# Socially Responsible Investment (SRI)

Implementation Policy 2005

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## 1. Introduction

### 1.1 Socially Responsible Investment (SRI)

The Igloo Regeneration Partnership is a fund established by Aviva plc to invest in the physical regeneration of the UK's top 20 cities [1]. The fund is committed to a policy of Socially Responsible Investment (SRI) that will deliver long-term social, economic and environmental benefits whilst delivering acceptable financial returns. The UK Social Investment Forum (UKSIF) defines SRI as being;

> *'Investment that combines investors' financial objectives with their commitment to social concerns such as social justice, economic development, peace or a healthy environment'* [2]

The fund's SRI Implementation Policy has been developed by URBED (the Urban and Economic Development Group). It has been endorsed by Jonathan Porritt from Forum for the Future, who sits on Igloo's SRI steering group. He recently made the following comments about Igloo's policy:

> "*Cut it which way you will, the principles and practice of sustainable development are at last redefining what we mean by "regeneration", bringing life back to communities through durable, efficient, people-friendly buildings in high quality environments. In five year's time, it will seem extraordinary that anybody ever thought of doing it any other way*"

Igloo seeks to use 'social screening' and 'cause based investing' to develop an investment portfolio guided by SRI policies [3]. The aim of the Implementation Policy is therefore to screen and assess urban regeneration schemes for their SRI characteristics. In order to do this Igloo has defined three SRI themes:

- Regeneration – engagement with stakeholders to invest in the regeneration of the social, physical and economic fabric of urban neighbourhoods,
- Sustainability – ensuring that our patterns of resource use do not compromise the sustainability of environmental systems,
- Design – contributing to an urban renaissance through the design of buildings and public realm that are distinctive, functional and urban in character.

These themes are based on the belief that Igloo's investments will perform better if they contribute to the regeneration of the area they are in (and therefore benefit from that regeneration), if they are environmentally sustainable (and therefore 'future-proofed', against

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[1] Igloo Regeneration Partnership http://www.igloo.uk.net

[2] UKSIF http://www.uksif.org/about_sri/welcome/content.shtml

[3] SustainAbility (2000) A responsible investment?

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higher energy costs for example), and if they are well designed (and therefore more attractive to occupiers).

## 1.2  Policy Overview

The Implementation Policy sets out the assessment process that will be used to establish a schemes SRI characteristics. This process consists of four stages which correspond to a schemes development:

1.  Development Process – outline screening and assessment to determine on what basis a scheme should be taken forward to the concept stage;
2.  Scheme Concept - detailed assessment of the scheme concept in order to determine its SRI characteristics;
3.  Monitoring – follow-up evaluation of progress against the scores, actions and risks identified during Stage 2;
4.  Post-Occupancy - post-occupancy assessment to determine the actual performance of the completed scheme.

The aim of this four-stage process is to provide:

- Aviva with a transparent process that demonstrates SRI implementation;
- Igloo with a third party assessment of a scheme's emerging performance in key areas;
- Development partners with guidance on the level of committment Igloo expects;
- Professional teams and project managers with guidance on performance criteria;

Assessment of a schemes performance is based on the 16 SRI Policies.  Each policy relates to the SRI themes of regeneration, sustainability and design.  For each policy there are a set of policy objectives and assessment criteria. These are used by assessors to produce a score.

Each score is based on a mix of objective and subjective assessments of the strengths and weaknesses of a scheme, in turn benchmarked against how it compares with schemes in the UK and further afield in the EU. At each stage of the process actions are identified that may be required to improve a score, as well as risks that may be associated with successful delivery.

Whilst there are some overlaps between the SRI policy and assessment methods such as BREEAM, it differs in that it is specifically tailored for mixed use, neighbourhood scale 'urban renaissance' schemes.  It also offers a more comprehensive assessment of the development and innovation process, seeking to benchmark performance against EU industry practices and identifying potential risks to implementation at different stages of development.

**2.    Assessment Process**

The SRI assessment process consists of four stages which correspond to a schemes development:

Stage 1: Initial concept     Screening at the pre-planning and acquisition stage.
Stage 2: Detailed concept    Detailed assessment at the outline and detailed planning stage.
Stage 3: Monitoring          Follow-up evaluation of progress at post-planning stage.
Stage 4: Post-occupancy      Post-occupancy survey of a schemes actual performance.

In addition to assessment of a schemes performance against the SRI policies, risk assessments of the developer and their professional teams' understanding of the SRI policy will be carried out.

**SRI assessment process stages**

| Stage | Assessment | Development stage | | | | |
|---|---|---|---|---|---|---|
| | | Pre-acquisition | Outline planning | Detailed planning | Construction | Occupancy |
| **Stage 1 Initial Screening** | Scheme definition | ■ | | | | |
| | Developer risk assessment | ■ | | | | |
| | Outline concept | ■ | | | | |
| **Stage 2. Detailed concept** | Detailed concept | | ■ | ■ | | |
| | Team risk assessment | | ■ | | | |
| **Stage 3. Monitoring** | Follow-up evaluation | | ■ | ■ | ■ | |
| **Stage 4. Post-occupancy** | Post-occupancy survey | | | | | ■ |

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**Stage 1: Initial Screening**

At this initial stage the initial concept for a scheme(s) will be screened, focussing on the developer, project definition and the proposed development process. The aim of screening is to highlight fundamental issues that will shape the schemes ability to meet SRI policy objectives. This will be based on information provided by Igloo, the development partner and relevant stakeholders.

The *first* element is the scheme definition. The assessor will characterise a scheme's:

- Initiation process: For example, a design competition, public-private sector property portfolio or community-led partnership.
- Regeneration contribution: For example, the scheme may be a smaller single block within a larger portfolio, or it may make a specific contribution to an economic development strategy, but as part of a wider property portfolio.

This will enable the assessor to determine whether a scheme should be assessed using the full set of SRI policies, or for smaller schemes a smaller selection.

