



Impact Report

2017-18

UKGBC Limited

Company Registration Number 01029239

Charity Registration Number 1135153



Foreword

This has been a very significant year for UKGBC as we celebrated our tenth anniversary, launched a new brand, and restructured our Board. I want to personally thank Andrew Gould for his leadership as UKGBC's Chairman (2014-2017), and Patrick Bellew and Steven Boyes for their service as UKGBC Trustees. I am delighted that David Partridge, Managing Partner of Argent, agreed to take up the mantle as our new Chairman, and that a number of high calibre new Trustees also came on board. I look forward to working with them all, alongside the hugely committed staff and contractors that make up the UKGBC home team, as we embark on the next decade of UKGBC's mission.

Having published our Ambitions for 2027, we are particularly focused on the impact we hope to achieve over the years ahead. We present here our stand alone Impact Report but I am pleased that this year, for the first time, this document is available as part of an integrated annual report alongside a set of financial results for the year just gone.

The environment within which we seek to achieve change continues to be challenging. Despite welcoming the ambitious tone of several key policy announcements this year, Brexit continues to dominate the political agenda as we push for greater certainty and detailed policy frameworks. Businesses in the built environment sector face growing uncertainty and significant risks, which provides a challenge for any organisation reliant on membership fees.

In spite of these, I would highlight several key achievements this year including:

- Launching our first State of Sustainability in the UK Built Environment interactive infographics
- Positive political engagement, with Ministerial attendance at several of our Parliamentary events, and plenty of opportunities for members to feed into central Government policy

- A much stronger presence in regional cities around the UK, with a particular emphasis on Manchester, Birmingham and Bristol
- The graduation of our 100th Future Leader, and our most diverse cohort yet of Future Leaders embarking on the 2018 programme
- Full refresh of our award-winning Learning & Development opportunities which reached over 3,500 professionals throughout the year
- Launch and dissemination of several high quality research outputs and toolkits, and four peer to peer member forums to facilitate knowledge sharing
- Roll out of our very first Innovation Lab alongside high calibre partners
- Welcoming 27 new members into our network, and four new Gold Leaf members
- Stable financial results, with a £14k surplus on our unrestricted activities enabling us to maintain our Trustees' stated reserves policy

It is encouraging that our movement continues to gather momentum, a crucial driver for which is the growing association between sustainability and value. As always, I am grateful for the support and active engagement of our members, with whom we look forward to working together for a better built environment.

Julie Hirigoyen
CEO, UKGBC

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Who we are



UKGBC is an industry-led network with a mission to radically improve the sustainability of the built environment. A charity with over 400 member organisations spanning the entire value chain, we represent the voice of the industry's current and future leaders who are striving for transformational change.

We inspire, challenge and empower our members, helping them to identify and adopt the most sustainable, viable solutions. We also engage our members in advocating a progressive message to government, informing and influencing policy.

Our Vision is a built environment that enables people and planet to thrive by:

- Mitigating and adapting to climate change
- Eliminating waste and maximising resource efficiency
- Embracing and restoring nature and promoting biodiversity
- Optimising the health and wellbeing of people
- Creating long-term value for society and improving quality of life

Our charitable objectives are:

- To dramatically improve the sustainability of the built environment by radically improving the way it is planned, designed, constructed, maintained and operated ("Improving sustainability")*
- To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education")*
- To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness")*

