

Our approach to thoughtful house building



Building Society



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Foreword by Joe Garner

Nationwide Building Society, CEO

I'm pleased to share this update on Oakfield, our not for profit housing development demonstrating a mutual approach to house building. We're creating quality, sustainable homes for a thriving community, in our hometown of Swindon.

And, importantly, I want to invite other businesses to follow our lead and commit to responsible house building and look at new ways to increase the housing supply across the UK.

For some years now, the UK has fallen short of national housebuilding targets, failing to reach the 300,000 plus homes a year this country needs. A new wave of non-traditional house builders are emerging, challenging existing practices to increase the supply of housing. But more needs to be done, and on a bigger scale. As well as increasing supply, we need to improve community involvement in the planning process and deliver quality, sustainable homes people want.

For us, the significance of what we're doing goes beyond Oakfield itself. We want Oakfield to mark the start of a new movement in house building for the 2020s, reminiscent of the one created at Letchworth Garden City in the early 1900s. To support this, we're committing to creating a blueprint to share what we've learnt – our mistakes, as well as our successes. I hope it inspires others to create good quality, sustainable homes where community can flourish.

It's not just about housing. It's about our home.

Joe Garner

“It is very exciting that the nation’s leading Building Society is returning to its roots and actually building homes once again.

Nationwide’s aim to be an exemplar for future housebuilding is a cause for celebration and I have high hopes that this new housebuilder will add not just to the quantity but also to the quality of this country’s new homes.”

**Lord Best OBE DL,
Crossbench Peer and housing expert**



The need for thoughtful house building

Rapidly increasing the number of homes built each year creates other challenges. We wanted to consider some of those issues to be able to create and test solutions at Oakfield.

While a good deal of attention is focused on the need to increase the rate of house building, there are growing concerns about the current house building model with few challengers to the market. There are questions over the quality of new build houses and an increasing focus on energy efficient and eco-friendly homes. The lack of community involvement in the planning process and beyond is also well documented. Our role as a mortgage lender has brought us into first-hand contact with some of the worst practices in the new build sector. From the abuse of leasehold to poor build quality, coupled with ongoing debates around Nimbyism.

The New Civic Housebuilding Report, published by Shelter, argues that the reason the UK has not been building enough homes, and hasn't done so for a generation, is because we have become reliant on a single model of housebuilding. It states that "speculative housebuilding systematically drives down the things communities value in development, such as build quality, infrastructure and affordable homes, and systematically drives up land values". The Report goes on to say "this way of building homes cannot deliver the number of homes our country needs on its own. It also fails to deliver the types of homes that most people can afford or want to see built in their area. New housing supply remains unpopular in England, more so than in any other G8 country, despite housing also being the public's top infrastructure priority."¹



The case for good quality homes

Following an inquiry by the All Party Parliamentary Group (APPG) for Excellence in the Built Environment in July 2016 the More Homes, Fewer Complaints report suggested greater attention was needed to make sure people could buy “new homes that are fit for purpose, are of enduring quality, perform to the requisite levels of maintenance, cost and energy efficiency and give peace of mind, pride and enjoyment to those who occupy them.”²

According to the APPG, although 86% of respondents to the 2014/15 annual survey were satisfied with the quality of their new homes, that still left a substantial number of buyers who were unhappy with quality standards in their new homes. 93% of respondents to the survey had reported problems to their builders and by 2017/18 this rose to 99%.³

Shelter published the results of an online YouGov survey of 3,583 English adults in February 2017. This found that 51% of home owners said they had experienced problems with their new homes.¹

The Housing Design Audit carried out by Place Alliance responded to the need to drive development by calling for “developments to be of a high standard of design in order to deliver high quality, liveable and sustainable environments for residents. Research has consistently shown that high quality design makes new residential developments more acceptable to local communities and delivers huge value to all.”

“Whilst some limited progress has been made in some regions, overwhelmingly the message is that the design of new housing environments in England are ‘mediocre’ or ‘poor’. Collectively, we need to significantly raise our game if we are to create the sorts of places that future generations will feel proud to call home.”

They also raise the concern “that communities around the country will continue to resist much needed housing development unless the quality of design radically improves.”⁴

¹ New Civic Housebuilding Report, 2017, Shelter, www.england.shelter.org.uk/_data/assets/pdf_file/0005/1348223/2017_03_02_New_Civic_Housebuilding_Policy_Report.pdf

² More homes, Fewer Complaints report, 2016 All Party Parliamentary Group for Excellence in the Built Environment, www.cic.org.uk/admin/resources/more-homes.-fewer-complaints.pdf

³ New-build housing: construction defects - issues and solutions by Wendy Wilson, Christopher Rhodes, www.researchbriefings.files.parliament.uk/documents/CBP-7665/CBP-7665.pdf

⁴ Housing Design Audit, Place Alliance, www.placealliance.org.uk/research/national-housing-audit/



Involving communities to create homes they want and need

A report by Demos on People-Powered Planning, supported by Nationwide Building Society, found that engagement in the planning system is low and people often feel shut out from decisions about housebuilding in their local area. This means housing developments too often fail to match the needs and desires of local residents, creating local opposition and conflict in the planning system.

