

Responsible Development Framework

Summary version

DERWENT
LONDON

NET ZERO

Introduction

This is a summary version of the Responsible Development Framework published for use on our website. A full version of the document is available upon request from Derwent London, which is to be used by consultants and contractors employed on Derwent London's development projects in order to support us in meeting our sustainability requirements and net zero carbon aspirations.

The first part of the document describes our sustainability approach and the application of this document.

The second part sets out the actions, deliverables and responsibilities of consultant and contractor team members at each stage of a development project. It explains the reporting requirements, frequency, and how this feeds into our corporate targets and reporting.

It is important that at the start of any development scheme, our sustainability team are informed of the project scope and timeline, so that the project specific sustainability requirements can be agreed.

Contents

Section 1: Our approach	3
Purpose	4
Our approach to sustainability in development	5
Section 2: Implementation & compliance	7
Scope and application of this document	8
Sustainability and Net Zero Carbon Pathway targets for developments	9
Roles and responsibilities	10
Sustainability framework – Plan of work	12
Deliverables and reporting	13
Derwent London annual reporting	15

Section 1: Our approach

Purpose

Designing and delivering buildings responsibly is one of our seven strategic objectives. Our business model focuses on taking older buildings and repurposing them in to more efficient, flexible and desirable spaces. As part of this approach we have identified a number of objectives and targets for our development and refurbishment pipeline. These targets relate to a number of Environmental, Social and Governance (ESG) requirements and in particular our ambition to achieve net zero carbon by 2030. Further details of this can be found in our Net Zero Carbon Pathway (Appendix 1).

This Framework sets out how these targets should be addressed at each stage of the development process. It also outlines the activities and processes required to manage the performance of our developments, whilst allowing us to:

- Take a robust, consistent management approach across our development and investment portfolio;
- Capture lessons learned and innovations to inform future projects; and
- Monitor and report performance effectively.

Our approach to sustainability in development

Sustainability is implicit throughout our business model, it helps us deliver value to our stakeholders and deliver great spaces. Refer to our Responsibility Policy in Appendix 2. Our strategic sustainability aim is to:

Ensure our spaces are designed, delivered and operated responsibly whilst delivering value to our key stakeholder groups.

To achieve this and provide direction we have identified seven long term priorities which guide our various business activities, these are:

1. **Designing and delivering buildings responsibly**
2. **Managing our assets responsibly**
3. **Creating value in the community and for our wider stakeholders**
4. **Engaging and developing our employees**
5. **Setting the highest standards of health and safety**
6. **Protecting human rights**
7. **Setting the highest standards of corporate governance**

