

Our corporate social responsibility (CSR) priorities

Introduction

This is our second year reporting under our revised CSR framework. We continue to update and amend our CSR strategy with feedback from our customers, employees and other stakeholders. This report provides an update on our performance during the year and further information, including relevant policies, can be found on our website, www.bovishomesgroup.co.uk.

Highlights:

- Launch of our Vision, Mission and Values
- 97% of our staff survey respondents care about the future of Bovis Homes, with an overall engagement score of 83%
- Winner of the Armed Forces Covenant Bronze Award, following our commitment to the Armed Forces Covenant during 2016
- Reduction in Annual Injury Incident Rate
- Increase in our affordable housing provision

Our customer satisfaction rating has fallen below the standard we would expect to a 2 Star level. We recognise that our customer service has to improve and are committed to getting this right. We have been working with our employees to redefine and launch our Vision, Mission and Values as part of the changes required to put the customer at the heart of all we do.

A review of our operational processes is ongoing to ensure that we deliver for our customers.

We conducted our bi-annual staff survey in September and October 2016, with a response rate of 66%, an increase of 5% over the previous survey. The survey indicated an engagement score of 83%, which compares well to 78% in 2014. It was especially impressive note that 97% of respondents said they care about the future of the Company and this allows us to continue to improve on our responsibilities as a home builder. For each response received, the Group agreed to provide a £10 donation to the regional charity funds, with £7,770 being provided to good causes that are close to our employees.

During the year the Group made an important commitment to the nation and signed up to its own Armed Forces Covenant. Bovis Homes is proud to be a supporter of the Armed Forces Covenant and is committed to ensuring that our nation's Forces personnel (past and present), and their families, are treated with respect and fairness. In recognition of this commitment, Bovis Homes recently received the Bronze Award of the Defence Employer Recognition Scheme. Further details, including our commitments, can be found on our website.

Our focus on engaging with our sub-contractors has begun to show dividends, with daily activity briefings now being operated across substantially all of our sites. It is pleasing to note that our health & safety performance has improved with a reduction in the Annual Injury Incidence Rate (AIIR) to 620 (2015: 719). This compares to the HSE Construction AIIR of 398.

Our Vision
Proud of every home; built by people who care

Our Mission
To operate a highly respected home builder where we attract caring people who act with integrity to ensure we safely build quality on time




Our Values
integrity Caring Quality



Our performance against our priorities is set out below

People - <i>priority</i>	2016 performance
Return our HBF customer satisfaction rating to 4 Star	
Ensure consistent delivery of the Customer Journey	
Improve near-miss reporting	
Reduce the annual injury incidence rate	
Embed daily activity briefings	
Reinforce our core values across the enlarged Group	
Embed the leadership values into the business through comprehensive senior leadership development programme	
Launch a Managing Effectively programme for middle managers	
Continue to recruit ex-Armed forces personnel for our Trainee Assistant Site Management programme	
Continue to develop our apprenticeship programme	
Environment - <i>priority</i>	2016 performance
Reduce active waste per home	
Reduce active waste sent to landfill	
Reduce inert waste (brick and block) per home	
Reduce our GHG emissions against our chosen intensity measures	
Continue to support the development of sustainable and ecologically diverse living environments	
Community - <i>priority</i>	2016 performance
Continue to develop our strategic partnerships with registered social landlords	
Continue to build on our relationships and support our sub-contractors and suppliers	
Work with local stakeholders to identify community priorities for improvements on our new sites	
Continue to encourage and support our staff in their fundraising efforts for local good causes	

● Priority not met ● Priority partially met/within range ● Priority met

People

Employees	2016	2015
Total staff turnover (%) ¹	27%	26%
New roles created	191	128
Employee engagement score (bi-annual survey)	83%	(2014) 78%
Training days completed (no.)	2,892	2,634
Total staff	1,253	1,062
% female staff	36%	36%
Number of apprentices recruited	29	36
Health and safety	2016	2015
Annual injury incidence rate	620	719
Near-misses reported	2,764	4,265
Directors' tours	640	628
CSCS carded site workforce (%)	95%	92%
Customer	2016	2015
HBF customer satisfaction rating	2 Star	3 Star

¹Includes voluntary and planned leavers e.g. resignation and retirement

Customers

Performance vs priorities

Return our HBF customer satisfaction rating to 4 Star	
Ensure consistent delivery of the Customer Journey	

The Group's HBF customer satisfaction rating has dropped to 2 Star at the end of the year (2015: 3 Star). The Group recognises that its customer service has to improve and is committed to getting this right. A taskforce led by a senior manager was established in 2016 to help rectify the problems faced by a small number of our customers who have waited extended periods to have remedial works carried out or where customers have not received the standard of service that we would want.

