encouraging our staff to become actively involved, whether it is with cadet organisations, reservist activities, or participating in Uniform to Work Day and Armed Forces Day.

The year 2013 was also significant as the one in which Carillion’s capability in defence expanded beyond the UK, with contract wins in Canada and the mobilisation of our facilities support contract for the US forces in the UK.

In the future, we want to be an even stronger partner, able to provide real and deployable capability for Armed Forces support not just in the UK but also around the world. I look forward to a successful 2014, a year in which we shall develop our business into equipment and training support services, generate further reserve capability, participate in the DIO’s Basing and Footprint programmes, and, above all else, continue to deliver a great and collaborative service through the commitment of our people.

Richard Lumby
Managing Director, Carillion Defence
Who is Carillion?

An introduction to Carillion

Carillion is one of the UK’s leading integrated support services companies. We have a substantial portfolio of Public Private Partnership projects, extensive construction capabilities and a sector leading capability in delivering support services.

Our mission
Making tomorrow a better place

Carillion has an annual revenue of £4.4 billion and employs around 40,000 people worldwide. We are a British company with international operations, and our head office is in Wolverhampton.

We have gained our leading position by offering great service, innovation and value in all sectors, including Defence.

Our job is to provide everything needed to create and manage buildings and infrastructure, from project finance to design and construction, right through to lifetime maintenance, facilities management and energy efficiency.

Our heritage stretches back over 100 years and we are proud to have created many iconic structures and buildings – for example GCHQ in Cheltenham, the Channel Tunnel and Tate Modern – some of which we still look after today.

Construction
We have a great track record in providing government buildings and infrastructure in health, education, transport and secure accommodation as well as defence.

Support services
We provide the facilities management, maintenance and other services for over 100,000 buildings, helping to keep large, complex estates – such as those owned by the MOD – fully operational. Services range from cleaning, security and housekeeping, to electrical and mechanical engineering, as well as maintenance services for vital utilities such as gas, water, electricity and telecommunications providers.

Values
As a company, we are driven by strong values. Everyone who works for Carillion or one of our partner companies is aware of our values and always aims to behave in accordance with them.

Highlights for 2012/2013
In this period we have:
• completed the Library of Birmingham, expected to attract three million visitors a year
• been selected to deliver the £400 million first phase of redevelopment at the iconic Battersea Power Station in London – one of the largest construction projects awarded in recent history
• won the Heart of Doha Development in Qatar, reviving the old commercial heart of the city.

Carillion in defence
Carillion is one of the largest service providers to the MOD. In turn, the MOD is our largest customer. Many of our companies, subsidiaries,
joint ventures and partners in the UK have significant business in the defence sector. Much of this goes back many years – and stretches into the future. For example, Allenby/Connaught, the project to rebuild Army accommodation across the South of England and to provide support services for the estate, is a 35-year Public Private Partnership (PPP) concession contract which began in 2006. Added to this are PPP contracts for the Royal School of Military Engineering (RSME), Defence Medical Services HQ and the Permanent Joint HQ at Northwood.

More recently, in June 2012, the Ministry of Defence awarded Carillion a five-year contract to provide facilities management services for the bases used by the United States Visiting Forces in the UK.

We supply a full range of hard and soft support services to ensure the smooth running of many defence properties throughout the UK. We’re proud of our contribution to making the working lives, living and leisure time better for servicemen and women, their families and the civilian teams who work alongside them.

This brochure aims to summarise the work we have done, and the progress we have made, in and on behalf of the defence sector in the UK between summer 2012 and autumn 2013.
Who is Carillion?

How well do we perform?
At Carillion we measure every aspect of our performance.

We measure our performance using Key Performance Indicators. Here are some examples, and some topline results for Carillion plc in 2012:

- **To attract, develop and retain excellent people:** our annual employee survey showed that 71% of our people are proud to work for Carillion.

- **Be a recognised leader in Health & Safety and sustainability:** our vision is to achieve zero accidents. In 2012, our Lost Time Injury Frequency Rate per 200,000 hours worked was 0.52. Carillion continues to be a recognised leader in sustainability in our sector. We are ranked ‘Platinum Big Tick’ (95%+ score) in Business in the Community’s Corporate Responsibility Index 2012.

- **Continuously improve customer experience:** we measure our performance through an independent customer perception survey, which in 2012 gave Carillion overall a good commercial rating.
Customer feedback
Our customers are at the heart of everything we do and we want to give them a great experience. So while we are proud of our record of customer service, we are continuously seeking to improve it.

We measure how we are doing in every aspect of our service. We use a recognised suite of surveys called ServExcel1 to ask all our clients and customers (and our own staff and suppliers) what they think of us. We want to make sure that where there are improvements to be made, we put corrective action plans in place. We call this You said, we did.

“Our litmus test is to ask our clients and customers whether they would recommend us,” says Donna Kerfoot from Carillion’s customer experience team. “We are delighted to report that in the main they would recommend us and we have received from them a clear indication of how we could collaboratively improve.

“We also provide our own customer experience training for staff members and this has been completed by many of our defence contracts. The training aims to ensure we meet our client expectations in the course of our interaction with them and gives our people the necessary tools to engage effectively.”

Health & Safety
Health & Safety is Carillion’s number one priority. A key tool is ‘Don’t Walk By’. This encourages the immediate reporting of anything considered to be unsafe so that hazards can be identified, dealt with and eliminated at an early stage, whilst encouraging a culture of constant safety awareness. In 2012, over 1.5m ‘Don’t Walk By’s were raised globally – more than one per month for every person working within a Carillion project or office.

Safety at the point of work
As Carillion’s Integrated Management System (IMS) Manager for the Royal School of Military Engineering contract, Keith Langton’s role covers Health & Safety, quality and the environment. Safety is always the top priority. Keith oversees safety for both Carillion and its sub-contractors, principally at Chatham and Minley. Around 100 people are working on each site at any one time: on modular housing, refurbishment and creating training facilities. His remit also covers RSME Bicester, and assisting the IMS manager at the Atomic Weapons Establishment.

“We need to ensure all sub-contractor safety systems meet our standards,” says Keith. “Carillion is known for safety within the construction industry and has led the way in introducing point-of-work risk assessments.” These assessments, which ensure current conditions are taken into account immediately before a task begins, have been rolled out across RSME sites this year. Change management is always a challenge and Keith’s previous 24 years in the Royal Signals is invaluable. So far there have been no Lost Time Incidents at any RSME site this year.

Keith supports Carillion’s regional Safety Action Groups (SAG), which improve communication across all our projects, and encourage workers to contribute good safety ideas.

As well as encouraging reservist participation within the company, Keith also helps with work placements for injured servicemen and women. “It is very rewarding. With my Army experience I understand what it is like adjusting to life outside the ‘green machine.’ I can help them learn from my mistakes.”

Steven McKenna, a winner in our S Factor sustainability values awards.

---

1 ServExcel was co-designed by Carillion and the University of Salford and has won an award from the BIFM (British Institute of Facilities Management) for most innovative Customer Experience survey tool.
Our customer experience training is recognised by i-fm, the industry’s online information source.
Sustainability
Carillion is committed to sustainability and our vision is to be a leading sustainable business and the leading sustainable support services company.

With support from Forum for the Future, we have developed a 2020 Sustainability Strategy, built around what we have described as our ‘Six Positive Outcomes’, which encompasses Carillion’s economic, environmental, and social contributions and impacts.

Inspiring sustainability
Carillion holds an annual Sustainability Week and recognises and encourages our employees’ efforts to be sustainable throughout the year.

