# Sustainability report



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## **Chairman's statement**

As a responsible housebuilder, we have a duty to all our stakeholders. Our approach to ESG ensures everything we do supports our commitment to protect the environment, support our people and create thriving communities. Our activities are underpinned by a strong governance framework that upholds our core values within Avant and across our supply chain.

We understand that being able to own your own home is something that most of us aspire to during our lives, but for many, it's increasingly unattainable.

At Avant, we are playing our part in solving this problem by offering our high quality new homes on a multi-tenure basis to our private customers, through affordable housing partners and via companies offering properties to rent. Therefore, we have designed and launched new house types to meet a range of housing and affordability needs, building in places our customers want to live.

In the last year, we have achieved our first major sale into the private rented sector (PRS) and we are confident our multi-tenure strategy will better serve customers and communities but provide certainty to both us and our supply chain.

Our new house types have also been designed to be more energy efficient and to reduce construction waste. This supports our target to reduce the carbon emissions of our new homes by 75-80% from 2025 compared to homes built under the 2019 Building Regulations and aligns with the Government's UK target to achieve net zero by 2050.

Our investment in Roof Profiles Limited, a timber frame manufacturing company, reflects the importance we place on modern methods of construction in reducing our environmental impact as well as mitigating skills shortages. This company is also ISO 9001 accredited and is a member of the Structural Timber Association, providing quality assurance to our customers. In 2023, we launched a new website as well as launching our vision, mission, and values, to reflect our sustainable strategy. These demonstrate how we aim to operate as a business for the benefit of all our stakeholders.

The health, safety, and wellbeing of our stakeholders is paramount. Our in-house health and safety teams assisted by internal training resource run hundreds of sessions annually to ensure our colleagues are appropriately trained for their role. We also provide an Employee Assistance Program and have over 30 mental health first aiders that have been trained by Mental Health England, to support our staff with a range of issues.

We put our customers and the communities we build in first. Our sites support our biodiversity obligations and we engage with local communities during the design and planning process to understand how we can better serve their needs. As such, 91% of our developments are built within 400 metres of public transport and we have contributed £70m to local community infrastructure.

**Jeff Fairburn** Chairman



## Sustainable governance

We take environmental and social matters very seriously, implementing a robust governance framework to support this throughout Avant and the supply chain. Our sustainable governance structure ensures we deliver on our ESG strategy, and that the right people across the business take ownership of ESG initiatives.

We have integrated our sustainable governance into our overarching corporate governance, with our Chief Financial Officer taking overall responsibility. The Board of Directors are committed to Avant's sustainability performance leading all our colleagues to act in a way they consider would be most likely to promote the sustainable success of the company for the benefit of its stakeholders.

Our Group department heads and specialists, including Health and Safety, Land and Planning, HR, IT, Customer Services and Marketing provide insight and support to ensure a sustainable approach is adopted across all functions in the business. Alongside this, our Head of Business Processes works with all departments to govern sustainability best practice.



## Our vision, mission and values

In November 2023 the Group launched new vision, mission, and values to guide the next stage of Avant's development and set out our goals, purpose, and strategy. We have a clear vision of Avant's future, putting social and environmental matters at the heart of our business.

With our new range of house types, our ambition is to build affordable homes for everyone. With our optionality and price point we are aiming to help more prospective buyers on lower to middle incomes get onto the property ladder, move up the property ladder, or simply own a quality home that they can thrive in.

We are also diversifying our offering beyond just private sale with our multitenure strategy, which is seeing us work closely with Housing Associations and PRS companies to provide homes for all, no matter the tenure.

Our vision, mission and values express our objectives, what we are striving to achieve and the traits that Avant people live by.





**Our vision** 

Quality homes, for everyone



Our values

We build homes at affordable price points. Positioning our sustainable developments in the areas our customers want to live, creating communities and making the property ladder accessible for all.

#### **Excellence in all areas**

**Customer-orientated:** We put customers at the heart of everything we do.

Accountable: We take responsibility for our own actions.

**Integrity:** We are open and honest - we aim to do the right thing.

**Teamwork:** We recognise everyone has their part to play in making us stronger as a team.

Ambitious: We strive to make a long-term, sustainable difference, growing our business for the benefit of all stakeholders.

