



2020 NextGeneration Sustainability Benchmark Report

Reimagining Healthy Living

What can homebuilders learn from the COVID-19 pandemic?

The UK homebuilding sector's contribution to a sustainable future
nextgeneration-initiative.co.uk





Photo courtesy of
HILL



NEXTGENERATION IS THE ANNUAL
SUSTAINABILITY BENCHMARK OF THE 25
LARGEST HOMEBUILDERS IN THE UK.

CONTENTS

Introduction	02
Foreword	03
Health and Wellbeing in a New Light	04
Flexibility is the Future	05
Build, Build, Build!	09
Value for Stakeholders	10
2020 Benchmark Results	11
Award Winners	15
Innovation Award and Crystal Award	17
References	18

NextGeneration enables homebuilders, Government, registered providers, investors, employees and the public to understand the sustainability of homebuilders’ operations and the new homes they build.

NextGeneration works by inspiring companies to report against a range of criteria - developed in collaboration with the industry for over 15 years - relating to high-quality sustainable homebuilding. The largest 25 homebuilders in the UK are identified based on annual private housing completions and turnover, and are then benchmarked against over 80 sustainability criteria. The NextGeneration benchmark criteria cover the following 15 areas: company strategy and governance, reporting, future proofing, environmental site management, minimum sustainability standards, ecology and urban drainage, energy and carbon, water, waste, transport, procurement, health and safety, community and customer engagement, design and placemaking and economic development.

These focus areas are weighted based on their overall impact in terms of industry best practice and future trends, with design & placemaking currently forming the largest weighted section of the benchmark. The criteria are re-evaluated and updated on a three-year rolling basis to remain pertinent to the ever-evolving sustainability sector, but to still allow homebuilders to benchmark their progress over time. In 2020 the benchmark criteria were released into the public domain for the first time and are available [here](#).

Phase 1 of the benchmark is based on publicly available information and has been a key driver of greater transparency and accountability within the sector. Phase 2 of the benchmark allows members of NextGeneration to present any further evidence of their sustainability performance that is not in the public domain.

By showcasing leading companies, NextGeneration aims to stimulate healthy competition amongst homebuilders and to ultimately encourage them to deliver more sustainable homes and communities.

NextGeneration member companies benefit from:

- Detailed insights into market trends
- A clear understanding of industry best practice
- Enhanced assessments and bespoke reports to help improve their sustainability performance
- Networking and knowledge-sharing events, to aid collaboration and create solutions
- The opportunity to steer the benchmark and develop the benchmarking criteria
- Demonstrating their commitment to sustainability to stakeholders, including local authorities and Homes England

ABOUT
NEXTGENERATION



£33bn annual turnover of benchmarked companies



116,390 new homes completed by benchmarked companies, equalling 66% of UK homes completed



43,957 people directly employed by benchmarked companies



80 criteria assessed



15 sustainability focus areas assessed



16 years of benchmarking

OUR MEMBERS:



Foreword

The COVID-19 pandemic has caused unparalleled devastation throughout 2020 and into 2021, leaving peoples’ lives changed forever. Meanwhile, the homebuilding sector has experienced significant disruption with sites having to close and swathes of employees being furloughed. However, the homebuilding sector has adapted to keep sites open, and there is a proverbial light at the end of the tunnel in the form of a range of vaccines¹.

Pandemics have wreaked havoc on society throughout history, but from this turmoil emerged better homes for future generations. In the 14th century, bubonic plague led to the clearing of overcrowded living quarters and the opening of large public spaces, while in the 19th century cholera and typhoid outbreaks catalysed the development of water and sewage systems². With its robust materials, undecorated surfaces and large windows, modernism, contributed to tackling tuberculosis in the last century with the resulting easy to clean environments. In fact in the 1940s housing was part of the Ministry of Health’s remit³.

BUILD BACK BETTER

Infectious diseases have shaped the built environment for centuries, resulting in improved living conditions for millions worldwide through progressive design changes. Forward thinking homebuilders can use the COVID-19 pandemic as an opportunity to take stock, and consider how the lessons learnt during the pandemic can be used to tackle thematic issues within the homebuilding sector. These include topics

such as health and wellbeing, an aging population and demand for homes outstripping supply. Furthermore, in a world where the risk of pandemics is becoming increasingly severe, creating homes that are more resilient to health crises makes sense^{4,5}.

This report highlights how homebuilders can tackle existing issues within the homebuilding sector using lessons learnt from the COVID-19 pandemic: a renewed focus on wellbeing (pg 4), flexible design to support changing living habits (pg 5) and utilising enhanced building techniques to build more homes (pg 9).

ANALYSIS AND AWARDS

Detailed results and analysis of the benchmark can be found on pages 13 and 14, highlighting areas of strength as well as opportunities for improvement. The awards section on pages 15 to 17 recognises the ongoing efforts of industry leaders to promote sustainability in homebuilding.

