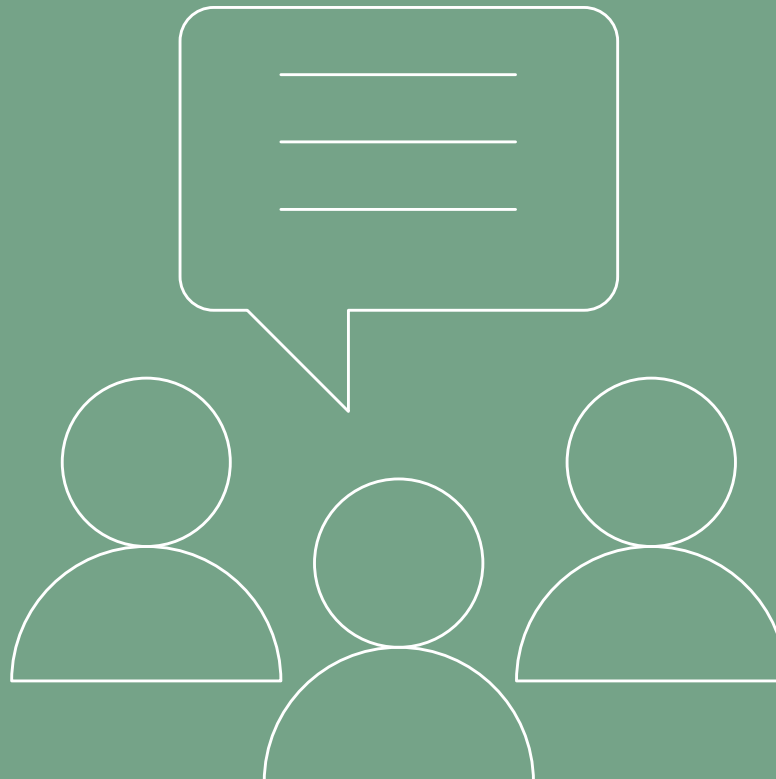


Managing land, planning and engagement

We engage with local communities and planning authorities to understand their needs and priorities so we can reflect these in our plans and deliver high-quality developments. Sustainability is integrated into our land buying processes.



Sustainable transport

Over 74% of our completed homes are within 1,000 metres of public transport, which can help to reduce car dependency

74%

Delivering new homes

We are building on 97% of our sites which have implementable planning permission

97%

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To create sustainable communities where our customers want to live, we need a good supply of high-quality land in the right locations, and to manage the planning process effectively.

HIGHLIGHTS

- c.76k plots in our short term landbank and building on 97% of sites with implementable planning
- Updated our Political and Community Engagement Toolkit to help us communicate our plans in a clear and consistent way
- 57% of our UK completions were within 500m of a public transport node
- Engaged with local and central Government on issues relating to planning and sustainability including proposals relating to biodiversity, home energy efficiency and electric vehicle charging
- Developed a new digital platform for assessing and managing sustainability risks at site level
- Launched our Community Communication Plan to help our teams communicate with the community and prospective buyers throughout the life cycle of a development

Sustainability and landbuying

Sustainability is integrated into our landbuying processes and we pay particular attention to flood risk, sustainable transport and promoting local economic development.

Every potential piece of land we buy must undergo a detailed review against the Government's National Planning Policy Framework (NPPF), which aims to ensure that developments are economically, socially and environmentally sustainable.

Our internal processes and guidance documents help our teams identify and address relevant sustainability issues for each site. These include our Sustainable Development Checklist which helps us to assess factors such as how well connected the site is to transport links, the potential impact on habitats and species, the risk of flooding and whether the development will support local economic activity. Our teams must set out the sustainability factors considered in our internal authorisation document before the land can be approved for purchase.

In 2019, we developed a new integrated digital platform for assessing and managing sustainability risks at site level, called LEADR (Land and Environment Assessment of Development Risk). This draws on external environmental databases and uses detailed questions, checklists and procedures to help us manage risk associated with land and the environmental impact of our activities including remediation, flooding, biodiversity and archaeology. It will be rolled out to the business in 2020.

We often transform derelict or contaminated land into new communities, which helps support urban regeneration. Around 29% of our homes in 2019 were built on brownfield land (2018: 38%).