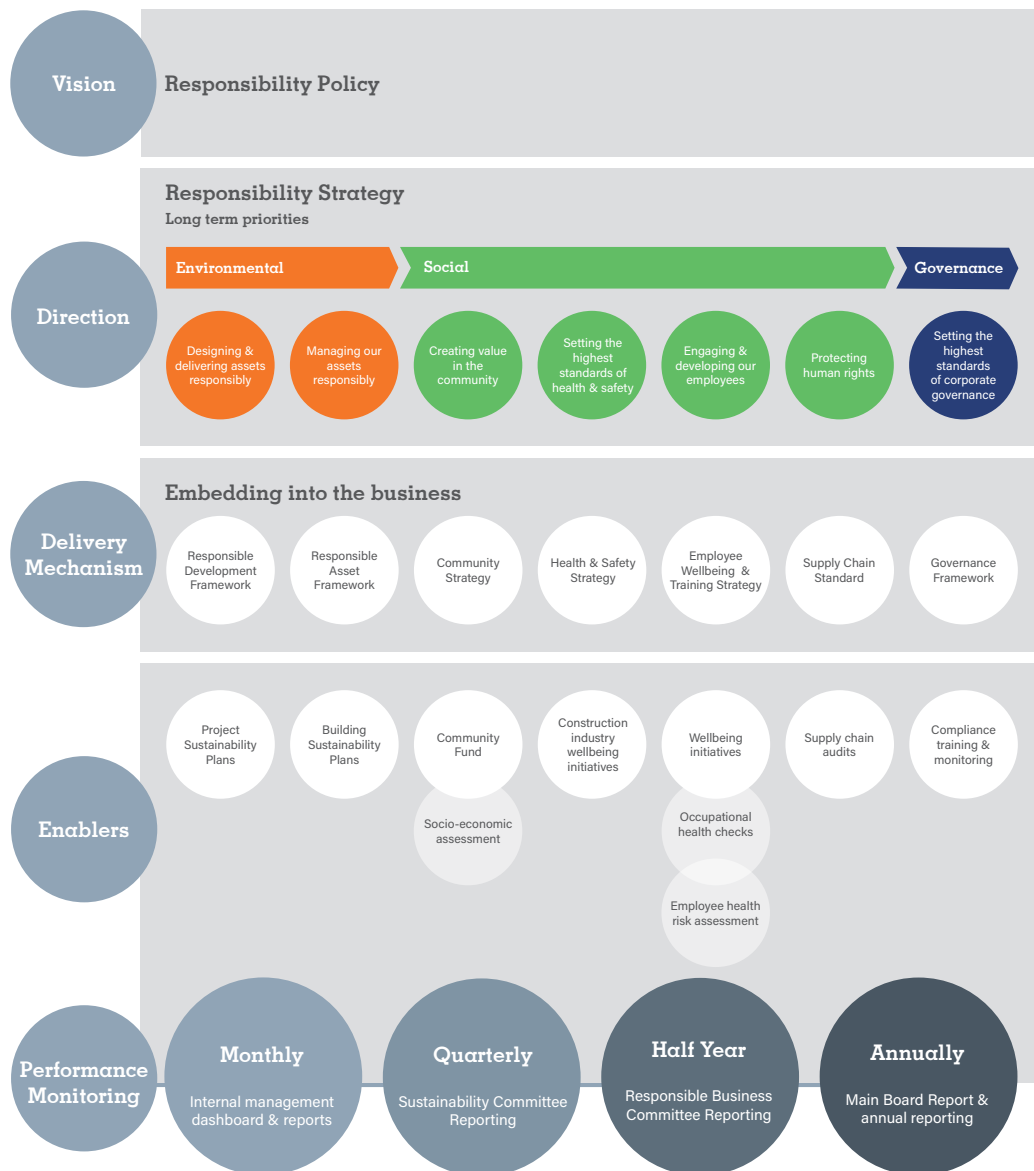
Responsibility map

To successfully deliver the targets we have created our Responsibility Map. This map defines the structure in which sustainability is delivered across our business, setting out the primary mechanisms and enablers we use to cascade sustainability into our business functions.

In terms of managing sustainability within our development activities specifically, the first priority, Designing and Delivering Buildings Responsibly, focuses on our development work and sets an overarching objective to:

Ensure sustainability is considered and implemented at every stage of the design and delivery of our projects.

To deliver this objective we have specifically created this new Framework document, which sets out a clear process, and approach for our projects to follow, and aims to ensure sustainability is captured at each stage of the project lifecycle.



Section 2: Implementation & compliance

Scope and application of this document

Major refurbishments and new build projects

The Framework applies from the earliest stage of a project, all the way through to handover, covering both new build and refurbishment projects.

The processes in this Framework are written to be used for single and two stage D&B procurement routes, however there is no value threshold or procurement route for when this Framework becomes applicable to a project.

Small and minor works projects

Projects that fall outside the above, typically our smaller and minor works projects, are not subject to all requirements in this Framework. However, we recognise that all projects must be designed and delivered responsibly, so for smaller projects a more streamlined template can be provided.

Maintenance and asset management projects

Maintenance and asset management-based projects for our managed properties are covered separately by the Responsible Asset Framework; however the outcomes from this Framework are fed into the process used in the Responsible Asset Framework.

All projects must be reviewed with the Derwent London Sustainability Manager and the Development / Asset / Project Manager at the earliest opportunity to establish project specific scope and targets, which must then be recorded in the initial Project Sustainability Plan (PSP).

A PSP template is available in Appendix 3 and can also be requested via the Sustainability Manager. Consultants and contractors must ensure they are working to the latest project specific PSP.

Sustainability and Net Zero Carbon Pathway targets for developments

Derwent London's standard development sustainability targets are outlined below. Refer to the latest PSP issued by Derwent London or the sustainability consultant for project specific targets and minimum standards or ratings. For guidance on applicable targets for categories of projects, refer to the Targets Matrix in Appendix 4.

Our targets have been developed to ensure our development projects deliver buildings and spaces responsibly and in a way that contributes to the achievement of our net zero carbon ambition by 2030.