Paul McGivern

Modern Methods of Construction Advisor
Homes England

John Alker

Director of Policy and Places
UK Green Building Council

Sophie Walker

UK Head of Sustainability
Building a Better Tomorrow JLL

“

Forward thinking homebuilders can use the COVID-19 pandemic as an opportunity to take stock, and consider how lessons learnt from the past year can help to tackle challenging issues facing the homebuilding sector

Health and Wellbeing in a New Light

Along with its devastating impact on physical wellbeing, COVID-19 and the associated government restrictions have worsened the average person’s mental health (GHQ-12 score) by 8.1% from pre-pandemic levels⁶. 70% of homeowners have also said the design of their home has affected their mental wellbeing during the pandemic⁷. These striking effects have catapulted health and wellbeing from an increasingly important trend, to one that is top of the agenda. According to a JLL survey, the priorities for UK residents are now natural light, proximity to a local park and private outdoor space, with the latter having a 27% increase in participants stating it is “extremely important”⁸. Moreover, the impacts of COVID-19 have not been demographically uniform and have further highlighted how the UK needs to better support home-based healthcare for the elderly. Homebuilders have the opportunity here to increase consumer interest in their homes by improving their healthy living offerings as outlined below, such as through technology and nature.

TECH FOR HEALTH

In the era of interactive technology, there seems to be an app or a widget for anything and everything. With COVID-19 prompting 65% more people to consider their health in day-to-day decision-making⁹, homebuilders can answer this demand through integrating smart health technologies into their homes.

IKEA and its R&D firm SPACE10 developed a new platform ‘EverydayExperiments’, presenting a range of innovative concepts to promote healthy interaction with living spaces¹⁰. Bakken & Bæck’s ‘Home Applications’ set out to ‘teach your old furniture some new tricks’, including a lightbulb to warn the consumer of high air pollution and a blind that opens and closes based on the sun to support a natural circadian rhythm¹¹.

Technology being used today also has the potential to make direct interventions to reduce pathogens at home. UV light has been shown to kill pathogens, including COVID-19¹², and is already being used in some homes. Meanwhile, interior design studio Elicyon has begun installing concealed ventilation in rooms and automatic clothes sanitizing systems in closets at higher end residencies¹³. Like previous smart technologies, these systems are expected to become increasingly mainstream¹².

AGING POPULATION, NEW TECHNOLOGY

With the average age of COVID-19 mortalities just above 80 in the UK¹⁴, the pandemic has highlighted the vulnerability of the elderly. A survey by Elder found that one-in-three over 70s are lonelier in the wake of the pandemic¹⁵. These impacts are already sparking research into approaches to address loneliness in the elderly beyond the pandemic, such as developing innovative technology-based interventions¹⁶.

One of Japan’s largest homebuilders, Sekisui House, introduced The Platform House concept in 2019, inspired by the idea of the average lifespan of a human exceeding 100 years¹⁷. At the start of 2020, the concept’s first initiative HED-net was launched, which monitors residents’ vital data without contact. If irregularities are detected the emergency services are automatically contacted and remotely granted access through the front door¹⁸. In 2018,

22% of all UK deaths were considered ‘avoidable’ given timely and effective healthcare interventions¹⁹, highlighting the need for early detection systems at home.

LOOKING AFTER NATURE TO LOOK AFTER PEOPLE

Yet complex technology is not always necessary to improve wellbeing. In a recent survey by JLL, proximity to a local park and personal outdoor space were two of the top five priorities for residents during COVID-19²⁰. Meanwhile, 66% of respondents to a survey by the University of Cumbria stated they have spent more time in green or natural spaces since government restrictions were introduced, with 67% of them planning to continue this beyond COVID-19²¹. Furthermore, nearly two-thirds of participants agree that wildlife and green spaces are more important than ever to their wellbeing²¹, with people that spend at least two hours in nature a week scientifically shown to be healthier²². However, 12% of households in Great Britain have no access to a private or shared garden, rising to 37% for black residents²³.

And while people have gained a greater appreciation for nature, the health of Britain’s ecosystems continues to suffer²⁴. In recognition of this, upcoming legislation in the form of the Environment Bill will make a biodiversity net gain of 10% for all new developments, maintained for 30 years, mandatory if it gains royal assent²⁵.

Looking after nature is a win-win-win situation for homebuilders; it is a necessity for happy people, the health of the environment and supports future legislation compliance. It is what the people want, has a positive impact on biodiversity and anticipates mounting policy pressure.

Flexibility is the Future for High Quality Sustainable Living

Urbanisation has been an ongoing trend in the UK since the Industrial Revolution²⁶, with urban space becoming an increasingly precious resource. This is particularly relevant as the Minister for Housing, Communities and Local Government aims for the majority of the Government's 300,000 new homes a year target to be built in urban centres²⁷.

Meanwhile, across the UK people have been using their homes more intensively than ever before due to successive lockdowns. Homes have become schools, offices and gyms alongside their primary function as somewhere to live. Besides the pressure of space for development within urban centres, more generally the seismic shift in how we use our homes gives homebuilders the opportunity to tear up the rulebook and innovate by maximising the use of space in the homes they design.

CAN HOMES BE USED MORE EFFECTIVELY?

It seems that homeworking is here to stay, with 53% of employees believing that traditional offices will not exist in 10 years' time²⁸ and 90% of research heads expecting a demand for home offices to increase²⁹. This implies that the demand for flexible living space sparked by lockdown will carry on in the future.

Residents are calling for more flexible design, with 9% of homeowners wanting to change their design to open-plan and 8% wanting more flexible living through rooms that can easily be divided³⁰.

So how can a homebuilder include a more flexible design to ensure they meet their customers' requirements?