The Group is also reviewing all operational processes to identify the required changes to ensure we consistently deliver a high standard of home and service in the future.

Priorities for 2017

- Improve our HBF customer satisfaction rating
- Improve customer service training
- Formation of homebuyers' panel

Employees

Performance vs priorities

Reinforce our core values across the enlarged Group	
Embed the Leadership values into the business through comprehensive senior leadership development programme	
Launch a Managing Effectively programme for middle managers	
Continue to recruit ex-Armed forces personnel for our Trainee Assistant Site Management programme	
Continue to develop our apprenticeship programme	

The Group has been busy with a number of initiatives focused on its employees and their engagement and wellbeing.

We have been working with our employees to redefine our Vision, Mission and Values, and this has been well received by staff. This has been supported by a refresh of our human resources and training strategies. The Group has also recruited a Head of Talent to oversee, amongst other things, training and personal development within the business.

We conducted our bi-annual staff survey in September and October with a response rate of 66%, an increase of 5% over the previous survey. The survey indicated an engagement score of 83%, which compares well to 78% in 2014. It was especially impressive to note that 97% of respondents said they care about the future of the Company and this allows us to continue to build on our responsibilities as a home builder. Group level feedback has been provided to staff and our regional businesses will be reviewing their own areas of the survey to see what they can do to improve the wellbeing and welfare of our staff.

Feedback from the survey also showed the positive effect of the changes made following the 2014 survey, with staff indicating their belief that changes can be made.

The Group operates solely in the UK and complies with all relevant legislation and regulations. The Group continues to apply its employment policies to not discriminate between employees, or potential employees, on the grounds of gender, sexual orientation, age, colour, creed, ethnic origin or religious belief.

Bovis Homes passionately believes in equality and diversity for all. To that end, we have an Equal Opportunity policy which is rigorously enforced and promoted. In addition, Bovis Homes has never been the subject of litigation alleging discrimination. It is Group policy to give full and fair consideration to the employment needs of disabled persons (and persons who become disabled whilst employed by the Group) where requirements may be adequately covered by these persons and to comply with any current legislation with regard to disabled persons. The Group's policies are supported by the Group's Dignity at Work policy which prohibits bullying, harassment or victimisation.

Whilst Bovis Homes does not formally recognise a Trade Union, it is supportive of its employees' rights to freedom of association including the right to form and join trade unions. Employees often bring Trade Union members as representatives to formal meetings and we value their input.

Bovis Homes supports the Minimum Wage and ensures that all employees are paid in excess of it. The Group has not been found to have failed to pay the Minimum Wage and remains an ardent supporter of it and its aims.

Bovis Homes is moving towards compliance with the principles of the Construction Industry Joint Council (CIJC) Handbooks even though it does not formally recognise the same.

The Group believes that it has a key role to play in ensuring that employees have an appropriate work life balance. To that end, we are committed to working towards ensuring that no employees work excessive hours. In addition, we seek to minimise weekend and late night working to an absolute minimum and then only when it is essential. When it does occur, Bovis Homes seeks to redress the balance by giving people time off in lieu. Moreover, the Group has introduced a process of buying and selling holiday. Bovis Homes also encourages flexible working which allows employees to leave work early on a Friday.

As part of the commitments we have made for our Armed Forces Covenant, we have also been exploring further ways to support employees that are active reservists.

In 2016, the Group adopted an Anti-Slavery and Human Trafficking Policy in support of its efforts to combat modern slavery. A statement in line with the provisions of the Modern Slavery Act 2015 is available on our website.

In line with our peers, the total employee turnover rate increased slightly to 27% (2015: 26%) due to the increasing demand for skilled staff within the house building industry. We work hard to attract and retain the talented people that we need and ensure that they are appropriately rewarded.

