

CONTRACTOR SUSTAINABILITY REQUIREMENTS

Doc No: BLL 1.0
Issue: Rev 2
First Review: June 2021
Checked:

1.0 PURPOSE

Telford Homes' ambition is to become the leading Build to Rent developer in the UK with a focus on building sustainable communities and creating rewarding opportunities. Being a valued partner to landowners, housing associations, local authorities and communities, build to rent investors and our supply chain is a key part of our strong brand reputation, as is looking after everyone who works for us.

During the construction of new homes and communities we procure products and services and operate in communities that impact on the environment, society and local economies. When making procurement decisions we are committed to ensuring value for money, while minimising, so far as is possible, negative environmental, social and economic impacts. Built by passionate people and strong relationships, our ambition of significantly increasing our output of homes is underpinned by a philosophy of operating responsibly and efficiently.

To reinforce our commitment to operating in a sustainable way we launched our *Building a Living Legacy* (BLL) sustainability strategy in 2016. It underpins our commitment to creating places that stand the test of time and we are dedicated to making a positive long term contribution to London's built environment. Under the strategy, we have developed a Living Legacy framework to help manage our four priority areas and supporting targets, where we believe we can have the greatest positive impact. This also included the publication of our BLL Roadmap out to 2030, which highlights critical interim milestones on our journey to become a net zero carbon developer by 2030 amongst other ambitious goals.

This document forms part of our *Building a Living Legacy* suite of standards and procedures. This Standard for Sustainability establishes the minimum requirements and expectations that must be met by all contractors that work with us. It is designed to bring together all of the requirements of our sustainability policies and management systems in one central point of reference, thereby ensuring that clear and consistent principles and practices are implemented across all of Telford Homes' construction sites.

2.0 REQUIREMENTS

The requirements and expectations outlined in this section have been structured against the four principles of our Sustainability Strategy; Living Legacy; Balanced Resources; Creative Building Solutions and Smart Business.

This Standard will be reviewed on at least an annual basis, or more frequently as required, to take account of changes to legislation, regulation and industry best practice.

2.1 BEING A GOOD NEIGHBOUR

Telford Homes places great emphasis on fostering positive relationships with the local community in the areas we operate. We strive to maintain a high standard of housekeeping on all our projects and within the immediate vicinity of our site entrances. We are mindful that our operations by nature can give rise to nuisance elements with noise and traffic impacts and seek to address these impacts through the following measures.

2.1.1 WORKING HOURS

Telford Homes generally operates a policy of working from 08:00 – 18:00 Monday to Friday. Saturday working hours are not normally implemented unless there is prior agreement with site management and necessary council approvals. Working hours and any permitted noise levels will be agreed with the Local Authority through a Section 61 Consent Agreement. Contractors working on behalf of Telford Homes will be expected to agree to the working hours as agreed in the Section 61 Consent.

2.1.2 CONSIDERATE CONSTRUCTORS SCHEME

Telford Homes commits to the Considerate Constructors Scheme (CCS) across all of our developments. We target an average annual score of 42 across each development and expect our contractors to act accordingly in supporting us with this ambition. This will involve abiding by the scheme's Code of Considerate Practice which is designed to encourage best practice beyond regulatory requirements. Projects will generally receive a visit from a CCS monitor twice a year. We would also recommend our subcontractors register with the CCS as a supplier.

2.1.3 CLOCS AND FORS

Telford Homes requests that our suppliers operating vehicles to and from our developments should be compliant with the Fleet Operator Recognition Scheme (FORS). FORS is a voluntary accreditation scheme for fleet operators which aims to raise the level of quality within fleet operations, and to demonstrate which operators are achieving exemplary levels of best practice in safety, efficiency, and environmental protection.

Companies are expected to comply with the Construction Logistics and Community Safety (CLOCS) standard. It represents a united response to improve road safety across the industry and greater social responsibility. Companies should provide acceptable evidence of CLOCS compliance where requested by Telford Homes.

