

The Dig Issue

Business Update Summer 2016

The recent referendum result to exit the EU has caused shock waves through the general financial market including the housebuilding sector. A potential slowdown in sales/ build is however something we can ride through with confidence due to our vast order book and financial strength. If there is a serious slow down it will affect businesses less debt free than ourselves.

The housebuilders themselves continue to fulfil a massive need the country has for new housing and yet the totals are still not sufficient. Quite rightly the people who run their companies remain very confident of their prospects and all are working forwards and growing to cater for this increasing demand. Further on in the newsletter you will read that despite the country seeming to be very busy building new homes (at what can appear a frenetic pace) we are only building at around two thirds of the numbers actually required (apparently 250,000 per annum according to government figures); this makes very interested reading.

Since the last Dig Issue we have won sites in Warwick (more work at Hawkes Meadow), the remainder of the site at Shrewsbury, Kettering, Malvern, Milton Keynes, Thame, Leckhampton, Cheltenham, Loughborough, Keyham Lane continuation, Steventon, West Haddon, Leighton Buzzard, Brackley and Sandbach. These jobs are generally won with the knowledge that MV Kelly can be trusted to deliver an excellent service and has the financial stability to deliver from the scheme to completion. The quality of our work has again been recognised by the NHBC with too many sites to list that have achieved quality awards across a breadth of blue chip clients. Well done to everyone at MV Kelly for all the above regardless of which sites win awards we know that our quality and product is at a consistently high level. Be aware that if the market does tighten the presentation of the sites becomes even more important so please support our clients in this process and make sure that where you work is a place presentable for a house sale.

We are six months into the year now and it's been a really positive year thus far and our intention is to maintain our confident outlook for the next six months. We continue to target the best sites, at prices that are fair and achievable and for the clients who have supported our company over the previous years.

Paul Whelan
Managing Director

Charity Golf Win

Well done to Ian Butcher & Adam Vallance (2nd & 4th from left). Representing MVK in the winning team at the Barratt/ David Wilson Homes, North London charity day at Luton Hoo golf club. Nice shoes Adam!



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NHBC Pride in the Job Awards 2016

MV Kelly sites had involvement in 21 awards this year. Another increase on last year and a massive well done to all those involved. Within the industry our name is highly respected for the quality of our build, how quickly and professionally we deliver our product and most importantly how safely we practice our work. These attributes have a fundamental importance on how successful we are at retaining work and winning new business. They are the values on how we carry our name forward. This is always a testament to the men in the field and their work supplemented by the key office support. We endeavour to sustain and improve these values where we can and know/remember we can never become complacent to ensure we keep busy. We are only ever as good as our last job and the product we deliver. Please remember:

1. Plan your work
2. Deliver it safely
3. Clearly delineate and protect your work area
4. Cut/fill the ground in advance to the optimum level (600mm below)
5. Always build it right (never skimp) and ensure a high quality product
6. Present it tidily
7. Good general housekeeping with strict observance to storage and plant compounds
8. Good communication to your client, build inspectors and internal departments

Trench Block deliveries

Please can all Foreman note that most manufacturers are informing that our advanced trench orders have been pulled by our clients under their group deal terms to prioritise manufacture for super structure build. To sustain building we have had to revert to conventional build methods of dense block and cavity fill. We are hopeful this situation will change in the near future while we work with alternative suppliers and our clients on this matter but in the interim we need to build with dense block. It is extremely important you check your individual site is covered for orders (do not take for granted) and also that your method of build is noted on the Foundation Record Sheets for each plot.

Site Theft: small tools, diesel and mobile plant

Although a repeat of the insert in the last newsletter this continues to be a major issue for us. We have seen some very well set up and protected sites recently however there are still too many where we could be doing more. Please always ensure that containers and fuel tanks are setup in the most conspicuous locations possible to deter the thief. Tanks and containers should be properly secured each night with defiance locks. On problem sites ensure you are placing filled Manhole rings or similar (not plant) fronting the doors at the end of the shift. Plant should NOT be placed against container doors as often thieves will cause significant damage in an attempt to move them. Lastly: no tools (saws, wackers or lasers) must be left lying around at break time or downtime as easy picking for the vigilant thief.