Aspect	Target
Management	Projects to create and maintain a Project Sustainability Plan (PSP)
Assessment standards	Achieve a minimum of BREEAM Excellent for all new build projects and major refurbishments
	Achieve a minimum of LEED Gold for all major new build projects
	Achieve a minimum of Home Quality Mark 4 stars on all new residential development
	Ensure the shell & core aspects of our schemes are WELL 'enabled' using the most up to date version
	Minimum of 'A' EPC rating for all new builds. Minimum of 'B' EPC rating for all refurbishments, and where feasible uplift to an 'A' EPC rating for major refurbishments
	Achieve a minimum 4 star NABERS UK rating for new build projects and major refurbishments
Reducing operational energy and carbon	Undertake a design in-use energy assessment based on CIBSE TM54 modelling for refurbishment projects and ensure it is updated regularly in line with design progress/changes
	Specify all electric heating and cooling systems for new developments and major refurbishments
	All new build and major refurbishment projects 100% of meters to be AMR capable and BMS linked and installed on: all main incoming feeds (electricity/water/gas); landlord lighting and small power; tenant lighting and small power; all major energy producing/ consuming equipment e.g. heating and cooling plant; and renewable & low carbon energy generation sources e.g. PV, CHP plant etc
	All new build and major refurbishment projects to be designed and delivered to achieve mains water usage of 0.40m³/m² or better
	Explore energy storage and heat recovery technologies that could be incorporated in new developments and the investment portfolio
	All new building and major refurbishment projects to undertake a full Post Occupation Evaluation 12 months after full occupation and where we still retain control of the building
	100% of lighting to be LED including all circulation and BoH areas
Renewable energy	Specify onsite renewables for new developments and assess their feasibility for major refurbishments
Embodied carbon	Undertake embodied carbon accounting during scheme appraisals as per the Derwent London methodology
	Undertake an embodied carbon assessment in line with the Derwent London Embodied Carbon Brief for new developments and refurbishment projects. In addition contractors are to map and measure embodied carbon during the delivery phases using the same assessment approach used during design
	Consider low embodied carbon materials and building methods , and take opportunities to reduce embodied carbon during design development.
	Consider and, wherever possible, implement circular economy design principles
Biodiversity	All new build and major refurbishment projects to achieve a net gain in biodiversity as measured through BREEAM
Materials	100% timber used to be FSC or PEFC certified
Responsible site management	Divert at minimum 95% of total construction and demolition waste tonnage from landfill
	Considerate Constructors Scheme (CCS) Score of at least 40
	Contractors to support at least 1 community day per year within the local area surrounding the works site

Roles and responsibilities

All team members involved in a development project have a part to play in achieving our sustainability targets and Net Zero Carbon Pathway. The team is expected to work together collaboratively and take shared responsibility for the successful delivery of a sustainable scheme.

Ultimately, the successful delivery of this Framework is the accountability of the respective Derwent London Development/Project Managers, with support from the Sustainability team, Director of Development and other Derwent London teams.

The key roles performed by our external project teams to ensure the Framework is implemented appropriately are summarised below. Further detail is provided in the plan of work on the following pages.

Full duties and specific consultant responsibilities will be confirmed by Derwent London on a project by project basis in the Design Responsibility Matrix either within the consultant appointments or in the Initial Project Sustainability Plan.

Sustainability Consultant

- Day-to-day management and co-ordination of the sustainability activities and targets.
- Responsible for maintaining and issuing the PSP.
- Together with the Project Manager, ensuring other designers and the contractor are aware of and are progressing their actions to remain on track and closing out risks.
- Provision of recommendations for continuous improvement on sustainability performance.
- During contract stage, monitoring that the contractor is complying with the sustainability ERs.
- Identifying statutory requirements in relation to sustainability, including planning submission requirements (with support from the Planning Consultant).

External Design team

- Ensuring the project's sustainability targets are embedded in the design process and take action to achieve, and where possible, exceed them.
- Working with the Sustainability Consultant to identify appropriate solutions, risks and opportunities, and present these to the Derwent London team for consideration and approval.
- On some projects, the MEP engineer will be responsible for the energy modelling instead of the sustainability consultant – this will be set out in the Design Responsibility Matrix.