Example options include:

- Embracing fold-away furniture, such as fold away tables or a fold-away bed in the spare room
- Providing a kitchen island that works both for entertaining guests and as a desk for working
- Integrating clever storage units such as drawers in steps
- Maximising wall and ceiling storage spaces
- Offering wall-to-wall, full height, sliding doors to enable flexible use of interior spaces ranging from living to sleeping to storage
- Extending a window sill so it can double as a worktop³¹

Further inspiration for flexible home design can also be found on boats and in microapartments around the world, where people have responded creatively to living in tight spaces.

PLUG-AND-PLAY

COVID-19 has caused a seismic shift in how we use our homes, yet major life events such as having children and retirement also change our needs. Creating homes that can grow with their owners allows people to stay in their homes, remain part of their communities for longer and be more resource efficient when they do decide to adjust their home.

An exciting modular home that has initiated this "plug-and-play" home design on a larger scale than previously seen within the UK is House by Urban Splash, which was developed in partnership with Sekisui House and Homes England³². The modular design of the homes allows the customer to select the floor plan and finishes as well as alter parts of the home years into the future as their requirements change³³. An example of this "plug-and-play" design already in practice is at the Port Loop regeneration scheme in Birmingham³⁴. Throughout the life of the property, a carport, home office, "yarden" or allotment can be added or substituted as the homeowner's needs change. This ability for a home to grow and adapt to the incumbents allows them to stay in place longer, building stronger community relationships, alongside homebuilders demonstrating they have the dexterity to provide for many different prospective homebuyers, as opposed to a one size fits all approach.

Photo courtesy of
TELFORD HOMES

FLEXIBILITY IN THE MARKET

Variation in the types of homes built is also important as it provides a range of choices in the market, for different familial structures. With COVID-19 we have seen millennials moving back into family homes or middle-aged adults moving into their parents' homes to care for them. Despite this increased focus, multi-generational living has already been an often overlooked aspect of the market, with a third of UK households sitting in this bracket³⁵. This is predominantly due to adult children living with their parents although the percentage of grandparents living in multi-generational set-ups has increased by 5% since 2016³⁵. Homebuilders can support this demand for multi-generational living by marketing a range of home types within their developments, including multigenerational, student, single and traditional family.

Some design principles that homebuilders can use to create multi-generational homes includes providing separate entrances, creating a bedroom on the main floor so the difference in levels can create a natural separation and building beyond minimum noise standards stipulated within the building regulations.

GREEN SPACES FOR ALL

Provide a private or shared outdoor space incorporating features to support ecology such as bug hotels and indigenous planting

Rationale:

- Proximity to a local park and personal outdoor space were two of the top five priorities for residents during COVID-19²⁰
- Spending at least two hours in nature a week improves your health²²

Benefit: Improved wellbeing, easier to meet the proposed net-biodiversity gain requirements

Relevant NextGeneration Criteria:
6.1.c, 14.2.a, 14.2.c, 14.2.e

DESIGNING FLEXIBILITY INTO A HOME

Provide an extended window sill as a workspace and sliding or moving walls to alter space for different functions

Rationale:

- 300,000 new homes Government aim targets urban centres
- 57% of workers want to WFH at least some of the time after COVID-19³⁶

Benefits: Allows more intensive use of space as more people use their homes for working, learning and getting fit

Relevant NextGeneration Criteria:
14.1.c, 14.2.a

CHANGE AND GROW WITH PEOPLE'S LIVES

Design interchangeable spaces within the home, such as an EV charging station that can be replaced with a home office or an allotment

Rationale:

- Almost three-quarters of homeowners want to improve their homes, ranging from repainting to adding extensions³⁷

Benefits: Improves community bonds as people stay in place, reduces resource consumption if home parts can be recycled, and broadens a homebuilders' offering so it appeals to more potential customers

Relevant NextGeneration Criteria:
11.1.b, 14.1.c

MODERN METHODS OF CONSTRUCTION (MMC)

Integrate MMC into your construction repertoire

Rationale:

- There is an estimated 17.8% increase in winter energy bills if working from home five days a week and a 10.1% increase if working from home three days a week³⁸. However the precision manufacturing of MMC means it is easier to meet "A" rated energy efficiency standards and therefore reduce costs³⁹

Benefit: Reduces customer utility bills

Relevant NextGeneration Criteria:
3.2.b, 3.2.d

SUPPORTING HEALTHY AGING

Consider providing the option of technology to monitor elderly occupants' health, and making the door accessible to emergency services if there is an issue

Rationale:

- 76% of people are worried about their elderly relatives living alone⁴⁰
- In 50 years there is projected to be an additional 8.2 million people aged 65+⁴¹
- "Being independent in my home" is the third most important factor for a good later life according to a survey of 1,400 50+ year olds⁴²

Benefits: People can live in their homes longer, homes will appeal to a wider demographic

Relevant NextGeneration Criteria:
3.1.b, 14.1.c

SMART HEALTH TECHNOLOGY


Automated blinds to encourage healthy sleep patterns, built-in UV light in the kitchen or concealed ventilation in living spaces (e.g. above dining table) for example

Rationale:

- 65% more people consider their health in day-to-day decision-making⁹
- 70% of homeowners said the design of their home affected their mental wellbeing during the pandemic⁷

Benefits: Improves homeowners' health and wellbeing

Relevant NextGeneration Criteria:
3.1.b



What could a healthy and happy home of the future look like?

Build, Build, Build!