The *second* element of the screening consists of a risk assessment of the developer. This is based on three levels of risk:

- Low – Clear understanding and corporate committment to the SRI policy combined with a good track record of delivery (and/or Igloo control of development process);
- Medium – Basic understanding and indication of corporate committment to the SRI policy combined with some evidence of a track record of delivery;
- High – Limited understanding and corporate committment to the SRI Policy combined with a limited track record of delivery.

The *third* element is an outline assessment of the proposed development process, with reference to SRI Policies 1,2 and 3 as setout under the Regeneration theme:

- Location – Regeneration location and connectivity with the urban fabric;
- Context – Local knowledge to inform the engagement process and scheme concept;
- Engagement – Managing and resourcing an ongoing process of stakeholder engagement.

These policies are designed to encourage developers to explore how the scheme could contribute to the regeneration of an area and through responding to the character and distinctiveness of the area increase the likelihood of it being a success.

The outcome of Stage 1 will be recommendation as to whether Igloo should proceed to:

- Acquisition - where Igloo is directing the development process
- Concept Design - where Igloo proposes to fund a third party development

The detailed assessment criteria for the screening are described in Section 4.

**Stage 2: Detailed Concept**

Once a concept has been worked up for a scheme it will be subjected to a more detailed assessment. The performance of the scheme will be assessed against the 16 SRI policies. The main focus at this stage will be on the professional teams understanding of the SRI policy and the scheme's performance against the policy criteria. The response to the actions and risks carried over from Stage 1 will also be considered.

The *first* element of the assessment will be a full scheme assessment based on the 16 SRI policies. This will be based on information provided by Igloo, the Developer and relevant stakeholders. It is intended to be an iterative process, with assessors working with the developer's professional team to help them to meet the policy objectives. Each SRI policy seeks to focus on three key areas necessary for implementation:

- Strategies and delivery mechanisms
- Designs and specifications
- Stakeholders and partners

A scheme which had achieved a good score could, for example, still be questioned if it lacked convincing delivery mechanisms. Risks to implementation and recommended actions to improve performance will be highlighted as part of the assessment.

The *second* element of the assessment consists of a risk assessment of the professional team. This is based on three levels of risk:

- Low – Good understanding of the SRI policy combined with strong SRI project management and good level of resourcing;
- Medium – Basic understanding of the SRI policy with some element of SRI project management and some additional resourcing;
- High – Limited understanding of the SRI policy, lacking specific SRI project management role and with limited additional resourcing;

The outcome of Stage 2 will therefore be a set of policy scores, together with actions and risks that the developer will be asked to address. This will form the basis for a recommendation as to whether Igloo should proceed to:

- Outline planning – where Igloo is directing the development process
- Funding agreement – where Igloo proposes to fund a third party development

The detailed assessment criteria for the assessment are described in section 4.

### Stage 3: Monitoring

Based on the actions and risks carried over from the Stage 2 assessment an evaluation will be made of progress made by Igloo's development team *or* the Third Party developer. This will take place at an appropriate point as the scheme proceeds from outline to detailed planning, focussing on risks to implementation during the procurement process.

### Stage 4: Post-Occupancy

The final stage is a post-occupancy assessment of the performance of the completed scheme against its final SRI score. This will be carried out one year after completion of the scheme and will determine the actual performance of the scheme. The assessment will also consider the extent to which actions and risks were addressed and, where necessary, the reasons for non-compliance (which may be legitimate). This will be an important feedback mechanism to ensure that the commitments made in Stage 2 were honoured (many of which are likely to have been written into the funding agreement).

## 3. Assessment Methodology

## 3.1 Scoring

As we described in the previous section, the development process and scheme concepts will be subject to detailed assessment. Information gathered by the assessors will be used to establish the performance of a scheme against the 16 SRI Policies, setting out its strengths and weaknesses and giving it a colour-coded score. Dialogue with the Project Team and Igloo will inform the identification of follow-up actions (if required) and areas of potential risk to implementation.

For each of the 16 SRI Policies there is a statement of the policy's objectives, accompanied by detailed assessment criteria and a summary checklist of the key issues likely to be addressed. Where possible quantitative targets have been set to ensure clarity. However this has not been possible for all the criteria and for some an informed judgement will have to be made by the assessor.

The scoring for each criteria is based on five categories, which are defined as follows:

- Bad Practice (-1) demonstrates practices that have fundamental weaknesses and which demonstrate an inadequate response to key requirements of the SRI Policy,

- Market Practice (0) demonstrates average market practices and minimum compliance with regulatory standards,
- Good Practice (+1) demonstrates performance which is ahead of market practices and which has begun to address key requirements of the SRI Policy,
- Best Practice (+2) performance which meets and in some cases exceeds key requirements of the SRI Policy and is comparable with the leading UK examples,
- Exceptional Practice (+3) performance which exceeds key requirements of the SRI Policy and are comparable with leading EU examples.

The results of the assessment will be entered onto an assessment matrix, a sample of which is provided in the sample below.

**Assessment Matrix Sample**

| Issue | | | | | Strengths | Weaknesses | Actions | Risks |
|---|---|---|---|---|---|---|---|---|
| **-1** | **0** | **+1** | **+2** | **+3** | Schemes strengths when considered against the SRI Policy | Schemes weaknesses when considered against the SRI Policy | Actions required to achieve compliance with SRI Policy | Risks to SRI Policy compliance |
| | | **SRI Policy** | | | | | | |

The scores for each criteria will then be aggregated to produce an overall score for each SRI theme, as set out below.  Igloo will expect schemes to achieve a Good Practice score for each SRI Theme.

**Theme Scoring**

| Bad Practice | Market Practice | Good Practice | Best Practice | Exceptional Practice |
|---|---|---|---|---|
| **-3 to -2** | **-1 to +1** | **+2 to +4** | **+5 to +7** | **+8 to +9** |

Where requested performance benchmarks of a schemes score will be provided. These will be based on examples of practices in the UK and mainland EU. The benchmarks will be chosen to reflect Igloo's regeneration, sustainability and design aspirations.