* These are the activities as defined within the Financial Statements

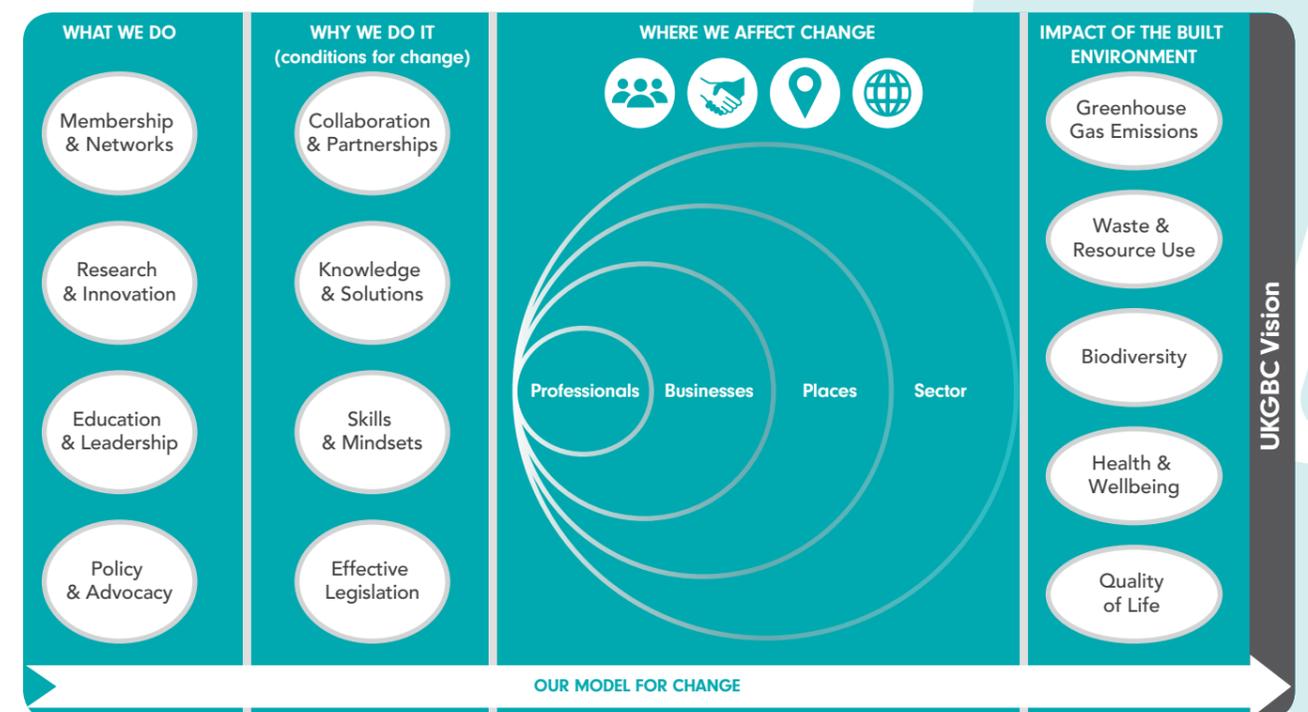
Our model for change

The model below demonstrates how the activities which we undertake create the right conditions for change in the built environment system, which enables us to affect change at different levels, namely:

- Professionals
- Businesses
- Places
- The Sector as a whole

In the past we have structured our Impact Report around our activities and reported largely on 'what we do'. This year, for the first time, we have structured this report around the four levels above, in order to focus more clearly on the change which we are affecting through our activities.

This is enabled in part through the results of an end-of-year Member Impact Survey, which generated 100 responses from members. For the first time we asked structured questions designed to understand the extent of the causal relationship between progress our members are making, and their engagement with UKGBC. Extracts from the survey are included throughout this report, but the full set of results and comments will inform our work on an ongoing basis.



With thanks to Envoy Partnership for supporting our work in this area.

Impact level – Professionals



OUR 10 YEAR AMBITIONS

- Raising awareness of sustainability amongst all built environment professionals
- Deepening technical knowledge
- Cultivating purpose-led leaders in our member organisations

ACTION

- Complete refresh of the UKGBC learning portfolio. New e-learning courses, a webinar series and a more interactive format for face-to-face events – all went live in October
- Ongoing success of leadership programmes, with the graduation of our 100th Future Leader and 249 active participants across all leadership networks
- New learning programme, 'Second Nature Live' – focusing on Birmingham Women's and Children's Hospital
- Learning delivered to 3,513 professionals (excluding bespoke courses), a more than four-fold increase on previous year
- New peer-to-peer member forums to facilitate knowledge sharing on rating tools, infrastructure, construction, and university research
- 41 learning events delivered

41
learning events
delivered to
3,513
professionals

IMPACT

In our recent Impact Survey we asked a number of questions designed to understand to what extent UKGBC has enabled or supported members, as professionals, to catalyse positive change. The results were encouraging.