The homebuilding sector is walking into a perfect storm with pressures on all sides. COVID-19 has reduced the number of new builds in 2020 by an estimated 56,000⁴³ which is at odds with the Government's target to construct 300,000 new homes per year. Yet, despite the drastic drop in production this year, low rates of construction have been a chronic issue for the homebuilding sector. Pressure is expected to mount due to the construction skills gap and an aging workforce, with 62,000 workers predicted to retire each year⁴⁴ and only 23,000 new apprentices starting⁴⁵.

Construction methods can play a key role in increasing new home build capacity, with MMC being the obvious example. This, coupled with its superior ability to support socially distanced construction compared to traditional methods, means it is a multifaceted opportunity to meet required housing demand and ensure resilience in the event of a future pandemic.

WHAT IS THE GOVERNMENT SAYING?

Modern Methods of Construction (MMC) have been on the Government's agenda for years, with £400 million of funding provided to promote MMC in the 2017 Industrial Strategy⁴⁶. The pandemic has highlighted the benefits of MMC, with multiple Nightingale Hospitals being built in the space of weeks, demonstrating what is possible when financial barriers are removed^{47,48}. Meanwhile, Homes England's strategy is aiming for at least 25% of homes built through the government's £11.5bn Affordable Homes Programme to be built using MMC^{49,50}.

A GREEN AND JUST RECOVERY

Prime Minister Boris Johnson has committed to "build back better, build back greener and build back faster"⁵¹, with a green and resilient recovery from the COVID-19 crisis planned to be at the heart of the UK's COP26 Presidency⁵². In July 2020, £26m was committed to support advanced new building techniques to reduce build costs and carbon emissions, while £10million was reserved to boost state of the art construction tech to support the development of products such as re-usable roofs⁵³. A green recovery is also supported by the public, with 67% of respondents to a survey of 2,178 UK adults by Ipsos MORI stating that failure to tackle pollution and climate change in a post-coronavirus recovery plan is "bad for the economy in the long run"⁵⁴. It stands to reason that MMC has a significant opportunity to be an integral part of the UK's green and resilient recovery.

WHAT DOES LEADERSHIP LOOK LIKE?

Forward-thinking innovators are demonstrating the potential of MMC to deliver positive change. They are shifting the focus from building homes efficiently to creating futuristic and innovative products.

Leadership comes in many guises:

- Maximising the airspace of cities by using **modular construction** to build homes on top of existing buildings⁶⁰.
- Integration of **intelligent technology** and exceptional environmental performance into low carbon modular homes⁶¹.
- Building energy efficient homes in an **energy positive factory**, generating more energy than required to produce the homes⁶².

WHAT IS THE BENEFIT FOR HOME BUYERS?

A range of benefits to using MMC have been reported, such as improved quality of design alongside reducing build time by up to 50% and cutting costs by up to 20%^{55,56}. While other hurdles remain to be cleared, MMC removes several barriers to increasing the number of homes built. Furthermore, the precision manufacturing of MMC makes it easier to meet "A" rated energy efficiency standards³⁹ and therefore potentially the upgrade to Part L of the Building Regulations and the Future Homes Standard, something that will be increasingly important to homebuilders with the rise of homeworking. Homes are estimated to increase their electricity and water consumption on average by 15% and 20% respectively^{57,58}, with an estimated 17.8% increase in winter energy bills for people working from home five days a week and a 10.1% increase for those working from home three days a week³⁸.

In addition, there has been a clear correlation between deprivation and prevalence of COVID-19, in part due to crowded living spaces with many living under the same roof. If homebuilders can harness MMC to build more high-quality homes, this will both improve living conditions, and reduce the spread of pathogens. This is further supported by Project Speed, which includes planning reform to facilitate the construction of homes in town centres⁵⁹.

Value for Stakeholders



HOMEBUILDERS

NextGeneration enables homebuilders to:

- Compare performance against peers
- Demonstrate sustainability credentials to local authorities, investors, staff and customers
- Capture cost-saving opportunities



CUSTOMERS & RPS

NextGeneration encourages homebuilders to:

- Reduce household energy bills through energy-efficient homes
- Improve quality of life through quality housing
- Provide exemplary levels of customer service



LOCAL AUTHORITIES AND COMMUNITIES

NextGeneration rewards homebuilders who:

- Build a range of housing types and mixed tenure communities to serve local people
- Create jobs, improve skills and provide training
- Engage with communities through proactive consultation and collaboration



INVESTORS

NextGeneration helps investors to:

- Identify companies who are managing short and long term risks
- Create opportunities to generate long-term value
- Discern innovative sector leaders with good management and potential for future growth



Photo courtesy of
LENDLEASE

Benchmark Results

OVERALL ANALYSIS

Telford Homes achieve the top position of the NextGeneration benchmark for the first time, a significant improvement since 2011 when they entered the benchmark at 22nd. Telford Homes are further commended for achieving the highest Phase 1 score, based only on publicly available information, reflecting the transparency of their sustainability reporting. Barratt Developments also demonstrate an admirable performance, ascending from fourth to second place, which they share jointly with Lendlease. Meanwhile, Taylor Wimpey move up a place from last year to fourth position. Hill, the latest NextGeneration member, take the 9th place. This is a commendable improvement on their 19th position in 2016, their first appearance on the benchmark.