We aim, where possible, to minimise and mitigate our impact on the environment. We work hard to build low carbon, energy efficient new homes reducing our waste and engaging with the industry on new initiatives.

#### **Biodiversity Net Gain**

Our developments are required, due to the Environment Act 2021, to create a measurable 10% gain to biodiversity, either through habitat retention, enhancement, or creation on site, or by the funding of habitat creation offsite, and then also safeguard it for at least 30 years. This is referred to as Biodiversity Net Gain ("BNG").

We are working hard to ensure that all our sites will achieve a Biodiversity Net Gain (BNG) of at least 10% from February 2024 onwards. Creating and enhancing habitats will be achieved through the implementation of landscaping and green infrastructure. This includes woodland meadows, swales, protected wildflower meadows and corridors. We work with third parties to achieve tangible local nature recovery, delivering BNG benefits as part of our wider strategy.

Our business strategy includes urban regeneration of brownfield sites. We aim to ensure ecological protection and enhancement by conducting surveys as well as implementing initiatives such as installing bird and bat boxes, and hedgehog holes on most developments.

#### Water usage

All our house type designs have undergone water efficiency calculations, achieving 94 – 99 litres per person per day (lpppd), below the industry required minimum. This has been achieved by implementing initiatives such as low-flush and dual flush toilets and low flow taps and showers, as well as wastewater heat recovery.

#### **Reducing waste**

Our standard house types reduce waste generation from components such as plasterboards. This has helped us to ensure that 98% of construction waste is recycled and diverted away from landfill.

We dispose and recycle our electronic equipment sustainably, partnering with a Waste Electrical and Electronic Equipment (WEEE) recycling and disposal company.

We ensure that there are recycling bins throughout our offices for food waste, plastic, glass and paper waste. Additionally, our office printing is offset by reforesting. Our paper consumption is analysed and new trees are planted accordingly.



#### Reducing the carbon emissions of our new homes

We take our responsibility for minimising our impact on the environment seriously and are continually looking at ways to improve the efficiency of our homes. We aim to reduce the carbon emissions of our new homes by 75-80% from 2025, when compared to homes that are built under the current Building Regulations (2019).

Our new homes are much more environmentally friendly compared with most of the existing housing stock, achieving an EPC rating of B or above. We are replacing some current technologies with low-carbon alternatives to improve heat and hot water systems. Heat loss is also being reduced by using high-quality building fabric, compliance with triple glazing standards, use of wastewater heat recovery, flue gas heat recovery boilers, and heat pumps.

We always fit energy efficient appliances in our homes and work with suppliers who put sustainability at the forefront of their product development. From washing machines to fridges, cleaning to cooking, our white goods incorporate the latest energy saving technology.

Other initiatives in our new homes may include:

• Photovoltaic (PV) panels

- Low energy light bulbs
- Electric vehicle (EV) chargers
- Achieving an average SAP rating of 83B
- Boilers with an A energy rating
- Conducting air pressure testing

According to the HBF's August 2024 Watt a Save data, new build homes emit 61% less carbon than older homes, and those built from June 2023 under Part L regulations emit 73% less carbon. Additionally, less than 5% of older homes achieve an A or B EPC rating which all of our new homes achieve, and buyers of new build homes in 2023 reduced carbon emissions by 500,000 tonnes. On top of being better for the environment, new build homes use 58% less energy on average; therefore, homeowners can save over £2,200 annually on their energy bills.

Our new homes are aligned with the Government's ambitious carbon reduction targets enshrined within the Future Homes Standard. This aims to ensure that all new homes contribute to the UK's carbon emissions target to achieve net zero by 2050.

#### Our fleet and promoting electric vehicles

To ensure we reduce our carbon footprint and emissions, we will be introducing a new fleet vehicle policy requiring all new cars must have CO<sup>2</sup> emissions of 120g/km or below. All our regional offices also have electric vehicle chargers that are available for colleagues and visitors to use.

We have also partnered with Ohme, a leading manufacturer of smart EV charging points to offer their Ohme ePod charger on a range of our new homes.

