UKGBC

England & Wales · Charity number 1135153

Details

Other names	UK GREEN BUILDING COUNCIL, UKGBC
Status	Registered
Legal form	Charitable company
Company number	01029239
Registered	2010-03-24
Register	View on the Charity Commission register

Contact

Address	The Building Centre 26 Store Street WC1E 7BT
Phone	02075800623
Email	info@ukgbc.org
Website	www.ukgbc.org

Activities

Objects: 1. Objects1.1 The Objects of the Charity are for the public benefit:1.1.1 to increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced;1.1.2 to advance the education of the public in the sustainability, conservation, protection and improvement of the built environment; and1.1.3 to promote the sustainability, conservation, protection and improvement of the built environment.1.2 This provision may be amended by Special Resolution but only with the prior written consent of the Commission.

Activities: 1. to dramatically improve the sustainability of the built environment by radically improving the way it is planned, designed, constructed, maintained and operated; 2. to advance the education of the public in the sustainability, conservation, protection and improvement of the built environment;3. to promote the sustainability, conservation, protection and improvement of the built environment

Downloaded from opencharities.uk/ew/1135153

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Environment/conservation/heritage
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE. NATIONAL
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,511,665	£3,673,288	£304,115	41
2024-03-31	£3,525,301	£3,742,198	£465,738	43
2023-03-31	£2,860,404	£3,263,170	£722,127	40
2022-03-31	£3,090,449	£2,983,265	£1,124,893	35
2021-03-31	£2,306,950	£2,128,670	£1,017,709	25

Downloaded from opencharities.uk/ew/1135153

Trustees

Name	Role	Appointed
Basil James Demeroutis		2022-01-01
Clifford Ellis		2024-01-09
Estelle Bailey		2024-07-23
Eva-Marie MacNamara		2025-01-15
Jennifer Waterhouse		2024-09-25
John David Clark		2025-09-24
Judith Everett		2019-09-18
Lorna Jane Walker		2019-07-10
Mark Robinson		2023-03-29
Miles Lewis		2025-01-15
SUNAND PRASAD		2016-11-02
Sam Ewuosho		2024-03-27
Tara Ima-Obong Gbolade		2022-09-28
Victoria Quinlan		2016-11-02

Downloaded from opencharities.uk/ew/1135153

UKGBC

England & Wales - Charity number 1135153

Accounts

UK GBC

The voice of our sustainable built environment



2024-2025 IMPACT REPORT

ANNUAL REPORT + FINANCIAL STATEMENTS

UK Green Building Council
ukgbc.org

UKGBC LIMITED
COMPANY REGISTRATION NUMBER 01029239
CHARITY REGISTRATION NUMBER 1135153

UK GBC



CONTENTS

5 FOREWORD
6 YEAR AT A GLANCE
8 INTRODUCTION
9 THEORY OF CHANGE
10 THREAD 1: RETROFIT
14 THREAD 2: NEW BUILD
18 THREAD 3: INFRASTRUCTURE
20 THREAD 4: ORGANISATIONAL CHANGE
22 THREAD 5: SYSTEMS CHANGE
26 THREAD 6: CROSS-CUTTING
30 THE YEAR AHEAD
34 FINANCIAL STATEMENTS



FOREWORD



UKGBC hit adulthood this year - marking our 18th birthday - and it has been a year displaying both the myriad challenges and opportunities that a transitional life stage can bring.

With backdrops of worsening climate and ecological impacts, straitened financial times and a global populist neo-political landscape, painting a picture of the sunlit sustainability uplands has been challenging.

I run the risk of repeating what I may have said a half-decade ago; but the next five years are critical. While we haven't yet broken the ten-year rolling 1.5C temperature requirements set under Paris, if we take a snapshot this year, we've crossed the Rubicon - and if we fail to ratchet down quickly on further temperature rises and biodiversity losses, then simply put; we accelerate ever-faster towards climate and ecosystem collapse.

The proof will be in real-world regulatory and financial delivery, but post-election, the government seems to be genuinely engaging in certain areas in a way we haven't seen for an age; and this gives UKGBC and our members a generational opportunity to identify and shape the pathways required to propel the sector forward sustainably. Politicians are leaders, and true leadership requires bravery. So, what's crucial as we move through our 2030 strategy - taking us to the end of this crucial decade - is that we see that story of bravery in careful, robust and ambitious long-term policymaking. Without scary legislative sticks looming on the horizon, we simply won't see the mass change we want. We need to create a landscape that enables the innovators to race at the opportunities and forces the laggards all onto the same path.

So whether on minimum energy standards, biodiversity enhancements or more resilient community infrastructure, we need political commitments that stretch across multiple Parliamentary terms - giving businesses the comfort and confidence to invest at scale and speed.

And as the climate crisis intensifies, we need not just to double down on decarbonisation, but also to amplify and reinforce building resilience. We've just launched the UK's first Climate Resilience Roadmap - a key step in preparing our communities and infrastructure for a more volatile future; and while the bones of the work were done this year; driving its lessons and impact into the sector will stretch ahead of us.

Internationally, we've continued to amplify UK leadership through global platforms like COP29 and the UN Sustainability agenda. With more than 7,700 professionals already engaged in our learning programmes, we once again scaled up education and leadership to meet the demands of a fast-changing world.

And, as this marks the final year of our 2025 Strategy, we've done a tremendous amount of work to review our Theory of Change and create a 2030 Strategy that we will launch at our AGM in September.

As ever, an enormous thank you to all members past, present and future for all your support, we couldn't do any of this without you.



SIMON MCWHIRTER
CHIEF EXECUTIVE
UK GREEN BUILDING COUNCIL

We extend our thanks to Smith Mordak for their leadership during their time as Chief Executive of UKGBC. Smith played a pivotal role in shaping and advancing the long-range thinking behind our emerging strategy, and we're grateful for their dedication and the expertise they provided throughout their tenure.

YEAR AT A GLANCE

LEARNING AND DEVELOPMENT

2024-2025
8,040
HOURS OF LEARNING DELIVERED

2024-2025
7,731
LEARNING SESSION ATTENDEES

2024-2025
84%
SATISFACTION SCORE

2024-2025
36
LEARNING SESSIONS



MEMBERSHIP

2024-2025
2,044
ACTIVE MEMBER CONTACTS

2024-2025
472
OPPORTUNITIES FOR MEMBERS TO ENGAGE IN UKGBC ACTIVITIES

2024-2025
674
MEMBERS

2024-2025
66%
MEMBER ORGANISATIONS ENGAGED WITH UKGBC

EVENTS

2024-2025
88
EVENTS

2024-2025
1,342
INDIVIDUALS TOOK PART IN NON-LEARNING EVENTS

COMMUNICATIONS

2024-2025
33
PRESS RELEASES

2024-2025
765
MEDIA MENTIONS

2024-2025
41.6K
TWITTER FOLLOWERS

2024-2025
41K
LINKEDIN FOLLOWERS

2024-2025
81K
WEBSITE USERS

2024-2025
25.2K
DOWNLOADS OF ALL REPORTS/TOOLS

INTRODUCTION

ABOUT UKGBC

UKGBC is the membership-led industry network radically transforming the sustainability of the built environment.

We represent the voice of our industry's current and future leaders who are working together to deliver a just transition across the sector, in response to the climate and nature crises.

Powered by more than 600 member organisations from across the value chain, our mission is to radically improve the sustainability of the built environment by transforming the way it is planned, designed, constructed, maintained, operated and repurposed.



OUR VISION IS A BUILT ENVIRONMENT THAT ENABLES PEOPLE AND PLANET TO THRIVE BY:

- **MITIGATING** and adapting to climate change.
- **ELIMINATING** waste and maximising resource efficiency.
- **EMBRACING** and restoring nature and promoting biodiversity.
- **OPTIMISING** the health and wellbeing of people.
- **CREATING** long-term value for society and improving quality of life.

OUR CHARITABLE OBJECTIVES ARE:

- **TO INCREASE** the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability")*.
- **TO ADVANCE** the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education")*.
- **TO PROMOTE** the sustainability, conservation, protection and improvement of the built environment ("Raising awareness")*.

*These are the charitable activities as defined within the Financial Statements accompanying this report.

THEORY OF CHANGE

OUR THEORY OF CHANGE VISUALISES HOW UKGBC AFFECTS CHANGE ON SUSTAINABILITY IN THE BUILT ENVIRONMENT.

At UKGBC, we collaborate to advocate, enable and inspire accelerated leadership and action, primarily by business and government, on climate change, resource use, nature & biodiversity, health & wellbeing and socio-economic impact.

WE COLLABORATE
by convening diverse built environment organisations to engage in a common purpose

WE ADVOCATE
by calling for ambitious commitments, stronger standards and progressive policy and encouraging transformational leadership

WE ENABLE
by developing guidance, showcasing solutions and stimulating innovation

WE INSPIRE
by sharing knowledge and best practice, and encouraging transformational leadership



THREAD 1 RETROFIT



BACKGROUND

This year has seen a distinct shift in our engagement across government on a broad range of retrofit-related issues, both domestic and non-domestic. Following our General Election campaign and policy platform, we have strengthened existing relationships and forged new connections, convening government and industry, responding to consultations and helping shape future policy.

Since the election last summer, there appears to be a clear drive to look for solutions in retrofit that are workable across government and industry, although the fiscal constraints are of course evident. Building on our proven track record, UKGBC is uniquely positioned to deepen engagement and advocate a shift towards a more progressive, strategic, policy environment.

This year we continued to deepen our understanding of the challenges Local Authorities face in addressing retrofit, through convening representatives at both in-person and online Local Authority Retrofit Forums (LARFs), while providing support by sharing best practice solutions, guidance, and toolkits. The Local Area Retrofit Accelerator (LARA), developed with, and funded by, the MCS Foundation, kicked off a series of pilot initiatives with four places aimed at convening local stakeholders to co-create Local Retrofit Strategies to accelerate home retrofit.

Our Regenerative Places Programme kicked off in October 2024 with four Programme Partners. The programme dovetails with LARA and aims to set out a clear vision of an emerging future that has positive, 'regenerative' impacts on people, planet, and place, while learning what kind of processes and patterns of behaviour are needed to get us there.

We have been supporting the Net Zero Carbon Standard Pilot in raising awareness of the requirements proposed for stepped and one-go retrofit and encouraging members to submit pilot projects.

NATIONAL POLICY

In December 2024, we gave evidence to the Energy Security and Net Zero committee during a session on retrofitting homes and the Government's Warm Homes Plan. Alongside our regular meetings with DESNZ on non-domestic retrofit, we are convening roundtables with MPs, civil servants, and industry leaders on key retrofit-related priorities like embodied carbon. We have responded to proposed changes to retrofit schemes, advocating for locally focused, long-term solutions. We are building on this momentum by deepening our engagement with key officials, in collaboration with strategic partners and industry leaders to amplify our impact.

Our role on the Scottish government-convened Green Heat Finance Taskforce concluded with a second set of recommendations for government, to work together with industry and the third-sector to roll out place-based programmes of retrofit across council areas and social housing. Following our input on the issues, the government has so far committed to taking forward recommendations on enabling property-linked finance in Scotland, on developing blended co-investment vehicles for large-scale heat decarbonisation projects, and on setting a legislative framework to support local authorities to deliver place-based programmes of retrofit and decarbonisation.

We continue to advocate for wider retrofit transformation programmes through Simon McWhirter's role as Board Member of the National Retrofit Hub.

LOCAL POLICY

Four LARA pilots kicked-off this year in Hertfordshire, Surrey, Nottinghamshire & Derbyshire, and Liverpool, led by the MCS Foundation, and supported by the National Retrofit Hub (NRH), Ashden and other partners. The first pilot, Hertfordshire, co-created a draft Local Retrofit Strategy through a series of three workshops with local stakeholders, with a mission to collaboratively "Retrofit all homes, so that we enhance our environment and climate resilience, address fuel poverty, improve health and support local jobs."

We are starting to share insights from the first pilots with our Local Authority Retrofit Forum, and with national government. The pilots have highlighted that a systems-based approach to retrofit is key - moving away from short-term projects driven by short funding cycles and towards a more holistic strategy, involving all key stakeholders including communities, and designed to bring wider benefits to the area including a more localised supply chain and job opportunities. priorities vary in each context.

50

local stakeholders
convened by each LARA

"THE LARA PROJECT HAS SHOWN THAT MOVING FORWARD ON RETROFIT ISN'T SIMPLY A CASE OF INFORMING AND EDUCATING ON HEAT PUMPS AND PIPE LAGGING. THE ENTIRE RETROFIT SYSTEM NEEDS TO BE NURTURED TO EVOLVE INTO A DYNAMIC AND RESPONSIVE ENTITY. BY WORKING WITH LOCAL AUTHORITIES, BUSINESSES, AND COMMUNITIES FROM THE START OF THE DISCUSSIONS, WE CAN CREATE A SUSTAINABLE, RESILIENT RETROFIT ECOSYSTEM THAT BENEFITS EVERYONE."

HELEN BURRIDGE
HCCSP MANAGER
HERTFORDSHIRE CLIMATE CHANGE & SUSTAINABILITY PARTNERSHIP





NON-DOMESTIC RETROFIT

We continued to raise awareness of key findings from our Retrofitting Offices report, with a series of online workshops that explored the three key retrofit phases - Optimisation, Light Retrofit and Deep Retrofit, through real-world case studies. Through this work we have highlighted the cost and carbon savings that can be made through optimisation of building management, and practical ways that asset and portfolio owners can plan retrofit interventions that realise the biggest carbon savings within the constraints of budgets and leases. We also led two site tours to deepen understanding of practical approaches to retrofit.

Awareness of the importance of non-domestic retrofit has also been raised at various external events where UKGBC has discussed our Retrofitting Office Buildings report. This included vents run by FOOTPRINT+, the London Real Estate Forum, and the British Council for Offices.

Building off the Retrofitting Office Buildings report, we kicked-off our Non-Domestic Retrofit: Retail and Logistics project in March 2024. The project will deliver guidance on the potential costs and returns on energy efficiency, emissions savings, and financial investments of different retrofit measures for retail and logistics buildings, from optimisation through to light and deep retrofit interventions.

This year we facilitated two Net Zero Forums, one focused on non-domestic retrofit and another on whole life carbon modelling. The non-domestic retrofit forum has brought together over 18 UKGBC members each month to engage in peer-to-peer learning, share insights on retrofit projects they have worked on, and discuss retrofit challenges and ways to overcome them.

REGENERATIVE PLACES

We are building momentum around our new Regenerative Places Programme through the launch of a video that sets out what the term 'Regenerative' means across UKGBC's work, and through speaking at conferences like Futurebuild. We are building a foundation of 'key principles' and developing cross-sector partnerships to broaden our reach next year.

CONSIDERING RETROFIT ALONGSIDE NATURE

In July 2024, we launched two summary infographics highlighting the challenges, recommendations, and considerations led by discussions within the Nature-Based Solutions Labs.

The infographics brought new insights around utilising nature-based solutions within retrofitting projects, as well as their maintenance needs to ensure the long-term success of the ecosystem services provided and the return on investment.





THE YEAR AHEAD

The upgrade of our homes, communities and town centres offers significant opportunities for job creation business growth, energy security and numerous 'co benefits' such as improvements to health and wellbeing that current government narratives do not emphasise. We aim to focus our 2025 efforts on shifting narratives towards retrofit and raising awareness of cost neutral interventions that nudge the market towards improving energy efficiency, like Warm Homes Stamp Duty, more ambitious MEES standards, and policies that encourage retrofit over new build.

As the LARA pilots progress, we will continue to share insights, to both support other Local Authorities and inform Regenerative Places. These insights, alongside those drawn from case studies developed as part of our Regenerative Place Programme, will start to build a broader picture of what kind of approaches and mindsets are needed to create more regenerative places that work for both humans and nature.

As part of Regenerative Places, we are planning several community roundtables to explore how engaged local representation can ensure place-based retrofit harnesses local knowledge and unlocks more holistic, 'regenerative' outcomes.

With the delivery of our Non-Domestic Retrofit: Retail and Logistics guidance and Overarching Retrofit Strategy Microsite, which combines learnings from the Offices and Retail and Logistics reports, we are planning for continued engagement in this important area. This will include a series of Innovation Showcases on hardware solutions to challenges in non-domestic retrofit.

80+

policy mentions in sector and mainstream media

20+

engagements with target politicians/government officials.

50%

of members say UKGBC have empowered them to speak up on policy issues crucial to transformation of the built environment



THREAD 2 NEW BUILD

BACKGROUND

UKGBC has been highly active from both a policy and industry action perspective to shape a more sustainable new build agenda. With regards to policy, we have developed clear positions on our priority areas - which include planning reform, embodied carbon, climate resilience and residential and non domestic building standards - to push forward our agenda on new build.



Labour has committed to high standards for new builds, however progress on new build regulations has somewhat stalled while the incoming government are reviewing the Conservatives' proposals for a Future Homes and Building Standard. We expect the standard to be published shortly and while it is not expected to go as far as we would like it to, we are advocating for the Government to publish it as soon as possible for implementation in 2026 and immediately begin work on its successor.

The National Planning Policy Framework was updated with a stronger climate amendment, but it must be more ambitious. The Planning and Infrastructure Bill, published in March 2025, indicated a welcome move towards longer-term strategic planning, investment in planning capacity and an acceleration towards clean energy. However, we have concerns that communities may lose their voice in ensuring developments meet local needs, and that 'streamlining' environmental assessments must not be code for weakening standards.

UKGBC will continue to play a very active role in shaping new build and planning policy. Our focus over the coming months will shift onto climate resilience, to coincide with the launch of the UK Climate Resilience Roadmap. We have already started discussions about this issue with the Ministry of Housing, Communities and Local Government (MHCLG), and wider government departments including the Cabinet Office.

Our work on Embodied Ecological Impacts (EEI) continues to move the industry dial and expand the understanding of our sector's relationships with ecosystems globally. By bringing a systems perspective and embracing life-cycle thinking, our work on EEI interrogates impacts from extraction of the most used materials and impacts via our supply chains. It brings a holistic discussion on nature impacts to the built environment that has been neglected for far too long.

There is a strong desire within our membership to connect with our work on embodied carbon. Our varied offering of learning, forums, events and outputs provides our members with the outlet to contribute and engage with the topic. In particular, our Net Zero Forum focused on whole life carbon modelling has enabled discussion of practical challenges and data collation questions amongst a group of over 20 UKGBC member organisations.



KEY ACTIONS

We developed detailed policy proposals for new build and planning reform and continually assessed government progress against these - substantially through our 100-day report. We attended three party conferences to build cross-party support for our agenda.

Our work on embodied carbon continues to gain traction, with our Embodied Carbon Scope 3 Measurement and Reporting guidance, and improving your Modelling and Reporting guidance, both seeing good levels of use and interaction across the year. We continued engagement on the topic through the summer by publishing two member-written blogs on scope 3 emissions and whole life carbon assessments, hosting three workshops on writing whole life carbon assessment reports, three embodied carbon innovation showcases, and hosting a new Net Zero Forum subgroup on Whole Life Carbon Assessments.

On embodied carbon regulation, we drafted and proposed a private members bill and hosted a roundtable with both industry and government to discuss how challenges to regulation can be overcome.

80+

attendees at our Embodied Ecological Impacts conference

"THE EEI CONFERENCE WAS A HUGELY INFORMATIVE EVENT AND HELPED TO PUT THIS IMPORTANT ISSUE ON THE AGENDA WITHIN THE CONSTRUCTION SECTOR. THE KEY TAKEAWAYS FOR ME WERE AN ACKNOWLEDGEMENT THAT WE ARE ALL STILL LEARNING HOW BEST TO BEGIN TO TACKLE THIS ISSUE AND THAT MORE CROSS COMPANY COLLABORATION IS NEEDED TO MAKE PROGRESS, THE CONFERENCE ACTED AS AN IMPORTANT CATALYST FOR THAT."

AARON GRAINGER
TECHNICAL DIRECTOR, NATURE & BIODIVERSITY
BURO HAPPOLD



KEY ACTIONS CONTINUED

As we await the Future Homes and Building Standard (FHS), we have been campaigning for implementation of the strongest version as soon as possible. We met twice with the Minister Baroness Taylor - once alongside allied organisations (GHA, Bioregional, LETI) and once just as UKGBC. We also wrote a letter to Baroness Taylor, using member case studies and signatories to demonstrate supply chain readiness for the strongest version of the FHS.

Planning reform has been one of the biggest priorities for the new government - we responded to the consultation on the National Planning Policy Framework (NPPF) and submitted evidence for various associated inquiries across brownfield sites, environmental considerations, and housing growth. We are currently drafting a response to the Landuse Framework consultation. We have responded to and provided analysis on the Planning and Infrastructure Bill for members, working with the Better Planning Coalition to produce a briefing ahead of the second reading. This was shared with Green MP, Ellie Chowns, who reached out for our guidance.

The pilot version of the Net Zero Carbon Buildings Standard (NZCBS) was published in September 2024 and includes a suite of science-led limits for energy use intensity and upfront embodied carbon for all buildings sectors. We played a key role in the development of the Standard with representatives on both the Governance Board and Technical Steering Group.

We have worked closely with the Net Zero Carbon Building Standard (NZCBS) on advocacy plans, and attended (and chaired a breakout session of) an exploratory workshop with Local Authorities on how they could use the NZCBS.



1,500+

downloads of our Embodied Carbon guidances

20+

organisations participating in the Whole Life Carbon Modelling subgroup of the Net Zero Forum

400+

attendees across three embodied carbon innovation showcases



THE YEAR AHEAD

The Government has a major housebuilding agenda, with the goal of 1.5 million new homes over the next Parliament. It is crucial that these homes are built to the highest quality and within our carbon budget. The Future Homes and Building Standard does not go far enough, so a focus for UKGBC going forward will be looking beyond to 'FHS 2.0' and the need for building regulations which include embodied carbon limits, climate resilience measures, and higher energy efficiency and flexibility requirements.



Alongside this should be a planning system which works for climate and nature, not against it, and ensures the voice of communities can be heard in development decisions. Moving forward, we would like to begin incorporating the learnings from the Regenerative Places Programme into a proposal for a new 'regenerative' planning system through which every time something gets built, places get better.

Our work on EEI continues to convene industry experts and ecologists to better understand the impacts from extraction and manufacturing of construction materials and find pathways towards regenerative material cultures. We will also expand our work with our university network to bring about research that is needed to inform material choices and impact strategies within our sector.

Our Writing Whole Life Carbon Assessment Reports in the Built Environment workshops are continuing with workshops in April and October 2025.

THREAD 3 INFRASTRUCTURE

BACKGROUND

UKGBC is advancing sustainable infrastructure with a focus on renewable energy procurement and materials passports. In both cases, the key shift is away from buildings as simply consumers or endpoints serviced by infrastructure, towards buildings as active participants. For energy, materials, components, or any resources, buildings are users or consumers, but also producers or contributors of energy and resources into the system.

By building consensus on the critical role of infrastructure, we continue to strive for the built environment industry to deliver the UK's infrastructure upgrade needs with climate resilient, net zero buildings and developments that support halting the decline of nature.

Our ongoing infrastructure-based learning initiatives include embedding renewable energy procurement and developing a clear vision on how infrastructure can support a sustainable built environment while advancing the integration of sustainable infrastructure into new buildings and energy systems.



1,985

downloads of our Materials Passports guides

500

downloads of our Renewable Energy Procurement Part 2 reports

51

attendees for our ANZ Essential Knowledge Series on Renewable Energy Procurement and Carbon Offsets



KEY ACTIONS

With input and support from the Circular Economy Forum, we released a Materials Passports Practical Guide and associated Information Reference Guide in January 2025. The practical guide sets out what a materials passport is and provides insights as to why and how they can be included within built assets. The information reference guide builds on the practical guide to outline the data which can be included within a materials passport and the benefits having that data can offer.

UKGBC's rating system for the quality of a building's renewable energy procurement was enshrined within the UK Net Zero Carbon Buildings Standard, when the pilot version launched in September 2024. The Renewable Energy Procurement Part 2 guidance was also presented at a variety of events including those hosted by Granular Energy, Rutland Forums, Institute of Directors, and UN Global Compact Network UK.

THE YEAR AHEAD

In 2025, we aim to run a project on secondary materials markets. Secondary materials markets were identified as a key enabler to unlock the circular economy in our System Enablers for a Circular Economy report and further work is needed to understand how these currently work in practice. This would also support our existing outputs, Circular Economy How-To Guides and the Material Passports Guides, in helping to mainstream materials reuse.

At present, there is a lack of systems-scale thinking on electrification from the built environment. There is a significant opportunity to focus on energy infrastructure and distribution systems and buildings' role in grid decarbonisation in 2025. UKGBC is uniquely positioned to support organisations in the energy systems space with insight from the entire built environment value chain.



THREAD 4 ORGANISATIONAL CHANGE

BACKGROUND

Our Organisational Change workstream is based on the premise that individual leaders have substantial power to drive change in their areas of work and across their wider organisations. We support this by bringing together small cohorts with diverse perspectives and backgrounds, helping to connect often siloed workstreams to see the bigger picture. We tap into their personal motivations, provide a safe space for exploring the sustainability challenge and build their confidence in their capacity to be changemakers. Participants report moving from a reactive to a proactive mindset on sustainability, from imposter syndrome to a belief in their ability to lead without being technical experts. We emphasise action-oriented outcomes and have seen impacts range from sustainability considerations being strengthened across projects and operations to dedicated innovation funding being made available - and even to an organisation's wider value proposition being reviewed.







KEY ACTIONS

The UKGBC Bespoke Leadership & Development programmes have covered a range of businesses in our membership including Leadership Programmes for Wates, JLL, Colliers, Hollis and the AtkinsRéalis Global Carbon Academy. The Leadership work focusses on personal empowerment, while identifying improvements at an organisational level.

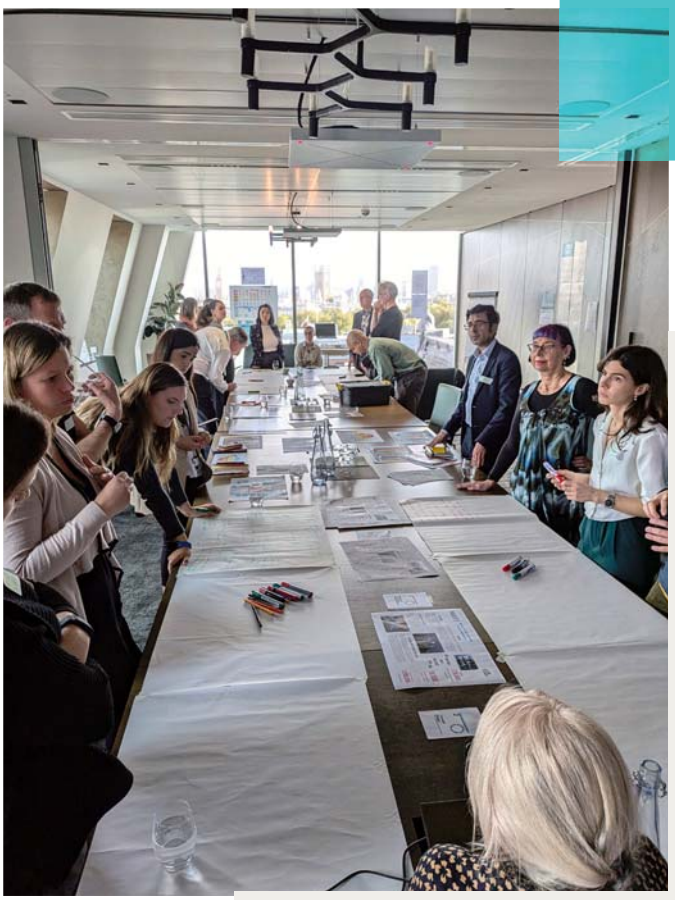
The Carbon Academy delivered technical upskilling and practical application on major infrastructure projects essential within the programme. Supporting Atkins Realis to upskill their project leads and engineers has been a highlight, pushing 'beyond the brief' to assess decarbonisation pathways with clients while nurturing a new awareness and ability among delegates to think differently about complex challenges.

ONGOING AMBITIONS

Our Bespoke work is an exciting and emerging area of impact that UKGBC is offering further and wider across our membership and across the value chain to support leaders, businesses and professionals on their own sustainability journeys.

> "IT IS NOT AN OVERSTATEMENT TO SAY THIS PROGRAMME HAS LITERALLY CHANGED WATES, IT IS INCREDIBLE TO SEE THE CHANGE OVER THE TWO YEARS."

BEKIR ANDREWS
ENVIRONMENTAL SUSTAINABILITY DIRECTOR
WATES GROUP



THREAD 5 SYSTEMS CHANGE



BACKGROUND

At UKGBC, everything we do plays a part in supporting our vision and mission to radically transform the sustainability of the built environment at the whole system level. Several of our workstreams particularly seek to pull on levers that encourage government, industry, and individuals to realise their agency in supporting this shift. This year we have particularly focused on the following ambitions and workstreams:

- Individuals and organisations are activating systemic change towards a sustainable built environment at the sector scale
- A climate resilient, net zero, nature-positive built environment is part of all major parties' manifestoes.
- Cities and regions are developing and delivering joined-up, place-based strategies for a just transition.
- Industry consensus on and adaptation of definitions of Net Zero, Nature Positivity and Resilience.





90+

C-suite individuals actively attended our Leaders Network.

KEY ACTIONS

SYSTEMS CHANGE PROGRAMME

Our Systems Change Programme invites all built environment stakeholders to support a positive shift away from the 'business as usual' approaches to design and construction that often leave us falling short of environmental and social goals. Over the second year of the programme, a network of forward-thinking practitioners has come together with UKGBC following their participation in our Systems Change and Recalibrate programmes to date. We have begun supporting bold client and project teams delivering two live real estate projects, to showcase how innovative ways of working, collaborative problem-solving, and systems thinking can tackle complex sustainability challenges and lead to enhanced value for all stakeholders.

> "THE PROGRAMME HAS BEEN TRANSFORMATIVE FOR ME AND GIVEN ME A RENEWED SENSE OF AGENCY. I HAVE HAD THE OPPORTUNITY TO ADOPT A SYSTEMS CHANGE MINDSET AND TRY TO DO THINGS DIFFERENTLY. THE CONNECTIONS I'VE MADE AND THE PEOPLE I'VE MET, AS WELL AS THE INTERNAL SHIFT, HAVE BEEN INVALUABLE."



GIULIA JONES
ASSOCIATE DIRECTOR - ESG PROJECTS
MAPP
(SYSTEMS CHANGE PROGRAMME)

NZCBS/NZ FRAMEWORK DEFINITION

Following on from UKGBC's Net Zero Carbon Buildings Framework (launched in 2019), UKGBC participated as a Technical Steering Group member and Governance Board member for the UK Net Zero Carbon Building Standard (UKNZCBS). The pilot was launched in autumn 2024.

SUPPLY CHAIN DECARBONISATION

We have begun work this year on a multi-year workstream to tackle the huge opportunity for decarbonisation across the supply chain. We convened a task group of 42 members from across the build environment to explore opportunities within procurement and supplier engagement.

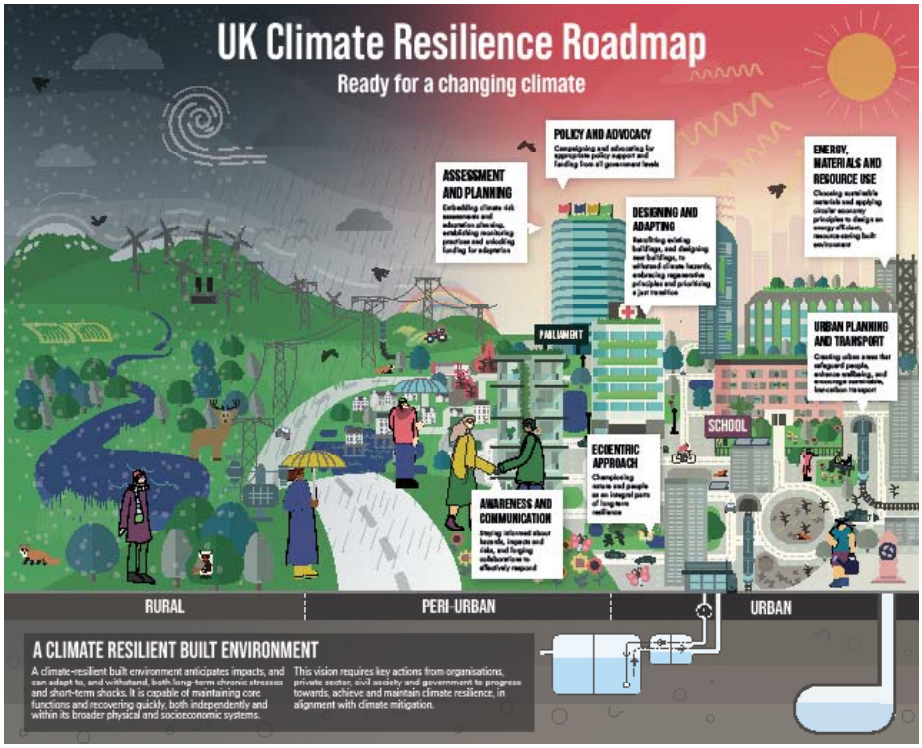




KEY ACTIONS CONTINUED

UK CLIMATE RESILIENCE ROADMAP

The UK Climate Resilience Roadmap is a powerful, actionable pathway that empowers organisations and project teams to future-proof their assets within both local and industry-wide and systemic contexts. It ensures the safety of people and readiness for extreme climate hazards and long-term, uncertain climatic changes. Developed with over 50 industry experts, the Roadmap fuses cutting-edge adaptation strategies with key policy recommendations, tackling vulnerabilities to wildfire, flooding, overheating, drought, and storms, while making nature central to building resilient, sustainable futures.



Our Vision of a Sustainable Built Environment



CLIMATE RESILIENCE ROADMAP

59

member organisations engaged in Roadmap consultations

82

individuals engaged in Roadmap Activities this year



INTERNATIONAL IMPACT

We participated in the inaugural UN Buildings and Climate Forum launch in Paris in the spring, and its launch at COP29 as the International Council with Buildings and Climate. During COP29 in Baku, we undertook an intense programme of advocacy and engagement, including around the UK Climate Resilience Roadmap and its role in helping inform resilient building thinking on the global stage. We have had rolling involvement and support throughout the year for WorldGBC in their shaping of elements of the Buildings Breakthrough. Our CEO Simon McWhirter's appointment as co-chair of the Climate Action Coalition with Chris Skidmore, acted as a fulcrum to amplify the technical and policy innovations and solutions of our members on an international stage.

LEADERSHIP PROGRAMMES

UKGBC's Leadership Programmes support built environment professionals at all career stages to embrace their individual agency to lead sustainable change not only within their organisation, but across the built environment sector. Change Accelerator 2025 was a deeply moving programme, with leaders from a range of businesses committing to lead transformational change in their businesses. Future Leaders 2024, closed with courageous 'calls to action' from the cohort both through heartfelt leadership stories and innovative ideas, and the 2025 programme already seeing a different 'level' of business model design and innovative thinking which makes this programme so exciting to be part of. Recalibrate 2024 closed in the autumn with our executive cohort already implementing far reaching change in their respective businesses. Recalibrate 2025 kicked off with deep conversation and provocation with Jonathon Porritt, this programme continues to balance deep individual reflection and radical change.

1,098

total hours of learning for our Future Leaders cohort

212

individuals engaged in our Systems Change work

THREAD 6 CROSS CUTTING

LEARNING

UKGBC's Leaning and Development portfolio aims to provide a suite of learning across multiple formats to support industry to develop the knowledge and skills needed for the radical transformation of the built environment. We believe that every job is a sustainability job. Therefore, we make our learning suitable for people across our membership and wider industry, and across many different types of roles.

Based on how we know people learn best, we aim for our learning to be as interactive and engaging as possible. Our masterclasses include lots of space for discussion, and our on-demand courses include activities and group discussions.

This year, 7,731 people accessed our learning - either downloading our Bitesize guides, attending a workshop, or watching our new video series - and clocked up 8,040 learning hours.

7,731

people accessed our Learning offerings

8,040

total learning hours

36

face-to-face learning opportunities

"THIS IS A VERY ENGAGING COURSE WHICH WILL TEACH YOU ABOUT ESG EFFORTS THAT CAN BE TAKEN IN COMMUNITIES, IN BUILDING DESIGN AND IN INDUSTRY. IT IS IMPORTANT TO EDUCATE OURSELVES AND TAKE ACTION TO MEET THE GOVERNMENT TARGETS IN PLACE FOR THE NEAR FUTURE, NO MATTER YOUR SECTOR."

Kimia Alexis
Junior Embodied Carbon Consultant
Atkins Realis

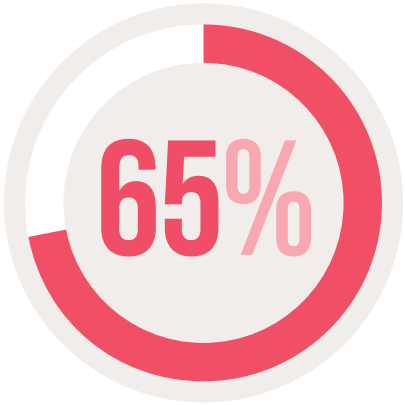


KEY ACTIONS

This year we built on the previous year's work and offered a varied, engaging and impactful portfolio of on-demand, virtual and face-to-face learning opportunities. Our Level 1 learning (which is aimed at building knowledge and networks) featured on-demand courses and a release of our 'So, what can I do?' video series. We also ran a mixed programme of masterclasses and workshops at Level 2 (which is aimed at delivering action), covering biodiversity, social value, and learning associated with key Advancing Net Zero outputs. Fresh off the press is a new Learning & Development programme on climate resilience to complement the consultation and launch of the UK Climate Resilience Roadmap.

ONGOING AMBITIONS

Next year, our learning will complement and strengthen UKGBC's new strategy. We'll be working across the different goals to deliver learning that reaches broad audiences and supports people across industry to deliver action. Specifically, we will emphasise nimble and accessible Learning & Development offerings including learnings from case studies, and case stories from leaders and experts.



of UKGBC members say they joined "To collaborate with other organisations across the built environment value chain and find ways of overcoming barriers to sustainable outcomes. This is an increase on 59% last year.



400+

strategic introductions and bespoke opportunities for innovators

110+

innovative Start-Up Members.

230+

solutions featured in our Solutions Library

SOLUTIONS

A step-change in the sector's environmental and social impact is needed to achieve UKGBC's vision for a sustainable built environment. This requires innovation in technology, business models and ways of operating, and, critically, greater adoption of sustainability solutions across the built environment.

To address this, UKGBC's Solutions & Innovation workstream seeks to identify and review sustainability solutions and showcase them to wider industry. Through this work, we collaborate across UKGBC to identify key trends in sustainable innovation and identify challenges being faced across industry.

Many sustainable innovations are brought to market by innovative start-ups, so UKGBC continue to provide support to this through a dedicated membership category.

KEY ACTIONS

UKGBC's Solutions & Innovation work has focussed on sourcing and profiling solutions to sustainability challenges across the built environment. Activities in this area include the continual expansion of our Solutions Library (including the creation of grouped pages to cluster similar solutions together), the publication of the Trends in Sustainable Innovation Report, and the running of four Innovative Showcase webinars, providing profiling opportunities for 37 innovators.

UKGBC has also been supporting our growing community of 110+ innovative start-up members, providing them with access to market insights. This includes hosting five Innovative Start-up Forums, including a speed networking event with investors, two sessions highlighting live project opportunities and two roundtables identifying challenges start-ups face in scaling up.

ONGOING AMBITIONS

Whilst it is important we continue to find innovative ways to address sustainability challenges, it is also true that many of the sustainability solutions we need already exist, but they aren't scaling at the pace required.

To address this, UKGBC's work on Solutions and Innovation will be evolving beyond showcasing solutions towards leveraging our network to understand and address the systemic barriers to solutions scaling in the built environment. This will be achieved through our 'Scaling Sustainable Solutions for the Built Environment' initiative, launching in April 2025, with the goal of enabling and increasing widespread adoption of solutions.

In this decade of action, the Solutions and Innovation team will also seek to engage more with live projects, matching solution providers with live project opportunities and sharing key learnings.



"WE'VE FOUND THE UKGBC INNOVATIONS SUPPORT AN INVALUABLE RESOURCE IN CONNECTING US WITH THE LATEST SUSTAINABLE TECHNOLOGY START-UPS. A FOCUS ON SOLUTIONS, TOGETHER WITH THE ABILITY TO CONVENE DIVERSE COLLABORATORS THROUGH NETWORKING, IS EXACTLY WHAT IS REQUIRED TO MEET THE CHALLENGE OF RADICALLY DECARBONISING THE BUILT ENVIRONMENT."

DAVID NICHOLSON
DIRECTOR
NATURAL BUILDING SYSTEMS

INSIGHTS

This year we have developed Insights at UKGBC. Insights curates and shares the compelling, interesting, and actionable value that emerges from the human stories shared during UKGBC events and activities, but which often go uncaptured. Every quarter we provide a glimpse into these conversations, curating them into common themes and trends with a focus on key debates, challenges, ideas, and leadership stories that sit behind the industry's effort to transform the sustainability of the built environment.

KEY ACTIONS

Insights were gathered at a range of UKGBC's industry-convening events and member engagement opportunities. Our first Winter and Spring editions were launched, exploring a range of topics such as carbon and social value-based offsetting, embodied ecological impacts, sustainability 'activation gaps', capacity for systemic change, defining 'value', and data.





ONGOING AMBITIONS

Curating these insights over the year helps us reveal common themes and trends around built environment sustainability challenges, solutions, and opportunities. UKGBC members can keep an eye out for upcoming events where we will explore and unpack these insights further, to help facilitate our collective ability to turn insight into action.



THE YEAR AHEAD



The year ahead demands bold decisions and action. As the challenges facing people, nature, and climate intensify, so too must our resolve to drive systemic change across the built environment. Our focus now is on accelerating impact - deepening collaboration, embedding holistic thinking, and supporting progress that is both equitable and enduring.

We will continue to bring together stakeholders across the value chain to align on priorities, share solutions, and remove barriers to change. From decarbonisation and circular economy to resilience and nature-positive design, we're committed to supporting the transition not just in principle, but in practice - on the ground, in policy, and through leadership.

This is a decisive moment. We have the tools, the knowledge, and the collective will to shape places that protect and empower people, restore ecosystems, and build long-term value. In the year ahead, we will keep pushing for progress that is ambitious, inclusive, and grounded in real-world impact.

We're ready - and we invite everyone across the built environment to step forward with us.

