

WINTER 2015



WILLMOTT DIXON

SINCE 1852

# HOUSING MATTERS



## **Zoning in**

The £20 billion plan to build 53,000  
London homes – but will it work?

## **10,000 futures**

Our unique target for transforming  
young people's lives

## **Perfect record**

The defect-free housing project taking  
shape in a former vinyl factory



# Hope on Trent

Bringing healthy, sustainable neighbourhoods  
to Nottingham's neglected riverfront





**Charlie Scherer** is chief operating officer at Willmott Dixon Housing

# Train to succeed

Welcome to our second edition of Housing Matters, which coincides with a new chapter in affordable housing. Following the chancellor's announcement of a major £7 billion housebuilding package, we now know that, of the 1 million homes to be built by 2020, 40 per cent will be aimed at affordable ownership, with a significant switch away from affordable rent.

While the funding boost is clearly welcome, the change in emphasis will mean a further pause as housing associations and local authorities continue to re-assess their business plans and private developers digest the starter homes initiative.

One thing we do know for certain is that the housebuilding industry is straining at the seams. Perhaps the starkest reality of the construction capacity crisis is that if every home was clad in bricks, our skilled bricklaying workforce could only build 160,000 homes annually – 40,000 below David Cameron's target of 200,000 a year.

England has not consistently built 200,000 homes a year since the 1970s. Around half of homes at that time were built by local authorities. Although in our previous edition of Housing Matters we reported on the fact there has been something of a renaissance in council housebuilding, the numbers remain small at around 1,400 last year.

The government is wise to the issues and that is one reason for its campaign to have 3 million apprentices by 2020. Construction employs 6.5 per cent of the workforce, so it makes sense that it should support 6.5 per cent of the apprentices – or 195,000 people.

This would be a substantial shot in our collective arm, but construction must raise its game if this is to be realised. Last year as a sector we supported around 18,000 apprenticeships. While this is an impressive increase on previous years, it is half of what is required annually to hit the 195,000 target.

At Willmott Dixon, we are acutely conscious of the role we play in supporting apprenticeships. We facilitate 350 a year, rising to 400 next year, and support the communities in which we operate through training and employment initiatives under our Target 10,000 banner (page 8).

We also know our social landlord clients face challenges in finding the business efficiencies needed to continue to deliver their housebuilding plans. This is why, although we are a wholehearted supporter of attracting more people into sustainable careers in the housebuilding industry (page

12), we believe other steps are necessary too.

We believe that off-site construction in factories has a key role to play in boosting the capacity of the industry. We are signing contracts with two such companies – steel and timber frame specialists respectively – that, in addition to speeding up construction, will allow us to offer further savings to our clients through a more efficient build process.

Staying with the theme of efficiency, we have also issued the first iteration of the Willmott Dixon housing design manual. This seeks to reduce our reliance on site labour by promoting to our clients the use of efficient and robust designs and products.

Finally, and as I mentioned in the last Housing Matters, 436 of our people have now completed training at the Willmott Dixon Housing Academy in Aston. The aim of this is to improve our processes and knowledge to deliver defect-free schemes, the first of which is well on the way at the Gatefold development in west London (page 14).

Times are a-changing in housing, but we are changing with them. I hope you enjoy this edition of Housing Matters and look forward to working with you.

**“Construction employs 6.5 per cent of the workforce, so it makes sense that the industry should support 6.5 per cent of the apprentices – or 195,000 people”**

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**On the cover:** Trent Basin in Nottingham. Photo by Simon Brandon

Housing Matters is the magazine for Willmott Dixon's residential construction business



**WILLMOTT DIXON**

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## Meeting the student challenge in Shrewsbury

Creating nearly 100 homes for students at the new University Centre Shrewsbury posed challenges – not least delivering them in three months.

The project, which involved converting a former county magistrates court and Inland Revenue offices in the heart of Shrewsbury into a focal point for student life, came with an immovable deadline: the start of the academic year.

But the fast-track development was made possible after the client, Shropshire Council, appointed our residential team via Scape Group's Major Works framework. Using Scape speeded up procurement and meant a tight project to finish ready for the first students was now possible.

Simon Leadbeater, managing director for the Midlands, says: "There was an urgent need to ensure the university could welcome students to live in the heart of Shrewsbury which is vital for the town's economic vibrancy. We put together a programme that could give a new future to a vacant building in a matter of months."

The task involved converting a popular local landmark – the six-storey Mardol House – into a modern facility that provides homes for 85 students along with infrastructure to support modern IT needs. Out went redundant offices, in came studio apartments with kitchenettes and en-suite facilities, plus homes for teaching staff.



↑ A former magistrates court, Mardol House was converted into 85 student flats in three months

⬇ Welcome to our new home: the one-time tax department is now a thriving student hub

Simon continued: "It was daunting at the start but a focus on sequencing the work and knowing client expectations meant that it was ready when students arrived and could become a hub for university life in the town."

## Calls for action on skills as number of workers lags far behind 2007 levels

The industry's ability to build homes has never been under greater scrutiny. It is predicted that 100,000 new people will be required in the

next five years if we are to have sufficient skills to meet the goal of building a million new homes by 2020.

However, according to

recent data from the Office for National Statistics, the number of bricklayers in the second quarter (Q2) of 2015 was 66,000, one-third lower than in 2007 Q2. For carpenters, a total of 245,000 were reported in Q2, 18.3 per cent fewer than in 2007 Q2.

Even after an increase of 49,000 workers in the last two years, there were still 390,000 fewer people building compared with 2008.

To ensure that we have future capacity, Willmott Dixon's residential construction team has produced a 10-point manifesto of ideas that will make a material difference. Find out more on page 12.



↑ Having capacity to build homes is becoming central to the housing agenda, and includes taking on new people to learn skills, such as Liam Doyle from Liverpool

## Carbon performance earns top accolade

Willmott Dixon has beaten a host of big name brands to be named Sustainable Business of the Year at the coveted Edie Sustainability Leaders' Awards.

