



In Trust & On Trust



MINISTRY OF DEFENCE

DE

The Stewardship Report on the Defence Estate

2007 | 08

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FOREWORD

I am very pleased to welcome you to the annual Stewardship Report on the Defence Estate for financial year 2007/08. This is the second to report progress against the Defence Estate Strategy 2006 – *In Trust & On Trust*.

Given its size, diversity, history and use, the development and management of the defence estate represents an enormous challenge. Five years of sustained high tempo operations have tested how we support our people and their families and has shown how vital the defence estate and its related services are to the delivery of defence capability.



Derek Twigg MP, Under Secretary of State for Defence and Minister for Veterans

This report describes the substantial investment we have made into the estate, our successes, and other steps being taken to improve its effectiveness and management. It demonstrates our commitment to those who live, work and train on the estate and to provide an estate of the right size and quality. It also provides an account of our stewardship of this valuable national resource which we hold *in trust and on trust* for the nation.

So what has been achieved this year?

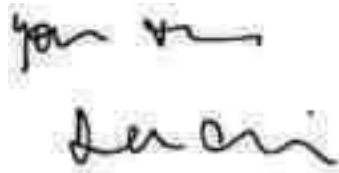
A Defence Estate Development Plan representing a clear articulation of how the estate should be developed to meet future defence needs has been prepared. Meetings have been held with the English Government Offices for the Regions and Devolved Administrations to discuss how the plan might affect them. For our servicemen and women, accommodation continues to be improved, as part of our ambitious plans and programmes to address both single living and family accommodation. We do recognise that it will take time to deliver all the improvements that we wish our service personnel to have but we are fully committed to doing so.

Our presumption of public access to the estate has seen us working closely with Natural England to realise the Government's objectives for coastal access. As part of our investment in the Nation's heritage an effective condition baseline has been established against which the condition of the Department's listed buildings can be monitored in the future. Our progress against Sustainability on the Government Estate target areas has been recognised as among the best. We have set up a new Sustainable Procurement Programme Board to improve our procurement processes and I am delighted that our contribution on reducing energy consumption and improving energy efficiency compares favourably with other Government Departments.

We put great importance in engaging with key stakeholders to share information and best practice across all areas of estate management. The Office of Government Commerce has judged us to be a leader in their High Performing Property Initiative and rated Project MoDEL as an exemplar in joined-up government and stakeholder management. Our work to improve the management and delivery of estate management services has seen responsibility for maintaining and managing the Volunteer Estate transferring from the Single Services to Defence Estates, and the completion of the introduction of Prime Contract Infrastructure Service Providers to meet the very different requirements of Military Operations and Permanent Joint Operating Bases overseas. We have also undertaken an analysis of our current procurement arrangements on the defence estate.

Finally, I would like to record my appreciation of the significant effort put into managing our estate by a great number of dedicated people within my Department and outside.

I hope you find our latest Stewardship Report interesting. We are always pleased to receive any feedback and details of how to contact my Department can be found overleaf.

A handwritten signature in black ink, appearing to read 'Derek Twigg', is centered on the page.

Derek Twigg MP, Under Secretary of State for Defence and Minister for Veterans

ABOUT THIS REPORT

The Stewardship Report on the Defence Estate is published annually, and implements the *In Trust & On Trust* commitment to report performance across a broad range of estate related objectives. The Report covers the period 1 April 2007 to 31 March 2008. It aims to be engaging, accessible and honest. Over the last year we have continued to listen to those who use, live, or work on the estate. We have engaged with, and learnt from, our stakeholders and we have built on our achievements.

Our Strategic Aims:

1. An estate of the right quality that efficiently and effectively meets the military need and raises the quality of life for users. This will be achieved through high standards in design, construction and ongoing maintenance.
2. An estate of the right size to meet the military need. This will be an estate of fewer, larger sites in the UK and overseas, appropriately located and making the best use of available resources while remaining fully capable of meeting military needs.
3. Develop defence communities where civilian and military personnel and their families wish to live and work both now and in the future. We will recognise also the sustainable development needs of other communities.

4. Proactively integrate the Government's overarching objectives for sustainable development whilst ensuring the delivery of defence capability.
5. Be an exemplar of best practice. To manage and develop our estate in line with best practice and foster a culture of continuous development and improvement.
6. An estate underpinned by excellent management with structures, systems and processes enabling us to deliver optimum corporate solutions through collaborative working.

Further information and an electronic version of this, and our previous reports, are available from our website at: www.mod.uk or www.defence-estates.mod.uk

We welcome your feedback on the Stewardship Report. To let us know your views please contact us at:

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HIGHLIGHTS OF 2007/08



MOD St Athan Receive UK National Recycling Champions Award



Final coat of Marshall Asphalt, RAF Linton-on-Ouse



Sanctuary Magazine 2008



Horse Riders on the Epynt Way

The Site Management team at MOD St Athan achieved success and national recognition at the UK National Recycling and Sustainability Awards. The team won awards for the 'Best Recycling and Sustainability Initiative', 'Best Recycling Team and Manager' and the prestigious 'National Recycling Champions Award'.

Defence Estates handed over a newly refurbished runway at RAF Linton-on-Ouse as part of Regional Prime Contract Central. This work was completed on budget and ahead of schedule, despite the team agreeing to work around aircraft. This allowed the runway to remain operational and resulted in a significant saving for Air Command.

Defence Estates won a Chartered Institute of Public Finance and Accountability Award for best practice in public reporting and accountability across the public services. Defence Estates cited conservation magazines and its public access website amongst its many tools to keep stakeholders and the wider public informed and educated on how the defence estate is maintained and improved.

Sennybridge Training Area received a British Horse Society award for the 'public agency that has done most to improve equestrian access', for The Epynt Way – a newly completed 90km footpath and bridleway around the range.

A new bridleway was opened across the RAF Fylingdales estate, giving public access to the North Yorkshire moors. The bridleway builds on our commitment to provide public access to the estate whenever this is compatible with military activity and public safety.



Fylingdales Bridleway

At the Building Sustainability Awards, Aspire Defence won awards for the 'Best Sustainability Initiative in the Public Sector' and 'Best Sustainable Development of the Year'. The team is delivering an £8 billion development which will improve the quality of life for a third of UK based Army personnel.



New and old SLA, Tidworth Garrison

Project SLAM was one of the major prize winners in the International Green Apple Awards for 'Environmental Best Practice'. The award recognised the reduced carbon footprint that has been achieved by using modular construction rather than traditional methods.



Presentation of Environmental Best Practice Award

Defence Estates put the finishing touches to its £51.5 million nationwide accommodation upgrade and improvement programme. The work included a boiler replacement programme. The new boilers have an A-rated energy efficiency of 95% and are projected to lower CO₂ emissions by 25%, as well as reducing utility costs.



Upgrading of SFA, Dale Barracks



Project SLAM Accommodation, RMA Sandhurst

1.0

RIGHT QUALITY

Our aim is to have an estate of the right quality that efficiently and effectively meets the military need and raises the quality of life for users. This will be achieved through high standards in design, construction and ongoing maintenance.

How do we measure success?

- The proportion of built estate assets at target condition by 2010
- The delivery of upgraded Single Living Accommodation (SLA)
- The delivery of upgraded Service Family Accommodation (SFA)
- Increasing levels of satisfaction with the management and maintenance of our SFA
- Increasing levels of satisfaction with the quality of our SFA
- Demonstrate 30% through-life value for money in Prime Contracts against 2004/05 baseline, by 2010
- Reviewing our procurement arrangements and having plans in place to implement the next step developments alongside emerging best practices by 2009

So what did we achieve in 2007/08?

We have continued to invest in improving accommodation standards for our Service personnel. 6,905 modernised bedspaces have been delivered as part of the ongoing SLA upgrade programme to deliver 55,000 bedspaces by 2012/13 and 637 SFA have been upgraded to the highest Standard for Condition. The majority of defence establishments are now covered by an Integrated Estate Management Plan. We have also undertaken an analysis of our procurement arrangements to consider what is required for the future.

Commentary on performance

The proportion of built estate assets at target condition by 2010

1.1 We have continued with our Integrated Estate Management Plan (IEMP) initiative across the estate community. IEMPs are now in place, or nearing completion, at the majority of establishments where Defence Estates (DE) are responsible for maintenance of estate assets. IEMPs play an important role in informing our wider Estate Development Plans through the reporting of various issues such as the current condition for assets and spare capacity and as a measure of achievement of the overarching estate strategy – “an estate of the right size and quality.”

The delivery of upgraded Single Living Accommodation (SLA)

1.2 Modernising SLA remains a high and enduring priority and in 2007/08 a further 6,905 bedspaces were modernised to Grade 1 standard, mainly through new-build programmes. Over the past five years, we have delivered some 27,000 modernised bedspaces, through Project SLAM, Private Finance Initiatives and Top Level Budget (TLB) programmes and it is anticipated that a further 28,000 bedspaces will be delivered by 2012/13, a total of 55,000 overall.