All Ohme's EV chargers feature dynamic smart charging technology to connect with the national grid in real time and automatically adjust their charging for drivers to take advantage of low-price charging times with smart off-peak electricity tariffs.

They can also automatically charge when the highest levels of renewable energy are available to help energy providers to balance supply and demand of electricity on the grid.

Timber frame manufacturing



We have recognised the importance of modern methods of construction for a sustainable future in residential development. In 2022, we acquired a timber frame manufacturing company based in Scotland which has capacity to supply off-site timber frame systems for all our new homes that are constructed in our Scottish regions.

This facility can diversify into supplying different timber systems and the intellectual property we are developing will assist us to expand our capabilities in this key area.



#### **ISO 9001 Accreditation**

Roof Profiles has achieved International Organisation for Standardisation (ISO) 9001 Accreditation, following the implementation of an ISO 9001 accredited Quality Management system. This allows us to continually monitor quality and identify areas for improvement, giving confidence to our customers.



#### **Structural Timber Association**

Roof Profiles is a member of the Structural Timber Association as a Structural Timber Building System Supplier, providing us with benefits such as the STA Quality Assurance Scheme and opportunities to influence legislation and regulation to support the collective objectives of the structural timber sector.



#### **FSC and PEFC**

Roof Profiles uses timber suppliers that use sustainable timber. We aim to ensure that timber is certified by the Forest Stewardship Council (FSC) and The Programme for the Endorsement of Forest Certification (PEFC) schemes.

#### Sustainable initiatives

Sustainability initiatives at Roof Profile's office and factory have been implemented including recycling office waste, replacing all lighting with efficient LED bulbs, and utilising photovoltaic (PV) panels to supply an average of 30% of its electricity supply.

#### Industry engagement

We work to align with numerous industry initiatives, ensuring we remain at the forefront of environmental initiatives and industry narrative.



#### **ESOS and Bureau Veritas UK Limited**

We participate in the Energy Savings Opportunity Scheme (ESOS), and are currently completing phase 3.

Bureau Veritas UK Limited acts as our lead assessor, providing insight into our energy usage, and providing recommendations for further energy efficiency initiatives.

#### TCFD



We recognise that climate change presents a potential financial risk and will align with the disclosures recommended by the Task Force on Climate-related Financial Disclosures (TCFD). TCFD aims to improve and increase the reporting of climate-related financial information, providing stakeholders with clear information on the impact of climate change.

This includes the identification of risks and opportunities presented by rising temperatures, climate-related policy, and emerging technologies in our changing world.



#### **Future Homes Hub**

We are an affiliated member of the Future Homes Hub. We participate in steering groups to discuss issues such as Biodiversity Net Gain, net zero, new policies and Passivhaus standards.

#### HBF



We are a member of the Home Builders Federation (HBF). This is the representative body of the home building industry in England and Wales.

This provides us with an opportunity to contribute to national and local discussions about a range of topics, some of which have an environmental impact. Topics include planning policies, the industry's image and perceptions, customer satisfaction surveys, build quality, industry skills shortages and building regulations.



#### **Our environmental targets**

We have established environmentally related targets to ensure we mitigate our environmental impact.









#### People

Avant values all our stakeholders, supporting our people, communities and supply chains. Our colleagues are fundamental to achieving our mission, vision and objectives. We therefore aim to support their wellbeing, treat them fairly, offer family friendly policies and empower them to develop their careers with us, within a diverse and inclusive environment.

We are committed to ensuring all people connected to our business, whether it be colleagues, sub-contractors, and suppliers are kept safe and well and flourish at work, while being paid a fair wage.

We ensure Avant provides a forward-thinking, collaborative culture.

Our expert teams aim to provide high quality service and homes to our customers throughout their journey with us. By building homes where people want to live, and investing in the environment, we help to create long-lasting sustainable communities.





#### **Training and development**

We want to equip our current and future workforce with the skills and knowledge they need, by ensuring that relevant training is easily accessible.