Engagement in the planning system is often dominated by those that are unlikely to support new homes in their local area, suggesting a need for involvement of a broader range of people in decisions about housebuilding to increase support for new homes.⁵

In July 2019, Grosvenor Britain and Ireland conducted the largest canvassing of public trust in placemaking in the UK. They found that just 2% of the public trust developers and only 7% trust local authorities when it comes to planning for large-scale development. And again, people who engage in the planning process are more likely to think development has a negative impact in their area.

On the drivers of distrust in developers Grosvenor found “the biggest was the perception that developers

only care about making or saving money: 75% of respondents identified it as a reason for their lack of trust. The second most commonly cited reason for distrust was the belief that developers don't care about the needs of the local community (54%).”⁶

The Guide to Social Value in New Development from the UK Green Building Council demonstrated, perhaps unsurprisingly, that the “more genuinely and effectively the community are involved in decision-making, the greater the likelihood of maximising social value through development.”⁷

And while we know many parts of society are often under-represented in the design of new builds, a study by Cambridge Centre for Housing & Planning Research, funded by the Nationwide Foundation, provided evidence that specific focus should be given to the housing needs of older people. The study cited that “the proportion of older people is growing faster than any other age group. In 10 years, a fifth of the UK population will be over 65. These demographic changes put pressure on housing and social care provision both at the national and local level, and concerns have been repeatedly raised about how the UK will be able to cope with this rapidly ageing population. This is compounded by the relative lack of appropriate housing options for older people in the UK.”⁸



Showing how building can be done differently is a key focus for Oakfield. From demonstrating how quality can be built in without extra cost to buyers, to the social value that ongoing community engagement and thoughtful design can have. We'll be sharing what we've learnt to demonstrate how supply can be increased while creating homes people actually want in their communities.

⁵ People-powered planning: how to better involved people in planning to get more homes built by Ben Glover, Demos, 2019, www.demos.co.uk/project/people-powered-planning/

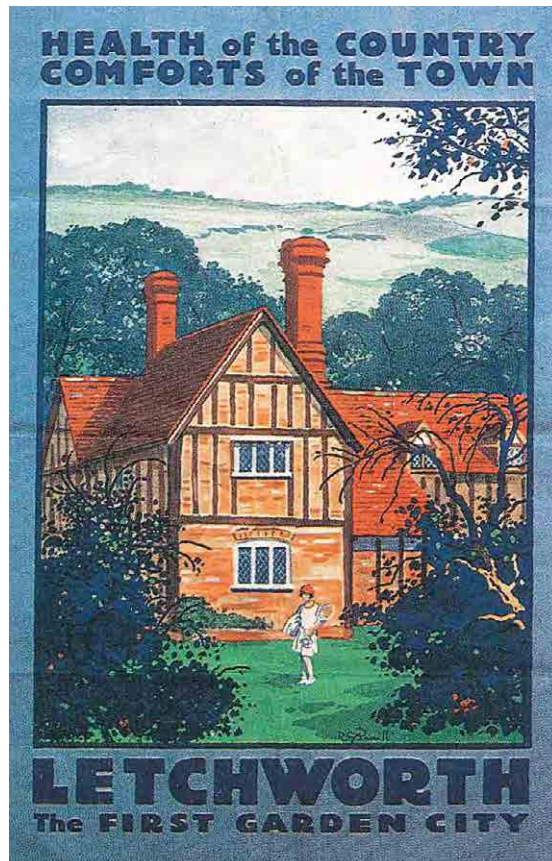
⁶ Building Trust, Grosvenor Britain and Ireland, 2019, www.grosvenor.com/our-businesses/grosvenor-britain-ireland/rebuilding-trust

⁷ Guide to Social Value in New Development, UK Green Building Council, 2018, www.ukgbc.org/ukgbc-work/social-value/

⁸ Is co-living a housing solution for vulnerable older people? Dr Gemma Burgess, Cambridge Centre for Housing & Planning Research, 2019, www.nationwidefoundation.org.uk/wp-content/uploads/2019/11/Final-report-coliving-_web-version.pdf



A mutual approach



Nationwide may not be the first name on your mind when listing house builders. But bringing people together to build better quality homes was the starting point of what became the modern building society.