Steven McKenna, (pictured, previous page) who works on the MODern Housing Solutions help desk, devised a car-sharing scheme, saving not only fuel but making a seven per cent reduction in carbon emissions.

The Aspire team has inspired local students with a three-day programme showing them the variety of demanding roles in the world of construction.

Chandana Nambiar, a Carillion employee at Northwood HQ helped a Gurkha soldier who was having problems with his English, going above and beyond her role to enrol him onto a course and offering personal tuition, allowing him to pass his assessment and secure his role within the Military Provost Guard Service.

MODern Housing Solutions helped 11 EOD (Explosive Ordnance Disposal) Didcot create a community garden project, sourcing materials for raised beds to allow adults, children and disabled personnel to grow flowers and vegetables as a community. The project was filmed by BBC2 Gardeners World in 2012 and has inspired other service units to follow suit and share the pleasure and rewards of gardening.

Our six positive outcomes

Enabling low-carbon economies Our services will help Carillion’s customers work towards carbon neutrality, so together we become the lowest carbon producers in our respective sectors.

Protecting the environment We will work with our customers and suppliers to be best in class in reducing waste, managing use of water and raw materials, and protecting biodiversity wherever we operate.

Supporting sustainable communities Our leadership in creating employment and skills opportunities, coupled with our understanding of the needs of our communities, will ensure we have a significant and positive contribution everywhere we work.

Providing better prospects for our people We will maximise the prospects of our people by offering opportunities for continual learning and development, and create safe, healthy places to work.

Leading the way in our sector We will be recognised as the benchmark in sustainability and innovation, in turn driving demand as the service provider of choice for customers.

Building a successful business Through our sector leadership and role in creating a more sustainable economy, we will increase shareholder value.
Building Information Modelling (BIM)
BIM is a government-led initiative based on a collaborative way of working that should result in considerable efficiency savings, not just in cost, but for the environment. It will benefit the MOD at all stages in the procurement, construction, operation and maintenance of its assets.

With BIM, a 3D model is created containing data throughout the lifecycle of the building. Information is built up gradually that can be accessed by everyone involved: architect, client, project manager, commercial manager, and planning officer. The UK construction industry has been challenged to have all this information available in 3D-model format by 2016 on all government-backed projects. Carillion is ahead of the curve, with many pilot projects already live and will achieve the required level of compliance three years ahead of target.

The UK Government expects BIM to achieve 15-20 per cent cost savings in the construction phase by 2016, rising to 33 per cent overall by 2025. BIM will also achieve a 50 per cent reduction in carbon by 2025.

Delivering BIM will also help us provide our clients with ‘soft landings’. This engages all parties in the initial project stages and carries an audit trail of decision-making through a three-year liability period, when all parties can meet to discuss the effectiveness of the asset compared to expectations.

BIM extends right from initial design through the lifetime of the building, and naturally complements the way in which Carillion works as a true integrated support services provider across the whole project lifecycle, bringing true value to our customers along the way.

David Aston, a senior estate delivery manager for CarillionEnterprise at RAF Cosford, was a runner-up at the 2012 MOD Sanctuary Awards. Dave has organised many local community projects and has created allotments at RAF Cosford. Recently he has introduced the community to the importance – and delights – of beekeeping.
New work

Building maintenance for the US Visiting Forces

It’s one of our newest contracts: building maintenance for all United States Visiting Forces facilities in the UK. The five-year contract began in July 2012 and is wide-ranging in scope and geography.

This contract is firmly built around our key client DIO and the US Visiting Forces and at its heart is a commitment to working in partnership to deliver the required outcomes for the US Visiting Forces as efficiently as possible. The partnership model helps us actively challenge current practices and supports innovation, improvements and new ways of working.

At any one time there are around 12,000 personnel at the US Visiting Forces bases in the UK – mainly US Air Force, but also including personnel from the US Army, Navy and the National Security Agency.

The contract requires Carillion to play a major role in underpinning sites as strategically vital as RAF Lakenheath and RAF Mildenhall, and as important as the annexe to the US Embassy in London. Also included is the administrative centre at Blenheim Crescent, the communications centre at RAF Menwith Hill, and air bases RAF Fairford, RAF Croughton, RAF Molesworth, and RAF Alconbury.

We are also involved, in a separate contract, in the provision of maintenance for family housing at four sites.

All these sites form a key link in the US strategic command and play a fundamentally pivotal role in the operation of the ongoing relationship between the USA, the UK and the Allied Forces.

How is the contract going?

Having successfully operated the facilities services contract at RAF Menwith Hill which ran from October 2007 to September 2012, we were delighted to have won this completely new contract, against stiff competition, which brought together five separate contracts into one where the scope covers support for the entire US military operational bases in the UK.

Although we were able to offer our client, DIO, and their customer, the United States Government, a significant cost saving, we did not secure it on price alone. A key factor was our expertise in running bases such as Northwood (see pages 26-27). We promised efficiencies and we have achieved them – for example our central call centre at RAF Mildenhall and sharing other efficiencies across the two sites.

“Like all new centralised contracts, there are challenges when it comes to putting them into action on the ground,” says Graeme Taylor, Account Manager, USVFC1, Carillion Defence. “But that is just where we operate best – demonstrating with our values and commitment to good customer service that we can provide excellent service and maintain continuity.”

Housing

Under a contract ongoing since 2005, which has twice been extended, Carillion also handles the maintenance of married family housing.
occupied by USVF personnel. We carry out maintenance and repairs including domestic gas work, remedial works, and minor new works on 1,150 houses across four sites which include the operational bases of Lakenheath, Mildenhall and Feltwell. We also provide a help desk and 24/7 365 day emergency call-out service.

**Key strategic bases**

RAF Mildenhall and RAF Lakenheath together have the largest United States Air Force presence in the United Kingdom.

**Lakenheath**

RAF Lakenheath is the US Air Forces in Europe’s only F-15 fighter wing, bringing unique air combat capabilities, such as the most advanced Joint Direct Attack Munitions used by the F-15E. It provides all-weather, day or night air superiority, air-to-ground precision combat capability and multi-staged improvement programme avionics. Lakenheath is also home to 56th Rescue Squadron and their HH-60 helicopters, the only unit of their kind in Europe.

**RAF Mildenhall**

RAF Mildenhall has been in continuous operation by the United States Air Forces in Europe from 1959. It hosts units from four different major USAF commands – Air Combat Command, Air Force Special Operations Command, Air Mobility Command and United States Air Forces in Europe; as well as units of the United States Navy and US Army.

It is also host to, among others:
- 100th Air Refueling Wing (100 ARW), the only permanent USAF air refuelling wing in the European theatre, and the critical air refuelling bridge that allows the Expeditionary Air Force to deploy around the globe on a moment’s notice
- the 352 SOG, the Air Force component for Special Operations Command Europe, which serves as the focal point for all US Air Force special operations activities throughout Europe, Africa and the Middle East
- Squadrons of the 55th Reconnaissance Wing. Mildenhall also supports some shared tasks with Air Force units including RAF Croughton; RAF Alconbury and RAF Fairford.

The contract also includes the main administration centre in the UK for the United States military which is the home to the European Office of Aerospace Research and Development; the Office of Naval Research Global; the Naval Criminal Investigative Service; the Joint NATO National Support Element; the Defense Energy Support Center and the Fleet Industrial Supply Center.

**RAF Menwith Hill**

RAF Menwith Hill, a Royal Air Force station near Harrogate, North Yorkshire, provides communications and intelligence support services to the United Kingdom and the United States of America.