**UK Performance Benchmark**

| Issue | | | | | Good Practice | Best Practice | Exceptional Practice |
|---|---|---|---|---|---|---|---|
| **-1** | **0** | **+1** | **+2** | **+3** | The Lifebuilding Company | Greenwich Millenium Village | Beddington Zero Energy Development |
| **2.1 Energy Strategy** | | | | | | | |

## 3.2 Information Gathering

The assessment process is designed to minimise additional work for the developer(s). Information gathering will therefore be based on the following four-stage process:

- Igloo - obtain Funding Agreement and additional supporting documents from Igloo who will also provide comment on the draft assessment;
- Developer - obtain listing of documentation relevant to the scheme which will then be made available by the developer if requested by the assessor;
- Stakeholders – obtain supplementary information and perspectives on elements of the development process;
- Follow-up - site visit and follow-up meeting as required to verify and adjust the draft assessment.

For each SRI theme we have listed the likely sources of supporting information for the assessment. Documentation available from Igloo will form the starting point, with additional information being requested from a list of documents provided by the developer. Contact with key stakeholders may be used to verify or substantiate aspects of a proposed scheme. A site visit will also be used to verify aspects of the design concept, such as urban design.

Based on this information a draft assessment will be produced, incorporating Igloo's comments. This will then form the basis for a follow-up meeting with the developer. Risks to implementation will then be determined based on the commitments and delivery mechanisms discussed with the developer. The final version of the assessment will then be submitted to Igloo, with the total score for each theme providing an indication of the anticipated performance (see sample below).

**Theme Score Breakdown: Regeneration**

| | | | | | |
|---|---|---|---|---|---|
| 1.1 Location and Connectivity | | | +1 | | |
| 1.2 Contextual Analysis | | | | +2 | |
| 1.3 Stakeholder Engagement | | | +1 | | |
| **Good Practice** | | | **+4** | | |

**Summary:** *Demonstrates Good Practice but connectivity with the surrounding area and the proposed stakeholder engagement process require addressing.*

4.  **Policy Objectives and Assessment Criteria**

In this section we describe the 16 SRI Policy Objectives and the detailed assessment criteria that will be used to determine a schemes SRI characteristics.

**SRI Theme 1: Regeneration**

Igloo will invest in schemes that invest in the long-term regeneration of urban areas, engaging with stakeholders to strengthen and renew the social, physical and economic fabric of urban neighbourhoods.

**Development Process**

| SRI Policies | Checklist | Supporting Information | |
|---|---|---|---|
| | | **Developer** | **External** |
| **1.1 Location and Connectivity** <br><br> Schemes should be located in priority areas for urban regeneration, with good connectivity to the rest of the urban fabric. | • Areas formal regeneration status <br><br> • Accessibility, proximity and permeability | • Site plans <br> • Consultant studies <br> • Design Concept | • UDP <br> • Local Authority <br> • URC / RDA <br> • Central Government |
| **1.2 Contextual Analysis** <br><br> Schemes should be grounded in a thorough process of contextual analysis to inform the engagement process and develop the scheme concept. | • Analysis of local context <br><br> • Role in informing the development process and scheme concept | • Interview <br> • Site plans <br> • Consultant studies <br> • Design Concept | • UDP <br> • Local Authority <br> • URC / RDA <br> • Stakeholder groups |
| **1.3 Stakeholder Engagement** <br><br> Developers should manage, resource and record a meaningful and ongoing process of stakeholder engagement which, depending on the context, will balance partnership working and consultation. | • Planning and resourcing <br><br> • Consultation process <br><br> • Recording and documentation <br><br> • Partnership working and structures <br><br> • Community and stakeholder satisfaction | • Interview <br> • Consultation reports <br> • Design concept / statement | • Local Authority <br> • Local Strategic Partnership <br> • Stakeholder Groups |

## Scheme Concept

| SRI Policies | Checklist | Supporting Information | | |
|---|---|---|---|---|
| | | **Developer** | **External** | |
| **1.4 Neighbourhoods and Liveability**<br>Schemes should create attractive and liveable urban neighbourhoods by ensuring there are a range of basic amenities and services, a choice of housing, and a well maintained public realm. | • Amenities and services<br>• Housing choice and access<br>• Local environmental quality<br>• Safety and security<br>• Neighbourhood management structures | • Design Concept/ Statement<br>• Section 106 Agreements<br>• Contextual analysis<br>• Consultation reports<br>• Partnerships and structures | • Local Strategic Partnership<br>• Public service agreements | |
| **1.5 Community and Stewardship**<br>Schemes should create neighbourhoods that contribute to rebuilding the social fabric of our towns and cities through combining careful integration with measures to actively foster community cohesion and long-term stewardship. | • Social interation and diversity<br>• Community development<br>• Long-term community stewardship<br>• Community-led decision-making | • Design Concept/ Statement<br>• Section 106 Agreements<br>• Contextual analysis<br>• Consultation reports<br>• Partnerships and structures | • Local Authority<br>• Local Strategic Partnership<br>• Stakeholder Groups | |
| **1.6 Economic Diversity and Independence**<br>Schemes should support independent economic activities and enterprises, with measures taken to nurture an independent business culture that supports entrepreneurship, creativity and co-operation. | • Characterising demand<br>• Adaptability, affordability and mix of units<br>• Lettings policy and pre-lets<br>• Engagement with stakeholders<br>• Entrepreneurship and creativity<br>• Access to employment<br>• Procurement of goods and services | • Design Concept and/or Statement<br>• Demand Assessment<br>• Lettings Policy<br>• Management Proposals<br>• Section 106 Agreements<br>• Labour Agreements | • Stakeholder Groups<br>• Managing Agents<br>• Local Authority / URC / RDA | |

| 1.1 Location and Connectivity | Checklist |
|---|---|
| Our towns and cities have experienced significant socio-economic problems as a result of economic change, poor urban planning and social housing experiments.  Real or perceived isolation from the rest of a town or city can also hinder regeneration. | • Areas formal regeneration status<br>• Accessibility, proximity and permeability |