2.2 AIR QUALITY

2.2.1 PLANT

Air pollution is one of the most significant challenges facing London. As such, it is imperative that we are mindful of the pollutants such as NOx and particulates that are emitted from our diesel plant on site. Telford Homes requests that our contractors comply with the Non-Road Mobile Machinery (NRMM) Emissions Regulations. This considers all mobile construction plant on site (e.g cranes, generators fork lifts). It is also a requirement of the GLA the current standards are stage IV for construction machinery operating in the Central Activities Zone and Opportunity Areas (including Canary Wharf) and stage IIIB in the rest of London.

Stages IIIB and IV have not been defined for machines with constant speed engines, such as generators. This means that these machines will need to meet stage V. Stage IV has also not been directly defined for variable speed engines smaller than 56 kW. In most cases these engines will need to meet stage V if they are in the Central Activities Zone and Opportunity Areas (OAs).

Plant should also be well maintained and inspected regularly to ensure that there is no black smoke or hydraulic leaks.

2.2.2 MATERIALS

Telford Homes are mindful to use materials that minimise the impact of emissions in the homes we build to ensure we are creating healthy places that promote well-being. As such, contractors should be aware that paints and varnishes should be of a variety that has a low Volatile Organic Compound (VOC) content. In addition to this, textiles and wooden flooring should be of a variety that minimises the release of formaldehyde. Telford Homes may request specifications for products used to ensure compliance in this area.

2.3 ECOLOGY AND BIODIVERSITY

Contractors shall comply with all protected species legislation and Tree Preservation Orders (TPOs) on site. Ecology issues specific to the site and relevant to the works occurring should be discussed during the tender process and periodically once on site.

Adequate protection must also be given to watercourses and other ecological features on or near site, where these are at risk from the contractor's works. Any landscaping works should be timed to occur outside of bird nesting season, or be signed off in advance by an ecologist.

It is now a mandatory requirement for all Telford Homes schemes to be biodiversity net positive, this was outlined on our 2030 roadmap published in 2020. Contractors should also look for opportunities to enhance biodiversity on site where practicable, during the construction stage to meet with our biodiversity positive aspirations. Where a Biodiversity Action Plan is in place, contractors should make themselves aware of its requirement and contents.

All schemes must implement one of the following Blue, Green, Brown roofs to assist with surface runoff and enhance biodiversity and wellbeing.

2.4 WASTE

Telford Homes places great emphasis on fostering positive relationships with the local community in the areas we operate. We strive to maintain a high standard of housekeeping on all our projects and within the immediate vicinity of our site entrances. We are mindful that our operations by nature can give rise to nuisance elements with noise and traffic impacts and seek to address these impacts through the following measures.

2.4.1 WORKING HOURS

Contractors are to work with Telford Homes in progressing towards our 2024 ambition to send zero waste to landfill. Telford Homes expects contractors to comply with the waste management hierarchy when managing waste on site. This identifies the most preferred options for managing waste ranging from prevention as a preferred option to the least desirable option of disposal at landfill. In particular, all contractors shall comply with the following, where applicable:

- Take measures to minimise the use of material resources and the production of waste. This can be achieved through, for example, efficient design, logistics, stock control, the use of prefabricated / pre-sized materials, minimised packaging, correct storage and protection of materials on site, and efficient construction techniques.
- Maximise the on-site re-use and recycling of site construction, demolition and excavation waste, where feasible.

Contractors (and their sub-contractors, where relevant) responsible for storing and / or removing waste from site shall maximise the off-site re-use, recycling or recovery of construction, demolition and excavation waste. Waste should only be sent to landfill as a last resort if there is no reasonable alternative disposal route.

Contractors should also follow the Waste Duty of Care requirements as part of the Environmental Protection Act 1990. They should ensure that they are using licensed waste carriers and ensure the waste disposal site has the appropriate permit. This information should be made available to Telford Homes upon request.

2.4.2 SMARTWASTE

Telford Homes utilises the BRE SMARTWaste online tool to log and track waste movements and arisings across all our developments on a monthly basis. Contractors will be expected to make their waste information (waste tickets / weighbridge / permits licenses) available to facilitate this data entry process. They may also be required to directly input waste data onto SMARTWaste on behalf of a project. Where this is required, a contractor user profile can be created to facilitate this process.

