

PARTNER CASE STUDY: BAM NUTTALL

BACKGROUND

BAM Nuttall Limited, formally Edmund Nuttall Limited, is part of the Royal BAM Group. It is a construction and Civil Engineering Company involved in a portfolio of road, rail, nuclear, and other major projects in the UK. Employing 3,300 people including approx. 1,100 direct operatives, BAM Nuttall are able to resource and self-deliver many services on their projects. Recent major project Joint Ventures include, Tottenham Court Road and Victoria station upgrades in London. The company is celebrating its 150th anniversary in 2015.



John Hutton, Head of Sustainability, sits on the School's Infrastructure Leadership Group as a partner and has been directly involved in the development of the Infrastructure School which launched in February 2015. John's role primarily focuses on delivering the sustainability vision for BAM Nuttall, in the shape of the Beyond Zero culture change programme, as well as energy, waste and resource efficiencies. Helping suppliers and subcontractors to align with BAM's Purpose, Vision, Values and sustainability targets is important. The School is a tool which they use to up-skill their suppliers' knowledge on sustainability.

SUSTAINABILITY CHALLENGES

As a result of directly employing people within their business, John has recognised that one of the major sustainability challenges for BAM Nuttall is finding suitably skilled and trained people to work on site. The current skills shortage is a major concern for most major infrastructure contractors and BAM Nuttall are working hard to ensure that they retain their current workforce and are perceived as an attractive employer. They are addressing this through a range of methods, including:

- ✓ Creating a work environment which is open and diverse. This includes promoting equality and diversity and combating discrimination. BAM are also increasingly expecting their supply chain partners to work with them to achieve this.
- ✓ Providing continuous training both internally and to their supply chain. The challenge is to ensure that the business is able to keep up-to-date with technological advances, in an industry not known for change.

BAM Nuttall uses the School to ensure that their suppliers are provided with the correct knowledge and support surrounding sustainability, and to help address the challenge of the growing shortage of skilled workers.

ENGAGEMENT WITH THE SCHOOL

John Hutton sits on the School's Infrastructure Leadership Group, which is made up of over twenty of the School's partners. This group not only has the opportunity to steer the direction of the School, but also works together to address some of the industry's key challenges, many which have been mapped out by the Government's 2025 strategy. These include lowering the whole life cost of assets by 33%, lowering emissions by 50%, and delivering projects 50% faster.

Looking to address some of these challenges, BAM Nuttall is looking to the innovative and ambitious concept of the circular economy, which aims at driving greater resource productivity and delivering a more competitive UK economy. BAM Nuttall approached the School to help them run an initial training workshop for their key suppliers to educate and raise awareness on the subject. Targeted at shared suppliers with sister company BAM Construct, a circular economy forum was held on the 18th November 2015, with over 30 suppliers represented.

The aim of the forum was not only to provide a consistent message to suppliers about BAM's expectations and the circular economy but, to also identify suppliers who want to work with BAM to incorporate the ideas of the circular economy into regular business practices.

IMPACT

As a result of being a partner to the School, BAM Nuttall:

- ✓ **Have engaged 844 of their suppliers with the School**, of which 68% have been active in the last 12 months. This includes attendance at supplier days, workshops and accessing of the e-learning modules.
- ✓ **Are looking to improve and expand circular economy clauses in relevant terms and conditions of contract.** The forum helped BAM openly communicate what these clauses may require.
- ✓ **Has appointed a Head of Supply Chain** to help BAM go beyond a transactional relationship with their suppliers. One of the key objectives of this role is to ensure that their suppliers are not only registered, but also actively using the School's resources and continuously improving their sustainability knowledge. One method of communicating the School to their suppliers is through their quarterly suppliers' newsletter.
- ✓ BAM Nuttall's suppliers on average have improved their self-assessment score through the School by **8.27%, which is higher than the School average.**
- ✓ Actively **promote the School's workshops and resources to their internal staff** by adding the School and its current programme of work to communications.



BENEFITS OF PARTNERSHIP TO BAM NUTTALL

Increased competitive advantage – BAM Nuttall have set ambitious targets around improving the sustainability performance of their projects, as this makes them more collaborative, inventive and competitive. They believe the School is a vehicle to help their supply chain to help them reach those goals. Dedication to continuously improve and build relationships is an important focus for BAM.

BENEFITS TO BAM NUTTALL'S SUPPLIERS

Better understanding of client drivers and priorities - The resources available in the School, coupled with networking opportunities with senior representatives from the School's partners, helps provide insights and information to suppliers. Sustainability drivers and challenges can be shared and tackled together. The School provides a consistent message across the whole value chain.

Client retention and enhanced reputation – As a direct result of engaging in the Circular Economy Forum, BAM Nuttall will be working with at least one key supplier to update and renew terms and conditions, to move towards more circular business. Incorporating circularity into business practices requires greater trust and transparency.

THE FUTURE OF THE SCHOOL

In order for the School to continue to be of benefit to BAM Nuttall it is important to:

- ✓ Link in the provision of training workshops to specific projects, addressing the key sustainability issues faced within those projects, providing a more tailored offering to the supply chain.
- ✓ To work more with suppliers pre- contract stage, to set the sustainability expectations of a project before it starts
- ✓ Involve our partners and clients more in our events to encourage open dialogue and knowledge sharing across the industry