Judges praised the company's "exceptional progress" on carbon reduction and scale of ambition on sustainability. The residential contractor is already one of the only carbon-neutral construction companies and invests over £2 million a year in communities.

Other companies vying for the title included Coca-Cola, O2, Capgemini and BASF.

The judges said: "What Willmott Dixon has achieved in such a short space of time, relative to the scale and size of the business, is truly remarkable. Everybody plays a part in the firm's sustainability strategy, which saw it smash 2014 carbon reduction targets and invest £2.3 million in local communities.

"Willmott Dixon's scale of ambition, achievements, and ethos make it a prime example of a sustainability leader."



# Rise of the zones

London's Housing Zones are helping to unblock schemes across the capital. Denise Chevin reports on the progress of this £20 billion initiative, and looks at what can be done to make sure that it delivers

From Sutton to Southall, and Blackhorse Lane to Battersea Riverside, across London housing schemes are being speeded up or kickstarted with funding from the Greater London Authority (GLA). In the past 12 months the mayor's office has awarded Housing Zone status to 20 development areas after they were chosen from 25 bidders (see map).

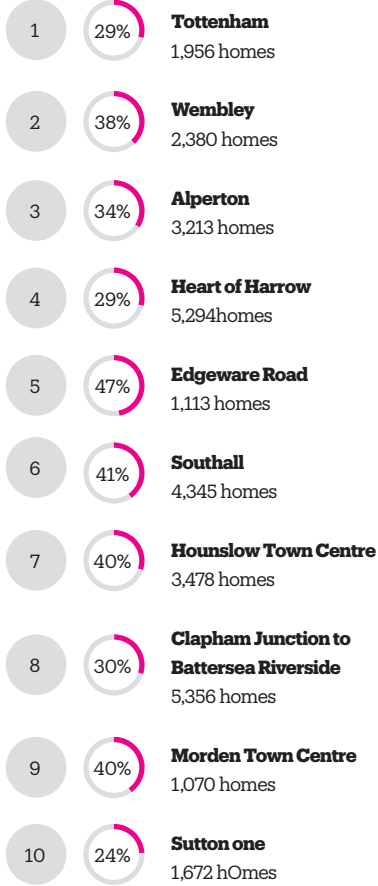
More than £561 million has been allocated to these zones, £365 million of which is in the form of loans intended to get schemes going or make them more attractive to the private sector. Measures funded by the loans might include building bridges to provide easy access to a tube or rail station, highways improvements and station upgrades.

This funding, says the GLA, "will help attract more than £21.6 billion of investment, create over 120,000 construction jobs and accelerate the building of over 53,000 new homes – over 17,000 of which would be affordable". Contracts are being signed and money is starting to flow to the London boroughs and their partners.

But while the initiative is certainly a positive one for London, delivery won't be plain sailing. All Housing Zones involve previously developed land and there is invariably contamination to deal with. Then there are changing housing policies, which have created unknowns such as rent reductions for social landlords and the imposition of starter homes on all new large sites. This policy, announced in October, could impact on the number of new homes developed for affordable rent and shared ownership. On top of this, there are the ongoing challenges of cost inflation and skills shortages.

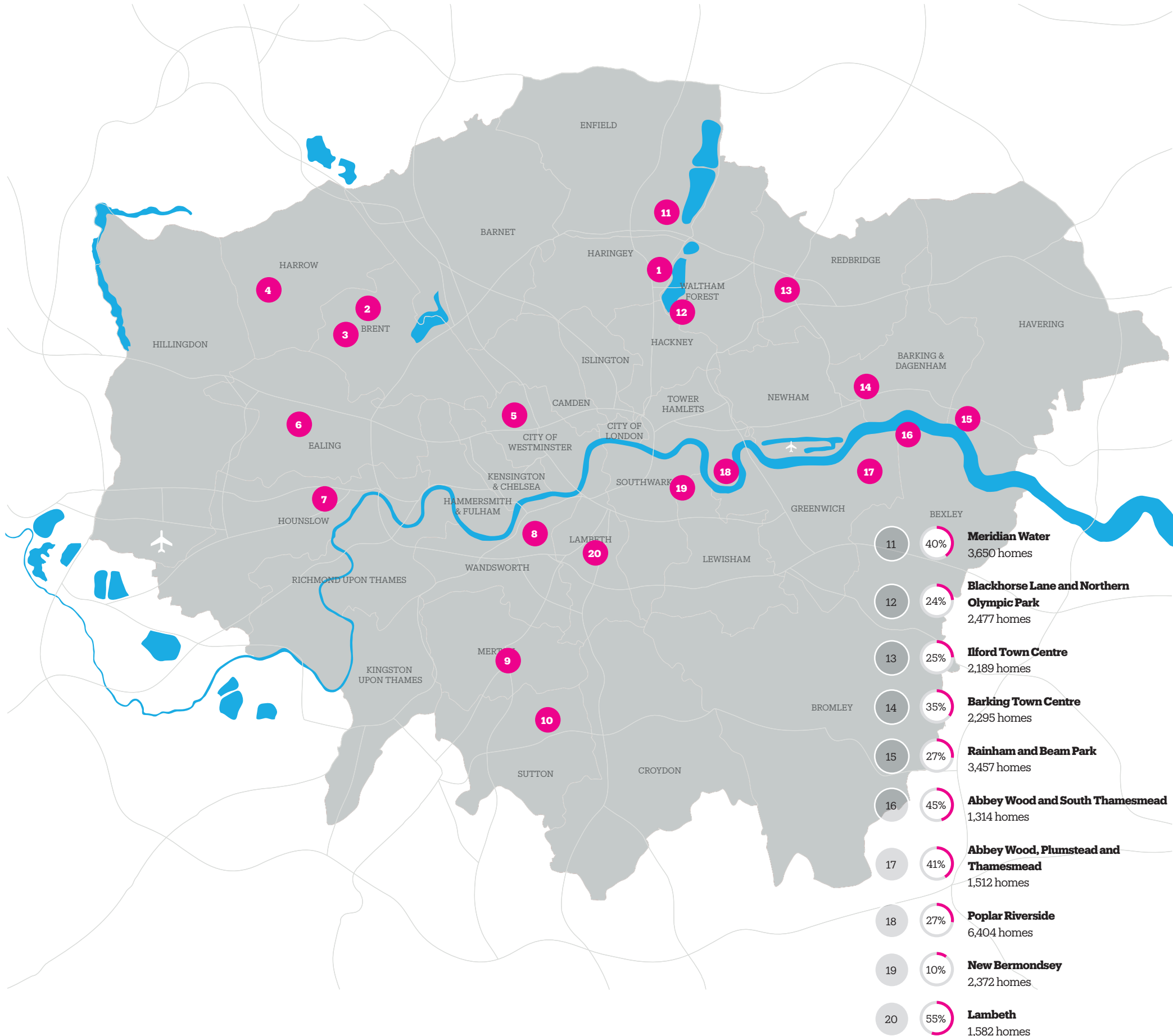
David Lunts, the GLA's executive director of housing and land, who helped mastermind the Housing Zones programme, says: "Generally the Housing Zones will allow acceleration of schemes that were already on the cards, with in some cases redevelopment happening four or