How do we source our land?

We have around 76k plots in our short term landbank that have some form of planning permission. As at 31 December 2019, we are building on 97% of sites with implementable planning.

We currently have c.4.8 years of land supply at current completion levels in towns, villages and cities where customers aspire to live.

Our strategic pipeline is an important input to the short term landbank and provides an enhanced supply of land with greater control over the planning permissions we receive. This gives us more influence over the quality of the developments we build. We have increased the percentage of homes built on strategically sourced land – working with landowners and

local authorities over several years to secure planning permission.

In 2019, 56% of our completions were from strategic land (2018: 58%). Our strategic pipeline stood at a record of c.140k potential plots as at 31 December 2019.

Our Major Developments business works with Government departments such as the Ministry of Defence and Homes England to progress large developments, often on public sector land. These developments are built over many years and can help to reduce cyclical risk to the business.

>60%

of UK local authorities have now declared a climate emergency

We want to support planning authorities to achieve their climate objectives through the way we design and develop our schemes in their areas. This focuses on our efforts to reduce carbon emissions from our homes in use, with reductions in supply chain carbon and operational emissions also having an impact.

Mitigating flood risk

Climate change is increasing the risk and frequency of flooding in many locations across the UK. We take the risk of flooding on our developments extremely seriously and identify potential flood risk as part of our site selection process. We use the Environment Agency's flood mapping tools, and take account of their input during our planning consultations. We do not buy land unless we can mitigate flood risk, and we have a senior internal working group which oversees our approach.

We have carried out research to understand the likely impact of climate change on flood risk on our sites.

On our sites, we integrate sustainable drainage systems (SDS) that decrease flow rates to watercourses, increase infiltration into the ground and improve water quality. These can include measures such as ponds, swales, permeable paving, retention basins, wetlands, green roofs, infiltration trenches and soakaways.

We have trained our technical teams and colleagues in our land and planning departments on flood risk and how it should be mitigated. We also have guidance on how to use green infrastructure to manage water on site (see page 37).

Sustainable transport

We aim to limit the impact of new developments on existing transport infrastructure and to develop our sites to enable residents to adopt sustainable modes of transport. In 2019, around 57% of our UK completions were within 500m of a public transport node and around 74% within 1,000m.

We encourage 'walkability' on our sites by integrating paths and cycle routes into layout design and by ensuring residents have easy access to local shops, schools and facilities. We invest in roads, public and community transport, walkways and cycle paths as part of our obligations within the planning system. Where possible, we install transport infrastructure at an early stage to encourage the integration of new sites into the wider community. Many of our sites have a Travel Plan which sets out how we will encourage alternatives to car travel.

Transport needs are changing with the growth in electric vehicles and a decline in car ownership among younger generations. We are exploring these trends and their implications for our developments.

Measuring economic impacts

We aim for our developments to provide a boost to the local economy, both during construction and once new residents move in.

Our Economic Benefits Toolkit, which we updated in 2019, helps us understand and communicate socio-economic benefits to stakeholders during the planning process.

Using the Toolkit we can estimate the number of direct site and indirect supply chain jobs that our development will create, as well as the expected total economic value of those jobs.

It estimates how much new residents will spend with local businesses when moving in, and then annually as they continue to live there, and values the impact of new infrastructure and amenities. It also calculates revenue benefits to local authorities, including from council tax and business rates.



Connecting residents at Lawley village

Residents in our 186 homes at Lawley Phase 8, part of the Lawley village community, have access to quality areas of public open space, and a good network of public transport, including a bus route and extensive network of cycle paths. The scheme borders parkland and integrates 'pocket parks' which provide community areas, activity spaces and resting places.

The scheme was shortlisted for a Housing Design Award in 2019.

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Community engagement

We build in communities for years, making a significant impact on the local area and its people. We aim to build strong, open and honest relationships with the local community throughout this time by communicating proactively and consistently. This engagement helps us develop successful planning applications by understanding local needs and reflecting these in our plans.

Every one of our sites has a tailored planning and community engagement strategy. We provide a clear point of contact at each site and seek to

engage neighbouring residents and property owners, potential customers, local authorities, businesses, schools and other groups.