External Project Manager

- Management of consultants to ensure they are performing their sustainability duties and issuing required documentation for the Employer's Requirements in line with this Framework.
- Ensuring the required meetings and presentations are arranged.
- During contract stage, ensuring the contractor's performance and compliance is being monitored and any risks are raised.

External Quantity Surveyor

- Ensuring appropriate cost allowances are made at each stage for the sustainability targets – including contingency allowances for identified future opportunities.
- Providing information to the other consultants and Derwent London for embodied carbon assessments and carbon offset payment reporting.

Roles and responsibilities

Contractor

- During Tender and Procurement:
 - Providing proposals in response to the ERs detailing how sustainability targets will be managed and achieved, including opportunities for improvement.

- During Contractor Design & Construction:
 - Management and co-ordination and issuing of the PSP, and its successful completion.
 - Responsible for delivering the design and construction to comply with the project targets.
 - Reporting and monitoring in line with the delivery phase requirements.
 - Providing handover documentation and occupier training to allow for ongoing successful management of the building in line with sustainability targets.

Sustainability framework

Plan of work

The Plan of Work on the following pages has been developed to follow the outline of the Derwent London development process and align with the RIBA project stages. It shows the key actions and responsibilities required through all stages in order to manage sustainability effectively and achieve our targets. This does not set out an exhaustive list of activities for every target – these will be described in the PSP and appended briefs for NABERS UK, TM54 and embodied carbon assessments.

	RIBA Stage 0 - 1	RIBA Stage 2	RIBA Stage 3	RIBA Stage 4	RIBA Stage 5	RIBA Stage 6 - 7
	Strategic Definition Preparation & Briefing	Concept Design	Spatial Coordination	Technical Design & Procurement	Construction	Handover & Use
Key Aims	Reduce Embodied Carbon & Operational Carbon Needs					
	De-risking of targets. Narrowing down of options. Identificaion and delivery of opportunities for improvements.					
	External Project Manager to track and report progress against this plan of work within regular PM reports and stage reports.					
	Continuous PSP reporting on detailed target achievements, progress, risks and actions (by sustainability consultant then contractor)					
Scope	<ol style="list-style-type: none"> Engage project team. Explain roles & process Set initial targets. Review key specification criteria. Consider innovation and past learning and incorporate into brief. Identify planning requirements. Identify relevant industry targets or regulations. Ensure sufficient cost and fee allowances for targets. Provide recommended scheme options for next stage. 	<ol style="list-style-type: none"> Review stg 1 recommended options and agree approach. Close out risks from stage 1. Incorporate agreed targets into design. Incorporate agreed targets into planning submission. Review innovation opportunities and begin to incorporate. Identify early engagement required from supply chain. Ensure sufficient cost and fee allowances for targets. Recommendations for next stage actions. 	<ol style="list-style-type: none"> Review stg 2 recommended actions and agree approach. Close out risks from stage 2. Develop agreed targets in design. Engage the Building and Property Management team. Engage supply chain where possible, in particular on areas of innovation. Ensure sufficient cost and fee allowances for targets. Recommendations for next stage actions 	<ol style="list-style-type: none"> Continue to review design against targets. Review performance against initial project brief. Develop delivery requirements (ERs) based on each target and any planning requirements. Define contract stage roles and responsibilities. Assess tendering suppliers and contractors on sustainability capability and compliance with requirements. Ensure contract sums allow for targets. Close out design stage accreditations. 	<ol style="list-style-type: none"> Undertake reporting and monitoring of sustainability targets. Continue to identify risks and opportunities for meeting or improving on targets. Close out of construction stage accreditations. Client monitoring team review of contractor designs and methods to confirm compliance with ERs. Develop commissioning and handover regime. Ensure any statutory requirements are discharged. 	<ol style="list-style-type: none"> Implement handover requirements and report on progress. Review final project output against the project brief. Final embodied carbon reporting, fixing and making offset payment. Carry out ongoing post-occupancy monitoring and requirements.

Deliverables and reporting

The contents of PSPs, reports and Employer's Requirements will be project specific. This section is intended as a guide, and any additions or deviations from this are to be agreed with the Derwent London Development or Project Manager.

