

CASE STUDY: BLU - 3

BACKGROUND

Established in 2004, BLU - 3 (UK) Limited is a medium size firm specialising in the provision of construction, civil and utility infrastructure services including multi-utility infrastructure installation and maintenance, civil engineering solutions, highway maintenance and re-engineering and remediation. They deliver contracts for several major clients both in the capacity of principle and sub contractor, with an average turnover of £20 million. They employ approximately 200 people, and their typical clients include Skanska, Mace, Sir Robert McAlpine, and UKPN.

BLU-3 does not have a dedicated sustainability manager, however Dwayne Francis, whose official job title is Health and Safety Advisor has been nominated to drive forward the sustainability agenda. The company has an accredited environmental management system, but is now starting to consider sustainability within the scope of their operations, activities and processes. They are looking to mirror the good practices of their clients and customers, and have noticed that sustainability is becoming more prominent in the bidding process – something which has incentivised them to take a more proactive approach.

According to Dwayne, one of the greatest challenges is securing management commitment through participation, and raising general awareness of the key sustainability issues to all employees. Time constraints and other priorities / responsibilities are common barriers faced by Dwayne – a situation that is not unusual within small to medium sized businesses.

Another key challenge highlighted by BLU-3 is convincing their supply chain, particularly the small sized businesses and material / equipment suppliers who have limited resources, to change the way they operate, especially around ethical or equality issues.

An environmental committee is formed to develop and implement sustainability and other environmental initiatives.

As a part of their environmental targets, BLU - 3 have developed sustainability targets. Key targets include achieving a sustainability policy which will address the issue of green procurement, energy and fuel reduction, waste prevention and ethical/equality issues. Specific sustainability targets include setting maximum emission levels for all company cars procured:

- From July 2013 less than 140 g/km of CO₂
- From July 2014 less than 130 g/km of CO₂
- Target - 5 % KWH per year of the 2011 value (120,368.00 KWH – 2011)



INITIAL ENGAGEMENT

Dwayne attended the Elephant and Castle supplier day in London after having received an invitation from Skanska. Dwayne enjoyed the day and found it beneficial to hear from both existing and potential clients about their best practice sustainability initiatives. He valued the opportunity to gain an insight into what the main contractors expect from their supply chain, and left the event with a clearer understanding of the future priorities of BLU-3's clients.

SELF-ASSESSMENT & ACTION PLAN

Before attending the London supplier day Dwayne worked through the self-assessment process, but answered from his own perspective rather than on behalf of the company so as to familiarise himself with the tool.

A few weeks later Dwayne attended an 'Embedding Sustainable Procurement' workshop which provided him with practical tips on how to embed sustainability considerations into the procurement process. He shared the knowledge gained from this workshop at their Environmental Committee meeting, and used this as an opportunity to work through the self-assessment tool as a group so as to get a more accurate picture of BLU-3's existing company knowledge.

BLU-3 has since worked through some of their action plan, and has completed the e-learning modules on Water, Climate Change & Carbon, and Sustainable Procurement. More recently BLU-3 completed a second re-assessment and found this a useful exercise in helping understand what progress has been made over a period of time. In some areas they have scored higher than previously, but in others lower. This is not unusual given that when more research is done into a specific issue, it becomes more apparent how little you know. The Action Plan for BLU-3 is proving to be a useful resource, however at times there are actions which they believe are not always relevant to their particular business.

IMPACT

As a result of engaging in the School, BLU-3 has:

- ✓ Reviewed and updated its environmental policy.
- ✓ Begun to draft a sustainability policy which covers sustainability in its broadest sense, and also references BLU-3's approach to sustainable procurement. This is work in progress.
- ✓ Reviewed their equipment and material supplier pre-qualification questionnaire to include specific questions on sustainability. The proposed new form is currently being reviewed by management.
- ✓ An improved understanding of issues such as water, sustainable procurement and climate change and carbon, how these relate to BLU-3's activities and most importantly how BLU-3 can help minimise any related negative impacts.
- ✓ Helped raise awareness of the sustainability agenda throughout the company – key employees now have access to the e-learning modules which help underline the business benefits, particularly through the use of client and contractor video interviews.
- ✓ Started to apply the knowledge gained through the School on specific projects, for example in relation to soil recovery at the Battersea Power Station Redevelopment they have achieved:
 - No spoil sent to landfill as a final destination
 - Total spoil to be recovered or recycled 7,500m³
 - Onsite processing and screening of soil to maximise the use of retainable/reusable material on site, thus reducing their carbon footprint related to transportation.

BENEFITS



Enhanced reputation leading to business growth – Dwayne believes that being a member of the School and communicating their membership through effective marketing campaigns will help maintain and enhance their reputation, ultimately increasing their chances of winning new work.

Ability to evidence commitment to continuous improvement in sustainability – given that a number of BLU-3's key clients are already partners to the School, Dwayne believes that *“Our involvement in the School will help demonstrate our commitment to ensuring that all operations and activities are conducted with utmost regards for the environment, people and society. This should help us retain key contracts and contribute towards the new business development process.”*

Being kept up to date on best practice in sustainable construction – One of the key benefits according to Dwayne is that the School provides an insight into the latest developments in sustainable construction, and enables BLU-3 to understand the latest and most relevant sustainability issues faced by their clients.

LESSONS LEARNED

Being able to evidence the internal drivers of key clients (for example through e-learning modules) and an understanding of their sustainability priorities is a catalyst for securing senior level buy-in to the sustainability agenda.

BLU-3 now recognise there are many opportunities to influence the behaviour of their supply chain in regards to their sustainability impact, particularly through the procurement process, however influencing at 3rd tier remains a challenge.

THE FUTURE

In order for BLU-3 to continue to engage in the School it is important to:

- ✓ Promote the School to material/equipment suppliers, particularly hire and building merchandise companies who supply plants/equipment and material. These companies are prevalent in BLU-3's supply chain and have significant direct and in-direct impact on all three pillars of sustainability, but according to BLU-3 have little or no knowledge of the School.
- ✓ Develop the membership levels of bronze, silver and gold so as to recognise and reward school members and provide something tangible that can be used in marketing campaigns.
- ✓ Continue to proactively engage with all School members, providing a high level of customer service.
- ✓ Continue to make all resources available at no cost. Should resources begin to incur costs, BLU-3's level of engagement would reduce significantly resulting in a loss of momentum.