## Housing Zones (with proportion of affordable homes)



**"The Housing Zones will allow acceleration of schemes that were already on the cards, with in some cases redevelopment happening four or five years quicker"**

David Lunts, GLA







five years quicker. In the main, most projects are not seriously impacted by the rent cuts, which housing associations seem to be able to absorb, though I'm not saying we won't see any changes."

One of the main changes could be to the tenure mix of schemes, says Julia Moulder, executive director of development at Catalyst Housing. Like others, she says the establishment of Housing Zones is important for bringing partners together and paying for essential priming activities that no one else can or will.

Catalyst Housing is the development partner on the regeneration of the Havelock Estate, which forms part of the Southall Housing Zone being driven by Ealing Council. The Housing Zone is capitalising on the new Crossrail station and regeneration of a gasworks site to develop an extra 4,345 homes – 1,785 affordable – by 2025. It is receiving £20 million from the GLA to bring forward infrastructure.

However, as Moulder explains, the promise of infrastructure investment tends to drive up land prices. "So I would say Housing Zones work best where long-term partners are already owners of land assets."

Another unknown quantity is the requirement for starter homes – houses for sale at a 20 per cent discount, which developers must include as part of Section 106 agreements. Housebuilders are worried they will compete with their own starter homes and distort the market, and many housing providers fear that they will replace affordable homes for rent, making fewer of the new homes affordable.

Jayne McCoy, chair of the housing, economy and business committee at Sutton Council, agrees: "We are also worried about the impact of the starter homes policy because they are exempt from the community infrastructure levy and Section 106, so where will the money then come from for amenities like schools, needed to make an area a place people want to live?"

The Sutton One Housing Zone has identified 12 key sites for development and overall McCoy is positive about the scheme. "Housing Zone designation will bolster the level of confidence of landowners and potential developers," she says. The council's new housing delivery company will provide the affordable housing.

For Poplar HARCA's development director, Neal Hunt, cost inflation and skills shortages are likely to be the biggest hurdle to delivery. Poplar HARCA is involved in the redevelopment of the Aberfeldy Estate in the Poplar Riverside Housing Zone. Aberfeldy Village will deliver 1,176 new homes in 10 years. All are contained within a "tenure-blind" estate and Poplar HARCA intends to replace any homes lost that are let at social rent with homes at the same rent levels. Willmott Dixon's housing-for-sale brand Prime Place is the development partner, with building work delivered by its in-house construction team.

Charlie Scherer, chief operating officer of Willmott Dixon Housing, says that delivering these new homes does represent an enormous



challenge, having seen 400,000 workers leave the construction industry during the recession.

Moulder agrees: "Wouldn't it be great if we could use the Housing Zone investment as a trigger to upskill the industry and make it more attractive to younger people? The risk is that we miss the opportunity to make a step change."

Scherer is urging Housing Zone delivery boards to bring private-sector contractors into discussions as early as possible to find solutions to skills shortages. "We've launched a programme which we are calling Engineering Out the Capacity Gap. There's no one silver bullet, but we are aiming to reduce our on-site resources by 15 per cent and as part of that we are in the throes of signing deals with both a timber frame and lightweight gauge steel provider to do more offsite prefabrication.

"Housing Zones are a terrific idea, but let's not forget delivery and London boroughs need to start engaging with the private sector and set out a framework for this right at the very start."

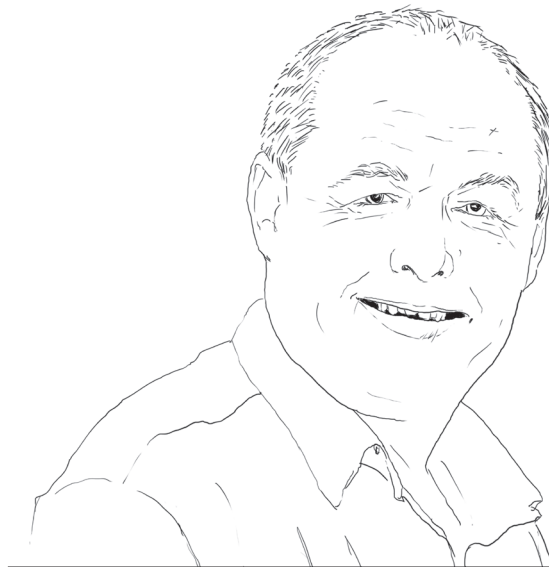


Top: Elizabeth House in Wembley, north-west London, recently delivered 115 homes within the new Housing Zone

Above: Aberfeldy Estate in the Poplar Riverside Housing Zone, is set to deliver 1,176 new homes in 10 years

### Key fact

Our Engineering Out the Capacity Gap initiative aims to cut on-site resources by 15%



**Steve Stride** is the chief executive of east London-based housing association Poplar HARCA and immediate past-president of the Chartered Institute of Housing

## Next steps

Housing associations must seize the initiative and build local rapport if they are to have any chance of flourishing in the new housing landscape

### What is your view of the general direction of current housing policies?

I think that everyone in the housing sector – developers, housing associations, local authorities, contractors – must see it is changing beyond recognition. If you add up all the different reforms, there is very little that is not affected. In my view this is all connected to the devolution agenda and the increased focus on the regions. I think this is an exciting thing as it creates opportunities – as we have seen in London in recent years.