At work during an operational readiness inspection at RAF Mildenhall.

The US Air Force has a shared commitment to three core values: “integrity first, service before self, and excellence in all we do”.

**A day in the life**

From morning to night, we are supporting US military personnel at their bases. Here’s an illustration with the day in the life of a typical officer.

06:00 – wakes up in house – services maintained by Carillion.

08:00 – takes his daughter to nursery – services maintained by Carillion.

09:00 – flight simulator training services maintained by Carillion.

13:00 – lunch at Burger King – services maintained by Carillion.

17:00 – back to find problem with boiler in house – fixed by Carillion.

18:00 – with family to base supermarket – maintained by Carillion.

20:00 – flies out from base – airport terminal maintained by Carillion.

Credit: (U.S. Air Force photo/Senior Airman Christine Griffiths/Released.)
Faslane is the home of the Royal Navy’s submarine service.
Faslane – a modern home for the submarine service

Another new – and major – project win for Carillion this year is the £31.5 million contract to develop new living accommodation for military personnel attached to HM Naval Base, Clyde.

The work is part of a major regeneration programme by the Defence Infrastructure Organisation (DIO) to improve the quality of life for the servicemen and women. The new housing we are building will accommodate the crews being progressively transferred from Devonport now that Faslane has been chosen as the main base for the UK submarine force.

History built in

For Carillion this is an extension of our history at the base, where two of our predecessor companies have previously been closely involved. Tarmac Construction was responsible for the construction of much of the supporting infrastructure – roads and civil engineering structures – at the base in the 1980s and early 90s. Wimpey Construction, as Construction Programme Coordinator for the MOD, was responsible for supervising all the design and construction works for the base redevelopment during that same period.

Challenges

The new-build developments will have 582 single occupancy dwellings. With space on site at a premium, we have maximised its use by adding wings to the existing single living accommodation blocks as well as inserting entire new blocks into the available space within the existing layout.

Military work in Canada

Carillion has had business in Canada for 50 years, and we are currently undertaking two major projects for the Canadian military.

History built in

For Carillion this is an extension of our history at the base, where two of our predecessor companies have previously been closely involved. Tarmac Construction was responsible for the construction of much of the supporting infrastructure – roads and civil engineering structures – at the base in the 1980s and early 90s. Wimpey Construction, as Construction Programme Coordinator for the MOD, was responsible for supervising all the design and construction works for the base redevelopment during that same period.

Challenges

The new-build developments will have 582 single occupancy dwellings. With space on site at a premium, we have maximised its use by adding wings to the existing single living accommodation blocks as well as inserting entire new blocks into the available space within the existing layout.

At Canadian Forces Base Borden, Ontario, we are constructing a two-storey training and administration centre for their School of Electrical & Mechanical Engineering. The steel-framed building will have a geo-thermal heating system and will be certified LEED Silver with the Canadian Green Building Council.

The project is part of a 25-year property development programme to consolidate the base and create an environment containing key facilities for training, dining and barracks, as well as reducing roads and infrastructure, making it more efficient and ready to serve troops in the coming decades.

In British Colombia, Carillion Pacific Construction Ltd has been awarded a $40.5 million construction contract for upgrades and new construction at the Seaforth Armoury and the relocation of the Jericho Beach Armoury in Vancouver.

The Seaforth Armoury Renovation Project will include a retrofit and seismic upgrade to ensure the building’s compliance with the National Building Code of Canada and Department of National Defence standards.

The second part of the contract is to construct a new four-storey headquarters for 39 Canadian Brigade Group, consisting of office space, meeting rooms, classrooms, storage bays, locker rooms, a fitness facility, a medical and dental clinic, and a support centre for military families.
People

Supporting military personnel
People are at the heart of all the work we do and the basis for our success. As the military adapts to the changing requirements of the early 21st century, Carillion is supporting the Armed Forces every step of the way.

Corporate Covenant
Carillion is proud to have become one of the first companies to sign up to the Corporate Covenant launched by the MOD in June 2013. This is a written pledge, demonstrating our support and commitment to the Armed Forces community. We have made a five-year commitment and have set out many ways in which we will provide that support. These include:

Promoting the fact that we are an Armed Forces-friendly organisation.
• Carillion is a member of the Defence Career Partnering Steering Group.

Seeking to support the employment of veterans young and old.
• We are working with the Career Transition Partnership and provide military work placements. In 2012/13, 94 service leavers took part in a placement at Carillion. We currently employ approximately 400 veterans.
• We are liaising with the 10 Personnel Recovery Units to place injured servicemen and assist them in finding meaningful employment. In October 2013, two wounded servicemen began new careers with Carillion.

Striving to support the employment of service spouses and partners.
• Through our flexible working policy, we are offering leave for service spouses and partners before, during and after a partner’s deployment. As we operate in many geographic areas, we are also committing to attempt to find alternative employment within the business for staff required to move.

Supporting our employees who choose to be members of the Reserve forces.
• Carillion’s reservists are granted two weeks’ paid leave to attend their annual training. Carillion has set targets to employ 300 reservists by 2016.
• Two of our UK managing directors have joined the Reserves to demonstrate their leadership and commitment to this scheme.
• We are partnering with 170 Engineer Group which recruits reservists nationally. Our skills match offers mutual benefits.

Offering support to our local cadet units, either in our local community or in local schools.
• We encourage our employees to be involved with cadet organisations, in particular as cadet helpers or instructors. One of our directors is a member of the reserve forces and Cadet Association and Honorary Colonel for the Dorset Cadet Force. Another colleague runs a highly successful Sea Cadet unit in the West Midlands. We offer our employees up to six days per year to participate in community activities.

Actively participating in Uniform to Work Day and Armed Forces Day each year.
• In 2013, 15 of our staff wore their uniform to work with pride. We aim to increase this number each year.

Sally Varley, a Red Arrows team manager who has had work experience at Carillion this year.
Working in partnership:

• We are working with 143 (West Midlands) Brigade, to introduce the first Work Club Plus Scheme. This scheme is engaging with young people aged 18-24 who are not in education, employment or training (NEET), to enhance their skills to enable them to find employment. It is hoped that some of these young people will join the reserve forces.

• We help the West Midlands Veterans Housing project as part of a national scheme to support vulnerable veterans. Our military advisor is assisting in identifying veterans who would benefit.

• We are working with the Construction Youth Trust and Construction Industry Training Board to find employment for servicemen in the construction industry.

• Carillion Training Services supports around 2,000 apprentices in any year and hopes to encourage many to join the Reserves.

Key principles of the Corporate Covenant:

• No member of the Armed Forces community should face disadvantage in the provision of public and commercial services compared to any other citizen

• In some circumstances special treatment may be appropriate especially for the injured or bereaved.

Mentoring network for injured troops

This year Carillion has set up a scheme for service personnel wounded in Iraq and Afghanistan to be helped back into the world of work. Thirty managers have volunteered willingly to become mentors and play their part in the rehabilitation of injured troops into civilian life. The scheme is the brainchild of Carillion’s military advisor Seumas Kerr and will see four personnel placed into positions in the business every month for work experience or even potential jobs at Carillion. Carillion mentors are working closely with Recovery Careers Services and Help for Heroes, providing job coaching, helping with CVs, and finding suitable placements. Contract Manager Stephen Ainscough says: “We are the first major company to set up this kind of network and our model will be rolled out to other firms as best practice.” He adds that the relationship is mutually beneficial: “Our mentors can learn a lot about leadership from these men and women who are highly trained, disciplined and who already have skills vital to our business.”

