

Construction





Construction



As a house builder, the construction process is the most visible impact we have on local communities, society and the wider environment. From the initial planning and consultation stages of a development, all the way through to the day-to-day management of the construction site, we work responsibly and in partnership with local communities, suppliers and our contractors.





Planning

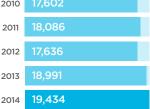
Bellway buys land with and without the benefit of detailed planning permission. Where sites are progressed through the planning process, we work closely with both local councils and the local residents to arrive at a scheme that is beneficial to the community, while at the same time enhances the local environment. We do this by combining the talents of the in-house teams with expert external consultancy.

Inclusive Planning

We are committed to an inclusive planning approach. This includes involvement with local communities through neighbourhood workshops, exhibitions, newsletters and interactive websites, all assisting to build positive relationships with key stakeholders.

PLOTS WITH IMPLEMENTABLE DPP (DETAILED PLANNING PERMISSION) 2010 17.602

NUMBER OF OWNED AND CONTROLLED



Engagement

While these measures help to secure detailed planning permissions for sensitive and challenging sites, we never lose our focus on the new communities being developed. By engaging with local people we can provide new homes and facilities to blend within the community, creating cohesion between old and new.

2014/15 Commitment

- We are committed to investing in the local infrastructure of the community where we develop and we will report annually on all our Section 106 and Community Infrastructure Levy contributions.
- We will consult with local communities and local authorities before we submit a planning application. Feedback received as a result of the consultation process will be, where appropriate, incorporated into the development proposals.

Case Study

Community Consultation

Bellway Homes acquired a former MOD Munitions Store known as Killingworth Stores in December 2013. Following the Second World War and the subsequent decommissioning, the site was occupied by the NHS and utilised as a distribution and storage warehouse. This use ceased some time ago and since then the site has remained vacant, falling into a state of disrepair and considered by many in the local community to be a blight on the surrounding area.

Prior to the submission of a planning application for the redevelopment of the site, Bellway sought the views of local politicians, the local community and key stakeholders involved in the decision making process. A series of meetings took place with Council Officers, the local Parish Council and the local Ward Members prior to an open walk-in public exhibition event and a subsequent public meeting.

The information gathered from the local community and the key stakeholders as a result of the consultation process was subsequently fed into the final scheme. In particular the local residents and the local parish council were instrumental in arguing for a less 'engineered' access arrangement, traffic speed reduction schemes and also ensuring that a proportion of the s106 funding was to be spent in their local community.

Research and Development - Sustainable Construction



Our house types and construction processes are constantly evolving as we seek to improve methods and respond to the demands and desires of our customers and stakeholders. Potential sites are diverse in their character and environment and this offers the opportunity for the research and development of new systems, products and processes to help improve the efficiency of the build process.

House Types

Based on feedback from our customers, we are developing a range of new standard house types that respond to purchasers' aspirations and local planning authority requirements. The designs also allow us to reduce CO2 and other greenhouse gas emissions associated with developing new homes.

Owners of these new standard house types will benefit from a range of sustainable developments such as improved insulation and energy efficient lighting. Photovoltaic roof panels are used to achieve renewable energy on identified sites and where renewable technologies are employed, we seek to ensure they are accessible for future maintenance.

Materials

We review the products and building materials we use on a regular basis for improvements, efficiencies and environmental benefits. Where feasible and cost effective, alternatives products, materials and processes are used which have increased benefits during the construction phase as well as longer term benefits for the purchasers and the wider community. By making a small change, such as replacing art stone with glass reinforced concrete, we reduced the weight of our building materials, dramatically reducing associated transport costs and pollution as well as lowering the number of site based health and safety risks. In addition, using the alternative material also improves durability, ensuring that the long-term maintenance costs to purchasers are reduced.

We complement this type of internal knowledge and development through consultations with our stakeholders, purchasers, supply chain members and statutory bodies to ensure that we are directing our focus on the areas that yield a return for the business with due consideration to CR issues.

2014/15 Commitment

We will investigate at least 3 new commercially available sustainable building products to assess their design and build performance.

Procurement and Supply Chain Management



At Bellway we aim to create sustainable long term relationships with our suppliers and sub-contractors. Procurement is controlled using a central supply chain function and supported by divisional teams. The system establishes standard national procurement arrangements for the majority of main construction products, with our divisions also able to utilise local suppliers where appropriate. This centralisation of the procurement process also helps to maintain competitive pricing levels.