**Policy Objectives**

Igloo will expect schemes to be located in priority areas for urban regeneration (see assessment criteria below).  Schemes will also need to demonstrate good connections to the rest of the urban fabric through demonstrating:

- A high degree of accessibility (*see* 2.2 Car Dependency),
- Proximity to local centres with a range of amenities (*see* 1.4 Liveability)
- Permeable street network (*see* 3.1 Permeable Street network)

**Assessment Criteria**

Priority areas for urban regeneration will be defined in terms of the following formal criteria:

- Objective 1 and 2 EU structural funding,
- Assisted Area status,
- Neighbourhood Renewal Fund,
- New Deal for Communities,
- Regional Development Agency regeneration priority area,

Relationships with the urban area will be considered including physical proximity to, and connectivity with local centres.

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| 1.2 Contextual Analysis | Checklist |
|---|---|
| Key to the success of an intervention into a regeneration area is how a scheme responds to the local context. This will inform a schemes relationship to the urban fabric and its contribution to the life of the city. | • Analysis of local context<br>• Role in informing the development process and scheme concept |

**Policy Objectives**

Igloo will expect developers to carry out a thorough process of contextual analysis to gather local knowledge. This will be used to inform the engagement process (See SRI Policy 1.3) and development of the scheme concept.

**Assessment Criteria**

The assessment will be based on the quality of the analysis of the local context - informing the scheme's response to the three SRI themes  This is likely to include a range of physical, social and economic aspects:

- Historical development of the area
- Contemporary urban design relationships
- Existing amenities, services and infrastructure
- Key stakeholders, projects and consultees
- Local and regional economy
- Social capital and profile

The extent to which this analysis is then used to inform the development process and emerging scheme concept will be considered.

| 1.3 Stakeholder Engagement | Checklist |
|---|---|
| A key element of successful regeneration is meaningful engagement with local communities and stakeholders in order to address concerns and realise aspirations. | • Planning and resourcing<br>• Consultation process<br>• Recording and documentation<br>• Partnership working and structures<br>• Community and stakeholder satisfaction |

**Policy Objectives**

Igloo will expect developers to manage, resource and document a meaningful and ongoing process of engagement with the local community and stakeholders. This process will combine consultation and partnership working with stakeholders in order to fulfill the regeneration, environmental sustainability and urban design policy objectives.

**Assessment Criteria**

This will be based on community and stakeholder involvement in the engagement process and the quality of the partnership working and consultation. Satisfaction of the community and stakeholders with the process will be considered. Definitions of partnership and consultation to be used are as follows:

- Consultation – presentation and discussion of proposals in order to identify and prioritise short, medium and long-term concerns and aspirations. This will take place at stages when they can usefully be addressed and taken on board.
- Partnership - involvement of stakeholders in decision-making processes to varying degrees during initiation, planning, implementation and maintenance. This could form the basis for joint delivery of housing, workspace, amenities and services.

Igloo will prioritise schemes where communities and stakeholders have generated the development brief, and are partners in planning and delivering a scheme. Igloo will not expect to support schemes that have encountered significant local opposition.

| **1.4 Neighbourhoods and Liveability** Delivering an urban renaissance in our towns and cities will depend on the creation of neighbourhoods in which people want to live. This will require consideration of a range of factors required to make them attractive and liveable. | **Checklist** • Amenities and services • Housing choice and access • Local environmental quality • Safety and security • Neighbourhood management structures |
|---|---|

**Policy Objectives**

Igloo will expect developers to create attractive and liveable urban neighbourhoods. Developers will be expected to make a practical assessment of how their scheme can contribute to the liveability of the area, and where relevant, establish neighbourhood management structures responsive to the changing needs of the area.

**Assessment Criteria**

Schemes will be assessed on the basis of:

- Processes for identifying and assessing the level of intervention required to create a liveable neighbourhood,
- The level of commitment and the quality of partnerships to develop and/or support improvements in four key areas (see below),
- Establishment of appropriate management structures to co-ordinate action and secure the long-term liveability of the neighbourhood.

The assessment will consider how it addresses four key issues as part of an overall strategy:

1. Amenities and Services - shortfalls in the range of basic provision within walkable distance (up to 800m) and anticipation of changes in demand over time.
2. Housing choice - responding to local housing needs and aspirations as identified by the Local Authority, market research and the stakeholder engagement process.
3. Local environmental quality – initiatives that may be required to improve and maintain the quality of the public realm and re-inforce civic pride
4. Safety and security – initiatives to tackle persistent crime as well as antisocial behaviour.

Based on the shortfall in these key areas and level of co-ordination required to create a liveable neighbourhood we will assess:

- contributions to local provision and/or support to upgrade existing provision.
- proposals for appropriate management structures.

Credit will be given for the support of community-led provision. Neighbourhood management is defined as 'the local organisation and delivery of core urban services'.

| 1.5 Community and Stewardship | Checklist |
|---|---|
| A key factor in the decline of our towns and cities has been the erosion and polarisation of the social fabric of communities. Reversing this process will require careful integration of new schemes and measures to foster community cohesion. | • Social interation and diversity<br>• Community development<br>• Long-term stewardship<br>• Community-led decision-making |

**Policy Objectives**

Igloo will expect developers to create neighbourhoods that contribute to rebuilding the social fabric of our towns and cities. Schemes will need to demonstrate a good level of integration and cohesion  with the local neighbourhood, fostering opportunities for social interaction, community development and long-term stewardship.

**Assessment Criteria**

Schemes will be assessed on the basis of:

- Processes to identify and explore ways to foster a good level of integration and cohesion with the wider neighbourhood,
- The level of commitment and the quality of partnerships to develop and/or support measures to foster integration and cohesion.