From the beginnings of mutuality in a Birmingham pub in 1775 to the 19th century founders of the building society movement, those first pioneers were responding to an urgent social need for better housing. Their aim? To harness the power of the collective to improve living conditions for the so-called 'industrious classes'. The social purpose of ensuring everyone has a place fit to call home is still our mission today.

The link between building societies and housebuilding remained strong through the early years of the 20th century. Nationwide was instrumental in the delivery of Letchworth Garden City and supported rebuilding efforts after both World Wars.

While the housing problems of 2019 might seem a world away from Victorian slums or mass rebuilding after a global conflict, there are still vital issues that need addressing. Many more homes need to be built each year with a focus on community support, not community opposition. Homes also need to be designed so they are still desirable in 100 years – just like the houses in Letchworth.

Although our members no longer put their change into a pint pot at the pub, they still shape what we do. Each year, 1% of Nationwide's pre-tax profits goes to good causes, including our own social investment work. We work with our members to direct this spending. In 2016, they voted to make housing a priority and backed Nationwide to, once again, play a more direct role in housebuilding.

Reflecting that pioneering spirit of the building society founders, we knew we'd need to take a different approach to housebuilding to tackle the issues we could see. Building on our social purpose and desire to optimise rather than maximise profit, we've taken a new approach to development – something we call 'not for profit, socially responsible housebuilding'.



Sara Bennison,
Chief Marketing Officer
at Nationwide Building Society

“Bringing people together to build better quality homes was the starting point of what became the modern building society. In recent years it is a role we have returned to. Our hope is that other companies join us in a new housebuilding movement, building beautiful homes in the right way with the support of local communities.”

Part of the Policy Exchange Essay Collection
“The Duty To Build Beautiful”



Oakfield, the story so far



We're creating 239 quality, sustainable homes on a derelict brownfield site in our hometown of Swindon where no other housebuilder was prepared to build. We're working with Igloo Regeneration, a Social Impact Developer and Development Manager, to guide us through developing differently with community, sustainability and quality as our focus.

Homes people want and the planet needs

Every Oakfield home will be designed and constructed to a high quality, so they're built to last. We're focussing on architectural design with notable green credentials and an ambition for EPC A rating across the development. Our passion for sustainability means we're exploring ways to make Oakfield as eco-friendly as possible.

We're also meeting Swindon Borough Council's 'Affordable homes' target. Thirty percent, that's 71 of the homes will be Affordable Rent or Shared Ownership.



“*I've lived here for 25 years and this is my first time feeling involved.*”

Eileen, local resident from Walcot, Swindon

Sustainable homes for everyone, a community for everyone

More than houses, we're creating a community. Where young people can put down roots and where homes are designed to be easily adapted for older people to remain in their community throughout later life.

The design hopes to inspire a sense of neighbourliness through shared gardens, a park, play area and community hub. And so the new neighbourhood can integrate and link with neighbouring communities and their amenities, we're improving cycle paths and walking routes.

“We believe that the extensive and inclusive approach to consultation on this project had many benefits for the local community and Nationwide.”

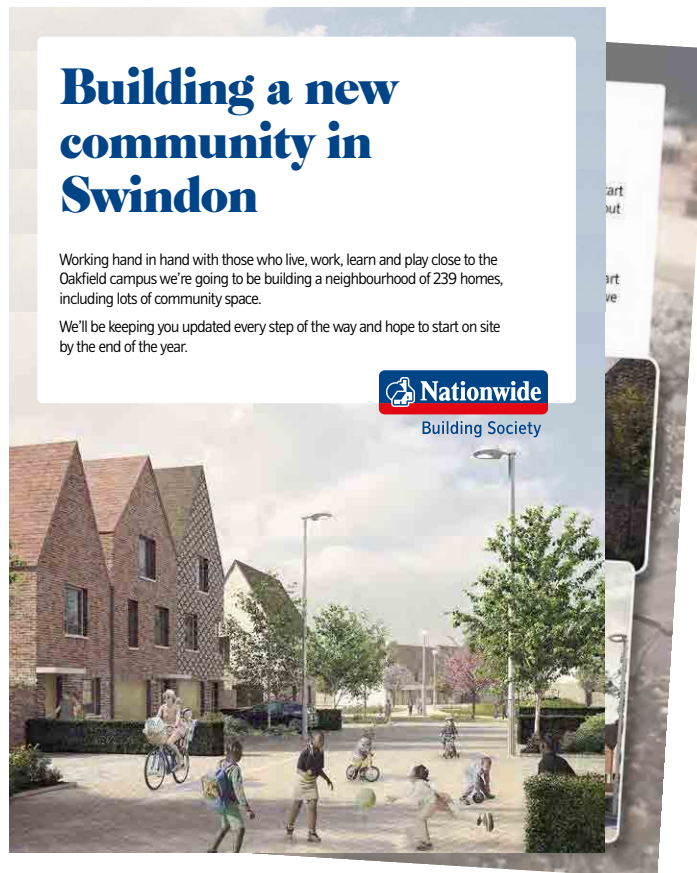
The local community were able to shape and influence the development in a way which addressed local needs and desires, while also providing valuable local insight to the design team. The extensive public engagement and collaborative design development with planners also resulted in the proposals receiving unanimous support from Swindon Borough Council, local residents and the wider community, with the application being determined in only six months and under delegated powers (in accordance with Swindon's protocol for dealing with planning applications).