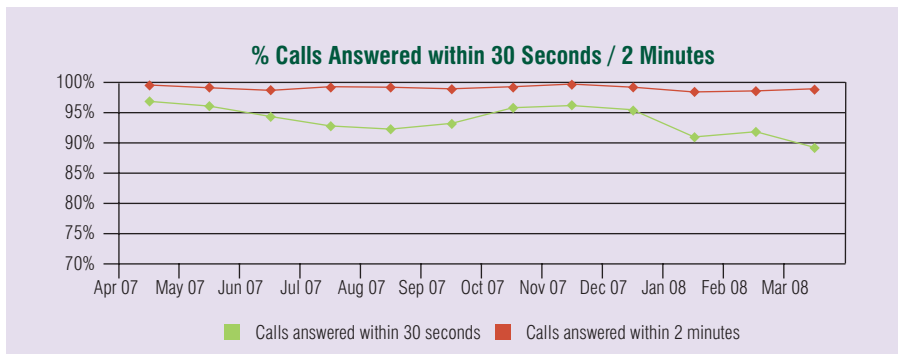
The delivery of upgraded Service Family Accommodation (SFA)

1.3 In 2007/08 we achieved our target to upgrade more than 600 of our worst properties and completed 637 SFA upgrades to Standard 1 for Condition on the GB estate. We are planning major upgrade work on a further 600 of our properties that are in the greatest need of improvement in 2008/09 and to spend almost £23 million on individual improvements such as new kitchens and bathrooms in houses across the estate. We will also complete a full condition based survey of our GB SFA.

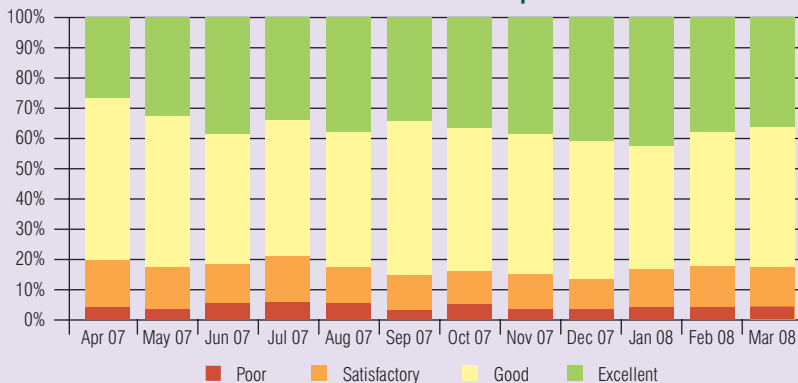
1.4 96% of our housing is in the top two Standards for Condition. Only 0.2% remain at the lowest standard (about 109 houses).

Increasing levels of satisfaction with the management and maintenance of our SFA

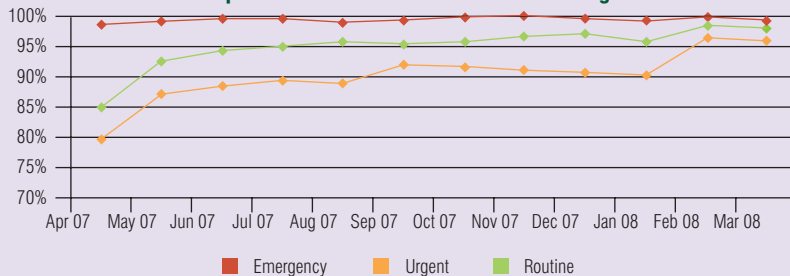
1.5 Five years of sustained high tempo operations have tested how we support our people and their families. We continue to work closely with MoDERN Housing Solutions (MHS) to ensure that standards of management and maintenance under our Housing Prime Contract are maintained and continue to improve. There have been significant improvements in Response Maintenance performance levels during the year, with an emphasis on making repairs “right first time”. The following graphs give an indication of the progress made in key areas of the business.



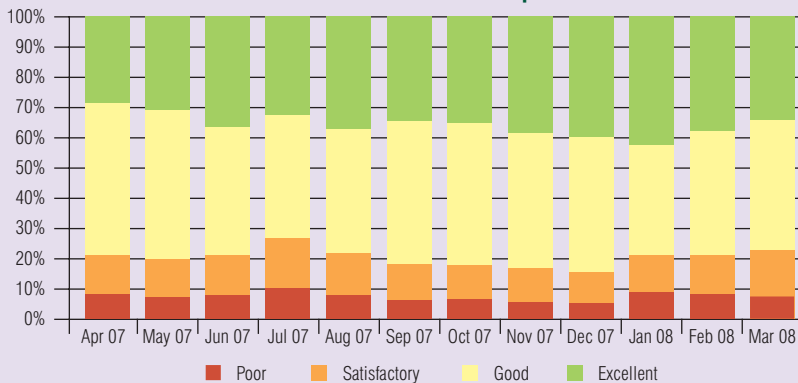
Customer Satisfaction with Helpdesk Service



Response Maintenance Attended within Target Time



Customer Satisfaction with Repair Service



Increasing levels of satisfaction with the quality of our SFA

- 1.6** No housing customer satisfaction survey was carried out in 2007/08. However, it is our intention to introduce an ongoing customer survey to monitor the performance of the Housing Prime Contractor and to assess levels of occupant satisfaction. A trial of the survey began in November 2007 and results were encouraging.

Demonstrate 30% through-life value for money in Prime Contracts against 2004/05 baseline, by 2010

- 1.7** 2007/08 saw the development of the Estate Performance Measurement System (EPMS) methodology and initial piloting of this in Regional Prime Contract (RPC) Scotland as a mechanism for assessing value for money of RPCs. A Commercial Off-The shelf (COTs) software package to support this activity has now been procured and is similarly being piloted prior to being released for initial use in May 2008. This will enable RPC staff to input performance data and evidential commentary against a range of performance indicators. EPMS assessments of value for money by teams of independent assessors, utilising the software, will take place in 2008/09. The outcomes of these assessments will identify lines of development for refining the EPMS system and methodology going forward, and will demonstrate whether value for money is being delivered and to what extent. Future development work will also include automating the data capture of performance information from existing expert systems.

Reviewing our procurement arrangements and having plans in place to implement the next step developments alongside emerging best practices by 2009

- 1.8** We have undertaken an analysis of our current procurement arrangements, taking account of the current contractual landscape for hard Facilities Management, and looking at what is required for the future. As part of this exercise, we conducted over 50 interviews across MOD, Other Government Departments and industry, to understand lessons learnt from their procurement processes and best practice. During 2008 our future procurement arrangements will undergo more detailed development through the Departmental scrutiny process and engagement with industry and other stakeholders.



The 500th new roof to be fitted under the 2007/08 SFA re-roofing programme

CASE STUDY

Dale Barracks, Chester

As part of the DE (Operations) Housing Core Works programme, MHS, working in partnership with Enterprise, have completed a £10 million refurbishment programme of over 170 SFA properties at Dale Barracks, Chester. The properties have been upgraded to the top Standard for Condition and are part of a wider programme to upgrade 1,200 military quarters by 2008/09, with a further 800 in subsequent years across England and Wales.

Following the successful pilot at Invicta Park, Maidstone, a show home was opened at the Barracks in March 2007 allowing families to see the standard of workmanship and layout of their new homes. MHS will open similar show homes on all estates that are undergoing major refurbishment works.

Residents at the Barracks include families of the 1st Battalion the Royal Welsh returning from Cyprus who have moved into their newly renovated homes that include new modern kitchens and bathrooms, light cladding to brighten the exteriors, neutral decoration, colour coordinated carpets and curtains throughout and a modern feature fireplace installed in the living room. Properties were totally rewired to meet modern electrical loading requirements.

Throughout the refurbishment process all affected families were kept fully informed of the work and DE and MHS held a series of collective or one-to-one briefings. In keeping with the MOD Good Neighbour programme, adjoining civilian residents were also consulted. The health and safety of occupants, visitors and staff was a key consideration and actions such as a mandatory 15mph speed limit was applied and appropriate warning signage erected at the site. The contracting teams also ensured that any recyclable materials were recovered from the refurbished properties.

Other upgrade programmes include 138 houses at Blandford Camp, Dorset, 81 houses at RAF Coningsby, Lincolnshire and 35 houses at Carver Barracks, near Saffron Walden.



Dale Barracks, Chester



Sunset yomp

2.0

RIGHT SIZE

Our aim is to have an estate of the right size to meet the military need. This will be an estate of fewer, larger sites in the UK and overseas, appropriately located and making best use of available resources while remaining fully capable of meeting military needs.

How do we measure success?

- Having a long-term strategic plan for the development and rationalisation of the estate in place by end of 2007
- Identifying our core locations
- Reporting against Lyons, Gershon and progress against rationalisation plans in the annual Stewardship Report
- Maintaining our relationships with stakeholder bodies to build confidence and trust

So what did we achieve in 2007/08?