All colleagues have access to our comprehensive e-learning platform, allowing individuals to access on-demand training in a range of topics. Between 2022 and 2023 our training and development team conducted over 120 training sessions, reaching the equivalent of 600 employees. The types of training carried out by this team include our group-wide induction for new colleagues and ensuring that all colleagues receive both general and role-specific training on the requirements of the New Homes Quality Code to embrace it throughout the company.

Training is also one of the key objectives of our health and safety team, with the team carrying out 1,650 Toolbox Talks (TBT's) to an equivalent of almost 16,000 colleagues and contractors across our developments. Our IT team also delivered enhanced group-wide cyber risk training via an online platform as well as more systems-based courses.

We aspire to bring new talent into the industry and show young people in particular, the range of career pathways available within our industry. We have recruited new talent into our sales teams, with a number of Trainee Sales Advisor roles, and recruited a number of professional trainees into our commercial and technical teams, all with great success with young talent progressing through the company. This is just the beginning and something we are committed to for the future.

When needed, we work with external sources to help nurture our talent and support our training efforts. In the last year we have partnered with numerous colleges and industry programmes, including the Leeds College of Building, and the NHBC Site Supervision programmes to deliver training. We have also sponsored employees through a wide range of relevant courses, including NVQs, apprenticeships, undergraduate and postgraduate degrees. Our Sales, Marketing, Construction and Customer Service teams have also all attended customer service training delivered by a specialist consultant.

#### **Our Charity Committee**

Our Group HR department, supported regionally, oversees our charitable donations. We donate to charities that are important to our colleagues, raising money by running group wide sponsorship events such as MacMillan Coffee Mornings, Christmas Jumper Days and Children in Need. We also sponsor our employees in personal charity events from marathons to skydiving.



#### Health and wellbeing

We are committed to supporting the health and wellbeing of our people. Colleagues are offered private medical insurance which they can add close family to if they wish. All Directors are also offered free full health screening every three years.

We recognise the importance of mental health and nominated employees have attended Mental Health England's accredited two day course. We also provide access to an Employee Assistance Programme which gives confidential support on issues such as mental health, gambling, housing, alcohol, and drugs, as well as providing access to an online platform which offers support.

As part of our benefits, we run wellbeing webinars with colleagues on a range of topics, including finance and pensions. They ensure our workforce have the tools they need to manage their personal finances effectively.

The webinars are well attended, and are also available on our Intranet to be re-watched or watched at the convenience of anyone unable to attend on the day of the webinar.



#### Health and safety is our number one priority

Our in-house health and safety team provide specialist advice to each region as well as undertaking compliance reviews to keep everyone safe. Since July 2023, there has been over 450 unannounced construction site inspections conducted, ensuring compliance with our Health and Safety policies and procedures, the Health and Safety at Work Act, and all other associated regulations.

Best practice and improvement areas are shared with management and our colleagues throughout Avant, and good performance is highlighted via internal league tables. Our Group Health and Safety Manager also represents us with the Home Builders Federation (HBF) Health and Safety Committee to support the drive to improve the sector's performance.



#### Health and safety targets

We have also established stretching internal health and safety related targets to drive the highest standards as follows:

 Target
 Status

 Minimise RIDDOR ('Reporting of Injuries, Diseases and Dangerous Occurences Regulations') incidences
 I directly employed RIDDOR since July 2023

 Conduct 2 site inspections per month as a minimum by the Group HR Department:
 Achieved - Additional inspections are conducted, depending on the risk associated with the development

 -1 for a formally scored review
 Achieve 99% site inspection compliance with our internal requirements
 98.89% compliance

Ongoing

#### Equality, diversity and inclusion

We recognise that a healthy, diverse, and inclusive workforce supports a sustainable business, bringing unique insights, increased creativity and innovation, higher productivity rates and better customer connections. Factors relating to Equality, Diversity and Inclusion (EDI) do not influence our approach to hiring, nor our other people practices. We celebrate national and internal events such as World Mental Health Day, International Women's Day, and Women in Construction.

The industry lacks female representation with only 4% of site managers and just 16% of senior construction industry roles being filled by women. However, at Avant we want to encourage women to enter the industry at all levels and across all disciplines.

We aim to attract retain and develop people who share our values and want to progress in the construction industry.