Since joining at 17, the military was the only career that 25-year-old Royal Engineers sapper Joe Walmesley (pictured, right) had known. So his injury by a roadside bomb in Afghanistan was a massive blow, both physically and psychologically. “One minute you have your future mapped out, the next everything is changed,” he says. However, with a CV showing construction experience and bridge-building projects around the world, he was a prime candidate for a work experience placement at Carillion. “It was good to know that many of my skills like project planning, working with a diverse team and under pressure, are useful to a company like Carillion.”

Joe Walmesley: “Good to know my skills are useful.”
People

Supporting military leavers
Carillion is passionate about supporting those who are leaving the military and helping them to make the transition to civilian life.

We were quick to sign up to the Military Work Placement Scheme which ran from 2012-13, and we are continuing our support going forward. Working with Skills for Logistics we helped people to understand what opportunities exist outside the military, as well as giving them valuable work experience and feedback on their skills and competencies.

“It gives leavers an opportunity to work alongside managers and become completely immersed in how we operate,” says Karen Wellman, HR Director, Defence and Health, Carillion Services. “Many are amazed with the range of our services and the opportunities we can offer.”

In 2012-13, we have offered work experience to 94 people in diverse areas of our operations including: construction, domestic energy, hospitals, defence joint ventures and corporate communications.

Sally Varley
Sally’s 25 years’ service with the RAF has given her some amazing opportunities and strong skills. With career highlights including team-managing the Red Arrows and leading the public engagement strategy for the RAF’s ceremonial teams and athletes during the London Olympics, she is accustomed to working in high-pressure environments with demanding customers. On leaving the Forces in June 2013 Sally was linked in to Carillion via Skills for Logistics and over three weeks worked in two different areas: corporate communications and construction. “Defence gives you great skills but self-confidence in a new environment is something you have to find for yourself. Going into this massive company and meeting people that really welcomed me into the team, allowing me to be productive for them within a week or so, made me realise that I have the skills that companies want. I knew Carillion only as a company that maintained some of the RAF buildings I have lived in but didn’t fully appreciate that it was a global company with huge diversity and that it does so much in the community too. I helped them promote reservists internally and now have joined the RAF reservists too!”

Postscript: Sally now has a full-time position with Carillion.

Paul Evans
In the spring of 2013, Warrant Officer Class 1 Paul Evans, who in his 24 years with the Royal Logistics Corps had worked all around the world, undertook a two-week work placement at the James Cook University Hospital in Middlesbrough, where Carillion delivers the facilities management. His letter of thanks afterwards says it all:

“The placement was well-structured, from initial induction through to working in the various departments…this was a valuable

Paul Evans.
insight into industry prior to my end of service with HM Forces...[the Carillion staff] were professional, knowledgeable and courteous. Glenn Proffitt as an ex-REME, was a superb host, and a true people person which was evident when walking around the hospital, and a credit to Carillion. It was also a great opportunity to chat with ex-service personnel and tap into their experiences. This was a very worthwhile experience in which I take a great deal away. It is reassuring to know there are companies out there like Carillion where it would be a pleasure to work.”

Reservists

With the Future Reserves 2020 White Paper stating as its aim that the trained strength of the reserves of all three services would increase by 50 per cent by 2020, Carillion is encouraging its staff to get involved. We have sponsors in every one of our businesses and in 2013 have set up a network of reservist champions. These champions are largely current reservist employees who will actively encourage participation and increase understanding of what it means to be a reservist. They will be instrumental in helping us reach our target of having 300 reservists in the company by 2016. Partnering with 170 Engineering Group, we have begun setting up a series of insight days in Nottingham for potential reservists. The first took place in September 2013 for our group of 11 champions.

Officer in command

To his colleagues and friends at Carillion, Steve Adams is an experienced and skilled chartered civil engineer. To those serving in the Army’s 508 Specialist Team Royal Engineers, he is Major Steve Adams, officer in command.

With over 25 years’ experience in the Territorial Army (TA) as an infantry officer, Steve, 44, has served on operations in Iraq where he was responsible for over 40 men providing vital force protection for a field hospital. He has also instructed at the Land Warfare School in Warminster.

Steve has combined his two careers and transferred to 170 Engineering Group in the TA. “It was an opportunity to do more with my time outside normal working hours while using my civilian qualifications and experience in a military environment.”

“The professional training offered by the Army is world-class. As well as learning basic military skills we also undertake a great deal of personal development training. I have completed a variety of courses that have taught me to analyse situations, devise solutions and then present them to a team. I can easily transfer these skills and apply them in the workplace.”

Balancing two jobs can be challenging at times. For Steve it is worth it. “It has made me who I am today.”

A two-way process

John Broughton is responsible for the maintenance and management of 4,000 houses, as part of Carillion’s facilities management contract at Colchester Garrison, RAF Marham and RAF Honington. He joined the RAF Reserves in 2008 and is an intelligence analyst with 7010 Squadron. In July 2010 he was mobilised into full time service for seven months to support British operations in Afghanistan.

He says: “Being a reservist has certainly helped me with personal and career development because of the training and enhanced life experiences. It’s also a two-way process because these experiences have given me additional skills and strengths which I can bring to the workplace and share with my colleagues.”

Valuing experience

Carillion has a long relationship with the forces when it comes to work opportunities. Ex-service personnel are drawn to facilities management and engineering careers within Carillion that enable them to use their extensive military training. Carillion values their extensive experience, discipline, teamwork and leadership skills.
Carillion is a joint venture partner in Aspire Defence, which is delivering Project Allenby/Connaught, the largest infrastructure Private Finance Initiative (PFI) ever signed by the Ministry of Defence. Aspire Defence’s 35-year £8 billion contract is building and maintaining living, working, technical and recreational accommodation for more than 18,700 military personnel – around one-fifth of the trained British Army.

Since 2006, Aspire Defence has been transforming life at the Army garrison at Aldershot and at Tidworth, Larkhill and Warminster, the three garrisons in the Salisbury Plain training area. Aspire Defence delivers modern, high quality, fully serviced and purpose-built living and working accommodation. Its ongoing contract will continue to fulfil the changing needs of the military.

**Making their daily lives better**
The shared rooms and communal washing facilities have gone. Soldiers at the four garrisons now have their own bedrooms with private en-suite facilities, a kitchen and laundry room per six-bed flat and a communal lounge per accommodation block. Together with quality shops, cafes, bars and sports centres, these facilities are all supported by a wide range of high quality services to meet the needs of the modern British Army.

**Construction**
The construction joint venture, Aspire Defence Capital Works, is nearing the end of its eight-year construction programme when it will have completed 550 new or refurbished buildings including offices, technical buildings, dining centres, messes and community facilities – at its peak at an average rate of over two per week. It has provided over 10,000 single en-suite bedrooms so far, and a further 1,800 will be completed by mid-2014, radically improving living conditions for soldiers.

**Services**
Alongside the physical buildings Aspire Defence Services provides total facilities management.
on the four garrisons – each site as complex as a small town. Services range from technical stores management to uniform tailoring, transport and catering.

In the last year:
- the 24/7 help desk answered 98.6 per cent of the 60,402 phone calls within 30 seconds
- 50,308 reactive maintenance jobs were received
- 75% of routine maintenance requests were completed in 15-20 days
- 2,909 security passes were cleared through the security office.

What have we learned in the first seven years of Project Allenby/Connaught?

Peter Smart, Chief Executive, Aspire Defence Limited, writing in the Parliamentary Review in September 2013:

“We have consistently borne in mind who is the real customer. For us that is the soldier.