### You are planning to apply for a waiver from one new policy – the 1 per cent, four-year rent cut. Why is this?

Our concern is that we have very low rents – lower than those for the local authority – but were created as a landlord by the council with the specific aim of regenerating one of the most deprived areas in the country. We have put everything we have into achieving this and have not held back. The government wants to see housing associations doing what we are doing: pushing themselves to regenerate estates and build more homes, supporting home ownership. Our work on the £250 million, 1,176-home Aberfeldy Estate regeneration, working with Willmott Dixon, is a perfect example of this. It is part of our

overall programme of 3,500 homes over the next five years – built or begun in the lifetime of this parliament. Were we unable to find a solution on the rent changes, this work would be jeopardised.

**As a result of the decision by the Office for National Statistics to reclassify English housing associations as public sector bodies, the government has pledged to take steps to further deregulate social landlords so as to allow the ONS to reverse its decision. What would you like to see here?**

I'd like to see a responsible deal being done. We could achieve much more if we had flexibility on tenure types and rents. As a sector we need to reassure the government that, in exchange for these measures, we will build more homes and support home ownership. We will also have to address the issue of the rising housing benefit bill. The time may be right for the housing sector to commit to capping or reducing the current housing benefit bill and using the new flexibilities around tenures and rents to achieve this, while still providing homes let at sub-market rents for those who need them.

**What do you think of the reaction of social landlords to the government to date, and how do you think social landlords**

### should engage with this – or any other – government?

Simple – love your politician. As a sector, we are paying the price for treating all politicians poorly for the past 15-20 years. This is from a local to a national level and poor experiences such as unanswered queries from local councillors carry through to the national level. We can absolutely change this though and housing associations must focus on building strong relationships with local councillors, council officers and national politicians.

**You launched and led the diversity commission as president of the Chartered Institute of Housing. How difficult will it be for increasing diversity to be a priority for social landlords amid all the other competing issues?**

I am a bit worried that increasing diversity in leadership teams in the housing sector may be one of the balls that gets dropped during the current time of change. I would say to organisations that they will still perform better if they focus on greater diversity and so it is worth spending the time on this – more so now than ever.

**The full report of the diversity commission can be read at [www.cih.org/leadingdiversityby2020](http://www.cih.org/leadingdiversityby2020)**

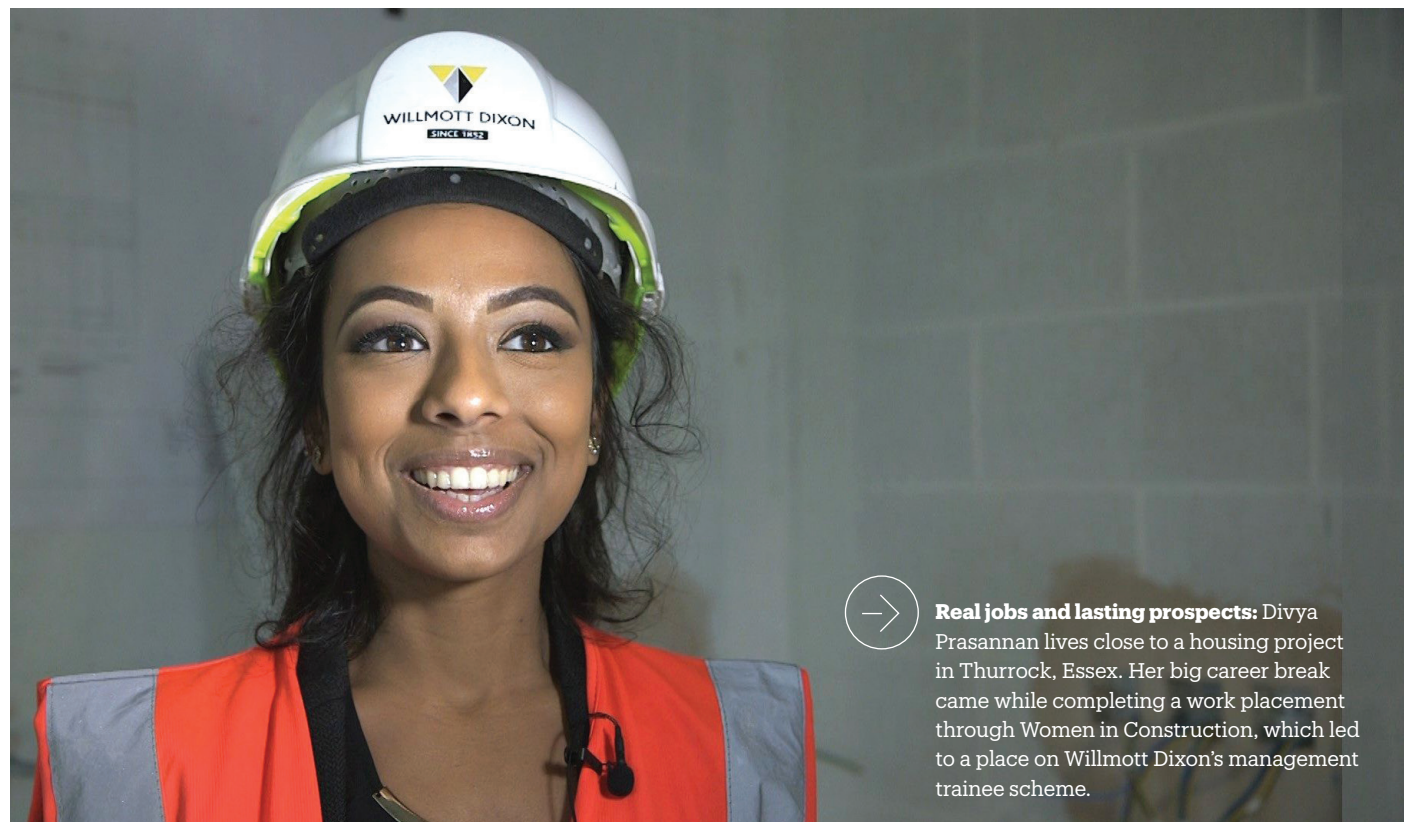
**“How should social landlords engage with the government? Simple – love your politician. As a sector, we are paying the price for treating all politicians poorly for the past 15-20 years”**