We have since successfully introduced a CCTV motion detection camera system to PC and problem sites. Our Plant Dept/job CM will discuss sites where this is necessary on an ongoing basis and once installed it is important to ensure all plant and containers are stored in the controlled zones at the end of each shift.

Excavator Buckets and Quick Hitches

We are pleased to announce that we have now appointed Hills as our new supplier for excavator buckets and quick hitches for machines at the 13T range and over. This is following extensive modifications to their stock buckets to give us increased strength and capacity as well as improvements to their profile shape and depth. All buckets are tagged with the same fleet number as the corresponding machine (akin previous Geith buckets) and must stay with that excavator when moved.

Holiday Booking and Notifications

With the pending summer months it is important for your Foreman and CM to be aware of any upcoming holiday so they are best placed to plan accordingly. Please notify your Foreman about any planned time off so that they can ensure these dates including their own are clearly noted on the weekly timesheet submissions.

Brian Kelly
Operations Director

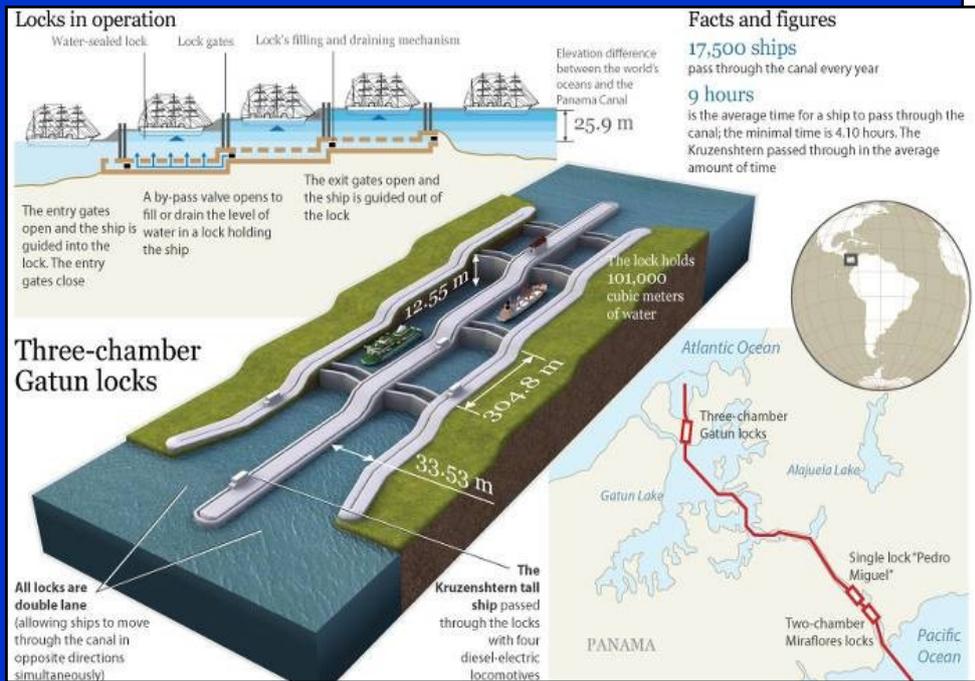
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The Panama Canal

A 48-mile ship canal linking the Atlantic and Pacific Oceans and a modern wonder of the world. There are large sets locks at either end connecting to a central lake made possible by the massive excavation work needed. France had a crack at building the canal in 1881 but gave up due to difficulties and the high mortality rate. The USA resumed work in 1904 and finished in 1914. Annual traffic has risen from about 1,000 ships in 1914, when the canal opened, to 14,702 vessels in 2008.

Apparently between the French & US construction attempts 36,000 workers died, mainly due to the unsanitary living conditions involved. No tool box talks in those days!



What is a 'Crash for cash scam'?

- A car in front of you slams on the brakes for no apparent reason and you collide with it.
- The other driver will insist it is your fault and hand over their insurance details—often already prepared and written down.
- Your insurers will write to you with the details of the other drivers claim, exaggerated with costs like car hire, recovery and whiplash injuries.

What should I do?

- Do not admit liability at the scene but also do not confront them with your suspicions.
- Make written notes of what happened. Take descriptions of the other driver/passengers along with what is said
- If it's safe, take photographs of the scene and damage to the vehicles. Do it discreetly if you can.
- Insist on calling the police – you may find the fraudster may well back off.
- Check for independent witnesses, but be aware that gangs can plant witnesses as part of the scam.
- Report the incident to your insurer as soon as possible and tell them about your suspicions.