The Defence Estate Development Plan 2008 provides a clear articulation of how the estate should be developed to meet the future needs of defence. We have accrued gross disposal receipts of £1.1 billion and have worked closely with the Department of Communities and Local Government and English Partnerships to deliver sustainable and affordable homes on surplus MOD land. Project MoDEL continues to achieve great success in rationalising our estate in North West London and is an exemplar in joined up Government practices and stakeholder management.

Commentary on performance

Having a long-term strategic plan for the development and rationalisation of the estate in place by end of 2007 and identifying our core locations

2.1 A Defence Estate Development Plan (DEDP) 2008 has been created in consultation with stakeholders across the Department. The Plan represents a clear articulation of how the estate should be developed to meet the future needs of defence and the priorities for investment and rationalisation arising from it. It sets out a migration path, looking forward to 2030, and will be the authoritative framework document that will deliver an estate that supports flexible and effective generation, deployment and sustainment of military capability. Sustainable development has been identified as a key driver behind the plan.

DEDP

The DEDP sets out the current estate position and incorporates customer future plans and requirements that will provide a focus for future investment. The Estate Baseline is categorised as the Core, Retained, or Disposal Estate as follows:

Core Estate - Locations and sites that are either large bases or groups of sites that have an indefinite operational future, or individual Core Sites which are expected to support defence outputs for at least 15 years.

Retained Estate - Those sites where the future is not fully assured and could be subject to review leading to reuse or disposal. Many will have a planning horizon of 10 years or more.

Estate for Disposal - Elements of the estate that have been identified as surplus to requirements and are to be put up for disposal.



Defences Estates Development Plan

2.2 Rationalisation of the defence estate remains a key priority. This year we have accrued gross disposal receipts of £1.1 billion against a target of £403 million. This figure includes £959 million receivable from the sale of Chelsea Barracks. 3,732 of the 3,833 hectares sold were previously developed sites - making a significant contribution to the Government's 'brownfield land' development target, and supporting other wider Government initiatives. We have been working closely with the Department of Communities and Local Government (DCLG) and English Partnerships to deliver more sustainable and affordable homes on surplus MOD land. We have similar informal arrangements in place to consult with the Devolved Administrations to make the best use of surplus MOD land.

Reporting against Lyons, Gershon and progress against rationalisation plans in the Annual Stewardship Report

2.3 Under the terms of the original Lyons Report we have committed to move at least 3,900 posts out of London by 2010. As at 31 March 2008, 2,701 posts have been moved to various locations including RAF Digby, St Athan, Larkhill, and RAF Leeming. Over the last 15 or so years we have reduced from more than 20 central London buildings to just three - Main Building, St George's Court and Old War Office. By April 2010, under the Streamlining Programme, this will reduce further to a single site; pending the outcome of a review on business continuity.

2.4 In July 2007, the Secretary of State for defence announced plans to reduce the number of Head Office staff by 25% by April 2010. In real terms this means a reduction of approximately 1,300 military and civilian posts; from 5,000 to around 3,700. We are confident we can achieve these reductions through natural wastage and a voluntary early release scheme.

2.5 Project MoDEL has proved to be an exemplar in joined up Government practices and stakeholder management. The Office of Government Commerce (OGC) has rated MoDEL's communication with the project's stakeholders as "consistently excellent". The project has continued to optimise benefits to wider Government, on issues such as best practice procurement techniques and advancing the sustainable communities agenda. The Project team have engaged widely with a range of stakeholders including the DCLG, Greater London Authority, local planning authorities and other strategic bodies with the objective of pioneering an integrated cross-Governmental planning strategy to maximise the potential of surplus public sector land.

2.6 Key highlights this year include the handover of Inglis Barracks, Mill Hill, to the MoDEL contractor, VSM Estates Ltd, at the beginning of 2008. Work on the Uxbridge Supplementary Planning document is progressing well and it is hoped that this will be presented to the London Borough of Hillingdon Cabinet in June 2008. Buildings at RAF Northolt have been constructed in a timely manner. Approval has now been given for VSM Estates Ltd to proceed to deliver Phase 3 of the project, which will be placed on contract shortly. Phases 2 and 3 will be delivered simultaneously, and both will begin in the near future, once the Phase 1 buildings have been completed.



New British Forces Post Office facility, RAF Northolt

2.7 The successful delivery of Project MoDEL will mean improved support to operational outputs, but, most importantly, it will result in a much improved quality of life for service men and women. For example, the new British Forces Post Office facility at RAF Northolt was in service from November 2007 in time to deal with the Christmas mail rush. The new state of the art sorting equipment facilitated a 30% increase in the processing of parcels over this period compared with 2006/07. Four additional buildings have now been handed over to DE from VSM Estates Ltd over the rest of the site. These include the first Officers Mess accommodation block and new office accommodation for 32 (The Royal) Squadron.

Maintaining our relationships with stakeholder bodies to build confidence and trust

2.8 Throughout 2007/08 we have continued to liaise regularly with our stakeholders to gain their views on policy initiatives and to learn from their experiences. We find this stakeholder contact invaluable and are always looking for further opportunities to share experiences. This regular contact means that we can identify potential problem areas earlier in the process and can negotiate an amicable solution.



Statutory Bodies and Non-Governmental Organisations Conference 2007

CASE STUDY

Disposal of Chelsea Barracks

In September 2005 the Secretary of State announced that Chelsea Barracks would be released for disposal with Woolwich Station being retained as the long-term home for many Public Duties and State Ceremonial personnel. Given that the 5.2 hectare Chelsea Barracks site is situated in the heart of London on the Belgravia/Chelsea border, sandwiched between Sloane Square and the River Thames it was clear from an early stage that this would be one of the largest and most valuable sites in London to come forward for redevelopment in recent memory.

The decision to retain and invest in Woolwich and to dispose of Chelsea meets our commitments under the Lyons agenda and to make the best possible use of the defence estate by releasing what is no longer required or capable of meeting our 21st Century needs. In parallel the City of Westminster Council produced a Strategic Planning Brief for the site.

Drivers Jonas were appointed as marketing agents in summer 2006 and a marketing campaign launched in October 2006. This prompted significant worldwide interest and fierce competition. Expressions of Interest were received in November 2006 following which short listed bidders were asked to submit their detailed financial offer and development proposals for the site.

In April 2007, it was announced that contracts had been exchanged for the sale of the Chelsea site for £959 million with Project Blue (Guernsey) Ltd, making it Europe's most expensive land sale. Completion took place in January 2008 to enable the Public Duties and State Ceremonial personnel based at Chelsea to relocate to Woolwich Station.

Project Blue's proposals for the redevelopment of the site include transforming the current concrete parade ground and barracks blocks into a sustainable mix of luxury apartments and affordable units in a green setting, close to the Thames. It will be surrounded by new semi-private woodland and parkland areas.



Chelsea Barracks



New Tesco store, serving Tidworth Garrison and the wider community

3.0

DEVELOP DEFENCE COMMUNITIES

Our aim is to develop defence communities where civilian and military personnel and their families wish to live and work both now and in the future. We will recognise also the sustainable development needs of other communities.

How do we measure success?

- Having defence communities recognised as being active; inclusive and safe; well run; environmentally sensitive; well designed and built; well connected; thriving; well served and fair for everyone

So what did we achieve in 2007/08?

We have continued to build relationships and links with key organisations such as Wildlife Trusts and MOD conservation groups to bring members of the community together. We are working closely with Natural England on realising the Government's objectives for coastal access whilst ensuring that defence interests are taken into account. We have successfully met our commitment to establish the condition of all listed buildings and scheduled monuments on the defence estate by March 2008. We have held meetings with the English Government Offices for the Regions and Devolved Administrations to provide an overview of future estate development.

Commentary on performance

3.1 Links are being built between key organisations, such as the Army Welfare Service (AWS), Wildlife Trusts and MOD conservation groups to deliver a suite of activities, for example, guided walks and talks, tree planting and community development of interpretation boards. These bring together members of the community to engender a sense of belonging and enable social networking. An example of this in practice is the joint community partnership Outreach project that is taking place at Bulford, further details are given in the accompanying case study.



Range Access Signs

Outreach – Bulford Army Welfare Service

The Bulford Outreach project is a joint community partnership project with AWS, Wiltshire Wildlife Trust and DE. The project aims to provide a link between those who work “behind the wire” and the wider community. This has opened up additional sources of advice and guidance on conservation as well as providing an opportunity to develop a greater association with the local area.

The garrison ‘Woodland Wonderland Week’ is an example of a successful activity undertaken as part of the Outreach project. An area of woodland, close to the AWS offices, had become derelict and a dumping site for litter and other items. The ‘Week’ was arranged to coincide with half term to allow young people in the community to participate in cleaning up and maintaining this area and develop it into a community amenity.