# 10,000 futures

That's the number of young lives that Willmott Dixon is aiming to transform with a focused programme of mentoring, skills training and work experience. And it's already making a big impact



**Real jobs and lasting prospects:** Divya Prasannan lives close to a housing project in Thurrock, Essex. Her big career break came while completing a work placement through Women in Construction, which led to a place on Willmott Dixon's management trainee scheme.

Every year, Willmott Dixon invests over £2 million in local communities to make a lasting impact on people's lives beyond the homes being built. It's central to the company's belief that it can use its scale to strengthen society's well-being.

However, rather than deliver a collection of ad-hoc, uncoordinated activities on a piecemeal basis with little focus, the company has focused on one big aim: to make a positive intervention in the lives of 10,000 young people by 2020.

Group chief executive Rick Willmott explains: "We wanted a target that everyone can aspire to reach, one that achieves the biggest long-term impact. Making a positive intervention is about using our people's time and skills to work with young people and make a difference to their future. We've already achieved this with 3,000 people and have now set the bar even higher."

#### The power to make a difference

These positive interventions are done in many ways, including mentoring and

work experience, community projects to improve local amenities, providing life skills coaching and pathways into construction for young people.

Practical examples have seen teams improve practical skills by working in schools and with youth organisations to provide mock interviews, CV writing and presentation skills advice, and placements on sites, leading to real jobs. Further examples include talks to inmates at young offenders' institutions about careers, with the aim of ensuring that they are equipped to make a lasting positive contribution to society.

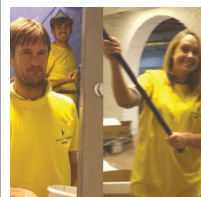
#### The road to 10,000

To measure outcomes, Willmott Dixon Foundation tracks activities and determines, against a strict matrix, if they count towards the target of 10,000 young lives improved.

Housing chief operating officer Charlie Scherer says: "It's a unique target that everyone is behind, as working with young people at an influential time of their lives helps give them support and inspiration to achieve more."



**Preparing for life in work:** As part of our relationship with London Education Business Partnership, Lucy May visits teenagers in many east London schools, advising them on the importance of first impressions, job interview techniques, CV writing and what to expect in the workplace. This has seen over 100 young people coached in preparing them for the demands of the workplace.



**Improving community assets:** The residential team at the Islington office carried out a full refurbishment of a popular but rundown youth centre called St Johns. This transformed a dilapidated facility into an important part of the community that helps young people struggling with drug addiction and keeps them away from the temptation to commit crime.



# Priorities, priorities

The next 12 months look set to be an uncertain time for housing associations as they assess the implications of rent cuts and right-to-buy. Here, some of our clients share their goals for 2016



**Jerome Geoghegan** is group director at L&Q, which owns and manages more than 70,000 homes across London and south-east England

"L&Q's 2016 priorities include ensuring we understand the changes coming our way. Housing associations face significant impacts from the July 2015 budget and the extension of right-to-buy to tenants. We must consider how we respond to such changes while maintaining our core mission – creating places where people want to live – and our values as a charity housing people who aren't provided for by the market.

"Major challenges include land, planning and skills and the ability to find human resources to build the homes we want. As an organisation, we must be more commercial in our approach, more efficient in the marketplace, and continue to grow our partnerships in both the public and private sectors. By working with partners like Willmott Dixon, we can plan a future that allows for a significant increase in housing supply. We're confident of reaching our target of 50,000 homes over the next decade."



**Brian Johnson** is chief executive of Metropolitan, which manages 38,000 affordable homes for rent and sale in London, the East Midlands and

the east of England

"Since I joined in 2012, we've transformed our finances and operations, culminating in the issue of our own-name, £250 million bond in 2015. With future development secured, we're focused on three areas for 2016. First, we want to build more affordable homes – we have a stated development strategy to deliver 3,300 new homes by 2019. Next, we'll sustain our strong operating margin. Third, we'll enable more of our customers to be independent, through our housing, care and support, and employment services.

"There are obvious external challenges but many involve grey areas. The full implications of the Housing and Planning Bill for instance, aren't yet clear. We want to maximise the low-cost housing we create, recognising that, for many, the starter homes initiative will be unaffordable. We need to keep creating rented affordable housing, but in a way that leaves us with an acceptable level of risk."



**Larry Gold** is chief finance officer and managing director of Trafford Housing Trust, which owns and manages 9,000 homes in Manchester

"As the operating environment for housing associations becomes more challenging, we'll look closely at how we can continue to promote social justice and deliver affordable housing while remaining a responsible landlord, a sustainable business and a great employer. To do this, we'll expand our commercial operations. This includes increasing the number of properties built for outright sale delivered through Laurus Homes, our new residential property arm.

"Next year will also see us grow other social enterprise businesses, targeting public and private sectors, and we'll continue to embed a 'profit-for-purpose' philosophy throughout the organisation. We anticipate more joint ventures with developers and other partners across a range of sectors.

"So, despite the tough economic and political climate, we're looking forward to an exciting 2016. I'm confident we'll emerge a stronger, more agile and smarter business."



**Jean Templeton** is chief executive of St Basil's, which every year helps over 4,000 16-25 year olds who are homeless or at risk of homelessness across the West Midlands. At any one time, it houses over 400 young people

"We will try to find ways to provide truly affordable accommodation for young people to live and work or study without the indignity of benefit dependency. We'll work with cross-sector partners, with skills, compassion and resources to enable that.

