

# School Supplies

NEWS RELEASE October 2012

## Wolseley helps Lend Lease cut supply chain cost to achieve 'value for money' procurement on Birmingham BSF

In the depths of a recession, the Building Schools for the Future (BSF) funding was a light at the end of a gloomy tunnel for the construction industry. Lend Lease secured 89 of the Birmingham BSF projects but faced a number of early challenges.

The project was reduced to 13 schemes as a result of government cuts, meaning Lend Lease was under pressure to reduce costs to ensure the scheme was still profitable. They needed an efficient supply solution that would deliver all of the projects cost effectively and in line with the requirements of Birmingham City Council.

Following a thorough tender process, Wolseley UK's Integrated Services division was chosen to deliver a tailored supply solution for the Birmingham BSF contracts. This involved giving support with specifying and standardising products for maximum cost efficiencies, the operation of a stock consolidation centre where materials are delivered and stored and a transport management system

to deliver the products efficiently to the school construction sites.

Grant Richardson, trading director Integrated Services & new channel development director - Wolseley UK, explains: "The supply solution has been tailored not only to deliver the required cost efficiencies but also to cause minimum disruption to the schools themselves. We work closely with Lend Lease and the architects to standardise the National Building Specifications to deliver economies of scale. Successful sub-contractors are governed by our pricing and guided towards using an approved list of products to ensure maximum efficiencies.

"In order to make the operation as efficient as possible, we set up a lean consolidation centre in Aston with just five members of staff and two vehicles. We keep stock on site to a minimum and we order direct from suppliers or other local Wolseley branches. Full loads from suppliers are delivered direct to site but part loads are delivered to



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**Lend Lease**



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the consolidation centre and then delivered into site in a combined full load to help minimise disruption to the schools."

In line with requirements, the consolidation centre was located in a deprived area of Aston in Birmingham; designed to help bring jobs to local people and additional business to local suppliers. Even the two buildings the team use are refurbished portable buildings.

The tailored supply solution has delivered significant cost savings for Lend Lease through product standardisation, economies of scale and reduced staff costs. As well as the time and savings achieved by the logistics management, less congestion means that both disruption to the local communities and environmental impact has been kept to a minimum.

Nigel McKay, head of procurement and supply chain at Lend Lease, comments: "Lend Lease has successfully increased its ability to leverage its spend opportunity in the industry thus achieving a "Value For Money" approach to the procurement process on Birmingham BSF Schools Project. The Integrated Services team has worked tirelessly in support of Lend Lease and to the benefit of the BSF Programme and I am really glad that they are now seen as a valued member of our supply chain."

As a result of the successful partnership, Integrated Services will also be working with Lend Lease Facilities Management on the 30 year post construction facilities maintenance contract for Birmingham BSF.

Integrated Services is a specialist division within Wolseley UK, offering bespoke integrated supply chain solutions, including stores management and procurement models, to clients responsible for large residential social housing estates, major construction projects and off-site construction.

For further details on Wolseley UK's Integrated Services division please visit [www.integratedservices.co.uk](http://www.integratedservices.co.uk)



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**Nigel McKay,**  
Head of Procurement  
and Supply Chain



Efficiencies

We save our clients time and money, at all stages of their supply chain, however big or small.



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