Elfrida Hamilton-Russell

Director of Experiential Learning & Leadership



2024-2025

PROGRAMME AND PROJECT PARTNERS

ORGANISATIONAL PARTNERS

BURO HAPPOLD
HOARE LEA
LLOYDS BANKING GROUP

ADVANCING NET ZERO PROGRAMME PARTNERS

bam
Berkeley Group
BURO HAPPOLD
CBRE
HOARE LEA
JLL
LLOYDS BANKING GROUP
ROCKWOOL
Turner & Townsend

RESILIENCE AND NATURE PROGRAMME PARTNERS

BURO HAPPOLD
HOARE LEA
Hydrock now Stantec
JLL
LLOYDS BANKING GROUP

REGENERATIVE PLACES PROGRAMME PARTNERS

BURO HAPPOLD
CLARION HOUSING GROUP
HOARE LEA
LLOYDS BANKING GROUP

UK CLIMATE RESILIENCE ROADMAP PROJECT PARTNERS

ARUP
EQUANS
Greengage
mace
PRP
RIDGE
ZURICH Resilience Solutions

SUPPLY CHAIN DECARBONISATION PROJECT PARTNERS

Knight Frank Promise · Wates · winvic

EMBODIED CARBON PROJECT PARTNERS

Hawkins\Brown · MULTIPLEX · igloo · Thriving Investments Powered by Places for People

EMBODIED ECOLOGICAL IMPACT PARTNERS

HEYNE TILLETT STEEL · RAMBOLL · WSP

RENEWABLE ENERGY PROCUREMENT PROJECT PARTNERS

AmpersandPartners · Landsec · Low Carbon Alliance · MACFARLANES · STANHOPE

BIODIVERSITY NET GAIN PARTNERS

ARUP · Greengage · lendlease · LAING O'ROURKE

NON-DOMESTIC RETROFIT PROJECT PARTNERS

AtkinsRéalis · Federated Hermes · IES · MITSUBISHI ELECTRIC · RIDGE · SEGRO

FRAMEWORK DEFINITION FOR A NATURE-POSITIVE BUILT ENVIRONMENT PROJECT PARTNER

MOTT MACDONALD

OPERATIONAL BUILDING OPTIMISATION PROJECT PARTNERS

IES · chapmanbdsp

LEADERSHIP STRATEGIC PARTNERS

THE CROWN ESTATE · TROUP BYWATERS + ANDERS

SOLUTIONS LIBRARY PARTNER

One Click LCA

LOCAL AREA RETROFIT ACCELERATOR PARTNER

THE MCS FOUNDATION

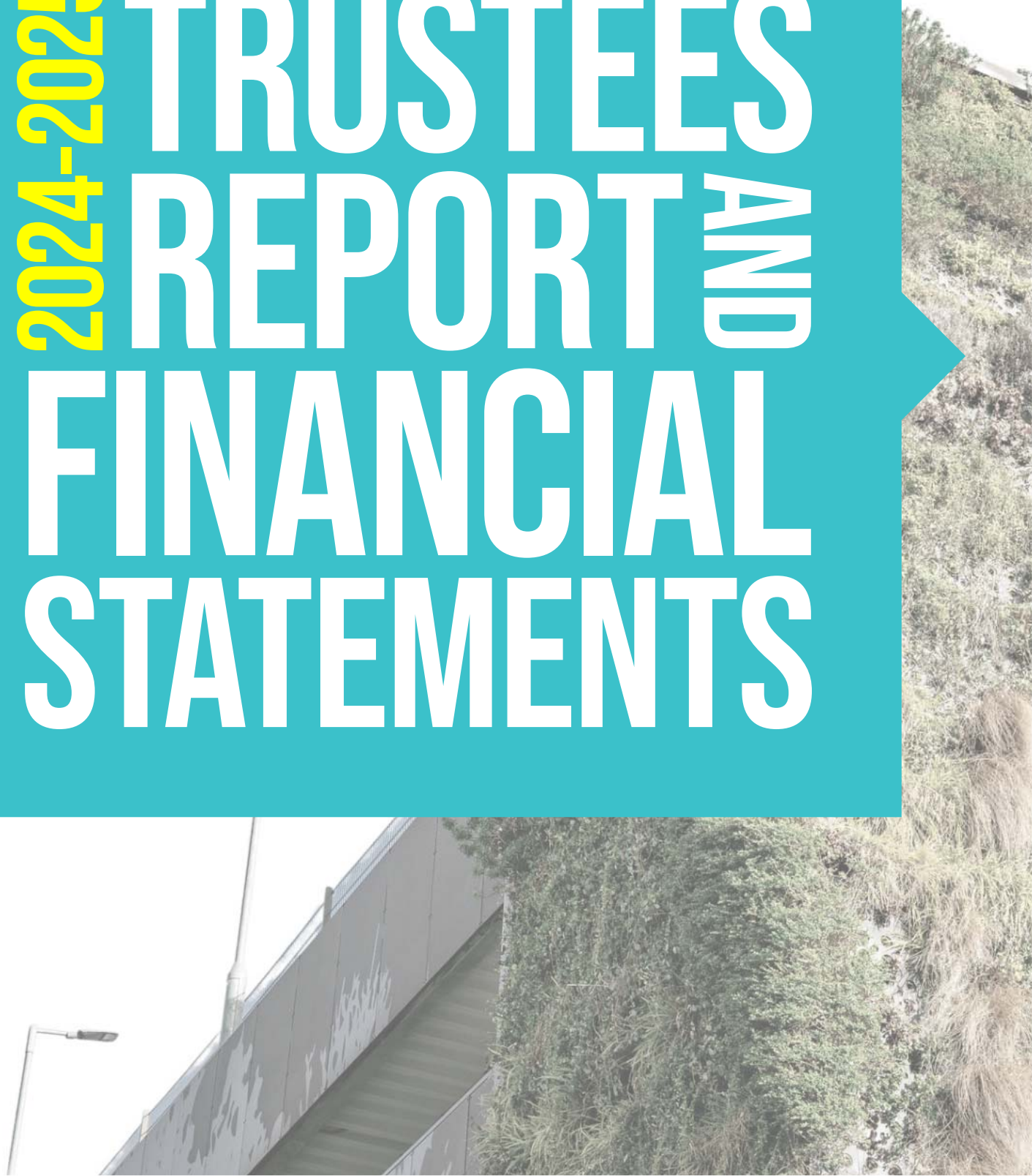
POLICY INITIATIVE PARTNERS

BURO HAPPOLD · CLARION HOUSING GROUP · Hilson Moran · HOARE LEA · LLOYDS BANKING GROUP

lendology·cic · THE MCS FOUNDATION · Unyte GROUP

2024-2025

TRUSTEES REPORT AND FINANCIAL STATEMENTS





TRUSTEES REPORT	
Reference and Administrative Details	36
Trustees' Report	37

FINANCIAL STATEMENTS	
Independent Auditor's Report	46
Statement of Financial Activities	50
Balance Sheet	51
Statement of Cash Flows	52
Principal Accounting Policies	53
Notes to the Financial Statements	56

COMPANY REGISTRATION NUMBER 01029239
CHARITY REGISTRATION NUMBER 1135153

REPORTS REFERENCE AND ADMINISTRATIVE DETAILS

STATUS	The organisation is a charitable company limited by guarantee, incorporated on 29 September 2009 and registered as a charity on 24 March 2010.	
GOVERNING DOCUMENT	The company was originally established under Memorandum and Articles which established the objects and powers of the charitable company. New Articles of Association were approved by the Charity Commission on 21 January 2020 and amended on 23 July 2024.	
BOARD OF TRUSTEES	Estelle Bailey MBE (appointed 23/07/24) Basil Demeroutis Clifford Ellis Judith Everett (Chair from 23/07/24) Sam Ewuosho Jerome Frost OBE Tara Gbolade David Partridge James Pearce (resigned 23/07/24)	Sunand Prasad OBE (Chair to 23/07/24) Victoria Quinlan Mark Robinson Lorna Walker Miles Lewis (Co-Opted) (appointed 15/01/25) Eva MacNamara (Co-opted) (appointed 15/01/25) Jennifer Waterhouse (Co-opted) (appointed 25/09/24)
COMPANY SECRETARY AND CHIEF EXECUTIVE	Simon McWhirter	
SENIOR MANAGEMENT TEAM Chief Executive Director of Experiential Learning & Leadership Director of Industry Transformation	Simon McWhirter Elfrida Hamilton-Russell Yetunde Abdul	
REGISTERED OFFICE	The Building Centre, 26 Store Street, London WC1E 7BT	
COMPANY REGISTRATION NUMBER	01029239 (England and Wales)	
CHARITY REGISTRATION NUMBER	1135153 (England and Wales)	
AUDITOR	Price Bailey, 3rd Floor, 24 Old Bond Street, London W1S 3BN	
BANKERS	NatWest Bank, 250 Regent Street, London W1B 3BN	
SOLICITORS	Russell-Cooke LLP, 2 Putney Hill, London SW15 6AB	

TRUSTEES' REPORT
YEAR TO 31 MARCH 2025

The trustees present their annual report and the audited financial statements of UKGBC Limited (UKGBC) for the year ended 31 March 2025.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and it is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 53 to 55 and comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The objects of the charity are for the public benefit:

1.1 To increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability").

1.2 To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education").

1.3 To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness").

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

The trustees are confident that UKGBC's aims and activities of Improving Sustainability, Educating, Campaigning for and Raising Awareness of the Sustainability of the Built Environment are in accordance with the regulations on public benefit.

FINANCIAL REVIEW

RESULTS FOR THE YEAR

UKGBC incurrred a deficit of £161,623 (2024 a deficit of £216,897). Charitable funds decreased to £304,115 (2024: £465,738).

Despite a challenging economic environment in which to raise funds and subsequent cost constraints, UKGBC reduced the deficit, year on year while maintaining the impact of recent years.

The Resilience Roadmap programme gained momentum and the Regenerative Places programme got underway. Support continued for the launch of the Zero Carbon Building Standard, a presence was maintained in Scotland and the regions. The Solutions Library expanded considerably and a series of smaller iniatives were funded.

Total income for the year decreased by £13,636 (0.4%) to £3,511,665 (2024: £3,525,301) compared to the previous year.

Membership subscriptions are the primary source of income, accounting for 58% of total income (2024: 59%). These have decreased by £44,680 over 2024, with total membership fees in the year amounting to £2,035,552 (2024: £2,080,232). There were fewer new members and a small number of members left UKGBC.

Grant income has increased by £14,991 to £247,579 (2024: £232,588).

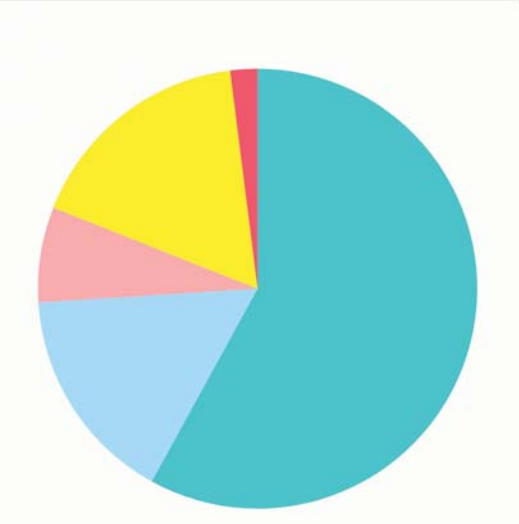
Partnership income decreased by £103,601 to £591,045 (2024: £694,646), due to a smaller number of outputs being completed.

Education course and leaders network sponsership income increased by 30% to £553,483 (2024: £425,021) following increased fulfilment of demand for bespoke training.

The value that we have received from expert members speaking at educational courses, the venues which have been donated to use without charge and secondees from member organisations who worked for UKGBC during the year, have been recognised as voluntary (in kind) donations. The value of these donations amount to £56,133 (2024: £65,247).

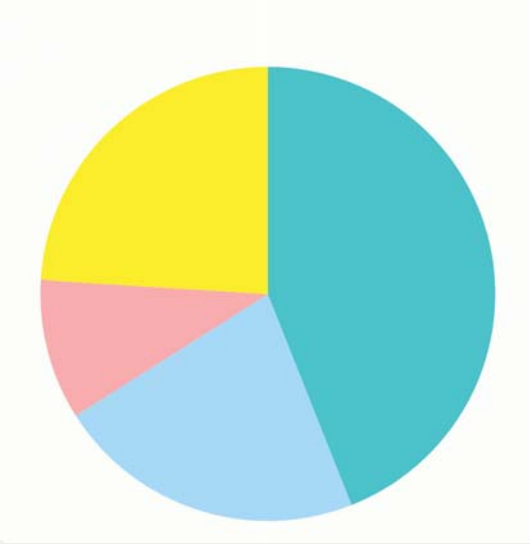
Total expenditure decreased by £68,910 in the year to £3,673,288 (2024: £3,742,198) with efforts made to contain staff costs. Staff costs remain the biggest single cost, comprising 71% (2024: 70%) of costs at £2,611,993 (2024: £2,638,180) a decrease of £26,187. A cost of living increase of 3.9% was mitigated by reorganisation of the team.

Support costs in the year came to £878,711 versus an equivalent of £850,766 in the previous year.



WHERE OUR FUNDS COME FROM

- **58%** Membership
- **16%** Education Course Fees
- **7%** Grants
- **17%** Partnership
- **2%** Other Income



ANALYSIS OF OUR EXPENDITURE

- **44%** Improving Sustainability
- **22%** Education
- **10%** Raising Awareness
- **24%** Support Costs

FINANCIAL REVIEW CONTINUED

RESERVES POLICY, FINANCIAL POSITION AND GOING CONCERN ASSESSMENT

RESERVES POLICY

The trustees view reserves and deferred membership income as the buffer against financial difficulties.

The 2024-5 financial plan was designed to trim reserves, following a similar approach in 2022-3 and 2023-4.

The policy includes a provision to assess whether reserves and deferred membership income are at a level which ensures that UKGBC's core activities could continue during a period of unforeseen difficulty and that a proportion of funds be maintained on easy access deposit. The calculation of the required level of reserves and deferred membership Income is an integral part of UKGBC's planning, budgeting and forecasting cycle. It takes into account the risks associated with each stream of income and expenditure varying from budget; the planned activity level; and UKGBC's future commitments.

The methods recommended for calculating the minimum level of reserves and deferred membership income (which fall under the Charity Commission's recommended reserve policy guidelines for less complex charities) are that:

1. The policy addresses the risk of the need for unforeseen expenditure
2. The policy addresses the risks associated with the loss of a source of income

In using each of these in turn, the trustees of UKGBC calculate and test whether the level of Deferred income is adequate.

The need for unforeseen expenditure

This method involves calculating the expenditure that would be required to maintain UKGBC's ordinary activities for a period of four months. The level of reserves and deferred membership income provision, based on four months of UKGBC's FY2025-26 budgeted unrestricted expenditure (excluding depreciation) is approximately £740,000.

Risks associated with the loss of a source of income

Membership fees constitute 58% of UKGBC's income. With tough economic conditions, membership fees decreased by £44,680 (2%).

However, the trustees view the political landscape as volatile and recognize the pressure on member's budgets due to the ongoing cost of living crisis. Based on the total budgeted income from membership renewals in FY2025-26 being £1.96m, applying a worst-case scenario of 20% attrition would give rise to a budgeted loss of income of approximately £56k. If membership attrition is greater than 20%, cost-mitigating strategies will be implemented to reduce the impact of this on the charity.

UKGBC propose a budget for FY2025-26 with a reduced deficit, with the aim of matching expenditure to income in future years.

The trustees consider that, based on current estimates, the minimum level of reserves plus deferred income for 2025/26 would be between £56,000 and £740,000, as determined by the two tests above.

At 31 March 2025, deferred membership income was £1,004,556 (2024: £1,018,235) which is in excess of the minimum requirement. In addition, free reserves (excluding the net book value of fixed assets of £13,306) amounted to £290,809 (2024: £452,361).

GOING CONCERN ASSESSMENT

Trustees have assessed the impact of external influences on the charity's activities, and the adequecy of resources to operate in the current climate over the next financial period.

Based on the current plans, assumptions and forecasts, whilst acknowledging there are additional financial risks, the trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

Investment policy and performance

The trustees have wide-ranging powers of investment as determined by the Articles. Due to the charity's reserves and deferred membership income requirement (see above), funds are held that exceed the short-term expense requirements and forecast programme costs, but to which access may be required at short notice. Therefore excess funds are placed in fixed deposit financial instruments within UK banks. The maturity of these funds is designed to correspond with forecast expenditure and reserve requirements, whilst the nature of these investments ensures that no unnecessary risks are being taken with our funds.

Funds required to meet liquidity and short-term expenditure requirements are retained in interest-bearing current financial instruments with the charity's bankers.

The invested funds held in fixed deposit financial instruments together with those in interest-bearing current financial instruments achieved an average rate of return 2.00% (2024: – 4.97%).

Fundraising statement

Over the course of FY2024-25, UKGBC did not undertake any public fundraising activity, nor do our commercial and corporate supporters undertake any public fundraising on our behalf. UKGBC does not have any active subsidiary trading companies, nor do we employ commercial third parties to undertake fundraising on our behalf. There were no complaints in the year (2024 – none) in relation to our fundraising.

FINANCIAL REVIEW CONTINUED

PRINCIPAL RISK AND UNCERTAINTIES

The Board of Trustees has the overall responsibility for the governance of risks and ensures there are adequate and effective systems in place to mitigate these. These risks are reviewed annually by the whole Board as an intrinsic part of strategy setting and upon consideration of new opportunities. The trustees continue to assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and reputation. The trustees have established systems to monitor and to mitigate those risks and continue to review their effectiveness.

UKGBC has an open and accountable culture, which recognises that risk is inherent in business, particularly where we are aiming to be innovative and ahead of the curve. So, we adopt an open and proactive approach to risk management, with a view to being pre-emptive rather than box ticking.

The risk management framework is put forward by the Leadership Team, and reviewed and approved by the Risk & Audit Committee and by the Board. UKGBC's risk management framework is designed to identify the principal risks faced by the organisation and ensure that these are being appropriately monitored. In the case of each of the principal risks, controls are in place and mitigating actions will be allocated to individuals on the team who will be tasked with the requisite accountability. A detailed risk and mitigation report featuring quantitative and qualitative indicators will be reviewed by the R&A Committee at least twice a year.

The trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The significant risks and uncertainties identified through the above process are discussed below:

RISK IDENTIFIED	ACTION TAKEN TO MITIGATE THE RISK
FINANCIAL: Not meeting Membership Income Targets	A comprehensive review of membership value proposition is under way and alternative sources of income continue to be sought.
PEOPLE Staff turnover	Investment in a Senior People & Culture Manager with some support underneath - enables us to dedicate time on people related initiatives including health & wellbeing, training, D&I, team get togethers, socials etc - all of which are crucial components of a People Centric culture. There is a focus on career development, succession planning and salary benchmarking.
FINANCIAL: Economic downturn & market uncertainty	UKGBC has substantial reserves and significant deferred income - offering some protection against external financial shocks. The member value proposition is under review. Attrition levels are reviewed regularly by CEO, LT and R&A committee. Alternative funding sources (philanthropic, governmental) constantly being sought.
FINANCIAL: Increased competition is likely to reduce our efficacy in all 'impact' areas as well as financial resources	We are actively working with organisations with whom we can form strategic partnerships to accelerate our and their missions in all our programmes. For example Supply Chain Sustainability School, collaborators on the NZCBS, Aldersgate Group etc.
ATTRITION: Inflationary increase results in unacceptable attrition	Impact can be reviewed on monthly renewal.

FINANCIAL REVIEW CONTINUED

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of trustees

The Board of Trustees (who are also directors for the purposes of the Companies Act 2006) consists of not fewer than four and no more than twelve persons elected by members of the charity; in addition the Board has the power to appoint trustees to fill vacancies, and may co-opt up to four more individuals from across the sustainable built environment sector. Trustees are confirmed in post by an election process, and typically serve for an initial 3 years, whereupon they retire by rotation. They may seek re-election.

The following trustees were in office and served between 1 April 2024 and up to the date of approval of this report, except where shown.

TRUSTEE	APPOINTED/RESIGNED
Estelle Bailey MBE	Appointed 23 July 2024
Basil Demeroutis	
Clifford Ellis	
Judith Everett (Chair)	
Sam Ewuosho	
Jerome Frost OBE	
Tara Gbolade	
Miles Lewis	Co-opted 15 January 2025, for election at next AGM
Eva MacNamara	Co-opted 15 January 2025, for election at next AGM
James Pearce	Co-opted, resigned 23 July 2024
David Partridge	
Sunand Prasad	
Victoria Quinlan	
Mark Robinson	
Lorna Walker	
Jennifer Waterhouse	Co-opted 25 September 2024, for election at next AGM

Trustee induction and training

On election, each new trustee receives an induction pack including the 'Good Trustee Guide' published by the Charity Commission and a range of key organisational policies and documents. All new trustees are invited to attend a Role of Trustee course and along with other trustees are given regular opportunities to meet the senior management and other staff.

Management

The day-to-day management of the charity is delegated to the Chief Executive who is responsible for achieving the overall aims and objectives of the charity to agreed annual budget and target performance criteria.

Remuneration of key management personnel

The trustees consider that they, together with the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 6 to the financial statements.

The pay of the Senior Management Team and all staff are reviewed annually by the Personnel & Nominations Committee and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the trustees benchmark against pay levels in other membership bodies and trade associations.

Statement of the trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptins provided by section 415A of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

Chair:

Date: 5 September 2025

FINANCIAL REVIEW CONTINUED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED

Opinion

We have audited the financial statements of UKGBC Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which is also the directors' report for the purposes of company law for the financial year for which the financial statements are prepared is consistent with teh financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

FINANCIAL REVIEW CONTINUED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED CONTINUED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charity this included compliance with the Charities Act 2011 and Companies Act 2006.

The risks were discussed with the audit team and we remained alert to any indications of noncompliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charity and a review of legal fees.
- To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Cooper-Davis FCCA ACA
(Senior Statutory Auditor)

For and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

24 Old Bond Street
London
W1S 4AP

Date: 18 September 2025

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 31 MARCH 2025

	Notes	Un-restricted funds £	Restricted funds £	2025 Total funds £	Un-restricted funds £	Restricted funds £	2024 Total funds £
Income from:							
Donations and legacies	**1**	56,133	-	**56,133**	68,122	-	**68,122**
Charitable activities	**2**	3,180,080	247,579	**3,427,659**	3,199,899	232,588	**3,432,487**
Investments		27,523	-	**27,523**	24,692	-	**24,692**
Other		350	-	**350**	-	-	**-**
Total income		3,264,086	247,579	**3,511,665**	3,292,713	232,588	**3,525,301**
Expenditure on:							
Charitable activities	**3**						
- Improving sustainability		1,963,348	288,664	**2,252,012**	1,813,753	356,842	**2,170,595**
- Education		929,741	-	**929,741**	1,134,351	-	**1,134,351**
- Raising awareness		491,535	-	**491,535**	437,252	-	**437,252**
Total expenditure		3,384,624	288,664	**3,673,288**	3,385,356	356,842	**3,742,198**
Net income (expenditure) and movement in funds	**5**	(120,538)	(41,085)	**(161,623)**	(92,643)	(124,254)	**(216,897)**
Transfer between funds		(41,085)	41,085	**-**	(124,254)	124,254	**-**
Reconciliation of funds							
Brought forward at 1 April		**465,738**	**-**	**465,738**	**682,635**	**-**	**682,635**
Carried forward at 31 March		**304,115**	**-**	**304,115**	**465,738**	**-**	**465,738**

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two periods of report.

BALANCE SHEET
YEAR TO 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible fixed assets	**7**		**13,306**		13,377
Current assets					
Debtors	**8**	**647,550**		648,807	
Short term deposits		**411,254**		497,015	
Cash at bank and in hand		**966,930**		1,018,787	
Total assets		**2,026,004**		2,164,609	
Current liabilities					
Creditors: amounts falling due within one year	**9**	**(1,735,195)**		(1,712,248)	
Net current assets			**290,809**		452,361
Net assets			**304,115**		465,738
The funds of the charity:					
Unrestricted funds	**14**				
- General funds			**304,115**		465,738
Restricted funds	**14**		**-**		-
Total charity funds			**304,115**		465,738

The principal accounting policies and notes on pages 53-62 form part of these financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Chair:
Date: 5 September 2025

UKGBC LIMITED

COMPANY REGISTRATION NUMBER: 01029239 (ENGLAND AND WALES)

STATEMENT OF CASH FLOWS
YEAR TO 31 MARCH 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	**A**	**(155,880)**	(338,747)
Cash (used in) investing activities			
Interest received		**27,523**	24,692
Purchase of tangible fixed assets		**(8,991)**	(4,660)
Proceeds from the sale of fixed assets		**-**	-
Net cash (used in) investing activities		**18,532**	20,032
Change in cash and cash equivalents in the year		**(137,348)**	(318,715)
Cash and cash equivalents at 1 April	**B**	**1,515,802**	1,834,715
Total cash and cash equivalents at 31 March	**B**	**1,378,454**	1,515,802

Notes to the statement of cash flows for the year to 31 March:

A RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2025 £	2024 £
Net (expenditure) income (as per the statement of financial activities)	**(161,623)**	(216,817)
Adjustments for:		
Depreciation charges	**9,063**	9,823
Loss/(Profit) on disposal of fixed assets	**-**	-
Investment income receivable	**(27,523)**	(24,692)
Decrease/(Increase) in debtors	**1,256**	113,625
Increase/(decrease) in creditors	**22,948**	(181,114)
Decrease in creditors (prior year adjustment)	**-**	(39,747)
Net cash (used in) provided by operating activities	**(155,879)**	(338,922)

B ANALYSIS OF CASH AND CASH EQUIVALENT

	2025 £	2024 £
Cash at bank and in hand	**966,930**	1,018,787
Short term deposits	411,524	497,015
Total cash and cash equivalents	1,378,454	1,515,802

C ANALYSIS OF CHANGES IN NET DEBT

	At 31 March 2024 £	Cash flows £	**At 31 March 2025 £**
Cash at bank and in hand	**1,018,787**	(51,857)	**966,930**
Short term deposits	**497,015**	(85,491)	**411,524**
Total	**1,515,802**	(137,348)	**1,378,454**

PRINCIPAL ACCOUNTING POLICIES
YEAR TO 31 MARCH 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

GENERAL INFORMATION

The charity is a company limited by guarantee, incorporated in England and Wales (company number: 01029239) and a charity registered in England and Wales (charity number: 1135153). The charity's registered office address is: The Building Centre, 26 Store Street, London, WC1E 7BT.

BASIS OF PREPARATION

These financial statements have been prepared for the year to 31 March 2025 with comparative information provided for the year to 31 March 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the charity's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual result ultimately differ from those estimates.

The items in the financial statements where judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets; and
- determining the most appropriate basis for allocating support costs.

GOING CONCERN ASSESSMENT

Trustees have assessed the impact of external influences on the charities activities, and the adequacy of resources to operate in the current climate over the next financial period.

Based on the current plans, assumptions and forecasts and in line with the reserves policy, the trustees are confident that there are sufficient funds. Additionally, should conditions deteriorate rapidly, there is capacity to cut costs. The trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis for 12 months from the date of balance sheet signature.

INCOME RECOGNITION

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably. Amounts received for application in future periods are held on the balance sheet as deferred income and released to the statement of financial activities in the relevant period.

Income from charitable activities

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Income received in the year has been deferred in respect of specific events and education courses taking place after the year end.

Memberships fall due for renewal throughout the year membership. Consequently fee income is calendarised so that only the income for the accounting year is recorded and the balance carried as an accrual.

PRINCIPAL ACCOUNTING POLICIES
YEAR TO 31 MARCH 2025 (CONTINUED)

Donated services

Donated services and facilities are included as 'donations income' at a value equivalent to the estimated commercial cost that the charity would otherwise have incurred, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

Grants

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. In the event that a grant or donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

EXPENDITURE RECOGNITION

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is comprised of the costs associated with the key strategic areas of activity being; improving sustainability, education and raising awareness. Support costs including governance costs are allocated between the various categories of charitable expenditure (see below).

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs

Expenditure allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Support costs also include governance costs. This relates to the cost incurred with meeting constitutional and statutory requirements and the costs associated with the strategic management of the charity.

OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred.

TANGIBLE FIXED ASSETS

Assets costing more than £500 are capitalised. Fixed assets are recognised at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the costs of the fixed asset capitalised over their estimated useful economic lives as follows:

- Computer equipment – 3 years straight line
- Fixtures, fittings and equipment – 25% reducing balance
- Leasehold refurbishment – 3 years straight line

INVESTMENTS

Current asset investments are cash amounts held by the charity with a maturity date of less than one year and held for investment purposes. They are measured at the cash value of the deposit.

DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

FUNDS

Unrestricted funds are income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

EMPLOYEE BENEFITS

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pension scheme

UKGBC operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the company in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year to the funds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2025

1 INCOME FROM DONATIONS AND LEGACIES

	2025 Total £	2024 Total £
Donations	-	2,875
Services donated	**56,133**	65,247
Total income	**56,133**	68,122

Included within donations and legacies are goods and services which have been donated to the charity during the year. This consists of venue hire £22,301 (2024: £34,090) and Consultancy £33,832 (2024: £31,157). All donations and legacies for both years above are in relation to unrestricted funds.

2 INCOME FROM CHARITABLE ACTIVITIES

	2025 £	2024 £
Improving sustainability		
Membership income	**2,035,552**	2,080,232
Partnership income	**591,045**	694,646
Grant & contract income	**247,579**	232,588
Education course income	**512,983**	405,021
Leaders Network Sponsorship Income	**40,500**	20,000
Total charitable income	**3,427,659**	3,432,487

Of the amount shown above, £247,579 is in relation to restricted funds (2024: £232,588).

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs Other £	Direct costs Staff £	Support Costs (see Note 4) £	**2025 £**
Improving sustainability	363,636	1,256,610	567,457	**2,187,703**
Education	364,744	444,046	200,521	**1,009,311**
Raising awareness	120,326	245,215	110,733	**476,274**
	848,706	1,945,871	878,711	**3,673,288**

Of the improving sustainability expenditure noted above, £288,664 is in relation to restricted funds (2024: £356,842)

	Direct costs Other £	Direct costs Staff £	Support Costs (see Note 4) £	2024 £
Improving sustainability	427,775	1,212,887	529,932	2,170,594
Education	409,216	504,646	220,489	1,134,351
Raising awareness	107,242	229,666	100,345	437,253
	944,154	1,947,199	850,766	3,742,198

4 ANALYSIS OF SUPPORT COSTS

	Premises £	IT/Comms £	Admin Staff £	Governance £	**2025 £**
Improving sustainability	101,924	34,274	214,287	216,972	**567,457**
Education	36,017	12,111	75,722	76,671	**200,521**
Raising awareness	19,889	6,688	41,816	42,340	**110,733**
	157,830	53,073	331,825	335,983	**878,711**

	Premises £	IT/Comms £	Admin Staff £	Governance £	2024 £
Improving sustainability	99,434	29,373	198,527	202,598	529,932
Education	41,372	12,221	82,601	84,295	220,489
Raising awareness	18,828	5,562	37,592	38,363	100,345
	159,634	47,156	318,720	325,256	850,766

Support costs are divided in the proportion of the direct staff costs of each activity area, thus:

	2025	**2024**
Improving sustainability	64%	62%
Education	23%	26%
Raising awareness	13%	12%

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2025 (CONTINUED)

5 NET EXPENDITURE FOR THE YEAR
This is stated after charging/crediting:

	2025 £	2024 £
Auditors remuneration	**24,325**	13,475
Depreciation	**9,064**	9,823
Staff costs	**2,611,993**	2,638,180

6 STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL
Staff costs during the year were as follows:

	2025 £	2024 £
Salaries and wages	**2,174,937**	2,181,301
Social security costs	**232,119**	247,822
Pension contributions	**165,047**	141,446
Other employee costs	**39,890**	67,611
	2,611,993	2,638,180

The average number of employees during the year on a headcount basis was as follows:

	2025 Number	2024 Number
Charitable activities	**35**	35
Support	**6**	8
	41	43

The number of employees whose emoluments for the year fell within the following bands were:

	2025 Number	2024 Number
£60,001 – £70,000	**-**	2
£70,001 – £80,000	**-**	2
£90,001 – £100,000	**-**	2
£100,001-£110,000	**1**	1
£110-001-£120,000	**3**	1
£130,001-£140,000	**1**	-
£180,001-£190,000	**1**	-
	6	8

The Senior Management Team comprises 6 people. These 6 roles are accruing pension contributions totalling £89,842 (2024: 6 employees, accruing £37,502).

The trustees consider that they together with the Executive comprise the key management personnel of the charity. The total remuneration payable to the key management personnel of the charity was £678,991 (2024: £636,188).

Trustees are not remunerated for their services to the charity. However, out of pocket expenses incurred in connection with the execution of their duties as trustees are reimbursed where claimed. No such claims were made in FY2024-25 or FY2023-24.

7 TANGIBLE FIXED ASSETS

	Office equipment £	Computers £	Leasehold Refurb £	**Total £**
Cost				
At 1 April 2024	60,904	71,990	133,343	**266,237**
Additions	-	8,993	-	**8,993**
Disposals	-	(24,207)	-	**(24,207)**
Balance at 31 March 2025	60,904	56,776	133,343	**251,023**
Depreciation				
At 1 April 2024	60,149	59,368	133,343	**252,860**
Charge for the year	189	8,875	-	**9,064**
Released on disposal	-	(24,207)	-	**(24,207)**
Balance at 31 March 2025	60,338	44,036	133,343	**237,717**
Net book value				
At 31 March 2025	566	12,740	-	**13,306**
At 31 March 2024	755	12,622	-	**13,377**

8 DEBTORS

	2025 £	2024 £
Trade debtors	**531,923**	560,813
Prepayments	**87,022**	82,921
Other debtors	**28,605**	5,073
	647,550	648,807

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	**98,772**	167,970
Other taxation and social security	**196,328**	189,830
Deferred income (Note 10)	**1,265,485**	1,251,582
Accruals	**174,610**	102,866
	1,735,195	1,712,248

10 ANALYSIS OF DEFERRED INCOME

	2025 £	2024 £
Deferred income at 1 April	**1,251,582**	1,479,064
Applied during the year	**1,265,485**	1,251,582
Released during the year	**(1,251,582)**	(1,479,064)
Deferred income at 31 March	**1,265,485**	1,251,582

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2025 (CONTINUED)

11 FINANCIAL INSTRUMENTS

	2025 £	2024 £
Financial assets measured at fair value	**1,910,377**	2,077,646
Financial liabilities measured at amortised cost	**(98,772)**	(167,970)

12 Operating lease commitments

At the balance sheet date, the charity's total future commitments under non-cancellable operating leases are as follows.

	Equipment		**Land and buildings**	
	2025 £	2024 £	**2025 £**	2024 £
Leases which expire:				
Within one year	**3,512**	1,978	**31,000**	30,282
Within two to five years	**6,445**	1,159	**-**	-
	9,957	3,137	**31,000**	30,282

In July 2025, a new operating lease commmitment was entered into for a value of £126,996 excluding VAT for a one year period (2024: £124,000).

13 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds £	General funds £	**Total funds 2025**
Fixed assets	-	13,306	**13,306**
Current assets	-	2,026,004	**2,026,004**
Current liabilities	-	(1,735,195)	**(1,735,195)**
Net assets at 31 March 2025	-	304,115	**304,115**

	Restricted Funds £	General funds £	Total funds 2024 £
Fixed assets	-	13,377	13,377
Current assets	-	2,164,609	2,164,609
Current liabilities	-	(1,712,248)	(1,712,248)
Net assets at 31 March 2024	-	465,738	465,738

14 ANALYSIS OF FUNDS

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	31 March 2025 £
Unrestricted funds					
- General funds	465,738	3,264,086	(3,384,624)	**(41,085)**	**304,115**
Restricted funds					
- Breakthrough Energy LLC	-	38,673	(38,673)	-	**-**
- Drastic	-	6,108	(6,108)	-	**-**
- Regenerative Places	-	57,000	(57,000)	-	**-**
- Building Life II	-	119,959	(161,044)	**41,085**	**-**
-Co-created Outputs	-	25,839	(25,839)	-	
Restricted Funds Total	-	247,579	(288,664)	**41,085**	**-**
Charity total	465,738	3,511,665	(3,673,288)	-	**304,115**

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfer £	31 March 2024 £
Unrestricted funds					
- General funds	682,635	3,292,713	(3,385,356)	(124,254)	**465,738**
Restricted funds					
- Circuit	-	29,563	(29,563)	-	**-**
- Local Area Retrofit Accelerator	-	56,000	(95,690)	39,690	**-**
- Whole Life Carbon Roadmap	-	34,330	(37,763)	3,433	**-**
- Building Life II	-	97,287	(154,379)	57,092	**-**
- Co-created Outputs	-	15,408	(39,447)	24,039	**-**
Restricted Funds Total	-	232,588	(356,842)	124,254	**-**
Charity total	682,635	3,525,301	(3,742,198)	-	**465,738**

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2025 (CONTINUED)

14 ANALYSIS OF FUNDS (CONTINUED)

RESTRICTED FUNDS

Breakthrough Energy

Founded by Bill Gates, Breakthrough Energy has provided a grant which funds the taxonomy, mapping, review, reference design and dissemination of retrofit solutions to be applied to the iconic One Poultry building in the City of London.

Drastic

Demonstrating **R**eal and **A**ffordable **S**ustainable Building Solutions with **T**op-level whole life cycle performance and **I**mproved **C**ircularity

An Horizon Europe project, co-funded by the European Union (EU) via the Built4People partnership, Drastic plans to address the untapped potential for decarbonisation and significant transformation within the European built environment via the reduction of whole life cycle carbon.

Local Area Retrofit Accelerator

MCS Foundation fund the initiative which promotes retrofit at a local level. The approach ranges form fostering collaboration of local authorities to the provision of guidance to enable the creation of resource hubs for proactive homeowners with the ability to pay.

Co-created Outputs: Project Delivery

Funding from the Laudes Foundation is allowing UKGBC to design a series of standardised processes and project management templates and embedding these into the organisation through documentation and training.

Building Life II

This relates to funding secured from Laudes Foundation and Ikea Foundation for a project as part of a consortium of Green Building Councils from across Europe. The UK project will deliver a whole life carbon roadmap for the built environment, in collaboration with industry and government.

15 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose.

16 RELATED PARTY TRANSACTIONS

There were no outstanding balances with related parties as at 31 March 2025 (2024: £nil). During the year, £62,398 (2024: £60,117) was received by UKGBC from related companies of trustees in relation to memberships. £36,223 (2024: £13,773) was received by UKGBC from related companies of trustees for partner programmes. In addition, £14,220 (2024: £nil) was paid by UKGBC to a trustee for technical work (2024: £nil). The total amount of donations received from trustees in the year was £nil (2024: £nil). There are no other related party transactions (2024: None).

17 POST BALANCE SHEET EVENTS

The following amounts were incurred in relation to the finalisation of staff contracts due to redundancy or termination of employment after the year-end. This amounted to £107,325 (2024: £Nil) and was fully paid at the date of signing.

THE VOICE OF OUR SUSTAINABLE BUILT ENVIRONMENT

UK GREEN BUILDING COUNCIL
THE BUILDING CENTRE 26 STORE STREET
LONDON WC1E 7BT

020 7580 0623
INFO@UKGBC.ORG

UK Green Building Council
ukgbc.org

UKGBC

England & Wales - Charity number 1135153

Accounts

UK GBC

The voice of our sustainable built environment



2023 → 24

IMPACT Report

Explore how UKGBC transformed the built environment this year

Annual Report and Financial Statements

UKGBC Ltd

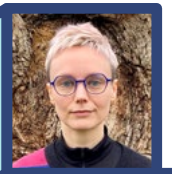
COMPANY REGISTRATION NUMBER 01029239
CHARITY REGISTRATION NUMBER 1135153

UK GBC

CONTENTS

	PAGE
Foreword	3
Year at a glance	5
How do we measure impact?	6
Goal 1	7
Goal 2	9
Goal 3	10
Goal 4	11
Goal 5	13
Goal 6	15
Goal 7	19
Internal impact	21
What's next?	22
Financial Statements	24





FOREWORD

Against a backdrop of political backsliding and economic volatility, I joined the UKGBC team in summer 2023. It's been a busy year as we have continued to bring together voices from across the sector and beyond to advocate for the radical transformation of the built environment. So, what are some of our key moments?

Despite existing buildings being responsible for a quarter of the UK's territorial greenhouse gas emissions, the policies and investment needed to facilitate retrofitting our homes and workplaces remains severely inadequate. However, across the year UKGBC has built a broad campaign, bringing together industry, policy-makers, and politicians to illustrate what's needed, demonstrate capabilities and willingness, and develop guidance and tools that are poised to facilitate action the moment that government unlocks this critical aspect of climate action.

This climate action has never been more necessary. Our progress report tracking emissions reductions against our **Net Zero Whole Life Carbon Roadmap** revealed this year that the built environment must double efforts if we're to get back on track by 2025. Supporting this intensified ambition, we continue to work with partners across the industry to develop the UK's first **Net Zero Carbon Building Standard**, have published guidance on embodied carbon measurement and reporting, and delivered learning and training resources on key decarbonisation topics for broad audiences. The connection between the climate and nature crises is ever present and notably we launched a platform for crowdsourcing information on **Embodied Ecological Impacts** of the materials that make-up the built environment.

More widely, an increasing consensus around the need for more systemic change was reflected in the engagement of a broad range of practitioners in our **Systems Change Programme** that brought together over 200 people representing diverse world views. This, together with the fierce calls for action from our **Future Leaders** and **Change Accelerator** cohorts, and the willingness of our board-level **Recalibrate** alumni to pilot radically different models of operation, motivates us to keep working towards our mission, despite political and economic headwinds.

The UKGBC team have shown extraordinary generosity and capacity for deep thinking coupled with pragmatic advocacy and I feel tenaciously optimistic that the UKGBC network coalition continues to be on the front-foot for the coming year and beyond.



Smith Mordak
Chief Executive, UKGBC

WHAT IS UKGBC?

UKGBC is the membership-led industry network radically transforming the sustainability of the built environment. We represent the unified voice of our industry's current and future leaders who are working together to deliver a just transition across the sector, in response to the climate and nature crises.



YEAR AT A GLANCE







2023-2024

Learning and Development

Number of learning attendees

5,275

4,641 2022-2023

4,669 2021-2022

Satisfaction score

80%

89% 2022-2023

??? 2021-2022

Membership

Members

712

733 2022-2023

672 2021-2022

Active member contacts

8,004

9,471 2022-2023

7,438 2021-2022

Opportunities for members to get involved

192

167 2022-2023

200 2021-2022

Programmes

Member individuals involved in Advancing Net Zero work

834

843 2022-2023

411 2021-2022

Member individuals involved in our Nature & Resilience work

292

428 2022-2023

275 2021-2022

Solutions and case studies in solutions library

286

205 2022-2023

157 2021-2022

Communications

LinkedIn followers

37K

30K 2022-2023

22.3K 2021-2022

Active member contacts

84.4K

71.2K 2022-2023

66.4K 2021-2022

Media mentions

1,091

1,503 2022-2023

1,492 2021-2022



HOW DO WE MEASURE IMPACT?

Tim Adams
Director of Impact and Operations

The UK Green Building Council's mission is to radically improve the sustainability of the built environment and teams across our organisation have been creating momentum to make that happen and showing industry and government where the significant gaps remain.

Our work with the **Buildings Breakthrough** at **COP28** helped ensure that buildings were seen in a new light, with increased emphasis on the holistic role they play in tackling the climate crisis. Another vital piece of work was mapping industry progress toward meeting net zero by 2050 – the **Whole Life Carbon Roadmap**. However, understanding exactly how UKGBC creates impactful change, is complex.

When planning, we look at each of our activities and goals, visualizing the difference that we want to make. Indicators are chosen depending on what is most appropriate for the activity. Sometimes the outputs are measured: the number of attendees, downloads or views. We may measure outcomes, the change in outlook that members, participants and delegates experience and record. Where we can, we measure the Impact, either quantitively or qualitatively – for example the number of industry members actively using our guidance to meet their sustainability goals.

The actions taken by the users of our outputs are testament to the impact of our efforts. We listen to the feedback and capture the accounts of what people are doing. The maxim that you can't manage what you can't measure is long dead. We don't want to measure the merely convenient and then chase those numbers upwards – to achieve what?

The important thing is that our work is valuable to those pursuing our shared goals. We act according to our members' needs and we listen to their feedback.
Please keep telling us what you think.

OUR 7 GOALS

GOAL 1	**UK national and devolved** policy frameworks have demonstrably evolved to reflect the critical priorities highlighted by UKGBC.
GOAL 2	**Local authorities** have progressive built environment plans and policies that demonstrate best practice and provide signposts for national policy improvement.
GOAL 3	**Governments** have initiated a progressive sector-wide public estate decarbonisation and procurement plan, to translate the existing targets – including from COP – into delivery.
GOAL 4	**Businesses are cultivating leadership** mindsets, setting ambitious science-based commitments, and taking practical action to achieve these.
GOAL 5	**Consistent standards and metrics** for built assets have been developed and are in widespread usage, and the cost of carbon is increasingly factored into investment and financing decision-making.
GOAL 6	**Businesses and professionals** throughout the value chain and across the UK are collaborating to identify challenges and solutions, and to define and adopt best practice guidance.
GOAL 7	**Knowledge, skills, and competencies** are increasing in order to accelerate the industry's transformative change.

GOAL 1

UK National and Devolved policy frameworks have demonstrably evolved to reflect the critical priorities highlighted by UKGBC

Challenge and Response

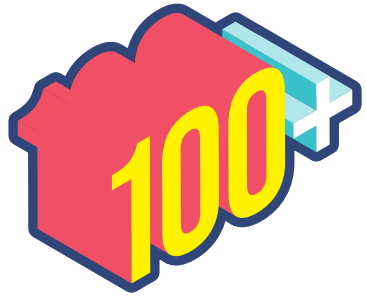
The challenge in 2023/24:
In the run-up to a General Election year, both major political parties backtracked on green pledges. The Conservatives announced delays around phasing out a range of fossil fuel activity, and opened-up the North Sea to the prospect of further drilling gas and oil. A promised £28bn in green investments, while the Scottish Government followed more ambitious policies than Westminster, but stalled in some key areas.

What have we done:
Despite significant political headwinds and backtracking on the green agenda, we helped shape the political and policy conversation and saw Biodiversity Net Gain legislation come into force – a policy we've been championing for years.

Our advocacy targeted changes in the planning system, which is a critical mechanism for transitioning to a sustainable built environment. We won significant cross-party support for giving climate and nature legal priority in the planning system with the issue fiercely debated in Parliament. Although the Government ultimately defeated amendments, the principle now has strong backing ahead of a new parliament.

We challenged the Scottish Government to deliver an accelerated pathway to a net zero built environment through the Heat in Buildings Bill and had a central role in the Westminster Government's (now disbanded) Energy Efficiency Taskforce, furthered our partnership with Chris Skidmore's Mission Zero and held positions on the Scottish Government's Green Heat Finance Taskforce and Construction Leadership Forum's net zero group. Our advocacy is increasing in the run-up to the General Election with calls to drive the upgrade of commercial properties, scale up financing for the net zero transition, and introduce restrictions on embodied carbon emissions.





Organisations joined UKGBC
to demand government put net zero, nature and climate resilience at the heart of planning reform.
Read letter



of UKGBC member survey respondents
said their membership has empowered them to speak up on crucial policy issues.

GOAL 1

Key Moments

1 **National Retrofit Investment Calculator:**
A project that lets you 'play Chancellor' and explore what funding will be needed to successfully retrofit the UK's homes.

2 **Meeting with MPs at a key parliamentary lunch in March 2024:**
As we look to shape the agenda ahead of the general election.

3 **Joining key influencing boards in Scotland and UK-wide:**
Simon McWhirter strengthens our involvement in Scotland by joining the board of Built Environment – Smarter Transition as well a board role on the UK's National Retrofit Hub.









"Bringing some precision to estimating what will be required to drive energy efficiency into homes, bring down carbon emissions, and bring down the the cost of heating our homes is really important and I hope this tool can make a major contribution to this vital element of our drive to achieve net zero by 2050, whichever party is in power."