The Group continues to operate both a defined benefit pension scheme and a defined contribution pension scheme. It also operates a stakeholder pension for construction staff. The Group has a Share Incentive Plan, Save As You Earn share option scheme, a Share Option Plan and a Long Term Incentive Plan to motivate employees and encourage strong involvement with the Group.

Staff are kept informed of the Group's performance and matters of concern or interest to employees via the Bovisnet intranet service, a news magazine and emails that are sent to all staff. Consultations are held at staff meetings and personal briefings are provided by elected employee representatives. Each regional business meets regularly with employee representatives to discuss matters that may impact staff. The Executive Leadership Team provide presentations to staff at all regional offices at key points in the year. The Group conducts an employee engagement survey on a bi-annual basis.

The Group has continued to grow during 2016 with an additional 191 new roles created. At 31 December 2016, the Group directly employed 1,253 people (2015: 1,062). In common with the construction industry, the majority of our site-based population is employed by our sub-contractors. During the year, our average workforce population was 5,161 (2015: 4,313).

Director and employee profile

The following table shows the gender split within the Group as at 31 December 2016. In common with the construction industry, the majority of the workforce is male at 64%. While a lower proportion of senior management and directors are female, the Group encourages and supports diversity, including gender. As at 31 December 2016, there were ten senior managers (all male) who were directors of Group subsidiaries.

Analysis by role and gender

Role	Male	Female	Total
Non-executive directors	4	1	5
Executive directors	2	0	2
Senior managers	14	1	15
Managers	154	65	219
Site and sales staff	365	140	505
Support staff	214	237	451
Apprentices	52	4	56
Total	805	448	1,253

Analysis by age

Age	No. of employees	%
<21 years	62	5.0
21 – 30 years	226	18.0
31 – 40 years	249	19.9
41 – 50 years	311	24.8
51 – 60 years	317	25.3
>60 years	88	7.0
Total	1,253	100

People

Training

We have continued our investment in training during the year, spending £756,000 (2015: £331,000) on employee training in support of the Group's policy to train and develop employees to ensure that they are equipped to undertake the functions and tasks for which they are employed, and to provide the opportunity for career development equally and without discrimination.

Training needs are identified against the Group's H&S core training matrix and where there are role specific training requirements. Training needs are further discussed with individual employees as part of their probation and annual appraisal. In addition to this, training needs can be identified on other occasions, either by senior directors as a result of a change in business need, or as a result of an individual changing position or being promoted. The Group has an educational sponsorship policy to support employee's personal development and will meet course expenses, including allowing day release, where appropriate.

Employees continue to receive regular training covering topics such as health, safety and environmental matters, IT, management, sales and customer care. A total of 2,892 training days were delivered during the year via our Group Learning & Development team (2015: 2,634), equivalent to 2.3 days per employee (2015: 2.5). Additional training is also arranged by our regional businesses where they identify specific needs.

The Group operates the Build Academy Induction on a quarterly basis. This is a four day residential training course for all new site-based management which provides bespoke training covering site health & safety, production and customer care. All new starters attend the centralised company induction on their first day with the company. They receive a welcome personally from a member of the ELT followed by subject matter experts providing key information on subjects such as HR, H&S, learning and development and IT. This is a major step forward in generating a team ethos from day one and is complemented by regional and functional induction at the normal place of work from day two.

During 2016, six ex-military employees that started the trainee assistant site manager programme in 2015 were promoted to Assistant Site Manager positions.

Our Apprenticeship scheme has continued to develop with 29 new apprentices joining the Group during the year.

Priorities for 2017

- Embed our core values across the Group and new joiners
- Continue to develop our apprenticeship programme
- Review ways to improve employee engagement

Bovis Homes Armed Forces Day



The Bovis Homes Armed Forces Day event, held at Exeter Rugby Club's Sandy Park stadium, was arranged to celebrate Bovis Homes' and Exeter Chiefs' signing of the Armed Forces Covenant during the half-time interval of their Premiership match with Saracens.



The event was also attended by senior military personnel including Lieutenant General Sir John Lorimer, President of the Army Rugby Union, and representatives of the Invictus foundation.

The Armed Forces Covenant is a promise from the nation that those who serve or have served, and their families, are treated fairly when accessing both public sector and private services. Businesses, local authorities and charities are all being encouraged to sign the covenant.