Activities were designed so that participants qualified for the John Muir Discovery Award. This is an entry level environmental award based around the core themes of discovering a wild place, exploration of it, conservation activities and sharing experiences of what had been learnt and achieved through a variety of media.

AWS started the work on the wood with a number of volunteers to clear litter and create log lined paths. A circular route was marked out and two areas were allocated within the wood; one as a story telling area, the other for bush craft where a fire could be lit. The ‘Week’ built upon this work and provided an opportunity to learn about the wood and carry out practical tasks that would lead to a better understanding of the ecological importance of the wood and what may be found within it. Activities included planting a hedge with native species; creating a willow “living sculpture” tunnel; planting native flowers in an area of amenity grassland; building log piles for invertebrates; and building bird and bat boxes.

DE assisted by explaining which creatures lived in the woods, showing evidence of where wildlife had used the area and assisting in building hides within the wood. The project has been extremely well received by the local community and over 100 children have used the story telling area.

Other activities are being planned including:

- *Scrub clearance*
- *A walk out onto the training area*
- *A field walking exercise to identify archaeological remains*
- *A visit to Chippenham Heritage Centre to investigate the types of plants found in Bronze age and Roman deposits*

This project, which encompasses many areas such as sustainable communities, volunteering, access and recreation, is being used as a prototype. It is hoped that the lessons learned can be developed and similar projects rolled out across the wider MOD.



Woodland walk, Bulford

3.2 Access to the defence estate -

We continue to apply our policy to provide as much public access to MOD land for recreational purposes as is consistent with safety and security obligations and the delivery of military capability. In 2007 we undertook a consultation exercise with all interested stakeholders under Section 28 of the Countryside Rights of Way Act 2000 over directions made which restrict open

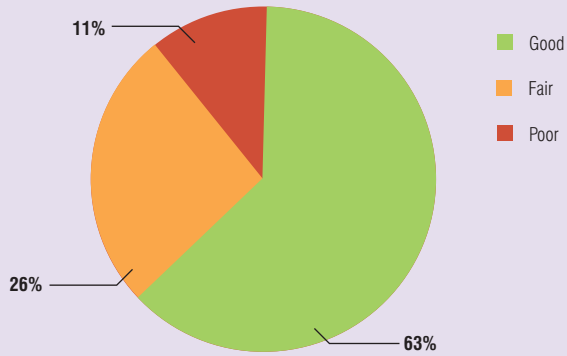
access on land that is not subject to military byelaws. We continue to inform the public about access opportunities on the estate. For example, in March 2008 a new website was launched which showcases the Epynt Way, and the Defence Training Estate (DTE) Otterburn Visitor Welcome Project includes a dedicated website as well as a suite of leaflets and external interpretation boards.

- 3.3** We have been working closely with Natural England to realise the Government's objectives for coastal access and have been actively involved from an early stage in discussions on proposed legislation to ensure that our interests were taken into account. While land subject to military byelaws is automatically excepted from coastal access rights, elsewhere we will have powers to restrict or exclude access where it is considered necessary for defence reasons. This work will continue over 2008 following the launch of the Marine Bill in April 2008.
- 3.4 *Historic Estate*** – We are responsible for the largest number of historic environment assets on the UK Government Estate, with 793 listed buildings and 720 Scheduled Monuments. A number of our sites are on the English Heritage and Historic Scotland Registers of Parks and Gardens including Halton House, the Priory at Chicksands and Craigiehall. Areas of Defence Munitions, Kineton lie within the registered Edgehill battlefield.
- 3.5** In response to concerns raised by the House of Commons Defence Committee regarding our lack of knowledge of the condition of 77% of the listed buildings on the defence estate, we made a commitment to establish the condition of all listed buildings and scheduled monuments by end of March 2008. This target was achieved and there continues to be an increase in the percentage of scheduled monuments and listed buildings in either 'good' or 'fair' condition. This improvement in condition is the result of effective management regimes that have been put in place across the DTE through the Integrated Rural/Land Management Plan process. An effective condition baseline has now been established against which the condition of our listed buildings can be monitored in the future.

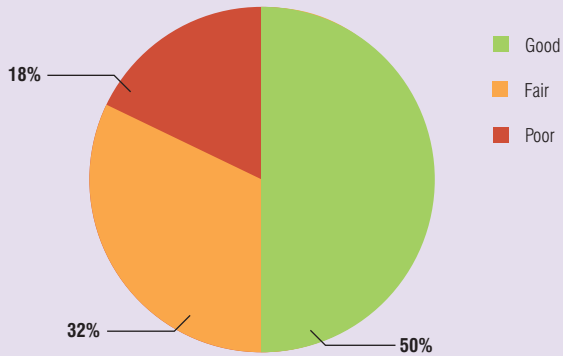


Aerial view of Fort George

Condition of Listed Buildings on MOD Estate



Condition of Scheduled Monuments on MOD Estate



3.6 Whilst we have achieved our target to reduce our Buildings at Risk (BAR) entries against the baseline of the previous English Heritage Biennial Report, we still have 28 BAR entries within the 2005-07 English Heritage Biennial report. Three entries were removed: one through repair (Branshaw Bastle, DTE Otterburn); one through disposal (Workshops, Boilerhouse and Engine Room,

Haslar Gunboat Yard); and a third was transferred to English Partnerships (Fort Burgoyne, Connaught Barracks). However, there were three additions to the report: Cambridge Military Hospital, Aldershot; St John's Abbey precinct walls, Colchester; and Hangars 2 and 3, RAF Scampton.

3.7 In 2007, a BAR officer was appointed to work with DE's customers and contractors as well as English Heritage and local planning authorities to agree a solution to resolve each case either through repair, reuse or disposal. We hope that our hard work during this reporting period will lead to the early resolution of a number of cases including Block Mills and Tregantle and Scraesden Forts.

3.8 *Regional Engagement* - A new aspect to our engagement strategy this year has been a series of meetings with senior officials at the nine English Government Offices for the Regions and the three Devolved Administrations to provide them with an overview of future estate development and prepare the ground for the publication of the DEDP. This was carried out in parallel with the continuing work to embed defence development in National Plans, Regional Spatial Strategies and local development plans across the UK.

3.9 The meetings embraced a range of interests including planning, housing and economic development. For most of the officials this was the first time that they had been given a comprehensive overview of the defence estate in their region and an explanation of MOD's longer-term aspirations. As a result they now have a better understanding of our long-term needs, particularly for improved facilities including housing. They were all keen to hear about the development of 'sustainable defence communities' and our potential contribution to the supply of surplus defence land for housing.



Raw Bastle, Scheduled Monument, DTE Otterburn

CASE STUDY

Watching over the Past - Upavon

The preferred location for a landing strip on Salisbury Plain to facilitate use of 'Watchkeeper', a new Unmanned Aerial Vehicle (UAV), was Upavon, the longest standing military air base in the world.

A number of buildings from the early years of the base survive and have been recognised as being of national importance by English Heritage when, in 2005, they were added to the List of Historic Buildings as part of a thematic study of military aviation. As part of the planning process DE was committed to establish the extent of cultural heritage features on the site. At a time when the armed services are identifying their own sites of unit identity and ethos, this exercise also needed to take military heritage into account.

As part of this work an archaeological company was appointed to undertake a geophysical survey and archaeological trial trenches over the proposed runway route. In October 2007, this work established that the proposed development would impinge upon a previously unknown Iron Age and Roman settlement of national importance which included a 100 metre diameter Early Iron Age enclosure dating from around 600BC.

These findings required mitigation measures to be put in place and the alignment of proposed runway was altered to avoid the location of the most important deposits enabling further excavation work to take place. In less significant areas the runway will be built up above the known archaeological deposits without damaging them (a solution well practiced on Salisbury Plain where it has been shown to be most effective). This mitigation work enabled a robust planning application to be submitted which demonstrated a high quality archaeological solution. The design for the landing strip now incorporates archaeological protection demonstrating our commitment to sustainable stewardship of our cultural heritage whilst at the same time enabling the delivery of an important element of military capability.



Geophysical Survey, Upavon Airfield



Buzzard on entry sign to Jersey Camp

4.0

AN ESTATE DEVELOPED IN A SUSTAINABLE WAY

Our aim is to proactively integrate the Government's overarching objectives for Sustainable Development whilst ensuring the delivery of defence capability.

How do we measure success?

- Delivering and implementing strategies to meet all targets within the Framework for Sustainable Development on the Government Estate
- All estate-related plans, programmes and projects demonstrating that sustainable development effects have been addressed through the application of an appraisal tool
- Achieving Environmental Management System (EMS) coverage in line with Government targets
- Consideration of factors affecting sustainable development becoming routine in decision-making
- Developing a strategic approach which prioritises how we will address climate change impacts
- Reducing our energy consumption, improving our energy efficiency and increasing our sourcing of energy from renewable sources in line with Government targets
- Ensuring that our communication and reporting on sustainable development issues is independently recognised as open and honest
- Seeking stakeholder satisfaction with the type and frequency of our engagement on sustainable development

So what did we achieve in 2007/08?