PHILIP DUNNE MP
Conservative Chair
Environmental Audit Committee

Engagements
with key political and policy decision makers.

GOAL 2

Local authorities have progressive built environment plans and policies that demonstrate best practice and provide signposts for national policy improvement.

Challenge and Response

The challenge in 2023/24:
We must focus on existing homes if we are to meet our carbon targets, and to break the deadlock on retrofit we need a joined up, top down/bottom up approach. Outside of national government, we need to support local stakeholders like local authorities and community groups to help deliver retrofit at scale, through a place based approach. However, these groups are underfunded and time-poor, leaving them without the resources to meet their goals.

What have we done:
Over the last year UKGBC has continued its strong partnership with the MCS Foundation to create the **Local Area Retrofit Accelerator (LARA)** project. This project will empower local authority retrofit officers to roll out cohesive, effective Local Retrofit Strategies – identifying key policy levers for change and avenues for grant funding. In short, it gives local authorities the resources to drive meaningful energy efficiency upgrades across their boroughs, bringing down carbon emissions and improving community health and wellbeing.

To form connections and share knowledge, we've continued our **Local Authority Retrofit Forum**. The Forum meets monthly and has covered a broad range of topics in that time, from archetypes to retrofit standards to retrofit finance. We now have over 100 officers signed up and the group is growing all the time.



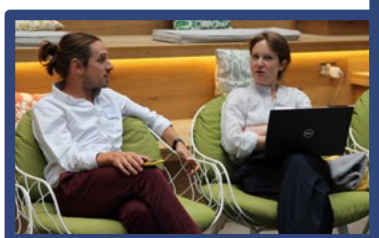
"The UKGBC Local Authority Retrofit forum is a really helpful and inspiring network of councils sharing approaches and experiences, as well as our attempts to overcome barriers, to increase the understanding and delivery of retrofit across our communities. In addition, the sharing of examples and resources as well as the supporting work UKGBC has been doing, is giving us extra support to help us navigate the complex route that retrofit takes to support decarbonisation, energy efficiency and healthy home improvements"

CARA NADEN
Environment Specialist
Somerset Council

127

local authority officers
in our Local Authority Retrofit Forum.





GOAL 3

Governments have initiated a progressive sector-wide public estate decarbonisation and procurement plan, to translate the existing targets – including from COP – into delivery.

Challenge and Response

The challenge in 2023/24:
Upgrading thousands of public buildings – our schools, hospitals, offices and leisure centres, is key to breathing new life into our struggling town centres and communities and catalysing the wider retrofit industry. While funding has increased for this sector, the **Climate Change Committee** warns there is no policy commitment beyond 2024/25 and a significant ramp up in investment will be needed to meet carbon budgets.

What have we done:
We've been using our roles on the Government's, now disbanded, **Energy Efficiency Taskforce** and Chris Skidmore's Mission Zero Network to position long-term funding, leadership and procurement power across the public estate as a crucial lever. And we continue to engage with the **Government Property Agency**, which has made contributing to net zero a strategic priority.

Through our participation in the **Net Zero Carbon Buildings Standard** we're helping to assess the carbon budgets and standards required for key public sector building architypes.







GOAL 4

Businesses are cultivating leadership mindsets, setting ambitious science-based commitments, and taking practical action to achieve these.

211

UKGBC members
are in the Race to Zero (up from 202 last year).

Challenge and Response

The challenge in 2023/24:
To see real change across our industry we need ambitious, forward thinking leaders – both as individuals and organisations. It's their drive that makes sustainability goals feel achievable and navigable, with clear 'north stars' to organise action behind.

What have we done:
For individuals, this year was a big one for our leadership programmes as we celebrated 10 years of Future Leaders. To mark the occasion, we ran the programme twice totalling over 40 delegates. In-person stays across the UK allowed the cohort to explore innovative ideas and create close bonds, leaving inspired to take action together.

At the organisational scale, we continued our role as a **Race to Zero Accelerator**, sharing our experience with the **Climate Champions** team and other Accelerators and Partners to encourage more robust organisational commitments across the sector. Looking to our full membership base, we've focused on clarifying UKGBC's membership requirements – reviewing our members' alignment with the UKGBC mission.

New for this year, we took one step further back and focussed on **Systems Change in the Built Environment**. The six month pilot gave industry professionals the opportunity to ask big questions, and transform their thinking. Through discussion and activities it became clear that as an industry we need to dedicate more time to stepping outside of our specialisms and working collaboratively to shift industry wide issues.

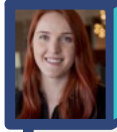
Key Moments

1 Meeting the Future Leaders in Bristol:
We kicked off our 2024 programme in Bristol, visiting local innovative organisations including Platform Places, WeCanMake, Sparks Bristol, TerraLupa, Clyde & Co and Orientate.

2 Using art to bring environmental issues to life:
At a **Leader's Network** meeting, we demonstrated the fragility of eco-systems as we used a live art demonstration to draw attention to the impacts of sand dredging on Lough Neagh in Northern Ireland.







"I can't recommend [Future Leaders] strongly enough. I came out of this experience with a whole new network of peers and with so much more confidence in my own leadership abilities. The entire UKGBC team made this whole experience such a joy and I would encourage anyone who is thinking about the next steps in their sustainability career to apply."

CASSIE CHARETTE
Senior Sustainability Report Manager
Canary Wharf Group

397

Participants
in UKGBC leadership programmes.

GOAL 4











UKGBC Future Leadership Programme featuring Bristol, Hawkwood Future Leaders events and Summer Bootcamp 2023.









The UKGBC Systems Change Conference

GOAL 5

Consistent standards and metrics for built assets have been developed and are in widespread usage, and the cost of carbon is increasingly factored into investment and financing decision-making.

Challenge and Response

The challenge in 2023/24:
Our industry increasingly has strong ambitions for reducing its carbon emissions, but the path can seem unclear and complex. UKGBC's development of metrics and standards has long worked to change this, and this year was no different.

What have we done:
For the first time since its launch, in 2023 we drew up a Progress Report against our Whole Life Carbon Roadmap that demonstrated that although some reductions had been achieved, we are not going far or fast enough. Particularly in embodied carbon, we see hardly any reductions in emissions.

By working with other leading industry bodies on the Net Zero Carbon Building Standard, we continue to support the development of one key consistent metric for net zero built assets, that will increase the transparency and accuracy of net zero claims in the sector. Additionally, our reports on embodied carbon aim to aid the standardisation of modelling and reporting both embodied carbon and scope 3 across our industry with clear frameworks that complement work from other leading organisations.

Finally, in recognition of our changing climate, we kicked off our Climate Resilience Roadmap which will aim to give a clear trajectory for achieving a climate resilient built environment by 2050. This project has seen industry, academia and policy makers come together to answer complex questions and develop unique metrics ahead of its launch next financial year.







GOAL 5

Key Moments

1 Whole Life Carbon Progress Report:
Launched at COP28, this report demonstrated that built environment emissions have decreased by 13%, but this is 6% short of where we need to be. This shortfall in emissions is equivalent to 6.5 million cars – we need to take 1 in 6 cars off the road to meet our emissions target.

2 Collaborating with industry:
During the creation of reports such as 'Embodied Carbon Modelling and Reporting', we've worked alongside key industry bodies such as RICS, IStructE and LETI.



"UKGBC has played a crucial role in shaping the **UK Net Zero Carbon Buildings Standard**. The organisation continues to contribute its expertise and collaborate with other key industry bodies to create this unified standard, against which we hope all net zero buildings in the UK will be verified once published later this year. The Standard will be a critical step forward in ensuring the UK's built environment understands what it needs to do to play its part in delivering our national Net Zero ambitions."

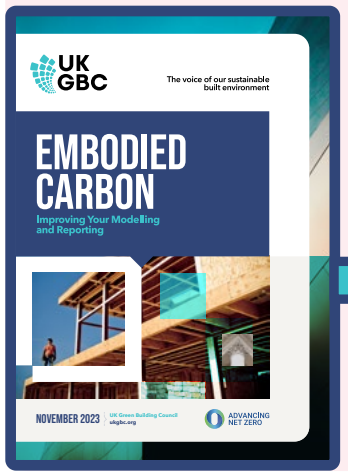
DAVID PARTRIDGE
Chairman, Related Argent
Chair of Net Zero Carbon Building Standard



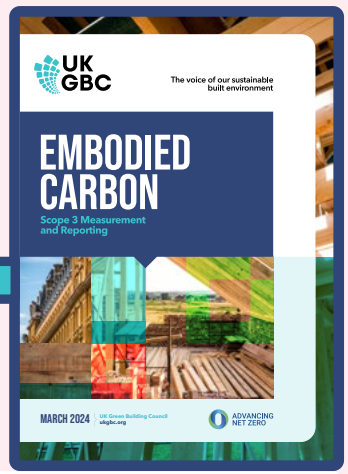


1



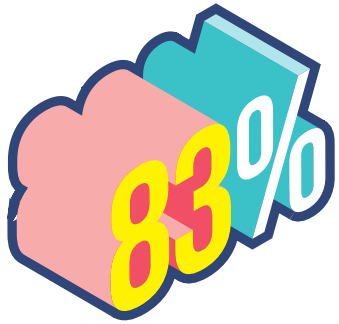


2

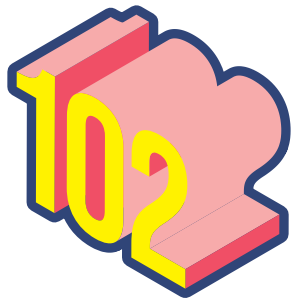


Read report

Read report



of UKGBC Member Survey
respondents said they had used the Whole Life Carbon Roadmap in their work (same as last year).



UKGBC members
have been part of the Climate Resilience Roadmap.

GOAL 6

Businesses and professionals throughout the value chain and across the UK are collaborating to identify challenges and solutions, and to define and adopt best practice guidance.

Challenge and Response

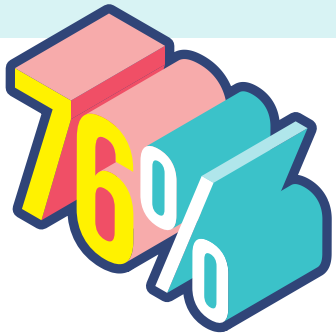
The challenge in 2023/24:
Different sectors in our industry can have little oversight of what others are doing at different stages of a building's life cycle. This means it can be hard to see common problems and solutions that lead to transformational change. Therefore guidance can often consider one point of view and not the other – meaning it's not best placed to lead the industry as a whole.

What have we done:
One of our key strengths is that we create spaces to overcome challenges – whether that's at our Net Zero Solutions Forum, ongoing Nature-Based Solutions' Labs or one-off Collaboration Cafés. These spaces offer industry members the opportunity to work closely with their peers outside of day-to-day concerns so they can focus on big ideas and the key issues at hand.

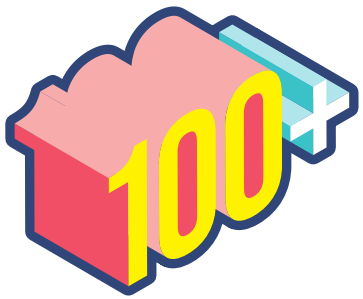
Out of this collaboration we've created leading reports and guidance that look to support members in the face of changing legislation or respond to issues and knowledge gaps flagged by industry. Our guidance on Carbon Offsetting, Renewable Energy Procurement, Embodied Carbon and Commercial Retrofit give industry key steps and best practice examples to allow them to easily adopt strategies to reduce their carbon emissions.

Across industry, innovation is needed to drive creative solutions, and UKGBC continues to work with our Innovative Start-Up members to highlight and showcase new, scalable ideas. Our Innovative Start-Up Forum continues to be a successful setting for larger members to meet start-ups and understand how they can work together to drive climate action.





of UKGBC members
say they joined "To collaborate with other organisations across the built environment value chain and find ways of overcoming barriers to sustainable outcomes. This is up from 72% last year.



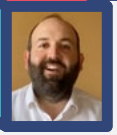
Innovative Start Up Members
(up from 70 last year).

GOAL 6

Key Moments

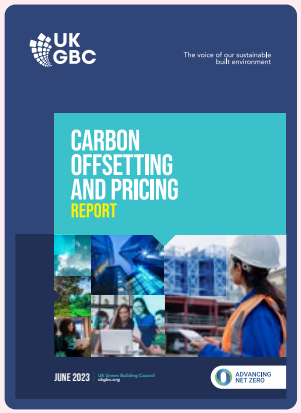
Preparing industry for Biodiversity Net Gain:
Over several months we shared a number of different resources that lead industry through the key concepts and actions to help meet legislation and reimagine an asset's relationship with nature.

Trends in Sustainable Solutions 2023:
Our analysis examines 10 key themes in innovation last year, sharing context on their use and the driving forces for these solutions in the UK built environment.

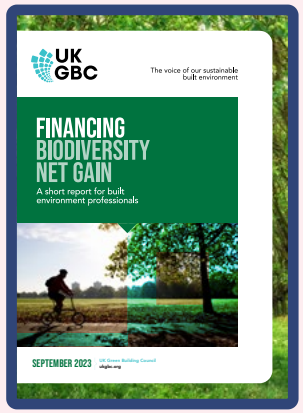


"The ability UKGBC has to convene and drive collaboration has again been shown through the wealth of outputs for industry to benefit from and our involvement has spanned work on solutions and innovation through to advancing net zero. We remain great supporters of UKGBC and are looking forward to seeing the outputs of the resilience and nature programme next year."

DAVID WILLOCK
Managing Director
ESG Finance & Structuring,
Corporate & Institutional Banking,
Lloyds Bank



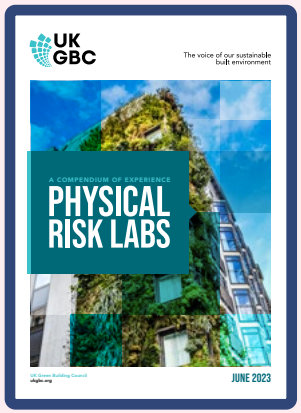
Read report



Read report



Read report



Read report



Read report



Members of the Circular Economy Forum
(up from 41 last year).

KEY MOMENTS OF IMPACT



Upgrading Britain's Homes



Upgrading Britain's existing homes is the biggest opportunity to simultaneously tackle climate emissions, fuel poverty, economic productivity and energy security, but progress is painfully slow.

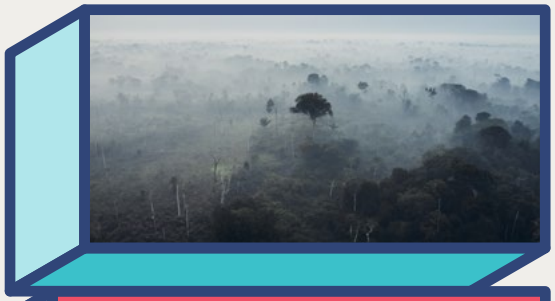
To help break the deadlock, our member-powered Upgrading Britain's Homes project has been working to unite the sector and a number of political champions behind the call for upscaled government investment and a modernisation of Stamp Duty to incentivise household investment in insulation and low carbon heating.

The team worked with experts from Leeds Beckett University, Arup, Thermly and PwC to create a 'national retrofit investment calculator' – an evidence-based tool to allow industry and policy makers to 'play' Chancellor and Secretary of State and identify how to have the biggest impact with limited resources. The calculator has been used by a range of parties. to develop policy and has been widely welcomed across industry.





Embodied Ecological Impacts



Impacts on nature and biodiversity are quickly rising up the agenda. In order to address the environmental crisis holistically, we need to adopt a whole life cycle approach to nature and biodiversity. Deforestation that happens due to mining of iron or aluminium, destruction of marine habitats due to sand dredging or biodiversity loss due to monocultures of timber are just some examples of these embodied ecological impacts.

The knowledge hub created on this topic provides high-level information about these issues through the lens of 5 key raw materials, and signposts existing resources for the industry to start acting on these issues. In addition, it encourages the audience to get in touch with UKGBC, providing additional information and expertise to be uploaded on the website. In that way, the knowledge hub acts as a platform to support a wide-ranging audience of built environment professionals to act on the ecological emergency.

KEY MOMENTS OF IMPACT CONTINUED



COP28

In 2023, global leaders met in Dubai to tackle the climate crisis, and UKGBC's Smith Mordak and Simon McWhirter, alongside key UKGBC members, were amongst their number.

This conference marked the first 'Global Stocktake' against the Paris agreement, as well as the launch of the Buildings Breakthrough – which for the first time put built environment solutions at the top table for global climate action. We were excited to be part of this crucial campaign that asks for "near-zero emissions and resilient buildings being the new normal by 2030."

It was powerful to meet with Green Building Council members from across the world as well as global leaders in the built environment. UKGBC appeared on panels alongside key political and industry figures, sharing our vision and member-led solutions to a wide, influential audience.



Bespoke Learning Opportunities

Throughout the year we've worked with several key members on bespoke learning programmes, from large scale Carbon Academies to immersive programmes to smaller scale lunch and learns and workshops.

The bespoke work interweaves technical knowledge building with personal sustainability leadership work with the aim of empowering and building confidence in industry leaders. The programmes have been deeply transformational, activating leaders to drive change through influencing clients and taking new approaches.

Organisations we worked with include: Wates, Colliers, AtkinsRealis, JLL, Lloyds Banking Group, Trident, Cushman & Wakefield, Fishmongers Hall, West Midlands Fire Service and David Chipperfield Architects.



"Our collaboration with UKGBC has been a vital catalyst in building momentum and buy-in for our Sustainability Strategy. It has changed mindsets and given our leaders real confidence in their capacity to drive change. It has also strengthened connections across the business which will be a lasting benefit."

JAMES PITTY
Learning and Development Business Partner
Wates



GOAL 7

Knowledge, skills, and competencies are increasing in order to accelerate the industry's transformative change.

Challenge and Response

The challenge in 2023/24:
Industry is facing pressure from stakeholders and government to meet sustainability goals, but outside of core ESG teams, industry professionals can be unsure of the steps for achieving them.

What have we done:
Our open Learning and Development programme focussed on providing learning to support our programmatic work, to build awareness and upskill across the built environment.

We have led a range of masterclasses and 'how to' programmes to help our members get the most out of our guidance and frameworks, as we focus on supporting members from moving from the 'why' and 'what', to the 'how'.

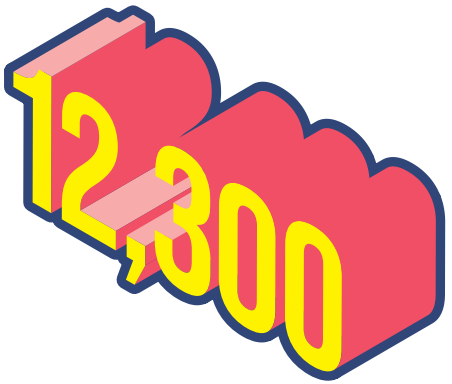
For our work that aims to raise awareness of key concepts, we have consolidated our offer, making it simpler and easier for members to use. By re-launching a refined email-delivered course and deploying new and very popular Bitesize packages, we've given industry key resources to skill up large teams.

To make our learning packages robust and sustainable in a rapidly changing world, we have refreshed our L&D strategy – with a core vision of 'every job is a sustainability job'. This reflects our ambition that everyone should be driving sustainability regardless of their role so need the learning opportunities to support them.

Finally, we have continued to invest in the connections we can make when face to face, all around the country. In fact, **37% of our in-person events were outside of London in 23/24**, with a goal to hit 50% next year.



Events
Reaching more than 1,200 people.



Open programme
learning hours delivered.



GOAL 7

"Very welcome and valuable event, well run, left me wanting more!"

ATTENDEE OF CARBON OFFSETTING MASTERCLASS

"I was expecting a traditional workshop in room learning policies and regulations updates, instead they provided an incredible experience communicated with passion and enthusiasm."

ATTENDEE OF BIOPHILIC BUILDINGS TOUR

Key Moments

1. **Advancing Net Zero Showcases in Leeds and London:** Bringing our ANZ team to our members, giving them the opportunity to ask questions and explore the future of net zero.
2. **How to assess physical risk in the built environment:** Guiding participants through the process using a real asset across a number of workshops.
3. **Collaboration Cafés:** Following last year's success, we held 4 Cafés across the UK that encouraged participants to open discussions about what it means to adapt to our changing climate in different regions and cities.

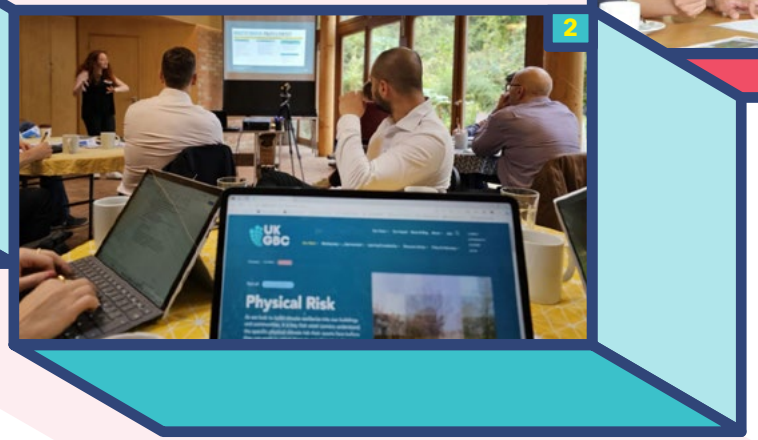












INTERNAL IMPACT

71%

Of UKGBC team
agreed they have "have meaningful ways to stay connected when working across different locations" (+10% on last year).

75%

Of UKGBC team
agreed they have the power "to make necessary changes to how they work to improve their own wellbeing" (+25% on last year).

This year saw our team grow and change in several ways, notably with the arrival of a new Chief Executive. We used these changes as an opportunity to explore new ways of continuing to make UKGBC an inclusive, supportive and exciting place to work.

In recognition of the importance of nurturing diversity and inclusion in our industry, we have created an ED&I strategy as part of our partnership with Inclusive Employers. As part of our ongoing work we have completed internal monitoring and have started to undertake external monitoring too. Additionally, we've refreshed our approach to interns and entry-level vacancies, encouraging more opportunities for a wide range of applicants to build diversity in our sector.

To bring our culture to life we've been continuing to have lots of team time together, both in London and in nature, and have built 'buddy' groups to encourage non-work socialising to build relationships in light of hybrid working. With the realities of working in climate change often at the forefront of our team's minds, we held a session with CPA (Climate Psychologists Alliance) and are working to build an ongoing partnership.

Lastly, we've focused on core skills training with external experts and prioritise internal skills sharing to build a team of climate leaders.

Key Moments

1. **Insights with Performance Catalyst:**
Giving each team member a personalised insights profile to help them understand how they work best and empower them to better communicate with one another.

2. **Coming together in nature:**
Getting together for 24 hours in the Devon countryside, being creative and making connections.

3. **Developing core skills:**
7 team members had public speaking and presentation training and a further 17 team members attended training to develop their leadership skills and empower them to best support their team.

What's your favourite thing about your job?

"The variety and versatility I'm afforded in the role, the people/mates and the opportunity to 'do good'."

QUOTE FROM UKGBC STAFF SURVEY





Simon McWhirter
Deputy CEO

And so ends another year of blended frustration. Frustration at the lack of the substantive – indeed aggressive – progress we need and the sheer lack of political and business bravery essential on many fronts. But a year limned with reasons for cautious optimism from some of the areas of shining light Smith mentioned up front.

And now we enter a truly tumultuous year politically; where we face not just a new government in the UK, but an annum where pretty much half the planet is voting for their leadership

This global governmental overhaul obviously brings the risk of rightward political swings – and its oft-linked demonising of progressive climate politics – but also opens gaps.

Gaps for great solutions to be brought forward; whether in setting out pathways to better outcomes like our upcoming Climate Resilience Roadmap, or in our bespoke education and leadership work, training rolling cohorts of our sector's current and future leaders. Or taking our member-led policy and technical solutions onto the global stage, and really using levers like the UN's Buildings Breakthrough agenda to position the built environment as a fulcrum for real change.

Creating a Roadmap for Climate Resilience:
Building on the work we began this year, we will complete our Climate Resilience Roadmap and share it with industry to offer a robust framework we can all work against as we seek to adapt our built environment to the changing climate.

Supply Chain Decarbonisation:
We will look at a variety of levers for decarbonising our supply chains. This includes the use of material passports for a circular economy, upgrading civil infrastructure and the role of our energy system in the built environment.

Regenerative Places:
A new approach to our localised work, focusing on creating places that are low carbon, climate resilient and allow communities to thrive, through retrofit and holistic thinking.

Preparing for a General Election:
Utilising the opportunity of the General Election to bring key built environment issues up the agenda and influence the manifestos of all parties.

Making nature a part of the built environment:
Through our Nature and Biodiversity Learning Programme we will radically change delegates' view on nature and its role in the built environment.

Working on a Systems Level:
We will be building on this year's Systems Change work by bringing together our leadership programme alumni and our wider membership base to drive collective action and transformational change.

Accelerating Retrofit:
Across our teams we'll be championing retrofit both domestic and non-domestic. Specifically, we'll be continuing our non-domestic retrofit work with our Retail and Logistics project.

Supporting members upskill:
After an incredibly impactful year of working with a range of members on upskilling their sustainability teams, we have exciting plans to expand our Bespoke Learning Offering to cover new topics and reach new teams.

OUR SUPPORTERS

Advancing Net Zero Programme Partners

bam, Berkeley Group, BURO HAPPOLD, CBRE, GROSVENOR, HOARE LEA, ISG, JLL, LLOYDS BANKING GROUP, ROCKWOOL, Turner & Townsend

Resilience & Nature Programme Partners

BURO HAPPOLD, HOARE LEA, Hydrock, JLL

Renewable Energy Procurement Project Partners

&, AmpersandPartners, Landsec, Low Carbon Alliance, MACFARLANES, STANHOPE

Embodied Carbon Project Partners

Hawkins\Brown, MULTIPLEX, igloo, Thriving Investments

Commercial Retrofit Project Partners

BENNETTS ASSOCIATES, bruntwood, CANARY WHARF GROUP, Low Carbon Alliance, MITSUBISHI ELECTRIC, SHAFTESBURY CAPITAL

Biodiversity Net Gain Partners

ARUP, Greengage, lendlease, LAING O'ROURKE

Embodied Ecological Impacts Project Partners

BNP PARIBAS REAL ESTATE, STRUTT & PARKER, RAMBOLL

Physical Risk Labs Project Partners

bruntwood, CLARION HOUSING GROUP, HS2

Climate Resilience Roadmap Project Partners

ARUP, Greengage, mace, PRP, RIDGE, ZURICH Resilience Solutions

Upgrading Britain's Homes Research Partners

ARUP, LEEDS BECKETT UNIVERSITY, pwc, Thermly

Local Authority Retrofit Accelerator Partner

THE MCS FOUNDATION

Leadership Strategic Partners

THE CROWN ESTATE, TROUP BYWATERS + ANDERS

Supported by

UNIVERSITY OF Southampton

UK GBC

2023-2024

TRUSTEES REPORT AND FINANCIAL STATEMENTS

	PAGE
Trustees Report	24
Reference and Administrative Details	25
Trustees' Report	26
Financial Statements	37
Independent Auditor's Report	34
Statement of Financial Activities	37
Balance Sheet	38
Statement of Cash Flows	39
Principal Accounting Policies	40
Notes to the Financial Statements	43







COMPANY REGISTRATION NUMBER 01029239
CHARITY REGISTRATION NUMBER 1135153

REPORTS
REFERENCE AND ADMINISTRATIVE DETAILS

Status:	The organisation is a charitable company limited by guarantee, incorporated on 29 September 2009 and registered as a charity on 24 March 2010.		
Governing Document:	The company was originally established under Memorandum and Articles which established the objects and powers of the charitable company. New Articles of Association were approved by the Charity Commission on 21 January 2020.		
Board of Trustees:	**Basil Demeroutis** **Clifford Ellis** (Co-opted) **Judith Everett** **Sam Ewousho** (Co-opted)	**Jerome Frost** OBE **Tara Gbolade** **David Partridge James Pearce** (Co-opted)	**Sunand Prasad** OBE, (Chair) **Victoria Quinlan** **Mark Robinson** **Lorna Walker**
Company Secretary and Chief Executive:	**Julie Hirigoyen** to 1st June 2023 **Smith Mordak** from 1st June 2023		
Senior Management Team: Chief Executive Director of External Affairs and Deputy CEO Director of Membership Director of Experiential Learning and Leadership Director of Impact and Operations	 **Smith Mordak** **Simon McWhirter** **Mike Clarke** **Elfrida Hamilton-Russell** **Tim Adams**		
Registered Office:	The Building Centre, 26 Store Street, London WC1E 7BT		
Company Registration Number:	01029239 (England and Wales)		
Charity Registration Number:	1135153 (England and Wales)		
Auditor:	**Price Bailey**, 3rd Floor, 24 Old Bond Street, London W1S 4AP		
Bankers:	**NatWest Bank**, 250 Regent Street, London W1B 3BN		
Solicitors:	**Russell-Cooke LLP**, 2 Putney Hill, London SW15 6AB		

Trustees' Report
Year to 31 March 2024

The trustees present their annual report and the audited financial statements of UKGBC Limited (UKGBC) for the year ended 31 March 2024.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and it is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 39-54 and comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and Activities

The objects of the charity are for the public benefit:

1.1 To increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability").

1.2 To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education").

1.3 To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness").

Public Benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

The trustees are confident that UKGBC's aims and activities of Improving Sustainability, Educating, Campaigning for and Raising Awareness of the Sustainability of the Built Environment are in accordance with the regulations on public benefit.

FINANCIAL REVIEW

Results for the year

UKGBC incurrred a deficit of £216,817 (2023 a deficit of £402,766) in line with an investment budget for the year, which was designed (along with investment budgets of 2022-3 and 2024-5) to reduce the surplus over the minimum reserves requirement and increase impact in the face of the accelerating climate crisis. In addition, a restatement of liabilities arising in 2020-2021 of £39,572 meant that Charitable funds decreased to £465,738 (2023: £722,127).

Increased expenditure allowed UKGBC to achieve step-change ambitions. A fulltime presence has been established in Scotland, increasing the regional presence within the UK. The website has been re-developed from the ground up, increasing accessibility and searchability whilst adopting low-carbon operation. UKGBC has supported the formation of the Net Zero Carbon Building Standard, has increased the resourcing of a solutions library and has expanded the functionality of the customer relationship management system.

Demand increased for UKGBC's services in supporting the greening of the Built Environment. This is evidenced by the increase in membership income and a corresponding expansion in the organisation, and its expenditure.

Total income for the year increased by £664,897(23%) to £3,525,301 (2023: £2,860,404) compared to the previous year.

Membership subscriptions are the primary source of income, accounting for 59% of total income (2023:71%). These have increased by £50,651 over 2023, with total membership fees in the year amounting to £2,080,232 (2023: £2,029,581).

Grant and contract income has increased by 50% to £232,588 (2023: £154,659). Following a grant secured through the Laudes Foundation and Ikea in addition to existing funding from MCS Foundation.

Partnership Income increased by £362,004 to £694,646 (2023: £332,642), partly due to outputs rescheduled from 2023.

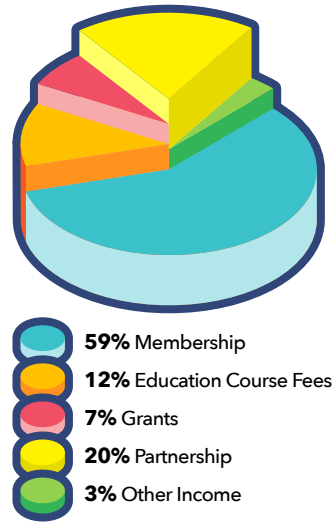
Education course income increased by 51% to £425,021 (2023: £281,653) .

The value that we have received from expert members speaking at our education courses, the venues which have been donated to use without charge and secondees from member organisations who worked for us during the year, have been recognised as voluntary (in kind) donations. The value of these donations amount to £68,121 (2023: £41,615).

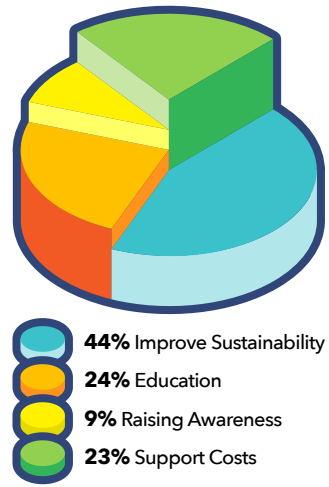
Total expenditure increased by £478,948 in the year to £3,742,118 (2023: £3,263,170) largely as a result of expenditure associated with staff costs. Staff costs remain the biggest single cost, comprising 69% (2023: 72%) of costs at £2,583,551 (2023: £2,325,139) an increase of £258,412. The increase was driven by a cost of living pay award averaging 4.7% and recruitment into positions which were vacant through much of the prior year.

Support costs in the year came to £850,766 versus an equivalent of £807,456 in the previous year.

Where our funds come from



Analysis of our expenditure



Reserves policy, financial position and going concern assessment

Reserves policy

The trustees view reserves and deferred membership income as the buffer against financial difficulties.

In addition to FY22-3 and FY23-4, the trustees propose an investment budget for FY24-5 to increase UKGBC's reach and consume excess reserves. This policy includes a provision to assess whether reserves and deferred membership income are at a level which ensures that UKGBC's core activities could continue during a period of unforeseen difficulty and that a proportion of funds be maintained on easy access deposit. The calculation of the required level of reserves and deferred membership Income is an integral part of UKGBC's planning, budgeting and forecasting cycle. It takes into account the risks associated with each stream of income and expenditure varying from budget; the planned activity level; and UKGBC's future commitments.

The methods recommended for calculating the minimum level of reserves and deferred membership income (which fall under the Charity Commission's recommended reserve policy guidelines for less complex charities) are that:

1. The policy addresses the risk of the need for unforeseen expenditure
2. The policy addresses the risks associated with the loss of a source of income

In using each of these in turn, the trustees of UKGBC calculate and test whether the level of Deferred Income is adequate.

The need for unforeseen expenditure

This method involves calculating the expenditure that would be required to maintain UKGBC's ordinary activities for a period of four months. The level of reserves and deferred membership income provision, based on four months of UKGBC's FY2024-25 budgeted unrestricted expenditure (excluding depreciation) is approximately £884,000.

Risks associated with the loss of a source of income

Membership fees constitute 59% of UKGBC's income. Despite the deteriorating economic conditions, membership fees grew by £50,651 (2%).

However, the trustees view the political landscape as volatile and recognize the pressure on member's budgets due to the ongoing cost of living crisis. Based on the total budgeted income from membership renewals in FY2024-25 being £2.05m, applying a worst-case scenario of 20% attrition would give rise to a budgeted loss of income of approximately £84k. If membership attrition is greater than 20%, cost-mitigating strategies will be implemented to reduce the impact of this on the charity.

UKGBC propose another another 'extraordinary investment budget' for FY2024-25, aiming to fully harness the unprecedented momentum for UKGBCs mission within business boardrooms, financial markets and socio-politically. The board is supportive of the UKGBC executive team to re-invest funds held in excess of the reserves requirement where these can be deployed to amplify impactful outcomes against the charitable objectives.

The trustees consider that, based on current estimates, the minimum level of reserves plus deferred income for 2024/25 would be between £84,000 and £884,000, as determined by the two tests above.

At 31 March 2024, deferred membership income was £1,018,235 (2023: £1,029,471) which is in excess of the minimum requirement. In addition, free reserves (excluding the net book value of fixed assets of £13,375) amounted to £452,362 (2023 (£703,587).

FINANCIAL REVIEW CONTINUED

Going concern assessment

Trustees have assessed the impact of external influences on the charities activities, and the adequacy of resources to operate in the current climate over the next financial period.

Based on the current plans, assumptions and forecasts, whilst acknowledging there are additional financial risks, the trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

Investment policy and performance

The trustees have wide-ranging powers of investment as determined by the Articles. Due to the charity's reserves and deferred membership income requirement (see above), funds are held that exceed the short-term expense requirements and forecast programme costs, but to which access may be required at short notice. Therefore excess funds are placed in fixed deposit financial instruments within UK banks. The maturity of these funds is designed to correspond with forecast expenditure and reserve requirements, whilst the nature of these investments ensures that no unnecessary risks are being taken with our funds.

Funds required to meet liquidity and short-term expenditure requirements are retained in interest-bearing current financial instruments with the charity's bankers.

The invested funds held in fixed deposit financial instruments together with those in interest-bearing current financial instruments achieved an average rate of return 4.97% (2023: – 1.1%).

Fundraising statement

Over the course of FY2023-24, UKGBC did not undertake any public fundraising activity, nor do our commercial and corporate supporters undertake any public fundraising on our behalf. UKGBC does not have any active subsidiary trading companies, nor do we employ commercial third parties to undertake fundraising on our behalf. There were no complaints in the year (2023 – none) in relation to our fundraising.

Principal risk and uncertainties

The Board of Trustees has the overall responsibility for the governance of risks and ensures there are adequate and effective systems in place to mitigate these. These risks are reviewed annually by the whole Board as an intrinsic part of strategy setting and upon consideration of new opportunities. The trustees continue to assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and reputation. The trustees have established systems to monitor and to mitigate those risks and continue to review their effectiveness.

UKGBC has an open and accountable culture, which recognises that risk is inherent in business, particularly where we are aiming to be innovative and ahead of the curve. So, we adopt an open and proactive approach to risk management, with a view to being pre-emptive rather than box ticking.

The risk management framework is put forward by the Leadership Team, and reviewed and approved by the Risk & Audit Committee and by the Board. UKGBC's risk management framework is designed to identify the principal risks faced by the organisation and ensure that these are being appropriately monitored. In the case of each of the principal risks, controls are in place and mitigating actions will be allocated to individuals on the team who will be tasked with the requisite accountability. A detailed risk and mitigation report featuring quantitative/ qualitative indicators will be reviewed by the R&A Committee at least twice a year.

The trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The significant risks and uncertainties identified through the above process are discussed on the next page.

FINANCIAL REVIEW CONTINUED

Status	Action taken to mitigate the risk
People: Staff turnover	Investment in a Senior People & Culture Manager with some support underneath – enables us to dedicate time on people related initiatives including health & wellbeing, training, D&I, team get togethers, socials etc - all of which are crucial components of a People Centric culture. There is a focus on career development, succession planning and salary benchmarking. Exit interviews are conducted with all voluntary leavers – analysed for trend reporting.
External (Economic): Economic downturn & market uncertainty due to high inflation / war in Ukraine / COVID / other	UKGBC has excess reserves at year end 2023/24 and significant deferred income – which offers some protection against external financial shocks. The member value proposition is continuously reviewed and enhanced, with the launch of the new website in early 2023. Attrition levels are reviewed regularly by CEO, LT and R&A committee – with an uptick in 2024. Alternative funding sources (philanthropic, governmental) are constantly being sought and an index linked increase to combat inflation is applied to membership fees.
Financial: Charities being increasingly targeted for Cyber Fraud and breach of data protection.	Increased training, security measures (e.g. Multi Factor Authentification, forced password reset, virus scans, geographical restrictions and MIME Cast) have been deployed along with several other actions. Regular reviews of threat and mitigation.
Financial: Increased Competition	UKGBC actively works with organisations with whom strategic partnerships can be formed to mutually accelerate missions.
Political: Government deregulates further in green policy areas.	UKGBC targets trilaterally with incumbent, lead opposition and civil service audiences in run-up to election and through into plans for government. This balances the shoring up of existing policy and advocating more ambition.

Structure, Governance and Management

Recruitment and appointment of trustees

The Board of Trustees (who are also directors for the purposes of the Companies Act 2006) consists of not fewer than four and no more than twelve persons elected by members of the charity; in addition the Board has the power to appoint trustees to fill vacancies, and may co-opt up to four more individuals from across the sustainable built environment sector. Trustees are confirmed in post by an election process, and typically serve for an initial 3 years, whereupon they retire by rotation. They may seek re-election.

The following trustees were in office and served between 1 April 2023 and up to the date of approval of this report, except where shown.

Trustee	Appointed/Resigned
Estelle Bailey	Resigned 15 May 2023
Basil Demeroutis	
Clifford Ellis	Co-opted 9 January 2024, for election at next AGM
Judith Everett	
Sam Ewuosho	Co-opted 27 March 2024, for election at next AGM
Jerome Frost OBE	
Tara Gbolade	
Bill Hughes	Resigned 20 July 2023
Chris Oglesby	Resigned 27 March 2024
James Pearce	Co-opted
David Partridge	
Sunand Prasad OBE, (Chair)	
Victoria Quinlan	
Mark Robinson	
Lorna Walker	
Derek Wilson	Co-Opted – Resigned 27 September 2023

FINANCIAL REVIEW CONTINUED

Trustee induction and training

On election, each new trustee receives an induction pack including the 'Good Trustee Guide' published by the Charity Commission and a range of key organisational policies and documents. All new trustees are invited to attend a Role of Trustee course and along with other trustees are given regular opportunities to meet the senior management and other staff.

Management

The day-to-day management of the charity is delegated to the Chief Executive who is responsible for achieving the overall aims and objectives of the charity to agreed annual budget and target performance criteria.

Remuneration of key management personnel

The trustees consider that they, together with the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 6 to the financial statements.

The pay of the Senior Management Team and all staff are reviewed annually by the Personnel & Nominations Committee and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the trustees benchmark against pay levels in other membership bodies and trade associations.

Remuneration of key Statement of the trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

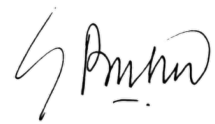
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

Chairman 

Date: 1st July 2024

Independent auditor's report to the members of UKGBC Limited

Opinion

We have audited the financial statements of UKGBC Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of UKGBC Limited
Continued

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which is also the directors' report for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of UKGBC Limited
Continued

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and considered the risk of the company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting and tax legislation. In relation to the operations of the Company this included compliance with the Companies Act 2006, Charities Act 2011 and Charity Statement of Recommended Practice (SORP).

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management and officers of the group and a review of legal fees.
- To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates
- Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.
- The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.
- A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

OThis report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Cooper-Davis FCCA ACA
(Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP
Chartered Accountants
Statutory Auditors
24 Old Bond Street
London
W1S 4AP

Date:

FINANCIAL STATEMENTS

Statement of Financial Activities
Year to 31 March 2024

	Notes	Un-restricted funds £	Restricted funds £	2024 Total funds £	Un-restricted funds as restated £	Restricted funds £	2023 Total funds £
Income from:							
Donations and legacies	1	68,122	-	**68,122**	53,698	-	**53,698**
Charitable activities	2	3,199,899	232,588	**3,432,487**	2,643,877	154,659	**2,798,536**
Investments		24,692	-	**24,692**	8,170	-	**8,170**
Total income		3,292,713	232,588	**3,525,301**	2,705,745	154,659	**2,860,404**
Expenditure on:							
Charitable activities	3						
- Improving sustainability		1,813,753	356,842	**2,170,595**	1,952,558	158,476	**2,111,034**
- Education		1,134,351	-	**1,134,351**	719,527	-	**719,527**
- Raising awareness		437,252		**437,252**	432,609	-	**432,609**
Total expenditure		3,385,356	356,842	**3,742,198**	3,104,694	158,476	**3,263,170**
Net income (expenditure) and movement in funds	5	(92,643)	(124,254)	**(216,897)**	(398,949)	(3,817)	**(402,766)**
Transfer between funds		(124,254)	124,254	**-**			**-**
Reconciliation of funds							
Total funds brought forward at 1 April							
As previously reported		**722,127**	**-**	**722,127**	**1,121,076**	**3,817**	**1,124,893**
Prior year adjustment		(39,492)	-	(39,492)	(39,492)	-	(39,492)
As restated		**682,635**		**682,635**	**1,081,584**	**3,817**	**1,085,401**
Carried forward at 31 March		**465,738**	**-**	**465,738**	**682,635**	**-**	**682,635**

All recognised gains and losses are included in the above statement of financial activities.
All of the charity's activities derived from continuing operations during the above two periods of report.

Balance Sheet
Year to 31 March 2024

	Notes	2024 £	2024 £	2023 As restated £	2023 As restated £
Fixed assets					
Tangible fixed assets	**7**	-	**13,377**		18,540
Current assets					
Debtors	**8**	**648,807**		762,432	
Short term deposits		**497,015**		741,217	
Cash at bank and in hand		**1,018,787**		1,093,300	
		2,164,609		2,596,949	
Current liabilities					
Creditors: amounts falling due within one year	**9**	**(1,712,248)**		(1,932,854)	
Net current assets			**452,361**		664,095
Net assets			**465,738**		682,635
The funds of the charity:					
Unrestricted funds	**14**				
General funds			**465,738**		682,635
			465,738		682,635
Restricted funds	**14**		-		-
Total charity funds			**465,738**		682,635

The principal accounting policies and notes on pages 39-54 form part of these financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf.