The assessment will consider how it addresses three key themes as part of an overall strategy:

1. Social Interaction – design of the scheme in such a way as to avoid segregated communities and 'privatised' areas of public realm. Provision of amenities that foster social interaction between different tenures, and between residents and non-residents. The residential population should reflect the cultural diversity of the local area.
2. Community development – Formal and informal measures designed to bring together different elements of the community and celebrate diversity. Opportunities for self-expression through a range of cultural activities and events. Opportunities to establish trust and encourage co-operation by creating the conditions for a diversity of social and economic networks to develop.
3. Stewardship – Establishment of appropriate democratic structures to encourage community or stakeholder-led decision making. Issues addressed could include 'ownership' of the public realm and neighbourhood management issues (see Policy 1.4)

Aspirations and concerns arising from the engagement process will also need to be addressed.

| 1.6 Economic Diversity and Independence | Checklist |
|---|---|
| A diversity of independent economic activities should form a key element of vibrant and distinctive neighbourhoods, and a revitalised local economy. This requires nurturing of an vibrant and independent business culture. | • Characterising demand<br>• Workspace specifications<br>• Lettings policy and pre-lets<br>• Entrepreneurship and creativity<br>• Access to employment<br>• Procurement of goods and services |

**Policy Objectives**

Igloo will expect developers to provide space for a diversity of independent economic activities, supporting a range of different enterprises and nurturing a culture of entrepreneurship, creativity and co-operation for mutual benefit. Igloo will also expect schemes to contribute to economic development through facilitating access to employment and training, and by creating demand for goods and services.

**Assessment Criteria**

Schemes will be assessed on the basis of:

- Process of characterising demand for office, workspace and retail units,
- The adaptability, affordability and mix of office, workspace and retail units,
- Resulting lettings policy and pre-lets negotiations,
- Response to aspirations and concerns arising from the engagement process,
- Proposals that nurture a culture of entrepreneurship, creativity and co-operation.

Developers are encouraged to foster a culture of co-operation between enterprises in order to improve competitiveness and market differentiation. Entrepreneurship specifically includes support for creative industries, green businesses and social enterprises. A sequential test of likely occupiers will look to support, in decreasing order of priority:

- Startup – establishment and incubation of independent startups.
- Local – independent enterprise's operating within the local area or district,
- Regional – independent enterprise's operating at a regional or city-regional scale,
- Inward investment – enterprise's operating at a national or international scale,

Credit will be given where:

- Support has been given to creative industries, green businesses and social enterprises,
- Access to employment for the local workforce has been addressed,
- Demand has been created for local and regional goods and services.

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## SRI Theme 2: Environmental Sustainability

Igloo will invest in schemes that demonstrate the environmentally sustainable use of resources during construction and subsequent occupation.

| SRI Policies | Policy Objectives | Supporting Information | |
|---|---|---|---|
| | | **Developer** | **External** |
| **2.1 Energy Strategy**<br>Schemes should achieve a 60% reduction in $CO_2$ emissions through the implementation of an energy strategy addressing the long-term supply and demand for energy, as well as raising occupiers awareness of their consumption patterns. | • Scheme energy strategy<br>• Microclimate characteristics<br>• Efficient design and specification<br>• Efficient and/or renewable energy supply<br>• Management of energy demand | • Design concept / statement<br>• Environmental Statement<br>• Proposed infrastructure / Services<br>• Management Proposals<br>• Computer models | • Local and regional energy projects<br>• Utility Providers<br>• Local Authority energy strategy |
| **2.2 Car Dependency**<br>Schemes should achieve a 60% reduction in $CO_2$ emissions through the implementation of a transport strategy designed to make alternative modes and technologies practical, safe and convenient. | • Scheme transport strategy<br>• Parking standards and car ownership<br>• Public transport accessibility<br>• Cycling and walking<br>• Flexible work patterns<br>• Vehicle technology and fuels | • Design Concept / Statement<br>• Environmental Statement<br>• Transport Statement<br>• Context Study | • Local Authority<br>• Public Transport Authority<br>• Service Providers<br>• Site Visit<br>• Computer models |
| **2.3 Waste Minimisation**<br>Schemes should minimise waste arisings by putting in place a waste minimisation strategy to implement the 'waste hierarchy' during construction and occupation, as well as raising occupiers awareness of their waste arisings. | • Waste minimisation strategy<br>• Multi-material recycling services<br>• Household recycling systems<br>• Scheme design to facilitate recycling<br>• Promoting waste minimisation | • Design Concept / Statement<br>• Environmental Statement<br>• Management Proposals | • Local Authority<br>• Service Providers |

| | | | |
|---|---|---|---|
| **2.4 Food Supply**<br><br>Schemes should support food retailing that reduces the environmental impacts associated with the production, transport and marketing of products, as well as raising occupiers awareness of how their food is produced. | • Market assessment and lettings policy<br>• Organic and fair trade products<br>• Associated food miles<br>• Links with farmers and producers<br>• Affordable fresh produce | • Design Concept / Statement<br>• Market Assessment<br>• Lettings Policy<br>• Context Study | • Stakeholder Groups<br>• Local Authority<br>• Retailers and suppliers |
| **2.5 Construction Systems**<br><br>Schemes should minimise the environmental impact and maximise the lifecycle utility of construction systems through addressing materials specifications, manufacturing processes and construction systems. | • Performance assessment<br>• Product specifications and certifications<br>• Lifecycle utility<br>• Bioregional sourcing<br>• Creative re-use | • Design Concept / Statement<br>• Environmental Statement<br>• Review of Local Sourcing<br>• Contract specifications | • Performance Assessments<br>• Supplier certifications |

| 2.1 Energy Strategy | Checklist |
|---|---|
| One of the major environmental threats we face is global warming caused by the emission of greenhouse gases. Carbon Dioxide released by the burning of fossil fuels for heat and power makes a significant contribution to these emissions. | • Scheme energy strategy<br>• Microclimate characteristics<br>• Efficient design and specification<br>• Efficient and/or renewable energy supply<br>• Management of energy demand |

**Policy Objectives**

Igloo will expect schemes to achieve a 60% reduction in $CO_2$ emissions on 1997 levels. Developers will need to develop an energy strategy addressing both the supply and demand for energy, as well as raising occupier's awareness of their energy consumption patterns.