As part of its commitment to the covenant, Bovis Homes will continue to help ex-servicemen and women to find new roles in the company through the Career Transition Partnership (CTP), as well as supporting staff members who choose to be members of the Reserve forces. A new unique discount scheme is also being rolled out.

The Bovis Homes Armed Forces discount scheme, which was also launched at the event, will be open to serving forces personnel (regular and reservists). It allows service personnel to combine buyer assistance schemes with a package of offers from the company, in order to purchase their own Bovis home as simply and affordably as possible.

Lieutenant General Sir John Lorimer commented: *"Bovis Homes has today joined the ever-growing list of organisations who have signed the Armed Forces Covenant. As one of the UK's major house builders we are delighted that they have pledged to offer such significant discounts to Armed Forces Personnel, in conjunction with the Government's Help to Buy and Forces Help to Buy schemes."*

Health and safety

NHBC Seal of Excellence/
Pride in the Job

Congleton site manager
Steve lands top award



A Congleton site manager has proved himself to be one of the best in the business after landing a high-profile award at a prestigious industry event.

Steve Jones was given a much sought-after 'Seal of Excellence' award by the National House Building Council for his work at Bovis Homes' Loachbrook Meadow development. He was one of only 12 site managers across the whole of the North West to receive the accolade.

A delighted Steve said: *"It's a great honour to win the award and I accepted it on behalf of all the Bovis Homes team and contractors here at Loachbrook Meadow, who are working hard every day to deliver quality homes, while keeping an absolute focus on health and safety."*

"Communication is key when it comes to running busy building sites like this. It's important to have clear messages that everyone can understand and buy into, and also listening and taking on board what others have to say. We communicate well at Congleton and we're one big team looking to deliver quality homes, look after our customers and be safe while we do it."

Steve, aged 31, has been a site manager for four years, and started his working life at Ben Bailey Homes as an apprentice brick layer. He has been at Bovis Homes for nearly nine years.

Bovis Homes Mercia Managing Director, Jo Morrison, said: *"I am so proud of Steve and his hard-working team at Congleton. We're all delighted with his success and the award is a testament to the attention to detail and commitment that Steve brings to his work in delivering quality new homes for our customers."*

The Seal of Excellence Awards is the second stage of the NHBC's 'Pride in the Job' competition. It follows the Quality Awards, which were presented back in June. The developments and the site managers have been judged by NHBC specialists, with every stage of the build inspected ensuring meticulous and consistent attention to detail. Site managers must also demonstrate excellent leadership, technical expertise and robust health and safety processes.

Performance vs priorities

Improve near-miss reporting	●
Reduce the annual injury incidence rate	●
Embed daily activity briefings	●

Our focus during 2016 has been on worker engagement at site level supported by senior management through safety director tours. Daily activity briefings ("DABs") have been introduced to almost all of our sites during the year. They provide an opportunity for site management to communicate with sub-contractors and those on site on tasks scheduled to occur that day and particular risks that may arise as a result. They also provide a forum for sub-contractors to provide feedback and for near-misses to be discussed and improvements implemented.

The absolute number of near-miss reports has reduced compared to the prior year. Feedback from the site management teams indicates that an increased level of communication at the DABs provides a better forum for learning from issues, with feedback provided to other sites and the rest of the business via the Health and Safety team. We will continue to monitor near-miss reports but do not intend to target a specific number.

Site staff have been supported with best practice videos of DABs to ensure that all stakeholders get the most from this process.

Following feedback from the management teams, the Group modified its approach to managing the risk of falls from height. This has been achieved by changing from fall arrest to fall prevention systems with the introduction of birdcage scaffolding / decking. This has been successfully rolled out across the business. In addition, revised forklift truck health checks were also introduced.

The Group's senior leaders also completed Leading Safely training from the Institution of Occupational Safety and Health and a Leading Safety Differently workshop. This is part of our drive to promote the integration of health and safety, and develop the right behaviours, at all levels of the business.

The Group has been developing a new site induction process to be undertaken by all visitors to construction sites. It will be followed by a short test to ensure inductees have understood the content. In order to enhance the engagement level during the induction process, an induction video is planned to be introduced in 2017.

People

The Bovis Homes Safety Awards recognise excellent performance in health and safety at our sites. The judging took place in November 2016 with nine sites winning Regional Excellence Awards. Four sites were Highly Commended and went through to compete for the Group Excellence Award. The Group is pleased to announce that our Warwick site received the Group Excellence Award.