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Health & Safety

Team Members Update

The staff within the safety team have changed significantly within the last few months and we now have a better, stronger team than ever. Leon Farmer has joined MV Kelly as a Regional Safety Manager and will be overseeing our sites currently running from head office. Leon has joined us with a reputable background in health and safety working for some of our “blue chip” clients and most recently, Barratt Homes. Nick Farmer is another very experienced advisor who is currently covering the south midlands area, he has a very strong background. Edwin Fletcher has joined us as a SHE training advisor again with strong qualifications and experience. Martin Cox has come aboard as a SHE Advisor currently working alongside Leon from head office. MV Kelly has always taken the safety and welfare of our workers seriously and continue to invest in a strong team who understand our production requirements and how we can meet those safely.

Warm Weather Working – Sun Protection

Please remember that as ground workers you are outside for a long time and your skin could be exposed to more sun than is healthy for you. You should take particular care if you have: fair or freckled skin that doesn't tan, or goes red or burns before it tans; red or fair hair and light coloured eyes or a large number of moles. People of all skin colours should take care to avoid damage to the eyes, overheating and dehydration.

What are the harmful effects?

In the short term, even mild reddening of the skin from sun exposure is a sign of damage. Sunburn can blister the skin and make it peel. Longer term problems can arise and too much sun speeds up ageing of the skin, making it leathery, mottled and wrinkled. The most serious effect is an increased chance of developing skin cancer.

What can you do to protect yourself?

- Keep your top on.
- Wear your safety helmet correctly
- Stay in the shade whenever possible, especially during your breaks
- Use a high factor sunscreen of at least SPF 15 on any exposed skin.
- Drink plenty of water to avoid dehydration.
- Check your skin regularly for any unusual moles or spots. See a doctor promptly if you find anything that is changing in shape, size or colour, itching or bleeding.

M V Kelly do not have a “no shorts” policy. When carrying out manual work in warm weather, shorts can be worn depending on the task being carried out. However, some of our clients have banned shorts and their site rules must be followed. As they are principal contractor, they overrule the M V Kelly policy. Some substances can cause irritation to the skin and even cause burns if exposed to them. At no time must shorts be worn when working with wet or dry concrete, agilia or tarmac. Follow the safe systems of work outlined In the red folder and understand the COSHH assessments provided.

Toolbox Talks

Completion of Toolbox talks continues to be ‘hit and miss’ with some Foremen totally up to date and some having sent in nothing for months. Please remember these are important training documents to give recorded reminders of safe practice. Please hand the completed documents to your SHE Advisor on every visit.

Liam Nugent
Group SHE Manager

Dwellings Built In The UK. Year On Year

| | |
|---------|---------|
| 1969-70 | 357,070 |
| 1970-71 | 330,950 |
| 1971-72 | 358,610 |
| 1972-73 | 361,840 |
| 1973-74 | 338,000 |
| 1974-75 | 260,030 |
| 1975-76 | 333,100 |
| 1976-77 | 338,490 |
| 1977-78 | 275,510 |
| 1978-79 | 272,470 |
| 1979-80 | 231,590 |
| 1980-81 | 161,520 |
| 1981-82 | 161,030 |
| 1982-83 | 202,420 |
| 1983-84 | 233,020 |
| 1984-85 | 209,280 |
| 1985-86 | 209,980 |
| 1986-87 | 223,110 |
| 1987-88 | 239,350 |
| 1988-89 | 262,490 |
| 1989-90 | 209,270 |
| 1990-91 | 167,150 |
| 1991-92 | 172,760 |
| 1992-93 | 171,210 |
| 1993-94 | 197,120 |
| 1994-95 | 204,690 |
| 1995-96 | 175,230 |
| 1996-97 | 195,100 |
| 1997-98 | 198,150 |
| 1998-99 | 186,720 |
| 1999-00 | 192,900 |
| 2000-01 | 183,480 |
| 2001-02 | 194,140 |
| 2002-03 | 197,110 |
| 2003-04 | 213,190 |
| 2004-05 | 225,050 |
| 2005-06 | 233,880 |
| 2006-07 | 222,630 |
| 2007-08 | 218,840 |
| 2008-09 | 118,580 |
| 2009-10 | 124,470 |
| 2010-11 | 138,380 |
| 2011-12 | 136,230 |
| 2012-13 | 127,050 |
| 2013-14 | 160,800 |
| 2014-15 | 166,900 |

Statistics taken from www.gov.uk table 208.