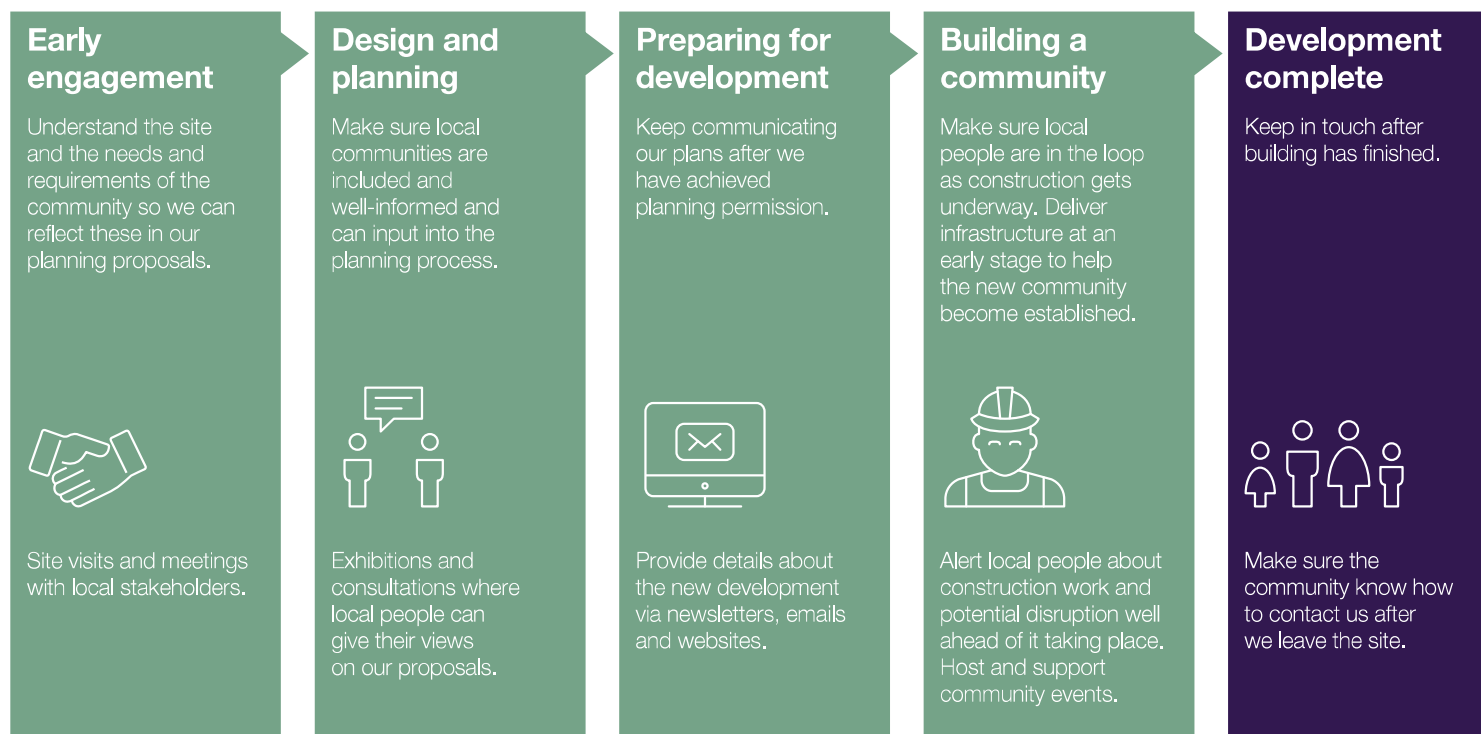
We use a range of methods to engage with local people, including meetings, exhibitions, workshops and information boards. We publish information on all proposed developments on our website so local residents can see what we are planning in their area. We are also using social media to help us reach a wider range of stakeholders and to maintain engagement throughout the planning and build process.

To make sure we engage consistently across our sites before, during and after construction, we updated and relaunched two key guidance documents in 2019:

– **Political and Community Engagement Toolkit** – To help us engage a wide range of stakeholders in the planning process and use research to understand local needs and priorities. We updated the toolkit in 2019 to ensure our communications are always straightforward and easy to understand.