The superb examples of health & safety identified during the judging for the awards has been shared with the Regional Build Directors for implementation across the business.

Alongside the Bovis Homes Safety Awards, the Group competed with other house builders in the National House Building Council's Pride in the Job Awards, where four of our site managers were selected from more than 16,000 site managers working across the country to receive Quality Awards. Our team at Loachbrook Meadow, led by Steve Jones, went on to win the next level of award, the Seal of Excellence.

The Group's overall health and safety performance is improving with a reduction in the annual injury incidence rate over the year and a continued focus on enhancing our performance during 2017.

Priorities for 2017

- Reduce annual injury incidence rate
- Improving leadership behaviours
- Enhancing the quality of workforce engagement
- Increasing the awareness of occupational health risks



Woodlands
Dawlish



Environment

KPI	2016	2015
Active waste* diverted from landfill	93%	94%
Active waste* generated per home (tonnes)	3.93	3.2
Total GHG emissions per legally completed unit	1.61	1.40

*Active waste is non-hazardous waste that is likely to change in composition (e.g. decay) in landfill, such as packaging, wood or plastic.

Waste

Performance vs priorities

Reduce active waste per home	
Reduce active waste sent to landfill	
Reduce inert waste (brick and block) per home	

The Group recognises that as a leading national home builder it needs to minimise its impact on the environment. We always aim to operate efficiently, reducing waste and minimising the energy and natural resources we use.

The Group aims to produce an average of 4.5 tonnes of waste per home. Of this, the majority is active waste. Disappointingly, it has exceeded this target during 2016, producing 6.1 tonnes of waste per home. A review during the year identified a number of differences in the way that waste has been measured by each regional business and a standard approach is in the process of being agreed. We have joined the House Builders' Federation Waste Group which is focused on reducing waste in the construction of new homes. Our work with the Waste Group will enable us to benchmark our current waste strategy and set targets for reducing waste and increasing recycling and reuse rates. We will also be working with our suppliers and sub-contractors to review our processes and procurement methods in order to meet these targets.

Despite the increased level of waste, the Group continued to divert almost all of its waste from landfill to other uses at 93%.

We continue to research and develop more efficient build processes and modern methods of construction which should reduce the amount of waste generated from our activities.

Priorities for 2017

- Refine our waste reduction strategy
- Reduce active waste per home
- Reduce active waste sent to landfill
- Set target for active waste per plot

Greenhouse gas (GHG) emissions

Performance vs priorities

Reduce our GHG emissions against our chosen intensity measures

We continue to recognise the importance of climate change and minimise our impact on the environment.

Our impact on climate change also means that careful thought is given to the homes that we build. Our preference is for a fabric first approach to ensure that the heating of space, which has the greatest impact on a home's energy efficiency, is mitigated as far as possible within the actual construction of homes.

We continue to review green energy provision on our developments, including the use of photovoltaic roof tiles in place of traditional panels. Our development at Stadhampton includes provision for all homes to incorporate photovoltaic panels.

Performance and methodology

GHG emissions have been reported from all sources required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. These sources fall within the Group's operational control. The Group does not have responsibility for any emission sources that are not included in the consolidated financial statements and are outside the boundary of operational control.

During the year, measures were operated to collect emissions data from our construction sites. Where this data was incomplete at the year end, we have extrapolated total emissions by using (i) an averaging approach to extend data to a full year for sites with part-year data, and (ii) applied an average calculated from all sites to sites returning inadequate data. The calculations allow for sites which opened and closed during the year.

GHG emissions have been calculated using emission factors from UK Government's GHG Conversion Factors for Company Reporting 2016. Scope 1 emissions arise from the consumption of gas at our facilities, diesel on construction sites and UK business mileage in fleet cars. Emissions from air conditioning in offices have been excluded as not being material. Scope 2 emissions represent purchased electricity.