**Assessment Criteria**

The assessment will consider how it addresses four key issues as part of an overall strategy:

- Internal and external microclimate;
- Energy efficient design and specification;
- Choice of supply systems and/or suppliers;
- Energy management systems and feedback mechanisms.

The predicted energy consumption for each element of the scheme will need to be expressed in $KWh/m^2/yr$. The associated reduction in $CO_2$ emissions will then need to be calculated. The performance improvement will be calculated through a comparison with 1997 performance figures for comparative uses. The basis for this comparison will be:

- Government 'good' Key Performance Indicators (KPI's) for non-residential uses;
- Thermal loads based on compliance with Part L of the 1995 Building Regulations;
- Average electrical loads for households and residential units;
- National Grid electricity supply mix;
- Transco natural gas supply.

In the absence of data the assessor will make reasoned assumptions based on the performance of similar schemes. The microclimate analysis will need to consider the quality of both the internal and external environment and the impact on comfort levels, health and productivity. Credit will be given for the application of bioclimatic design principles. Procurement of renewable electricity will need to support investment in new capacity.

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| 2.2 Car Dependency | Checklist |
|---|---|
| Transport is the fastest growing source of greenhouse gas emissions, with car-use being the main contributor. Tackling our culture of car dependency will be fundamental to reducing these emissions. | • Scheme transport strategy<br>• Parking standards and car ownership<br>• Public transport accessibility<br>• Cycling and walking<br>• Flexible work patterns<br>• Vehicle technology and fuels |

**Policy Objectives**

Igloo will expect schemes to to achieve a 60% reduction in $CO_2$ emissions related to car use when compared with 1997 levels. Developers will need to put in place a transport strategy which aims to reduce the car dependency of residents, the workforce and visitors to a scheme.

**Assessment Criteria**

The assessment will consider how it addresses five key issues as part of an overall strategy:

- Cycling and walking;
- Public transport accessibility and quality;
- Parking standards and car ownership;
- Flexible work patterns;
- Vehicle technology and fuels.

The main aim of the strategy will be to make alternatives to the car practical, safe and convenient. This will also need to be reflected in the urban design of the scheme – specificallly the allocation of road space and design of the public realm. As a minimum off-street parking should not exceed 50% for residential and for all other uses 50% of the National Maximum Parking Standards set out in PPG13. Credit will be given for consideration of how information and services can reduce car dependency.

The developer will be expected to make projections of the patterns of car use and modal split associated with residents, the workforce and visitors to a scheme. This will then need to be translated into fuel consumption estimates which can then be used to calculate the associated $CO_2$ emissions. The performance improvement will be calculated through a comparison with typical urban uses conforming to the national parking standards as set out in PPG13 (as effective in 1997).

| **2.3 Waste Minimisation** The manufacturing of products from virgin materials leads to the depletion of natural resources and industrial $CO_2$ emissions. This requires implementation of the 'waste hierarchy' – reduction, re-use and recycling. | **Checklist** • Waste minimisation strategy • Multi-material recycling services • Household recycling systems • Scheme design to facilitate recycling • Promoting waste minimisation |
|---|---|

**Policy Objectives**

Igloo will expect developers to put in place a waste minimisation strategy to implement the 'waste hierarchy' – reducing waste at source and increasing the re-use and recycling of materials – and raise occupiers awareness of their waste arisings. A household waste recycling rate of at least a 30% will need to be achieved as well as commercial recycling rates that go beyond regulatory requirements. Measures will also need to be put in place to implement the waste hierarchy during construction.

**Assessment Criteria**

The assessment will consider how it addresses four key issues as part of an overall strategy:

- Service providers – processes for the design and contracting of recycling services with available providers;
- Social marketing – measures designed to raise awareness, influence behaviour and practices, and increase participation rates;
- Source segregation - design of systems for residents and occupiers to segregate and store waste materials.
- Community champions – the ongoing relationship of service providers with scheme caretakers and occupiers;

The predicted waste arisings and waste composition for a scheme will need to be estimated. The household recycling rate will be assessed based on the materials proposed for collection and the proposals for service provision. Where the Local Authority already has already put in place multi-material household collections, schemes will need to explore achievement of a 60% recycling rate. Large commercial and retail occupiers will be expected to put in place recycling strategies that go beyond regulatory requirements. Credit will be given where:

- Service providers are members of the Community Recycling Network;
- Residents and occupiers are encouraged to 'buy recycled' products;
- Organic waste is processed to be re-used as a fertiliser in food production.

Construction waste is covered by Policy 2.5.

| **2.4 Food Supply** Modern patterns of food production and distribution are resource intensive and generate significant associated $CO_2$ emissions.  Intensive farming techniques degrade soil fertility and can result in habitat loss. Trading arrangements have also discouraged long-term stewardship of the land. | **Checklist**<br>• Market assessment and lettings policy<br>• Organic and fair trade products<br>• Associated food miles<br>• Links with farmers and producers<br>• Affordable fresh produce |
|---|---|

**Policy Objectives**

Igloo will expect developers to support food retailing that reduces food miles, increases the market share for organic produce and encourages fair trade.  Developers should also aim to raise occupier's awareness of how their food is produced. Where a scheme incorporates food retailing Igloo will expect the developer to ensure that at least 10% of sales are organic and fair trade, and at least 25% of sales are sourced regionally.

**Assessment Criteria**

The market assessment and lettings policy for food retailing will be assessed on the basis of how it addresses three key issues, in decreasing order of priority:

- Food miles – transport distances associated with the processing and distribution of products;
- Organic production – certified adoption of ecological methods of production and stewardship;
- Fair trade – ensuring that there is a fair social and economic basis for trade with producers.