“\textit{A strong collaborative relationship with the Ministry of Defence has been the way to succeed. At each of the four garrisons, there is a senior, empowered Aspire manager and an Aspire team co-located with the MOD team. Together we have developed a shared purpose, vision and values – the ‘way things get done around here’. We have taken every opportunity to communicate well, creating a culture of ‘no surprises’. This builds relationships, trust and ensures quick problem resolution. However, our relationship is not cosy. It is based on a clear contractual allocation of risk, respected by both parties. We have successfully managed some 1,500 changes since the start of the contract, with clear and agreed processes and honest discussions.}

“As the Armed Forces reduce in size and become more dependent on contractors, good relationships will become ever more important in successful delivery."

May 2013: Seven years of construction at TidNBul (Tidworth, Netheravon, Bulford and Perham Down) came to an end this year with the completion of a new 700-seat auditorium, an event marked earlier in the year by a Cutlass bomb disposal robot burying a time capsule containing insignia and memorabilia donated from the garrison’s regiments. The idea came from Dave Stone, Aspire Defence Capital Works’ Senior Construction Manager.

Looking ahead

As the Army 2020 plans begin to gain momentum, including the withdrawal of soldiers from Germany, the sites within the Project Allenby/Connaught footprint may be needed to accommodate increasing numbers of soldiers.

Awards


Since 2007, every Aspire Defence Capital Works site has won a national Considerate Constructors’ Scheme (CCS) award for high levels of respect, consideration and responsibility on the construction sites. This included the prestigious Gold Award in 2012.

In November 2013, Aspire won a prestigious DIO Sanctuary Award for its rounded and innovative approach to sustainable procurement. Its chief case study was a mattress refurbishment programme which has demonstrated many benefits including the elimination of waste, reduction of natural resources, enhanced stock management, supply chain simplification and improved warranty.

September 2012: the final bedroom module is moved into position at Warminster’s Land Warfare Centre, forming part of a student accommodation block for officers attending Warminster for training.

Key facts – construction
- 369 new buildings delivered
- 101 refurbishments and 55 alterations
- 459 demolitions, with 97 per cent re-use of materials
- 10,111 single en-suite bed spaces provided
MODern Housing Solutions

Delivering best-in-class housing maintenance to service families

It’s essential that service families are happy in their homes. Satisfaction with living accommodation plays a large role in retention rates. Knowing that families are looked after helps the operationally-active spouse to be more effective. So it is vital that property maintenance specialists MODern Housing Solutions gets it right.

MODern Housing Solutions (MHS), a joint venture company between Carillion and Amey, delivers the Housing Prime Contract. We provide maintenance and repair services to over 45,000 service family homes across England and Wales on behalf of the Defence Infrastructure Organisation (DIO), the MOD’s property and service provider. Our operatives complete approximately 40,000 maintenance jobs each month and project teams deliver up to £80 million of planned improvement projects each year.

The Institute of Customer Service has rated our customer service best-in-class and well above the overall UK Customer Satisfaction Index (UKCSI). Nonetheless, we are continually striving to do better. This year, we have been:

• driving efficiency and improving right first time, on time and in time delivery
• improving customer satisfaction, which is now consistently over 94 per cent on a month-by-month basis
• reducing missed appointments by more than 65 per cent between June 2010 and June 2013
• identifying and tackling any jobs in danger of not being resolved satisfactorily, before they become a problem
• improving service at our help desk, where we receive over 420,000 calls per year, so that problems are accurately diagnosed and the right teams are allocated
• reducing the total number of complaints we receive. Since June 2010, these have halved
• reaching out to client and stakeholder groups to gather feedback in order to further improve our performance in line with their needs.

More than just housing maintenance

MHS does so much more than provide a maintenance service. Examples of our work include:

• preparing homes for 1,000 moves in a month, rising to 1,500 during the summer months
• delivering high quality property improvements, including 2,600 new kitchens, 1,221 new bathrooms, and 2,218 new boilers during the 2012/13 financial year
• managing a programme of regular statutory inspections including over 3,000 gas safety inspections a month
• delivering a range of country-wide and high profile community projects
• assisting Service Welfare Organisations with their bid submissions for charitable funding. In 2013 the Army Welfare Service has secured £1.3m from the Libor fund for new play parks as a direct result of MHS assistance.
• employing former service personnel through work experience, permanent positions and recovery placements
• introducing green energy sources and carbon and waste reduction schemes.

High quality property improvements
This year MHS has built 18 new sustainably-designed homes featuring solar panels and air source heat pumps for the local garrison in Colchester.

At Uxbridge, Middlesex, we have a refurbishment programme under way which will extend the lifespan of properties built in the 1960s by a further 25 years.

Our customers
MHS continuously strives to improve its customer experience, from calls taken at our help desk to jobs being completed in customer's homes. Engaging with customers to understand their needs is a daily activity. Social media plays a large part in this and we have a thriving Facebook page. Customers are able to ask questions, raise issues, and offer opinions and compliments, all of which come through to a dedicated team who respond and engage. We also post information about where customers can meet us on site, and about events we hold, community projects and self-help tips for around the home. We now have had over 4,000 customers ‘like’ us on Facebook.

Institute of Customer Service ServiceMark Accredited
In 2012, MHS became the first housing sector organisation to achieve ServiceMark – the UK’s premier award for customer service excellence. Our continuous efforts to improve customer service resulted in reaccreditation in 2013 with a 10 point increase in customer satisfaction scores year on year.

A helping hand
SSAFA’s Norton House (above) provides a ‘home from home’ for the families and friends of injured serving personnel receiving treatment at Selly Oak Hospital and Headley Court. MODern Housing Solutions has helped fund and carry out the conversion of an old cinema at Headley Court into a self-contained flat with full disabled access. This now offers a place for occupational therapists to help people such as Kingsman Anthony Cooper make the move towards independence. Anthony is seen, above, with local MP Chris Grayling, Air Vice-Marshall David Murray and Richard Lumby, Managing Director, Carillion Defence.

MHS staff (below) scaled four Welsh mountains in one day, raising over £5,000 for Help for Heroes – just one of many fundraising events.

Thanks!
“…the men who carried out the work were polite and my kitchen was left spotless from day one until they finished.” Jane Ward, Helston, Cornwall.

“Had it not been for the direct support of MHS in these community projects we would not have these facilities today.” Lt Col A McRae MBE.

“A big thank you. The workman cleared away all the brick debris and now my garden is safe again for the children to play in.” Jayne, via Facebook.

“On behalf of SSAFA I would like to say thank you to MODern Housing Solutions. Without their support and hard work this project would not have been possible. They have and will continue to make a difference to the lives of our Armed Forces and for that we are hugely grateful.” Air Vice-Marshall David Murray.

“It is great to see the combined efforts of MHS and 11 EOD Regt RLC to deliver this fantastic community garden project for the direct benefit of unit families at Didcot.” Maj Gen S A Burley MBE.

“The refurbishment is of a significantly high standard; a standard, that in the future, will be measured throughout the wider defence community.” Group Captain Tunnicliffe.
Meeting – and beating – vital energy targets

The MOD has a target to make a 25 per cent reduction in greenhouse gas emissions by 2015. Within the Regional Prime Contract Central (RPC(C)), our joint venture CarillionEnterprise is working in partnership with the Defence Infrastructure Organisation (DIO) and delivering real results and significant savings compared to 2009/10.