Our Live and Work scheme at Sandwell hospital proves it's possible: young people who've experienced homelessness have NHS apprenticeships, while living in £42-a-week student-style accommodation, benefit-free. We'll work with communities, schools and businesses pooling resources, using our creativity to create opportunities for young people, through education, work experience, real work. We'll draw on construction partners to ensure that homelessness isn't a barrier to future life chances. We'll argue for 'invest to save' schemes promoting self-help, dignity and learning."

**"We'll draw on construction partners to ensure that homelessness isn't a barrier to future life chances"**



**Chris Jones** is Midlands development director at Orbit Homes, which owns and manages 39,000 homes in London, the Midlands, east and south-east England

"It feels like the affordable rented sector faces something of a perfect storm, from the rent cuts for housing associations to the government's focus in the Housing and Planning Bill on homes for sale. The unknowns include the level of government grant for housing association development: do we assume there's none at all? Without grant, who fills that subsidy gap?

Yet Orbit remains steadfast in its core mission to create homes for people in housing need. Strong finances mean

we're on track to build 12,000 homes by 2020 – that includes 600 shared ownership homes in 2016, double the amount last year. When the landscape shifts dramatically, you have to adapt and be proactive, so in 2016 we'll look for even more innovative projects with our partners, to think creatively, collaboratively and efficiently."

#### Key fact

We provide employment to over 3,000 people on our projects





# Rate of Notts

Willmott Dixon is busy completing the first phase of Nottingham's biggest housing development – a community of 350 low-energy homes that will transform the city's faded riverfront. By Simon Brandon



A short walk south-east of Nottingham city centre, the River Trent bends between the city's two football stadiums on its journey towards the Humber estuary. The rowers skimming eastwards over the water have two very different views on either side as they pass the Notts County ground: to their left are trees, playing fields, a nature reserve, and beyond that clusters of pretty red brick terraces, while to their right is a stretch of faded brownfield sites. But that is all about to change.

Work has begun on the first phase of Trent Basin – a development of 350 low-energy homes that will transform this stretch of riverside into a fresh and vibrant community, and the largest of several developments being built by Willmott Dixon in the East Midlands (see boxes).

The first tranche of 16 family homes will be completed by spring next year – already a large stretch of the riverfront is



## Key fact

Willmott Dixon works with more than 15 local authorities to deliver their housebuilding programmes



## East Midlands

### Robin Hood Chase, Nottingham

Willmott Dixon is no stranger to regeneration projects in Nottingham. Earlier this year work was completed on Robin Hood Chase, a complex of 45 flats for people over the age of 55 built for Asra Housing Group. The project remained community-focused throughout, with the creation of job and training opportunities for 72 local residents during the construction process.

surrounded by Willmott Dixon's familiar yellow hoardings – and the development as a whole is expected to kickstart the regeneration of Nottingham's entire riverside area.

As well as the riverside, the Trent Basin site encompasses a large concrete lagoon, previously used by Trent river barges, which will add a significant length of riverfront to the scheme. The site is being developed by Blueprint, a Nottingham-based joint venture co-owned by Nottingham City Council and Aviva Investors' igloo fund. The latter invests in and develops sustainable urban regeneration projects across the UK.

"Willmott Dixon is a construction partner with the same ethos and values as Blueprint, and that's why we're very keen on working with them on some of our major projects," says Peter Conboy, development director at Blueprint. "Partnering is something that fits with our approach – it's about longer-term relationships and delivering value to shareholders, and to the community as well. And that fits with Nottingham City Council's objectives for Trent Basin in particular ... It is probably the most significant housing development in Nottingham."

Sustainability is paramount throughout every aspect of the Trent Basin development. The homes are being built to what was the government's 2016 zero-carbon homes standard, which mandates a maximum energy footprint of 40KwH per square metre per year, despite the standard having been scrapped earlier this year.

Sustainability is about more than bricks and mortar, however. This community is being designed and built to flourish both socially and economically over the long term, too. And it will become what Conboy describes as a "healthy neighbourhood", with cycle routes and riverside walks built into the scheme, as well as plenty of



## East Midlands

### Brook Street Court, Sutton

Who said council housing was dead? This development of 25 homes in Sutton has been built by Willmott Dixon for Ashfield District Council on the site of an old public swimming bath. The properties, which are all affordable and aimed at the over-55s, are the first council homes to be built in Sutton for more than 30 years.

shared public spaces.

The construction process itself is just as green, with considerations such as waste management, recycling, water use and local supply chains all factored in to the development's overall sustainability.

Willmott Dixon is playing its part in creating a sustainable future for Nottingham's younger inhabitants by offering 12-week traineeships to 50 young people not in education, employment or training, in partnership with a city council scheme.

Plans for the rest of the site are already



The brownfield Trent Basin site on the banks of the Trent is set to become a "healthy neighbourhood", with cycle routes and riverside walks – as well as rowing

under way: Blueprint has approval to take phase two – 38 new homes – through the planning process. The developer has a development agreement for most of the Trent Basin site, and the industrial units to its west are owned by igloo and the city council, meaning they will in due course pass to Blueprint for development. "That gives us the capacity to build 500 homes," says Mr Conboy. "That is huge for Nottingham."

It's certainly going to be a considerable facelift for a part of the city that has remained under-developed for many years. Starting with the arrival of the first homes next spring, the rowers and their fellow water-goers will finally be able to enjoy both banks of this famous river.







# Time to skill

There are 390,000 fewer trained workers in housebuilding than there were eight years ago. Something needs to be done urgently if we are to have any hope of meeting housing targets

While the barriers to building homes are blamed on issues such as slow procurement, access to public land, initiatives like right-to-buy, planning red tape and economic sentiment, the role of skills shortages is often overlooked.

But for housebuilders they're not. There's been an outflow of 390,000 skilled workers since the last recession, reducing the pool of talent by nearly 12 per cent. What's more, with trades such as these that are often kept in the family, the children of these workers are potentially lost too.