Greenhouse gas (GHG) emissions data for the period 1 January 2016 to 31 December 2016 (with prior year comparatives)

Emissions from:	2016	2015	2014	Unit
Combustion of fuel at our facilities and construction sites as well as fleet vehicle use (Scope 1 emissions)	4,780	4,168	4,168	*
Purchased electricity (Scope 2 emissions)	1,627	1,324	1,527	*
Total GHG emissions (Scope 1 and Scope 2)	6,406	5,492	5,695	*
Company's chosen intensity measurements:				
(i) Total GHG emissions per legally completed unit	1.61	1.40	1.57	**
(ii) Total GHG emissions per 1,000 sq ft legally completed	1.54	1.36	1.57	†

* Tonnes of CO₂e

** Tonnes of CO₂e per legally completed unit

† Tonnes of CO₂e per 1,000 sq ft legally completed

There has been increase in GHG emissions against our chosen intensity measures as a result of an increase in fleet vehicle use and the opening of three additional regional offices to support the Group's operations.

Priority for 2016

- Reduce our GHG emissions against our chosen intensity measures.

Open space, ecology and sustainable water management

Performance vs priorities

Continue to support the development of sustainable and ecologically diverse living environments	●
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Our developments are about more than just homes and the incorporation of open space and communal areas is considered at an early stage.

All of our sites are subject to extensive pre-construction assessments. Our ecology assessments include an evaluation of the suitability of habitats for protected species and proposals to mitigate the impact of our developments more generally. Mitigating measures can include translocating species and creating wildlife corridors. An archaeological assessment will also be undertaken to determine whether a site is likely to contain archaeological remains and any mitigating actions that may be required.

We work closely with local authorities to retain and protect trees wherever possible and provide mature environments for local wildlife populations. Where trees are removed, we aim to provide a net improvement to the number of habitats, through planting and the inclusion of bird and bat boxes and other wildlife habitats.

All sites are reviewed at acquisition stage to determine the likely ground conditions and the type of surface water measures required to limit surface water discharge and any potential for localised flooding. This involves active consultation with the Environment Agency and water authorities to ensure that there is, as a minimum, no impact from our development on local flood conditions. Our approach is not to acquire sites on flood plains and to incorporate sustainable drainage systems where appropriate for the development.

We specify Forestry Stewardship Council (FSC) or PEFC certified timber is used for all of our developments.



Often our proposals for new developments include plans to provide accommodation for wildlife too.

Our Bidford-on-Avon location in Warwickshire was a case in point as our pre-construction ecology assessments discovered a bat, soon nicknamed 'Barry' by the regional team, taking residence in a derelict building that had been earmarked for demolition.

To keep the impact on Barry to a minimum during the construction of the new homes, the regional team worked closely with a specialist ecologist to review the options available. The goal was to ensure this nocturnal resident could be rehomed in the least stressful way and as close to his original habitat as possible.

The team communicated closely with Natural England as the plans were drawn up, and having obtained a licence from them, new bat boxes could be installed at the development ahead of the building's demolition.

Barry has now been safely rehomed and is enjoying life on the development.

Community

KPI	2016	2015
Affordable housing completions	1,074	848
S.106/CIL commitments	£26.7m	£56.8m
Education commitments	£12.7m	£31.6m

Affordable housing

Performance vs priorities

Continue to develop our strategic partnerships with registered providers 

Working collaboratively with our public sector partners is central to the way we operate and we are proud to be playing a key role in tackling the country's housing supply challenge. We work with local authorities and registered providers (RPs) to ensure that affordable housing on the majority of our developments in a way that meets local needs.

During the year we continued to build on our affordable housing offering by working with RPs and government agencies to offer a range of different tenures providing solutions that meet the affordable housing needs of our partners and the communities in which we work.

We offer Help to Buy and our own Trinity Discount Scheme for Armed Forces personnel as part of our Armed Forces Covenant.

We have been working with a number of providers to develop a bespoke specification for the homes we deliver to RPs in response to the growing demands they are under.

Of our 3,977 homes (2015: 3,934) completed in 2016, 1,074 were sold to RPs, representing 27% of the homes we sold (2015: 848 and 22%).

Priorities for 2017

- Continue to develop our strategic offering to assist with affordable housing

Supply chain

Performance vs priorities

Continue to build on our relationships and support our sub-contractors and suppliers 

We continue to work with our supply chain to ensure timely delivery of our homes in an environmentally and socially aware way. Our suppliers and sub-contractors are involved at an early stage in site development to ensure adequate resource planning is in place and health & safety remains a number one priority.

The use of local and regional suppliers means that our developments provide benefits for the wider community, through job creation and opportunities for other local businesses to support the development.