This will require consideration of the policies and practices of food retailers.  Credit will be given where;

- Measures are taken to identify and support pro-active retailers;
- Links are established with farmers and producers;
- Measures are taken to raise consumer awareness;
- Affordable fresh produce is made available.

Farmers markets will need to certified with the National Association of Farmers Markets. The food retail policy will be cross referenced with the developers response to SRI Policy 1.6 'Economic Diversity and Independence'.

| **2.5 Construction Materials** | **Checklist** |
|---|---|
| The construction and fit-out of a scheme generates a range of environmental impacts. The most significant relate to the extraction of resources and the manufacturing of building products. | • Performance assessment<br>• Product specifications and certifications<br>• Lifecycle utility<br>• Bioregional sourcing<br>• Creative re-use |

**Policy Objectives**

Igloo will expect schemes to minimise the environmental impact and maximise the lifecycle utility of construction materials. This will need to form an intrinsic part of the design and procurement process, with the main focus on embodied energy and natural resource use.

**Assessment Criteria**

The environmental performance of major elements of each building's structure, fabric and cladding will need to be assessed. Specifications will need to respond the following requirements:

- Materials – minimising embodied energy by using natural, recycled or re-used materials;
- Manufacturing – low energy and low toxicity production processes and feedstocks;
- Waste - reduction in waste arising from the supply chain and on-site construction;

Product certifications will be required to demonstrate that:

- Products have a high recycled and re-used content,
- Natural materials are from sustainable sources.

Additional credit will be given for consideration of lifecycle utility, with a focus on:

- Lifespan – specification for durability and adaptability;
- Dismantling – design and specification for recycling and/or re-use.

Trade-offs between energy used in transport and market development for low impact products may need to be considered. Credit will be given for designs that take a bioregional approach by making use of indigenous materials and construction techniques. Credit will be given for the creative re-use of buildings and materials.

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**SRI Theme 3: Urban Design**

Igloo will invest in schemes that are urban in character, mixed use, vital and vibrant, and which are built to the highest design quality.

| SRI Policies | Policy Objectives | Supporting Information | |
|---|---|---|---|
| | | **Developer** | **External** |
| **3.1 Permeable Street Network**<br>Schemes should create a hierarchy of streets and spaces that are places as well as routes, and which are well connected and generate activity. | • Permeability and connectivity<br>• Recognisable hierarchy of streets<br>• Public pedestrian routes<br>• Urban grain and nodes of activity | • Design Concept / Statement | • Site Visit |
| **3.2 Public Realm**<br>Schemes should create a public realm that has appropriate character and proportion and is well designed and maintained – creating the stage on which the life of an area is played out. | • Building configuration and enclosure<br>• External microclimate<br>• Creation of public spaces<br>• Movement priorities and access<br>• Design, distinctiveness and legibility<br>• Management proposals | • Design Concept / Statement<br>• 3D Visualisations / Models | • Site Visit |
| **3.3 Density and Mix of Uses**<br>Schemes should create sufficient density and mix of uses to animate streets, support commercial activity and enhance safety, with building designs providing for flexibility and adaption over time. | • Gross densities and plot ratios<br>• Urban location and street hierarchy<br>• Horizontal and vertical mix of uses<br>• Balance and diversity of uses | • Design Concept / Statement<br>• Environmental Statement<br>• Public Realm Strategy | |

| | | | |
|---|---|---|---|
| **3.4 Quality, diversity and distinctiveness** <br> Schemes urban design, architecture and public realm should be of the highest quality, with a distinctive and diverse range of buildings used to create landmarks and focal points. | • Architectural diversity <br> • Design competitions <br> • CABE Design Review <br> • Heritage and building re-use | • Design Concept / Statement | • CABE design review |
| **3.5 Urban ecology** <br> Schemes should protect an areas distinct ecology and create natural greenspace – creating an urban ecology which improves the quality of the urban environment and reconnects people with nature. | • Ecological context <br> • Green infrastructure plan <br> • Management and stewardship <br> • Social, environmental and educational value | • Design Concept / Statement | • Statutory consultee feedback |

| **3.1 Permeable Street Network** | **Checklist** |
|---|---|
| Successful urban neighbourhoods are based on a hierarchy of streets that are places as well as public routes. This generates activity, creating areas that are more pleasant, safer and which can support commercial activity. | • Permeability and connectivity<br>• Recognisable hierarchy of streets<br>• Public pedestrian routes<br>• Urban grain and nodes of activity |

**Policy Objectives**

Igloo will expect schemes to be based on a recognisable hierarchy of streets that are well connected to the surrounding area and which are well used. Streets should be designed to create an attractive thoroughfare which maximises the potential for social contact.

**Assessment Criteria**

The assessment will be based on the quality of the urban design analysis. Material used for the assessment will include:

- Plans and figure grounds;
- Contemporary and historical context studies;
- Space syntax studies.

The assessment will consider a number of key issues:

- Permeability and connectivity with urban fabric
- Creation of a recognisable hierarchy of streets
- How the streets function as a network
- Urban grain and relationship to nodes of activity
- Public pedestrian routes and thoroughfares

In addition urban blocks created by the street network should be no more than around 60 metres wide. Igloo will not support gated business or retail parks, residential cul-de-sacs and retail malls.

| **3.2 Public Realm** | **Checklist** |
|---|---|
| The public realm is the stage upon which the life of the area is played out and is crucial to its success and safety.  Streets and public spaces are therefore a key ingredient in the creation of vibrant and successful urban neighbourhoods. | • Building configuration and enclosure<br>• Creation of public spaces<br>• Movement priorities and access<br>• Design, distinctiveness and legibility<br>• Management proposals |

**Policy Objectives**

Igloo will expect the public realm to be well designed and maintained in order to cater for the area's needs.  New buildings should create streets and public spaces with an appropriate scale and proportion. They should also provide visual enclosure and contribute to activity on the street. Movement plans will need to establish appropriate priorities and access.