Spending to save

Rebekah Jones is Programme Manager for DIO Utilities and is responsible for the Energy Spend to Save Programme, set up as part of the Strategic Defence and Security Review to drive energy efficiency through investment across the Defence estate and to help the MOD achieve its 25 per cent carbon reduction target. The three-year programme, which started in 2010, will see a total investment by DIO of £105m into energy efficiency projects and is on target to deliver savings of £70m per year by March 2015. The programme includes all Regional Prime Contracts, Defence Training, Her Majesty's Naval Bases, PFI contracts and the overseas bases.

Alan Rodger has responsibility for Energy Management within CarillionEnterprise, which is responsible for the maintenance of around 8,500 buildings and infrastructure assets on 85 military bases in a geographical area that runs from the Scottish Borders to South Wales.

Ray Antonelli is CarillionEnterprise’s Carbon Strategy Manager. Ray was brought in to apply his experience to the challenges of delivering energy savings across RPC(C), and has been identifying and implementing schemes to cut the MOD’s energy consumption in line with Greening Government targets.

In this conversation at Sutton Coldfield, where DIO and CarillionEnterprise jointly share headquarters, Rebekah, Alan and Ray discuss the achievements within RPC(C) in 2012/13.

You are about halfway through the Spend to Save programme. How is it going in RPC(C)?

Rebekah: It’s been a massive programme, with over 2,000 energy projects. CarillionEnterprise quickly ramped up its own resources to help manage it – for example, moving Ray and his team in full-time to operations, providing me with the confidence that C-E would deliver not only the projects but also the necessary savings.

Ray: And we have! Our work in Central over the past two years has resulted in savings of £10.7m, with over 300 projects completed across a number of major sites.

What have you done to achieve this?

Rebekah: Due to the in-year savings target, the focus had to be on projects that could rapidly pay back. Some of the quick wins include replacing obsolete heating systems and controls, and optimising settings. Other initiatives include upgrades to the latest technologies such as insulation and draught-proofing; energy efficient lighting; variable speed drives and voltage management.

Ray: We have focused on seven technologies which we have applied in large numbers across RPC(C) establishments. One example is

Meeting energy targets is crucial. Beating them is impressive. By March 2013 CarillionEnterprise had helped DIO reduce carbon emissions by an impressive 28 per cent across RPC(C), with more savings to come.
lighting replacement, where we have installed or converted 65,000 light units. Another is the 1,600 boiler optimisers we have put in place.

Is progress being made across all the Regional Primes?
Rebekah: Yes. We have an Energy Programme Working Group where the sustainable development leads in each RPC come together and share best practice where we can. Ray leads for Central and has demonstrated some great ideas and technology to the group.

Are you meeting the targets?
Rebekah: What we are currently achieving is actually a 50 per cent return on the entire programme, which is fantastic. Getting payback in less than two years is a significant achievement and our focus is very much now on enduring savings of £70m.

Ray: Yes, RPC(C) is ahead of target. That seemed like blue-sky thinking at first, but we have managed it here with a programme payback of 1.8 years.

Will you continue to keep making these gains?
Rebekah: Together we have put in the enablers. The Energy Bureau allows the savings to be tracked and monitored and will continue to maintain and improve on them.

So it's a joint effort?
Alan: What we do is all part of the bigger picture. Carillion has a wide understanding and capability of energy management across our Services business. We have been able to call upon resources and expertise across the group for a number of projects in this Region which has been invaluable. It's all about teamwork.

Rebekah: I couldn’t do what I need to do without the CarillionEnterprise team. We have really challenging targets but we are going to meet them through collaborative working and team effort.

Energy Bureau
Thirty-four of the Region’s highest-consuming sites are now linked via their building management systems to the CarillionEnterprise Energy Bureau. This consists of a central operation that constantly monitors energy consumption and can immediately identify anomalies such heating being left on in an unoccupied building. The Bureau team can act remotely to switch off systems and prevent wastage. The 34 sites represent 80 per cent of RPC(C)’s electricity and fossil fuel consumption. In two years the Bureau has helped to save £3m, or 77 per cent of the Bureau’s three-year target.

Energy savings at RPC (C) in line with the Greening Government commitment
- 28 per cent reduction in carbon emissions attributed to the Spend to Save programme
- A total of 72,000 tonnes of carbon saved.

Greening Government
The 2010 Greening Government Commitments have required the MOD and other government departments to increase sustainability savings in areas such as greenhouse gas emissions, waste, water and travel, by 2015.
Royal School of Military Engineering

Delivering a twenty-first century training facility
The work that we carry out for the Royal School of Military Engineering (RSME) couldn’t be a better example of how we are working alongside the Army to meet its changing needs.

A Royal Engineer in the tunnel complex built by Carillion at Bicester. Images provided by Holdfast Training Services.
This year saw the completion of construction work at Bicester which began in late 2009. This vast project had over 30 different build areas to meet challenging requirements for both training and accommodation, ranging from huge tunnel complexes to living quarters.

**Training**

In July 2012, the addition of a new combined Officers’ and SNCOs’ Mess from new and refurbished existing buildings, plus 125 single living bed spaces, allowed the Defence, EOD, Munitions and Search School (South) – DEMSS(S) – to complete its planned move to the area in August 2012 and begin occupation and training on schedule in September 2012. DEMSS(S) and DEMSS Kineton, both of which are a key part of the RSME, train Defence personnel in munitions, search and disposal. They have now combined to form the DEMS Training Regiment which was formally ‘stood up’ in December 2012.

“The principle was to deliver a twenty-first century training facility for the RSME,” says Steve Fothergill, Carillion Operations Director. “At Bicester, as well as the creation of a large indoor teaching and exhibition facilities, we have developed an extraordinary set of special training facilities. This massive project has made better use of the training estate – enhancing facilities while attaining lower running costs and greater efficiency.”

Special training facilities include:

- various types of search houses
- four 1-2km search routes for IED training
- dual carriageway
- bridges
- a 36m wide, seven metre deep dive pool for training in the recovery of munitions
- cave complex for practising operations in caves and in the dark
- several Afghan compounds
- tunnel complex with variable routes through adjustable tunnels.

**Living**

Across all three sites, we are refurbishing and building new accommodation for around 1,700 soldiers and creating retail, catering and leisure facilities suitable for modern service families. Minley has a new fitness centre, with ongoing work to construct and upgrade sports facilities, including cricket nets, an all-weather football pitch, and tennis courts.

At both Minley and Brompton Barracks in Chatham, we have put in place new single living accommodation with ensuite shower rooms and at Brompton a combined Mess is shared by junior and senior ranks – an economical solution. Futhermore at Brompton, a new community centre, the Lampard Centre, has been built to offer service families a meeting place and social hub.

**Sustainability**

Dealing with sensitive environmental matters has been a source of challenge and satisfaction in equal measures, says Bicester Project Manager Chris Schofield:

“At peak we were working on over 30 different sites at Bicester. All the managers have had to make the correct judgements on ecology, the environment and waste – quite a challenge. We have cleared ground which has been unused for years, finding and dealing safely with discarded hand grenades and weapons. The site had also become a sanctuary for wildlife from badgers to adders and owls. We have done a lot for protected species – everything from safely relocating great crested newts to building access routes for dormice.”

**Flexible benefits**

“With good foresight, a level of adjustment was built into the RSME construction programme 2008-2014,” says Paul Young, Project Manager, Carillion Construction Services. “This has allowed some flexibility when building requirements and the order of build has changed. The RSME has also benefited from the repetitive nature of some of the construction programmes, for example with the series of refurbishments at Gibraltar Barracks, Minley, and the modular accommodation across the project. At Bicester, large elements of additional work were built within the existing programmes and time constraints, including a single living accommodation block of 40 new build bedrooms.”
Northwood

‘Sterling support’ at Northwood Headquarters

Carillon’s commitment to the Armed Forces and the community increases year by year.