Next Dig Issue—Autumn 2016
Please send any contributions to George at george.baldwin@mvkelly.co.uk or call 0121 708 5021

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Motoring News

Green Beacons / Immobilisers

We have now completed the fitting of green beacons and immobilisation systems to all dumpers on Taylor Wimpey and Consortium sites. This was developed by our own team with Terex following legislation introduced by TW and does not allow the dumper to be started without the belt being plugged in. Additionally, the green beacon then flashes to signify the seatbelt being connected and worn. All new dumper and roller units delivered will have this kit fitted so you can expect to see this much more as protocol around our sites. This procedure is legislation and we take any malfunction or misuse extremely seriously and will be followed up and patrolled by our SHE teams.

Plant Condition

We are seeing more instances recently of unkempt and poorly maintained plant. Please remember that we are very fortunate to have the youngest and best quality fleet in our industry. It is vital that it is maintained on a site level. Please ensure that all usual levels are being checked and topped up, and all plant is greased weekly as minimum. Visiting staff (fitters, CM's, and SHE) will be keeping an eye out on this as we cannot afford standards to slip.

Use of vans at weekend and evenings

Please remember our vans are only insured for business use only. Any use outside of business hours must be authorised by your Contracts Manager, Plant Department or Director. Please refer to your Drivers Handbook for clarification.

Vandal Guards / Excavator Codes

Please ensure that all MVK excavators have full set of vandal guards fitted and locked at the end of every shift. If any hired plant has these available, they must be fitted also. Glass replacements for these machines are a huge expense so it is imperative that this is followed. Additionally, please ensure that the security codes for excavators are NOT written / left inside the cab. If you need a reminder on the start code for any machine, please contact the Plant Dept. who will be able to advise.

Doug Curran
Plant Manager

Hobbies & Interests

With well over a thousand people working on site or in our offices there must be a massive variety of ways you all pass your evenings and weekends.

Ralph Crampton who many of you will have spoken to in our Plant Department always has a bike under renovation in his garage. This Yamaha RD250LC—1980 was bought from a scrap yard and completed after scouring the internet for genuine parts. It is the third bike he has overhauled and I am sure the next one is already in his mind.

If you have an interesting hobby or pastime please let me know - george.baldwin@mvkelly.co.uk. You may find someone else who shares your unusual pastime to swap ideas with. Feel free to send me pictures of gardens, cakes, vintage cars, sports bikes etc. Nothing dodgy though, some hobbies are best kept private!



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Recruitment

We have previously found that some of our best staff have been recruited via personal recommendations. If you are aware of any suitable candidates for the following roles please let us know.

Birmingham office

- Plant assistant to join our fast paced and growing plant department. Must be ambitious and willing to learn all aspects of this area including buying & leasing of vehicles and equipment, fuel management, plant recalibrations, vehicle tracking, mobile fitters and maintenance and much more besides.
- Purchase Ledger Administrator. Motivated and thorough with relevant experience to work full time and ensure accurate processing of invoices and account reconciliation, whilst working within the Purchase Ledger team to achieve department deadlines.
- Experience Quantity Surveyor to join our highly efficient and driven team.

Oxford office

- Trainee Quantity Surveyor—M.V. Kelly Ltd are providing a fully paid degree apprenticeship for an aspiring Quantity Surveyor. You will finish the program with both a professional qualification and real practical experience .
- Graduate Trainee Quantity Surveyor—You will be supported in training and will rapidly gain invaluable practical experience that will more than equip you for a job as a Quantity Surveyor.

More details of these roles plus the extremely competitive salaries and benefits involved can be found on our website or by emailing recruitment@mvkelly.co.uk.

Hard workers seeking high rewards especially welcome!



The standard of work, salary and benefits offered at M.V. Kelly surpass those of many and we promise to develop your potential to its full capacity.

Congratulations

Great news for Mark & Sarah Jones on the birth of their first child. Jack was born on the 24th March 2016