– **Community Communication Plan** – Launched in 2019, this provides a step-by-step framework for our regional businesses to communicate with the community and prospective buyers throughout the lifecycle of a development. It is intended to be used by our land, planning and sales and marketing teams and supports our work on connected communities, (see page 18).

Community engagement: key stages and examples



Working with local and central Government

We engage with local authorities, parish councils, Homes England, the Greater London Authority (GLA), the Ministry of Housing, Communities & Local Government and other public sector organisations to understand their priorities and share our views.

As well as site-specific engagement, we participate in the development of strategic frameworks, Local Plans and Neighbourhood Plans, which consider broader development needs and enable local people to shape new developments in their area. This is particularly important for land in our strategic pipeline, where preparation or review of the Development Plan is the first step in the planning process.

We engage with central Government on issues relating to planning and sustainability. In 2019, this included:

- **Biodiversity net gain** – We contributed to a Department for Environment, Food and Rural Affairs (DEFRA) consultation on biodiversity net gain. We support the idea of net gain but believe that there should be flexibility in how it is applied and that investment in skills will be needed to ensure projects achieve intended results.
- **Future Homes Standard** – We provided views to consultations on this proposed legislation and associated updates to building regulations. We support measures to reduce the carbon footprint and energy consumption of new homes but also highlighted potential challenges, such as increased load on the grid from all electric homes, and supply chain and skills shortages.
- **Electric vehicle (EV) charging** – We made a submission to this consultation, stating our support for enabling an increase in electric vehicle charging. Our view is that given the range of EV charging points currently in use and likely changes to these, developers should ensure that homes are EV ready so charging points can be easily installed by future residents.

- **Building a Safer Future** – We continue to participate directly and via the HBF in consultations on proposals for reform of the building safety regulatory system and introduction of a new regulator.
- **Placemaking** – We made a written submission to the All Parliamentary Group on Building Communities. We emphasised the importance of local engagement to ensure the delivery of high-quality public spaces that meet current community needs and can be adapted in the future.

We also engage with Government through our membership of industry organisations such as the Home Builders Federation (HBF) and the British Property Federation (BPF). In 2019, for example, we participated in focus groups on changes to viability assessments. Regional businesses are also members of trade associations, for example our Scottish businesses are members of Homes for Scotland.

We are members of five Homes England regional Delivery Partner Panels.

Compliance with planning requirements

We aim to work constructively with planning authorities to agree the details of our Section 106 (England and Wales) and Section 75 (Scotland) planning obligations for each development. These include investments in affordable housing, local infrastructure, and facilities. These obligations are designed to mitigate any negative impacts of development, and to support the provision of services and infrastructure (see page 17).

Once planning permission is granted, our technical teams in our regional businesses monitor compliance with planning agreements and obligations. We also track build rates to make sure that each scheme is being managed efficiently and new homes are delivered on time. This is overseen by the Managing Director in each regional business and supported by our Project Management



A new community in East Anglia

The first stage of Northstowe New Town in East Anglia will provide 152 new homes of which one quarter are designated affordable housing. The site includes a primary school, and public park and is situated close to sports facilities, bars, shops, cafes and offices. It will be connected by bus to local villages and Cambridge. To benefit migratory birds passing over the site, some properties will include swift boxes. The planting scheme will include native trees and pollinator friendly plants to enhance biodiversity.

The scheme was shortlisted for a Housing Design Award in 2019.

Developing successful planning applications

We use the results of our community engagement to help us develop planning proposals that are financially viable and meet local needs.

Each planning application includes a Design and Access Statement which explains how the plans have been developed and how community engagement and sustainability factors have been integrated. Each proposal also integrates a clear development plan, enabling planning authorities to monitor progress.

Our employees use our Approach to Planning toolkit, our Approach to Sustainable Development document and our Preparing a Design and Access Statement guide to help them comply with regulatory requirements, including social and environmental criteria. In 2019, we trained our teams on changes to planning requirements which affect how viability is assessed on potential development sites.

Targets and plans

- Source more than 40% of completions from the strategic pipeline
- Increase landbank efficiency – reduce length of short term owned and controlled landbank by c.1 year to 4-4.5 years
- Roll out our new integrated digital platform for assessing and managing sustainability risks at site level