Northwood ceremonies
On a wet day in April, Joint Forces Command held a ceremony at Northwood to celebrate reaching full operating capability.

The 2013 event marked the culmination of three years’ work (begun in 2010) to establish Joint Forces Command at this 43-acre site in Middlesex.

Senior military personnel attended, including Commander Joint Forces Command Air Chief Marshal Sir Stuart Peach, along with Philip Dunne, Minister for Defence Equipment, Support and Technology and Lord Levene, author of the Defence Reform report, 2011. There were many other distinguished figures among the guest list.

A great deal of work goes into creating a flawless ceremony like this, and Carillon was behind every aspect, from the polished shoes to the food, and the plaque itself. The company even donated a commemorative rose garden and benches to mark the occasion.

Afterwards, JFC Chief of Staff Major General Phil Jones told the Carillon staff that he was extremely grateful for “your support and the relationship we enjoy at Northwood. The JFC journey to full operating capability was enabled by Carillon’s sterling support.”

This gives just a small insight into the range of work and the important role that Carillon carries out at Northwood, where we have provided a full facilities management service since 2006. (Carillon also delivered the construction and refurbishment of the site under a contract which ran from 2006-2011).

As the sole service provider and a single point of contact, Carillon’s role is to provide all the support services necessary to enable the military personnel to focus completely on their critical role of protecting national interests. “Our job is to make sure our military clients do not have to worry about whether their car will turn up or their uniform is being altered,” is how Keith Metson, Facilities General Manager, puts it.

Nowhere else does Carillon offer quite such a wide range of services – from issuing weapons and ammunition to operating the nursery and hairdressing salon. Any one of the 2,000 personnel on this critical site who needs cash or a security pass, who requires travel arrangements made or who visits the armoury, will be dealing with one of our 230 employees or the 200 catering staff whose overall contract we also deliver.

All our staff undergo full security vetting at this Category 1 secure site. We also take care of escorting all non-permanent contractors visiting the site who need to be accompanied at all times.

Highlights of 2012/13

Additional internal works have been completed to the main HQ to accommodate a further 150 military personnel. Carillon is responsible for the management and booking of the

Since 2006, Northwood has been home to the Permanent Joint Headquarters, the NATO Maritime Headquarters, EU Navigation Force Headquarters and the Fleet Maritime Operations Centre.
850 bedrooms on site. The team also delivers cleaning, IT provision including internet and TV, heating, lighting, laundry, and dry cleaning services for all rooms.

Carillion organised a Climate Change Fair at Northwood during Climate Week to raise awareness of energy issues, and invited many suppliers to demonstrate energy-efficient lighting, water saving devices, and electric vehicles. In March 2013 an entry from Northwood was among the top four in its category at the national Climate Week Awards.

Carillion’s commitment to the Armed Forces and the community increases year by year. The key charitable beneficiaries at Northwood are the Afghan Appeal Fund and Headley Court.

A continuous series of events, from car washes to ‘bake-offs’, are harnessing enthusiasm – and bringing in valuable funds for these great causes.

Carillion is also increasingly reaching out to the local community – and encouraging its military client to take part, too. We have been supporting the local Rickmansworth Boat Festival, providing equipment for local school events, and even helping children dig for sustainability by providing a vegetable garden at the local Eastbury Farm Infant School.

Hitting the mark

“All in all it was a very demanding week and I’m very grateful that Carillion was able to provide such sterling support. Please pass on my thanks to everyone concerned and I am certain that should it become necessary in the future that you will be able to hit the mark in such style again.” Current Commander of the Joint Forces Command, General Sir Richard Barrons KCB CBE ADC Gen, writing to thank Carillion staff following a visit by a senior South American General in the summer of 2013.

A huge range of services

Here are some of the services that Carillion delivers at Northwood:

• Planned and reactive maintenance • Bunker support • Help desk on site 24/7 365 taking over 7,000 calls a month • Lifecycle and Change Management • Communication Infrastructure Services • Issuing Security Passes • Portering • Cleaning • Catering and retail

• Graphics, reprographics and photography • Mail delivery and scanning, including operation of X-ray scanner • Pest control • Conference services • Administration including reception services, embedded administrators working within military divisions, medical administration and PAs to military personnel • Cash and travel • Education and resettlement • Accommodation booking and management • Stores, including issuing of uniform and military clothing • Issuing and maintenance of weapons and ammunition with 24/7 365 call out cover • Motor transport • Mess management* • Waste management • Grounds maintenance • Nursery • Hairdresser • Destruction of high security documents • Domestic services.

*services operated by Aramark, a sub-contractor.
Whittington

Teamwork at Whittington

At Whittington Barracks in Lichfield, the end of the construction phase is nearly in sight.

Teamwork is the key, says Project Director Paul Bird. “In the past year we have dealt with many adverse weather conditions – the wet summer of 2012 followed by the harsh winter of 2013 – but if anything, this has deepened our relationship with DIO.”

Project Manager DIO Whittington Louise Muldoon agrees: “We have got a very good working relationship with our industry partner here, through just being honest and open with everybody and working together.”

Paul says: “Construction is all about teamwork between all the various parties involved. Our relationship with DIO is an extension of this. Our weekly meetings have been key to openly discussing any project issues and then agreeing a way forward on any critical matters that might impact upon the successful delivery of the project, all without blame on either side.”

It’s been a complex task. With around 250 Carillion personnel and subcontractors on site, Carillion has taken the lead role in managing around 2.5km of road and new site-wide infrastructure works. We have also co-ordinated the site-wide access and egress requirements for the other construction companies working simultaneously on the project. “It’s been a continuous logistics challenge in a live military facility,” says Paul. “We have been managing the shutdown and opening up of the roads across the base to accommodate the wide variety of new services that have had to be installed.” Paul also recognises that the end of the construction phase is the start of an exciting new chapter. “Making sure we deliver the right quality at the right time is essential for the end user, so we are working harder than ever to ensure a soft landing is achieved during the transition between these key phases. We take our part very seriously in making sure that the healthcare professionals are able to deliver high quality services to those being treated here right from day one and through the early stages of these buildings’ lives.”

Whittington Barracks will become Defence Medical Services Whittington in an official opening ceremony in May 2014.
KEY FACTS:
• 8 buildings completed so far out of the total of 16
• 34km of underground ducting
• 2.5km of new site-wide infrastructure and road works
• 2.65km of new security fencing
• 90,000m³ of earthworks undertaken with all material generated on site re-used on the project
• Installation of a new 6.5km HV electrical supply
• Around 250 people on site, both Carillion and sub-contractors
• Approx 300 civilian and military personnel are currently based on site. When fully occupied it will cater for approx 1,000 military and 400 civilian personnel
• Overall 801 new bedrooms built by Carillion/Debut
Long experience and knowledge

TPS, a wholly owned subsidiary of Carillion plc, has an enviable record of built environment design and specialist consultancy in the defence sector.
We have also been active across the defence customers and Carillion.

Our long experience of engineering design based on sound principles and a knowledge of defence needs – always with an eye on added value – has been utilised by both defence customers and Carillion.

We have also been active across the defence estate providing non-design consultancy services:

- Our surveying business has been producing measured surveys on houses across the MOD estate, and condition surveys on more than 200 buildings on the USVF (United States Visiting Forces) estate, while our sustainability business has undertaken Dream (an online environmental assessment tool developed by Defence Estates) reviews across the estate.