Our progress against the Sustainable Operations on the Government Estate target areas has been among the best in Government. The condition of our Sites of Special Scientific Interest in England and Wales has continued to improve and 95% of the Department's rural estate is now covered by Integrated Rural Management Plans. We have continued to deliver against our commitment to understand and prepare for the impacts of climate change on the estate and are contributing to the estates element of a departmental Climate Change Strategy. Carbon emissions from buildings continue to decrease and we remain on course to meet the Government targets for both carbon emissions and the amount of electricity procured from renewable sources.

Commentary on performance

Delivering and implementing strategies to meet all targets within the Framework for Sustainable Development on the Government Estate

4.1 We continue to work towards achieving the range of Sustainable Development objectives to which we are committed. Our progress against Sustainable Operations on the Government Estate (SOGE) target areas has been among the best in Government and our contribution on energy, in particular, has been far ahead of other Government Departments. The 2006/07 Sustainable Development Commission Report praised our achievements in the year stating: "MOD's performance has been largely positive and, due to its huge impact on government operations, it has positively skewed pan-government performance on most targets."

4.2 Sites of Special Scientific Interest (SSSI) and Areas of Special Scientific Interest (ASSI) -

As at March 2008, we have management responsibility for 171 SSSIs/ASSIs across the UK (82,600 hectares). The number of individual SSSI/ASSIs that we are responsible for has decreased since the previous report due to either the transfer of responsibilities or the clarification of boundaries. Ongoing clarification of our ownership and/or management responsibilities has led to an increase in the amount of hectares managed. We have continued to improve the condition of our SSSIs, and have increased the percentage of sites in favourable or unfavourable recovering condition by 3% to 85% in England. In Wales, the percentage of assessed SSSI features meeting the target has increased by 3% to 78%.



Tree Clearance at Barnham SSSI near Thetford

In Scotland and Northern Ireland there has been no change to the overall percentages of assessed SSSI/ASSI features meeting the target, with Scotland at 68% and Northern Ireland at 57%. Work continues to look at the opportunities and challenges we face in meeting the SSSI targets for the UK.

SSSI Areas meeting target

SSSIs (at 01 April 2008)	Area at target (Ha)	Area not at target (Ha)	Total Area (Ha)	% at target
England	60,441	10,817	71,258	85
	Features at target	Features not at target	Total Assessed Features	% at target
Scotland	125	60	185	68
Wales	52	15	67	78
NI	4	3	7	57

4.3 Water Consumption - Progress has been made towards the achievement of the Government's sustainable development target to reduce water consumption across all departments by 25% by 2020. The initial focus has been on identifying savings from leakage reduction programmes and by using 2004/05 as a baseline, water consumption by the department has been reduced by approximately 20%.

4.4 Steps are being taken to identify and implement innovative technologies to reduce actual water consumption by users. An example of this is in the North and East of England, where the Service Provider has installed water conservation devices, such as push taps and aerated shower heads at a small number of sites with particularly high demand. This project has demonstrated the potential to achieve significant reductions in water consumption on such sites.



Training on Salisbury Plain Training Area

All estate-related plans, programmes and projects demonstrating that sustainable development effects have been addressed through the application of an appraisal tool

4.5 Delivery against our commitment to undertake sustainability appraisals and environmental assessments for all new policies, programmes and projects, to identify and mitigate their impacts, is continuing to improve year on year. This has been aided by our suite of appraisal tools, practitioner guidance and training. Our refreshed Sustainability and Environmental Appraisal Tools (SEAT) Handbook is now in use across the estate. Alongside this, the Defence Related Environmental Assessment Methodology (DREAM) tool is now being widely applied to improve the sustainable development performance and credentials of our construction projects. Between 1 April 2007 and 31 March 2008 all projects, both new build and refurbishments, which required an assessment, have completed or started an assessment. 100% of our new builds and almost 80% of refurbishments assessed achieved an 'excellent' rating. We will be seeking to improve the number of refurbishments achieving an 'excellent' rating in 2008/09.

4.6 The SEAT Information Database went live in January 2008. The database allows project managers from across MOD to: complete online appraisals; improve our ability to update appraisals with new information as projects develop; continuously improve our capacity by auditing and reviewing performance; and ensure that sustainable development activities are an integral part of the process.

Carbon Neutrality

DE is leading a project with the Carbon Trust and Enviro Consulting to develop strategies to enable us to meet the SOGE target for Carbon Neutrality on the Office Estate. The project involves representatives from across MOD working with estate management partners to maximise reductions in energy use, increase the amount of energy generated from renewable sources and reduce the financial liability of purchasing offsets. Alongside this the most appropriate projects and mechanisms to source offsets will also be determined. Work is aimed at reducing carbon emissions from non-operational energy use.

Carbon is emitted from almost every activity, from the burning of fossil fuels to generate heat in a building, to the burning of fuel in an engine to provide automotive power and the amount of energy consumed producing and delivering office paper. Achieving Carbon Neutrality on the MOD Office Estate can be simplified into three key stages:

- *Reduce consumption of fuel - this can be done through a number of activities commonly known as energy management, i.e. increase efficiency, more effective control of heating, energy efficient lights and changing staff behaviour.*
- *Meet energy needs from renewable sources - for example, using electricity generated from wind turbines or burning fuel derived from sustainable sources to generate heat or power, such as biomass or sewage gas.*

- *Offset emissions - carbon emissions cannot be reduced completely. Offsetting allows investment in low carbon technology elsewhere so that the net carbon emissions are reduced. For example, emissions reduction resulting from a project undertaken in the developing world can be used to compensate for emissions elsewhere.*

However, carbon management extends wider than just the estate and includes carbon emitted by indirect sources such as suppliers, travel and waste.

Following the first meeting of the Steering Group in December 2007, a number of trials have been arranged to assist in the development of the Carbon Neutrality on the MOD office estate including trials on data collection and possible reduction projects at Abbey Wood (waste), within the Bath & Bristol Total Facilities Management (suppliers emissions) and Main Building (business travel). This work will also assist in progressing our involvement in the Carbon Trust's Carbon Management Programme.



Solar panels, Junior Ranks SLA, Swinerton Barracks, Perham

Achieving Estate Management System (EMS) coverage in line with Government targets

4.7 We remain on track to achieve full EMS coverage of the defence estate by the end of 2008. In particular, the DTE has made impressive progress, and is approaching full EMS coverage. This is an excellent achievement as the DTE accounts for 0.6 % of the UK mainland. Most of our main suppliers now have 100% EMS coverage on their own sites. We now recommend ISO 14001 accreditation, or similar, as a minimum standard for all estate suppliers.

Consideration of factors affecting sustainable development becoming routine in decision-making

4.8 We have continued to produce Integrated Rural Management Plans (IRMPs). These now cover some 95% of sites supporting significant biodiversity interest. We have given particular priority to those sites with complex management issues.

Of the 160,000 hectares of our 'rural' estate, Integrated Land Management Plans (ILMPs) and IRMPs are now in place across 151,603 hectares. It is intended that during 2008/09 we will revise our existing plans and prepare the outstanding new plans for our 40 highest priority sites.

4.9 We have taken significant steps to improve the way defence investment decisions are made. All business cases are required to address sustainable development issues as part of the whole life approach to value for money. All estate business processes have been changed, or are in the process of being adapted, to make sustainable development considerations an integral part of our estate business delivery.



Bluebell Wood, Newtown Ranges, Isle of Wight

Developing a strategic approach which prioritises how we will address climate change impacts

4.10 Delivery against our commitment to understand and prepare for the impacts of climate change on the defence estate has continued throughout the year. Our Sustainable Development Action Plan (SDAP) includes targets on Adapting to Climate Change and the department's Climate Change Policy Review Group is currently producing a Climate Change Strategy for MOD.

4.11 Studies into the impacts of climate change and flood implications on the defence estate have been completed, thanks to the assistance of our external stakeholders and research groups. These studies demonstrate the likely planning and preparation required for the future management of the non-operational estate and recommend further investigation and adaptation actions.

4.12 Work has been carried out alongside the development of the DEDP to identify climatic factors that could affect our core estate. Plans to build on this by identifying more specific site risks and derived effects are in place for 2008/09.

4.13 Adaptation and mitigation to climate change remains a key part of our appraisal methodology and tools used on all estate related plans, programmes, projects and activities. For example, the new Briefing Room at RAF Innsworth uses rainwater harvesting to flush toilets and solar power for the building's hot water.



Flooding, RAF Brize Norton

CASE STUDY

IRMPs - RAF Tain and Cape Wrath Training Centre, Scotland.