According to data from the Office for National Statistics, the number of bricklayers in the second quarter (Q2) of 2015 was one-third lower than in 2007 Q2 and there were 18.3% fewer carpenters (see page 3). There were also 27.2% fewer production managers and directors in construction. Even after an increase in the last two years, there were, in total, 390,000 fewer workers in 2014 compared to 2008.

To compound the issue, housebuilders compete for skills with a wider industry that

builds schools, offices and leisure centres. The Government's National Infrastructure Plan for Skills predicts demand for over 250,000 construction, and over 150,000 engineering construction, workers by 2020. The sector needs to train nearly 100,000 additional workers a year by the end of the decade – and these won't even build homes!

## What's our capacity?

Charlie Scherer, chief operating officer at Willmott Dixon Housing, says: "I think the current capacity to build new homes each year in England is about 160,000, with the reduced skilled workforce backfilled by overseas labour. This is not sustainable.

"Most entrants to construction are there by chance or through connections," Scherer continues. "We need to get better at selling the industry's potential for long-term careers, as many people don't appreciate the potential for intellectual rigour and variety. To compound this, schools often undersell opportunities or are incentivised to push pupils into further education rather than apprenticeships."



The industry needs to work harder to recruit more young housebuilders and fill the skills gap

**"Most entrants to construction are there by chance or through connections. We need to get better at selling its potential for long-term careers, as many people don't appreciate the potential for intellectual rigour and variety"**

Charlie Scherer, Willmott Dixon Housing



## Willmott Dixon's 10-point manifesto

**Our response to the capacity challenge involves 10 steps that, even if partly adopted, will make a difference**

1. The government to recognise the contribution that construction makes to GDP by ring-fencing 6.5% of the planned 3 million apprenticeships by 2020 for the industry. This would introduce 195,000 new skilled workers to the sector
2. Companies with turnover of over £500 million to commit to 25,000 hours of work placements a year through initiatives such as Opening Doors
3. Each company to publish current numbers of trainee managers and apprentices, like on food labels, to show their commitment and contribution
4. Industry to refocus funding to employ networks of specialist career advisers to work in schools and colleges – linking classes with employment
5. Digital media strategies implemented to make it easier for young people to access opportunities – for example, a text service or apprentice hotline with advisers on call 24/7
6. School contractors mandated to sign up to an Adopt a School programme for regular engagement that inspires young people aged 14-18
7. A percentage of Section 106 and community infrastructure levy contributions to be allocated for construction apprenticeships
8. A shared commitment to end the boom-and-bust cycle that erodes jobs and creates a skills crisis every 5-10 years
9. Dialogue between the Department for Communities and Local Government and the Department for Education on more building-related content in the curriculum, including project work
10. More practical vocational courses, encouraged by schools, in construction-related access courses.

# People make our business!

Our staff take on a half-marathon and an assault course, and show off their moves to a Strictly star ...



## Raising the roof

The sun was shining as our team joined ballroom dancer Anton du Beke in celebrating completion of our first ever project for Rooftop Housing. To complement our burgeoning track record in retirement living, we delivered a refurbishment and extension at Yates Court in Evesham, Worcestershire, providing 48 apartments.

## Commandos!

Some of our team have been getting a taste of what it takes to be the army – completing the Royal Marines 10k Commando Challenge across an assault course in Exmouth, and raising £706 for the Royal Marines Charitable Trust Fund and the Devon Air Ambulance Trust in the process. Suffice to say, little of the team's Willmott Dixon gold T-shirts was identifiable at the end!



## Ieva faces the music

Ieva Matisone, our administrator on the Music Box scheme we are building for Taylor Wimpey, gained inspiration from her current project to raise money for young musicians. Ieva raised £525 for the National Foundation for Youth Music by completing the Ealing Half-Marathon in 2hrs 11min 06secs – not bad given it was her first half-marathon!



## Join us for the Brighton challenge

If you are a keen cyclist and want to join our fundraising ride from London to Brighton for the Chartered Institute of Housing conference in March, please contact Phil Green at phil.green@willmottdixon.co.uk

## A warm welcome in Westminster

Our team has refurbished a popular but jaded community facility in Westminster, London. They gave Derry Hall a full makeover to make it a more comfortable environment for local people to meet and get support finding work.





# For the record

At EMI's former vinyl factory in London, Willmott Dixon is aiming to complete its first zero-defect construction project. So no pressure then ... Stuart Macdonald reports



Ravinder Gill (pictured) is a senior building manager at Gatefold and he and his five building manager colleagues on the project have all completed the HQA training. "The training has been very helpful. It's amazing the sort of things that could be fixed so easily with better attention to detail earlier in the build – for instance socket points being in the wrong place, or partition errors."

It is this practical training that allows Gill and his colleagues to deliver the second aspect of what Skuse says is crucial to the success of Gatefold as a defect-free development: rigorous checking. This involves using a new assessment approach Willmott Dixon has developed called Line of Balance. "It means there are key milestones in a project where you check work and ensure everything is correct before proceeding to the next stage," says Skuse. "Often on building sites, when you find something is wrong or someone's made a mistake, there isn't time to fix it and so you move onto the next stage and fix it later. This causes delays as you are having to cut into decorated walls in carpeted rooms to, say, relocate a socket. You've then got to redecorate and reclean. Our Line of Balance approach with weekly reviews is intended to put a stop to this wasted time and effort." Gill says the new approach is bearing fruit. "I'd be lying if I said we haven't had challenges with some subcontractors in terms of doing exactly as we need first time," he says. "But because of our approach we have been able to address any issues quickly so that they don't affect the project plan. To date we are on time and on budget for a handover in May 2016."

**"It's amazing the sort of things that could be fixed so easily with better attention to detail earlier in the build – for instance, socket points in the wrong place, or partition errors"**

Ravinder Gill, Willmott Dixon

## Key fact

436 of our people have visited our Housing Quality Academy in Birmingham

By definition, regeneration projects have a history. Yet the Gatefold project for client be:here, which is providing 118 private-rented and 14 affordable-rented homes on a brownfield site in Hayes, west London, is a little different to most.