- Our Health & Safety business continues to provide construction, design and management consultancy services on many projects across the estate, most notably on the Regional Prime Central Project, a service that stretches back over a number of years.

- We have registered Design Excellence Evaluation Process (DEEP) consultants who will ensure that customer standards, expectations and value for money are protected and we have recently been appointed at HM Naval Base Clyde in this respect.

- Our sustainability services provide advice on the impact of the development on resources, ecology, drainage and flooding. Energy conservation is a high priority for defence customers given the high levels of energy dependency and we have identified how to reduce fossil fuel use in favour of renewables, thus cutting energy costs. Environmental considerations are balanced by reducing the need to take excess materials from the site and the creation of natural habitat including a garden and water feature.

- Our world-class counter terrorism (CTM) measures group produces compliance reports, a service used around the defence estate. Our CTM consultancy team reviews design proposals against the MOD’s threat assessments and standards to ensure all aspects of this important area of design compliance are fully implemented.

- Other specialisms regularly employed in the defence sector include security design including CCTV, design of petrol, oil and lubricant systems, and specialist aviation civil engineering.

**Case study: design services**

**RAF Leeming Station Medical Centre**

This is currently under construction after we were involved from the early stages under the Regional Prime Contract Central framework. The new building will serve both services personnel and their dependants, with all patient areas easily accessible at ground floor level and staff facilities at first floor.

Using our design-based services across a range of skills and expertise, we worked with the contractor, the DIO project manager, subject matter experts, end users and other stakeholders. This collaborative approach, using a series of workshops and other contact, exposed the design team to collective knowledge of the site, allowing them to determine, amongst many things, the optimum functional layout of the development.

A good example of our approach relates to heating. With no gas supply at Leeming, it was essential to design a sustainable but affordable supply. After value-engineering a number of solutions with the supply chain, we ultimately identified air source heat pumps as the most cost effective solution.

**Case study: measured surveys**

**MODern Housing Solutions:**

For the last two years, we have been appointed to provide measured surveys and other information on married-quarters housing stock on the defence estate. The purpose is to allow relocating service families remote access to accommodation details so they do not have to travel to make a new housing choice – in the past a difficult and sometimes stressful undertaking.

The information collected by our experienced chartered surveyors includes room measurements, descriptions of each dwelling, interior and exterior photographs and floor plans. This information is audited and then issued to DIO via MODern Housing Solutions and put into a web-based catalogue. In 2012/13, we provided details for 1,900 dwellings and in 2013/14 we are programmed to deliver details on a minimum of 2,200 dwellings.

**Challenging and innovating**

In all of our defence-related services, the basis of the TPS approach remains value for money, delivery on time and designing to minimum military requirements. We are continuously seeking to improve design – challenging received wisdom where justified, as well as innovating and adding value from the whole of our experience. We see each project as an opportunity to provide a better solution than before, to find quicker and better value solutions and, above all, to demonstrate our respect for the values of our military customers.
Looking ahead

As the troops come back from Afghanistan and the British Army of the Rhine is relocated, we will continue to help to build the accommodation that will house them and their families, and to service their living accommodation. We will also be constructing both the training as well as the leisure facilities that will enhance their skills and their lives.

As this document shows, we have immense depth and breadth of experience in the sector, both in the UK and, increasingly, overseas. Our flexible and capable approach, demonstrated here in so many projects, has been the basis of our bids for a number of new defence contracts, including the Next Generation Estates Contracts with DIO in construction and in hard facilities management. We await the outcome of those next year.

Signing the MOD’s Corporate Covenant was a key feature of this year and we were proud to be one of the first construction companies to do so. Much of it encapsulated what we are already doing at Carillion.

Our vision for our defence contracts is to provide people with the greatest possible depth of understanding of the military. This is both more likely and more important in the coming years. As the military continues to outsource, it will require partners with depth of expertise and understanding. The Army needs to know that it can continue to work alongside people who understand its operations and are able to enhance their operational capability – for example the 400 or so ex-regulars already employed by Carillion.

As the same time that the military is drawing down its numbers – with the Army reducing in size from 102,000 to 80,000 by 2020 – the need for reservists is growing. Finding a capable and committed reserve force is a real challenge.

The biggest pool of potential reservists is among the young. As the country’s biggest employer of construction industry apprentices, Carillion is well-placed to show these young people the benefits of being a reservist.

We have already committed to a goal of having 100 reservists by the end of 2014, 200 by 2015 and 300 by 2016. The benefits of this go two ways. The skills that our reservists can contribute to the Army are considerable.

At the same time the enhanced commitment and training they receive as reservists are invaluable to us, too, especially as we continue to gain work in some of the world’s less welcoming environments.

Despite – or even because of – these challenges I am very optimistic that there are genuine synergies between Carillion and defence and that we can continue to be true partners going forward towards 2020.

True partners

The British Military faces some interesting times – and some tough decisions – in the next few years. At Carillion we will be supporting our defence client all the way, says Seumas Kerr, Carillion’s Military Advisor.
Value for money and continuous improvement

Paul Russell has been appointed Sector Director for defence, a new role which further signifies our commitment to the Defence sector. Paul has over 20 years’ construction experience and his skills and relationships within our organisation will harmonise our capabilities, adding value and ensuring continuous improvement. As the military goes through a period of transition and development, he is committed to making Carillion even easier to do business with. As part of his induction, Paul spent four weeks at the Royal College of Defence Studies studying Leadership in the Strategic Environment.

A slice of history

Carillion has a long history with the defence sector. Arguably it goes back 600 years, making it surely one of the longest corporate histories in the world! That’s because the origins of one of our divisions, TPS, can be traced in a direct lineage of companies, via our predecessor company Tarmac which bought part of the Property Services Agency. The PSA in turn sprang from the wartime Ministry of Works, once known as the Office of Works, which was originally founded in 1377 by John Blake and William Hanney for the upkeep of royal castles – one of the first examples of the state bringing in experts in facilities management!

We are proud of this history. It shows we have deep traditions of respect for the military, teamwork and for maintaining long and fruitful relationships.

Walking With The Wounded

Carillion is once again honoured to be supporting Walking With The Wounded on its third major expedition, the South Pole Allied Challenge.
# Carillion Defence – points of contact

<table>
<thead>
<tr>
<th>NAME</th>
<th>TITLE</th>
<th>EMAIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Richard Lumby</td>
<td>Managing Director, Defence</td>
<td><a href="mailto:Richard.G.Lumby@carillionplc.com">Richard.G.Lumby@carillionplc.com</a></td>
</tr>
<tr>
<td>Di Lester</td>
<td>Executive Assistant, Defence</td>
<td><a href="mailto:Diane.Lester@carillionplc.com">Diane.Lester@carillionplc.com</a></td>
</tr>
<tr>
<td>Seumas Kerr</td>
<td>Military Advisor</td>
<td><a href="mailto:Seumas.Kerr@carillionplc.com">Seumas.Kerr@carillionplc.com</a></td>
</tr>
<tr>
<td>Paul Russell</td>
<td>Sector Director, Defence</td>
<td><a href="mailto:Paul.D.Russell@carillionplc.com">Paul.D.Russell@carillionplc.com</a></td>
</tr>
<tr>
<td>John Dye</td>
<td>TPS Commercial Director</td>
<td><a href="mailto:Dye.John@tpsconsult.co.uk">Dye.John@tpsconsult.co.uk</a></td>
</tr>
</tbody>
</table>