We asked members about a range of different actions that would indicate how effective they felt, as professionals, in driving sustainability:

- Amongst those who felt most positive about their own efforts, a large proportion of them – 72% – cite UKGBC as a significant support and enabler*
- The biggest impact UKGBC has in this area is on an individual professional's efforts to share knowledge. Of those who most strongly identified themselves as actively sharing sustainability knowledge, 79% felt UKGBC had a significant supporting and enabling role
- On average, 28% of members did not feel able to answer positively about their own role in driving sustainability. This demonstrates how there is still much to be done

These results are consistent with our ongoing monitoring:

- We are pleased that 51% of fee-paying members participated in our education courses & leadership programmes this year but that leaves almost half whom we need to more actively engage
- Of those trained, 95% reported an increase in knowledge

* Participants were shown five metrics about their own sustainability actions and behaviours. Those who said they 'Strongly agree' with a metric were then defined as feeling 'positive about their own efforts' for that metric. On average, across the five metrics, 72% of those feeling 'positive about their own efforts' then gave UKGBC a score of 4 or 5 out of 5 when asked about the extent to which they had been 'enabled or supported' by UKGBC for the metric in question.

"As I have seen throughout my career, it is often the actions of individual members of staff that can drive the sustainability aspirations of an entire organisation. UKGBC provides networking and support opportunities for those individuals so that they don't feel like they are a lone voice."
Emma Davies, Cambridge City Council

"The Sustainability in the Built Environment course reinforced the concepts of sustainability I practice in my role but rarely take the time to think about holistically. I especially liked the weekly digest which made it easy to learn. I've recommended the course to colleagues and would do so to anyone else. Great work UKGBC!"
Karl Desai, JLL

"Future Leaders has connected me with an inspiring group of like-minded professionals who have encouraged me to redefine my role in sustainability. It has expanded my thoughts on leadership and innovation, giving me tools to develop and sell ideas, and has empowered me to picture an exciting career ahead."
Vanessa Wall, AECOM

"The dynamics and engagement of the learning team and participants in the Second Nature Live Learning Programme has been key to deepen my own knowledge and perception of sustainable development. We're all getting outside our comfort zone which makes this programme so successful in my view."
Gabriela Costa, SWECO



Impact level – Businesses



OUR 10 YEAR AMBITIONS

- Growing the membership
- Strengthening member engagement
- Tracking corporate sustainability commitments of members
- Supporting the business case for sustainability

IMPACT

Our Sustainability 360 process, which we provide for Gold Leaf members, has demonstrated the progress being made over the last couple of years, with growing levels of commitment at the corporate level. We built on this in our Member Impact Survey, asking a broader sample of members whether their organisations were making strategic commitments on a range of key sustainability topics.

Importantly for our own evaluation of impact, we also asked questions designed to understand whether UKGBC had enabled or supported businesses to make such commitments.

- The most commonly made commitment was to incorporate a moral or social purpose within the company vision. 70% had a commitment in place, and a further 23% were planning to introduce one
- Also prevalent was a health & wellbeing strategy (a total of 81% either committed, or planning a commitment) and – arguably quite surprisingly – a commitment to science based targets (a total of 79% either committed, or planning a commitment)
- The least commonly made commitment was to no net biodiversity loss, or net environmental gain. Only 16% had a commitment in place, although 33% were planning to introduce one

On the whole these results are positive. However, more challenging for UKGBC is to demonstrate the link between our own activities and the commitments our members are making at the corporate level. For members where there was a commitment in place:

- On average almost a third credited UKGBC with having an enabling impact on having made their corporate commitments
- This figure rises to approximately half when including those members who felt UKGBC had a ‘medium’ enabling impact*
- It is perhaps not surprising to see that the most frequently cited areas in which UKGBC has played a significant supporting or enabling role (for members who have commitments in place, or planned) are for health & wellbeing, and embodied carbon – two areas that have been a strong programmatic focus for UKGBC in recent years

These results present reasons for feeling encouraged, but also ample evidence that we can make further improvements to the way in which we offer support to, and challenge, our member businesses.