Chair

Date: 1st July 2024

UKGBC Limited
Company Registration Number:
01029239 (England and Wales)

Statement of Cashflows
Year to 31 March 2024

	Notes	2024 £	2023 As restated £
Cash flows from operating activities			
Net cash provided by operating activities	**A**	**(338,747)**	(182,265)
Cash (used in) investing activities			
Interest received		**24,692**	8,170
Purchase of tangible fixed assets		**(4,660)**	(17,262)
Proceeds from the sale of fixed assets		**-**	1,529
Net cash (used in) investing activities		**20,032**	(7,563)
Change in cash and cash equivalents in the year		**(318,715)**	(189,828)
Cash and cash equivalents at 1 April	**B**	**1,834,517**	2,024,345
Total cash and cash equivalents at 31 March	**C**	**1,515,802**	1,834,517

Notes to the statement of cash flows for the year to 31 March

A | Reconciliation of net income to net cash provided by (used in) operating activities

	2024 £	2023 £
Net (expenditure) income (as per the statement of financial activities)	**(216,817)**	(402,766)
Adjustments for:		
Depreciation charges	**9,823**	11,504
(Profit) on disposal of fixed assets	**-**	(534)
Investment income receivable	**(24,692)**	(8,170)
Increase in debtors	**113,625**	(19,866)
Increase in creditors	**(181,114)**	**237,567**
Increase in creditors (prior year adjustment)	**(39,747)**	**-**
Net cash (used in) provided by operating activities	**(338,747)**	182,265

B | Analysis of cash and cash equivalent

	2024 £	2023 £
Cash at bank and in hand	**1,018,787**	1,093,300
Short term deposits	**497,015**	741,217
Total cash and cash equivalents	**1,151,802**	1,834,517

C | Analysis of changes in cash and deposits

	At 31 March 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,093,300	(74,513)	**1,018,787**
Short term deposits	741,217	(244,202)	**497,015**
Total	**1,834,517**	(318,715)	**1,515,802**

Principal Accounting Policies
Year to 31 March 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

General information
The charity is a company limited by guarantee, incorporated in England and Wales (company number: 01029239) and a charity registered in England and Wales (charity number: 1135153). The charity's registered office address is: The Building Centre, 26 Store Street, London, WC1E 7BT.

Basis of preparation
These financial statements have been prepared for the year to 31 March 2024 with comparative information provided for the year to 31 March 2023.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement
The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the charity's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual result ultimately differ from those estimates.

The items in the financial statements where judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets; and
- determining the most appropriate basis for allocating support costs.

Going concern assessment
Trustees have assessed the impact of external influences on the charities activities, and the adequacy of resources to operate in the current climate over the next financial period.

Based on the current plans, assumptions and forecasts and in line with the reserves policy, the trustees are confident that there are sufficient funds. Additionally, should conditions deteriorate rapidly, there is capacity to cut costs. The trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis for 12 months from the date of balance sheet signature.

Income recognition
All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably. Amounts received for application in future periods are held on the balance sheet as deferred income and released to the statement of financial activities in the relevant period.

Income from charitable activities
Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Income received in the year has been deferred in respect of specific events and education courses taking place after the year end.

Memberships fall due for renewal throughout the year membership. Consequently fee income is calendarised so that only the income for the accounting year is recorded and the balance carried as an accrual.

Donated services
Donated services and facilities are included as 'donations income' at a value equivalent to the estimated commercial cost that the charity would otherwise have incurred, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

Principal Accounting Policies
Year to 31 March 2024
Continued

Grants
Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. In the event that a grant or donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Investment income
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is comprised of the costs associated with the key strategic areas of activity being; improving sustainability, education and raising awareness. Support costs including governance costs are allocated between the various categories of charitable expenditure (see below).

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs
Expenditure allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Support costs also include governance costs. This relates to the cost incurred with meeting constitutional and statutory requirements and the costs associated with the strategic management of the charity.

Operating leases
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred.

Tangible fixed assets
Assets costing more than £500 are capitalised. Fixed assets are recognised at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the costs of the fixed asset capitalised over their estimated useful economic lives as follows:

- Computer equipment
  3 years straight line
- Fixtures, fittings and equipment
  25% reducing balance
- Leasehold refurbishment
  3 years straight line

Investments
Current asset investments are cash amounts held by the charity with a maturity date of less than one year and held for investment purposes. They are measured at the cash value of the deposit.

Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Principal Accounting Policies
Year to 31 March 2024
Continued

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Funds
Unrestricted funds are income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

Employee benefits

- **Short term benefits**
  Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- **Employee termination**
  Termination benefits are accounted for on an accrual basis and in line with FRS 102.
- **Pension scheme**
  UKGBC operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the company in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year to the funds.

Notes to the Financial Statements
Year to 31 March 2024

1 | Income from donations and legacies

	2024 Total £	2023 as restated £
Donations	**2,875**	12,083
Services donated	**65,247**	41,615
Total cash and cash equivalents	**68,122**	53,698

Included within donations and legacies are goods and services which have been donated to the charity during the year. This consists of venue hire £34,090 (2023: £13,800) and Consultancy £31,157 (2023: £27,815). All donations and legacies for both years above are in relation to unrestricted funds.

2 | Income from charitable activities

	2024 £	2023 as restated £
Membership income	**2,080,232**	2,029,581
Partnership Income	**694,646**	332,642
Grant & contract income	**232,588**	154,659
Education Course Income	**405,021**	261,659
Leaders Network Sponsorship Income	**20,000**	19,995
Total cash and cash equivalents	**3,432,487**	2,798,536

Of the amount shown above, £232,588 is in relation to restricted funds (2023: £154,659)

Notes to the Financial Statements
Year to 31 March 2024
Continued

3 | Expenditure on charitable activities

	Direct costs Other £	Direct costs Staff £	Support costs (note 4) £	**2024 £**
Improving sustainability	427,696	1,212,887	529,932	**2,170,515**
Education	409,216	504,646	220,489	**1,134,351**
Raising awareness	107,242	229,666	100,345	**437,253**
	944,154	1,947,199	850,766	**3,742,119**

Of the improving sustainability expenditure noted above, £356,842 is in relation to restricted funds (2023: £158,476).

	Direct costs Other £	Direct costs Staff £	Support costs (note 4) £	2023 as stated £
Improving sustainability	370,013	1,168,700	572,321	2,111,034
Education	276,628	297,306	145,593	719,527
Raising awareness	160,220	182,847	89,542	432,609
	806,861	1,648,853	807,456	3,263,170

Notes to the Financial Statements
Year to 31 March 2024
Continued

4 | Analysis of support costs

	Premises £	IT/Comms £	Admin staff £	Governance £	**2024 £**
Improving sustainability	99,434	29,373	198,527	202,598	**529,932**
Education	41,372	12,221	82,601	84,295	**220,489**
Raising awareness	18,828	5,562	37,592	38,363	**100,345**
	159,634	47,156	318,720	325,256	**850,766**

	Premises £	IT/Comms £	Admin staff £	Governance £	2023 as restated £
Improving sustainability	105,685	54,339	200,291	212,006	572,321
Education	26,886	13,823	50,952	53,932	145,593
Raising awareness	16,535	8,502	31,336	33,169	89,542
	149,106	76,664	282,579	299,107	807,456

Support costs are divided in the proportion of the direct staff costs of each activity area, thus:

	2023 %	**2024 %**
Improving sustainability	71%	62%
Education	18%	26%
Raising awareness	12%	11%

Notes to the Financial Statements
Year to 31 March 2024
Continued

5 | Net (expenditure) income for the year. This is stated after charging/crediting:

	2024 £	2023 as restated £
Auditor's remuneration	**13,475**	12,575
Depreciation	**9,823**	11,506
Staff costs	**2,638,180**	2,325,139

Notes to the Financial Statements
Year to 31 March 2024
Continued

6 | Staff costs and remuneration of key management personnel. Staff costs during the year were as follows:

	2024 £	2023 as restated £
Salaries and wages	**2,181,301**	1,855,065
Social security costs	**247,822**	215,376
Pension contributions	**141,446**	119,798
Other employee costs	**67,611**	134,900
	2,638,180	2,325,139

The average number of employees during the year on a headcount basis was as follows:

	2024 Number	2023 Number
Charitable activities	**35**	33
Support	**8**	7
	43	40

Notes to the Financial Statements
Year to 31 March 2024
Continued

6 | Staff costs and remuneration of key management personnel (continued). Staff costs during the year were as follows:

The number of employees whose emoluments for the year fell within the following bands were:

	2024 Number	2023 Number
£60,001 - £70,000	**2**	3
£70,001 - £80,000	**2**	1
£80,001 - £90,000	**0**	1
£90,001 - £100,000	**2**	1
£100,001 - £110,00	**1**	-
£110,001 - £120,000	**1**	-
£200,001 - £210,000	**-**	1
	8	7

The Senior Management Team comprises 6 people. These 6 roles are accruing pension contributions totalling £37,502 (2023: 5 employees, accruing £33,190).

The trustees consider that they together with the Executive comprise the key management personnel of the charity. The total remuneration payable to the key management personnel of the charity was £636,188 (2023: £612,016).

Trustees are not remunerated for their services to the charity. However, out of pocket expenses incurred in connection with the execution of their duties as trustees are reimbursed where claimed. No such claims were made in FY2023-24 or FY2022-23.

Notes to the Financial Statements
Year to 31 March 2024
Continued

7 | Tangible fixed assets

	Office equipment £	Computers £	Leasehold Refurbishment £	**Total £**
Cost				
At 1 April 2023	60,034	68,200	133,343	**261,577**
Additions	870	3,790	-	**4,660**
Disposals	-	-	-	**-**
Balance at 31 March 2024	60,904	71,990	133,343	**266,237**
Depreciation				
At 1 April 2023	60,034	49,660	133,343	**243,037**
Charge for the year	115	9,708	-	**9,823**
Released on disposal	-	-	-	**-**
Balance at 31 March 2024	60,149	59,368	133,343	**252,860**
Net book value				
At 31 March 2024	**755**	**12,622**	**-**	**13,377**
At 31 March 2023	**-**	**18,540**	**-**	**18,540**

Notes to the Financial Statements
Year to 31 March 2024
Continued

8 | Debtors

	2024 £	2023 as restated £
Trade debtors	**560,813**	664,602
Prepayments	**82,921**	90,354
Other debtors	**5,073**	7,476
	648,807	762,432

9 | Creditors: amounts falling due within one year

	2024 £	2023 as restated £
Trade creditors	**167,970**	148,402
Other taxation and social security	**189,830**	198,412
Deferred income (Note 10)	**1,251,582**	1,479,064
Accruals	**102,866**	106,976
	1,712,248	1,932,854

10 | Analysis of deferred income

	2024 £	2023 as restated £
Deferred income at 1 April	**1,479,064**	1,221,616
Applied during the year	**1,251,582**	1,479,064
Released during the year	**(1,479,064)**	(1,221,616)
Deferred income at 31 March	**1,251,582**	1,479,064

Notes to the Financial Statements
Year to 31 March 2024
Continued

11 | Financial instruments

	2024 £	2023 £
Financial assets measured at fair value	**2,077,646**	2,499,119
Financial liabilities measured at amortised cost	**(167,970)**	(148,402)

12 | Operating lease commitments. At the balance sheet date, the charity's total future commitments under non-cancellable operating leases are as follows.

	Equipment		Land and buildings	
	2024 £	2023 £	2024 £	2023 £
Leases which expire:				
Within one year	**1,978**	9,668	**30,282**	29,400
Within two to five years	**1,159**	10,643	**-**	-
	3,137	20,311	**30,282**	29,400

Since the balance sheet date, UKGBC has committed to a one year building lease, a commitment of £124,000.

Notes to the Financial Statements
Year to 31 March 2024
Continued

13 | Analysis of group net assets between funds

	Restricted funds £	General funds £	**Total funds 2024 £**
Fixed assets	-	13,377	13,377
Current assets	-	2,164,609	2,164,609
Current liabilities	-	(1,712,248)	(1,712,248)
Net assets at 31 March 2024	-	465,738	465,738

	Restricted funds £	Unrestricted funds £	**Total funds as restated 2023 £**
Fixed assets	-	18,540	**18,540**
Current assets	99,919	2,497,030	**2,596,949**
Current liabilities	(99,919)	(1,832,935)	**(1,932,854)**
Net assets at 31 March 2024	-	682,635	**682,635**

Notes to the Financial Statements
Year to 31 March 2024
Continued

14 | Analysis of funds

	Balance at 1 April as restated 2023 £	Income £	Expenditure £	Transfers £	**31 March 2024 £**
Unrestricted funds					
General funds	682,635	3,292,713	(3,385,356)	**(124,254)**	**465,738**
	-	-	-	**-**	**-**
Restricted funds					
Circuit	-	29,563	(29,563)	**-**	**-**
Local Area Retrofit Accelerator	-	56,000	(95,690)	**39,690**	**-**
WLCR	-	34,330	(37,763)	**3,433**	**-**
Building Life II	-	97,287	(154,379)	**57,092**	**-**
Co-created Outputs	-	15,408	(39,447)	**24,039**	**-**
Restricted Funds Total	-	232,588	(356,842)	**124,254**	**-**
Charity total	**682,635**	3,525,301	(3,742,198)	**-**	**465,738**

Notes to the Financial Statements
Year to 31 March 2024
Continued

14 | Analysis of funds (continued)

	Balance at 1 April 2022 £	Prior year adjustment £	Balance at 1 April 2022 as restated £	Income £	Expenditure £	**31 March 2023 as restated £**
Unrestricted funds						
General funds	1,121,076	(39,492)	1,081,584	2,705,745	(3,104,694)	**682,635**
	-	-	-	-	-	**-**
Restricted funds						
ANZ	-	-		101,867	(101,867)	**-**
Circuit	-	-		21,247	(21,247)	**-**
Climate KIC – Accelerator	-	-		35,000	(35,000)	**-**
Ignition	3,817	-	3,817	(3,455)	(362)	**-**
Restricted Funds Total	3,817	-	3,817	154,659	(158,476)	**-**
Charity total	1,124,893	(39,492)	1,085,401	2,860,404	(3,263,170)	**682,635**

14 Analysis of funds
Continued

Restricted funds

Advancing Net Zero (ANZ)
This relates to funding secured from Redevco Foundation for a project about galvanising the industry and policy makers to deliver a net zero carbon built environment, through industry leadership and strong regulation.

CIRCuIT – Circular Economy
Circular Construction in Regenerative Cities - is a collaborative project involving 29 partners across the entire built environment chain in Copenhagen, Hamburg, Helsinki Region and Greater London. Funded by the European Commission's Horizon 2020 programme, the project will support the creation of regenerative cities by implementing sustainable and circular construction practices. UKGBC forms part of the Greater London cluster and has secured 4 years worth of funding. Through this project we can start to bridge the gap between theory, practice and policy by delivering a series of demonstrations, case studies, events and other dissemination activities that showcase how circular construction approaches can be scaled and replicated across Europe to enable cities to build more sustainably and transition to a circular economy on a wider scale.

Local Area Retrofit Accelerator
MCS Foundation fund the initiative which promotes retrofit at a local level. The approach ranges form fostering collaboration of local authorities to the provision of guidance to enable the creation of resource hubs for proactive homeowners with the ability to pay.

EU's Urban Innovation Actions (UIA) Initiative – IGNITION
This relates to funding UKGBC secured from the UIA to join the IGNITION project alongside 11 other partners from local government, universities, NGOs and business. The aim is to develop the first model of its kind that enables major investment in large-scale environmental projects which can increase climate resilience. By 2038 this will enable an increase in Greater Manchester's urban green infrastructure coverage by 10% from a 2018 baseline.

Co-created Outputs: Project Delivery
Funding from the Laudes Foundation is allowing UKGBC to design a series of standardised processes and project management templates and embedding these into the organisation through documentation and training.

Building Life 2
This relates to funding secured from Laudes Foundation and Ikea Foundation for a project as part of a consortium of Green Building Councils from across Europe. The UK project will deliver a whole life carbon roadmap for the built environment, in collaboration with industry and government.

15 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose.

16 Related party transactions

There were no outstanding balances with related parties as at 31 March 2024 (2023: £nil). The total amount of donations received from trustees in the year was £nil (2023: £nil).

17 Prior year adjustment

An adjustment has been made to the financial statements to adjust an earlier year (2020-2021) misstatement of deferred membership income.The adjustment has had the effect of reducing carried forward funds by £39,492.

UKGBC

England & Wales - Charity number 1135153

Accounts

UK GBC

The voice of our sustainable built environment

2022-2023

IMPACT REPORT

ANNUAL REPORT + FINANCIAL STATEMENTS



UK Green Building Council
ukgbc.org

COMPANY REGISTRATION NUMBER 01029239
CHARITY REGISTRATION NUMBER 1135153

CONTENTS

5 FOREWORD

6 YEAR AT A GLANCE

8 2025 STRATEGY OVERVIEW

10 THEORY OF CHANGE

12 GOAL 1 — UK national and devolved policy frameworks have demonstrably evolved to reflect the critical priorities highlighted by UKGBC.

18 GOAL 2 — Local authorities have progressive built environment plans and policies that demonstrate best practice and provide signposts for national policy improvement.

20 GOAL 3 — Governments have initiated a progressive sector-wide public estate decarbonisation and procurement plan, to translate the existing targets – including from COP – into delivery.

22 GOAL 4 — Businesses are cultivating leadership mindsets, setting ambitious science-based commitments, and taking practical action to achieve these.

28 GOAL 5 — Consistent standards and metrics for built assets have been developed and are in widespread usage, and the cost of carbon is increasingly factored into investment and financing decision-making.

32 GOAL 6 — Businesses and professionals throughout the value chain and across the UK are collaborating to identify challenges and solutions, and to define and adopt best practice guidance.

36 GOAL 7 — Knowledge, skills, and competencies are increasing in order to accelerate the industry's transformative change.

40 OUR INTERNAL IMPACT

44 THE YEAR AHEAD

49 FINANCIAL STATEMENTS

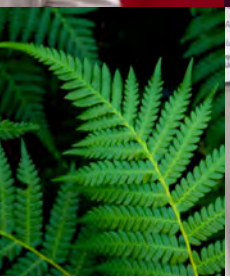



change by













FOREWORD

As I look back on the past year – my eighth and final at UKGBC – I am yet again filled with mixed emotions. Progress is being made, and solutions exist that address the permacrisis we are living through, but the pace is far too slow if we are to avert a climate and ecological breakdown.

Despite this, I am left with enormous pride in what UKGBC and its wider network have achieved and a humbling feeling of hope that the sustainable built environment movement will grow exponentially and bring about the transformation that is so urgently needed.

Globally, we saw positive momentum, with COP15 delivering what is hoped to be a 'Paris moment' for Nature and COP27 culminating in a breakthrough loss and damage fund for climate-vulnerable nations. In the UK, the interlocking cost of living and climate crises have catapulted home retrofit and energy efficiency into the limelight, despite continued setbacks in securing effective regulatory incentives and frameworks.

In such an uncertain climate, it's imperative that we communicate with clarity and conviction. So, in a year in which we celebrated our 15th anniversary, we also launched a refreshed brand and website and commenced delivery of our 2025 Strategy. Titled **'Advancing Ambition, Accelerating Action'**, the strategy comprises seven overarching 2025 goals, against which the team has worked passionately to make substantial progress.

Our **policy and public affairs** work in England, Scotland and Wales has continued to gain increasing traction in spite of the UK Government's lack of concerted progress on core policy areas. We utilised the collective voice of more than 700 members, drawing on expertise to scrutinise critical legislation and influence government in the design of policies that should affect the performance of the UK's built environment for decades to come.

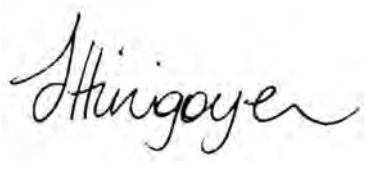
Our core programmes, **'Advancing Net Zero'** and **'Resilience and Nature'**, have generated widespread funding and support, and successfully convened a broad base of engaged member businesses to define what 'good' looks like and adopt solutions at scale.

This year, we also invested substantially in our **Insights & Innovation** workstreams, calling on our members to adopt ambitious commitments while tripling the proportion of these members who are official **Race to Zero** signatories. We convened to brainstorm how best to achieve net zero through new **Collaboration Cafes**, and we're also proud to have reached over 5,000 individuals through the portfolio of **learning and development opportunities** we curated.

We are delighted to have welcomed 23 new team members to our organisation and 134 new members to our network. Both employee Health and Wellbeing and member Impact Surveys demonstrated that our culture, processes, and values remain critically important to both staff and members alike.

Delivering value to our members remains a core priority for UKGBC, as only together, through collective action and consensus, will we be able to deliver transformative change across our sector at the required speed and scale.

As I look to the future for this extraordinary organisation, I am filled with hope as I pass the UKGBC leadership baton into the hands of my visionary successor, Smith Mordak, who starts in June. It has been a huge privilege to lead UKGBC over the best part of a decade, and I am grateful to the team, Trustees, members and wider stakeholders for the collective impact we have delivered together. I'm also grateful to the thousands of built environment professionals that have and will continue to engage with our programmes and projects and pass through our leadership programmes and courses – you are the ultimate champions of our sustainable built environment!



JULIE HIRIGOYEN
CHIEF EXECUTIVE
UK GREEN BUILDING COUNCIL

YEAR AT A GLANCE

LEARNING AND DEVELOPMENT

2022-2023
19,892
HOURS OF LEARNING DELIVERED

2021-2022
8,109

2020-2021
9,139

2022-2023
4,641
LEARNING SESSION ATTENDEES

2021-2022
4,669

2020-2021
4,566

2022-2023
89%
SATISFACTION SCORE

2021-2022
–

2020-2021
79%

2022-2023
29
LEARNING INTERVENTIONS

2021-2022
69

2020-2021
70



MEMBERSHIP

2022-2023: 9,471
2021-2022: 7,438
2020-2021: 4,956
ACTIVE MEMBER CONTACTS

2022-2023: 167
2021-2022: 200
2020-2021: 213
OPPORTUNITIES FOR MEMBERS TO ENGAGE IN UKGBC ACTIVITIES

2022-2023: 733
2021-2022: 672
2020-2021: 542
MEMBERS

2022-2023: 68%
2021-2022: 78%
2020-2021: 68%
MEMBER ORGANISATIONS ENGAGED IN UKGBC

EVENTS

2022-2023: 52
2021-2022: 42
2020-2021: 40
EVENTS

2022-2023: 3,453
2021-2022: 3,431
2020-2021: 2,673
INDIVIDUALS TOOK PART IN EVENTS

COMMUNICATIONS

2022-2023: 48
2021-2022: 35
2020-2021: 43
PRESS RELEASES

2022-2023: 1,503
2021-2022: 1,492
2020-2021: 943
MEDIA MENTIONS

2022-2023: 44.1K
2021-2022: 43.7K
2020-2021: 42K
TWITTER FOLLOWERS

2022-2023: 30K
2021-2022: 22.3K
2020-2021: 16K
LINKEDIN FOLLOWERS

2022-2023: 215.6K
2021-2022: 213.6K
2020-2021: 152K
WEBSITE USERS

2022-2023: 71.2K
2021-2022: 66.4K
2020-2021: 52K
DOWNLOADS OF ALL REPORTS/TOOLS

2025 STRATEGY OVERVIEW

WHO WE COLLABORATE WITH

- GOVERNMENT
- BUSINESSES
- INDUSTRY BODIES
- PROFESSIONAL INSTITUTES
- MEDIA
- NGOS
- THINK TANKS AND ACADEMIA

OUR ENABLERS OF CHANGE

- COLLABORATE
- INSPIRE
- ADVOCATE
- ENABLE

IMPACT AREAS WE WORK ON

- NATURE AND BIODIVERSITY
- RESOURCES
- CLIMATE CHANGE
- HEALTH AND WELLBEING
- SOCIAL VALUE

THE CHANGE WE WANT TO SEE BY 2025

GOVERNMENT

National, devolved, and local governments are creating policies which enable a just transition towards built assets that are net zero carbon, climate resilient, and maximise environmental net gain.

BUSINESSES

Businesses are working together to ensure a just transition towards built assets that are net zero carbon, climate resilient, and maximise environmental net gain.

OUR STRATEGIC GOALS 2025

GOVERNMENT

GOAL 1: UK national and devolved policy frameworks have demonstrably evolved to reflect the critical priorities highlighted by UKGBC.

GOAL 2: Local authorities have progressive built environment plans and policies that demonstrate best practice and provide signposts for national policy improvement.

GOAL 3: Governments have initiated a progressive sector-wide public estate decarbonisation and procurement plan, to translate the existing targets – including from COP – into delivery.

BUSINESSES

GOAL 4: Businesses are cultivating leadership mindsets, setting ambitious science-based commitments, and taking practical action to achieve these.

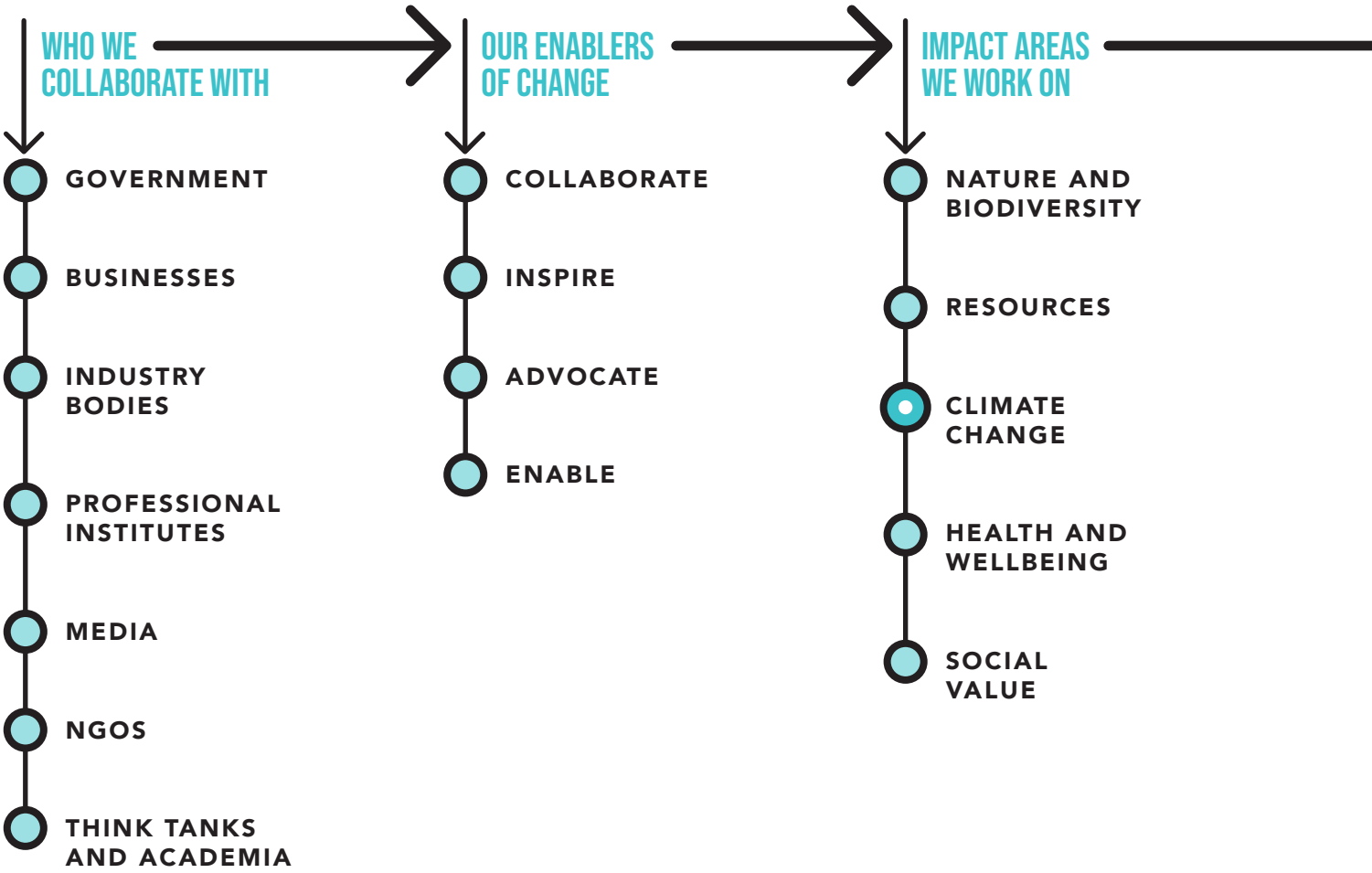
GOAL 5: Consistent standards and metrics for built assets have been developed and are in widespread usage, and the cost of carbon is increasingly factored into investment and financing decision-making.

GOAL 6: Businesses and professionals throughout the value chain and across the UK are collaborating to identify challenges and solutions, and to define and adopt best practice guidance.

GOAL 7: Knowledge, skills, and competencies are increasing in order to accelerate the industry's transformative change.

TO ACHIEVE OUR VISION A BUILT ENVIRONMENT THAT ENABLES PEOPLE AND PLANET TO THRIVE

2025 STRATEGY OVERVIEW



THE CHANGE WE WANT TO SEE BY 2025

GOVERNMENT

National, devolved, and local governments are creating policies which enable a just transition towards built assets that are net zero carbon, climate resilient, and maximise environmental net gain.

BUSINESSES

Businesses are working together to ensure a just transition towards built assets that are net zero carbon, climate resilient, and maximise environmental net gain.

OUR STRATEGIC GOALS 2025

GOVERNMENT

GOAL 1: UK national and devolved policy frameworks have demonstrably evolved to reflect the critical priorities highlighted by UKGBC.

GOAL 2: Local authorities have progressive built environment plans and policies that demonstrate best practice and provide signposts for national policy improvement.

GOAL 3: Governments have initiated a progressive sector-wide public estate decarbonisation and procurement plan, to translate the existing targets – including from COP – into delivery.

BUSINESSES

GOAL 4: Businesses are cultivating leadership mindsets, setting ambitious science-based commitments, and taking practical action to achieve these.

GOAL 5: Consistent standards and metrics for built assets have been developed and are in widespread usage, and the cost of carbon is increasingly factored into investment and financing decision-making.

GOAL 6: Businesses and professionals throughout the value chain and across the UK are collaborating to identify challenges and solutions, and to define and adopt best practice guidance.

GOAL 7: Knowledge, skills, and competencies are increasing in order to accelerate the industry's transformative change.

TO ACHIEVE OUR VISION A BUILT ENVIRONMENT THAT ENABLES PEOPLE AND PLANET TO THRIVE

INTRODUCTION

ABOUT UKGBC

UKGBC is the membership-led industry network radically transforming the sustainability of the built environment.

We represent the unified voice of our industry's current and future leaders who are working together to deliver a just transition across the sector, in response to the climate and nature crises.

Powered by over 700 member organisations from across the value chain, UKGBC is at the forefront of positively influencing policy, identifying the pathways required to propel the sector forwards sustainably and driving the solutions to transform our buildings, communities, cities and infrastructure so that people and nature thrive.



OUR VISION IS A BUILT ENVIRONMENT THAT ENABLES PEOPLE AND PLANET TO THRIVE BY:

- **MITIGATING** and adapting to climate change.
- **ELIMINATING** waste and maximising resource efficiency.
- **EMBRACING** and restoring nature and promoting biodiversity.
- **OPTIMISING** the health and wellbeing of people.
- **CREATING** long-term value for society and improving quality of life.

OUR CHARITABLE OBJECTIVES ARE:

- **TO INCREASE** the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability")*.
- **TO ADVANCE** the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education")*.
- **TO PROMOTE** the sustainability, conservation, protection and improvement of the built environment ("Raising awareness")*.

*These are the charitable activities as defined within the Financial Statements accompanying this report.

THEORY OF CHANGE

OUR THEORY OF CHANGE VISUALISES HOW UKGBC AFFECTS CHANGE ON SUSTAINABILITY IN THE BUILT ENVIRONMENT.

At UKGBC, we collaborate to advocate, enable and inspire accelerated leadership and action, primarily by business and government, on climate change, resource use, nature & biodiversity, health & wellbeing and socio-economic impact.

WE COLLABORATE
by convening diverse built environment organisations to engage in a common purpose

WE ADVOCATE
by calling for ambitious commitments, stronger standards and progressive policy and encouraging transformational leadership

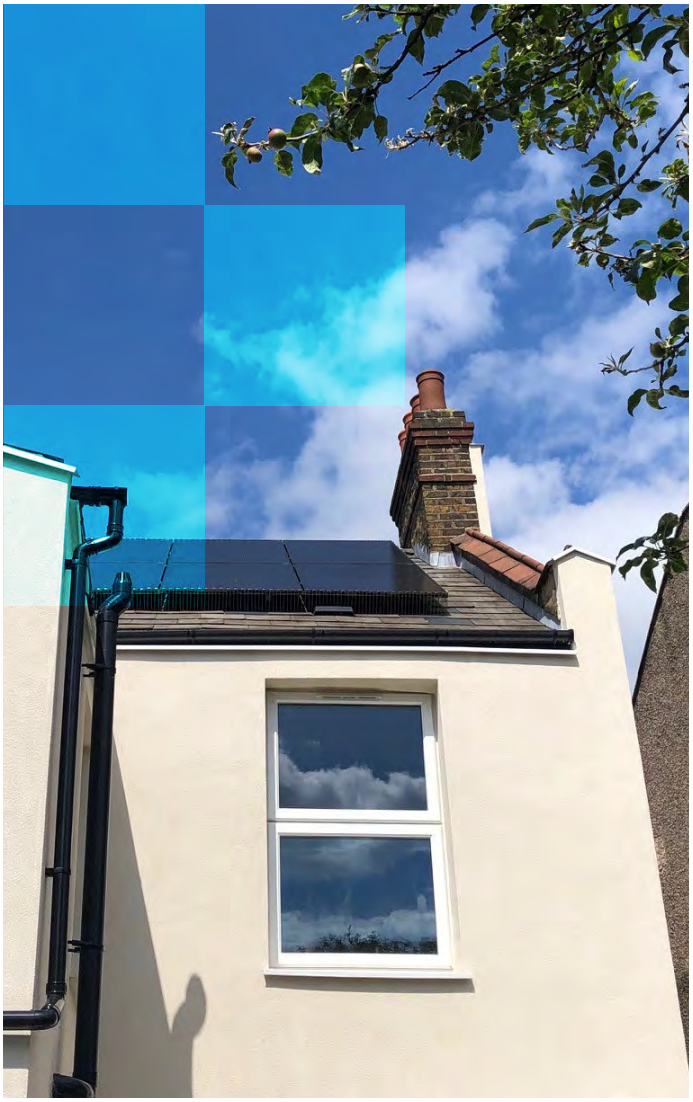
WE ENABLE
by developing guidance, showcasing solutions and stimulating innovation

WE INSPIRE
by sharing knowledge and best practice, and encouraging transformational leadership



GOAL 1

UK NATIONAL AND DEVOLVED POLICY FRAMEWORKS HAVE DEMONSTRABLY EVOLVED TO REFLECT THE CRITICAL PRIORITIES HIGHLIGHTED BY UKGBC.



BACKGROUND

This year's stark reports from climate leaders including the IPCC and the UK's Climate Change Committee have underlined the importance of UKGBC's goal to help the built environment radically and rapidly decarbonise while becoming more resilient to our changing climate. Under a new Prime Minister, the UK Government pursued changes to the Whitehall structure to refresh and re-energise its net zero commitments, but still missed a number of key opportunities to accelerate and embrace our transition to net zero and wider sustainability goals.

Against this backdrop, UKGBC focused on utilising the collective voice of more than 700 of our members to convene expertise, scrutinise critical legislation, and influence the Government's design and implementation of policies that will affect the UK's built environment for decades to come.

From preparing the sector for incoming regulations on Biodiversity Net Gain to advising and influencing parliamentary scrutiny of the Levelling-Up and Regeneration Bill, and helping shape Scotland's green transition, this year saw one of the most diverse and far-reaching policy portfolios in UKGBC's recent history.



DIVE INTO OUR IMPACT

DOMESTIC RETROFIT

- UKGBC stepped up its advocacy for urgent upgrades to the UK's housing stock through direct engagement with government officials, ministers and opposition parties, as well as membership activity, sector engagement, and media coverage. With 121 individual pieces of coverage, retrofit was the most-reported area of UKGBC political advocacy across the year, amplifying our credibility within highly salient debates about the UK's energy security and cost of living crises.
- To catalyse action, UKGBC launched a major project, powered by more than 20 members, to build a broad industry coalition championing increased government investment and the introduction of major policy levers to upgrade our nation's homes. The outputs will launch externally next year.
- We have also been working with the Energy Efficiency Infrastructure Group and others to accelerate industry momentum behind the proposal for Stamp Duty reform to incentivise home and commercial retrofits.
- UKGBC is supporting the newly established National Retrofit Hub, which is bringing the industry together to overcome barriers to retrofit delivery.

THE UK GREEN BUILDING COUNCIL ROADMAP, ON WHICH THE SCORECARD IS BASED, IS A HUGELY USEFUL DOCUMENT. IT HAS A WIDE RANGE OF THOUGHTFUL AND CONSTRUCTIVE RECOMMENDATIONS. AND THE SCORECARD ITSELF IS A REALLY USEFUL WAY OF SHINING A LIGHT ON WHERE WE ARE. I THINK WE WOULD ALL AGREE WE DO NEED TO GO FURTHER.



JOHN ALLISON
DEPUTY DIRECTOR
DEPARTMENT FOR ENERGY SECURITY AND NET ZERO





DIVE INTO OUR IMPACT CONTINUED

CLIMATE POLICY AND PUBLIC AFFAIRS

- UKGBC was appointed to the UK Government's Energy Efficiency Taskforce which brings together No 10, the Treasury and the Department for Energy Security and Net Zero (DESNZ) with key industry and third sector stakeholders to identify a path to making at least 15% energy savings by 2030. As chair of the commercial buildings working group and contributor across all policy areas, this represents a significant opportunity for UKGBC to shape critical long-range government policies and to embed the Whole Life Carbon Roadmap resources and recommendations.
- This follows an intensive year of public affairs activity with over 50 engagements with government officials and target politicians and 11 responses to government policy consultations.

11

responses to government policy consultations.

- UKGBC helped inform the conclusions of Chris Skidmore MP's Independent Review of Net Zero for the Government with a comprehensive submission drawing on member evidence. UKGBC now acts as his co-chair of the follow-on Mission Zero Buildings Network.
- Our Policy Scorecard reviewing government progress and setting out urgent priorities for the next year was reported in a major feature article by the Guardian, raised in the House of Commons and welcomed by partners and members in the UK and across Europe. This analysis helped to bolster our position as a critical friend to policymakers, and its publication was undoubtedly a factor in the 5/5 score given by UKGBC members about our policy work.
- The new Future Homes Standard is our best opportunity to stop new homes being built that are unfit for our net zero future; UKGBC drew on views from members to develop five key tests for the new Standard.

PLANNING REFORM AND THE LEVELLING UP AND REGENERATION BILL

- UKGBC is calling for the planning system to be brought into line with the Climate Change and Environment Acts. The Levelling Up and Regeneration Bill progressing through Parliament is the key opportunity to fix our broken planning system. We have played a leading role, working with our partners in the Better Planning Coalition to win support for our amendments from the Labour Party and Peers across the parties. We have met with senior officials, produced parliamentary briefing papers and engaged in the media debate on the issue.
- We were pleased to have our recommendations recognised in the Skidmore Mission Zero report, which called for a 'net zero test' to be integrated into the planning system.



BIODIVERSITY AND CLIMATE RESILIENCE

- UKGBC has been at the heart of the sustainable built environment's drive to improve and mainstream climate resilience and adaptation policies, including over 20 meetings with relevant government officials, a stakeholder roundtable on NAP3 (the National Adaptation Programme) in December and six UKGBC-led resilience labs that also included Defra officials.
- A key policy win was our joint letter with the Chartered Institute of Water and Environmental Management (CIWEM) leading the Government to commit to implementing mandatory sustainable drainage systems, a longstanding UKGBC policy ask.

85

Business members actively supporting UKGBC policy projects.

51

Engagements with target politicians/government officials.

5/5

Members gave their score for UKGBC's advocacy work to improve government decisions.





DIVE INTO OUR IMPACT CONTINUED

DEVOLVED ADMINISTRATIONS

- Against a challenging backdrop for the Scottish Government, including a change of First Minister and a report by the Climate Change Committee which raised concerns about the lack of delivery, UKGBC Scotland deepened its engagement across target areas. With 44 members supporting devolved activities, we continue to utilise our direct channels to government through our delivery group position on Heat & Energy Efficiency Scotland and our role on the Ministerial Green Heat Finance Task Force. We have also convened three industry roundtables to identify barriers to progress and facilitate the sharing of best practice.
- We have had ongoing direct engagement with policymakers on building standards, planning, finance and delivery of the green heat transition, and local retrofit programmes.
- In Wales, following UKGBC evidence to an influential Welsh Senedd committee, ministers are now required to review how council tax and the Land Transaction Tax can 'incentivise energy efficiency retrofit as a priority', and we continue to amplify our Welsh stakeholder engagement across the sector.



44

members supported devolved policy advocacy and wider activities.





THE YEAR AHEAD

The next 12–18 months will see an intensive UK national general election period, and we have already increased engagement across the political parties to win support for priority policies. UKGBC will continue to develop effective, compelling policy recommendations, convene coalitions of support, and project the voice of the UK's sustainable built environment to officials and politicians at all levels. Retrofit, future homes and buildings standards, planning system reform, biodiversity net gain and climate resilience will all feature as critical policy priorities with opportunities to influence and evolve policies across the country.

We will continue working with members in Scotland to drive devolved policymaking that will deliver energy efficiency and decarbonisation at the pace required to meet some of the world's most ambitious climate commitments, of a Net Zero Scotland by 2045, through and beyond the legislative process of the Heat in Buildings Bill this year.

GOAL 2

LOCAL AUTHORITIES HAVE PROGRESSIVE BUILT ENVIRONMENT PLANS AND POLICIES THAT DEMONSTRATE BEST PRACTICE AND PROVIDE SIGNPOSTS FOR NATIONAL POLICY IMPROVEMENT.

BACKGROUND

In recent history, national government has consistently fallen short of creating the robust and stable policy conditions we need to drive the transition to net zero and to build a climate-resilient built environment.

Furthermore, while national government is absolutely key to unlocking certain barriers to action through regulation, standard-setting, and investment, it is our strong belief that central government alone will not be able to 'solve' the net zero and the nature crises through a wholly top-down approach.

That's why at UKGBC we look to drive change amongst both national and local decision-makers, working closely with local and combined authorities. Across the UK, almost 9 in 10 local authorities (LAs) have declared a climate emergency, and they often embrace ambitious policies far ahead of national government. LAs are critical enablers of a wide range of UKGBC priorities, from nature regeneration through to energy efficiency and retrofit, but their capacity and funding for huge swathes of climate-related activity has never returned to pre-austerity levels, (e.g. net expenditure on planning has fallen by 43%, and nearly a third of planning department staff have been cut since 2009). Such cuts ensure that LAs are significantly inhibited in their ability to take critical action towards net zero and wider sustainability policies. UKGBC facilitates closer engagement between LAs and the sustainable built environment as a means of increasing capacity, knowledge, and momentum.

This year, we continued to develop our engagement with LAs, fostering collaboration between authorities and enhancing our available retrofit resources, which are making a real and tangible impact on locally led drives to encourage and support retrofits. At a project level, we have worked to address gaps in our target segments, such as the 'self-funded, able-to-pay' sector – people who can afford to take energy action, but don't feel inspired or compelled to do so. This work represents a huge opportunity to drive progress in climate change in the UK as there are around 19m owner-occupiers in the UK (almost two thirds of households), 54% of whom do not have a mortgage.

THE MONTHLY LA RETROFIT FORUM HOSTED BY UKGBC HAS BEEN REALLY VALUABLE – ENABLING US TO HEAR FROM OTHER LOCAL AUTHORITIES FACING SIMILAR CHALLENGES AND OPPORTUNITIES ON HOME RETROFIT AND PROVIDING A FANTASTIC NETWORK OF CONTACTS.



PAUL ELLIOTT
LOW CARBON CITY MANAGER, STRATEGIC PLANNING AND INFRASTRUCTURE
PLYMOUTH CITY COUNCIL

DIVE INTO OUR IMPACT

BRINGING LOCAL AUTHORITIES TOGETHER

- Since its launch in June 2022, UKGBC's Local Authority Retrofit Forum has come together to connect, support and drive collaboration amongst local authority officers keen to accelerate progress on retrofit. Created in partnership with the MCS Foundation, the forum has grown to include 81 LA officers representing 47 different local authorities from across the UK.
- Work in this forum has included: large scale retrofit delivery models, centrally funded programmes, biodiversity and climate-resilience, and carbon offset schemes to fund retrofit. The Forum provides a 'safe space' for knowledge-sharing, frank discussion and the exchange of ideas on retrofit specifically, which does not exist elsewhere.
- In partnership with the Forum members, UKGBC is also able to collate the feedback from multiple LAs about the issues they face and present these back to Department for Energy Security and Net Zero in a coordinated way, thus enabling LAs to amplify their individual advocacy.

SCALING UP RETROFIT

- To drive retrofit at scale on a regional level, UKGBC developed a proposal for LAs to cluster together to develop mass-scale, cross-tenure retrofit programmes. Together with the MCS Foundation, we identified that a key barrier to take-up amongst the UK's owner-occupied homes is the lack of local authority capacity to develop these neighbourhood-wide programmes and support retrofit delivery. Our proposals for bolstering LA capacity have been taken forward by Innovate UK under their current funding grant rounds.
- The Retrofit Playbook produced in 2020 has continued to be well used by multiple LAs including West Yorkshire, Leeds and Devon in the development of their retrofit strategies and programmes. To complement the Playbook, this year we produced a 'Retrofit Toolkit' which helps LAs to build the business case for retrofit services for their able-to -pay residents. The Toolkit is currently being tested by several LAs and feedback has been positive.