Embodied carbon reports – refer to the Derwent London's Embodied carbon assessment brief in Appendix 6

Energy modelling – Refer to the Derwent London's Energy modelling briefs in Appendix 7

End of stage reporting

Coordinated by the Sustainability Consultant. Contents to include:

- Scheme options with embodied carbon comparisons and recommendations
- PSP with risks and opportunities
- Key specification criteria considerations
- Innovation opportunities and findings
- Statutory requirements
- Sustainability related cost considerations
- Energy modelling reporting
- Supply chain input
- Any remaining decisions required by Derwent London

Employer's requirements

Coordinated by the Sustainability Consultant with support from the Project Manager and QS. This list is not exhaustive and the PM and Sustainability Consultant is to advise on any other contents required to ensure the Contract includes all materials required to enable the targets to be met:

- PSP with Contractor actions identified
- Accreditation specifications with "Contractor Actions" and "Client Actions" identified
- Derwent London standards including this Framework document – always check with Derwent London for latest versions.
- Contractor Circular Economy brief
- Contractor NABERS UK brief
- Contractor embodied carbon assessment brief

Project Sustainability Plan (PSP)

Each applicable project is required to use a PSP. The PSP defines the relevant project sustainability targets and tracks progress, performance, milestone achievements, actions and risks against each one. Refer to the PSP template in Appendix 3.

Derwent London will issue the initial PSP to the project team before Stage 2 commencement to define the project Sustainability targets. The PSP will then be managed and updated by the Sustainability Consultant from Stage 2 onwards for Derwent London approval, at least at the end of every stage or more frequently if agreed in the consultant services.

Deliverables and reporting

The PSP is to be used as a brief and a tracking tool for the project team to address key sustainability issues, and the output feeds into bottom up reporting into Derwent London's corporate reporting cycle – both internal management and external annual reporting.

As well as the Framework targets listed above, the PSP looks to address sustainability across a number of aspects including:

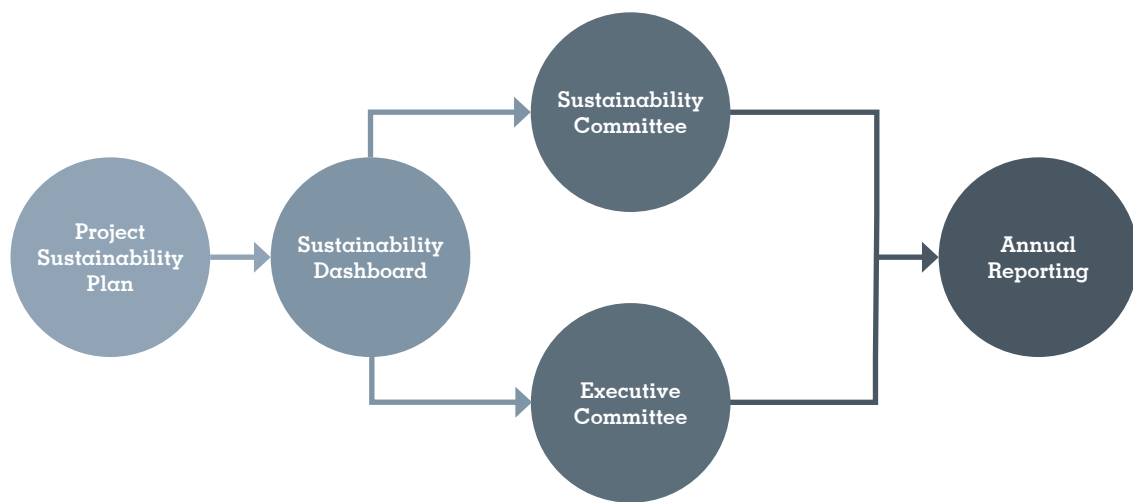
- Resource efficiency
 - Energy/carbon (operational and embodied)
 - Waste
 - Water
 - Materials
- Biodiversity
- Community (community groups, local procurement, employment & training);
- Construction impacts (pollution prevention, noise, air quality etc);

Note the above list is not exhaustive and it is expected that other aspects may arise/be applicable to a project. These can be added into the PSP at any time.

Derwent London annual reporting

Like many organisations we publicly report our performance against the targets we set ourselves. Using the PSP we capture performance from projects and then feed this through to our sustainability management dashboard for review and audit by the Head of Sustainability and Director of Development regularly. This is communicated to our Sustainability and Executive Board Committees who meet at least quarterly and then finally into our annual reporting processes.

Sustainability reporting structure



April 2021

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