2.4.3 WASTE TARGETS

Telford Homes has the following annual waste targets in advance of our 2024 zero waste to landfill requirement which we expect our value chain to assist us in achieving:

- Divert 98% of construction waste from landfill
- Divert 95% of excavation and demolition waste from landfill
- Reduce our annual construction waste intensity by 3% (tonnes/100m³)

BALANCED RESOURCES

2.5 ENERGY AND CARBON

Contractors shall take reasonable measures to reduce the climate change impacts of their site activities, including their construction works, welfare and office activities. Where the contractor is supplying welfare units, 'eco' ranges should be selected. Contractors shall record their consumption of energy (e.g diesel) sources at least monthly from the commencement of their time on site so this can be logged on the company SMARTWaste online portal.

Contractors shall encourage their operatives to travel to work in a sustainable manner, such as by public transport, bicycle or car / van sharing. This could be achieved by providing incentives to staff, awareness raising or providing staff with information on local public transport routes.

Subcontractors are encouraged to report their company emissions through the free to use Supply Chain Sustainability Carbon Tool which is a cloud based sustainability performance reporting system, which has been specifically designed to be used for supply chain management: <https://uk.sustainabilitytool.com/>. Contractors should be aware that we have an annual target to reduce our water consumption by 3.8% (m3 per 100m2).

2.6 WATER

Telford Homes has a target to reduce our annual site water consumption by 3.8% (m3/100m2). Contractors shall take reasonable measures to reduce the volume of water used in their site activities, including their construction works, welfare and office activities. This could be achieved by raising staff awareness, use of efficient plant and equipment or use of more water efficient construction. Where the contractor is supplying welfare units, 'eco' ranges should be selected.

2.7 MANAGEMENT SYSTEMS

Telford Homes operates an Environmental Management System certified to ISO 14001 and a Safety Management system certified to ISO 45001. Telford Homes gives a preference to procuring environmentally sustainable materials and services and we encourage our contractors to have their own systems in place to manage sustainability risks and impacts such as an environmental / sustainability policy and an environmental management system. We encourage our contractors to consider progressing towards these certification standards for their internal processes and procedures whilst also ensuring they adhere to Telford Homes procedures.

Telford Homes are certified against ISO 9001 (Quality Management Systems). We would actively encourage our supply chains to explore certification options against these standards.

2.8 MATERIALS

2.8.1 MATERIAL EFFICIENCY

External walls used should give due consideration the thermal efficiency. Windows should be considered that are filled with argon gas and low-emissivity coatings which minimises heat loss.

2.8.2 BES 6001 RESPONSIBLE SOURCING OF CONSTRUCTION PRODUCTS

Telford Homes would like our contractors to ensure their construction materials and manufacturers are certified against BES 6001. BES 6001 is a BRE standard that enables construction product manufacturers to ensure and then prove that their products have been made with constituent materials that have been responsibly sourced. The standard describes a framework for the organisational governance, supply chain management and environmental and social aspects that must be addressed in order to ensure the responsible sourcing of construction products.

2.8.3 GREEN GUIDE & EMBODIED CARBON

Contractors are reminded that Telford Homes submit whole life carbon assessments with all our planning applications. This data will be monitored throughout the project lifecycle from concept design and updated as detailed product specifications become apparent. A large proportion of the emissions from the built environment are associated with the embodied carbon of the materials used, the majority of which is associated with steel and concrete. Contractors are encouraged to advise Telford Homes of solutions that lower the embodied carbon impact of a scheme. Preference will be given to those solutions that utilise products with better EPD (Environmental Product Declarations).

The Green Guide is part of BREEAM and contains more than 1500 specifications used in various types of building. The environmental rankings system it uses are based on Life Cycle Assessments (LCA), using BRE's Environmental Profiles Methodology. This data is set out as an A+ to E ranking system, where A+ represents the best environmental performance / least environmental impact, and E the worst environmental performance / most environmental impact. Telford Homes may make certain performance rankings a requirement when specifying materials used in the permanent works.