DE, in co-operation with the customers responsible for site management, produced a prioritised list of sites requiring IRMPs. Two sites at the top of the list for 2007/08 were Cape Wrath and RAF Tain. These environmentally sensitive priority sites are bombing ranges in Scotland which transferred from Royal Navy and RAF management to the DTE in April 2006. The IRMPs will be used by the site Commandants to establish environmental priorities and to obtain funding for works to maintain and enhance them through the DTE special funding stream set aside for this purpose.

Whilst the plans were produced in house, we were able to call on invaluable support from our stakeholders including, Scottish Natural Heritage, Historic Scotland, Local Planning Authorities and MOD Conservation Groups.



Satellite Image, RAF Tain

Cape Wrath Training Centre is the only range in Europe where land, sea and air activities can be conducted simultaneously and the RAF can practice using live 1000lb bombs. The range provides opportunities for training exercises across over 10,000 hectares of severe and isolated moorland. The site is important for nature conservation and is designated as a SSSI, Special Area of Conservation (SAC) and a Special Protection Area (SPA). It's most important features are the diverse assemblage of breeding seabirds, coastal habitats and one of the best examples of montane habitats. It is also an important area for public access promoted as 'The Last Great Wilderness'. This Wilderness Walk is a long distance route, part of which runs along the western edge of the range, although this section is closed during firing periods. The IRMP process has addressed improvements to the way that firing times are publicised to allow the public to plan visits to the area.

RAF Tain is primarily a bombing range for air to ground weapons and demolition training up to an explosive limit of 25kg. It is an internationally important area for nature conservation due to the extent, quality and diversity of the geomorphology and the associated complexity of habitats and species. The site is designated as a SSSI, SAC, SPA and is a RAMSAR site. There are also a number of Biodiversity Action Plan features. Whilst there are no Scheduled Ancient Monuments or Listed Buildings on the site, the study of aerial photographs has led to the identification of two potential sites of unknown origin, which show as large circles on the ground. In terms of public access, the primary issue currently being dealt with is the exclusion of RAF Tain from the Land Reform (Scotland) Act 2003 due to safety issues. The IRMP process has also considered the potential for introducing ground training and the impact this may have on a site of such high nature conservation importance.

Reducing our energy consumption, improving our energy efficiency and increasing our sourcing of energy from renewable sources in line with Government targets

4.14 The work of the cross-departmental Estate Utilities Board (EUB) has focused on the top 220 energy consuming sites which account for 76% of non-operational energy consumption. A common audit methodology has been developed and programmes initiated to identify energy efficiency and carbon reduction measures and to develop site-specific energy action plans.

4.15 Carbon emissions from buildings across the defence estate have continued to decrease and are 12% down on 1999/00 levels. These reductions reflect a decrease of 8% for MOD plus 4% for Qinetiq establishments. Hence, we remain on target to meet the Government's target of a 12.5% reduction by 2010/11. The amount of electricity procured from renewable sources through centrally let contracts has increased to 9% and we remain on track to meet the Government target of 10% in 2010.

4.16 During 2007/08 we trialled the provision of a £3.8 million capital fund which enabled some 23 projects with a total predicted annual saving of £1.2 million and 10,147 tonnes of CO₂.

4.17 Also, the process of validating energy management structures across MOD using the Energy Efficiency Accreditation Scheme has continued during the year. This will ensure that we have appropriate structures in place to manage energy effectively.

Energy Initiatives

A programme of installing innovative automated gas and electricity meters is being progressed across our UK estate to deliver reliable half hourly consumption data which can be viewed remotely via a secure web site. This will ensure increased accuracy in our reporting of consumption data.

Reduction measures are now in place at three RAF Stations (Brize Norton, Lossiemouth and Halton). The three Building Energy Management System projects have been progressed at a cost of £670,000 with projected annual energy and carbon savings of £538,000 and 1092 tonnes carbon (4008 tCO₂) respectively. Further works are planned for 2008/09.

The South West Energy Management initiative is set to improve energy efficiency across 10 MOD sites in the South West of England by up to 10%. This will create potential annual cost savings of £750,000 and reduce carbon dioxide emissions by 2,400 tonnes per year, thanks to a new energy information network in the Plymouth area managed by Debut Services Ltd.

4.18 We are preparing for the UK's Carbon Reduction Commitment scheme which is designed to cut carbon emissions from large commercial and public sector organisations.

We continue to implement the requirements of the European Union Emissions Trading Scheme (EU ETS), the key to combating climate change through the creation of an effective carbon market. The cost of the second year of Phase I of the EU ETS is presented in the table below.

MOD EU ETS Table for 2006 (2nd year of Phase 1)

Service	Annual allocation of free allowances (tCO ₂)	Actual Emissions 2006 (tCO ₂)	Administration Costs (£)	No. of Additional Allowances Purchased
Royal Navy	26,003	27,747	15,584	0
Army	36,492	36,121	23,127	0
RAF	102,319	90,310	64,116	0
DE&S ¹	83,406	66,468	24,294	0
Total:	248,220	220,646	127,101	0

¹ These figures relate to Defence Equipment and Support (DE&S) formerly Defence Logistics Organisation and Defence Procurement Agency.



Solar panels and wind turbine systems at Lydd Ranges

Ensuring that our communication and reporting on sustainable development issues is independently recognised as open and honest

4.19 To improve communication and coordination of our sustainable development objectives each part of MOD has produced its own SDAP. These plans align with the MOD action plan and where objectives have common outputs these are delivered jointly by all TLBs. To coordinate the estate elements a cross-TLB Estate Sustainable Development Group has been formed to ensure that we have joint plans, processes and procedures.

4.20 Significant strides have been taken in improving our ability to capture and report performance data in relation to sustainable development. Sustainable Development Key Performance Indicators have been agreed jointly across MOD and with our estate key suppliers that will enable us to begin measuring sustainable development performance across the defence estate in a much more comprehensive and accurate way.

4.21 While there is still work to be done in establishing firm baselines for some sustainable development aspects and to build and improve our data collection mechanisms, overall our determined programme of improvement in this area is beginning to deliver.

Seeking stakeholder satisfaction with the type and frequency of our engagement on sustainable development

4.22 We continue to engage with our stakeholders at the very highest levels. Our 2007 Statutory Bodies and Non-Governmental Organisation Conference was the first to be held in conjunction with the Sanctuary Awards ceremony. We are currently investigating options to refresh the format for this senior level engagement to ensure that it remains interesting, accessible and informative.



Invin Gorge, RAF Spadeadam

CASE STUDY

Recycling at MOD St Athan

MOD St Athan is a 405 hectare, multi-stakeholder site which is home to 2,000 military, civilian and commercial personnel. In 2006/07 around 280,000kg of waste was generated on the site. The majority of this was dispatched to landfill. In April 2007, the DE Site Management Team, following the principle of Reuse, Recover and Recycle prior to disposal, set up a centrally managed main handling facility where all waste is segregated into separate streams (wood, paper, metal and cardboard). This segregation ensures that a higher proportion of usable waste is recovered, meaning less goes to landfill and reduces the potential for any cross contamination to take place.

To publicise the scheme and change the mind set of St Athan personnel the DE team mounted an extensive site communication campaign by way of publications, road shows and contractor liaison. This campaign also promoted energy reduction and better resource management.

There was a remarkable response to this campaign as personnel across the site embraced the need for change. As a result in the first quarter of operation the facility generated 18 tonnes of reusable materials. Recycling rates of 70% of recoverable materials have now been achieved. This success has led to an extension of the scheme to include waste oils, soft plastic, vehicles and green waste. The DE team has developed the recycling facility further through the purchasing of dedicated compactors enabling the more efficient utilisation of space and a reduction in the number of large skips physically on the site, cost of skips, transport and landfill by 70%.

This figure exceeds MOD Sustainability targets and complies with Welsh Assembly Government environmental legislation. An additional benefit has been the generation of additional revenue from the compacted waste.



Cardboard Recycling, MOD St Athan

Local community involvement in recycling and waste management has been a key aspect of the project. St Athan is engaging with local companies and community groups through newsletters and a quarterly brochure. Local schools have also been included through an Open Classrooms project. This engagement promotes the positive impact that the new recycling and waste management measures will have on the local community, whilst also providing an opportunity to address some of the environmental issues arising from the development of the St Athan site.

The commitment to best practice extends beyond recycling to broader environmental concerns. Energy efficiency measures are actively promoted and energy output is monitored to highlight any trends in high usage and to amend or control the way that the site uses energy. A commitment has also been made to identify methods of producing heat and power on site through new techniques of energy generation such as combined heat and power and biomass burning units. A commitment has been made to purchase office stationery that is made from sustainable or recycled materials.

St Athan's achievements were nationally recognised at the UK National Recycling and Sustainability Awards in February 2008 when the site won awards for the 'Best Recycling and Sustainability Initiative', 'Best Recycling Team and Manager' and 'UK National Champion'. It is hoped that lessons learned at St Athan will facilitate a greater roll out of waste management and recycling measures across the wider MOD estate.