**Lichfields,
Planning and Development Consultants**



Our first learning:

listen first, design second



Community newsletter

We wanted to involve the local communities from the start. By investing more time to consult with the local community than traditional house builders do, and including locals in the design process, we hoped the community would welcome the new neighbourhood.

Seeing the success some small community-led developments in London had by using a community organising approach, we employed a community organiser to work in and around Oakfield – finding out what locals, community groups and businesses wanted from the new development and to include them in the design process.

During the 18 months leading up to submitting our planning application, our Community Organiser, Keith Brown, knocked on more than 600 doors, connected local groups and helped host 25 events for both the community and Nationwide colleagues. Keith above all listened. And by listening, Keith could make sure the community's voice was heard and that they were given the opportunity to discuss and come up with ideas.

The feedback on community engagement and listening has been very positive. It meant the community were excited about the design and layout of the development, as well as having the opportunity to genuinely co-create.

The extensive community involvement directly impacted and enhanced the design of the development. Examples of this included older and younger people telling us they wanted to live side by side and not in separate parts of the development, the way the green spaces were designed, changes to the traffic pattern and how it's managed, the amount of parking spaces and communal gardens created. Even down to addressing concerns about safety and security in the park, we're making sure flats and homes face onto the park and there's enough lighting for greater surveillance.

Our planning application was approved in July 2019 with no formal objections. This shows the positive impact of involving and engaging with the community over a longer period of time than is usual. Receiving no objections is very rare for a housing development. We believe others can learn from this approach.

“*Nationwide Building Society were clear from the start that they wanted their development to deliver lasting benefits for the local community.*”

They engaged widely and in great depth prior to submitting their planning application. The feedback received shaped the mix of housing, the scheme layout and the enhancements to local facilities that will be delivered alongside the development. Remarkably for a scheme of this scale, and on a site that is close to established residential communities, no formal objections from local residents were received at the planning application stage. This is unprecedented in Swindon and testament to the excellent community engagement that took place.

Swindon Borough Council

“Community organisers reach out to the community and listen. They can connect and motivate people to build their collective power. And when people are organised, communities get heard and power begins to shift creating real change for good.”

Company of Community Organisers,
www.coorganisers.org.uk



A blueprint for all



Creating a community of 239 homes at Oakfield is only the start of the story.

For us, the significance of what we're doing goes beyond the development itself. We're hoping it will give other responsible businesses with capital reserves available and a commitment to corporate social responsibility (CSR), a resource they can learn from and add to. To build homes and communities in towns and cities across the UK, creating additional housing supply. Looking back to our heritage, it's just another way to bring people and organisations together to achieve more, so that everyone can have a place fit to call home.

We're committed to developing a blueprint to show the steps we've taken throughout the development process – our successes, our mistakes, and how we'd do things differently with the wisdom only hindsight can bring. We've already learnt so much throughout the conception, design and planning phases. Our desire is to document every stage to provide a useful reference to those embarking on a similar journey. All created for other responsible businesses to pick up and follow.

We'll be sharing the first part of our blueprint later in the year, focussing on community engagement. We'll continue to share observations, toolkits and other information to keep the conversation going throughout the construction phase, and as we start to see how a community develops when people begin moving into their new homes from 2022.



Join a new housing movement

Together we can increase housing supply through testing new approaches for non-traditional house builders to create quality, sustainable neighbourhoods with the support of local communities.

Getting involved

If like us, you feel compelled to do more, please let us know how you'd like to be involved.

It could be by:

- looking at your own business or organisation to see where you could support a development project
- helping to change practices across the wider house building sector
- connecting companies with strong social investment agendas to come together to look at new approaches
- sharing your learnings or considerations from other projects to provide valuable insights to others
- letting us know what areas of the project you'd like us to share information on.



Oakfield model

Want to know more?

If you feel inspired by our story and want to know more, would like to get involved in developing the blueprint, or would like us to share the first chapter with you later in the year, please get in touch.

You can contact:

Keith Brown,

Community Organiser on **07825 832843**

Katherine Quigley,

Social Investment Manager on **07525 104332**

James Rowlands,

Lead Policy and Public Affairs Manager on **07525 104418**

or email us at oakfield@nationwide.co.uk



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