COMPANY RANKINGS

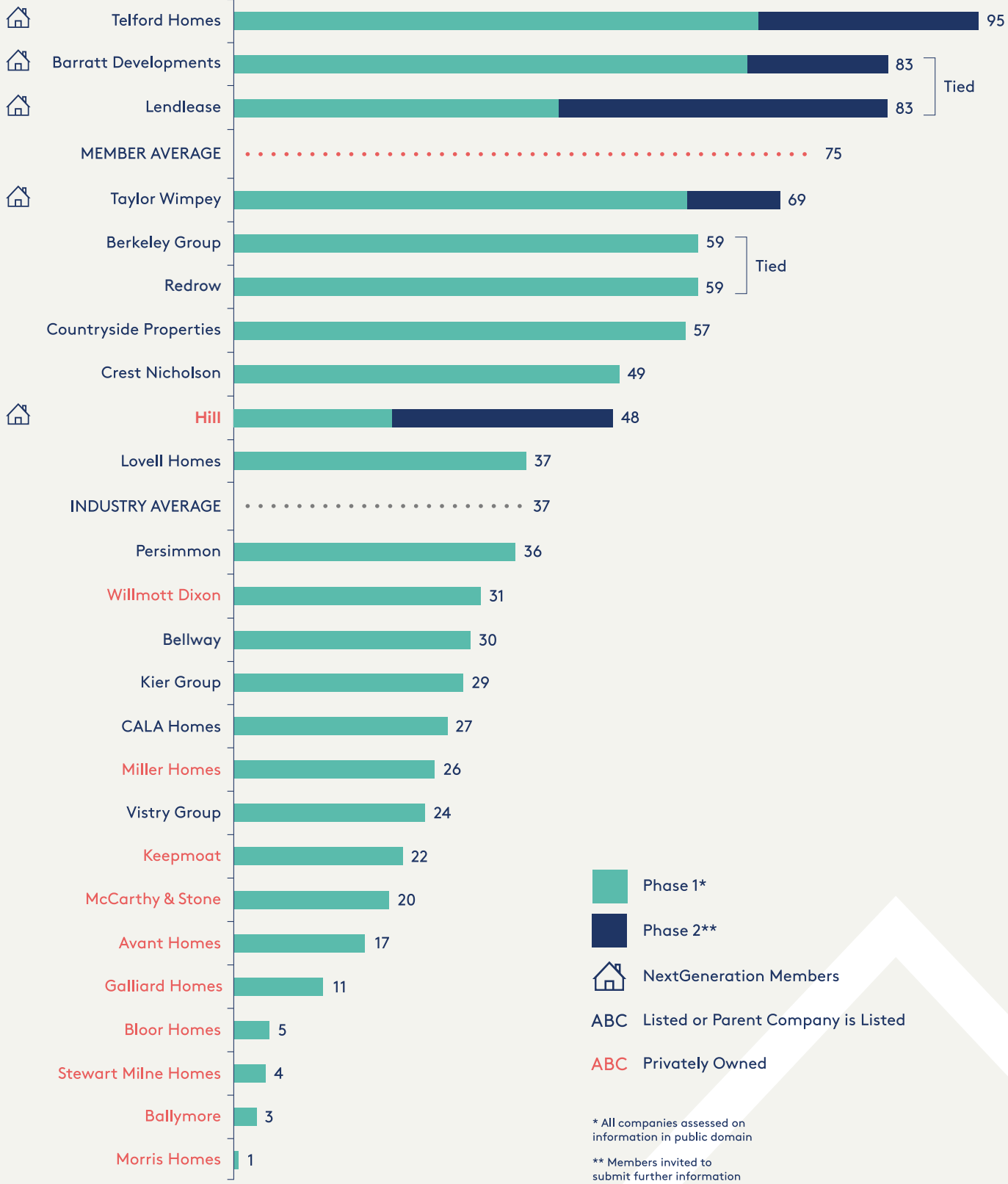
NextGeneration's 2020 rankings indicate a broad range of performances in the homebuilding industry's transparency, action and impact when addressing sustainability challenges. NextGeneration members continue to lead with a member score average of just over double the industry average (75 to 37), reflecting both the benefits of expert advice and peer learning, and the greater disclosure of sustainability information by members to the benchmark. Furthermore, three out of five members are within the five highest scoring homebuilders in Phase 1, based on publicly available information. This highlights the extent to which our members embrace and communicate their sustainability journeys. Increasing transparency around their approach to sustainability allows homebuilders to leverage their investment in governance, environmental and socio-economic initiatives to address the concerns of increasingly demanding stakeholders. We would encourage any developer, listed or non-listed, to engage with initiatives like NextGeneration to improve their transparency, share knowledge with the industry and demonstrate their credentials as sustainable homebuilders.

It should be noted NextGeneration introduced a new scoring system this year, with the publicly available information collected in Phase 1 weighted higher at 60%, while the internal evidence reviewed in Phase 2 accounts for 40% of a homebuilder's final score. This is to recognise the added value of sharing sustainability knowledge within the industry and to encourage homebuilders to further share their sustainability information in the public domain.



Photo courtesy of
TAYLOR WIMPEY

2020 Results





Detailed Results

Two areas where the industry continues to perform:

ENVIRONMENTAL SITE MANAGEMENT

This remains a major priority for homebuilders, particularly in light of a substantial fine issued this year. To improve performance and to reduce risks like this, 33% of assessed homebuilders had an environmental management system certified to an external standard such as ISO 14001.