* A ‘significant’ enabling impact is considered to be 4 or 5 out of 5, while ‘medium’ enabling impact is considered to be 3 out of 5

ACTION

- Launch and dissemination of several high quality research outputs, including Delivering Low Carbon Infrastructure and Capturing the Value of Sustainability
- Completed ‘Sustainability 360s’ for 50 Gold Leaf members and published an aggregated summary report of progress, Leading the Way
- Delivered a Wellbeing Lab for Retail, helping member businesses take action on health and wellbeing. #WellbeingForRetail reached 225,415 different people
- Launched a new website and invested in social media communications to provide easier access to information and resources
- Worked with 5 members to deliver tailored learning solutions to their staff, winning the 2018 CIBSE Learning & Development Award for our tailored learning programme with Landsec
- Improved our average ‘member engagement score’ by 20%
- Increased the number of active member contacts from approximately 3,500 to 4,500

Number of active member contacts: c. 3,500 → 4,500

#WellbeingForRetail reached 225,415 different people

“It was great to be a part of ‘Capturing the Value’ which was professionally facilitated by UKGBC, who succeeded in getting organisations to collaborate towards solving an important challenge. This report can help the industry become more sophisticated in quantifying and understanding the benefit of sustainable business practices and ultimately aid in decision making to lead to a better built environment.”
Steven Kellett, Argent LLP

“The measurement of our new business purpose strategy will adopt some of the metrics identified in UKGBC’s ‘Capturing the Value’ report. UKGBC’s ongoing work and support will be instrumental in helping GVA to live and demonstrate our brand purpose.”
Jon Gibson, GVA

“UKGBC’s Sustainability 360 gave us welcome new insights and we will use them to stretch ourselves as a business.”
Emily Hamilton, Grosvenor Britain & Ireland

“By taking part in the UKGBC Wellbeing Lab we now have a greater understanding of the specific requirements regarding physical working space for employees in the retail sector. The lessons we learnt are being fed into our company wide Plan A commitment to launch an improved health & wellbeing framework providing support to M&S colleagues on physical and mental health as well as social wellbeing.”
Zoe Young, M&S



Impact level – Places



OUR 10 YEAR AMBITIONS

- Forging strong relations between cities and members
- Influencing local government policy
- Impacting large scale regen projects
- Building local networks across the UK

IMPACT

Undoubtedly the highlight for this impact area was commitments made by Mayor of Greater Manchester, Andy Burnham, to introduce a zero carbon policy; deep retrofit strategy; and public authority tenancy of energy efficient buildings. This met several of UKGBC's key policy recommendations.

However, this relatively new area of work has perhaps been less visible for many in the membership, which was probably reflected in our Member Impact Survey results:

- We asked members about their perception of UKGBC's success at forging relations with local authorities, which members rated on average 3.2 out of 5 (1 being very unsuccessful and 5 being very successful).
- On the question of whether we had been successful at informing ambitious, consistent local government policy, members scored us 2.9 out of 5, although many members commented about the challenging scale of this task.
- Members gave UKGBC 3.1 out of 5 for our influence over large projects, to help demonstrate best practice in sustainable placemaking. This is actually higher than anticipated given this is a relatively new area of work, and additional comments made by members suggest this relates to the very positive response to our recent work on social value.

"Congratulations on the recent Social Value report and successful execution of the project up to the launch which was a great event. It's a fantastic report and I am delighted to have been involved with the Task Group."

**Lisa Greenhalgh,
Saint-Gobain**

"The UKGBC housing standards playbook is a very useful resource, particularly the section on viability, which is our biggest issue."

Local Authority Planning Officer

"Influencing policy at a local or national level is only possible if the political will exists. UKGBC's work on cities and regions is making important headway."

Sarah Ratcliffe, Better Buildings Partnership

"I really value UKGBC's positive contribution in Greater Manchester. Their roundtable generated a lot of constructive ideas, many of which were the subject of discussion at the Green Summit. I look forward to UKGBC playing a key role as we now move through into detailed policy development and implementation."