Recycling Facility, MOD St Athan



SLA and Headquarters under construction, PJHQ Northwood

5.0

AN EXEMPLAR OF BEST PRACTICE

Our aim is to be an exemplar of best practice. To manage and develop our estate in line with best practice and foster a culture of continuous development and improvement.

How do we measure success?

- Implementing a programme of benchmarking exchanges with Other Government Departments and others
- Implementing measures to improve working relationships between DE and its suppliers
- Improving the implementation of the Department's systems and processes for managing safety and environmental protection
- Implementing a more robust safety culture in which safety and environmental risks are identified and appropriate action taken to manage them
- Reporting our performance in the annual publication of the Stewardship Report and the Sustainable Development Report
- Having a comprehensive estate performance and risk management regime in place and incorporated into Departmental business planning by 2008
- Having training available to meet our requirements

So what did we achieve in 2007/08?

We have played an active role in the OGC Property Benchmarking Scheme and High Performing Property Initiative. The OGC has judged us to be a leader in the latter initiative. Shared business improvement work with the Supplier Associations has resulted in tangible benefits to all parties. We have continued to broaden and develop our staff development schemes to ensure that we have a motivated and well equipped workforce.

Commentary on performance

Implementing a programme of benchmarking exchanges with Other Government Departments and others

5.1 We continue to take an active role in the OGC work to develop and implement property benchmarking. Following on from our work in 2006/07, a further 28 offices will participate in the OGC Property Benchmarking Scheme scheduled to begin later this year. To achieve more efficient use of our workspace, improve sustainability performance and an improved working environment we will be adopting OGC standards for office space from April 2008 for all new buildings and refurbishment projects.

5.2 We are also an active participant in the central government High Performing Property initiative to achieve excellence in property asset management. We have been judged by the OGC to be a leader in this initiative and are well placed to implement actions over the forthcoming year.

5.3 We continue to work with Government, industry and other estate stakeholders to identify, develop and ensure utilisation of best practice across all areas of estate management. This is done, for example, through membership of the Constructing Excellence Demonstration Projects Group; the publishing of guidance on Post Occupancy; Acoustic Performance of buildings; through the provision of informed input to Business Enterprise and Regulatory Reform and the Olympic Delivery Authority. DE and Integrated Project Team staff undertook lessons learned visits to key defence projects in Aldershot, Shrivenham, Porton Down, Tidworth, Catterick and Pirbright.



Joint Services Command and Staff College, Shrivenham.

Implementing measures to improve working relationships between DE and its suppliers

- 5.4** The Prime Contracting and Aquatrine Supplier Associations have continued to create a successful environment where shared business improvement work, resourced by all parties, provides tangible benefits to DE, industry and the estate users. The resultant collaborative working has been focussed on specific working groups covering such areas as sustainable development, health and safety, interface management, cost control and stakeholder management.
- 5.5** An example of the benefit of this collaborative approach is the signing of the Fair Payments Charters between DE and the main supply chain members in accordance with the OGC's guide to best 'fair payment' practice in construction procurement. When the Supplier Association members signed the charter they were formally agreeing to the principles of a fairer and faster payment regime in Public Sector contracts. This year has also seen the agreement within DE to adopt the Key Supplier Management process and initial work has been undertaken to implement this relationship with the key suppliers of DE.

Improving the implementation of the Department's systems and processes for managing safety and environmental protection. Implementing a more robust safety culture in which safety and environmental risks are identified and appropriate action taken to manage them

5.6 We treat matters of health and safety with the utmost seriousness and we are committed to improving performance. We continue to raise our safety, health and environmental standards across the defence estate. DE and our contractors are benchmarked against the industry standards set by the Health and Safety Executive (HSE) and we are exceeding our aim to be 5% below this standard.

5.7 We continue to work with our industry partners through the Supplier Associations to review and update roles and responsibilities. In January 2008 a standard contractor incident reporting template, spreadsheets and guidance notes were issued in an effort to increase consistency. We have concentrated a great deal of effort on improving coordination of estate-based contractor activities. This will be further enhanced through the implementation of the revised MOD Health and Safety Handbook (JSP 375), particularly Leaflets 19, 33 and 34 of Volume 2. This guidance was revised through consultation with external stakeholders and within the MOD, Chief Environment and Safety Officer and Customer Estate Organisation organisations.

Cumulative RIDDOR¹ statistics for DE and contractors

Cumulative 07/08	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07
RIDDOR	7	16	24	29	33	41
Cumulative 07/08	Oct 07	Nov 07	Dec 07	Jan 08	Feb 08	Mar08
RIDDOR	46	58	65	68	70	81

¹ Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995. DE RIDDOR rates for 2007/08 are 49.7 per 100,000 employees, significantly below the HSE sector average benchmark of 1060 per 100,000 employees.

Reporting our performance in the annual publication of the Stewardship Report and the Sustainable Development Report

5.8 In keeping with the objective to be open and transparent in the reporting of our performance, developments and achievement we continue to publish this Report and Sustainable Development Reports annually.

Having a comprehensive estate performance and risk management regime in place and incorporated into Departmental business planning by 2008

5.9 We continue to develop our Estate Planning Tool (EPT) which provides a central repository of information on the condition, and other aspects, of estate assets. Version 3 is now in use across the business and in the coming year further iterations will be issued adding greater functionality and depth of information.

5.10 The Non-Equipment Investment Plan (NEIP) which allows us to take more strategic decisions about funding across a range of different projects has now been in place for the last three Planning Rounds and is an integral part of our planning process. The NEIP gives a 10 year strategic view of estate and Information System infrastructure projects, providing the means of capturing the costs and benefits centrally and has enabled planning and funding to align with other defence needs.

5.11 The DE Internal Control and Fraud Prevention (IC&FP) Team was formed by amalgamating the Fraud Prevention Unit with the Internal Control Team in July 2007. DE IC&FP monitors and enhances working relationships with our partners, providing increased visibility of potential risk areas. The result is continuing support of our stance of zero tolerance in order to fully protect public funds.

5.12 We have conducted 21 Compliance and Assurance Reviews during 2007/08 and have achieved recoveries to date of approximately £360,000. A number of cases are subject to ongoing investigations. Fraud awareness training is embedded into the Estate Management Awareness Foundation Course and DE Induction Pack. It is DE policy that Fraud Awareness training is completed annually by all DE staff. We also monitor and record Fraud Prevention training that is completed by our business partners within Regional Prime Contracting.

Have training available to meet our requirements

5.13 This year estate management related training has been delivered to over 1,000 personnel drawn from across MOD and industry. The training reflects the needs of the Department's Change Programme and the principal delivery method is pre-reading followed by presentations and workshops, with some elements given over to self teach e-learning.

5.14 We have broadened the scope of our Estates Professional scheme to attract graduate and non-graduate estate professionals into DE, to include surveying and environmental disciplines in addition to the engineering careers already covered. This programme is gaining momentum with 18 trainees currently embarked upon it.

5.15 To develop staff for the business critical posts the Estates Development scheme is nearing completion and will be launched in June 2008. A Talent Management Scheme encompassing various strands is now also established and this year has focussed on Assessment Centre Support Groups to help prepare staff in Band C for Band B positions.



The DE Health and Safety Handbook



Improving public footpaths, Brecon Beacons National Park

6.0

EXCELLENT MANAGEMENT

Our aim is to have an estate underpinned by excellent management with structures, systems and processes enabling us to deliver optimum corporate solutions through collaborative working.

How do we measure success?

- As part of the Department's efficiency drive, continue to examine the management overhead involved in delivering estate-related activities, reviewing the estate customer/supplier arrangements, and put recommendations in place by 2009
- Reviewing the geographical boundaries used to define procurement regions to ensure they are consistent with each other and with regional defence boundaries
- Splitting supply and demand requirements for the training estate with responsibility for the supply resting within DE in 2006
- Put in place new Reserve Forces and Cadet Association (RFCA) estate management arrangements by 2007
- Put in place an improved capability to conduct estate business in support of operations in operational theatres by 2008
- Implementing new management arrangements for the overseas estate by 2010
- Establishing a corporate data set of core estate information and continuing to develop and populate the estate information portal
- Having all estate-related processes on the Departmental Business Management System (BMS) by 2007

So what did we achieve in 2007/08?

Two major initiatives, the Estate Management Review and the Estate Management Coherence Review, have been completed. These looked at improving the management and delivery of estates services and their recommendations are being taken forward. DE has taken on responsibility for maintaining and managing the Volunteer Estate.

Commentary on performance

As part of the Department's efficiency drive, continue to examine the management overhead involved in delivering estate-related activities, reviewing the estate customer/supplier arrangements, and put recommendations in place by 2009

- 6.1** A recent review of the top level structure of DE has resulted in a number of streamlining measures aimed at improving performance and direction, including the merger of the Projects Directorate into the Operations area to provide a single, smaller delivery vehicle for our customers and suppliers. Other changes are the creation of an Estate Development Directorate (from the previous Programming Directorate) looking at long-term estate solutions and estate planning; and the creation of the Property Directorate (from the previous Estate Strategy and Policy Directorate) to develop estate policy, long-term relationships with UK regional planning authorities and focus on a more proactive stewardship of the defence estate.