THE YEAR AHEAD

In the year ahead, we will further enhance existing resources, commencing such initiatives as the digitisation of our Retrofit Toolkit to enable a wider roll-out and maximise take-up. UKGBC will continue to explore ways of supporting under-resourced LAs to drive retrofit through a 'place-based approach' at the local level, working with colleagues to amplify and project those impacts across the UK. We will also continue to support the newly created, pan-industry National Retrofit Hub, allowing it access to, and information from, our wider retrofit work with LA decision-makers and delivery bodies.

47

different local authorities as part of our forum.

GOAL 3

GOVERNMENTS HAVE INITIATED A PROGRESSIVE SECTOR-WIDE PUBLIC ESTATE DECARBONISATION AND PROCUREMENT PLAN, TO TRANSLATE THE EXISTING TARGETS – INCLUDING FROM COP – INTO DELIVERY.



BACKGROUND

Funding is critical for the decarbonisation of public buildings, but as the Climate Change Committee pointed out in its annual report to Parliament in June 2022, current commitments only cover about a third of the funds required. UKGBC continues to call for long-term clarity around the plans, as well as longer-term funding for the transformation of public sector buildings.

While the cost of living crisis, and its exacerbation of the climate and nature crises on the most vulnerable in society, forced us to focus on Goals 1 and Goal 2 this financial year, our policy team will continue to exert influence in the public estate decarbonisation space, ensuring this remains on the radar across government.

9%

of direct CO_2 emissions
are from public sector buildings.



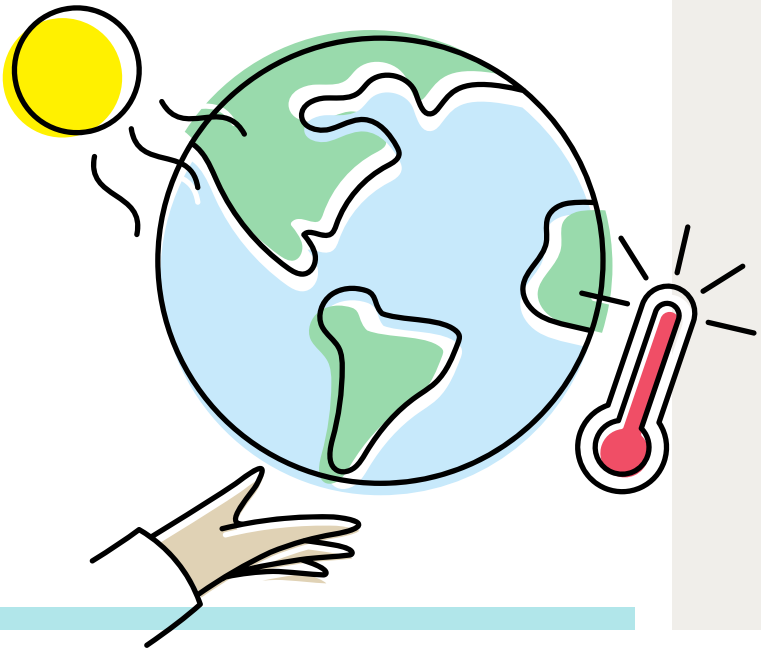
KEY INSIGHTS

- We have been engaging throughout the year with the Department of Government Property in the Cabinet Office to promote the importance of tackling the climate and nature crises in their work. We are pleased that the new Government Property Strategy, launched by Mark Chivers (Director General for Government Property from the Cabinet Office), sees creating a greener estate as a core mission. Effective data collection, monitoring and mandatory reporting of progress will be critical tests of the new approach.
- UKGBC has been utilising its role on the government's Energy Efficiency Taskforce to help position decarbonisation leadership across the public estate as a crucial fulcrum for both skills and supply chain development, and a lever to instill wider commercial confidence across the market.

THE YEAR AHEAD

In 2023-24 we will continue to work on this goal by engaging with government departments to ensure they understand the importance of this issue, and we will support wider work across both the government's Energy Efficiency Taskforce (as one of the working group Chairs) and Chris Skidmore's Mission Zero Buildings Network, which we co-Chair to help build the case and design the process for public sector leadership around urgent built environment climate action. Additionally, we will use products and projects such as the Net Zero Carbon Buildings Standard, Whole Life Carbon Roadmap and Climate Resilience Roadmap as vehicles to encourage government to show more leadership across its own estate.





GOAL 4

BUSINESSES ARE CULTIVATING LEADERSHIP MINDSETS, SETTING AMBITIOUS SCIENCE-BASED COMMITMENTS, AND TAKING PRACTICAL ACTION TO ACHIEVE THESE.



74

participants in Leadership Lite.

54

new leaders graduated from our flagship leadership programmes.

BACKGROUND

Radically transforming our built environment requires ambitious leadership. We need built environment professionals with progressive and open mindsets that give them the courage, vision and purpose to do things differently and challenge the status quo. We need organisations that are bold, take risks, innovate, and lead by example. Only through such leadership can we hope to deliver the systems-level change needed to secure a liveable future and a built environment within which people and nature can thrive, together.

To continue raising the bar on supporting leaders in the built environment to step up their impact and influence, UKGBC has delivered another successful year of its transformational Future Leaders, Change Accelerator and Recalibrate programmes, with the addition of a new virtual programme, 'Leadership Lite', designed to be more accessible to our more time-constrained members. When it comes to organisational leadership, we champion radical collaboration as the key to unlocking the ability of organisations to make and act on ambitious commitments. UKGBC holds a unique position and is privileged to act as an independent convener of such collaboration across our broad membership community, spanning the entire built environment value chain. As such, the theme of collaboration has run throughout our suite of member-only events this year.



180+

C-suite individuals actively attended our Leaders Network.

DIVE INTO OUR IMPACT

ACTIVATING TRANSFORMATIONAL LEADERSHIP

- UKGBC has successfully launched a new virtual programme – 'Leadership Lite': a six-week WhatsApp course and 54-page companion guidebook designed to be more accessible to our members and wider audiences who may not have the time and/or funding available to join one of our full programmes. The new programme attracted 74 participants totalling 444 learning hours delivered by the UKGBC.
- Demand for UKGBC's flagship leadership programmes has continued to grow this year, with a total of 54 new leaders graduating into the 2022-3 cohort.
- We hosted three fantastic gatherings for the UKGBC's Leaders Network to connect, including intimate dining moments, a private viewing of the 'In the Air' exhibition, and stimulus from an intergenerational leadership perspective.

THE FUTURE LEADERS 2022 PROGRAMME WAS FANTASTIC. IT GAVE ME THE CHANCE TO CONNECT WITH SOME TRULY INSPIRATIONAL PEOPLE. I'VE LEARNT SO MUCH ABOUT SUSTAINABILITY, INNOVATION AND MYSELF. IT HAD A GREAT MIX OF FORMATS, INCLUDING; INDIVIDUAL LEARNING, COACHING, TEAMWORK, EXTERNAL SPEAKERS, PITCHING, CREATING. I WOULD RECOMMEND THE FUTURE LEADERS PROGRAMME TO THOSE WANTING TO MAKE A LASTING AND SUSTAINABLE IMPACT TO OUR BUILT ENVIRONMENT AND TO THEMSELVES.



EMMA SUEREF
DIRECTOR
EXETER COMMUNITY ENERGY (FUTURE LEADERS 2022)





DIVE INTO OUR IMPACT CONTINUED

ENABLING ORGANISATIONAL AMBITION AND ACTION

- In response to member calls for UKGBC to dial up its industry convening power, this year we piloted a series of five new 'Collaboration Café' events. Held in-person, the Cafés were attended by over 100 UKGBC member organisations and offered an informal and uncompetitive space for sub-sector groups to knowledge-share about their organisations' net zero goals and strategies. We explored challenges they have overcome – and those still ahead – as well as what each sub-sector needs to progress at greater speed and scale.
- This year we reclarified UKGBC's membership requirements:
  - All UKGBC members must, at minimum, commit at the head-of-organisational level to take action that contributes towards the global effort needed to limit warming to 1.5°C by 2050. All members are strongly encouraged to align their commitment with the Race to Zero criteria, and to formally join the campaign through one of its partner Initiatives.
  - UKGBC Gold Leaf members are required to demonstrate their ambition and commitment by formally joining the Race to Zero campaign and aligning their activities with its criteria.
- The number of UKGBC members formally demonstrating their organisation's commitment to climate action by joining the global and UN-backed Race to Zero campaign continues to grow. Currently, 202 members have signed up, which is 28% of UKGBC membership. As an Accelerator to the Race, UKGBC works to enhance the campaign's credibility, raise the number of signatories, and support our members and the wider industry in taking immediate action to halve global emissions by 2030, and deliver a healthier, fairer zero carbon world We have been supporting our members in doing this by distilling and curating the educational resources and guidance, showcasing examples of exemplary practice and action, and by facilitating knowledge-sharing and collaboration. A key part of our Race to Zero work has been dedicated content campaigns on the Race. Key moments of impact include, 1.9k reads across three educational articles, and 56 members engaging with our social media day of action. The day gave them the opportunity to act on their '5th P' commitment and use their voice to persuade the government that net zero must stay on the agenda as part of COP27.
- UKGBC's Gold Leaf members have continued to engage deeply with us over the past year, demonstrating commitment to progressing their organisations' level of ambition and action at speed and scale. To gain insight into their direction of travel, UKGBC undertook its annual 'Gold Leaf Sustainability 360 Review' and created unique opportunities for them to come together with Gold Leaf events.



128

individuals joined our leadership courses.

202

DOUBLED ON LAST YEAR

UKGBC members signed up to the Race to Zero

THE YEAR AHEAD

In the year ahead UKGBC will strengthen its focus on leadership with current and future leaders through the continuation of its high-impact leadership programmes: Future Leaders, Change Accelerator and Recalibrate. We will also continue to run Leadership Lite programmes with the aim of extending the breadth and depth of our reach throughout the industry. To build on the success of our current offerings, over the next year we're committed to piloting a new leadership programme targeted at mid-level decision makers, designing new inspiring and experiential events for our Leaders Network, offering more opportunities and events for all alumni from our previous leadership programmes to connect, and creating a continuation of their learning journey's that herald "systems change" as the requisite action for tackling the climate and ecological crises.

For corporate commitments, insights gained from this year's series of Race to Zero-themed Collaboration Cafes will be used to shape and tailor the support we offer to members around joining the Race moving forward. We'll also continue to work with our Gold Leaf members as we inspire them through exclusive events, driving action on not just carbon but also climate resilience and nature.

OUR UKGBC GOLD LEAF MEMBERSHIP HAS BEEN A KEY ENABLER FOR US JOINING THE RACE TO ZERO. TO ENSURE WE CONTINUE TO REMAIN ACCOUNTABLE, OUR BUSINESS HAD ITS FOOTPRINT CERTIFIED BY ONE OF UKGBC'S MEMBERS, PLANET MARK, AND WE HAVE ALSO CREATED OUR NET ZERO TARGETS THROUGH THIS PROCESS. THE UKGBC HAS HELPED US WITH OUR OWN UNIQUE AND ROBUST SUSTAINABLE PRODUCT AS WELL AS WITH OUR ESG JOURNEY, AND WE VALUE THIS RELATIONSHIP HIGHLY.



SMITHI SHARNA
ESG & ASSURANCE MANAGER
ATELIER

UK GBC
Gold Leaf Member

DIVE INTO OUR IMPACT CONTINUED

Out of 66 Gold Leaf members included:

65%

were Race to Zero signatories.
11% increase on last year.

41%

had set third party verified near-term emissions reduction targets, the majority aiming for 2030 and 30% of these were aligned with 1.5C trajectories. 5% increase on last year.

83%

were working to enhance nature and biodiversity.
13% increase.

33%

were working to deliver BNG.
11% increase.

74%

were working to deliver circular economy principles.
29% increase.







58%

were reporting in line with TCFD recommendations.
29% increase.

36%

were working to deliver Nature-Based Solutions.
23% increase.

9%

targetting zero absolute waste.
9% increase.

29%

already sending zero waste to landfill.
7% increase.

GOAL 5

CONSISTENT STANDARDS AND METRICS FOR BUILT ASSETS HAVE BEEN DEVELOPED AND ARE IN WIDESPREAD USAGE, AND THE COST OF CARBON IS INCREASINGLY FACTORED INTO INVESTMENT AND FINANCING DECISION-MAKING.





BACKGROUND

Fundamental to our mission to radically improve the sustainability of the built environment is the need for developing a shared understanding of what must be achieved by the industry and the key milestones that must be met on the pathway to a net zero, climate resilient and regenerative built environment. Developing a consistent set of industry-wide standards is not only essential for defining the parameters and metrics of success, but it is also important for minimising greenwashing, green hushing and strengthening the credibility of climate-related achievements.

As highlighted in UKGBC's 2025 strategy, a core component of our work through to 2025 will be the strengthening and delivery of existing targets, standards and metrics, and the origination of new versions where gaps exist. Over the past year we have made considerable headway in relation to this goal. On net zero carbon, UKGBC has played an instrumental role in bringing industry together to announce the development of the UK's first Net Zero Carbon Buildings Standard (NZCBS), which is now in the capable hands of UKGBC Trustee David Partridge, as Chair of its Governance Board.

On whole life carbon, over the last year UKGBC has delivered a programme of activities that champion our Net Zero Whole Life Carbon Roadmap as the industry's science-based pathway to decarbonising the built environment in line with a 1.5°C scenario. Created in partnership with the Laudes and Ikea Foundations, the Whole Life Carbon Roadmap is part of a European-wide #BuildingLife project, which is set to expand over the coming years. Regarding climate adaptation, our Resilience and Nature team has been working hard to take forward the challenge of developing science-based metrics and targets for climate resilience in the UK built environment.



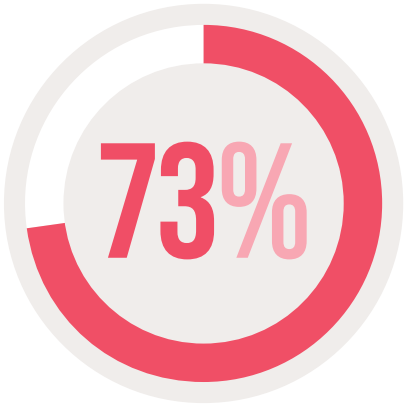
DIVE INTO OUR IMPACT

VERIFYING NET ZERO CARBON CLAIMS

- Our Advancing Net Zero team have published and are maintaining a Net Zero Framework clarification document to ensure UKGBC's guidance remains up to date for the industry and continues to provide a route to plan for net zero carbon in operation and in construction.
- UKGBC has played an instrumental role in getting the UK's first NZCBS off the ground, including taking on the role of interim Chair of the Governance Board whilst a Chair was being formally nominated. This standard will be instrumental for industry, representing the first collaboratively made net zero standard that will act as a definitive guide to follow. Ultimately, it will remove confusion and competition and drive a higher uptake of net zero buildings.

CREATING SCIENCE-BASED METRICS AND TARGETS FOR CLIMATE RESILIENCE IN THE UK BUILT ENVIRONMENT

- As noted by the Climate Change Committee, the UK currently lacks associated targets or goals for resilience standards at a national, local or sectoral level. This year our Resilience and Nature team began the preparatory work for developing a Climate Resilience Roadmap for the UK, creating the project proposal and a solid base of foundational work. By developing science-driven, industry-wide targets to be achieved in the short, medium, and longer term, this project will help to fill the urgent and critical gap identified by the CCC – investing in and optimising our built environment for a climate-resilient future.

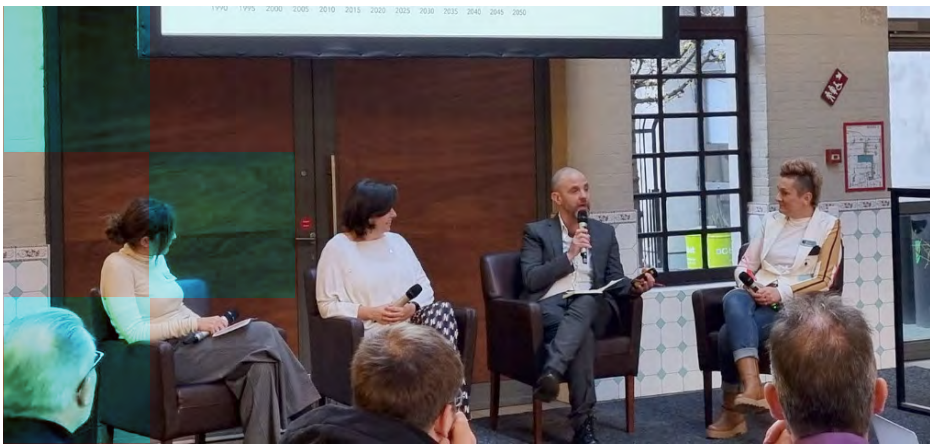


Members found our work 'Driving standards development and best practice' to be useful.

THE UKGBC HAS BEEN HUGELY CATALYTIC IN A NUMBER OF REALLY CRITICAL AREAS OVER THE LAST YEAR. ITS WORK IN BRINGING TOGETHER A "RADICAL COLLABORATION" OF THE INDUSTRY'S MAIN PLAYERS BEHIND THE UK NET ZERO CARBON BUILDING STANDARD IS A GREAT EXAMPLE OF THE IMPACT THAT IT IS NOW CAPABLE OF HAVING, WAY BEYOND ITS OWN MEMBERSHIP ORGANISATIONS.



DAVID PATRIDGE
CHAIRMAN AT RELATED ARGENT, AND CHAIR OF NZC BUILDINGS STANDARD



DIVE INTO OUR IMPACT CONTINUED

ROUTE TO DECARBONISING THE UK BUILT ENVIRONMENT IN LINE WITH A 1.5°C SCENARIO (WLCR)

- To target those with a significant role to play in decarbonising the UK built environment, a series of stakeholder workshops have been delivered with over 180 attendees centred around the Whole Life Carbon Roadmap's industry-focused action plans. A deep dive video series into different areas of the WLC Roadmap has also been released with the aim of raising awareness and understanding of the key milestones industry must achieve in the decade ahead. On our website, we built a new hub for the Roadmap to raise awareness of these resources and created key blogs to dive into the details of the trajectory.
- Insights from the Roadmap are being used to develop science-based targets to reflect net zero aligned performance at an asset level, as part of the wider development of the UK's first NZCBS.
- Tracking industry and policy progress against UKGBC's Net Zero Whole Life Carbon Roadmap has formed a key part of our work this year.

  Read more about this in Goal One.

4,780

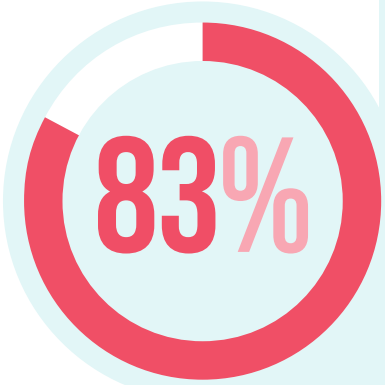
unique downloads of the Whole Life Carbon Roadmap main report.

58

pieces of media coverage on the Whole Life Carbon Roadmap.

180

participants across 5 stakeholder workshops.



of UKGBC member survey respondents had used the Whole Life Carbon Roadmap as part of their work in the last year.



THE YEAR AHEAD

This will see the continuation of our work to bring clarity and consistency when measuring progress across the industry. Over the coming year, our Advancing Net Zero team will continue to support the development of a Net Zero Carbon Building Standard, using our reach and influence during a crucial phase of public engagement and consultation. Until the Standard is published, we will maintain the UKGBC Framework Definition as industry's main route to plan for net zero. Our Resilience and Nature team will formally kick off the development of the Climate Resilience Roadmap, and in partnership with industry will identify and set out agreed targets and metrics.

Dissemination and engagement around UKGBC's Net Zero Whole Life Carbon Roadmap will be expanded as we enter phase two of the #BuildingLife project alongside other GBCs across Europe, with plans to publish an industry status report two years on from the Whole Life Carbon Roadmap's launch and further tracking of government action. This year will also see increased focus on the role of investors in delivering the Roadmap's ambition, with the launch of a new Finance and Value workstream, as well as exploring action at a national level in Scotland.





GOAL 6

BUSINESSES AND PROFESSIONALS THROUGHOUT THE VALUE CHAIN AND ACROSS THE UK ARE COLLABORATING TO IDENTIFY CHALLENGES AND SOLUTIONS, AND TO DEFINE AND ADOPT BEST PRACTICE GUIDANCE.

THE ADVANCING NET ZERO PROGRAMME IS REALLY ACCELERATING THE BUILT ENVIRONMENTS RESPONSE TO THE CLIMATE CRISIS. THE PROGRAMME IS LEADING ON KEY TOPICS, PROVIDING THOUGHT LEADERSHIP AND DELIVERING OUTPUTS WHICH ARE HELPING TO DRIVE CHANGE IN THE INDUSTRY. BERKELEY GROUP IS PLEASED TO CONTINUE TO SUPPORT THIS PROGRAMME.



LOUISE CLARKE
GROUP HEAD OF SUSTAINABILITY
BERKELEY GROUP





BACKGROUND

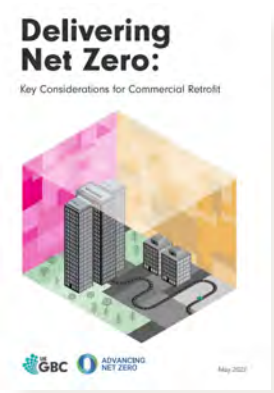
As a member network, we believe radical collaboration is pivotal to the net zero transformation ahead. Our sector faces many challenges, but by working together to identify these and find scalable solutions, they can be overcome. At UKGBC, our model for collaboration between our members and beyond is unique, and it's creating the relationships that will tackle the key sustainability issues of this decade.

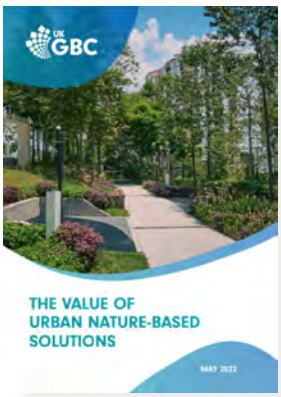
WHAT IS IT THAT MAKES THE COLLABORATION WE CREATE SO TRANSFORMATIVE?

Firstly, all of our work is informed by deep listening and the priorities of our network. Our Advancing Net Zero and Resilience & Nature programmes are key examples of this, as programme partners work side-by-side with our core team to shape the priorities and projects for the year ahead. Secondly, we provide a diverse range of opportunities to get involved – from project steering partnerships to technical roles in task groups and open conversations in one of our many forums.

These opportunities are also integrative, giving space to a wide range of industry professionals from across the value chain. Additionally, the collaboration within our network is co-beneficial, resulting in outcomes that help accelerate all parties on their sustainability journeys. Indeed, nurturing and accelerating a sustainable built environment is at the heart of all our collaborative work, and our range of opportunities inspire bold climate action and robust sustainability leadership amongst the industry.





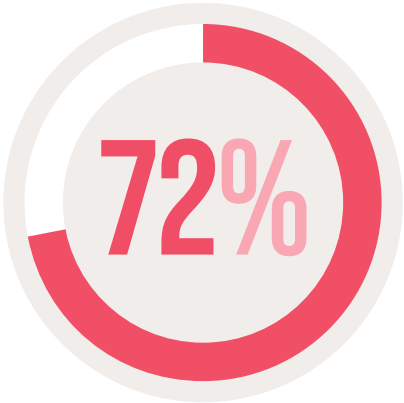




DIVE INTO OUR IMPACT

COLLABORATING TO CREATE BEST PRACTICE GUIDANCE

- Our Advancing Net Zero team has worked with over 70 members and industry organisations in the past year to create three pieces of guidance on the circular economy, covering an **investigation into the link between carbon reduction and circularity**, the systems-level change we must see to deliver a more circular built environment, as well as a **deep dive** curated by our Circular Economy Forum into best practice approaches for measuring circular economy principles in the built environment.
- This year our Advancing Net Zero team has published a new cost evaluation study into net zero carbon homes and has kickstarted three additional projects which will be launched later in 2023.
- Notably, the **System Enablers for a Circular Economy** report, launched in January, represents over a year of collaboration between several key partners. In the quarter since its launch, it has been downloaded over 1,000 times and continues to embolden the industry with sector-leading, systems-level guidance for creating a circular economy.
- Similarly, our Resilience & Nature team has worked closely with our membership to create and disseminate their guidance. Their Measuring & Reporting Physical Risk labs gave selected members the hands-on experience of applying **our guidance** to their assets, deepening their knowledge of climate risks and the need for adaptation. The two reports published by the team – the **Value of Urban Nature Based Solutions** and the **Nature Recovery and Climate Resilience Playbook** – demonstrate the collective work of industry experts giving practical, applicable steps for building nature into our towns and cities. Our Nature Playbook got a particularly large reach on social media, with **168 engagements and more than 4,000 impressions** on the launch tweet alone.



of UKGBC members say they joined "To collaborate with other organisations across the built environment value chain and find ways of overcoming barriers to sustainable outcomes. This is an improvement on 66% last year.

843 DOUBLED ON LAST YEAR

individuals that took part in Advancing Net Zero activities.

428

individuals involved in Resilience & Nature activities. This has increased from 275 last year.

41

Members in the Circular Economy Forum.



DIVE INTO OUR IMPACT CONTINUED

FACILITATING OPPORTUNITIES FOR IDENTIFY CHALLENGES AND SOLUTIONS

- UKGBC's forums continued to be a hub for collaboration and radical thinking. Our well-established Circular Economy forum now has 41 members and offers a unique insight into the trajectory of our industry as we leave the linear economy behind. They've shared these insights as numerous blogs and the 'Circular Economy Metrics for Buildings' deep dive. Similarly, the new Net Zero Solutions Forum brings together key industry organisations and is enabling the dissemination of net zero solutions at speed and at scale.
- A key example of knowledge sharing is the continued growth of our Solutions and Case Study Libraries, which showcase innovative and readily-available means of addressing sustainability challenges within the built environment, and highlight the exemplary work of UKGBC members. New for this year, UKGBC's Solutions and Innovation Advisory Group brings diverse experts together from across our membership, to provide feedback on content for the Solutions Library and provide market insights to our Innovative Start–Up Members. This builds on the work of our Innovative Start-Up Forum, which convenes leading UKGBC members from different sub-sectors with our start-up members for networking and knowledge sharing.

JOINING INDUSTRY INITIATIVES TO BE A PART OF A SECTOR-WIDE CLIMATE MOVEMENT

- We cannot create impact by our workstreams alone. In the past year our Advancing Net Zero team has worked on 20+ initiatives with a range of our peers to help drive the net zero agenda, including working closely with RICS on an update to their professional statement, BSI on the revised PAS 2080 Standard, CRREM on the update to their decarbonisation pathways and the STBi on their buildings pathway.

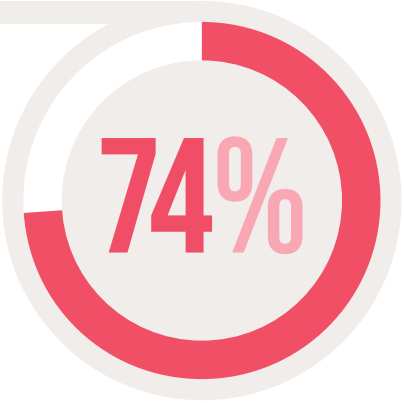


240+

Solutions and case studies in the library. Increased from 150+ last year.

70

Innovative Start-Up Members.



of UKGBC Members agree or strongly agree that their membership allows them to, "Gain valuable insight from across the built environment value chain.

JOINING UKGBC IS VITAL FOR ANY START-UP LOOKING TO MAKE AN IMPACT IN THE BUILT ENVIRONMENT. UKGBC'S INNOVATIVE START-UP FORUM IS PARTICULARLY IMPORTANT, AS IT IS WHERE BIG BUILT ENVIRONMENT ORGANISATIONS COME TO CONNECT WITH START-UPS, AND WHERE INNOVATORS COME TO UNDERSTAND HOW THEY GET PROCURED AND IMPLEMENTED. I AM EXCITED TO CONTINUE USING THE FORUM TO ENABLE COLLABORATION AND KNOWLEDGE-SHARING THAT ADDRESSES SHARED SUSTAINABILITY CHALLENGES ACROSS THE INDUSTRY.



GILBERT LENNOX-KING
CEO AND CO-FOUNDER OF CONSTRUCTION CARBON

THE YEAR AHEAD

Much of the work from this financial year will continue, with emphasis placed on the need for meaningful collaboration within our network. Our Advancing Net Zero team will focus on creating best practice guidance on the topics of Embodied Carbon, Renewable Energy Procurement, Commercial Retrofit & Carbon Pricing. Our Resilience & Nature team will focus on best practice guidance for Biodiversity Net Gain, Embodied Ecological Impacts and industry-wide climate risk through our Climate Resilience Roadmap project.

To empower collaboration within our network, the Resilience & Nature team will be holding a series of Collaboration Cafés to convene members around the topic of Climate Resilience. New activities in our solutions and innovation workstream will include the creation of Inside Innovation deep dives exploring the solutions available around trending sustainability topics across the built environment, as well as a reinvigorated Academic Research Forum, to convene and gain insight from UKGBC's university and researcher membership.

Finally, to foster more collaboration between ourselves and our network, and increase the number of industry members who have access to opportunities to feedback or input in our work, we are launching two Communications Steering Groups for the year ahead. This will involve bringing marketing and communications teams from our key partners together to provide strategic counsel and amplify the success of communications activities.

GOAL 7

KNOWLEDGE, SKILLS, AND COMPETENCIES ARE INCREASING IN ORDER TO ACCELERATE THE INDUSTRY'S TRANSFORMATIVE CHANGE.

4,600

individuals to learn new sustainability skills and be supported on their learning and leadership journeys.





BACKGROUND

To transform our built environment into a space that is net zero, climate resilient and regenerative, we need everyone on board. UKGBC views widescale development of knowledge, skills and competencies as crucial to achieving our vision of a built environment that enables both people and the planet to thrive. Our Learning and Development programme is at the heart of this goal and continues to deliver broad and deep impact through its diverse and comprehensive learning portfolio.

This financial year, UKGBC's Learning and Development team continued to identify and anticipate the built environment's needs and deliver learning that enabled the industry to upskill across UKGBC's key impact areas via a range of formats. The return of in-person site tours has been a notable highlight, as we facilitate the exploration of how sustainable design principles are realised in practice, visiting case studies from our programmatic reports to hear from those with direct experience of the associated project.

In addition, expanding our digital offering has also been a core feature of the past year as we aim to reach a wider, more diverse, and global audience. More than ever, we've grown our reach, and our work has enabled 4,600 individuals to learn new sustainability skills and be supported on their learning & leadership journeys.



DIVE INTO OUR IMPACT

TO ENABLE EVERYONE TO PLAY A ROLE IN THE TRANSITION TO A SUSTAINABLE BUILT ENVIRONMENT

- To enable all stakeholders to upskill and play their part in transforming the built environment, we have launched two new learning resources which contribute to our goal of developing sustainability learning that is widely accessible, regardless of background, expertise, or resource availability.
  - This year, UKGBC's Learning Team launched a new online course, hosted on the FutureLearn platform. An Introduction to Sustainability in the Built Environment is an interactive, four week learning path that enables participants to establish a solid introductory-level understanding of green building. Since launching, the course has welcomed over 1000 joiners from 85 different countries and received positive feedback from global learners starting out on their sustainability learning journey.
- Following requests from members to develop short, introductory level resources, UKGBC launched our new Bitesize Learning Guides. The Bitesize Learning Guides are a growing suite of concise and free-to-download resources designed to build knowledge and confidence across the industry on key sustainability concepts and approaches. Tailored to meet the learning needs of all built environment stakeholders, the Bitesize suite is comprised of our Explainer and Practical Guides, which detail key carbon concepts and practical approaches to sustainable building, respectively. In the first month of launching, the Bitesize Guides had over 2,600 unique views and have been shared online with positive feedback by numerous industry stakeholders.
- Additionally, after mapping our key audiences and what they want to learn from UKGBC, we built our new site around their user journeys. This resulted in a website that champions knowledge and learning opportunities, with key topic pages that offer introductory insights to all our main areas of work. All of our work is therefore immediately more accessible to a wider audience, as everyone has quick access to the base understanding needed to engage in many of our resources.

IF YOU ARE STRUGGLING TO NAVIGATE THE OPTIONS AND CHOICES TO SUPPORT YOUR OWN DECARBONISATION JOURNEYS OR SIMPLY JUST NEED SOME GREAT EXPLAINERS TO GET YOU ON YOUR WAY, THEN THESE BRILLIANT BITESIZE GUIDES FROM OUR FRIENDS AT UK GREEN BUILDING COUNCIL MIGHT JUST BE A GAME CHANGER!



DAVE BRIGDEN
SENIOR DIRECTOR – REAL ESTATE AND HOUSING
LLOYDS BANKING GROUP









DIVE INTO OUR IMPACT CONTINUED

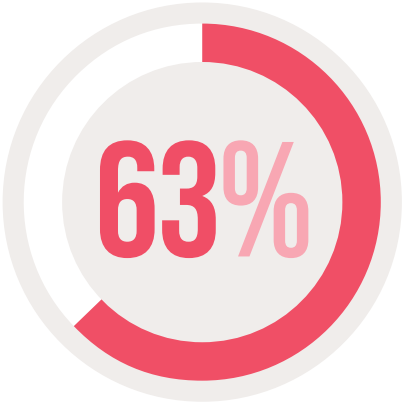
DELIVER HIGH QUALITY BESPOKE COURSES AND RESOURCES

This year has seen a considerable increase in demand for bespoke learning that supports organisations in the development of sustainability knowledge, leadership and expertise. Each programme is customised to meet the needs of the organisation and foster a collaborative mindset to maximise impact and meet corporate sustainability strategies and targets.

UKGBC's Learning and Development Team have designed and delivered six new bespoke learning programmes for organisations spanning the finance, developer, contractor, architecture, occupier and consultancy sectors. Formats of learning ranged from three-part playbooks, immersive leadership programmes, Carbon 101 training and online workshops.







of UKGBC Members either agreed or strongly agreed their membership, 'Supported you, or your team to develop the knowledge, skills and competencies required to achieve more sustainable outcomes.

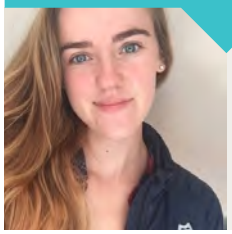


of members said they found in person events and networking, 'extremely or somewhat useful'.

THE YEAR AHEAD

This year, UKGBC is focusing on membership as well as awareness projects. We will continue to evolve, develop and deliver bitesize videos and written guides, as well as FutureLearn online modules.
We will also continue to build the depth of knowledge around our key impact areas and host webinars, workshops and masterclasses that build on our programmatic workstreams and embed learnings from UKGBC's key guidance reports. In addition to these formats, we plan to deliver further immersive and experiential learning experiences that enable participants to take a hands-on approach to sustainable buildings and learn whilst working on live projects. As always, these learning opportunities will draw from a wealth of expertise from our internal team and our member network to provide participants with a range of expert insights and perspectives on core sustainability approaches.
Where individual members wish to upskill their staff community with sustainability knowledge, skills and leadership, UKGBC will continue to design and deliver bespoke programmes that meet their needs.

TODAY I COMPLETED 'AN INTRODUCTION TO SUSTAINABILITY IN THE BUILT ENVIRONMENT' ONLINE COURSE HOSTED BY UK GREEN BUILDING COUNCIL (UKGBC). THIS COURSE PROVIDED A GREAT INSIGHT INTO THE CAUSES OF CARBON EMISSIONS IN THE CONSTRUCTION INDUSTRY AND HOW A POSITIVE MOVE TOWARDS NET ZERO WILL BENEFIT THE INDUSTRY AND THE WORLD. AN EMPOWERING QUOTE THAT I TOOK FROM THE COURSE WAS FROM GRETA THUNBERG WHO STATED THAT "THE CLIMATE CRISIS HAS ALREADY BEEN SOLVED. WE ALREADY HAVE THE FACTS AND SOLUTIONS. ALL WE HAVE TO DO IS WAKE UP AND CHANGE.



REBECCA GREEN
ASSISTANT PLANNER
COUNTRYSIDE PARTNERSHIPS

OUR INTERNAL IMPACT

Central to UKGBC's external impact is our core team, who are dedicated to our mission and committed to delivering even more progress with our network and beyond. As a team, we face the daily realities of the interconnected climate, nature and cost-of-living crises, with pragmatism, resilience and hope. We look inward as well as outward, knowing that building a net zero, climate resilient and regenerative built environment needs each and every one of us to play our role, which is why we also focus on people and operational sustainability at UKGBC.

UKGBC TEAM ACTIVITIES

- Monthly 'Birthday lunch'
- Full team summer night away in nature
- Christmas party
- Team bonding with axe throwing
- Full team training with the 'Impact Factory'
- Monthly team meetings to share ideas and overcome challenges.









It's been a busy year for the UKGBC team, with the announcement of Julie Hirigoyen stepping down as CEO, 23 individuals coming on board, and a full programme of activities prescribed by our newly expanded People and Culture team. Internally, we have focused on our own sustainability, health & wellbeing, and diversity & inclusion principles.

Firstly, we see reducing our own impact on the planet as a priority. Our new Solutions and Innovation team explored new avenues for further tackling our own emissions footprint, whilst our 'Green Team' worked to embed sustainable practices into our culture.

Secondly, we take the wellbeing of our team seriously, agreeing with the 2023 IPCC report that, 'Climate Action requires the best of humanity. And that requires the best of us'. This means our team must feel supported to put their welfare and happiness first. UKGBC must be a place where our team pursues meaningful, impactful work, but most importantly a place where they can thrive and feel comfortable. Over the past year, both our Health & Wellbeing and Diversity & Inclusion groups have taken steps to ensure this.







DIVE INTO OUR IMPACT

Stepping up our sustainability

- UKGBC's 'Green Team' has been working diligently over the past year to understand how we can reduce our core team's carbon emissions. As part of this, we continued to ensure that the office's electricity is supplied by a renewable tariff, which includes all heating and cooling. We have also taken more rigorous measures to offset employees working from home. This included, for the first time ever, accounting for our commuting emissions. This offsetting process followed our own best practice guidance, choosing peat land restoration through the Cùl Mòr Scottish project, which is certified using the UK Peatland Code.
- Our Green Team investigated the link between our pension funds and sustainable investment. To help the team understand the sustainable pension plans offered by UKGBC, and the steps we can take to ensure sustainability across our pension portfolios, a deep dive presentation was held.
- The Green Team wanted to tackle not only our carbon emissions, but also our environmental impact. They encouraged the team to think about the impact of western food systems on our climate and natural habitats and held a Veganuary initiative. Overall, 57% of participants went fully planet based whilst a further 28% tried a new plant-based food alternative throughout the programme period.
- As an organisation that delivers considerable impact through resources on our website, we gave ourselves the challenge this year of creating a new website which emits less carbon per page. By working with web agency Wholegrain Digital, we not only met but much exceed this target with a new website that's 94% cleaner than our old website.



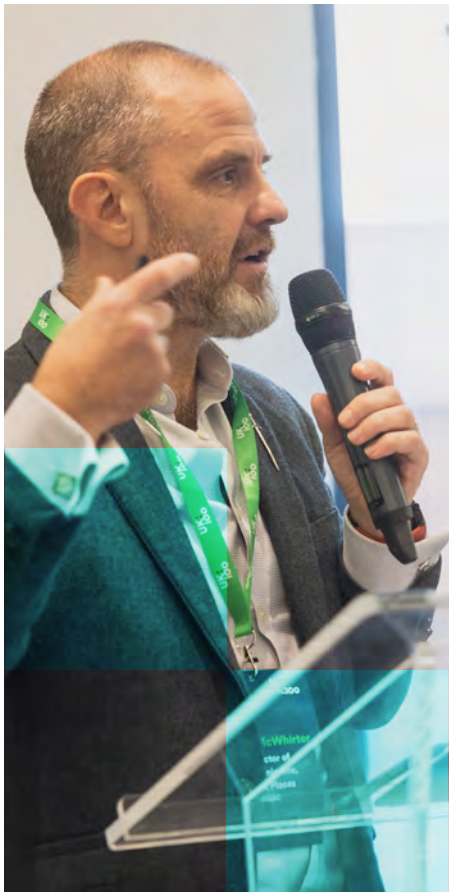
Putting our people first

- As a team passionate about what we do, it's easy to put work first, and our new Health & Wellbeing Group is setting the standard that we must all prioritise our wellbeing together. To achieve this, the H&W group has defined the state of health and wellbeing across UKGBC with an in-depth survey, to be repeated yearly. The results were promising, with 12 out of the 13 areas assessed coming back with a positive response. We also had an overwhelmingly positive response around "meaningful work" and "working relationships". We're already underway with feedback from the survey, for example providing more training for line managers and organising team specific socials.
- This year was also the third year of our Diversity & Inclusion group, who continued to strive for a more inclusive culture at UKGBC. Activities included a bespoke whole team training session on Diversity & Inclusion from our partners Inclusive Employers as well as an initial survey to understand the diversity of UKGBC & how inclusive we find it to be. In particular, we want to tackle the issue of a lack of diversity in our member task groups, so we have evolved the acquisition document to highlight diversity as a priority and asked members to consider diversity when nominating individuals.
- Additionally, as part of our brand and website evolution, we made accessibility and inclusion key parameters for success. We designed the website with accessibility in mind and took measures such as, testing the site with screen readers and adjusting brand colours to ensure the contrast was high enough for everyone to read. When it came to our brand, we put diversity and inclusion considerations at the heart of our development, and practically this is expressed for example, in our iconography and photographic style.



THE YEAR AHEAD

For aeons, the green movement has perenially heralded moments in time as critical turning points for climate action. But although historical progress might suggest otherwise, it feels like the stars may be aligned for substantive change now. Sustainable practices, green innovations, the flow of finance and some exemplary on-the-ground local leadership are gathering pace across our industry, in many – or most - cases outpacing national Government progress. At the same time, the confluence of a horrible war overseas, a cost-of-living crisis at home and a long-awaited General Election on the horizon have produced a real laser focus on the urgent need for transformative climate policies and actions.



At UKGBC, empowered by our network of over 700 members from across the built environment, we're already at the heart of significant efforts to deliver the most consequential climate and nature-based policies and tools for the built environment. From my seats on the UK Government's Energy Efficiency Taskforce and co-Chairing Chris Skidmore MP's Mission Zero Buildings Network, UKGBC's well-placed to guide decision-makers – whether political or business – through the inevitable pre-election shapeshifting and politicking, with reasoned, evidence-based recommendations and an uncompromising commitment to progress.

Looking back at the trajectory and momentum UKGBC created with the Whole Life Carbon Roadmap in 2021, we have been firm and honest with the Government about how the UK remains off-track to net zero. This year, we'll continue to be frank about what needs to change, and how to wrestle our policy direction back onto the right path in an ever-shrinking time window. But while we won't pull our punches on the shortcomings of new build standards, stagnant retrofit activity, or sub-par levels of net zero finance – we will always use the collective expertise of our membership to convene, demystify, and develop positive solutions.



Our follow-on Roadmap project, #BuildingLife2, will help the industry to forge ahead with tools, guidance and deeper-dives on key technical issues, underpinned over time by the Net Zero Carbon Buildings Standard, of which we are a major contributing partner – and which we see as a long-term fulcrum for ambitious policy and industry progress. In parallel, our Resilience Roadmap project will extend this rigorous scientific approach to define how to stabilise and recraft policy and industry action over the years and decades ahead to ensure we have a truly resilient built environment, capable of coping with our ever-warming climate. And through our forward-looking collaborations with regional and devolved authorities from the West Midlands Combined Authority to the Scottish Government, we will continue to deliver our twin-track goals of enabling real local-led impact while also using these best practice exemplars to create templates for others to follow, including on the national stage.

As we bid a heartfelt farewell to our inspirational Chief Executive and simultaneously usher in a new and exciting leadership era, in the year ahead UKGBC will continue to face the challenges head-on with real vim and vigour; and drive ambition and action to support the industry to deliver a net zero, climate-resilient and biodiversity-rich built environment.



SIMON MCWHIRTER
DEPUTY CHIEF EXECUTIVE AND
DIRECTOR OF EXTERNAL AFFAIRS
UK GREEN BUILDING COUNCIL

MESSAGE FROM INCOMING CHIEF EXECUTIVE

I'M SO EXCITED TO BE JOINING UKGBC AT THIS CRUCIAL MOMENT, AS SOCIETY AND THE BUILT ENVIRONMENT WITHIN IT ARE MOVING FROM COMMITMENT TO REAL ACTION. I'M EXHILARATED BY THE ENORMOUS POTENTIAL TO LEVERAGE THE DEEP TECHNICAL EXPERTISE AND UNIQUE POSITIONING OF UKGBC'S EXTENSIVE NETWORK. WE SHOULDN'T BE SHY ABOUT THE SYSTEMIC CHALLENGES WE COLLECTIVELY FACE, BUT WITH RADICAL COLLABORATION AND CREATIVITY WE CAN MAKE THIS TRANSITION FAIR, AUTHENTIC, AND MEANINGFUL.