Andy Burnham, Mayor of Greater Manchester



ACTION

- Launch of a new Cities Programme, to build relationships and partnership between UKGBC private sector members and local government
- Major new research and policy outputs, including Retrofit and Regeneration Task Group report; Social Value Task Group report; and Sustainability Standards in New Homes policy playbook
- A growing presence in target cities, with a particular emphasis on Manchester, Birmingham and Bristol
- A key role as the Buildings Lead in the Greater Manchester Green Summit
- 8 regional events
- 2 Mayoral roundtables
- 14 one-to-one meetings with local and combined authorities
- 28 local or combined authorities directly engaged in Cities Programme

8

Regional events

28

Local or combined authorities directly engaged in Cities Programme

Impact level – Sector



OUR 10 YEAR AMBITIONS

- Influencing national policy
- Supporting innovation
- Measuring the sector's progress

IMPACT

Evaluating the success of political advocacy can be challenging. But we are heartened by several developments this year:

- Encouraging commitments made to carbon reductions from buildings in the Government's Clean Growth Plan
- Help-to-Buy mortgages in Wales to be assessed against the home's energy efficiency rating, thanks to LENDERS consortium involving UKGBC & partners

We asked members in our Impact Survey how much they value our advocacy activities and how successful we had been at positively influencing national built environment policies, regulations, and sectoral strategies:

- Members clearly value our policy and advocacy work, averaging 4.0 out of 5 (with 1 being no value, and 5 being highly valued), which is the highest score for any of our core activity areas
- However, members judged our ultimate influence to be modest at 3.4 out of 5 (with 1 being very unsuccessful and 5 being very successful), which is not surprising given a fairly challenging political context, which was reflected in members' comments

We asked members about our innovation activities, designed to support sectoral change, and it was a similar story:

- Members value our innovation activities, at 3.8 out of 5
- Our ultimate success at 'inspiring and supporting the creation of sustainable innovations which address market failures' is more modest, at 3.2 out of 5

However, we are encouraged that 11 start-up/corporate relationships have been brokered as a result of the Innovation Lab, the results of which have not yet been fully disseminated.

ACTION

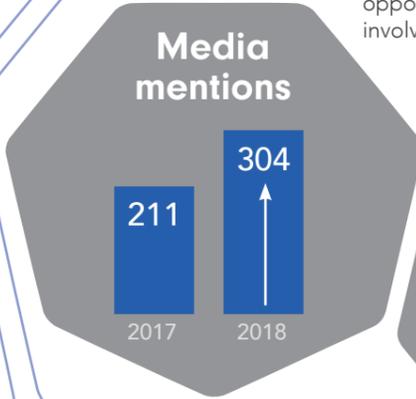
- Launch of our first ever 'State of Sustainability in the UK Built Environment' interactive infographics, aimed at collating the most robust and reliable data that exists for the five themes covered by our Vision
- State of Sustainability – 4,651 web views
- Positive political advocacy, including ministerial engagement and opportunities for members to get involved
- 11 separate opportunities for members to participate in national government advocacy (in letters, workshops etc) – more than double the previous year
- Delivery of the Innovation Lab, including a series of activities to cultivate open source innovation and connect members to start up innovators
- 59 organisations engaged and 168 innovations identified as part of the Innovation Lab
- Increased our media profile for our campaign priorities – with 304 media mentions (up from 211 last year)

"These are tough times to be a catalyst for change. Holding the line, keeping the flag flying and highlighting success are achievements in themselves."
Sunand Prasad, Penoyre & Prasad