Supplier Relationships

We are committed to selecting suppliers whose products and services exhibit the lowest possible social and environmental impact. One of the main principles of our supply chain management system is to service sites via local suppliers, helping to both reduce carbon emissions on material transport and also employ people from local communities.

The relationships we form with our supply chain members help us to ensure that company policies are adhered to, current procurement levels are maintained, and that we are compliant with legislative requirements and planning requirements.

We rely on our supply chain to support our reputation for high standards. We believe that the development of long-term relationships helps us to achieve this, demonstrated by the large proportion of our suppliers and contractors who have worked with us for more than three years – over 4,500 in 2013/14.

Prompt Payment Code

We are members of the Prompt Payment Code, recognising our commitment to paying our suppliers within clearly defined terms. Our processes ensure that we not only pay suppliers on time, but also provide them with clear guidance and encourage good practices.

Sustainability

Our aim is to constantly improve the quality and sustainability of our houses and we have achieved this in a number of areas. Timber is sourced from managed stewardship forests accredited to PEFC¹ or FSC², white goods (ovens, refrigerators, dishwashers and washing machines) are energy A rated or better and 95% of all water fittings are accredited to the Water Regulations Advisory Scheme (WRAS)³.

1 The Programme for the Endorsement of Forest Certification (PEFC) is an international non-profit, non-governmental organization dedicated to promoting Sustainable Forest Management (SFM) through independent third-party certification.

2 The Forest Stewardship Council (FSC) is an international not-for-profit, multi-stakeholder organization established in 1993 to promote responsible management of the world's forests.

3 The Water Regulations Advisory Scheme (WRAS) is a conformance mark that demonstrates that an item complies with high standards set out by water regulations promulgated in 1999 in the United Kingdom.

2014/15 Commitment

We will ensure that 100% of the timber used in the construction process continues to be sourced from sustainable wood.

Case Study



Recycling within the Supply Chain

Our supplier of underground drains uses an innovative technology called Recycore to create a multi layered pipe that reduces the use of virgin materials. The pipes are manufactured using 50% recycled material (sourced from old PVC window frames, pipes and fascia boards), reducing the amount of virgin PVC-U used. In the last year Bellway has saved over 200 tonnes of virgin PVC-U by moving to the Recycore product.

Wood Procurement Policy

Bellway's aim is to ensure that all wood products used by the Company in the housebuilding process originate from verified well-managed forests.

The cornerstone of this policy requires our suppliers to ensure that the timber supplied is produced in compliance with current laws and forest practice codes in the country concerned. Timber must not be taken from ancient forests or other high conservation value forests, unless the forest area is certified according to the Forest Stewardship Council's principles and criteria or an equivalent system.

The following considerations guide our purchasing:

- To ensure we produce a quality product for our customers, we fairly assess all purchased wood for its quality, quantity and point of origin.
- We specify in orders and contracts that suppliers must provide evidence that timber and timber products have been lawfully obtained from forests or plantations that are being sustainably managed. Acceptable certification includes Forestry Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody.
- This policy has been communicated to all Bellway's timber suppliers. Bellway will continue to review its procurement policy in-line with its commitment to continue enhancing its environmental management systems.

Construction Waste



Careful management of resources ensures that we are able to work in harmony with the environment, while realising cost and efficiency savings which benefit our wider business, customers and stakeholders.

Waste Strategy

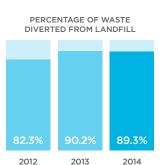
Our primary objective on every development is to prevent waste in the first instance through a comprehensive waste management strategy. This begins with the planning and design process, filtering down through the management of the construction process and across the lifetime of the development.

This planning strategy is initiated in the design of the structures, where issues are considered such as storey heights to minimise plasterboard waste and standardised components for more effective use on developments.

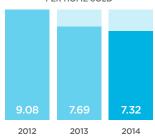
Following this, our buying departments determine the materials to be used, with specific product knowledge such as packaging requirements, transportation and methods of storage all being considered.

Our commercial departments also review previous experience with sub-contractors, taking into consideration waste segregation rates and compliance with waste management requirements. This expertise is crucial when planning our waste management strategy. By the time work commences on the site, waste has been minimised using these elimination and reduction techniques, thereby reducing our costs and streamlining our material storage requirements.