2.8.3 FSC PEFC TIMBER

Telford Homes strives to ensure all timber is sustainably sourced in addition to procuring all timber and wood-based products from known and legal sources. We express a strong preference for all wood-based products to be either FSC or PEFC certified. Where these are not available, source the products in partnership with organisations which have chain of custody procedures in place and that can demonstrate that the forests from which the timber originates are legally managed and are committed to improving forest management practices.

2.9 ETHICAL SOURCING AND MODERN SLAVERY

The Modern Slavery Act 2015 requires Telford Homes to prepare an annual Modern Slavery and Human Trafficking Statement which is available to view on our website. As a business, we are committed to reducing the risk of modern slavery or human trafficking in all parts of our business and supply chain. We require our supply chain to adopt similar policies and have mechanisms to ensure that no modern slavery or human trafficking take place in their business operations. This information should be made available to Telford Homes upon request through the Builders Profile Pre-Qualification portal. Telford would encourage Contractors to avail themselves of the wealth of Modern Slavery resources and training available on the Supply Chain Sustainability School website.

2.10 RECYCLED CONTENT

With the ever increasing focus on progressing towards a circular economy and moving away from traditional linear take/make/disposal model, the amount of recycled material used in construction components is of increasing significance. As such, Telford Homes may request the recycled content as a percentage in some of the major construction components used in the permanent works. Typically when used as a reporting metric requirement, recycled content is reported as a percentage (%) of the material value (£).

2.11 BREEAM

Telford Homes aims for BREEAM 'Excellent' ratings on all its schemes with non-residential buildings. BREEAM is a sustainability assessment method for masterplanning projects, infrastructure and buildings. It recognises and reflects the value in higher performing assets across the built environment lifecycle from new construction to in-use and refurbishment. Where there are BREEAM requirements on a Telford Homes project, contractors may be asked to provide evidence in order to obtain certain credits (e.g performance reports, or technical specifications).

2.12 INNOVATION

Telford Homes runs an internal innovation forum which is held quarterly and is attended by representatives from a range of departments across the business. This is an open forum where new technology and ideas are tabled for consideration and suitability for the business. If contractors have any innovative ideas they are encouraged to request that these are tabled for consideration at these quarterly meetings.

2.13 APPRENTICES AND SKILLS

Telford Homes realise the significance of the growing skills shortage across our industry and have a comprehensive trainee programme across a range of disciplines and roles as part of our legacy planning. On a site-specific basis as part of Section 106 or other planning commitments, we may expect our supply chain to employ a certain number of apprentices for various trades relevant to their scope of works where this has been made a requirement during the planning stage. Telford Homes have a very thorough trainee programme with a fresh intake every year.

2.14 LONDON LIVING WAGE

Telford Homes pays all our direct members of staff the London Living wage as defined by the London Living Wage Foundation. This is currently a voluntary requirement, however as a London based developer we are mindful that the Mayor is a champion of the London Living Wage and we would encourage our supply chain to follow suit.

2.15 LOCAL LABOUR

On a site-specific basis as part of Section 106 or other planning commitments, there may be local requirements for the use of local labour which will normally be defined within a certain catchment area from the site or borough. Where applicable, contractors are expected to provide employment opportunities to local people to aid the Telford Homes in meeting these requirements.

2.16 TRAINING AND SUPPLY CHAIN SUSTAINABILITY SCHOOL

Telford Homes is a partner of the Supply Chains Sustainability School and is also represented on the homes leadership group. We would encourage all our value chain to register and make use of the free online e-learning resources and bespoke sustainable development action plans that are available. As part of this process, it is possible for members to progress through their development plan to attain bronze, silver and gold levels of membership with the school which underlines improvement in process and knowledge.

2.17 NextGeneration

Telford Homes are members of the NextGeneration benchmark. NextGeneration is a membership based scheme, consisting of many of the UK's largest homebuilders, overseen by a high-level Executive Committee. It allows the industry to understand what opportunities and risks the sustainable housing agenda presents through benchmarking performance. At Telford Homes, we aim to maintain our Gold level ranking. As part of this process, we may request evidence from our contractors on an annual basis as part of the verification step. More information on the scheme can be found in the link: <https://nextgeneration-initiative.co.uk/>