

## Case Study - Slough Estates plc

### Company Background

Founded in 1920, Slough Estates is one of the UK's leading property and investment companies, with holdings in the UK, Europe and North America. The group owns, develops and manages industrial and commercial properties, with a portfolio of 2.9 million square metres and total assets of £4.26 billion. The group also includes Slough Heat & Power, which provides electricity, heat and water to the Slough Trading Estate and several third party customers.

### Key Achievements

- Came fourth amongst participating real estate companies in the Business in the Environment (BiE) 'Index of Corporate Environmental Engagement' 
- Came third out of 19 participating property companies in the Property Environment Group (PEG) annual environmental benchmarking survey 
- Was listed in the FTSE4Good and Dow Jones Sustainability Indices 
- Won the Best Investor Relations Website Award for a Non-FTSE 100 company in the 2004 IR Magazine Awards 
- Donated £540,000 to charity in 2003, which was acknowledged in the Guardian 'Giving List' 
- Invested over 2,000 person-hours on community initiatives 
- Achieved 87% of its 2003 environmental targets 

#### KEY



### Sustainability Initiatives

Slough Estates sets annual reduction targets for water, energy and waste, and monitors performance in these areas across its global operations. The company aims to produce a league table for multi-let properties.

The company requires all external contractors to implement the SMARTStart tool on its construction sites.

A Biodiversity Policy and Green Transport Plan have been developed.

An Environmental Liaison Committee has been established to ensure that environmental management best practice is applied in all parts of the business.

### Contribution to a Sustainable Economy

A customer survey of the Slough Trading Estate highlighted a lack of public transport. Working in partnership with Slough Borough Council and First Bus, Slough Estates developed and funded a new route for the Lynx Bus Service. The partnership funded bus shelters, bus lanes and facilities at the station to improve the attractiveness and efficiency of the service. Slough Estates is still subsidising the service, which should be self-supporting after three years. The partnership is planning to introduce further routes.

Farnborough Business Park was formed in 1999 from the old Royal Aircraft Establishment, an important site in Britain's aviation history. A 25-acre historic core has been retained, which Slough Estates is currently restoring. The core contains five listed buildings, of which two are Grade 1 listed MoD buildings containing five wind tunnels that were used for testing. Slough Estates has consulted local stakeholders to develop a restoration strategy. Started in September 2004, the £20 million restoration will comprise museums, a Heritage Centre and offices.



Links subsidised bus service

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The company benefits are three-fold:

- Social: working in partnership with others (e.g. Farnborough Air Science Trust, Art Wise) to create new civic venues and public access
- Environmental: urban regeneration and restoration of significant historical buildings
- Economic: a £5 million business park investment with unique marketing potential

Slough Estates has supported Hershel Grammar School for several years through professional expertise on property issues. Recently the company has supported the development of a £3 million multi-use sports facility for the school and local community. The Company Secretary chairs the Board of Governors.

The Chairman and Chief Executive of Slough Estates sit on the Advisory Committee on Business and the Environment and the London Sustainable Development Commission.

Slough Estates sponsors a 'Local Business Environment Club' with the aim to promote best practice among businesses in the area. In 2003, the group donated £540,000 to charity, representing approximately 1% of dividend, and was acknowledged in the Guardian 'Giving List'. Slough Estates is currently donating to its preferred charity for 2004, Macmillan Cancer Relief.

The group works with the Government on new regulation and best practice working groups, such as the HSE Control of Asbestos Regulations.

## Enhancing Environmental Quality

The environmental achievements of Slough Estates are audited every year by its advisers. In 2003 it met 87% of its targets. The company attains a BREEAM rating of at least 'very good' on all developments, frequently attaining an 'excellent' rating.

In the period 2002-03 Slough Estates' global business achieved a 3% reduction in energy consumption, through several initiatives such as solar shading on glazed areas, high frequency light fittings in all properties and use of materials with low levels of embodied energy.

In the period 2002-03, the global business achieved a 17% reduction in water consumption through several initiatives including:

- Promoting the use of Sustainable Urban Drainage Systems to reduce impacts on local sewers
- Producing buildings with water efficient appliances (e.g. water metres and Cisternmisers®, rainwater harvesting and provision for the reuse of grey water)

Slough Estates manages waste in the following ways:

- It requires external contractors to use the Building Research Establishment's SMARTStart tool to minimise waste (e.g. designated skips on site for waste)
- It 'recycles' properties, with £3 million annually on refurbishments and 95% of new development in 2001-03 undertaken on brownfield sites
- Each site has a Waste Management Plan including, for example, the recycling of paper, printer/copier cartridges, plastic cups and more recently, vegetable composting

- Slough Heat & Power turns non-recyclable packaging materials into fuel briquettes, preventing 100,000 tonnes waste a year from going to landfill

Slough Estates employs a wide range of green transport initiatives such as:

- Providing financial incentives to down-size cars, training on fuel-efficient driving, an on-site restaurant to reduce lunchtime travel, real-time traffic information, 'flexitime' working hours to enable avoidance of congestion, a monthly prize draw and a computer-based staff car sharing scheme designed to derive maximum benefit from an area with logistical difficulties
- Promoting alternative modes of travel by equipping buildings with cycle facilities (e.g. showers, secure covered parking), offering cash alternatives to company car and petrol allowances and providing public transport information
- Development of a Green Travel Plan 'Tool Kit' to be distributed to customers that provides a framework for producing an individual travel plan

Slough Estates depends on a ready supply of materials and, wherever possible employs sustainable practices, as follows:

- All brick and concrete demolition waste is crushed and re-used on site in order to minimise the use of natural aggregates and to reduce transport and landfill
- Timber must be FSC certified and from well managed sources. Peat is not permitted as a material and chemical use is kept to a minimum

Slough Estates is pro-active in demonstrating that its facilities are sustainable across all its UK sites. However, there is not a high demand for 'green' buildings.

As part of its biodiversity policy, Slough Estates has introduced a five-year management plan for a 40-acre wildlife reserve at Cambridge Research Park to protect the great crested newt and other Red Book protected species. To date, the group has harvested rainwater, planted 600 native trees, erected bat and owl boxes and plans to introduce public trails.

The company undertakes health, safety and environmental audits of all investment properties.

## Improving the Social Wellbeing of Stakeholders

Slough Estates has developed a Considerate Contractor Scheme at all sites, involving an assessment of traffic routes, consultation with occupiers and neighbours, and a complaints procedure and log.

The Staff Development System was improved in 2003 to include communication of company values, capabilities for individual roles and 360 degree appraisals. The company provides private healthcare insurance, a fitness room at the headquarters, 'break-out' areas, flexible working hours and regular training.

The company requires suppliers to demonstrate their HSE credentials and contribute towards smaller contractors' training and awareness programmes.

The company has produced a Corporate Social Responsibility report to communicate achievements to stakeholders.

## Company Contact

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