**Assessment Criteria**

The assessment will be based on the masterplan and public realm strategy. The assessment of the masterplan will focus on how the configuration of the buildings creates and encloses the public realm. Building configurations within a masterplan will generally be expected to:

- Follow a common building line;
- Create a 'street wall' to provide urban enclosure in character with the streets in the area;
- Have active ground floors where appropriate;
- Provide 'eyes onto the street' through their windows;
- Take their main pedestrian access from the street.

The scale of buildings should relate to the context and the importance of the street of space that is being enclosed.  Streets should generally be higher than the width of the street (greater than 1:1) and variation in scales are encourage. The resolution of conflicting requirements for access will need to be considered. The assessment of the public realm strategy will focus on the following five themes:

- Legibility – signage and information strategies to enhance legibility;
- Public spaces – the creation of places for relaxation and children's play;
- Design – the design and specification of materials, seating, structures and lighting
- Distinctiveness – the role of public art and expression and the creation of focal points;
- Movement – prioritising cycling and walking over motorised forms of transport.

Public space provision will need to be informed by best practice guidance, as well as responding the issues raised by Policy 3.5.  Management proposals will be an important consideration, including strategies to animate the public realm.

| **3.3 Density and Mix of Uses**<br>Successful urban neighbourhoods have sufficient density and mixing of uses to animate streets, support commercial activity and improve safety throughout the day. Building designs should also provide for flexibility and adaption over time. | **Checklist**<br>• Gross densities and plot ratios<br>• Urban location and street hierarchy<br>• Horizontal and vertical mix of uses<br>• Balance and diversity of uses |
|---|---|

**Policy Objectives**

Igloo will expect schemes to have sufficient residential densities to support commercial activity, animate public areas and enhance the safety of streets. Schemes should incorporate a mix of residential, commercial, retail, public and leisure uses.

**Assessment Criteria**

The assessment will be based on densities as well as the massing and configuration of uses. Gross residential and commercial densities and associated plot ratios form the basis for the assessment:

- Residential densities – minimum of 60 units gross per hectare;
- Commercial densities - minimum of 7,600 m$^2$ gross per hectare;
- Plot ratios - should exceed of 2.0 for residential and commercial uses.

In urban areas where flats predominate, densities considerably higher than the aspirational target will be expected. These densities will generally be additional to ground floor retail use and will be pro-rated where offices and housing are mixed. Tall buildings should be placed to mark vistas, create landmarks and turn corners (see Policy 3.4).

Assessment of the mix of uses will take into account the urban street hierarchy and the nature of the proposed scheme. The mix will need to take place horizontally within blocks as well as in streets and neighbourhoods. The mix of uses will be greatest on high streets and around local centres. The balance and diversity of uses will be considered - no one use will generally be expected to occupy more than 75% of any scheme.

| 3.4 Quality, Diversity and Distinctiveness | Checklist |
|---|---|
| Creating somewhere really special requires distinctive and high quality urban design, architecture and public spaces. Use of a range of designers can also introduce diversity and variation into the urban fabric. | • Architectural diversity<br>• Design competitions<br>• CABE Design Review<br>• Heritage and building re-use |

**Policy Objectives**

Igloo will expect schemes to create a distinctive and diverse urban environment that will attract people to live and work. This does not necessarily mean the use of 'trophy designers' - indeed it is more important to encourage new talent. Designers should be given the freedom to innovate and the developer should be receptive to new ideas.

**Assessment Criteria**

The assessment will be based on the process of achieving design quality, diversity and distinctiveness. Design innovation is encouraged in master planning, architectural design and public realm design. Where possible different architectural teams should be used to introduce diversity into each distinct element of a scheme. Design competitions can also be used to encourage creative design solutions. Scheme masterplans will be expected to be submitted for a CABE Design Review and to respond to issues that may be raised by the review.

Conflicts may need to be resolved between heritage and contemporary design. The incorporation of heritage themes through the careful re-use of buildings can contribute to the identity of a scheme. Assessment of the outcomes will consider issues arising from the engagement process (see Policy 1.3 Stakeholder Engagement) and how the resulting scheme responds to the urban design policies.

| **3.5 Urban Ecology**<br>Protecting an areas distinct ecology and creating natural greenspace improves the quality of the urban environment. It can also reconnect people with nature, encouraging a greater respect and value for biodiversity. | **Checklist**<br>• Ecological context<br>• Green infrastructure plan<br>• Management and stewardship<br>• Social and environmental benefits |
|---|---|

**Policy Objectives**

Igloo will expect schemes to protect the distinct ecology of an area and create opportunities for nature to colonise the urban fabric. Schemes should challenge the notion that nature should be excluded from the built environment, incorporating new and existing biodiversity reserves, creating a 'green infrastructure' of greenspaces and habitats.

**Assessment Criteria**

The assessment will be based on the quality of contextual analysis and the resulting urban design response. It will consider the following four themes:

- Distinctiveness – characterising locally distinct flora and fauna
- Landscape character – geology, hydrology, microclimate and man-made influences
- Special sites – designated habitat and species protection
- Habitat networks – opportunities for linkages between habitats

The contextual analysis will need to incorporate a strong reference to the local Biodiversity Action Plan (BAP). The assessment will consider the extent to which there is a coherent 'green infrastructure' plan of protected sites, greenways, waterways and public greenspaces; considering the degree to which they:

- Protect biodiversity heritage
- Incorporate locally distinct habitats
- Create naturalised habitats based on native ecology
- Balance the needs of ecology and amenity
- Minimise habitat fragmentation

Streets, communal areas and building surfaces will also need to be considered. Consideration will need to be given to management and resourcing in the short, medium and long-term. Credit will be given to schemes that value the wider social and environmental benefits of urban greenspace, such as microclimate improvements, healthy living and educational role.