ECONOMIC DEVELOPMENT

Over a third of assessed homebuilders are now paying their employees and/or requiring their sub-contractors to pay their employees a Living Wage, as defined by the Living Wage Foundation. Moreover, leading homebuilders continue to progress their socio-economic knowledge base, conducting research that seeks to quantify the indirect impacts from their developments.

Two areas where a significant improvement has been identified from last year:

HEALTH AND SAFETY (H&S)

H&S has become increasingly important throughout the pandemic, with the health of homebuilders' employees being more at risk than ever before. 84% of homebuilders are now delivering H&S training according to a developed training program or at least supporting training for on-site contracted operatives. Meanwhile members lead the way when it comes to providing externally audited or certified formal management systems modelled on OHSAS 18001 or the new ISO 45001.

WATER

Over one-third of homebuilders have now introduced targets to reduce water consumption at their sites or offices, improving the average scoring of this criterion from last year. However, it remains to be seen whether homebuilders manage to achieve these in what is a traditionally very challenging issue. With the head of the Environmental Agency, Sir James Bevan, warning of a UK water crisis looking likely in 25 years, consumption pressures on homebuilders can be expected to intensify⁶³.

Two areas that homebuilders continue to find challenging in 2020:

ENERGY AND CARBON

16% more homebuilders have introduced some form of a target to reduce energy consumption or GHG emissions than last year, now at 68%. Despite this, there is still insufficient action being taken to decarbonise homes, with homebuilders scoring at least 67% more on average for criteria in the benchmark relating to their corporate energy and carbon performance compared to their home performance. With increased homeworking likely following the pandemic, resulting in higher heating bills, it is likely that energy efficiency will rise up the priority list for homebuyers.

MINIMUM SUSTAINABILITY STANDARDS

Only one of the UK's twenty-five largest homebuilders was able to score full marks on their sustainability standards this year. Doing so involves having in-house sustainability design standards applied to all homes built, going beyond building regulations for carbon and water efficiency, and developing standards covering three other sustainability-related issues. Upcoming policy looks to set new minimum standards, such as the expected 2025 ban on new build gas boilers and the Future Homes Standard⁶⁴.

Two areas where homebuilder performance has decreased since last year:

ECOLOGY AND URBAN DRAINAGE

As in 2019, homebuilders have been engaging with external organisations on the development of biodiversity policies, strategies or initiatives. However, there remains a lack of robust impact measurement following the provision of green or blue infrastructure. If the upcoming Environment Bill gains royal assent, a biodiversity net-gain of 10% will become mandatory in the planning system for all new developments²⁵. By engaging with net-gain now, homebuilders can prepare for the upcoming policy changes while providing a healthier environment for their customers.

TRANSPORT

Beyond our members, only 20% of homebuilders have an internal procedure to ensure sustainable transport provision is considered when procuring land. With the government-imposed ban on the sale of new petrol and diesel cars from 2030, homebuilders need to be providing infrastructure that supports the reduction of car dependency while supporting low emission vehicle ownership in their developments.

Award Winners

Top performing companies in the NextGeneration benchmark are awarded Gold, Silver, and Bronze awards. Beyond helping companies communicate their efforts and accomplishments to customers, these awards enable stakeholders to identify sustainability leaders in the residential sector.



NextGeneration also presents awards for innovation and transparency. The winners of these awards can be seen on the following page.



“Throughout this unprecedented year, continuing to shape and refine our Building a Living Legacy strategy has been more important than ever; helping us to better understand the materiality issues when balanced against the evolving policy landscape and societal shifts in attitudes. We are delighted that our dedication and progress has been continued to be recognised by the NextGeneration sustainability benchmark.”

Andrew Day, Sustainability Director, Telford Homes



“In a year where the world has changed beyond prediction, a green recovery is central to government focus. Legislation is evolving and the sustainability bar has been raised for us all. The recently confirmed Future Homes Standard is pushing all housebuilders further and we look forward to seeing how NextGeneration and its members respond.

The pandemic hasn’t slowed Barratt’s pace in driving our sustainability agenda. In 2020, we were the first national housebuilder to publish approved science-based targets and we announced other ambitious commitments including: 100% of our own electricity to be from renewable sources by 2025; ensure new homes to be zero carbon by 2030; and by 2040 to achieve net zero carbon emissions across all of our direct operations.”

Sarah Pratt, Head of Corporate Sustainability, Barratt Developments



“At Lendlease we know how important sustainability is to our customers and partners. We’ve recently announced ambitious new targets and released our Roadmap to Absolute Zero Carbon, which demonstrates exactly how seriously we take that work. We know it won’t always be easy but we will continue to make tackling climate change a top priority.”

Paul King, Managing Director, Sustainability and Social Impact, Lendlease Europe



“At Taylor Wimpey we want to be part of the solution to the environmental crisis and to play our part in protecting our world for future generations. In our new environment strategy, we will be committing to challenging, measurable targets based on science, to making changes in the way we work, and to reducing our footprint on the earth.”

Ian Heasman, Director of Sustainability, Taylor Wimpey



Innovation and Crystal Award Winners



Introduced in 2019, the Crystal Award recognises the highest performing homebuilder during Phase 1 of the benchmark, where homebuilders’ publicly available information is assessed. The winner of the Crystal Award places clearly stated sustainability targets, performance data and case studies in the public realm, giving stakeholders a detailed understanding of the company’s strategic approach and the positive change they are delivering on the ground.

