

Our key performance indicators

Performing well across the board

Strong landbank

Strategically sourced completions

Objective: We aim to source more than 40% of our completions from the strategic pipeline per annum in the medium term.

2018:
58% (2017: 53%)

Definition: Number of completions on land which originally did not have a residential planning permission when we acquired a commercial interest in it, expressed as a percentage of total completions.

Why it is key to our strategy: The strategic pipeline enhances our ability to increase the contribution per legal completion because of the inherent margin uplift from strategic plots. It also allows us to take a long term view of sites.

Land cost as % of average selling price on approvals

Objective: To maintain at current levels or reduce our average land cost.

2018:
19.2% (2017: 19.8%)

Definition: Cost of land as a percentage of average selling price on approvals.

Why it is key to our strategy: Maintaining a sustainable land cost percentage increases value for our shareholders.

Landbank years

Objective: Increase landbank efficiency – reduce length of short term owned and controlled landbank years by c.1 year to 4-4.5 years.

2018:
c.5.1 (2017: c.5.1)

Definition: The years of supply in our short term landbank at current completion levels.

Why it is key to our strategy: We seek to use our high-quality landbank more efficiently to deliver growth, both in the number and quality of homes built for a wider range of customers.

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Build quality

Construction Quality Review (CQR) (average score / 6)

Objective: To achieve an average score of 4 out of 6 across Taylor Wimpey by 2020.

2018:
3.93 (2017: 3.74)

Definition: The average score, out of six, achieved during an in-depth annual review of construction quality on a site-specific basis.

Why it is key to our strategy: Right first time continues to be a key priority within our customer-centric approach. CQRs focus on construction quality and understanding ‘why or how’ given levels of quality have resulted.

Average reportable items per inspection

Objective:
Reduce defects found during build stages.

2018:
0.28 (2017: 0.26)

Definition: The average number of defects found per plot during NHBC inspections at key stages of the build.

Why it is key to our strategy: Reducing the number of defects per plot is crucial to ensuring we deliver consistently high-quality homes for our customers, whilst also minimising costs for rectifications.

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Customers and communities

Customer satisfaction 8-week score ‘Would you recommend?’

Objective: We strive to achieve 90% or above in this question, which equates to a five-star rating.

2018:
90% (2017: 89%)

Definition: Percentage of customers who would recommend Taylor Wimpey to a friend as measured by the National New Homes Survey undertaken by the NHBC on behalf of the HBF eight weeks after legal completion.

Why it is key to our strategy: Identifying and serving the needs of our customers by delivering a high-quality product is key to our ambition to become a customer-centric homebuilder.

Customer satisfaction 9-month score ‘Would you recommend?’

Objective: We strive to improve this and understand the reasons behind and underlying drivers of this customer feedback.

2018:
76% (2017: 76%)

Definition: Percentage of customers who would recommend Taylor Wimpey to a friend as measured by the National New Homes Survey undertaken by the NHBC nine months after legal completion.

Why it is key to our strategy: Our mission to enrich the lives of customers and communities by putting them at the heart of our decisions means we have to think about how customers live in the homes and places we build for longer than the first few months after they move in. Ensuring our customer satisfaction remains high in the months following completion is central to our strategy.

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Efficient engine room

Net private sales rate

Objective: We want to break our historic sales rate barrier by thinking differently about how we deliver a home and to better capture demand.

2018:
0.80 (2017: 0.77)

Definition: The average number of private sales made per outlet per week.

Why it is key to our strategy: We want to become a more efficient and agile business that can respond quickly to opportunities in the market, creating increased value for our shareholders.

Private legal completions per outlet

Objective: To improve efficiency on our sites and increase the number of legal completions per outlet.

2018:
41.8 (2017: 40.4)

Definition: The number of private legal completions per outlet.

Why it is key to our strategy: We are working to increase new home supply for a wider range of customers by improving efficiency across our sites.

Order book volume

Objective: We focus on building a strong order book for the future while balancing our customers’ needs. This is particularly important in an uncertain market.

2018:
8,304 (2017: 7,136)

Definition: The total number of homes in our year end order book.

Why it is key to our strategy: A strong order book provides our customers with good visibility and provides greater stability for business planning and enhances our ability to deliver the best experience for customers whilst driving the most value for shareholders.

Order book value

Objective: We focus on building a strong order book for the future while balancing our customers’ needs. This is particularly important in an uncertain market.

2018:
£1,782m (2017: £1,628m)

Definition: The total value of homes in our year end order book.

Why it is key to our strategy: A strong order book provides our customers with good visibility and provides greater stability for business planning and enhances our ability to deliver the best experience for customers whilst driving the most value for shareholders.

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Employer of choice

Voluntary employee turnover

Objective: We aim to attract and retain the best people in the industry and give them opportunities to develop to their full potential. We aim to keep this within a range of 5-15%.

2018:
14.5% (2017: 14.0%)

Definition: Voluntary resignations divided by number of total employees.

Why it is key to our strategy: Our employees are one of our greatest competitive advantages and they are crucial to executing the strategy.

Number recruited into early talent programmes

Objective: To reduce the impact of the industry skills shortage and future-proof our business.

2018:
175 (2017: 126)

Definition: The amount of people recruited onto one of our early talent programmes including graduates, management trainees and site management trainees.

Why it is key to our strategy: Creating a more consistent framework and development path for early and ongoing talent management will underpin our future growth and customer-centric approach.

Directly employed key trades people, including trade apprentices

Objective: To improve quality, reduce bottlenecks in key trade supply, reduce the impact of the industry skills shortage and future-proof the business.

2018:
748 (2017: 581)

Definition: The number of key trades people directly employed by Taylor Wimpey including bricklayers, joiners, carpenters, painters, scaffolders and trade apprentices.

Why it is key to our strategy: Against industry-wide skills shortages and uncertainty we are investing heavily and consistently to future-proof our workforce.

Health and Safety Annual Injury Incidence Rate (per 100,000 employees and contractors)

Objective: We are committed to providing a safe place in which our employees and subcontractors can work and our customers can live.

2018:
228 (2017: 152)

Definition: Reportable (all reportable) injury frequency rate per 100,000 employees and contractors (Annual Injury Incidence Rate).

Why it is key to our strategy: Health and safety is our non-negotiable top priority. As well as having a moral duty to maintain safety on site, accidents and injuries can have a detrimental impact on the business through additional costs, delays and / or reputational damage.

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