SMITH MORDAK
INCOMING CHIEF
EXECUTIVE OF UKGBC

2022-2023 PROGRAMME AND PROJECT PARTNERS

ADVANCING NET ZERO PROGRAMME PARTNERS

bam, Berkeley Group, BURO HAPPOLD, CBRE, GROSVENOR, HOARE LEA, ISG, JLL, LLOYDS BANKING GROUP, ROCKWOOL, Turner & Townsend

RESILIENCE AND NATURE PROGRAMME PARTNERS

BURO HAPPOLD, HOARE LEA, Hydrock, JLL

RENEWABLE ENERGY PROCUREMENT PHASE 2 PROJECT PARTNERS

AmpersandPartners, Landsec, Low Carbon Alliance, MACFARLANES, STANHOPE

EMBODIED CARBON PROJECT PARTNERS

MULTIPLEX, Hawkins\Brown, PfP Capital, igloo

COMMERCIAL RETROFIT PROJECT PARTNERS

BENNETTS ASSOCIATES, bruntwood, CANARY WHARF GROUP PLC, Low Carbon Alliance, MITSUBISHI ELECTRIC, SHAFTESBURY CAPITAL

BIODIVERSITY NET GAIN PROJECT PARTNERS

ARUP
Greengage
LAING O'ROURKE
lendlease

PHYSICAL RISK LAB PROJECT PARTNERS

bruntwood
CLARION HOUSING GROUP
HS2

EMBODIED ECOLOGICAL IMPACT PARTNERS

MOTT MACDONALD
City of Westminster
XEROC

DOMESTIC RETROFIT PROJECT PARTNERS

CLARION HOUSING GROUP
se2
e·on
GREATER LONDON AUTHORITY
hta
lendology·cic

CIRCULAR ECONOMY FORUM PARTNERS

BNP PARIBAS REAL ESTATE
STRUTT & PARKER
RAMBOLL

CIRCULAR ECONOMY PROJECT PARTNER

Orms

LEADERSHIP PROGRAMME STRATEGIC PARTNERS

THE CROWN ESTATE
TROUP BYWATERS + ANDERS

LEADERSHIP PROGRAMME THOUGHT LEADERSHIP PARTNER

Talik & company

LEADERS NETWORK EVENTS PARTNER

CFP GREEN BUILDINGS

2022-2023 TRUSTEES REPORT AND FINANCIAL STATEMENTS



MARCH 2023



TRUSTEES REPORT

Reference and Administrative Details	50
Trustees' Report	51

FINANCIAL STATEMENTS

Independent Auditor's Report	60
Statement of Financial Activities	64
Balance Sheet	65
Statement of Cash Flows	66
Principal Accounting Policies	67
Notes to the Financial Statements	70

COMPANY REGISTRATION NUMBER 01029239
CHARITY REGISTRATION NUMBER 1135153

REPORTS REFERENCE AND ADMINISTRATIVE DETAILS

STATUS	The organisation is a charitable company limited by guarantee, incorporated on 29 September 2009 and registered as a charity on 24 March 2010.	
GOVERNING DOCUMENT	The company was originally established under Memorandum and Articles which established the objects and powers of the charitable company. New Articles of Association were approved by the Charity Commission on 21 January 2020.	
BOARD OF TRUSTEES	Basil Demeroutis Judith Everett Jerome Frost OBE Tara Gbolade (Co-opted) Bill Hughes Chris Oglesby David Partridge	James Pearce (Co-opted) Sunand Prasad Victoria Quinlan Mark Robinson (Co-opted) Lorna Walker Derek Wilson (Co-opted)
COMPANY SECRETARY AND CHIEF EXECUTIVE	Julie Hirigoyen Smith Mordak from 1st June 2023	
SENIOR MANAGEMENT TEAM Chief Executive Deputy CEO and Director of External Affairs Director of Membership Director of Experiential Learning & Leadership Director of Impact and Operations	Julie Hirigoyen Simon McWhirter Mike Clarke Elfrida Hamilton-Russell Tim Adams	
REGISTERED OFFICE	The Building Centre, 26 Store Street, London WC1E 7BT	
COMPANY REGISTRATION NUMBER	01029239 (England and Wales)	
CHARITY REGISTRATION NUMBER	1135153 (England and Wales)	
AUDITOR	Buzzacott LLP, 130 Wood Street, London EC2V 6DL	
BANKERS	NatWest Bank, 250 Regent Street, London W1B 3BN	
SOLICITORS	Russell-Cooke LLP, 2 Putney Hill, London SW15 6AB	

TRUSTEES' REPORT
YEAR TO 31 MARCH 2023

The trustees present their annual report and the audited financial statements of UKGBC Limited (UKGBC) for the year ended 31 March 2023.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and it is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 70 to 77 and comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The objects of the charity are for the public benefit:

1.1 To increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability").

1.2 To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education").

1.3 To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness").

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

The trustees are confident that UKGBC's aims and activities of Improving Sustainability, Educating, Campaigning for and Raising Awareness of the Sustainability of the Built Environment are in accordance with the regulations on public benefit.

FINANCIAL REVIEW

RESULTS FOR THE YEAR

UKGBC incurrred a deficit of £402,766 (2022 a surplus of £107,184) in line with an investment budget for the year, which was designed to reduce the surplus over the minimum reserves requirement and increase impact in the face of the accelerating climate crisis. This decreased charitable funds to £722,127 (2021: £1,124,893).

Increased expenditure allowed UKGBC to achieve step-change ambitions. A fulltime presence has been established in Scotland, increasing the regional presence within the UK. The website has been re-developed from the ground up, increasing accessibility and searchability whilst adopting low-carbon operation. UKGBC has supported the formation of the Net Zero Carbon Building Standard, has increased the resourcing of a solutions library and has expanded the functionality of the customer relationship management system.

Demand increased for UKGBC's services in supporting the greening of the Built Environment. This is evidenced by the increase in membership income and a corresponding expansion in the organisation, and its expenditure.

Total income for the year decreased by £230,045 (7%) to £2,860,404 (2022: £3,090,449) compared to the previous year.

The primary income source, accounting for 71% of total income (2022: 57%) is membership subscriptions. These have increased by £258,098 on 2022, with total membership fees in the year amounting to £2,029,581 (2022: £1,771,483).

Grant and contract income has decreased by 68% to £154,659 (2022: £450,695). This reflects the cessation and commencement of new initiatives and decreasing opportunities for securing grants in Europe. Funds were secured from the Laudes Foundation, MCS Foundation, Kobenhavns Kommune and Greater Manchester Combined Authority.

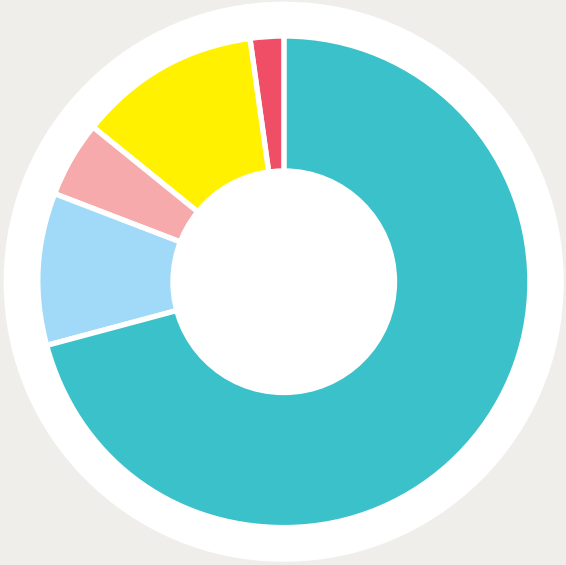
Partnership income decreased by £222,772 to £332,642 (2022: £555,414). This is partly due to Income being deferred and ANZ programme outputs rescheduled for delivery in early 2023.

Education course income increased by 26% to £261,659 (2022: £224,080).

The value that we have received from expert members speaking at our education courses, the venues which have been donated to use without charge and secondees from member organisations who worked for us during the year, have been recognised as voluntary (in kind) donations. The value of these donations amounts to £41,615 (2022: £47,703).

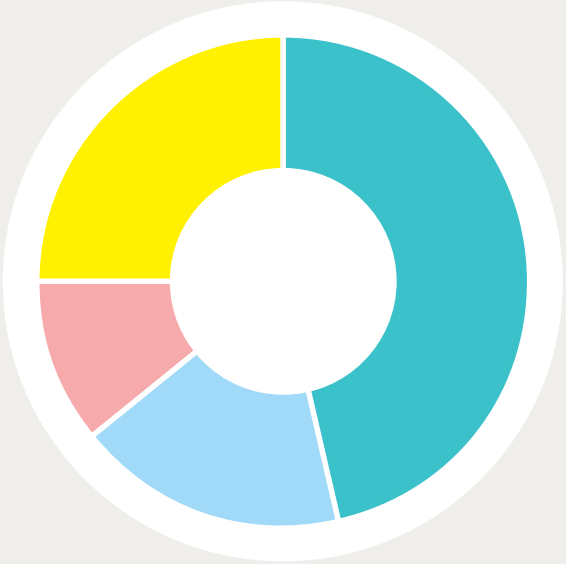
Total expenditure increased by £279,905 in the year to £3,263,170 (2022: £2,983,265) largely a result of expenditure associated with staff costs. Staff costs remain the biggest single cost, comprising 72% (2022: 63%) of costs at £2,325,139 (2022: £1,921,593) in total. The increase is due to a cost of living rise and people additions within Marketing, a presence in Scotland and a better equipped Solutions team.

Support costs in the year came to £807,456 versus an equivalent of £651,527 in the previous year.



WHERE OUR FUNDS COME FROM

- **71%** Membership
- **10%** Education Course Fees
- **5%** Grants
- **12%** Partnership
- **2%** Other Income



ANALYSIS OF OUR EXPENDITURE

- **47%** Improving Sustainability
- **18%** Education
- **11%** Raising Awareness
- **25%** Support Costs

FINANCIAL REVIEW CONTINUED

RESERVES POLICY, FINANCIAL POSITION AND GOING CONCERN ASSESSMENT

RESERVES POLICY

The trustees view reserves and deferred membership income as the buffer against financial difficulties.

In addition to FY22-3, over the next 2 years, the trustees propose investment budgets that will increase UKGBC's reach and consume excess reserves. This approach will be reviewed annually. This policy includes a provision to assess whether reserves and deferred membership Income are at a level which ensures that UKGBC's core activities could continue during a period of unforeseen difficulty and that a proportion of funds be maintained on easy access deposit. The required level of reserves and deferred membership Income is an integral part of UKGBC's planning, budgeting and forecasting cycle. It takes into account the risks associated with each stream of income and expenditure varying from budget; the planned activity level; and UKGBC's future commitments.

The methods recommended for calculating the minimum level of reserves and deferred membership income (which fall under the Charity Commission's recommended reserve policy guidelines for less complex charities) are that:

1. The policy addresses the risk of the need for unforeseen expenditure
2. The policy addresses the risks associated with the loss of a source of income

In using each of these in turn, the trustees of UKGBC calculate and test whether the level of Deferred income is adequate.

The need for unforeseen expenditure

This method involves calculating the expenditure that would be required to maintain UKGBC's ordinary activities for a period of four months. The level of reserves and deferred membership income provision, based on four months of UKGBC's FY2023-24 budgeted unrestricted expenditure (excluding depreciation) is approximately £820,000.

Risks associated with the loss of a source of income

Membership fees constitute 71% of UKGBC's income. Despite the deteriorating economic conditions, membership fees grew by £258,098 (15%).

However, the trustees view the current wider geopolitical situation, high inflation and overall economic outlook as volatile and potentially a trigger of recession in the UK. Based on the total budgeted income from membership renewals in FY2023-24 being £2.34m, applying a worst-case scenario of 20% attrition would give rise to a budgeted loss of income of approximately £115k. If membership attrition is greater than 20%, cost-mitigating strategies will be implemented to reduce the impact of this on the charity.

UKGBC proposal for FY2023-24 is another 'extraordinary investment budget' aiming to fully harness the unprecedented momentum for UKGBCs mission within business boardrooms, financial markets and socio-politically. Mitigating climate risks, net zero carbon, biodiversity & Nature, and ESG, the Race to Zero and the Green Industrial Revolution are just some of the drivers converting into significant growth in membership. The board is supportive of the UKGBC executive team to re-invest funds held in excess of the reserves requirement where these can be deployed to amplify impactful outcomes against the charitable objectives.

The trustees consider that, based on current estimates, the minimum level of deferred income for 2023/24 would be between £115,000 and £820,000, as determined by the two tests above.

At 31 March 2023, deferred membership income was £1,029,471 (2022: £1,009,407) which is in excess of the minimum requirement. In addition, free reserves (excluding the net book value of fixed assets of £18,539) amounted to £703,587.

GOING CONCERN ASSESSMENT

Trustees have assessed the impact of external influences on the charities activities, and the adequacy of resources to operate in the current climate over the next financial period.

Based on the current plans, assumptions and forecasts, whilst acknowledging there are additional financial risks, the trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

Investment policy and performancere

The trustees have wide-ranging powers of investment as determined by the Articles. Due to the charity's reserves and deferred membership income requirement (see above), funds are held that exceed the short-term expense requirements and forecast programme costs, but to which access may be required at short notice. Therefore excess funds are placed in fixed deposit financial instruments within UK retail banks. The maturity of these funds is designed to correspond with forecast expenditure and reserve requirements, whilst the nature of these investments ensures that no unnecessary risks are being taken with our funds.

Funds required to meet liquidity and short-term expenditure requirements are retained in interest-bearing current financial instruments with the charity's bankers.

The invested funds held in fixed deposit financial instruments together with those in interest-bearing current financial instruments achieved an average rate of return 1.10% (2022: – 0.54%).

Fundraising statement

Over the course of FY2022-23, UKGBC did not undertake any public fundraising activity, nor do our commercial and corporate supporters undertake any public fundraising on our behalf. UKGBC does not have any active subsidiary trading companies, nor do we employ commercial third parties to undertake fundraising on our behalf. There were no complaints in the year in relation to our fundraising.

FINANCIAL REVIEW CONTINUED

PRINCIPAL RISK AND UNCERTAINTIES

The Board of Trustees has the overall responsibility for the governance of risks and ensures there are adequate and effective systems in place to mitigate these. These risks are reviewed annually by the whole Board as an intrinsic part of strategy setting and upon consideration of new opportunities. The trustees continue to assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and reputation. The trustees have established systems to monitor and to mitigate those risks and continue to review their effectiveness.

UKGBC has an open and accountable culture, which recognises that risk is inherent in business, particularly where we are aiming to be innovative and ahead of the curve. So, we adopt an open and proactive approach to risk management, with a view to being pre-emptive rather than box ticking.

The risk management framework is put forward by the Leadership Team, and reviewed and approved by the Risk & Audit Committee and by the Board. UKGBC's risk management framework is designed to identify the principal risks faced by the organisation and ensure that these are being appropriately monitored. In the case of each of the principal risks, controls are in place and mitigating actions will be allocated to individuals on the team who will be tasked with the requisite accountability. A detailed risk and mitigation report featuring quantitative/ qualitative indicators will be reviewed by the R&A Committee at least twice a year.

The trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The significant risks and uncertainties identified through the above process are discussed opposite

RISK IDENTIFIED	ACTION TAKEN TO MITIGATE THE RISK
PEOPLE: Staff turnover	Investment in Senior People & Culture Manager with some support underneath - enables us to dedicate time on people related initiatives including health & wellbeing, training, D&I, team get togethers, socials etc – all of which are crucial components of a People Centric culture. There has been a greater focus on career development and succession planning in 2022/3 and the development of a staff progression matrix which desribes skills, experience and behaviours. Exit interviews are conducted with all voluntary leavers – analysed for trend reporting.
EXTERNAL (Economic): Economic downturn & market uncertainty due to high inflation / war in Ukraine / COVID / other	UKGBC has excess reserves at year end 2022/23 and significant deferred income - which offers some protection against external financial shocks. The member value proposition is continuously reviewed and enhanced, with the launch of the new website in early 2023. Attrition levels are reviewed regularly by CEO, LT and R&A committee – currently still low but we have seen a slight increase in 2022. Alternative funding sources (philanthropic, governmental) constantly being sought and an increase to combat inflation has been applied to membership fees.
FINANCIAL: Charities being increasingly targeted for Cyber Fraud and breach of data protection.	Increased training, security measures (e.g. Multi Factor Authentification, forced password reset, virus scans, geographical restrictions and MIME Cast) have been deployed along with several other actions. Regular review of threat and mitigation.
FINANCIAL: Increased Competition.	We are actively working with organisations with whom we can form strategic partnerships to accelerate our and their missions in all our programmes.
MISSION: UKGBC not driving or matching ambition of its members	Following introduction of mandatory membership requirements for Gold Leaf Members and standard members, UKGBC is at greater risk of criticism for failing to match these ourselves. UKGBC is taking steps to join the Race to Zero, and is setting ambitious targets.
REPUTATIONAL: Programme participants have an opposing agenda.	An ethics policy has been developed providing the Risk and Audit committee with ultimate authority over reputational risks caused by partner organisations activities.

FINANCIAL REVIEW CONTINUED

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

UKGBC Limited was formed in 2006 as a company limited by guarantee and is governed by an amended Memorandum & Articles of Association dated 29th September 2009. The Charity Commission formally registered the company as a charity on 24th March 2010. New Articles of Association were approved by the Charity Commission on 21 January 2020.

Recruitment and appointment of trustees

The Board of Trustees (who are also directors for the purposes of the Companies Act 2006) consists of not fewer than four and no more than twelve persons elected by members of the charity; in addition the Board has the power to appoint trustees to fill vacancies, and may co-opt up to four more individuals from across the sustainable built environment sector. Trustees are confirmed in post by an election process, and typically serve for an initial 3 years, whereupon they retire by rotation. They may seek re-election.

The following trustees were in office and served between 1 April 2022 and up to the date of approval of this report, except where shown.

Trustee induction and training

On election, each new trustee receives an induction pack including the 'Good Trustee Guide' published by the Charity Commission and a range of key organisational policies and documents. All new trustees are invited to attend a Role of Trustee course and along with other trustees are given regular opportunities to meet the senior management and other staff.

TRUSTEE	APPOINTED/RESIGNED
Estelle Bailey	Resigned 15 May 2023
Basil Demeroutis	
Judith Everett	
Jerome Frost OBE	
Tara Gbolade	Co-opted 14 December 2022 for election at the next AGM
Mina Hasman	Co-opted – resigned 28 September 2022
Bill Hughes	
Chris Oglesby	
James Pearce	Co-opted 14 December 2022
David Partridge	
Sunand Prasad	
Victoria Quinlan	
Mark Robinson	Co-opted 1 January 2023 for election at the next AGM
Lorna Walker	
Rick Willmott	Resigned 20 July 2022
Derek Wilson	Co-opted

Management

The day-to-day management of the charity is delegated to the Chief Executive who is responsible for achieving the overall aims and objectives of the charity to agreed annual budget and target performance criteria.

Remuneration of key management personnel

The trustees consider that they, together with the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 6 to the financial statements.

The pay of the Senior Management Team and all staff are reviewed annually by the Personnel & Nominations Committee and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the trustees benchmark against pay levels in other membership bodies and trade associations.

Statement of the trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

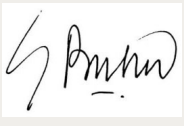
- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:

Approved by the trustees and signed on their behalf by:



Chair: Sunand Prasad
Date: 28 June 2023

FINANCIAL REVIEW CONTINUED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED

Opinion

We have audited the financial statements of UKGBC Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

the information given in the trustees' report, which is also the directors' report for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the trustees' report, which is also the directors' report for the purposes of company law has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

FINANCIAL REVIEW CONTINUED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED CONTINUED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charity Law, and Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore
(Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Date: 28 June 2023

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 31 MARCH 2023

	Notes	Un-restricted funds £	Restricted funds £	2023 Total funds £	Un-restricted funds £	Restricted funds £	2022 Total funds £
Income from:							
Donations and legacies	1	53,698	-	**53,698**	58,803	-	**58,803**
Charitable activities	2	2,643,877	154,659	**2,798,536**	2,575,977	450,695	**3,026,672**
Investments		8,170	-	**8,170**	4,974		**4,974**
Total income		2,705,745	154,659	**2,860,404**	2,639,754	450,695	**3,090,449**
Expenditure on:							
Charitable activities	3						
- Improving sustainability		1,952,558	158,476	**2,111,034**	1,550,576	513,361	**2,063,937**
- Education		719,527	-	**719,527**	598,618	-	**598,618**
- Raising awareness		432,609	-	**432,609**	320,710	-	**320,710**
Total expenditure		3,104,694	158,476	**3,263,170**	2,469,904	513,361	**2,983,265**
Net income (expenditure) and movement in funds	5	(398,949)	(3,817)	**(402,766)**	169,850	(62,666)	**107,184**
Transfer between funds				**-**	(21,301)	21,301	**-**
Reconciliation of funds							
Brought forward at 1 April		**1,121,076**	**3,817**	**1,124,893**	**972,527**	**45,182**	**1,017,709**
Carried forward at 31 March		**722,127**	**-**	**722,127**	**1,121,076**	**3,817**	**1,124,893**

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two periods of report.

BALANCE SHEET
YEAR TO 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	**7**		**18,540**		13,777
Current assets					
Debtors	**8**	**762,432**		742,566	
Short term deposits		**741,217**		915,300	
Cash at bank and in hand		**1,093,300**		1,109,045	
Total assets		**2,596,949**		2,766,911	
Current liabilities					
Creditors: amounts falling due within one year	**9**	**(1,893,362)**		(1,655,795)	
Net current assets			**703,587**		1,111,116
Net assets			**722,127**		1,124,893
The funds of the charity:					
Unrestricted funds	**14**				
- General funds			**722,127**		1,121,076
			722,127		1,121,076
Restricted funds	**14**				3,817
Total charity funds			**722,127**		1,124,893

The principal accounting policies and notes on pages 67 to 77 form part of these financial statements.

Approved by the trustees and signed on their behalf by:



Chair: Sunand Prasad
Date: 28 June 2023

UKGBC LIMITED COMPANY REGISTRATION NUMBER: 01029239 (ENGLAND AND WALES)

STATEMENT OF CASH FLOWS
YEAR TO 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	**A**	**(182,265)**	4,831
Cash (used in) investing activities			
Interest received		**8,170**	4,974
Purchase of tangible fixed assets		**(17,262)**	(5,343)
Proceeds from the sale of fixed assets		**1,529**	227
Net cash (used in) investing activities		**(7,563)**	(142)
Change in cash and cash equivalents in the year		**(189,828)**	4,689
Cash and cash equivalents at 1 April	**B**	**2,024,345**	2,019,656
Total cash and cash equivalents at 31 March	**B**	**1,834,517**	2,024,345

Notes to the statement of cash flows for the year to 31 March:

A RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure) income (as per the statement of financial activities)	**(402,766)**	107,184
Adjustments for:		
Depreciation charges	**11,504**	11,079
Surplus/(deficit)	**(534)**	(162)
Investment income receivable	**(8,170)**	(4,974)
(Increase) decrease in debtors	**(19,866)**	(187,198)
Increase (decrease) in creditors	**237,567**	78,902
Net cash (used in) provided by operating activities	**(182,265)**	4,831

B ANALYSIS OF CASH AND CASH EQUIVALENT

	2023 £	2022 £
Cash at bank and in hand	1,093,300	1,109,045
Short term deposits	741,217	915,300
Total cash and cash equivalents	1,834,517	2,024,345

C ANALYSIS OF CHANGES IN NET DEBT

	At 31 March 2022 £	Cash flows £	**At 31 March 2023 £**
Cash at bank and in hand	**1,109,045**	(15,745)	**1,093,300**
Short term deposits	**915,300**	(174,083)	**741,217**
Total	**2,024,345**	(189,828)	**1,834,517**

PRINCIPAL ACCOUNTING POLICIES
YEAR TO 31 MARCH 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

GENERAL INFORMATION

The charity is a company limited by guarantee, incorporated in England and Wales (company number: 01029239) and a charity registered in England and Wales (charity number: 1135153). The charity's registered office address is: The Building Centre, 26 Store Street, London, WC1E 7BT.

BASIS OF PREPARATION

These financial statements have been prepared for the year to 31 March 2023 with comparative information provided for the year to 31 March 2022.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

PREPARATION OF FINANCIAL STATEMENTS ON A GOING CONCERN BASIS

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the charity's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual result ultimately differ from those estimates.

The items in the financial statements where judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets; and
- determining the most appropriate basis for allocating support costs.

GOING CONCERN ASSESSMENT

Trustees have assessed the impact of external influences on the charities activities, and the adequacy of resources to operate in the current climate over the next financial period.

Based on the current plans, assumptions and forecasts and in line with the reserves policy, the trustees are confident that there are sufficient funds. Additionally, should conditions deteriorate rapidly, there is capacity to cut costs. The trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

INCOME RECOGNITION

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably. Amounts received for application in future periods are held on the balance sheet as deferred income and released to the statement of financial activities in the relevant period.

Income from charitable activities

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Income received in the year has been deferred in respect of specific events and education courses taking place after the year end.

Memberships fall due for renewal throughout the year membership. Consequently fee income is calendarised so that only the income for the accounting year is recorded and the balance carried as an accrual.

PRINCIPAL ACCOUNTING POLICIES
YEAR TO 31 MARCH 2023 (CONTINUED)

Donated services

Donated services and facilities are included as 'donations income' at a value equivalent to the estimated commercial cost that the charity would otherwise have incurred, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

Grants

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. In the event that a grant or donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

EXPENDITURE RECOGNITION

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is comprised of the costs associated with the key strategic areas of activity being; improving sustainability, education and raising awareness. Support costs including governance costs are allocated between the various categories of charitable expenditure (see below).

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs

Expenditure allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Support costs also include governance costs. This relates to the cost incurred with meeting constitutional and statutory requirements and the costs associated with the strategic management of the charity.

OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred.

TANGIBLE FIXED ASSETS

Assets costing more than £500 are capitalised. Fixed assets are recognised at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the costs of the fixed asset capitalised over their estimated useful economic lives as follows:

- Computer equipment – 3 years straight line
- Fixtures, fittings and equipment – 25% reducing balance
- Leasehold refurbishment – 3 years straight line

INVESTMENTS

Current asset investments are cash amounts held by the charity with a maturity date of less than one year and held for investment purposes. They are measured at the cash value of the deposit.

DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

FUNDS

Unrestricted funds are income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

INVESTMENT INCOME

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

EMPLOYEE BENEFITS

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pension scheme

UKGBC operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the company in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year to the funds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2023

1 INCOME FROM DONATIONS AND LEGACIES

	2023 Total £	2022 Total £
Donations	**12,083**	11,100
Services donated	**41,615**	47,703
Total income	**53,698**	58,803

Included within donations and legacies are goods and services which have been donated to the charity during the year. This consists of venue hire £13,800 (2022: £3,600) and Consultancy £27,815 (2022: £44,103).

2 INCOME FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
Improving sustainability		
Membership income	**2,029,581**	1,771,483
Partnership income	**332,642**	555,414
Grant & contract income	**154,659**	450,695
Leaders Network sponsorship income	**19,995**	25,000
Education course income	**261,659**	224,080
Total charitable income	**2,798,536**	3,026,672

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs Other £	Direct costs Staff £	Support Costs (see Note 4) £	**2023 £**
Improving sustainability	370,013	1,168,700	572,321	**2,111,034**
Education	276,628	297,306	145,593	**719,527**
Raising awareness	160,220	182,847	89,542	**432,609**
	806,861	1,648,853	807,456	**3,263,170**

	Direct costs Other £	Direct costs Staff £	Support Costs (see Note 4) £	2022 £
Improving sustainability	559,895	1,035,410	468,632	2,063,937
Education	193,415	278,949	126,254	598,618
Raising awareness	138,925	125,144	56,641	320,710
	892,235	1,439,503	651,527	2,983,265

4 ANALYSIS OF SUPPORT COSTS

	Premises £	IT/Comms £	Admin Staff £	Governance £	**2023 £**
Improving sustainability	105,685	54,339	200,291	212,006	**572,321**
Education	26,886	13,823	50,952	53,932	**145,593**
Raising awareness	16,535	8,502	31,336	33,169	**89,542**
	149,106	76,664	282,579	299,107	**807,456**

	Premises £	IT/Comms £	Admin Staff £	Governance £	2022 £
Improving sustainability	102,432	40,627	153,374	172,199	468,632
Education	27,596	10,945	41,321	46,392	126,254
Raising awareness	12,380	4,910	18,538	20,813	56,641
	142,408	56,482	213,233	239,404	651,527

Support costs are divided in the proportion of the direct staff costs of each activity area, thus:

	2023	**2022**
Improving sustainability	71%	72%
Education	18%	19%
Raising awareness	11%	9%

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2023 (CONTINUED)

5 NET INCOME FOR THE YEAR
This is stated after charging/crediting:

	2023 £	2022 £
Auditors remuneration	**12,575**	10,075
Depreciation	**11,506**	11,079
Staff costs	**2,325,139**	1,910,902

6 STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL
Staff costs during the year were as follows:

	2023 £	2022 £
Salaries and wages	**1,855,065**	1,587,767
Social security costs	**215,376**	166,758
Pension contributions	**119,798**	103,790
Other employee costs	**134,900**	52,587
	2,325,139	1,910,902

The average number of employees during the year on a headcount basis was as follows:

	2023 Number	2022 Number
Charitable activities	**33**	30
Support	**7**	5
	40	35

The number of employees whose emoluments for the year fell within the following bands were:

	2023 Number	2022 Number
£60,001 – £70,000	**3**	-
£70,001 – £80,000	**1**	2
£80,001 – £90,000	**1**	1
£90,001 – £100,000	**1**	1
£190,001 – £200,000	**-**	1
£200,001 – £210,000	**1**	-
	7	5

The Senior Management Team comprises 5 people. These 5 roles are accruing pension contributions totalling £33,190 (2022: 5 employees, accruing £34,665).

The trustees consider that they together with the Executive comprise the key management personnel of the charity. The total remuneration payable to the key management personnel of the charity was £612,016 (2022: £621,448).

Trustees are not remunerated for their services to the charity. However, out of pocket expenses incurred in connection with the execution of their duties as trustees are reimbursed where claimed. No such claims were made in FY2022-23 or FY2021-22.

7 TANGIBLE FIXED ASSETS

	Office equipment £	Computers £	Leasehold Refurb £	**Total £**
Cost				
At 1 April 2022	60,034	53,890	133,343	**247,267**
Additions	-	17,262	-	**17,262**
Disposals	-	(2,953)	-	**(2,953)**
Balance at 31 March 2023	60,034	68,199	133,343	**261,576**
Depreciation				
At 1 April 2022	57,146	43,002	133,343	**233,491**
Charge for the year	2,888	8,616	-	**11,504**
Released on disposal	-	(1,959)	-	**(1,959)**
Balance at 31 March 2023	60,034	49,659	133,343	**243,036**
Net book value				
At 31 March 2023	-	18,540	-	**18,540**
At 31 March 2022	2,888	10,889	-	**13,777**

8 DEBTORS

	2023 £	2022 £
Trade debtors	**664,602**	520,774
Prepayments	**90,354**	55,340
Other debtors	**7,476**	166,452
	762,432	742,566

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	**198,412**	113,783
Other taxation and social security	**70,016**	152,188
Deferred income (Note 10)	**1,439,572**	1,221,616
Accruals	**106,976**	154,741
Other creditors	**-**	13,467
	1,893,362	1,655,795

10 ANALYSIS OF DEFERRED INCOME

	2023 £	2022 £
Deferred income at 1 April	**1,221,616**	1,196,338
Applied during the year	**1,439,572**	1,221,616
Released during the year	**(1,221,616)**	(1,196,338)
Deferred income at 31 March	**1,439,572**	1,221,616

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2023 (CONTINUED)

11 FINANCIAL INSTRUMENTS

	2023 £	2022 £
Financial assets measured at fair value	**2,499,119**	2,545,286
Financial liabilities measured at amortised cost	**(148,402)**	(113,783)

12 Operating lease commitments

At the balance sheet date, the charity's total future commitments under non-cancellable operating leases are as follows.

	Equipment		**Land and buildings**	
	2023 £	2022 £	**2023 £**	2022 £
Leases which expire:				
Within one year	**9,668**	9,668	**29,400**	28,405
Within two to five years	**10,643**	13,981		
	20,311	23,649	**29,400**	28,405

Since the balance sheet date, UKGBC has committed to a one year building lease, a commitment of £121,128.

13 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds £	General funds £	**Total funds 2023**
Fixed assets	-	18,540	**18,540**
Current assets	99,919	2,497,030	**2,596,949**
Current liabilities	(99,919)	(1,793,443)	**(1,893,362)**
Net assets at 31 March 2023	-	722,127	**722,127**

	Restricted Funds £	General funds £	Total funds 2022 £
Fixed assets	-	13,777	13,777
Current assets	178,184	2,588,727	2,766,911
Current liabilities	(174,367)	(1,481,428)	(1,655,795)
Net assets at 31 March 2022	3,817	1,121,076	1,124,893

14 ANALYSIS OF FUNDS

	Balance at 1 April 2022 £	Income £	Expenditure £	**31 March 2023 £**
Unrestricted funds				
- General funds	1,121,076	2,705,745	(3,104,694)	**722,127**
Restricted funds				
- ANZ	-	101,867	(101,867)	**-**
- Circuit	-	21,247	(21,247)	**-**
- Climate KIC – Accelerator Cities	-	35,000	(35,000)	**-**
- Ignition	3,817	(3,455)	(362)	**-**
Restricted Funds Total	3,817	154,659	(158,476)	**-**
Charity total	1,124,893	2,860,404	(3,263,170)	**722,127**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfer £	**31 March 2022 £**
Unrestricted funds					
- General funds	972,527	2,639,755	(2,469,905)	(21,301)	**1,121,076**
Restricted funds					
- World GBC European Policy	6,508	6,705	(13,213)		**-**
- ANZ	-	-	-		**-**
- Build Upon 2	38,674	111,980	(150,654)		**-**
- Circuit	-	-	-		**-**
- Climate KIC – Accelerator Cities	-	45,528	(45,528)		**-**
- Climate KIC – Foreground	-	7,226	(7,226)		**-**
- Construction Innovation Hub	-	1,500	(1,500)		**-**
- Ignition	-	53,042	(49,225)		**3,817**
- NBS Ellerman	-	33,000	(33,000)		**-**
- Whole Life Carbon Roadmap	-	191,713	(213,014)	21,301	**-**
Restricted Funds Total	45,182	450,694	(513,360)	21,301	**1,1,24,893**
Charity total	1,017,709	3,090,449	(2,983,265)	-	**1,1,24,893**

An annual deficit in the Whole Life Carbon Roadmap fund of £21,301 has been covered by a transfer from General Funds of the same value. The grant covers 90% of programme expenditure.

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2023 (CONTINUED)

14 ANALYSIS OF FUNDS (CONTINUED)

RESTRICTED FUNDS

World GBC European Policy

The World Green Building Council European Policy reserve relates to income received to fund the employment of a Senior European Policy Officer. The European Senior Policy Officer advises on European green building law and policy for the Europe Regional Network of over 30 national Green Building Council's around Europe, including UKGBC.

Advancing Net Zero (ANZ)

This relates to funding secured from Redevco Foundation for a project about galvanising the industry and policy makers to deliver a net zero carbon built environment, through industry leadership and strong regulation.

Build Upon 2 (BU2)

This relates to grant funding received from the European Union to fund work on the Build Upon project as part of a consortium of Green Building Councils from across Europe. The aims of the project are to help European countries design and implement strong, long-term national strategies for the renovation of their existing buildings.

Climate KIC – Accelerator Cities

This related to funding secured from EIT Climate-KIC to deliver a programme that supports local and combined authorities deliver home retrofit.

Climate KIC – Foreground

This relates to funding secured from EIT Climate-KIC for the delivery of a programme of workshops and site tours with local authorities and businesses, to support the sustainability outcomes of three large scale development schemes. of the deposit.

Climate KIC – Innovation

This relates to funding the UKGBC Innovation Portal secured from EIT Climate-KIC to develop links between larger corporates (demand) and start-up innovators (supply), and in so doing building the capacity within UKGBC's membership to adopt innovative approaches to drive sustainability in the sector.

Climate KIC – Zero Carbon Labs

This relates to funding secured from EIT Climate-KIC for the delivery of a programme of work to support local authorities deliver against their Climate Emergency goals.

CIRCuIT – Circular Economy

Circular Construction in Regenerative Cities – is a collaborative project involving 29 partners across the entire built environment chain in Copenhagen, Hamburg, Helsinki Region and Greater London. Funded by the European Commission's Horizon 2020 programme, the project will support the creation of regenerative cities by implementing sustainable and circular construction practices. UKGBC forms part of the Greater London cluster and has secured 4 years worth of funding. Through this project we can start to bridge the gap between theory, practice and policy by delivering a series of demonstrations, case studies, events and other dissemination activities that showcase how circular construction approaches can be scaled and replicated across Europe to enable cities to build more sustainably and transition to a circular economy on a wider scale.

Construction Innovation Hub's Value Toolkit

UKGBC is the Natural Capital lead on the Construction Innovation Hub's Value Toolkit. We have convened an industry steering group to create a suite of tools to support value-based decision making across the investment lifecycle. The overarching aim of this collaboration is to contribute to the development of a robust, consensus-based methodology for the definition, evaluation and measurement of value across the entire investment lifecycle of new built assets.

EU's Urban Innovation Actions (UIA) Initiative – IGNITION

This relates to funding UKGBC secured from the UIA to join the IGNITION project alongside 11 other partners from local government, universities, NGOs and business. The aim is to develop the first model of its kind that enables major investment in large-scale environmental projects which can increase climate resilience. By 2038 this will enable an increase in Greater Manchester's urban green infrastructure coverage by 10% from a 2018 baseline.

Whole Life Carbon Roadmap

This relates to funding secured from Laudes Foundation and Ikea Foundation for a project as part of a consortium of Green Building Councils from across Europe. The UK project will deliver a whole life carbon roadmap for the built environment, in collaboration with industry and government.

15 ANALYSIS OF FUNDS

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose.

16 RELATED PARTY TRANSACTIONS

There were no outstanding balances with related parties as at 31 March 2023 (2022: £nil). The total amount of donations received from trustees in the year was £nil (2022: £nil).

UK GBC

The voice of our sustainable built environment



UK GREEN BUILDING COUNCIL
THE BUILDING CENTRE 26 STORE STREET
LONDON WC1E 7BT

020 7580 0623
INFO@UKGBC.ORG

UK Green Building Council
ukgbc.org

UKGBC

England & Wales - Charity number 1135153

Accounts

UK GBC

Together for a better built environment

IMPACT REPORT 2021>22





ANNUAL REPORT AND FINANCIAL STATEMENTS

COMPANY REGISTRATION NUMBER 01029239
CHARITY REGISTRATION NUMBER 1135153

FORWARD



As I reflect on the past 12 months, I am truly humbled by how much we as a network have achieved in what can only be described as turbulent times, but also reminded of how much more there is still to do if we are to achieve our climate targets and deliver a safe and sustainable future for all.

Over the last year, and especially highlighted at COP26 in Glasgow, the call for more action (and less talk) has magnified and there is a new level of accountability in motion that, I hope, will support the volume and scale of tangible outcomes required if we are to achieve net zero. However, it remains startlingly clear that we cannot afford to be complacent or lose pace. In fact, quite the opposite. We must drive momentum and double down on our efforts to reduce emissions, restore the balance with nature, and put the health and wellbeing of society at the very heart of our plans if we are to avert catastrophe in our lifetime.

At UKGBC we remain committed to these goals through our mission to drive transformation across our sector and support all of our stakeholders to radically improve the sustainability of the built environment. As a charity operating in tumultuous times, I believe that we can take justified pride in how we have put that mission into action over the last year.

It has been a year of unprecedented growth at UKGBC, with 130 new members joining and 20 new colleagues onboarded, highlighting the demand and desire from within industry to become more sustainable and contribute to the transformation of the built environment.

We continued to deliver on every aspect of our annual plan and the collaboration and convening of our members have been central to this. We have heard time and time again from members how important this opportunity for engagement is, and this will remain the very bedrock of our modus operandi in coming years.

A number of important initiatives aimed at further extending and deepening our impact were launched during this last year including:

- The Net Zero Whole Life Carbon Roadmap for the Built Environment (*The Roadmap)*
- The expansion of our network into Scotland
- Our commitment to being a Race to Zero Accelerator
- The Build Better Now partnership

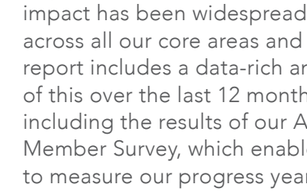
The Roadmap is an important tool, mapping out the pathway to decarbonising the sector by 2050. It quantifies the specific emission reductions required across the built environment to meet this crucial deadline and includes key policy recommendations for government, and stakeholder action plans geared to deliver the solutions.

As an Accelerator to the Race to Zero, we established the requirement for all our Gold Leaf members to join the Race, and we firmly encourage all our other members to do so too.

Beyond these examples, our impact has been widespread across all our core areas and this report includes a data-rich analysis of this over the last 12 months, including the results of our Annual Member Survey, which enables us to measure our progress year-on-year.

Change is afoot, and this is something that we can rightfully be proud of. In order to capitalise on the momentum, we must continue to show that the built environment can be a leader in reducing UK emissions.

Yet more and more recent data highlights that the climate emergency remains the most pressing issue facing the built environment and while the challenge is immense, I believe that the collective impact of our membership can deliver transformative change across our sector at a scale that matters ■



JULIE HIRIGOYAN
CHIEF EXECUTIVE
UK GREEN BUILDING COUNCIL



THE YEAR OF COP26

This was the financial year that global leaders convened in the UK for COP26. Hosted in Glasgow, the annual UN climate change conference placed climate action on the agenda of government, business and society globally like never before.

For the UK business community, it was in particular a time to reflect on its role in bringing about a reduction in carbon emissions and adapting to extreme weather events.

COP26 also provided the perfect opportunity for UKGBC to convene its members together around our common purpose.

Cities, Regions and Built Environment Day turned the spotlight on our sector and its vital role in fighting the climate crisis and was the launchpad for our Net Zero Whole Life Carbon Roadmap – a significant milestone for the UK built environment on the road to net zero, providing clear guidance and next steps.

We also played a central role in the collaborative Build Better Now initiative, a virtual exhibition and events series highlighting the vital role of our sector in tackling the climate crisis.

Finally, we officially launched UKGBC Scotland at an event with Patrick Harvie MSP Minister for zero carbon buildings, active travel and tenants' rights in the Blue Zone. UKGBC Scotland is our local presence focused on a dedicated programme of initiatives for the Scottish policy and industry landscapes.

With the event in the UK, many of our team took the opportunity to attend the conference; making an impact on the ground, networking with our members, and sharing the message of turning commitments into action through collective pressure







CONTENTS

2 INTRODUCTION

Foreward 2
The Year of COP26 4
Introduction to UKGBC 8
A Year at a Glance 10

12 IMPACT INSIGHTS

Business 12
Government 22

24 IMPACT AREAS

ANZ 26
Impact Focus: WLC Roadmap 28
NBS and Resilience 30
Circular Economy 32
Social Value and Health & Wellbeing 34
Impact Focus: Build Better Now 36

36 NEXT YEAR

Our Impact at UKGBC 39
The Year Ahead 40

42 WITH THANKS

Programme and Project Partners for FY 21-22 42

44 REPORTS

Trustees' Report 47

46 FINANCIAL STATEMENTS

Statement of Financial Activities 62
Balance Sheet 63
Statement of Cash Flows 64
Principle Accounting Policies 65
Notes to the Financial Statements 68

INTRODUCTION



About UKGBC

The UK Green Building Council (UKGBC) is an industry-led network with a mission to radically improve the sustainability of the built environment. A charity with over 650 member organisations spanning the entire value chain, we represent the voice of the industry's current and future leaders who are striving for transformational change.

Our vision is a built environment that enables people and planet to thrive by:

- **Mitigating** and adapting to climate change.
- **Eliminating** waste and maximising resource efficiency.
- **Embracing** and restoring nature and promoting biodiversity.
- **Optimising** the health and wellbeing of people.
- **Creating** long-term value for society and improving quality of life.

Our charitable objectives are:

- **To increase** the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced *("Improving sustainability")**.
- **To advance** the education of the public in the sustainability, conservation, protection and improvement of the built environment *("Education")**.
- **To promote** the sustainability, conservation, protection and improvement of the built environment *("Raising awareness")**.

*These are the charitable activities as defined within the Financial Statements accompanying this report.

Theory of Change

Our Theory of Change visualises how UKGBC affects change on sustainability in the built environment. At UKGBC, we collaborate to advocate, enable and inspire accelerated leadership and action, primarily by business and government, on climate change, resource use, nature & biodiversity, health & wellbeing and socio-economic impact.