We are delighted to announce the winner of the 2020 Crystal Award is Telford Homes. At a time when companies’ impact on the planet and society is subject to increasing scrutiny, crystal clear communication to external stakeholders is critical.



This year, the Innovation award is awarded to Hill for their inspiring and forward-thinking ‘Solohaus’ accommodation scheme for the homeless.

Designed as a philanthropic project to celebrate the company’s 20th anniversary, £12 million was pledged for the gifting of 200 specifically designed modular homes. Built and delivered by Hill, the homes are safe spaces to help people rebuild their lives successfully. What began as a one-off project has transformed into a social enterprise in its own right, as local authorities around the country queue up for a much-needed solution. It demonstrates the potential for the homebuilding sector to use its expertise to make a positive and lasting difference to some of the most vulnerable in society.



References

1. <https://www.gov.uk/government/news/moderna-vaccine-becomes-third-covid-19-vaccine-approved-by-uk-regulator#:~:text=and%20licensing%20guidance-,Moderna%20vaccine%20becomes%20third%20COVID%2D19%20vaccine%20approved%20by%20UK,safety%2C%20quality%20and%20effectiveness%20standards>
2. <https://www.sciencedirect.com/science/article/abs/pii/S2210670720305710>
3. <https://hdawards.org/archive/background.html>
4. <https://www.theguardian.com/world/2020/dec/29/who-warns-covid-19-pandemic-is-not-necessarily-the-big-one>
5. [https://www.thelancet.com/journals/laninf/article/PIIS1473-3099\(20\)30123-7/full-text](https://www.thelancet.com/journals/laninf/article/PIIS1473-3099(20)30123-7/full-text)
6. <https://www.ifs.org.uk/uploads/The-mental-health-effects-of-the-first-two-months-of-lockdown-and-social-distancing-during-the-Covid-19-pandemic-in-the-UK.pdf>
7. <https://www.architecture.com/knowledge-and-resources/knowledge-landing-page/riba-homeowner-survey-happiness-through-design-executive-summary>
8. <https://residential.jll.co.uk/insights/research/housing-needs-and-resident-preferences-across-europe-during-covid-19>
9. <https://www.gsk.com/en-gb/media/press-releases/covid-19-prompts-increased-focus-on-self-care-with-europeans-taking-their-health-more-seriously-to-relieve-pressure-on-healthcare-systems/>
10. <https://www.everydayexperiments.com/>
11. <https://bakkenbaeck.com/case/everyday-experiments>
12. <https://www.sciencedaily.com/releases/2020/12/201214164328.htm>
13. <https://www.christiesrealestate.com/blog/smart-house-healthy-you-the-future-of-wellness-technology/>
14. <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/adhocs/12376averageageofdeathmedianandmeanofpersonsw hoseathwasduetocovid19orinvolvedcovid19bysexdeathsregistereduptoweekending2october2020englandandwales>
15. <https://www.elder.org/the-elder/survey-on-elderly-loneliness/>
16. <https://ghrp.biomedcentral.com/articles/10.1186/s41256-020-00154-3>
17. <https://www.sekisuihouse.co.jp/pfh/en/>
18. https://www.sekisuihouse.co.jp/library/english/topics/detail/_licFiles/afield-file/2020/01/08/20200108_en.pdf
19. <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/causesofdeath/bulletins/avoidablemortalityinenglandandwales/2018>
20. <https://residential.jll.co.uk/insights/research/housing-needs-and-resident-preferences-across-europe-during-covid-19>
21. <http://insight.cumbria.ac.uk/id/eprint/5639/1/Nature%20Connection%20and%20Covid%20TL.pdf>
22. <https://www.nature.com/articles/s41598-019-44097-3>
23. <https://www.ons.gov.uk/economy/environmentalaccounts/articles/oneineighbritishhouseholdshasnogarden/2020-05-14>
24. <https://nbn.org.uk/stateofnature2019/>
25. <https://www.gov.uk/government/publications/environment-bill-2020>
26. <https://onlinelibrary.wiley.com/doi/full/10.1111/ehr.12964>
27. <https://questions-statements.parliament.uk/written-statements/detail/2020-12-16/HLWS654>
28. <https://www.raconteur.net/workplace/15-minute-city/>
29. <https://www.savills.com/impacts/market-trends/the-impact-of-covid-19-on-real-estate.html>
30. <https://www.architecture.com/knowledge-and-resources/knowledge-landing-page/riba-homeowner-survey-happiness-through-design-executive-summary>
31. <https://www.ashsak.com/projects/peabody-housing>
32. <https://www.urbansplash.co.uk/family>
33. <https://www.housebyurbansplash.co.uk/configure/play-mode/409037?q=11137>
34. https://s3-eu-west-1.amazonaws.com/us-website-content/Downloads/port-loop/Port_Loop_Manifesto_Screen.pdf
35. <https://www.aviva.com/newsroom/news-releases/2020/09/1-in-3-homes-are-multi-generational/>
36. <https://yougov.co.uk/topics/economy/articles-reports/2020/09/22/most-workers-want-work-home-after-covid-19>
37. <https://a.rpassets.com/downloads/rated-people-home-improvement-trends-report-2020.pdf>
38. <https://www.theguardian.com/business/2020/oct/04/working-from-home-in-uk-over-winter-will-add-100-to-fuel-bills>
39. <https://www.gov.uk/government/speeches/modern-methods-of-construction>
40. <https://www.plextek.com/wp-content/uploads/2016/07/The-future-of-connected-home-health.pdf>
41. <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/august2019#:~:text=The%20UK%20population's%20growth%20rate,any%20year%20since%20mid%2D2004.&text=In%2050%20years'%20time%2C%20there,size%20of%20present%2Dday%20London>
42. https://laterlife.ageing-better.org.uk/resources/cfab_lli_2015_ipsos_mori_report.pdf
43. <https://www.knightfrank.co.uk/research/london-report/2020-04-27-new-private-housing-delivery-set-to-stall>
44. <https://www.constructionleadershipcouncil.co.uk/wp-content/uploads/2016/10/Farmer-Review.pdf>
45. <https://www.redrow.co.uk/newsroom/national/2019/4/-/media/a61c66e436704f-839b2ad74965bb0b7.ashx>
46. <https://www.gov.uk/government/publications/industrial-strategy-the-grand-challenges/industrial-strategy-the-grand-challenges>
47. <https://www.pbctoday.co.uk/news/modular-construction-news/nightingale-hospital-exeter/82220/>
48. <https://www.pbctoday.co.uk/news/modular-construction-news/mmc-for-health-care-education/84689/>
49. <https://www.gov.uk/government/speeches/robert-jenricks-speech-to-chartered-institute-of-housing-cih-2020>
50. <https://www.gov.uk/guidance/apply-for-affordable-housing-funding>
51. <https://www.gov.uk/government/news/build-build-build-prime-minister-announces-new-deal-for-britain>
52. <https://www.gov.uk/government/speeches/building-back-a-green-and-resilient-recovery>
53. <https://www.gov.uk/government/news/pm-commits-350-million-to-fuel-green-recovery>
54. <https://www.cen.uk.com/polling>
55. <https://www.mckinsey.com/business-functions/operations/our-insights/modular-construction-from-projects-to-products>
56. <https://www.arup.com/perspectives/publications/research/section/how-modern-methods-of-construction-can-deliver-more-through-the-planning-system>
57. <https://www.shellenergy.co.uk/blog/post/how-lockdown-has-impacted-energy-and-broadband-usage>
58. <https://www.mdpi.com/2071-1050/12/20/8732/pdf>
59. <https://www.gov.uk/government/news/pm-a-new-deal-for-britain>
60. <https://www.apexairspace.co.uk/about-airspace-development/>
61. <https://www.projectetopia.com/system-working>
62. <https://fertighaus-weiss.de/unternehmen/nachhaltigkeit/plusenergiewerk/>
63. <https://www.gov.uk/government/speeches/escaping-the-jaws-of-death-ensuring-enough-water-in-2050>
64. <https://www.gov.uk/government/consultations/the-future-buildings-standard>