Each divisional office reports all the waste generated on sites and data is used to monitor the effectiveness of our waste management processes as well as to calculate carbon emissions from waste. This information is used in external communications and audits, as well as to help improve future waste processes.



TONNES OF CONSTRUCTION WASTE PER HOME SOLD



Construction Waste

Waste Performance

The figures in the table below show the breakdown of waste by category for the financial years 2011/12, 2012/13 and 2013/14.

Waste Category	11-12 (tonnes)	12-13 (tonnes)	13-14 (tonnes)	+/- (tonnes) (12-13 to 13-14)	+/- (%) (12-13 to 13-14)
Timber (t)	3,997	4,153	5,222	+ 1,069	+ 25.7%
Aggregates (t)	12,261	9,258	8,624	- 634	- 6.8%
Plasterboard (t)	2,468	2,373	2,596	+223	+ 9.4%
Mixed metals (t)	242	174	286	+112	+ 64.1%
Mixed waste (t)	27,868	27,206	33,303	+ 6,097	+ 22.4%
Electrical (t) ¹	49	108	3	- 105	- 97.2%
Hazardous (t)	563	186	123	- 63	- 33.9%
Total (t)	47,448	43,458	50,157	+ 6,699	+15.4%
Recycled (t)	39,066	39,181	44,784	+ 5,603	+14.3%
Recycled (%)	82.3%	90.2%	89.3%	- 0.01	- 0.9%
Homes Completed	5,226	5,652	6,851	+ 1,199	+ 21.2%
Waste (t) per Completed Home	9.08	7.69	7.32	- 0.37	- 4.78%

1 The significant drop in electrical waste was due to electrical contractors retaining their own waste for recycling off-site.

Analysing this data allows us to establish how well we are managing waste and provides the opportunity to ensure that: • the method of segregating timber, plasterboard and mixed waste is consistent

- aggregates have been used on site to reduce waste levels
- compactable and electrical waste segregation continues to improves
- the use of hazardous products is continuously reduced

2014/15 Commitment

We will increase recycling rates on construction sites from the existing 89% level through improved planning, purchasing and management.

We will aim to introduce a maximum of 3 waste management contractors across all divisions to improve waste management data and investigate further diversion rate improvements.

Case Study

Waste Management

Waste management on construction sites can be a complex issue with a variety of materials feeding different waste streams, coupled with alternating methods of segregation and disposal.

Our North West region has recently appointed a new waste management contractor who has provided a range of services to streamline this complex waste management process.

Pre-start visits are made to each site to ensure waste management is factored into the development process at an early stage, with toolbox talks undertake with site workforce and management. Skip specific waste reporting has been introduced, along with hazardous waste management and waste management performance reporting. On-going performance continues to be monitored, with the focus on waste reduction through education and better on-site practices, prior to rolling out good practice on sites across the country.

Bellway4Good

Construction Site Management



We believe that good health and safety, customer care, and build quality are essential in achieving high standards across all aspects of the business. Bellway's site managers play a vital role in delivering these high standards.

Site Managers

Site Managers undertake a wide range of diverse and demanding duties and their wealth of technical knowledge makes them an essential asset to the business. They are encouraged to perform at the highest level by providing a friendly and supportive environment in which to work. The highest standards in construction quality, safety and customer care are required from our colleagues and they are trained and encouraged to achieve this. To develop a culture of excellence, we provide incentives to our award winning site managers, recognising their exceptional work and promoting enthusiasm and a committed workforce.

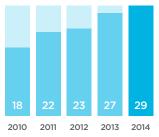
Awards

In 2013/14, Bellway site managers won nine NHBC Health and Safety Awards, with four site managers also achieving the prestigious 'Highly Commended' accolade, demonstrating their continued drive and passion for improvement and excellence. In addition, a member of our specialist Health and Safety Team won the NHBC National Award for Health and Safety Specialist Leadership.

Bellway also won a total of 34 awards for the quality of our homes. These included 29 NHBC Pride in the Job Awards, 4 of which were then recognised for the highly acclaimed NHBC Seal of Excellence Award and 1 of which went on to be named as a Regional Winner. We are very proud to have been recognised with these highly prestigious awards, which give independent recognition of our high construction standards.



NHBC (NATIONAL HOUSE-BUILDING COUNCIL) PRIDE IN THE JOB AWARDS



2014/15 Commitment

We will continue to develop a best practice approach to dust suppression on site, monitoring continual improvement to minimise the health risks and rolling out best practice guides to 100% of sites.