WE COLLABORATE by convening diverse built environment organisations to engage in a common purpose

WE ADVOCATE by calling for ambitious commitments, stronger standards and progressive policy

WE ENABLE by developing guidance, showcasing solutions and stimulating innovation

WE INSPIRE by sharing knowledge and best practice, and encouraging transformational leadership



YEAR AT A GLANCE



Learning and development | ● 2021-22 | ● 2020-21 | ● 2019-20

8,109

9,139 — Hours of learning delivered

6,156

4,669

4,566 — Course participants

3,288

69

70 — Learning interventions

43

Membership | ● 2021-22 | ● 2020-21 | ● 2019-20

7,438

4,956 — Active member contacts

4,040

200

213 — Opportunities for members to engage in UKGBC activities

131

672

542 — Members

430

78%

68% — Of member organisations that actively took part in UKGBC activities

68%

Events | ● 2021-22 | ● 2020-21 | ● 2019-20

42

40 — Events

54

3,431

2,673 — Individuals took part in events

1,622

Communications | ● 2021-22 | ● 2020-21 | ● 2019-20

35

43 — Press releases

35

1,492

943 — Media mentions

782

43.7K

42K — Twitter followers

41K

22.3K

16K — Linkedin followers

10K

213.6K

152K — Website users

124K

66.4K

52K — Downloads of all reports/tools

24K

BUSINESS IMPACT INSIGHTS

Ambitious Corporate Commitments

One of UKGBC's central aims is to strengthen and increase the sustainability ambition and commitments of businesses operating in the built environment. We know that they have a central role to play in tackling the climate and ecological crises and in ensuring health, wellbeing and a decent quality of life for people.

To enable this to happen, we have been mapping the progress of our Gold Leaf members since 2016 through the 360 Sustainability Review. This allows us to suggest ambitious next steps on the journeys of these businesses – all of whom are aspiring to sustainability leadership.

UKGBC is also proud to be the first organisation officially recognised as a Race to Zero Accelerator, and we are encouraging all of our members to set ambitious climate commitments that match the campaign criteria *(for our Gold Leaf members it is a membership requirement)*. The Race is a UNFCCC-backed campaign, and those that commit to it all have the same goals: halving emissions by 2030 and achieving net zero by 2050 at the latest.

Since May 2021 our Gold Leaf members are required to sign up to the Race to Zero, and so far:

- **58%** have done so *(up from 38% when we first announced this new requirement)*.
- **76%** have committed to being net zero carbon.

We continue to encourage all of our members to sign up to the WorldGBC Net Zero Carbon Buildings Commitment, which challenges the building and construction sector to halve emissions in their portfolios by 2030 and advocates for a total decarbonisation by 2050. UKGBC's support for signatories to this Commitment has been provided through facilitating a dedicated Forum where we convene businesses together to share lessons learnt and brainstorm ways of overcoming common challenges.

In the coming financial year, we intend to convene our members together through more of these dedicated forums – both topic specific and sub-sector specific – to significantly increase the opportunities for shared knowledge and short-circuiting the organisational learning journeys to scale up action faster ■

> "UKGBC is an important partner for The Crown Estate on our journey to Net Zero. Through the wide range of support they provide – as well as their role as a "critical friend" setting collective challenges for the industry – they help us stay focused on the transformation necessary to achieve this vital commitment."

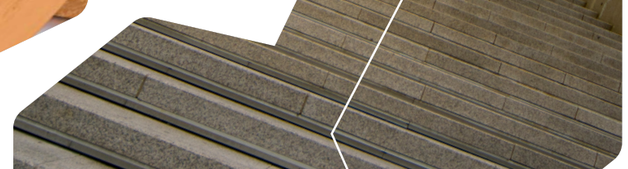


JUDITH EVERETT
EXECUTIVE DIRECTOR – PURPOSE, SUSTAINABILITY & STAKEHOLDER
THE CROWN ESTATE

101
Members Signed up to the Race to Zero







CLIMATE MITIGATION

76%

↑ The number committing to becoming net zero carbon rose from **42% to 76%**. *(this is especially notable as Spring 22 we brought in the member requirement).*

58%

↑ The number of signatories to the RTZ campaign rose from **38% to 58%**. *(this is especially notable as Spring 22 we brought in the member requirement).*

NATURE & BIODIVERSITY

74%

↑ The number committing to enhancing nature & biodiversity rose from **51% to 74%**.

CLIMATE ADAPTATION / RESILIENCE

17%

↑ The number citing a commitment towards Nature-Based Solutions for climate resilience rose from **4% to 17%**.

SOCIO-ECONOMIC IMPACT

78%

↑ The number publicly reporting on socio-economic value contributions rose from **73% to 78%**.

22%

↑ The number citing use of a Social Value measurement framework or tool rose from **18% to 22%**.

RESOURCE USE

54%

↑ The number committed to implementing circular economy principles rose from **40% to 54%**.

30%

↑ The number who had achieved zero waste to landfill rose from **22% to 30%**.



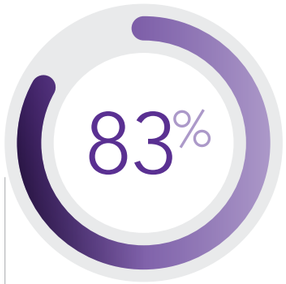
Co-creating Guidance and Sharing Best Practice

One of UKGBC's key aims is to foster collaboration between our members. We believe that by convening and sharing knowledge & best practice we can accelerate solutions to urgently tackle the environmental and social challenges we face.

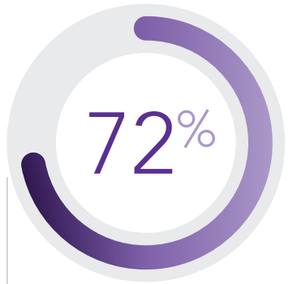
Our work is shaped by our membership at every level. Our Members Advisory Group provides strategic advice, feedback and support on key priorities, programmes and membership activities. In addition, our forums across all of our impact areas convene regularly to discuss common sustainability challenges.

For nearly all our large projects we bring together Task Groups to share knowledge, ensuring that the resulting output is reflective of our collaborative thinking. Our Net Zero Whole Life Carbon Roadmap, launched at COP26, brought together a significant breadth of stakeholders, with a cross-sector Steering Group alongside four Task Groups responsible for developing its content ■

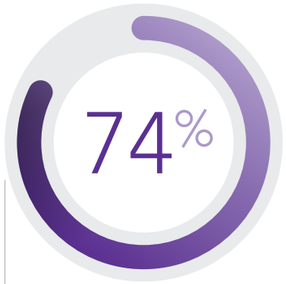
Percentage of respondents who consider UKGBC outputs **supportive or highly supportive** in their organisation's sustainability efforts:



Collaborative research reports e.g. Whole Life Carbon Roadmap.



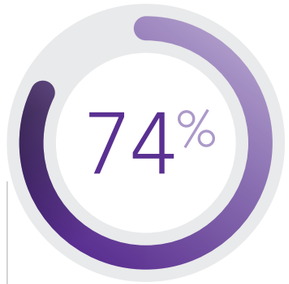
Analysis of corporate commitments and achievements e.g. Net Zero Carbon Buildings Comment Forum.



Guidance and toolkits e.g. Framework for delivering Social Value.



Viable sustainable solutions e.g. Solutions Library.



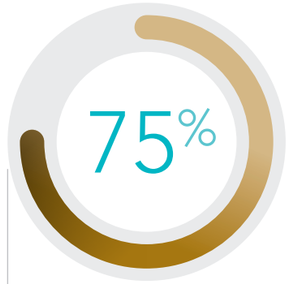
Best practice case studies e.g. Commercial Playbook.



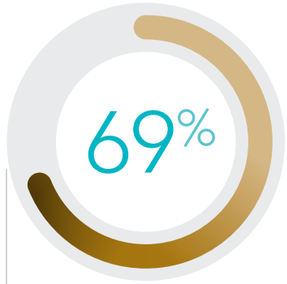
Fostering Collaboration and Partnerships

We are repeatedly told that UKGBC's breadth of membership and extensive stakeholder network provides it with unique convening power that is essential to breaking down siloed ways of thinking in our otherwise fragmented and risk averse industry. Everything we do is therefore geared towards convening our members and partners together – to achieve industry consensus on what good looks like and how to achieve it.

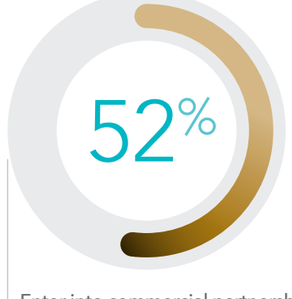
Percentage of respondents who believe UKGBC membership has **enabled or highly enabled** them to:



Gain valuable insights from across the built environment value chain.



Make new contacts and extend your network.



Enter into commercial partnerships with organisations that share your sustainability goals.



Identify start-ups or entrepreneurs who have come up with an innovative idea or solution to overcome sustainable built environment challenges.



Collaborate with others to advance your sustainability journey.



Showcasing Innovative Solutions

A significant step change in the sector's environmental and social impact is required to achieve UKGBC's vision for a sustainable built environment. Therefore, we run a number of initiatives designed to foster collaboration between our members so as to find and implement tangible solutions to their sustainability challenges.

Our new Solutions Library, launched in June 2021, is designed to enable our members to meet their ever more ambitious commitments. The Library already offers over 150 practical and commercially viable solutions and case studies to help address common sustainability challenges across the sector.

The new 'Solutions' part of the UKGBC website also gives members the opportunity to submit a challenge that they need help solving; using our unique convening powers we then publicly crowdsource to find solutions to those challenges.

In February 2022, we launched a couple of Nature Based Solutions (NBS) Challenges looking for practical solutions for existing buildings to be made more climate resilient and for ways in which communities and local authorities can implement and assess the impact of NBS to enhance climate resilience. Thirty new solutions were sourced and we will be launching further challenges soon ■

59%

Indicate that wanting to identify, 'solutions/ pathways/frameworks to accelerate sustainable outcomes' is one of their primary reasons for being a member.

150+

Over 150 solutions in the solutions portal

Fostering Knowledge Sharing

UKGBC is committed to knowledge sharing and networking in order to facilitate the change needed in the built environment. We have an expanding community of Innovative Start-Up members, which now totals over 40, and by connecting them with our established members, we are helping to bring fresh and practical solutions to the climate crisis.

Our Innovative Start-Up Forum – launched in July 2021 – provides a collaborative and informal space open to all UKGBC Start-Up members where they can explore shared challenges and solutions ■

"As an early-stage company who puts sustainable innovation front and centre, being a start-up member and part of the community is key! The innovative start-up forum is hosted once a quarter and brings together organisations that span the built environment to discuss their approach towards innovation, share challenges and discuss collaboration opportunities. This is a unique and extremely valuable experience to unlock and accelerate innovative solutions to drive us closer to an improved built environment."



NATASHA BOULDING
CEO AND CO-FOUNDER
SPHERA



Equipping Professionals with Knowledge, Skills, and Competencies

Impactful, inspiring and accessible learning is at the heart of our mission at UKGBC.

This financial year it was great to be able to organise in-person events again following the pandemic, and we have embraced the opportunities that hybrid learning can bring; broadening the accessibility of our events.

Our Learning & Development team play a vital role in keeping us connected to our members and this year hosted 28 Lunch and Learn programmes covering different aspects of sustainability in the built environment, as well as bespoke learning opportunities.

Second Nature LIVE, an immersive learning programme drawing upon live projects, was this year run in collaboration with IHG Hotels & Resorts, offering participants the chance to apply transformational sustainability thinking to the hospitality sector. The event was aimed at non-sustainability professionals who, through a host of different learning approaches including webinars, research and workshops, learned about the key principles of green building and construction.

Our Course Mail Series, designed to provide shareable entry-level knowledge on key sustainability and built environment topics in easy-to-read emails has also continued throughout year.

Alongside all of this we have also been running one-off virtual events such as Build Better Now, launched at COP26, and Around the World in 80 Case Studies, a collection of sustainable building case studies from across the world presented in the form of webinars.

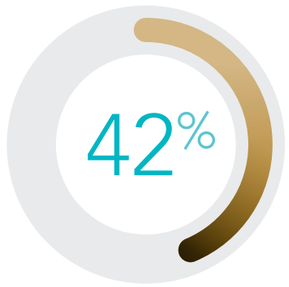
This coming year we intend to continue providing a diverse and comprehensive programme of learning opportunities to our members, both online and in person



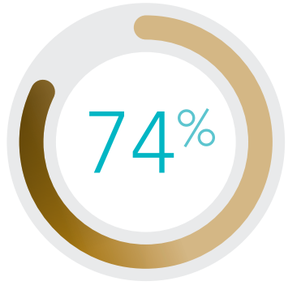
> "Taking part in Second Nature Live was a great experience, not only for spending time with like-minded people from many aspects of the industry and colleagues but also for the vast amount of information received! Definitely improved my 'Second Nature' thinking that now I am looking forward to applying to as many projects as possible."



FEDERICA ROMEO BEATTIE
ASSOCIATE, SQUIRE AND PARTNERS



of members state equipping staff with the skills and knowledge to thrive in the future' as a primary reason for being a member.



of members said UKGBC had been supportive or very supportive to their team in developing the knowledge, skills and competencies required to achieve more sustainable outcomes. *(Up from 65% last year).*



> "What a truly inspirational but practical leadership course, I enjoyed every minute, even the bits where I was way out of my comfort zone. Elfrida and her team created such a safe space to deeply explore our personal purpose and the change we want to see. I really feel like I've finished the course with a group of professional friends and I hope those relationships continue to grow over the coming months and years."



PENNY GOWLER
DIRECTOR & HEAD OF SUSTAINABILITY,
ELIOTT WOOD

Activating Transformational Leadership

Nurturing transformational leadership in individuals working in the sector is central to UKGBC's theory of change. We believe that it takes strong personal leadership skills and a clear direction to drive transformative, climate-positive change in organisations and businesses.

Our leadership programmes have now been running for a number of years, but this financial year was one to remember. Following the Covid-19 lockdowns, it was brilliant to have everyone back meeting in person and collaborating together on all of our programmes:

- **Future Leaders** – the leadership programme for early career professionals with 5-10 years' experience who are given the opportunity to work collaboratively while confronting the most critical issues facing the sector.
- **Change Accelerator** – a three-month programme bringing together middle to senior level professionals from across the built environment.
- **Recalibrate** – a leadership enrichment programme, which is a part of our Leader's Network, and is aimed at CEOs and Board members in the UK's built environment.

What became clear across our programmes, was the importance of being in, and learning from, nature. In our leadership courses, we give all our participants the opportunity to reflect on their own sustainability purpose, away from their day to day responsibilities.

Outside of working in nature, participants across our three programmes were able to benefit from a range of expert inputs and high-profile keynote speakers; learning a variety of skills, including a spotlight on storytelling.

UKGBC's Leaders Network now consists of around 170+ like-minded Executive C-suite leaders from member organisations who come together at exclusive events to learn, connect and drive transformational change. Through the network, we provide inspiration, an opportunity to share stories and insights about sustainability leadership, instil a collective sense of purpose, and create a common vision – that of a built environment that enables people and planet to thrive ■





> "We do not have control over all that happens to us, but we can definitely decide how to react and not be reduced by them. This seems just like common sense but I had to reinforce it and thanks to the Future Leaders 2021 programme now it is a part of me."

TANIA GUERRA
PRINCIPAL MECHANICAL ENGINEER,
CHAMPMANBDSP

> "The future leaders course was incredibly beneficial to me as an individual, as well as to me as part of a company that is trying to help drive the sustainability of the built environment. I learnt so much about us as human beings and will be referring back to everything we learnt throughout my career."



LAURA BATTY
ASSOCIATE, TECHNICAL
RESEARCH & SUSTAINABILITY ,
HEYNE TILLETT STEEL

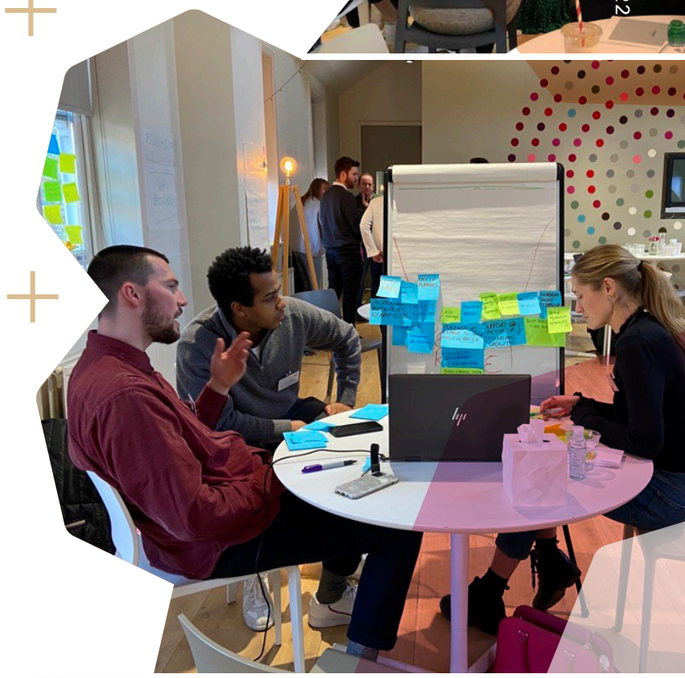


80+

Member Organisations in our Leaders Network.

91/100+

Average score on the extent the programme enabled them to feel clear on their purpose *(0 = not at all, 100 = very clear)* for Change Accelerator 2021.



90/100+

Average score on the extent the programme enabled them to feel clear on their purpose *(0 = not at all, 100 = very clear)* for Change Accelerator 2021.

75%

Of members said UKGBC had been successful or very successful at inspiring leaders to drive transformational change.



GOVERNMENT IMPACT INSIGHTS

Influencing Progressive National Policies

UKGBC is committed to and has a strong track record in galvanising its membership to shape and inform government policy.

This financial year some of our key aims were to: influence the government's Net Zero Strategy and Heat and Buildings Strategy; deliver our Net Zero Whole Life Carbon Roadmap and in particular raise awareness of the need for a nationwide programme of home retrofit, and the role of the planning system in achieving net-zero carbon.

Our impact on all these fronts during this financial year underscores our growing influence on policy, albeit we continue to call for a much stronger policy framework across all our key impact areas.

In July we welcomed the changes to the National Model Design Code for England, which incorporated many of our suggestions.

Firstly, we continued to push for a more climate-centric approach to the Planning system, and wrote to the Prime Minister in the summer, alongside the Aldersgate Group and over 100 prominent business leaders, calling for the net zero transition, and nature and climate resilience, to be at the heart of the new planning reforms. Although these reforms were delayed until 2022, in July we welcomed the changes to the National Model Design Code for England, which incorporated many of our suggestions.

COP26 dominated the financial year, and a couple of weeks ahead of this critical event we saw the release of government's Heat and Building's Strategy and Net Zero Strategy.

At UKGBC we identified that the Heat and Buildings Strategy could be a key opportunity for Downing Street to introduce meaningful, positive change, so we worked hard in the run up to lobby government to take advantage of this strategy. However, while it was encouraging to see the growing recognition that fossil fuels must be phased out, we were disappointed at the detail and the failure to address some of UKGBC's key priorities specifically the energy efficiency of buildings. In the months following, we have used our Whole Life Carbon Roadmap, launched in November, to work with government to shape legislation moving forward.

> "The publication in 2020 of the National Model Design Code, together with the National Design Guide, by the Ministry of Housing Communities and Local Government, helps put design quality and sustainability back into the heart of the planning system. It followed extensive consultation with industry, professional leaders and expert bodies, including UKGBC, which served as an important source of knowledge that helped inform the detailed guidance on carbon, energy and wider environmental matters."



ANDY VON BRADSKY
FORMER HEAD OF ARCHITECTURE
MHCLG 2016-2021

2022 has been tumultuous so far, with the energy crisis looming large.

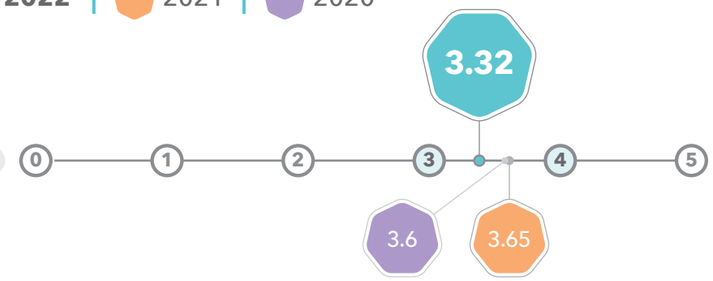
It remains our view that a central way to tackle the energy crisis, as well as the UK's transition to net zero, is to reduce energy demand, and we will continue to push for the large-scale retrofitting of the UK's housing stock, as outlined in our Net Zero Whole Life Carbon Roadmap.

In collaboration with our membership, we wrote to the Chancellor ahead of his Spring Statement urging him to prioritise support for domestic energy efficiency and low carbon heat. It was pleasing to see one of our proposals regarding the VAT cut on energy saving measures taken forward, however, more needs to be done.

UKGBC has built strong relationships with ministers and policy-makers, and we are having ongoing conversations with them on all of these fronts, including presenting our Roadmap. We endeavour to see the impact of this in the next fiscal year ■

MEMBER SURVEY | **2022** | 2021 | 2020

How successful has UKGBC at influencing national government policy?



60
Meetings with Westminster *(last year 56).*

140
Paying members involved in national policy work *(up from 116 last year, and 73 the year before).*

14
National consultations or inquiries responded to *(up from 6 last year).*



Supporting Local Policy-Making and Leadership

Central government alone cannot solve the carbon crisis. Local governments are some of the most powerful catalysts for change in the built environment and throughout this financial year we continued to collaborate with local and combined authorities throughout the UK to further accelerate their already impressive sustainability outcomes.

Recognising the vital role that retrofitting the UK's existing buildings will play in achieving net zero by 2050, the main focus of our work with local government this year has been on retrofit – particularly how to break the deadlock and drive forward the mass scale retrofit of existing homes.

The Accelerator Cities project, which has been running since 2019, brings together some of the UK's most ambitious local and combined authorities and other key stakeholders to enable collaboration and galvanise action.

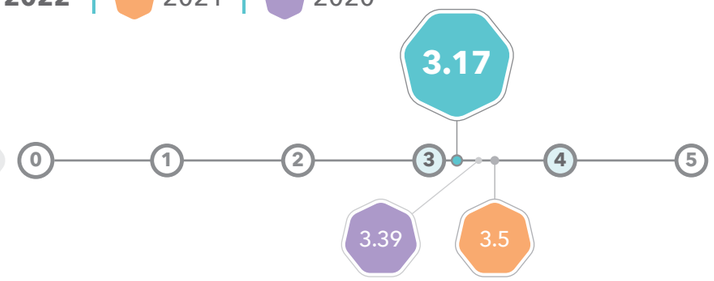
Building on existing UKGBC guidance for Local Authorities, such as the Retrofit Playbook, we shifted our focus this year to the 'how' of retrofit – the real nuts and bolts of what local government needs to drive forward retrofit at scale. With this in mind, we ran a series of 5 workshops with local government and industry members to help develop a 'Regional Retrofit Mobilisation Plan'. The workshops explored issues such as how authorities can build the business case for retrofit, the different delivery options and the types of finance needed to initiate retrofit projects – both at the local authority and individual householder level. The Mobilisation Plan will be finalised and published in 2022.

To further support action on retrofit, the BUILD UPON2 Renovation Framework was launched in December, to enable local government to measure the multiple benefits of building retrofit. The Framework was the culmination of two years' work as part of the European Union Horizon-2020 BUILD UPON project, a collaboration alongside World GBC, the Building Performance Institute Europe, seven European Green Building Councils and over 30 local authorities across Europe.

It defines a number of environmental, social and economic indicators that can be measured in a simple and standardised way at city or project level on any retrofit project, enabling local governments to track the benefits of their renovation schemes. Not only can this help inform best practice, but it can build the business case for future retrofit and increase public awareness of building renovation benefits ■

MEMBER SURVEY | **2022** | 2021 | 2020

How successful has UKGBC been at influencing local government policy?



41
meetings with Local Authorities and Devolved Nations *(more than doubled since 20/21).*

35
Number of Local Authorities involved in cities programme.

55
Members involved in local policy.

Increasing our Footprint in Scotland

At COP26, we fulfilled a long-held ambition to formalise our network in Scotland with the official launch of UKGBC Scotland, featuring guest speakers including Patrick Harvie MSP, the Minister for Zero Carbon, Active Travel and Tenants' Rights.

The Scottish government's ambitious target to hit net zero nationwide by 2045 – five years ahead of the UK-wide target – as well as its launch of the Scottish Heat and Buildings Strategy ahead of COP26, and before central government had set out a UK-wide strategy, demonstrate the region's progressive political policy environment.

We are hoping through our new presence to further accelerate Scotland's already impressive sustainability outcomes through a programme tailored to the unique needs and opportunities that the nation presents.

Since the launch event, we have already joined the Scottish government's Green Heat Finance Taskforce and held our first policy roundtable with the government following a survey of our Scottish members to feedback on policy priorities.

This coming year we intend to continue reinvigorating our local networks, as well as our presence in Scotland. In Scotland specifically, we're going to take steps to support the nation as best as we can, including widening our Scottish team. It remains our view that positive impact at a local level is key to driving forward policy change in central government ■

> "The move to net zero is a huge transition, affecting communities, businesses and households all across Scotland and we must all work collaboratively to deliver it. I therefore warmly welcome UK Green Building Council's intention to establish a permanent presence in Scotland. Their expertise will be invaluable as we work with the sector to deliver cleaner, greener, buildings for the people of Scotland through our Heat in Buildings Strategy."



PATRICK HARVIE MSP
MINISTER FOR ZERO CARBON BUILDINGS, ACTIVE TRAVEL AND TENANTS' RIGHTS

10
Meetings with Scottish Government



IMPACT AREAS

CLIMATE CHANGE: MITIGATION

Advancing Net Zero

Our Advancing Net Zero programme, launched in 2018, is designed to help drive the transition to net zero in the UK by delivering the requisite emissions reductions in the build environment. The launch of our Whole Life Carbon Roadmap at COP26 is a significant step forward on the pathway to making this a reality.

Since the launch of our Net Zero Carbon Buildings: A Framework Definition in 2019, which provides clarity on how to achieve net zero carbon in buildings, we have had an increasing amount of interest in and demand for guidance on net zero buildings. In response we published a suite of additional guidance to build on the original Framework, including guidance on how to verify a building as net zero carbon.

Currently, in order to achieve net zero in line with the Framework, and to ensure transparency, stakeholders must publicly disclose information for their buildings and obtain third-party verification against UKGBC's minimum reporting template. However, we are conscious that this is not a certification scheme or 'verification standard'.

In response, we recently conducted market analysis, in collaboration with industry bodies, to better understand what a potential verification scheme needs to look like. The outcome of this analysis indicated a clear need for a transparent verification process, which could be delivered through an asset-level Net Zero Carbon Buildings Verification Standard.

In the coming financial year, we will be collaborating with industry bodies to start planning the potential development of this Standard.

Our Advancing Net Zero team has also continued working on a series of reports on Cost Evaluation, which examine the design and cost implications of minimising embodied carbon in real-world projects.

411

individuals involved in ANZ work *(not including event attendees),* **across 24 opportunities.**

The most recent of these, 'Building the case for Net Zero: A case study for low carbon residential developments', launched in Q4, relates to a low-rise residential scheme in south west Cambridgeshire, and demonstrates how housing developers can achieve a 20% embodied carbon reduction across low-rise residential developments through masterplan-level design interventions.

This latest report sits alongside the Whole Life Carbon Roadmap, all coordinated by the same team at UKGBC, which in the coming year will continue refining the Framework, and in particular verification, helping to create impact through tangible guidance on the road to Net Zero ■



RENDER BY TERRENCE O'ROUKE

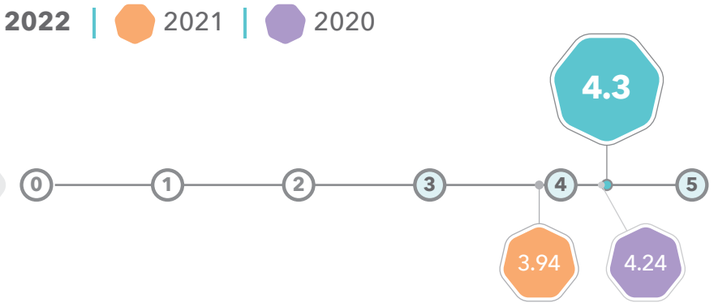
"UKGBC's Advancing Net Zero programme is helping to set the direction and pace of change needed to accelerate the uptake of net zero carbon buildings, not only in the UK, but also providing inspiration internationally. From building market demand through its promotion of the WorldGBC Net Zero Carbon Buildings Commitment, to expanding guidance on net zero buildings at the asset-level, UKGBC is engaging all levers to help make the net zero challenge achievable. The Laudes Foundation is a very proud funder of this work."



JAMES DRINKWATER
HEAD OF BUILT ENVIRONMENT
LAUDES FOUNDATION

MEMBER SURVEY | **2022** | 2021 | 2020

Extent to which UKGBC supports its members in climate change mitigation.



IMPACT AREAS
IMPACT FOCUS: WHOLE LIFE CARBON ROADMAP

Creating the Roadmap

The urgency to act on the climate crisis has never been greater and the built environment's role in this is clear. As a sector we are responsible for 25% of UK carbon emissions and have a pressing duty to accelerate decarbonisation within it.

Throughout 2021, UKGBC has been leading on a landmark project with a cross-industry team. Our Net Zero Whole Life Carbon Roadmap for the UK Built Environment provides, for the first time, a shared vision and set of actions for achieving net zero carbon by 2050 in the built environment.

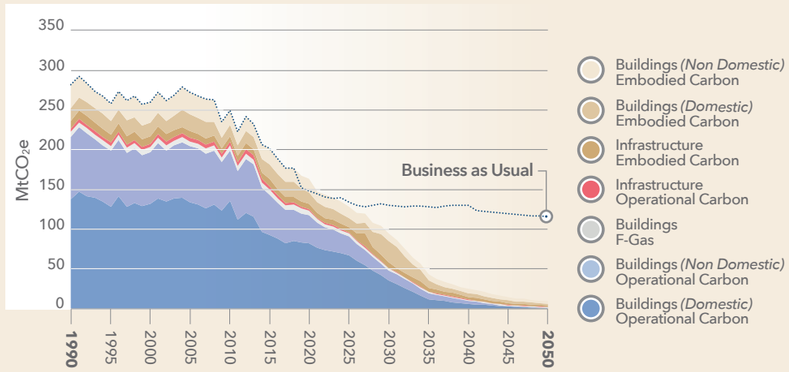
The Roadmap is a multi-stakeholder initiative – produced by the sector and for the sector, with all data modelling conducted by Arup, and involving widespread consultation with over 100 other entities and organisations. It is one of several roadmaps being developed by several European Green Building Councils under the World GBC's Building Life Project.

To facilitate engagement on this important project, we convened a pan-industry Steering Group which provided review and strategic oversight, while four Task Groups, focused on New Build, Domestic Retrofit, Non-Domestic Retrofit and Infrastructure, developed its content.

The Roadmap provides a coherent pathway on the road to net zero, detailing the actions that both government and industry must take. It quantifies the specific emissions reductions across sub-sectors of the built environment that will need to take place year-on-year to meet the 2050 deadline.

The main elements of the Roadmap include a Net Zero Carbon trajectory to 2050 for the built environment, as well as policy recommendations and industry action plans to deliver this scenario.

UK BUILT ENVIRONMENT GHG EMISSIONS 1990-2050



108
paying members involved in the Roadmap's creation

154
unique individuals engaged in the activities.

71
consultation responses.

Our launch of the Roadmap at COP26 brought together leading voices from across the industry, including former RIBA president and UKGBC chair Sunand Prasad as well as Lord Callanan, the Minister for Business, Energy and Corporate Responsibility, to discuss the vision and pathway to achieving net zero in the construction, operation and demolition of buildings and infrastructure.

We believe that everyone must play their part, and while the Roadmap is only the beginning, it provides a clearer path forward.

Since its launch we have continued sharing it as widely as possible both with industry and government and intend to continue doing so in the coming financial year.

We are also developing a plan to ensure the Roadmap is updated. We held an event at the end of March to assess the sector's response to date, considered key policy asks from government and explored next steps.

We shall be holding similar events during the coming financial year to enable further dialogue on how the milestones and actions in the Roadmap can be achieved, taking more opportunities to ensure the trajectory has measured impact ■

> "Development of the Net Zero Whole Life Carbon Roadmap is a great example of what can be achieved through collaborative action and we now have a shared vision and target date for the decarbonisation of our sector. As an industry, our technical expertise will help us to play a vital role in tackling the climate and biodiversity emergencies."



COLIN WOOD
CHIEF EXECUTIVE
EUROPE AND INDIA, AECOM

1000+
have watched the event launch.

94
media mentions – 100% positive.

2.8M
The coverage during COP alone had 2.8m potential reach.

2.4K
During COP26 there were 2.4k engagements on Social Media.



IMPACT AREAS
CLIMATE RESILIENCE AND NATURE BASED SOLUTIONS

The IPCC's report on Adaptation, Impacts and Vulnerability, published in February, serves as a dire warning that action is needed now to deal with the risks that climate change poses, particularly so in urban areas.

UKGBC's ambition is for all buildings and infrastructure to be climate-resilient, and maximise environmental net gains, through the prioritisation of Nature-based Solutions (NBS), by 2030.

Throughout the year, we have been coordinating consultation, facilitating collaboration, and sharing learning in order to empower our members and the wider built environment to achieve more ambitious NBS targets.

Our Principles for Delivering Urban Nature-based Solutions provides direction to developers and owners in the design and delivery of NBS, alongside practical case studies. Launched at the start of the financial year, the principles are there to help the sector increase its use of NBS as an adaptation measure.

We know that behavioural changes are needed for NBS to be implemented effectively, and while there are no quick fixes, our 'Investing in a Greener Greater Manchester: A nature-based solutions investment guide for local authorities', launched in the summer, outlines a range of recommendations and opportunities for local authorities, demonstrating the benefits and feasibility of large scale, public-sector-led NBS delivery.

275
individuals involved

3.95
For helping with Climate Adaptation.

3.7
Nature and Biodiversity.



Climate risk disclosure will become mandatory for large organisations and financial institutions from April 2022, following recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).

There were concerns on the lack of guidance on physical risk disclosure of built assets, and in February 2022 we published a Framework for Measuring and Reporting of Climate-related Physical Risks to Built Assets, which provides a methodology to measure such risk, and empowers businesses to better understand and plan for them.

The financing of adaptation measures remains a challenge, and our event on behalf of the IGNITION project, with support from the Environment Agency and the Greater Manchester Combined Authority, discussed the role of NBS in adapting built assets and the need to find innovative financial models for NBS.

Our subsequent launch of 'Financing the Built Asset Adaptation Gap: Short Report' at COP26 summarises those discussions and recommends next steps for the sector.

While our involvement in the IGNITION project came to an end this year, UKGBC continues to be committed to enabling our members to understand the value of NBS and we will be providing further opportunities for collaboration and learning throughout the coming year ■

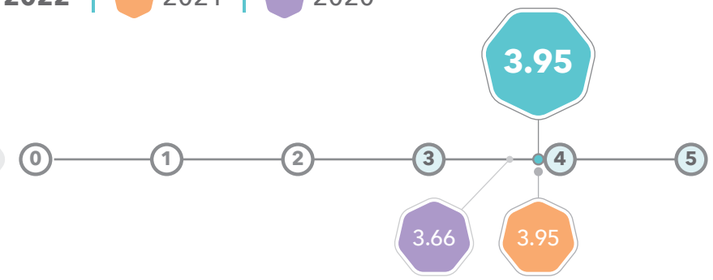
> "UKGBC's Resilience and NBS programme tapped into the expertise of industry professionals to produce tools and guidance that will enable the built environment industry to respond to the twin challenges of the climate and biodiversity emergency. The value of this work, to developers, will increase exponentially as investors continue to mitigate the climate and nature related risks within their portfolios."



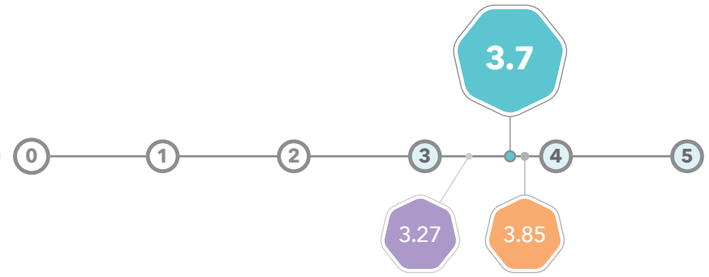
ROB WINCH
SENIOR ESG CONSULTANT
HOARE LEA

MEMBER SURVEY | **2022** | 2021 | 2020

Extent to which UKGBC supports its members in climate change adaption.



Extent to which UKGBC supports its members in embracing and restoring nature and promoting biodiversity.



IMPACT AREAS
RESOURCE USE

At UKGBC we are taking a solutions-based approach to encouraging circular economy principles among our members by raising awareness, developing practical guidance and influencing policy.

79

meetings of the Circular Economy Forum and Associated Working Groups.

240

individuals engaged in the Circular Economy Work.

We have created a host of opportunities for members to share their learning on the implementation of circular economy principles, notably in our Circular Economy Live Project Forum.

The forum, a quarterly solutions-orientated space open to UKGBC members who are currently working on at least one live construction project, has proved to be a great success, facilitating lots of new conversations between different parts of the sector.

We also have member-led Working Groups outside the main forum, which discuss specific aspects of the Circular Economy including material reuse and measuring the circularity of built assets, and we intend to continue sharing the findings of these online throughout the coming financial year.

Our involvement in the CIRCuIT programme, an EU-funded project involving 29 European partners across the value chain, which looks to apply circular economy thinking at a city level, is ongoing, and there will be further opportunities for our members to get involved in this programme.

During this financial year, there were unforeseen circumstances that meant two large reports were not finalised, which limited our impact outside of our bottom up networking activities – however these exciting projects were launched, and will be published in full next year.

Following COP26 in November, we sent out the industry survey that will inform the forthcoming guidance on Whole Life Carbon Reductions via Circular Economy Principles. The report will set out both the evidence and business case for using circular economy principles to support whole life carbon reductions.

Additionally, our next project, System Enablers for a Circular Economy was launched in March and aims to tackle the barriers to further adoption at scale of Circular Economy principles. The launch event saw our Partners discuss the challenges they face in this regard, and members too are encouraged to share their views interactively. All of this will help inform our upcoming work in this area



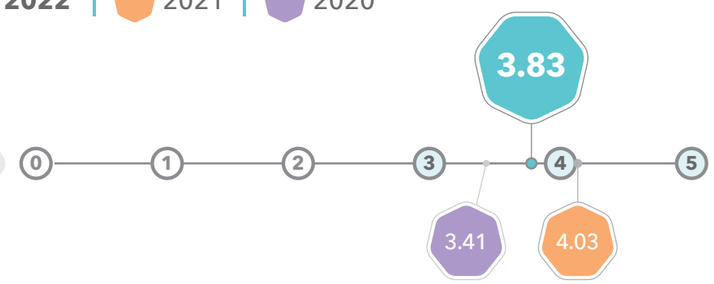
> "UKGBC's Circular Economy Forum gives the members and I a valuable opportunity to share ideas and pool resource, so that we can move ideas forward. In the Working Groups we focus on specific topics, digging into the detail with the aim to share our findings with the wider industry. It's great to work with others in the industry who I'm not connected with through projects, and to be able to help the industry progress."



STEVE GILCHRIST
PROJECT DIRECTOR
GROSVENOR PROPERTY UK

MEMBER SURVEY | **2022** | 2021 | 2020

Extent to which UKGBC supports in eliminating waste and maximising resource efficiency.



IMPACT AREAS
SOCIAL VALUE AND HEALTH AND WELLBEING

Social value, as well as health and wellbeing, have risen further up the nation's agenda as we learn to live with the impact of Covid as well as the cost of living crisis.

Carbon commitments have been rising across the built environment, and, as they do so, we have been focusing our efforts on ensuring that we have a just transition to net zero; one that ensures that no one is left behind. We are conscious that decarbonisation has the potential to deepen existing inequalities in society, and our focus is to support a transition to net zero in a way that 'levels up' communities.

Now complete, UKGBC's Social Value programme supported the sector's efforts to deliver better outcomes for communities.

Launched in 2019/2020 our programme initially sought to define the barriers to delivering social value, with a particular focus on: measurement; procurement and planning; investor reporting and community engagement.

We have since then further refined these principles through various means, including a social value framework. This financial year we have continued to further develop this framework by providing a Guide for Delivering Social Value on Built Environment Projects.

This offers a step-by-step process that can be flexibly applied to any project of any scale – from a single built asset to an entire urban regeneration project.

In the coming year, we will be drilling down further into the wider social impact of a more sustainable built environment; partly through a project to map the skills, jobs and capabilities needed to deliver net zero

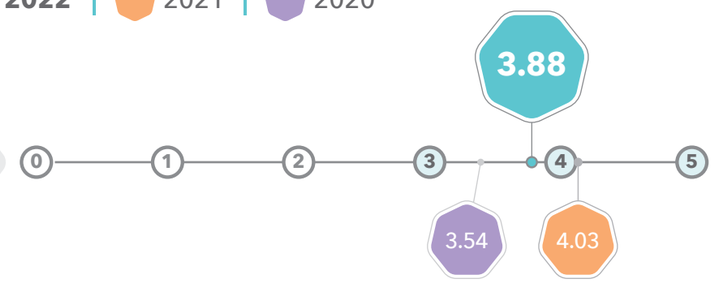
> "UKGBC has played a critical role in facilitating knowledge sharing of this important issue for the industry. UKGBC's resources are invaluable in terms of setting a standard for delivery in this emerging professional discipline and helping to ensure that work is about creating real, additional impact for our communities."



SOPHIA GIBSON
ASSOCIATE DIRECTOR - SOCIAL VALUE LEAD
CBRE

MEMBER SURVEY | 2022 | 2021 | 2020

Extent to which UKGBC supports its members in creating long term social value and improving quality of life for people.





IMPACT AREAS
BUILD BETTER NOW

Governments worldwide have committed to a legally binding target of net zero emissions by 2050. We know why we need to accelerate climate action; the question is how? The built environment has a central role to play in supporting the world's transition to a net zero carbon economy.

To answer this question UKGBC, with over 150 partners from the industry, created Build Better Now. Build Better Now was an engaging, virtual experience and event series showcasing some of the most progressive built environment projects from around the world which demonstrate the art of the possible. From climate mitigation and adaptation to natural resource use and nature-based solutions, Build Better Now raised awareness of the environmental impact of the buildings and cities we inhabit, & offers innovative and practical solutions to mitigating climate change and highlights how a more responsible and sustainable built environment is within our grasp.

Launching on the first day of COP26 gave the sector a strong presence as well as a voice at the Glasgow climate conference, demonstrating how much can be achieved if we work together cohesively. Particularly, at a conference that was dismissed and criticised as being inaccessible – both the virtual exhibition and events series were a way for those worldwide to access tangible climate solutions.

Response to the Virtual Exhibition space, designed by AECOM, was overwhelmingly positive. Including video commentaries from Grand Designs presenter, Kevin McCloud, and circular economy advocate, Ellen McArthur, as well as interactive elements to share solutions in unique ways.

Our events space, meanwhile, features a series of learning opportunities through tours, talks and panel discussions with speakers from across the global built environment sector.

The daily programme of events was livestreamed at the Glasgow conference last November and followed the themes of the official COP26 programme.

While COP26 may be over, our exhibition remains online, and we continue to have a lot of interest with daily visitors to the site. Our events too remain available to watch on demand.

Together, we believe that they create a legacy that will live far beyond the Glasgow climate conference and inspire the sector globally to create more sustainable buildings and cities in the future ■

43
Delivery partners

76
Commercial Partners

44
Event partners

150+
Organisations and stakeholders

3,000+
Live Events views



40K
Unique Page Views to virtualpavilion.co

86
Pieces of coverage

681
Endorsements on social media over the month.





OUR IMPACT AT UKGBC

As well as the impact we create through our traditional work streams, it's important to us here at UKGBC that our internal activities reflect our key values and help contribute to creating a better built environment.

Continuing our Journey to Net Zero

Reacting to the changes in our ways of working due to Covid, the UKGBC Green Team reviewed our own energy use and offsetting strategy to ensure we could maintain our organisational commitments while working from home.

We calculated our emissions using a home working methodology and are adjusting our offsetting policy in line with best practice in UKGBCs industry guidance. This includes an evaluation of the type of offsets being utilised to ensure additionality, and positive change.

A holistic approach has been taken this year when reviewing UKGBC's impact as an organisation. Additional to carbon, the team have reviewed areas where impact can be evolved including UKGBC catering and food/beverage guidelines, the use of charity volunteering days and office material usage.

In light of the shift from the office to home, the Green Team have found alternative and creative ways to ensure each member is involved in a sustainable activity whilst remote. This has included team-wide distribution of seed packets; encouraging each individual to care for and grow their own plants at home.

Staff Wellbeing and Workplace Culture

As our team grew, it became clear that it was important to introduce a member of staff responsible for HR – so in June 2021 UKGBC welcomed aboard its first People Manager. Having a dedicated People Manager has enabled UKGBC to provide more support for our employees – for example by introducing mental health and wellbeing assistance through both awareness trainings and MetLife's Group Life Employee Assistance Programme (EAP) that allows employees to access counselling and support.

Diversity and Inclusion

This year saw the second year of our Diversity and Inclusion (D&I) Working Group, who continued to rethink how we work at UKGBC to foster a more inclusive environment. This began with our partnership with Inclusive Employees beginning in earnest, including training sessions for our whole team. Inspired by these conversations, a team member from the D&I working group shared with the whole team about the importance and use of pronouns in conversation and email signatures at work. In turn, this inspired more team members to engage with issues facing the LGBT+ community and, if comfortable, include their pronouns in their email signature to create a more inclusive environment.