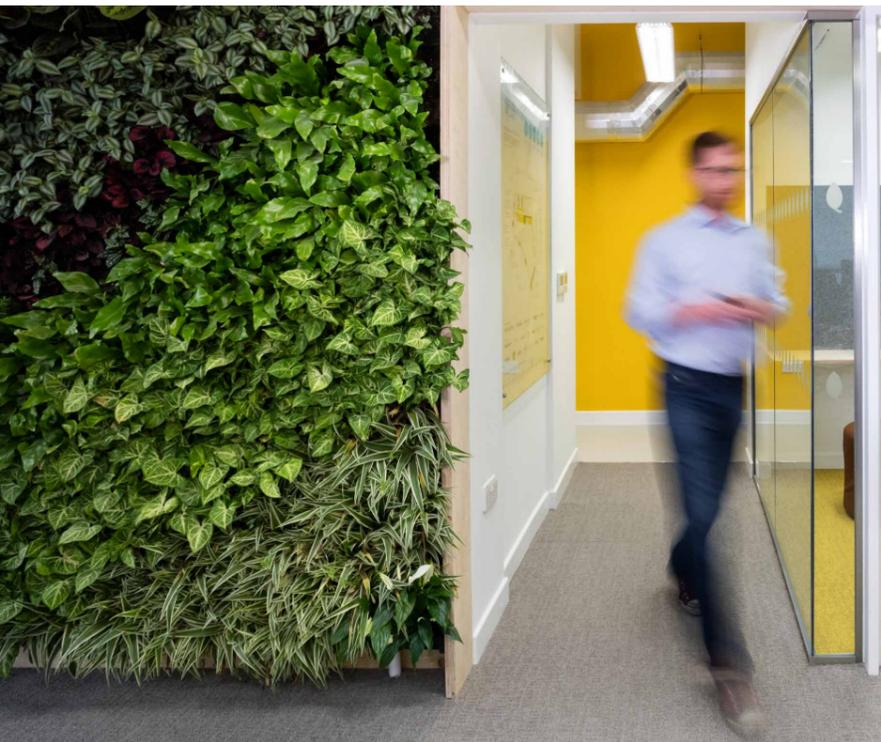
"UKGBC infographics and state of the sector reports are helpful context and can help to drive messages of scale, urgency, challenges and opportunities."
Sarah Pratt, Barratt Developments Plc

"The work of UKGBC is vital in supporting the UK Government to understand the opportunity that the built environment offers for transitioning to a sustainable society, while also driving the industry to improve."
Poul Wend Hansen, Balfour Beatty

"The Sustainable Infrastructure policy dinner was a great success from Tarmac's point of view and our thanks to UKGBC for the professional approach taken to the organisation and running of the event."
Martyn Kenny, Tarmac



How we work



OUR 10 YEAR AMBITIONS

Ensuring staff motivation and wellbeing; and ensuring sustainability is built into our organisational operations.

WHAT WE'VE ACHIEVED THIS YEAR

- Launch of a new Values into Action framework – the UKGBC Way – that now underpins 360 feedback for all staff as part of the annual appraisal process
- Completion of a gender pay gap analysis which concludes that we have no material concerns
- Thorough scoping of options for a new energy monitoring system to overcome obstacles to measuring energy use in order to accurately verify reductions
- Improved recording of the carbon footprint of declared staff travel
- Ongoing monitoring of air quality post fit-out
- Continued to advocate to The Building Centre and other tenants to secure a renewable energy tariff
- Continued work to make sure sustainability is promoted in the work and personal lives of staff
- Tree-planting day with Gold Leaf members – 2,500 trees planted
- 5 lunch clubs which promote sustainable, healthy food
- 4 film nights on topical sustainability issues
- Team workshop on the Sustainable Development Goals

"The new UKGBC office has been perfectly designed to cater to flexibility of working styles and make the most of the available space. The biophilic elements of the design, combined with a focus on air quality and natural light, have transformed the office into a calm and refreshing place to work."
Alex Smith, UKGBC

TARGETS SET PREVIOUSLY INCLUDED:

- A commitment to improve energy efficiency in our office by 40% by 2020, on a 2013-14 baseline
- A target to source 100% of our electricity from renewables
- Contribute to local biodiversity initiatives
- Improve staff health and wellbeing through office refurbishment.



