

SUSTAINABLE DEVELOPMENT & REFURBISHMENT



INTRODUCTION

When seeking to create our Sustainability Strategy for 2009-12, we reviewed the impacts of our business and, with input from our stakeholder panel, defined the following issues as most material to the operational area of Property Development and Refurbishment at PRUPIM:

- Energy consumption and carbon emissions
- Water consumption
- Materials and responsible procurement
- Construction waste
- Community relations, regeneration and investment
- Land use and ecology
- Pollution
- Building operation and design
- Transport impacts and accessibility
- Supplier management.

This report contains an evaluation of our performance in relation to these issues.

The information provided in this report should enable stakeholders to gain an objective understanding of PRUPIM's performance, as well as assisting us to identify areas where we can improve our performance. This report is divided into two main sections:

- Overview of trends in key performance indicators
- Evaluation of progress against 2008 sustainability targets.

The information presented in this report has been prepared for us by Upstream Sustainability Services, a business unit of Jones Lang LaSalle Ltd and hereafter referred to as Upstream. This report is intended to provide an external, balanced and transparent review of PRUPIM's performance in relation to Sustainable Property Development and Refurbishment. For more information about Upstream's role in the report preparation, please see their Advisor's Statement.

OVERVIEW OF TRENDS IN KEY PERFORMANCE INDICATORS

Trends in our key Sustainable Property Development indicators have been analysed since 2007 and are presented in the table below:




Key Performance Indicators (what we measured)	How we performed		Our comments
	2007	2008	
Proportion of completed developments on brownfield ¹ land.	71% by area	100% by area	Four projects were completed in 2008. All of these were completed on land that was entirely brownfield (i.e. 100% of the project area).
Proportion of completed development projects registered under the Considerate Constructors Scheme ² .	100%	100%	Four projects were completed in 2008. Unfortunately, information from the development of new offices at 20 Churchill Place was not available and therefore it was excluded from the analysis of this indicator. A further 11 development projects were in construction phase during 2008 and were registered under the Considerate Constructors Scheme. In 2009 we have committed to achieving a minimum average score in the Considerate Constructors Scheme of 32 out of 40 over the course of the project for all new developments and refurbishments.
Total community contributions through planning agreements with local authorities (including Section 106) ³ .	£278,422	£373,000	The amount of community contributions we make through planning agreements is subject to the number of planning approvals that go through in any one year, and also depends on the type of developments we are submitting for approval. In 2008, four projects contributed almost £400,000 to local communities via Section 106 Agreements. These funds supported a number of initiatives relating to provision of local training, transportation and amenities.
Significant pollution incidents and fines or penalties from the Environment Agency.	0	0	We believe that pollution incidents can be avoided by following environmental management procedures and we ensure that these are in place at all our developments. We also expect the same standards of our principal and sub-contractors who undertake work on our behalf.



- 1 PRUPIM uses the following government definition of brownfield land to inform this indicator: "that which is or was occupied by a permanent structure and associated fixed surface infrastructure".
- 2 The Considerate Constructors Scheme (CCS) is a national scheme created by the construction industry to improve its image. All sites registered with the Scheme are monitored by an experienced industry professional to assess their performance against the eight point Code of Considerate Practice which cover three main areas: the environment, the workforce and the general public. For more information visit www.considerateconstructorsscheme.org.uk
- 3 Section 106 of the Town and Country Planning Act 1990 allows a Local Planning Authority to enter into a legally binding agreement or planning obligation with a landowner in association with the grant of planning permission. The obligation is termed a Section 106 Agreement. This agreement is a way of delivering or addressing matters that are necessary to make a development acceptable in planning terms and are increasingly used to support the provision of services and infrastructure, such as highways, recreational facilities, education, health and affordable housing.



EVALUATION OF PROGRESS AGAINST 2008 SUSTAINABILITY TARGETS

We set ourselves two Sustainable Property Development targets to achieve by the end of 2008. The level of progress achieved toward each target has been established by reviewing the evidence of achievement provided by PRUPIM to Upstream. The methodology Upstream used to assess progress toward each target is:

Target fully achieved.	Evidence that target was 100% achieved.	
Target partially achieved.	Evidence that some progress has been made towards achieving the target.	
Target not achieved.	No evidence available to suggest that any progress has been made towards achieving the target.	

Based on the criteria described above, in 2008 we fully or partially achieved 100% of the two targets due to be completed by the end of 2008.

Our progress toward each target is described in detail in the table below:

2008 Target	What we did	Assessment
Launch the 'Responsible Development Strategy' in 2007, and monitor every development project's compliance with the strategy during 2008.	In 2007 we launched our Sustainable Development Framework and in 2008 we also developed a Sustainable Refurbishment Framework. These form the basis of our sustainable development strategy and are at the heart of the development process. In 2008 all seven ⁴ applicable development projects utilised the Sustainable Development Framework as a basis for decision-making by introducing a series of sustainability issues for the design and construction teams to consider and where possible develop solutions to address. Some recent examples of the sustainability measures implemented at a selection of our development and refurbishment projects can be found in our 2008 Sustainability Report and on our website.	
Independently verified BREEAM assessments (final design stage) will be undertaken on all projects with a construction spend in excess of £5 million with the intention that a rating of "very good" be obtained as a minimum.	In 2008 all six ⁵ applicable development projects were subject to BREEAM assessments. Five of these are currently working towards a target to achieve a rating of "very good" whilst one project has a target to achieve a rating of "good".	

In 2009 we launched a new Sustainability Strategy to reflect the changing regulatory climate and the expectations of our stakeholders. In accordance with this new strategy we have established a series of new targets and KPIs to support the accomplishment of our long-term commitments, which are outlined in our 2008 Sustainability Report.

During 2009, we will be focusing on implementing this strategy and ensuring that the necessary monitoring and reporting systems are in place to achieve our goals.



- 4 Of the remaining eight development projects active in 2008, seven had commenced before the launch of the Sustainable Development or Refurbishment Frameworks. It was considered inappropriate to apply the Framework to the eighth project (at Festival Park in Hanley) due to the size and nature of the project.
- 5 Of the remaining nine development projects active in 2008, six had a construction spend of less than £5 million and therefore fall outside the scope of this target. The remaining three projects were associated with asset classes that are not currently covered by an applicable BREEAM standard e.g. hotels.

See more at www.prupim.com/about/sustainability