#### Women in construction



**Becky Ritchie** Engineering Manager, North East region

A career in construction wasn't something that I had initially thought about. I was unsure which university course to do after finishing my A levels when I stumbled upon a role at a large housebuilder. I got the job and found that I was passionate about house design work. After studying a part time engineering course, I started doing the design work on some of the smaller developments until progressing to managing the larger, more challenging sites.

For the first few years of my career there weren't many women in the industry doing technical jobs such as site management, engineering, and architecture, and it was sometimes challenging to change people's perspectives of what roles women should do. The industry has changed, and there are now more and more women considering these roles and excelling in them. A few years ago, I was asked to go into a primary school and give a talk on the opportunities for women in construction. Most of the girls in the class had never considered it as an option before, as they viewed it as "a job for boys".

It was nice to be able to show that the opportunities are there if you want to take them. Since joining Avant, I have been given the support and backing to manage challenging developments. I have also been more closely involved with other departments, providing engineering advice and solutions on new and ongoing developments. This has given me a broad understanding of the house building industry from a land enquiry stage through to customer care.



Rachel Cowper Company Secretary and General Counsel

Construction is a very rewarding industry for women to work in. My journey in construction started when I was a private practice lawyer working in real estate and development finance. I chose to focus on residential development as the tangible nature of the work always appealed to me. I like the fact that I can drive past housing schemes that I played a small role in buying in as long ago as 1999 as well as the developments that we buy at Avant today.

Working at Avant has allowed me to build upon my understanding of the pushes and pulls of operating a successful business. The legal team at Avant is full of talented women and when I look round HBF meetings too, there is a high proportion of women working in legal within housebuilders demonstrating the opportunities available.



#### Communities

By building homes where people want to live, and investing in the environment, we help to create long-lasting sustainable communities.

Our expert teams aim to provide high quality service and homes to our customers throughout their journey with us.



#### Building affordable homes for everyone

We build homes at affordable price points. Positioning our sustainable developments in the areas our customers want to live, creating communities and making the property ladder accessible for all.

In 2022/23, we handed over affordable and social homes with a revenue equivalent to £116m and most recently £60m of Private Rented Sector (PRS) homes. We will continue to grow this part of our business to serve a wide range of customer requirements.

We also seek to educate our customers on the affordability benefits of our new homes. Customers could save an average of £2,200 per year on energy bills, gain access to Green Mortgages and new build only schemes to help them purchase their new home.

Our senior management team work hard to build relations with key external stakeholders such as mortgage lenders, to ensure our customers can access innovative schemes and the best new mortgage products. Our independent panel of new build specialist mortgage brokers are also available for our customers, free of charge, to help advise our customers on the best borrowing options to suit their affordability needs.

#### **Putting our customers first**

We design and build homes to improve our customers' quality of life. That means meeting high expectations: in the quality of our homes, in the range of choice, throughout the buying journey, after moving in and beyond, providing an excellent customer experience at all touchpoints.

We put our customers at the heart of all we do. From initial enquiry through to reservation, construction, completion, and post occupation customer service, we have expert staff dedicated to deliver best in class customer experiences every time.

#### Our sales and marketing material

We understand that many of our customers are environmentally conscious. Our printing suppliers use FSC accredited paper, and we have eliminated single use plastic from all merchandise. This includes giving our customers eco friendly hampers as a gift when they move into their new home.

We understand that many of our customers are environmentally conscious. Our printing suppliers have been awarded a Bronze Medal by EcoVardis and maintain their ISO14001, 9001, 45001, 27001 and FSC Certificate. In addition, they use FSC accredited paper for all our collateral, and we have eliminated single use plastic from all merchandise. This includes giving our customers eco-friendly hampers as a gift when they move into their new home.







#### **Our partners and suppliers**

We work with many small and medium sized businesses who provide trades to our developments. We always aim to support businesses local to our developments, boosting the community's economy. We ensure we have fair and timely payment terms to support small businesses.

#### **Delivering our customers quality homes**

We aim to give our customers a high-quality home. We have a comprehensive quality checking process called the Avant Gold Mark. This allows us to certify the quality of our homes against internally developed quality standards, the NHBC standards and the New Homes Quality Code standards.