2,500
 trees planted with
 Gold Leaf
 members



*"Fab day creating Britain's largest new forest!
 Thanks team UKGBC"*
**Camilla Read,
 Overbury**

Thanks to our project and programme sponsors

Cities Programme

- British Land
- Buro Happold
- GVA
- Rockwool

Healthy Housebuilding

- BRE
- Hoare Lea

Wellbeing Lab – Retail

- Forbo Flooring
- Hoare Lea

Policy dinners/roundtables

- Tarmac
- UTC
- WSP

Capturing the Value of Sustainability

- Argent
- Barratt Developments
- Berkeley Group
- JLL
- The Crown Estate

10 Year Anniversary

- Atelier Ten
- Barratt Developments
- BRE
- Kingspan
- Landsec
- The Crown Estate

Next steps in holistic carbon reduction

- University of Leeds – CIEMAP
- Edinburgh Napier University
- Landsec

Leadership Programme

- Aggregate Industries
- The Crown Estate
- Grosvenor
- Lendlease
- Mitsubishi Electric
- Sir Robert McAlpine

Innovation Lab

- Canary Wharf Group
- Landsec
- M&S



Future plans

PROGRAMMES

Advancing Net Zero

Inspired by the WorldGBC campaign, the work will be wide ranging and will represent the foundations for a major new programme in the UK, involving desk-based work, workshops and collaborations. We plan two significant pieces of work in summer 2018:

- Identifying the role of the built environment in delivering a net zero UK
- Translating a net zero objective into digestible principles for buildings, policy and regulation

Cities Programme

The second year of our Cities Programme will see us build on our work to date – deepening engagement with local authorities and catalysing partnerships with members. We will be launching a dedicated training course on social value within new development; helping to coordinate retrofit-led regeneration strategies across several core cities; and expanding our work on housing standards following recent publication of our policy playbook.

Circular Economy

Over the next 2 years we will be running a series of live experiments, testing the application of circular principles on real estate assets and construction projects. Through this programme we hope to achieve the following:

- Facilitate collaborative approaches to overcome common obstacles preventing a circular economy and improve circular outcomes across a series of live projects
- Create practical tips and lessons learnt for widespread application and policy development
- Address business models and wider systemic changes needed to advance a circular economy

Innovation

The UKGBC Innovation Programme is designed to enable business to respond to future trends, gain clarity on the problems we need to solve in the built environment, and map both new and emerging innovation to these challenges. To do this, we shall:

- Establish an Innovation Portal to match built environment challenges with innovative solutions
- Establish an annual student hackathon
- Deliver matchmaking events and create corporate/innovator partnerships

Leadership

Our prestigious leadership programmes help develop people on their leadership journey, whatever stage they are at. Our leadership programme has three main elements, all of which help participants lead their organisations sustainably:

- Future Leaders, now in its fifth year, is designed for early stage professionals
- The Change Accelerator is for senior leaders in the built environment
- Our Leaders Network contains over 100 board-level leaders and CEOs from across the built environment

ACTIVITIES

Policy and Advocacy

There are a number of live policy areas with significant implications for our mission over the next financial year. This includes the Clean Growth Strategy, the Industrial Strategy, the 25 Year Environment Plan and Brexit.

UKGBC will continue to facilitate opportunities for members to participate in policy and advocacy through consultation responses, roundtables, workshops, events, joint letters, dinners etc.

Learning and Development

Our refreshed, award-winning learning and development programme brings a number of flexible learning formats to our membership for all experience levels. Our varied programme will include:

- A number of introductory bite-size learning opportunities to raise sustainability awareness
- Monthly face-to-face learning opportunities with industry experts
- Immersive programmes which develop multi-disciplinary learning for high skill-levels
- Customised learning to fit member needs

Industry Research

As well as the research involved in our five major programmes, we will be running a number of additional industry research projects and forums, including:

- Capturing the Value of Sustainability roundtables and a second project
- Climate resilience project
- Member forums on Rating Tools, University Research, Contractors and Infrastructure

Membership

UKGBC will continue to convene our diverse membership for peer-to-peer learning, research co-creation, open innovation and political advocacy. We will expand the geographical reach of our activities by formally launching our local networks in Birmingham, Bristol and Manchester, with dedicated part-time staff located in these cities.





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