6.2 Our Projects Change Programme aims to improve the project acquisition process and has resulted in the adoption of Construction Excellence Key Performance Indicators, the creation of a demand planning methodology and the development of procedures and techniques to promote and provide visibility of value for money.

6.3 We have undertaken two major initiatives looking at improving the management and delivery of estate management services:

a. The Estate Management Review was to improve our understanding and execution of estate management and streamline structures and processes in order to simplify relationships. The review proposes the formation of a single MOD Site Estate Authority Team and to optimise “on and off” site activities and structures.

b. The review of Estate Management Coherence identified a lack of coherency in management processes and deliverables from the RPC’s. A number of recommendations arising from the study are currently being implemented, including the development of a Customer Statement of Requirement which defines the service the Customer Estate Organisations expect DE to deliver, and the identification of estate management best practice recommendations for incorporation in the Next Generation Estate Contracts.

Reviewing the geographical boundaries used to define procurement regions to ensure they are consistent with each other and with regional defence boundaries

6.4 We are addressing this through the work being undertaken on our current procurement arrangements described at paragraph 1.8.

Splitting supply and demand requirements for the training estate with responsibility for the supply resting within DE in 2006

6.5 We have continued to implement the new arrangements for the management of the training estate through the division in supply and demand components. July 2007 saw the transfer of Haltern and Sennelager Training Areas in Germany from the command of UK Support Command (Germany) to the DTE. In September 2007 Ballykinler and Magilligan Training Centres were assimilated into DTE Otterburn to form DTE Otterburn and Northern Ireland Region.



Gundulph, Temporary Field Accommodation, Iraq

Put in place new Reserve Forces and Cadet Association (RFCA) estate management arrangements by 2007

6.6 In April 2007 responsibility for maintaining and managing the Volunteer Estate was transferred from the Single Services to DE. These new arrangements ensure more stable funding; facilitate better planning by the Associations with development of a forward register of planned maintenance works; and enable management on a national basis which will produce greater consistency and coherence in funding and service delivery to customers. 2007/08 has been viewed as Transition Year to allow customers, the RFCAs and DE to develop and embed new processes, procedures and funding arrangements. Corporate data and information is being collected, for example, health and safety and condition data, in line with Departmental best practice. IEMPs have been developed to inform and influence development of the estate.



Taking a shower in Afghanistan

Put in place an improved capability to conduct estate business in support of operations in operational theatres by 2008

6.7 We have completed the introduction of Prime Contract Infrastructure Support Providers (ISPs) to meet the very different requirements of Military Operations and Permanent Joint Operating Bases overseas. The ISPs in Iraq, Afghanistan and Bosnia are working well and the majority of the accommodation, water and power supplies necessary to support British Forces are now supplied through these contracts.

Implementing new management arrangements for the overseas estate by 2010

6.8 The ISP contract with Serco in Gibraltar was agreed in May 2007 and went live in November 2007. The ISP is continuing to bed in well with only minor issues needing to be resolved.

6.9 The implementation of Project Alexander within Germany has been very successful. We plan to expand this in 2009 to cover European areas such as the Low Countries and Italy that were not in the original project scope. Separately we are starting the process of procurement reform in Germany and are at the stage of preparing an Initial Gate Business Case for Investment Appraisal Board approval.

6.10 Procurement reform on the RAF Main Operating Bases at Leuchars, Leeming, Coningsby, Marham, Odiham and Brize Norton has commenced. This will involve DE taking on responsibility for estate management from Air Command. The Project Board for Airfield Support has endorsed the strategy to appoint a Single Responsible Contractor to provide all infrastructure services at these establishments.

Establishing a corporate data set of core estate information and continuing to develop and populate the estate information portal

6.11 We have continued to develop the Department's Estate Information Portal to meet the requirements of DE and the wider estate community. This year has seen the expansion of the data available in the EPT, the development of EPMS and the provision of new capability to access Environmental and Sustainability Appraisals. In addition, upgrades to core estate applications including Horizon and Geographic Online Data for Estates have increased capability for both practitioners as well as all in the MOD who have an interest in estate information.

Having all estate-related processes on the Departmental BMS by 2007

6.12 The Learning from Experience website became available in December 2007 and is managed in tandem with the Estate Business Management System to provide a platform for sharing good practice across the estates community. It is intended for use as the central repository for all lessons learnt and good practice and to act as an interface in collating suggestions for improvement together with the facilitation of online discussions regarding functional issues.



Lulworth Cove

ANNEXES

Glossary
Photographer Credits
Further Reading & Links

GLOSSARY

ASSI	Area of Special Scientific Interest	HSE	Health and Safety Executive
AWS	Army Welfare Service	IC&FP	Internal Control and Fraud Prevention
BAR	Buildings at Risk	IEMP	Integrated Estate Management Plan
COTs	Commercial Off The shelf Software Package	ILMP	Integrated Land Management Plan
DCLG	Department of Communities and Local Government.	IRMP	Integrated Rural Management Plan
DE	Defence Estates	ISP	Infrastructure Support Provider
DEDP	Defence Estate Development Plan	JSP	Joint Services Publication
DREAM	Defence Related Environmental Assessment Methodology	Lyons Review	'Well Placed to Deliver?' – <i>'Shaping the Pattern of Government Service'</i> (2004). An independent study by Sir Michael Lyons into the scope for relocating a substantial number of public sector activities from London and the South East of England to other parts of the UK.
DTE	Defence Training Estate	MHS	MoDERN Housing Solutions
EMS	Environmental Management System	MOD	Ministry of Defence
EPMS	Estate Performance Measurement System	NEIP	Non Equipment Investment Plan
EPT	Estate Planning Tool	OGC	Office of Government Commerce
EUB	Estate Utilities Board	Prime Contracting	The application of the principles and methods of smart acquisition to the defence estate where PFI/ Public Private Partnership is not suitable to achieve better value.
EU ETS	European Union Emissions Trading Scheme		
Gershon Review	"Releasing Resources for the Frontline: <i>Independent Review of Public Sector Efficiency</i> " (2004). An independent review led by Sir Peter Gershon to identify opportunities for, and develop proposals to deliver sustainable efficiencies in the use of resources within both central government and the wider public sector.		

Project Alexander	Project delivering new estate management arrangements across the MOD, including the overseas estate.	SLA SLAM	Single Living Accommodation Single Living Accommodation Modernisation
Project MoDEL	Project MOD Estate in London	SOGE	Sustainable Operations on the Government Estate
RAF	Royal Air Force	SPA	Special Protection Area
RAMSAR	An international treaty for the conservation and sustainable utilisation of wetlands.	SSSI	Site of Special Scientific Interest
RFCA	Reserve Forces and Cadet Association	Standard for Condition	Calculated from 102 different attributes in 8 categories: Health and Safety, Sanitary, Kitchen, Energy Efficiency, Building Fabric, Electrical, Security and Bedrooms.
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences		
RPC	Regional Prime Contract		
SAC	Special Area of Conservation	TLB	Top Level Budget. Defence activity is managed through TLB holders (and Trading Funds) who are delegated responsibility for delivering defence outputs, whether specific military capability, or supporting services.
SDAP	Sustainable Development Action Plan		
SEAT	Sustainability and Environmental Appraisal Tool		
SFA	Service Family Accommodation		

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FURTHER READING & LINKS

Publications:

Unless indicated all documents can be found either at www.mod.uk or www.defence-estates.mod.uk

MOD Defence Plan 2007

MOD Annual Report and Accounts 2006/07

MOD Sustainable Development Report (2003 onwards)

MOD Sustainable Development Action Plan (2006, 2007-12)

MOD Sustainability and Environmental Appraisal Tool Handbook

Defence Estate Strategy 2006 – *In Trust & On Trust*

Sanctuary 2008, Number 37

Defence Estates Framework Document

Defence Estates Performance Plan 2008-12

Defence Estates Development Plan - www.defence-estates.mod.uk/publications/dedp08.php

Better Defence Buildings Project Portfolio – Project Case Studies

Design Excellence Evaluation Process (DEEP) Brochure

Secretary of State for Defence Policy Statement on Health, Safety and Environment

National Audit Office Reports - *Managing the Defence Estate: Quality and Sustainability* (23 March 2007) and *Managing the Defence Estate* (25 May 2005) - www.nao.org.uk/publications/index.htm

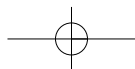
Website Links:

Ministry of Defence www.mod.uk

MOD Access and Recreation www.access.mod.uk

Defence Estates www.defence-estates.mod.uk

National Audit Office www.nao.org.uk





MINISTRY OF DEFENCE