#### **Customer services**

We hope that our customers enjoy every aspect of living in their new home and that there will be no issues. Our homes are constructed by many different trades in accordance with relevant Building Control requirements.

On the rare occasion, faults can happen, and sometimes there might be a minor issue that only becomes apparent once the home is occupied. Therefore, we have a comprehensive after-sales care service to resolve any concerns within 30 calendar days, and our customers receive a two-year Avant warranty, alongside a 10-year insurance warranty. We are also an active member of the New Homes Quality Code, providing reassurance that we are committed to delivering a first-class customer service.

#### Supporting key workers and armed forces

Key workers and the military do phenomenal work and are essential to the functioning of our society and communities.

At Avant, we say thanks to key workers and armed forces personnel by giving them a contribution of up to £12,000, with eligible buyers receiving £500 back for every £25,000 spent on their home. For example, a home costing £226,000 would qualify for a contribution of £4,500.



#### Listening to local communities

During our design and planning process, we aim to understand our impact on local communities, listening to feedback to ensure our developments serve their needs. We often conduct health impact assessments; this allows us to understand and consider the effect of our proposed development on both the health and health inequalities of local communities so we can respond appropriately during the design and planning process.

We also engage with local people via numerous methods such as letter drops, local media, by presenting our proposals, answering community questions, and by attending exhibitions held by Parish Councils, Neighbourhood Forums and Council Members. We encourage written feedback which we can incorporate into our Statement of Community Involvement report.

#### Our contributions and initiatives for local communities

We are committed to investing in the local communities in which we build our housing developments. We fund a range of infrastructure and facilities on and around our developments through our planning agreements. These enhance our developments and the wider area.



Туре	Our commitment
Community infrastructure	- We are commited to contributing £70m to local community infrastructure via various initiatives - 88% of our developments have directly built or contributed to new community infrastructure
Sustainable travel	- 91% of our developments are built within 400 metres of public transport - 70% of our developments have travel plans, sustainable travel solutions or have committed to contributing to local sustainable travel initiatives e.g. £1m contribution to extend the 444 service from Leeds to Wakefield
Local people	- We directly and indirectly support 32,057 jobs via the development of 10,341 plots on current active sites according to the HBF - We give local sponsorships to community projects such as local football teams and cricket clubs

#### **Community case study**

Avant Homes North East region worked with the community close to our Allenson View development, holding an art competition with children at West Rainton Primary School.

The art competition, judged by Labour MP for City of Durham, Mary Kelly Foy, was divided into three age categories: four to six years, seven to eight years and nine to 11 years. The respective winners were Nina Hoggarth, Darcie Hoggarth, who are sisters, and Tiana Graham.

Each winner in the respective age groups was awarded a £50 Smyths voucher. The overall winner, Nina Hoggarth, was awarded an additional £100 Smyths voucher.

As part of Avant Homes' ongoing commitment to support and enhance the communities in which it builds, we also made a donation of £1,500 to the primary school. This donation aims to enhance educational opportunities and foster continued growth for all pupils.





#### Working with the industry



#### **Royal Town Planning Institute**

We work to engage with the industry in numerous ways, with our Group Head of Planning leading our relationship with the Royal Town Planning Institute. This allows us to contribute to industry policy and strategy discussions, forming part of the Institute's response to key consultations, topics, and government proposals. Furthermore, this important relationship helps to support all our planners with Continuous Professional Development training to ensure we remain at the forefront of the industry.



#### **NHBC and Premier Guarantee**

All our homes are registered with either the National House-Building Council (NHBC) or Premier Guarantee, providing a 10-year construction warranty for all our customers.

#### Our economic and social objectives

We aim to support a strong, responsive, and competitive economy by utilising land of the right type, in the right places, at the right time, to support growth, innovation, and productivity. We also seek to create strong, vibrant, and healthy communities by providing a sufficient number and range of homes that meet the needs of present and future generations. We create well-designed, beautiful, and safe places, with accessible services and open spaces to reflect current and future needs, supporting community health, social and cultural wellbeing.

We work with local and national planning policies and guidance, including the National Planning Policy Framework, to help us to meet our objectives.



#### **Avant Homes**

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