We collaborate with our supply chain on the development of skills for the industry, with our apprenticeship programme incorporating secondments to learn key construction skills. We offer work experience placements to those attending school and college.

We work with our suppliers to provide innovative designs and products as well as providing training on topics such as health and safety and modern slavery. During 2017 we will be organising workshops with our groundworks contractors on safe practices around buried services.

In return for our commitment, our suppliers must meet our anti-bribery and ethical conduct standards. A whistleblowing procedure is in place to support our contractors and their staff.

Priorities for 2017

- Continue to build on our relationships and support our sub-contractors and suppliers

Community and infrastructure improvements

Performance vs priorities

Work with local stakeholders to identify community priorities for improvements on our new sites 

Through local consultation processes we have made certain commitments relating to the sites we have acquired during 2016. These commitments vary from development to development, based on the local needs, but will usually incorporate provision for education, health services and open spaces. These commitments represented approximately £13,000 per home for developments acquired during 2016.

Our overall level of S.106/CIL and education commitments have reduced compared to the prior year as a result of fewer total plots being acquired from a lower number of sites.

During the planning phase for our developments, we always seek to incorporate leisure and amenity areas together with integrating developments into local public transport infrastructure. Where appropriate, local resident travel vouchers may be provided to encourage use of public transport.

Our larger developments will often include provision of a local school, which will also benefit the local community.

Our Cloakham Lawns development in Axminster, Devon has continued its partnership with the Ferne Animal Sanctuary located close by with a free 12-month subscription offered to all new home buyers at this development. This follows on from our sponsorship of an accessible plaque-rubbing trail located at the sanctuary. The engraved plaques were designed by local wildlife artist Patrick Moran and include pictures of a frog, toadstool, ferns, kingfisher, deer, oak and acorn.

Our St George's Park development in Stafford also received the Best Homebuilder Development Central England prize in Zoopla's Buyers' Choice Homebuilder Awards thanks to support from its residents.

Charity

Performance vs priorities

Continue to encourage and support our staff in their fundraising efforts for local good causes



During 2016 Bovis Homes has been busy with many fundraising events and local sponsorship opportunities. Staff have been involved in activities and supporting local good causes. We have continued to make facilities available to staff, with local fundraising days. Charitable donations and sponsorship are managed by each regional business to ensure that local causes and charities important to staff are given priority. Our staff have raised £19,000 to support local good causes.

Our West Midlands region took part in the Yorkshire 3-Peaks challenge in partnership with a contractor and raised over £12,000 from donations from staff, family and friends.

As an incentive for staff to complete the employee survey, we agreed to make a £10 donation for each completed survey to the regional charity funds. It is pleasing to note that over £7,700 was raised to support worthy causes across the business.

Our customers have also been involved, Bovis Homes agreed to make a donation of £25 to Children in Need for each completed customer satisfaction survey. This resulted in £5,225 being donated in November 2016 following 209 completed responses.

The Group continues to support the Fifty Foundation, which provides grants to support former employees in receipt of a Bovis Homes pension to assist with replacement windows or boiler repairs and oversees visitors for eligible pensioners.

Chair cheer for Cheltenham charities



Bovis Homes' Western region, which is based in Bishop's Cleeve, invited staff and members of the public to its ex-showhome furniture sale, helping to raise funds for the Motor Neurone Disease Association and Cancer Research UK.

With furniture ranging from desks and drawers to tables and sofas, and home accessories including ornaments, cushions and lamps for sale, the event saw more than 100 people visit and raise £1,800, to be split between the two charities. Further furniture items from the showhomes were also donated to Sue Ryder Care Hospice in Leckhampton.

Bovis Homes Site Start Sales Co-ordinator, Charles Bond, said: "We're thrilled that we were able to raise this fantastic amount for two worthy causes. Our show homes are uniquely designed, and once it they have been sold we no longer require the furniture, so this is a great opportunity to raise some extra funds for our annual charity and to finish the year on a high."

Selected by staff in January, the company has been raising funds throughout the year for the charities by dressing down on Fridays, baking and selling cakes and holding raffles.

Strategic report approval

The strategic report outlined on pages 2 to 47, incorporates the financial highlights, the chairman's statement, the strategic review, the chief executive's review, the financial review, the risks and uncertainties review and corporate social responsibility review.

By Order of the Board
Earl Sibley
Interim Chief Executive

20 February 2017