Diseases have shaped how we live for centuries and COVID-19 is no exception. It has highlighted essential changes that must be made to create healthier and happier homes, aligned to a net zero carbon and nature positive future. This report sheds light on both how homes should be designed to be pandemic resilient and how COVID-19 learnings can help solve long-term sustainability challenges, such as aging populations and the climate crisis. We are proud to be a part of the NextGeneration benchmark, which provides a clear roadmap for homebuilders to deliver positive environmental and social impacts and throw the sector's weight behind the global effort to reimagine a healthy, sustainable future.

Sophie Walker, UK Head of Sustainability,
Building a Better Tomorrow, JLL



COVID-19 turned the world upside down in 2020, forcing governments, businesses and households to completely re-think what it is that we all want, need and value. In this context it's no surprise that personal health, flexible space and access to nature have become key themes for the housebuilding industry. Despite COVID – and in some ways spurred on by it – the climate and ecological crisis has also remained high on the agenda as we look ahead to a crucial COP26. With this highly complex backdrop, NextGeneration provides a dose of clarity for housebuilders, a timely reminder of what constitutes best practice and the importance of a comprehensive and robust approach to sustainability.

John Alker, Director of Policy and Places, UKGBC



COVID-19 has had a significant impact on the housebuilding industry which has directly affected the completion of new homes across the country. Homes England has worked closely with the sector and colleagues in government to support the industry to build back its capacity. We'll continue to work with our partners to support the economic recovery, build high quality homes and places for healthy living and help deliver the Government's Build Back Better agenda. NextGeneration further supports this by highlighting best practice and encouraging greater sustainability transparency across the homebuilding sector. We are pleased to see the members and wider industry increasing their adoption of Modern Methods of Construction, not only to boost their supply chain capabilities but also to help support the objective of sustainable development.

Robert Stone, Technical Director, Homes England

Homes England

One Friargate
Coventry
CV1 2GN
0300 1234 500
www.gov.uk/homes-england

UK Green Building Council

26 Store Street
London
WC1E 7BT
020 7580 0623
www.ukgbc.org

JLL

30 Warwick Street
London
W1B 5NH
020 7399 5822
www.jll.co.uk

The UK homebuilding sector's contribution to a sustainable future



Homes
England



© 2021 JLL. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, including photocopying or recording, or by any information storage and retrieval system, without permission from the copyright holders.

The findings, interpretations and opinions expressed in this report are those of the authors and do not necessarily reflect the opinions of member companies of NextGeneration. We take reasonable steps to check the accuracy of data presented in this report, however, no warranty is made as to the reliability or completeness of this report and it should not be relied upon as the basis for professional or financial advice.

Designed by JLL, Upstream Sustainability Services