The Gatefold building is part of the Old Vinyl Factory mixed-use scheme that occupies what was once home to music giant EMI's vinyl record pressing factory. Records by The Beatles, Pink Floyd, Frank Sinatra and Queen were all made here. The Hayes site also housed EMI's central research laboratory, which for decades produced advances in radar, medical science and computing.

Willmott Dixon is continuing this spirit of innovation as Gatefold is the first project at which it aims to build a zero-defect development. This may not sound that unusual, but what the company means is it wants to ensure there are no defects in the building at all during construction. The aim

is to allow quicker construction, but most importantly, at the best possible quality. So how is it being done?

Steve Skuse, new business director at Willmott Dixon, says there are two key elements to the ambitious Gatefold scheme: training and rigorous checking. As reported in the last edition of Housing Matters, Willmott Dixon has invested in launching the Housing Quality Academy at its existing 4Life Academy in Aston, Birmingham. All 500 Willmott Dixon building managers, surveyors and supervisors will have attended training on specific aspects of the build process (dry-lining, electrical fixes, etc) at the HQA by the end of 2015.

Skuse says: "The work in the training pods at the 4Life Academy looks at improving the quality of the finishing of properties. The final finish depends on the quality of the build throughout – not just at the end. This means the quality of workmanship has to be top-drawer and defect-free at all stages."



## "Field View – my best friend on site!"

Field View is an app that Willmott Dixon has begun using on its Gatefold project. Ravinder Gill, senior building manager, says it is already his "best friend on site" due to the time it saves. "Gatefold is a big site and it can take me two-three hours to get round it all," he says. "I am checking for defects all the time and if I see anything I am not sure about, Field View lets me open the drawing for that area and check immediately. If there is an issue I can annotate the drawing and send an email to the relevant subcontractor there and then. Field View allows me to do things that I otherwise simply would not have time to do back in the office."

Willmott Dixon is creating 132 homes for rent at the Gatefold building in west London. Completion is due in May 2016

**"With Line of Balance, there are key milestones in a project where you check work and ensure everything is correct before proceeding to the next stage"**

Steve Skuse, Willmott Dixon





# HOUSING MATTERS

## Willmott Dixon Housing: regions

### Midlands and North

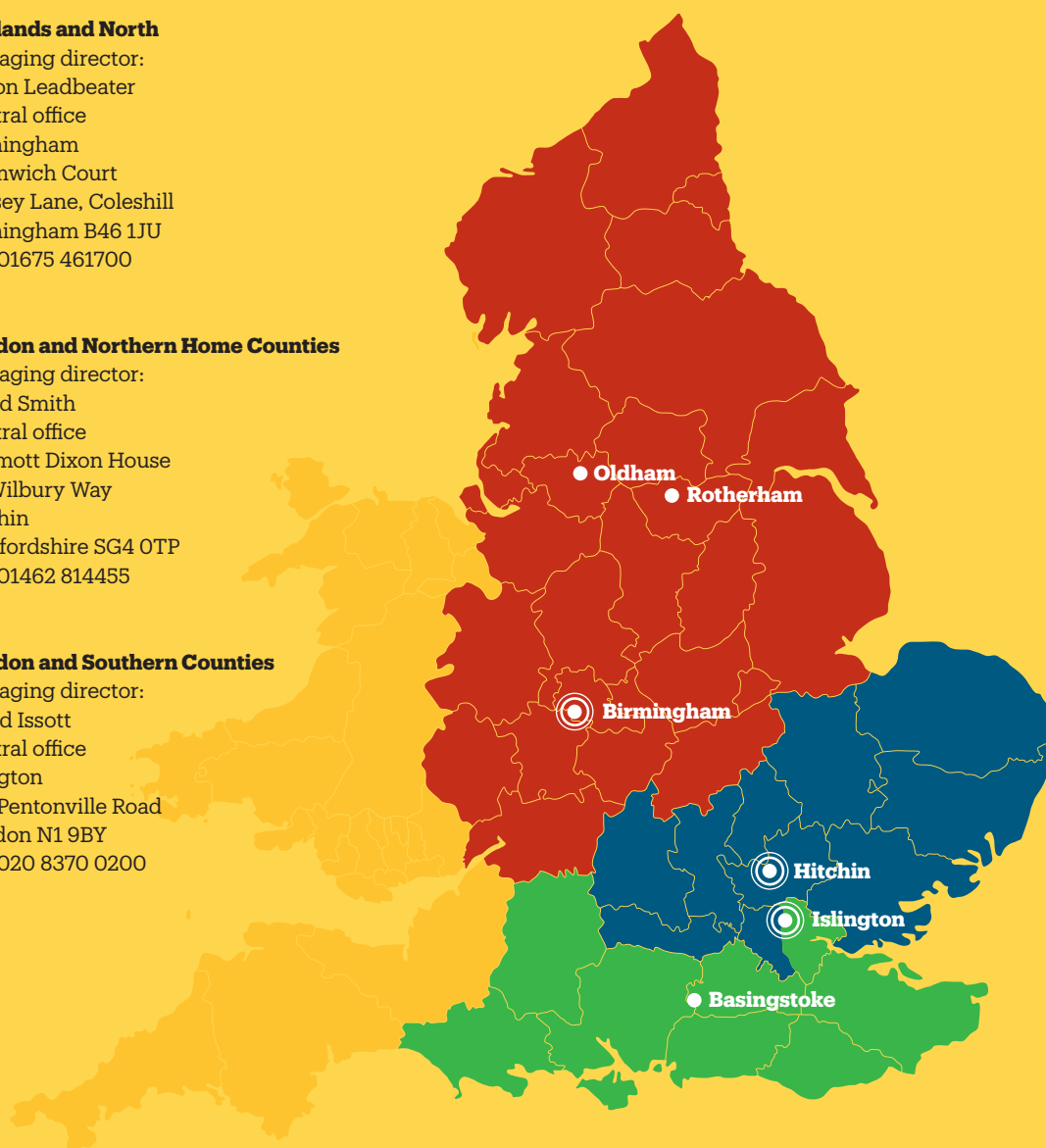
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