One of the group's key focuses has been on improving our hiring process so that we are welcoming to those from all different backgrounds. This includes, introducing blind hiring through hireful, scanning all job adverts for gender bias, updating our Diversity & Inclusion Statement so that it accurately reflects our values and hiring through organisations like 10,000 Black Interns to widen our hiring pool

UPCOMING IN THE YEAR AHEAD

It has been an unprecedented year at UKGBC; one in which we have seen the sector move from talk about climate change to meaningful action.

This coming year we plan on building on this momentum, facilitating further and faster climate action in the sector. Influencing policies and engaging with government at all levels will be central to this, as well as providing actionable guidance for change, and further opportunities for learning and collaboration for our members.

We have committed to a three-year plan, as laid out in our 2025 Strategy. This will take us halfway through this crucial decade and is a critical milestone in our journey to a better built environment.

Our aims for the coming year include:

Putting climate mitigation and resilience front and centre:

- **Advocating** for climate mitigation through our Advancing Net Zero programme, including the Net Zero Whole Life Carbon Roadmap, helping the sector to understand and implement its recommendations.
- **Investing** more in our Resilience and Nature programme, including critical target setting, to ensure the road to effective climate adaptation, as well as climate mitigation, is clearly outlined, endorsed by industry and comprehensively underway.

Improving the Membership experience and performance

- **Challenging** our members to commit to more ambitious targets on climate action.
- **Improving** our members' experience, both digitally and in person; providing more opportunities for collaboration, learning and convening.

Shaping progressive policy

- **Engaging** our members in advocating for a progressive message to government, influencing policy within national and local government, as well as in the devolved nations.
- **Working** closely with government on core impact areas including net zero, planning, biodiversity and adaptation.

As we move forward, we are committed to supporting our members and the wider sector to deliver even more measurable change. We will be building on the growth we have experienced this year while refining our processes even further, so that we are best placed to catalyse even greater impact in the sector

88%

of members want us to extend the minimum sustainability requirement of membership. *(This is up from 80% last year).*



PROGRAMME AND PROJECT PARTNERS FY 2021-22

Advancing Net Zero Programme Partners

Lead Partner:

Laudes Foundation

Corporate Partners

ARUP · bam · Berkeley Group · British Land · BURO HAPPOLD

HOARE LEA · GROSVENOR · ISG · JLL

Hydrock · ENGIE · ROCKWOOL · Turner & Townsend

lendlease · LLOYDS BANKING GROUP · Low Carbon Alliance

Social Value Partners

ARCADIS · AVISON YOUNG · BUROHAPPOLD ENGINEERING · CBRE · Federated Hermes

HOARE LEA · JLL · REBELEON · WSP

Resillience and NBS

John Ellerman Foundation · ARUP · BURO HAPPOLD · CBRE

Federated Hermes · HOARE LEA · ISG

Circular Economy

BURO HAPPOLD · ISG · Orms

Whole Life Carbon Roadmap

Laudes Foundation · IKEA Foundation · WORLD GREEN BUILDING COUNCIL · #BUILDINGLIFE

Leaders Network

With thanks to our strategic partners:

THE CROWN ESTATE · GROSVENOR

And our events partner:

CFP GREEN BUILDINGS

UK GBC
Together for a better built environment

TRUSTEES REPORT AND FINANCIAL STATEMENTS 2021>22

31 MARCH 2022



REPORTS & FINANCIAL STATEMENTS

REPORTS

REFERENCE AND ADMINISTRATIVE DETAILS

Status	The organisation is a charitable company limited by guarantee, incorporated on 29 September 2009 and registered as a charity on 24 March 2010.	
Governing document	The company was originally established under Memorandum and Articles which established the objects and powers of the charitable company. New Articles of Association were approved by the Charity Commission on 21 January 2020.	
Board of Trustees	Estelle Bailey Basil Demeroutis (Co-opted) Judith Everett Jerome Frost OBE Mina Hasman (Co-opted) Bill Hughes Chris Oglesby	David Partridge Sunand Prasad Victoria Quinlan Lorna Walker Rick Willmott Derek Wilson (Co-opted)
Company Secretary and Chief Executive	Julie Hirigoyen	
Senior Management Team Chief Executive Director of Policy and Places Director of Membership & Partnerships Director of Experiential Learning and Leadership Director of Business Transformation	 Julie Hirigoyen Simon McWhirter Munish Datta Elfrida Hamilton-Russell Alastair Mant	
Registered office	The Building Centre, 26 Store Street, London WC1E 7BT	
Company Registration Number	01029239 (England and Wales)	
Charity Registration Number	1135153 (England and Wales)	
Auditor	Buzzacott LLP, 130 Wood Street, London EC2V 6DL	
Bankers	NatWest Bank, 250 Regent Street, London W1B 3BN	
Solicitors	Russell-Cooke LLP, 2 Putney Hill, London SW15 6AB	

TRUSTEES' REPORT
YEAR TO 31 MARCH 2022

The trustees present their annual report and the audited financial statements of UKGBC Limited (UKGBC) for the year ended 31 March 2022.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and it is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 65 to 75 and comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The objects of the charity are for the public benefit:-

1.1 To increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability").

1.2 To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education").

1.3 To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness").

Public Benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

The trustees are confident that UKGBC's aims and activities of Improving Sustainability, Educating, Campaigning for and Raising Awareness of the Sustainability of the Built Environment are in accordance with the regulations on public benefit.

FINANCIAL REVIEW

RESULTS FOR THE YEAR

Demand increased steeply for UKGBC's services in supporting the greening of the Built Environment. This is reflected in greater income and a corresponding expansion in the organisation, and its expenditure.

Total income for the year increased by £783,499 (34%) to £3,090,449 (2021: £2,306,950) compared to the previous year.

The primary income source, accounting for 57% of total income (2021: 62%) is membership subscriptions. These have increased by £344,330 on 2021, with total membership fees in the year amounting to £1,771,483 (2021: £1,427,153).

Grant and contract income has decreased by 25% to £450,695 (2021: £599,099) Securing funds from the Laudes Foundation, Kobenhavns Kommune and Greater Manchester Combined Authority.

Partnership Income increased by £456,547 to £555,414. Income was received from multiple partners to support the steep increase in demand for programs.

Education course income increased by 38% to £224,080 (2021: £162,502).

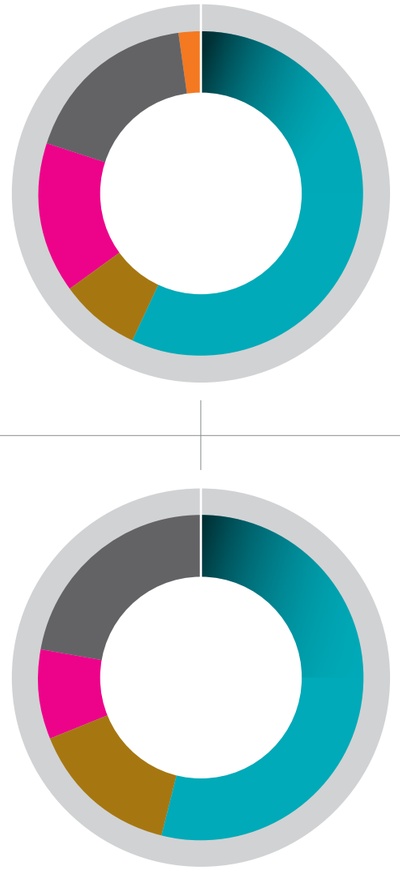
There was no major event income in the year (2021: £nil) as UKGBC did not organise any major sponsored events in FY2021-22.

The value that we have received from expert members speaking at our education courses, the venues we have been donated to use without charge and secondees from member organisations who worked for us during the year, have been recognised as voluntary (in kind) donations. The value of these donations amounts to £47,703 (2020: £31,575).

Total expenditure increased by £854,595 in the year to £2,983,265 (2021: £2,128,670) largely a result of expenditure associated with staff costs. Staff costs remain our biggest single cost, comprising 63% (2021: 64%) of costs at £1,921,593 (2021: £1,562,791) in total.

Support costs in the year came to £651,527 versus an equivalent of £581,410 in the previous year, which is mainly as a result of increased staff costs due to the recruitment of dedicated HR and Operations staff.

Overall the charity generated a surplus of £107,184 (2021: £178,280) in the year, which increased charitable funds to £1,124,893 (2021: £1,017,709).



Where our funds come from

- Membership **57%**
- Education Course Fees **8%**
- Grants **15%**
- Partnership **18%**
- Other Income **2%**

Analysis of our expenditure

- Improving Sustainability **54%**
- Education **15%**
- Raising Awareness **9%**
- Support Costs **22%**

FINANCIAL REVIEW
CONTINUED

RESERVES POLICY, FINANCIAL POSITION AND GOING CONCERN ASSESSMENT

Change in Reserves policy

Previously, UKGBC maintained a minimum reserves requirement equivalent to 4 months unrestricted expenditure and capable of absorbing a 40% loss in annual membership income.

UKGBC Membership income is received annually in advance, over a rolling year, and an average 6 months income is deferred at any time. The trustees now view deferred Income as the main component of the buffer against financial difficulties. Holding a reserve in addition to deferred income would only be required as a top up to provide a minimum level of cover – if it were needed.

Over the next 3 years, the trustees propose investment budgets that will increase UKGBC's reach and consume excess reserves. This approach will be reviewed annually. This policy includes a provision to assess whether deferred membership Income is at a level which ensures that UKGBC's core activities could continue during a period of unforeseen difficulty and that a proportion of funds be maintained on easy access deposit. The calculation of the required level of deferred membership Income is an integral part of UKGBC's planning, budgeting and forecasting cycle. It takes into account the risks associated with each stream of income and expenditure varying from budget; the planned activity level; and UKGBC's future commitments.

The methods recommended for calculating the minimum level of deferred membership income (which fall under the Charity Commission's recommended reserve policy guidelines for less complex charities) are that:

1. The policy addresses the risk of the need for unforeseen expenditure
2. The policy addresses the risks associated with the loss of a source of income

In using each of these in turn, the trustees of UKGBC calculate and test whether the level of deferred Income is adequate. To feed into the Budget FY2022-23, the reserves policy was reviewed and updated in March 2022.

The need for unforeseen expenditure

This method involves calculating the expenditure that would be required to maintain UKGBC's ordinary activities for a period of four months. The level of deferred Income provision, based on four months of UKGBC's FY2022-23 budgeted unrestricted expenditure (excluding depreciation) is approximately £839,000.

Risks associated with the loss of a source of income

Membership fees constitute 58% of UKGBC's income. Despite the economic hardship experienced during the COVID-19 pandemic in FY21-2, membership fees grew strongly £344,000 (24%).

However, the trustees view the current wider geopolitical situation and economic outlook as a potential trigger of major recession in the UK. Based on the total budgeted income from membership renewals in FY2022-23 being £2.03m, applying a worst-case scenario of 20% attrition would give rise to a loss of income of approximately £185k. If membership attrition is greater than 20%, cost-mitigating strategies will be implemented to reduce the impact of this on the charity.

UKGBC proposal for FY2022-23 is another 'extraordinary investment budget' aiming to fully harness the unprecedented momentum for UKGBCs mission within business boardrooms, financial markets and socio-politically. Mitigating climate risks, net zero carbon, biodiversity & Nature, and ESG, the backdrop of COP26, the Race to Zero and the Green Industrial Revolution are just some of the drivers converting into significant growth in membership and high grant and sponsorship funding commitments secured. The board is supportive of the UKGBC executive team to re-invest funds held in excess of the reserves requirement where these can be deployed to amplify impactful outcomes against the charitable objectives.

The trustees consider that, based on current estimates, the minimum level of deferred income for 2022/23 would be between £185,000 and £839,000, as determined by the two tests above.

At 31 March 2022, deferred membership Income was £1,009,407 which is in excess of the minimum requirement. In addition, free reserves (excluding the net book value of fixed assets of £13,776) amounted to £1,111,117.

Going concern assessment

Trustees have assessed the impact of external influences on the charities activities, and the adequacy of resources to operate in the current climate over the next financial period.

Based on the current plans, assumptions and forecasts, whilst acknowledging there are additional financial risks, the trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

Investment policy and performance

The trustees have wide-ranging powers of investment as determined by the Articles. Due to the charity's reserve requirement (see above), funds are held that exceed the short-term expense requirements and forecast programme costs, but to which access may be required at short notice. Therefore excess funds are placed in fixed deposit financial statements with a basket of UK retail banks. The maturity of these funds is designed to correspond with forecast expenditure and reserve requirements, whilst the nature of these investments ensures that no unnecessary risks are being taken with our funds.

Funds required to meet liquidity and short-term expenditure requirements are retained in interest-bearing current financial statements with the charity's bankers.

The invested funds held in fixed deposit financial statements together with those in interest-bearing current financial statements achieved an average rate of return 0.54% (2021: – 0.38%).

Fundraising statement

Over the course of FY2021-22, UKGBC did not undertake any public fundraising activity, nor do our commercial and corporate supporters undertake any public fundraising on our behalf. UKGBC does not have any subsidiary trading companies, nor do we employ commercial third parties to undertake fundraising on our behalf. There were no complaints in the year in relation to our fundraising.

PRINCIPAL RISK AND UNCERTAINTIES

The Board of Trustees has the overall responsibility for the governance of risks and ensures there are adequate and effective systems in place to mitigate these. These risks are reviewed annually by the whole Board as an intrinsic part of strategy setting and upon consideration of new opportunities. The trustees continue to assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and reputation. The trustees have established systems to monitor and to mitigate those risks and continue to review their effectiveness.

UKGBC has an open and accountable culture, which recognises that risk is inherent in business, particularly where we are aiming to be innovative and ahead of the curve. So, we adopt an open and proactive approach to risk management, with a view to being pre-emptive rather than box ticking.

The risk management framework is put forward by the Leadership Team, and reviewed and approved by the Risk & Audit Committee and by the Board. UKGBC's risk management framework is designed to identify the principal risks faced by the organisation and ensure that these are being appropriately monitored. In the case of each of the principal risks, controls are in place and mitigating actions will be allocated to individuals on the team who will be tasked with the requisite accountability. A detailed risk and mitigation report featuring quantitative/qualitative indicators will be reviewed by the R&A Committee at least twice a year.

The trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The significant risks and uncertainties identified through the above process are discussed on the next page:

RISK IDENTIFIED	ACTION TAKEN TO MITIGATE THE RISK
EXTERNAL (Environmental): Lack of capacity to meet unprecedented demand	Acceleration of resourcing at all levels and strict prioritisation of which opportunities to pursue. Some re-jigging of responsibilities taking place within the Business Transformation team to overcome individual staff concerns about workload vs capacity. More regular reviews of staff time allocation – reality vs planned – to understand true cost of delivering key projects or initiatives. Comprehensive review of member value proposition underway to meet member demand through centralised services / outputs.
PEOPLE: Staff turnover	UKGBC has appointed a People Manager enabling us to put even more time to people related initiatives including health & wellbeing, training, D&I, team get togethers, socials etc – all of which are crucial components of a People Centric culture. There will be greater focus on career development and succession planning in 2022. Annual staff survey conducted to seek feedback in key areas with results in 2021 being highest they have ever been. Currently work underway to strengthen core values and team working practices. Exit interviews are conducted with all voluntary leavers – analysed for trend reporting. Comprehensive salary benchmarking conducted in Jan 2022 – with proposals to close gaps for significant deviations. LT are all on 3 month notice periods, and CEO on 6 months notice. Key person insurance exists for LT.
EXTERNAL (Economic): Economic downturn & market uncertainty due to war in Ukraine / COVID / other	UKGBC has substantial reserves at year end 2021/22 and significant amounts of deferred income in the bank – all of which offers good protection against external financial shocks. A revised member value proposition has been developed – to be rolled out in Apr 2022, in particular the investment in centralised capacity to conduct research and convene members together across sub-sectors for shared learning and knowledge exchange. Attrition reviewed regularly by CEO, LT and R&A committee – currently the lowest it has ever been. Alternative funding sources (philanthropic, governmental) constantly being sought.
FINANCIAL: Charities being increasingly targeted for Cyber Fraud and breach of data protection	Clear roles and responsibilities in terms of data protection and increased training, security measures (e.g. Multi Factor Authentification, forced password reset, virus scans, geographical restrictions and Mimecast) have been deployed along with several other actions.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

UKGBC Limited was formed in 2006 as a company limited by guarantee and is governed by an amended Memorandum & Articles of Association dated 29th September 2009. The Charity Commission formally registered the company as a charity on 24th March 2010. New Articles of Association were approved by the Charity Commission on 21 January 2020.

Recruitment and appointment of trustees

The Board of Trustees (who are also directors for the purposes of the Companies Act 2006) consists of not fewer than four and no more than twelve persons elected by members of the charity; in addition the Board has the power to appoint trustees to fill vacancies, and may co-opt up to four more individuals from across the sustainable built environment sector. Trustees are confirmed in post by an election process, and typically serve for an initial 3 years, whereupon they retire by rotation. They may seek re-election.

The following trustees were in office and served between 1 April 2021 and up to the date of approval of this report, except where shown.

TRUSTEE	APPOINTED/RESIGNED
Estelle Bailey	Co-opted 30 June 2021 elected 16 September 2021
Basil Demeroutis	Co-opted 1 January 2022 for election at the next AGM
Judith Everett Jerome Frost OBE Mina Hasman Bill Hughes Chris Oglesby David Partridge Sunand Prasad Victoria Quinlan Lorna Walker Rick Willmott	Co-Opted
Derek Wilson	Co-Opted

Trustee induction and training

On election, each new trustee receives an induction pack including the 'Good Trustee Guide' published by the Charity Commission and a range of key organisational policies and documents. All new trustees are invited to attend a Role of Trustee course and along with other trustees are given regular opportunities to meet the senior management and other staff.

Management

The day-to-day management of the charity is delegated to the Chief Executive who is responsible for achieving the overall aims and objectives of the charity to agreed annual budget and target performance criteria.

Remuneration of key management personnel

The trustees consider that they, together with the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 6 to the financial statements.

The pay of the Senior Management Team and all staff are reviewed annually by the Personnel & Nominations Committee and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the trustees benchmark against pay levels in other membership bodies and trade associations.

Statement of the trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards *(United Kingdom Generally Accepted Accounting Practice)*.

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland *(FRS 102)*;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and Statement of the trustees' responsibilities (continued)
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONTINUED

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

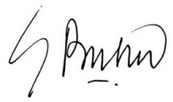
Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:



Chairman: Sunand Prasad
Date: 29th June 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED

Opinion

We have audited the financial statements of UKGBC Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED
CONTINUED

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

the information given in the trustees' report, which is also the directors' report for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the trustees' report, which is also the directors' report for the purposes of company law has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED
CONTINUED

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Shachi Blakemore
(Senior Statutory Auditor)

For and on behalf of Buzzacott LLP,
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Date: 29th June 2022

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 31 MARCH 2022

	Notes	Un-restricted funds £	Restricted funds £	2022 Total funds £	Un-restricted funds £	Restricted funds £	2021 Total funds £
Income from:							
Donations and legacies	1	58,803	-	**58,803**	31,575	-	31,575
Charitable activities	2						
- Improving sustainability		2,248,497	450,695	**2,699,192**	1,459,339	559,099	2,018,439
- Education		236,580	-	**236,580**	162,502	-	162,502
- Raising awareness		90,900	-	**90,900**	80,430	1,980	82,410
Investments		4,974	-	**4,974**	3,460	-	3,460
Other sources		-	-	**-**	8,564	-	8,564
Total income		2,639,754	450,695	**3,090,449**	1,745,870	561,079	2,306,950
Expenditure on:							
Charitable activities	3						
- Improving sustainability		1,550,576	513,361	**2,063,937**	973,129	566,470	1,558,262
- Education		598,618	-	**598,618**	359,468	-	354,548
- Raising awareness		320,710	-	**320,710**	216,564	1,980	215,860
Total expenditure		2,469,904	513,361	**2,983,265**	1,549,161	568,450	2,128,670
Net income (expenditure) and movement in funds	5	169,850	(62,666)	**107,184**	185,650	(7,370)	178,280
Transfer between funds		(21,301)	21,301	**-**			
Reconciliation of funds							
Brought forward at 1 April		**972,527**	**45,182**	**1,017,709**	786,877	52,552	839,429
Carried forward at 31 March		**1,121,076**	**3,817**	**1,124,893**	972,527	45,182	1,017,709

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two periods of report.

BALANCE SHEET
YEAR TO 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible fixed assets	7	**13,777**			19,577
Current assets					
Debtors	8	**742,566**		555,367	
Short term deposits		**915,300**		910,381	
Cash at bank and in hand		**1,109,045**		1,109,275	
Total income		**2,766,911**		2,575,023	
Current liabilities					
Creditors: amounts falling due within one year	9	**(1,655,795)**		(1,576,891)	
Net current assets			**1,111,116**		998,132
Net current assets			**1,124,893**		1,017,709
The funds of the charity:					
Unrestricted funds	14				
- General funds			**1,121,076**		972,527
			1,121,076		972,527
Restricted funds	14		**3,817**		45,182
Total charity funds			**1,124,893**		1,017,709

The principal accounting policies and notes on pages 65 to 75 form part of these financial statements.

Approved by the trustees and sign

Chairman: Sunand Prasad

Date: 29th June 2022

UKGBC Limited Company Registration Number: 01029239 (England and Wales)

STATEMENT OF CASH FLOWS
YEAR TO 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	**A**	**4,831**	489,749
Cash inflow from investing activities			
Interest received		**4,974**	3,460
Purchase of tangible fixed assets		**(5,343)**	(7,615)
Proceeds from the sale of fixed assets		**227**	-
Net cash used in investing activities		**(142)**	(4,155)
Change in cash and cash equivalents in the year		**4,689**	485,594
Cash and cash equivalents at 1 April	**B**	**2,019,656**	1,534,062
Total cash and cash equivalents at 31 March	**B**	**2,024,345**	2,019,656

Notes to the statement of cash flows for the year to 31 March:

A RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2022 £	2021 £
Net income (as per the statement of financial activities)	**107,184**	178,280
Adjustments for:		
Depreciation charges	**11,079**	8,838
Deficit on sale of fixed assets	**(162)**	-
Investment income receivable	**(4,974)**	(3,460)
(Increase) decrease in debtors	**(187,198)**	14,900
Increase in creditors	**78,902**	291,191
Net cash provided by operating activities	**4,831**	489,749

B ANALYSIS OF CASH AND CASH EQUIVALENT

	2022 £	2021 £
Cash at bank and in hand	**1,109,045**	1,109,275
Short term deposits	**915,300**	910,381
Total cash and cash equivalents	**2,024,345**	2,019,656

C ANALYSIS OF CHANGES IN NET DEBT

	At 31 March 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,109,275	(230)	**1,109,045**
Short term deposits	910,381	4,919	**915,300**
Total	2,019,656	4,689	**2,024,345**

PRINCIPLE ACCOUNTING POLICIES
YEAR TO 31 MARCH 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

General information

The charity is a company limited by guarantee, incorporated in England and Wales (company number: 01029239) and a charity registered in England and Wales (charity number: 1135153). The charity's registered office address is: The Building Centre, 26 Store Street, London, WC1E 7BT.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2022 with comparative information provided for the year to 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Preparation of financial statements on a going concern basis

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Critical accounting estimates and areas of judgement

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the charity's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual result ultimately differ from those estimates.

The items in the financial statements where judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets; and
- determining the most appropriate basis for allocating support costs.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy.

They have concluded that although there is material uncertainty related to this, it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

PRINCIPLE ACCOUNTING POLICIES
YEAR TO 31 MARCH 2022
CONTINUED

Going concern assessment

Trustees have assessed the impact of external influences on the charities activities, and the adequacy of resources to operate in the current climate over the next financial period.

Based on the current plans, assumptions and forecasts and in line with the reserves policy, the trustees are confident that there are sufficient funds. Additionally, should conditions deteriorate rapidly, there is capacity to cut costs. The trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

Income recognition

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably. Amounts received for application in future periods are held on the balance sheet as deferred income and released to the statement of financial activities in the relevant period.

Income from charitable activities
Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Income received in the year has been deferred in respect of specific events and education courses taking place after the year end.

Memberships fall due for renewal throughout the year membership. Consequently fee income is calendarised so that only the income for the accounting year is recorded and the balance carried as an accrual.

Donated services
Donated services and facilities are included as 'donations income' at a value equivalent to the estimated commercial cost that the charity would otherwise have incurred, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

Grants
Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. In the event that a grant or donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Investment income
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is comprised of the costs associated with the key strategic areas of activity being; improving sustainability, education and raising awareness. Support costs including governance costs are allocated between the various categories of charitable expenditure (see below).

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs
Expenditure allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Support costs also include governance costs. This relates to the cost incurred with meeting constitutional and statutory requirements and the costs associated with the strategic management of the charity.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred.

Tangible fixed assets

Assets costing more than £500 are capitalised. Fixed assets are recognised at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the costs of the fixed asset capitalised over their estimated useful economic lives as follows:

- Computer equipment
- 3 years straight line
- Fixtures, fittings and equipment
- 25% reducing balance
- Leasehold refurbishment
- 3 years straight line

Investments

Current asset investments are cash amounts held by the charity with a maturity date of less than one year and held for investment purposes. They are measured at the cash value of the deposit.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Funds

Unrestricted funds are income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

Employee benefits

Short term benefits
Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits
Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pension scheme
UKGBC operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the company in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year to the funds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2022

1 INCOME FROM DONATIONS AND LEGACIES

	2022 Total £	2021 Total £
Donations	**11,100**	-
Services donated	**47,703**	31,575
Total income	**58,803**	31,575

Included within donations and legacies are goods and services which have been donated to the charity during the year. This consists of venue hire £3,600 (2021: £nil) and Consultancy £44,103 (2021: £31,575).

2 INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Improving sustainability		
Membership income	**1,771,483**	1,427,153
Partnership income	**477,014**	32,186
Grant & contract income	**450,695**	559,099
	2,699,192	2,018,438
Education		
Leaders Network sponsorship income	**12,500**	13,750
Education course income	**224,080**	148,752
	236,580	162,502
Raising awareness		
Grant & contract income	**-**	1,980
Partnership income	**78,400**	66,680
Leaders Network sponsorship income	**12,500**	13,750
	90,900	82,410
Total charitable income	**3,026,672**	2,263,350

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs Other £	Direct costs Staff £	Support costs £	**2022 £**
Improving sustainability	559,895	1,035,410	468,632	**2,063,937**
Education	193,415	278,949	126,254	**598,618**
Raising awareness	138,925	125,144	56,641	**320,710**
	892,235	1,439,503	651,527	**2,983,265**

	Direct costs Other £	Direct costs Staff £	Support costs £	2021 £
Improving sustainability	415,359	718,050	424,853	1,558,262
Education	76,848	175,964	101,736	354,548
Raising awareness	65,075	95,964	54,821	215,860
	557,282	989,978	581,410	2,128,670

4 ANALYSIS OF SUPPORT COSTS

	Premises £	IT/Comms £	Admin Staff £	Governance £	**2022 £**
Improving sustainability	102,432	40,627	153,374	172,199	**468,632**
Education	27,596	10,945	41,321	46,392	**126,254**
Raising awareness	12,380	4,910	18,538	20,813	**56,641**
	142,408	56,482	213,233	239,404	**651,527**

	Premises £	IT/Comms £	Admin Staff £	Governance £	2021 £
Improving sustainability	95,286	32,179	112,410	184,978	424,853
Education	23,351	7,886	25,569	43,930	101,736
Raising awareness	12,735	4,301	14,217	23,568	54,821
	131,372	44,366	153,196	252,476	581,410

Support costs are divided in the proportion of the direct staff costs of each activity area, thus:

	2022	**2021**
Improving sustainability	72%	73%
Education	19%	18%
Raising awareness	9%	10%

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2022
CONTINUED

5 NET INCOME FOR THE YEAR
This is stated after charging/crediting:

	2022 £	2021 £
Auditor's remuneration		
Audit	**10,075**	12,000
Tax compliance services	-	1,500
Other assurance services	-	1,780
Depreciation	**11,079**	8,838
Pension costs	**103,790**	90,459

6 STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL
Staff costs during the year were as follows:

	2022 £	2021 £
Salaries and wages	**1,587,767**	1,311,018
Social security costs	**166,758**	140,765
Pension contributions	**103,790**	90,459
Other employee costs	**63,278**	20,549
	1,921,593	1,562,791

The average number of employees during the year on a headcount basis was as follows:

	2022 Number	2021 Number
Charitable activities	**30**	22
Support	**5**	3
	35	25

The number of employees whose emoluments for the year fell within the following bands were:

	2022 Number	2021 Number
£60,001 – £70,000	**-**	-
£70,001 – £80,000	**1**	2
£80,001 – £90,000	**2**	1
£90,001 – £100,000	**-**	1
£190,001 – £200,000	**1**	1
	4	5

One member of the team resigned and was replaced during the year, the Senior Management Team still comprises 5 people. These 5 roles are accruing pension contributions totalling £34,665 (2021:5 employees, accruing £35,462).

The trustees consider that they together with the Senior Management Team comprise the key management personnel of the charity. The total remuneration payable to the key management personnel of the charity was £621,448 (2021: £629,548).

Trustees are not remunerated for their services to the charity. However, out of pocket expenses incurred in connection with the execution of their duties as trustees are reimbursed where claimed. No such claims were made in FY2021-22 or FY2020-21.

7 TANGIBLE FIXED ASSETS

	Office equipment £	Computers £	Leasehold Refurb £	**Total £**
Cost				
At 1 April 2021	60,034	50,270	133,343	**243,647**
Additions	-	5,343	-	**5.343**
Disposals	-	(1,723)	-	**(1,723)**
Balance at 31 March 2022	60,034	53,890	133,343	**247,267**
Depreciation				
At 1 April 2021	56,184	34,544	133,343	**224,071**
Charge for the year	962	10,117	-	**11,079**
Released on disposal	-	(1,660)		**(1,660)**
Balance at 31 March 202	57,146	43,002	133,343	**233,490**
Net book value				
At 31 March 2022	2,888	10,889	-	**13,777**
At 31 March 2021	3,850	15,726	-	**19,578**

8 DEBTORS

	2022 £	2021 £
Trade debtors	**520,774**	389,690
Prepayments	**55,340**	50,764
Other debtors	**166,452**	114,913
	742,566	555,367

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	**113,783**	94,165
Other taxation and social security	**152,118**	141,841
Deferred income (Note 10)	**1,221,616**	1,196,338
Accruals	**154,741**	143,926
Other creditors	**13,467**	621
	1,655,795	1,576,891

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Deferred income at 1 April	**1,196,338**	927,393
Applied during the year	**1,221,616**	1,196,338
Released during the year	**(1,196,338)**	(927,393)
Deferred income at 31 March	**1,221,616**	**1,196,338**

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2022
CONTINUED

11 FINANCIAL INSTRUMENTS

	2022 £	2021 £
Financial assets measured at fair value	**2,545,286**	2,409,346
Financial liabilities measured at amortised cost	**(113,783)**	(94,165)

12 Operating lease commitments

At the balance sheet date, the charity's total future commitments under non-cancellable operating leases are as follows.

	Equipment		**Land and buildings**	
	2022 £	2021 £	**2022 £**	2021 £
Leases which expire:				
Within one year	**9,668**	4,747	**28,405**	135,295
Within two to five years	**13,981**	2,374	-	34,086
	23,649	7,121	**28,405**	169,381

13 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds £	General funds £	**Total funds 2022 £**
Fixed assets	-	13,777	**13,777**
Current assets	178,184	2,588,727	**2,766,911**
Current liabilities	(174,367)	(1,481,127)	**(1,655,795)**
Net assets at 31 March 2021	3,817	1,121,076	**1,124,893**

	Restricted Funds £	General funds £	Total funds 2021 £
Fixed assets	-	19,577	19,577
Current assets	112,121	2,462,902	2,575,023
Current liabilities	(66,939)	(1,509,952)	(1,576,891)
Net assets at 31 March 2020	45,182	972,527	1,017,709

14 ANALYSIS OF FUNDS

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfer £	**31 March 2022 £**
Unrestricted funds					
- General funds	972,527	2,639,755	(2,469,905)	(21,301)	**1,121,076**
Restricted funds					
- World GBC European Policy	6,508	6,705	(13,213)	-	**-**
- ANZ	-	-	-	-	**-**
- Build Upon 2	38,674	111,980	(150,654)	-	**-**
- Circuit	-	-	-	-	**-**
- Climate KIC – Accelerator Cities	-	45,528	(45,528)	-	**-**
- Climate KIC – Foreground	-	7,226	(7,226)	-	**-**
- Construction Innovation Hub	-	1,500	(1,500)	-	**-**
- Ignition	-	53,042	(49,225)	-	**3,817**
- NBS Ellerman	-	33,000	(33,000)	-	**-**
- Whole Life Carbon Roadmap		191,713	(213,014)	21,301	**-**
Restricted Funds Total	45,182	450,694	(513,360)	21,301	**3,817**
Charity total	1,017,709	3,090,449	(2,983,265)	-	**1,124,893**

An annual deficit in the Whole Life Carbon Roadmap fund of £21,301 has been covered by a transfer from General Funds of the same value. The grant covers 90% of programme expenditure.

	Balance at 1 April 2020 £	Income £	Expenditure £	**31 March 2021 £**
Unrestricted funds				
- General funds	786,877	1,745,870	(1,560,220)	**972,527**
Restricted funds				
- World GBC European Policy	5,499	26,764	(25,755)	**6,508**
- ANZ	-	155,691	(155,691)	**-**
- Build Upon 2	47,053	35,718	(44,098)	**38,674**
- Circuit	-	30,970	(30,970)	**-**
- Climate KIC – Accelerator Cities	-	121,749	(121,749)	**-**
- Climate KIC – Foreground	-	68,447	(68,447)	**-**
- Construction Innovation Hub	-	33,000	(33,000)	**-**
- Ignition	-	23,717	(23,717)	**-**
- NBS Ellerman	-	32,000	(32,000)	**-**
- Whole Life Carbon Roadmap	-	33,023	(33,023)	**-**
Charity total	839,429	2,306,950	(2,128,670)	**1,017,709**

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2022
CONTINUED

14 ANALYSIS OF FUNDS
CONTINUED

World GBC European Policy

The World Green Building Council European Policy reserve relates to income received to fund the employment of a Senior European Policy Officer. The European Senior Policy Officer advises on European green building law and policy for the Europe Regional Network of over 30 national Green Building Council's around Europe, including UKGBC.

Advancing Net Zero (ANZ)

This relates to funding secured from Redevco Foundation for a project about galvanising the industry and policy makers to deliver a net zero carbon built environment, through industry leadership and strong regulation.

Build Upon 2 (BU2)

This relates to grant funding received from the European Union to fund work on the Build Upon project as part of a consortium of Green Building Councils from across Europe. The aims of the project are to help European countries design and implement strong, long-term national strategies for the renovation of their existing buildings.

Climate KIC – Accelerator Cities

This related to funding secured from EIT Climate-KIC to deliver a programme that supports local and combined authorities deliver home retrofit.

Climate KIC – Foreground

This relates to funding secured from EIT Climate-KIC for the delivery of a programme of workshops and site tours with local authorities and businesses, to support the sustainability outcomes of three large scale development schemes.

Climate KIC – Innovation

This relates to funding the UKGBC Innovation Portal secured from EIT Climate-KIC to develop links between larger corporates (demand) and start-up innovators (supply), and in so doing building the capacity within UKGBC's membership to adopt innovative approaches to drive sustainability in the sector.

Climate KIC – Zero Carbon Labs

This relates to funding secured from EIT Climate-KIC for the delivery of a programme of work to support local authorities deliver against their Climate Emergency goals.

CIRCuIT – Circular Economy

Circular Construction in Regenerative Cities – is a collaborative project involving 29 partners across the entire built environment chain in Copenhagen, Hamburg, Helsinki Region and Greater London. Funded by the European Commission's Horizon 2020 programme, the project will support the creation of regenerative cities by implementing sustainable and circular construction practices. UKGBC forms part of the Greater London cluster and has secured 4 years worth of funding. Through this project we can start to bridge the gap between theory, practice and policy by delivering a series of demonstrations, case studies, events and other dissemination activities that showcase how circular construction approaches can be scaled and replicated across Europe to enable cities to build more sustainably and transition to a circular economy on a wider scale.

Construction Innovation Hub's Value Toolkit

UKGBC is the Natural Capital lead on the Construction Innovation Hub's Value Toolkit. We have convened an industry steering group to create a suite of tools to support value-based decision making across the investment lifecycle. The overarching aim of this collaboration is to contribute to the development of a robust, consensus-based methodology for the definition, evaluation and measurement of value across the entire investment lifecycle of new built assets.

EU's Urban Innovation Actions (UIA) Initiative – IGNITION

This relates to funding UKGBC secured from the UIA to join the IGNITION project alongside 11 other partners from local government, universities, NGOs and business. The aim is to develop the first model of its kind that enables major investment in large-scale environmental projects which can increase climate resilience. By 2038 this will enable an increase in Greater Manchester's urban green infrastructure coverage by 10% from a 2018 baseline.

Whole Life Carbon Roadmap

This relates to funding secured from Laudes Foundation and Ikea Foundation for a project as part of a consortium of Green Building Councils from across Europe. The UK project will deliver a whole life carbon roadmap for the built environment, in collaboration with industry and government.

General Funds – Designated Fund

In FY2018-19, the Trustees of UKGBC unanimously decided in favour of re-investing £40,000 from the surplus generated as designated funds to pilot a new member benefit that is intended to mitigate against attrition risks, and deepen the engagement of member companies. £35,608 was utilised during FY2019-20, with the remaining £4,392 carried forward to FY2020-21 being utilised in full during the year.

15 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose.

16 RELATED PARTY TRANSACTIONS

There were no outstanding balances with related parties as at 31 March 2022 (2021: £nil). The total amount of donations received from trustees in the year was £nil (2021: £nil).

UK GBC

Together for a better built environment



UK GREEN BUILDING COUNCIL
THE BUILDING CENTRE 26 STORE STREET
LONDON WC1E 7BT

020 7580 0623
INFO@UKGBC.ORG
UKGBC.ORG

UKGBC LIMITED
COMPANY REGISTRATION NUMBER 01029239
CHARITY REGISTRATION NUMBER 1135153

UKGBC

England & Wales - Charity number 1135153

Accounts

UK GBC

Together for a better built environment

















Impact Report

and Financial Statements

2020-21

UKGBC Limited Company Registration Number 01029239 | Charity Registration Number 1135153

Foreword



It will come as no surprise that looking back over the past financial year fills me with a combination of incredulity and relief. Having started the year in a state of crisis management, we ended it in rapid growth mode having onboarded over 100 new members, 7 new colleagues and achieved outstanding results across every aspect of our annual plan. We prioritised outreach and support to our members during this challenging time, alongside the wellbeing of our staff whose resilience and creativity were exceptional.

Far from downgrading the critical importance of sustainability, the global pandemic accelerated its pertinence and urgency in ways we wouldn't have dared to predict. Indeed, the year's extraordinary events catapulted issues of health, social inequality, diversity, climate change, nature and biodiversity, and quality of life even more firmly into the spotlight. As a result, we are now seeing a quickening pace of change in the way that business, government, finance, and even communities perceive such priorities, and their own role in addressing them.

UKGBC's mission has never been more widely understood or accepted. Consequently, our role has shifted dramatically - from making the case for a better built environment, to convening organisations and institutions together to deliver action quickly and collaboratively on an unprecedented scale. Our advocacy work with both businesses and government has shifted up several gears, and the reach and breadth of partners collaborating across our programmes has followed suit.

As the scale of UKGBC's activities has increased, so has our scrutiny of the outcomes and impact of our work. Over the year, we refined the fundamental levers of change that we believe we can contribute to and we sought feedback from members and stakeholders across all of these:

- Ambitious corporate commitments
- Knowledge, skills and competencies
- Transformational leadership
- Best practice and solutions
- Innovation
- Collaboration and partnerships
- Progressive national and local policies
- Strong standards across major projects

As a result, this report includes richer data sets from our member impact survey and programme evaluation surveys across all these levers of change. We hope to continue evolving our approach to setting and evaluating meaningful outcomes from our diverse portfolio of activities going forwards.

As we look ahead to COP26 and beyond, there is no doubt that we need to capitalise on the unstoppable momentum around net zero carbon and accelerate our efforts to scale up meaningful action.



Julie Hirigoyen
Chief Executive, UK Green Building Council

Picturing a year of lockdown

UKGBC's annual Impact Report usually features photographs of our membership community from the diverse mix of physical events we put on every year. But with the pandemic pushing all our events online, this year we've had to think outside the box.

The impact of lockdown has forced all of us to seek comfort, solace and wellbeing in new places. With this in mind, we have asked each of the team at UKGBC to supply a photograph of a place has meant something to them over the past year. We hope this proves an uplifting way to experience the report and meet the team behind much of the impact that it contains.















Contents

Together
for a
better
built environment

8

INTRODUCTION

About UKGBC | 8 |
Theory of change | 9 |

10

THE YEAR AT A GLANCE

12

IMPACT INSIGHTS

Business | 12 |
Government | 22 |

26

IMPACT AREAS

Climate change: Mitigation | 26 |
Climate Resilience; Nature and Biodiversity | 30 |
Resource Use | 32 |
Socio-economic Impact | 34 |
Health and Wellbeing | 38 |

40

OUR IMPACTS AND THE YEAR AHEAD

Addressing UKGBC's Impacts | 40 |

42

PROGRAMME AND PROJECT PARTNERS FY20-21

46

REPORTS

Trustees' report | 47 |

62

FINANCIAL STATEMENTS

Statement of financial activities | 62 |
Balance sheet | 63 |
Statement of cash flows | 64 |
Principal accounting policies | 65 |
Notes to the financial statements | 70 |

Introduction

About UKGBC

The UK Green Building Council (UKGBC) is an industry-led network with a mission to radically improve the sustainability of the built environment. A charity with over 550 member organisations spanning the entire value chain, we represent the voice of the industry's current and future leaders who are striving for transformational change.

Our vision is a built environment that enables people and planet to thrive by:

- Mitigating and adapting to climate change
- Eliminating waste and maximising resource efficiency
- Embracing and restoring nature and promoting biodiversity
- Optimising the health and wellbeing of people
- Creating long-term value for society and improving quality of life

Our charitable objectives are:

- To increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability")*
- To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education")*
- To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness")*

* These are the charitable activities as defined within the Financial Statements accompanying this report.

Theory of Change

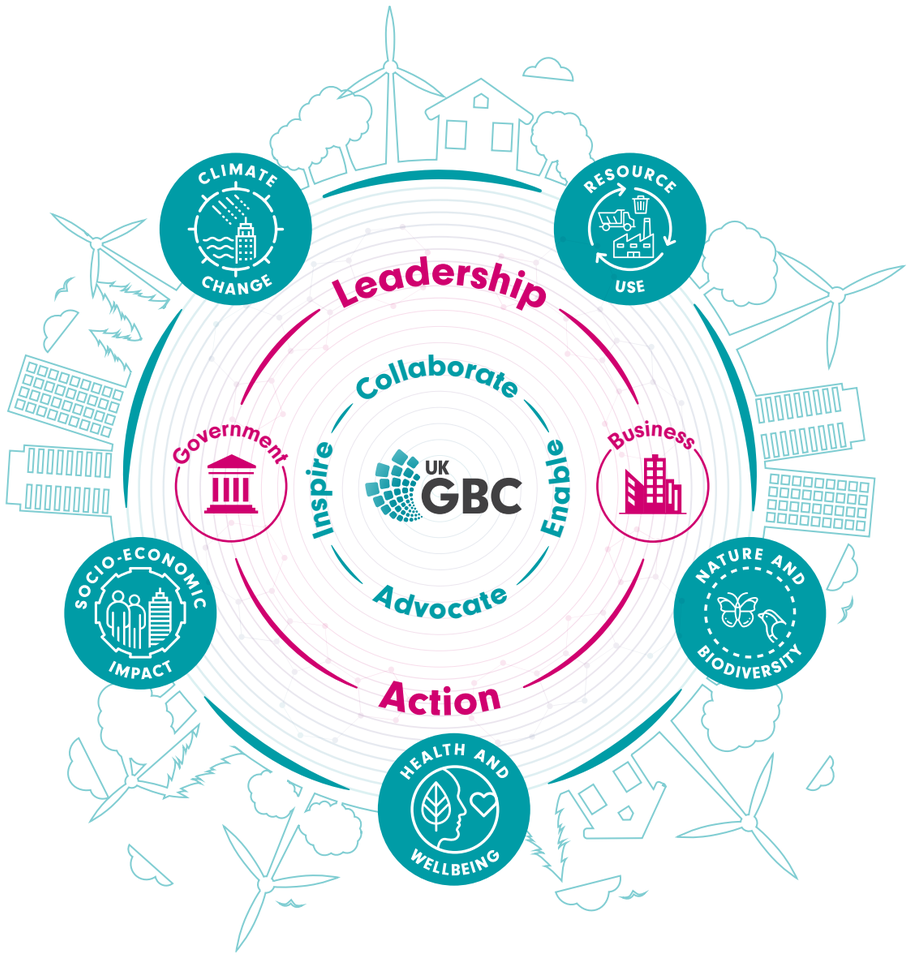
Our Theory of Change visualises how UKGBC affects change on sustainability in the built environment. At UKGBC, we collaborate to advocate, enable and inspire accelerated leadership and action, primarily by business and government, on climate change, resource use, nature & biodiversity, health & wellbeing and socio-economic impact.

WE COLLABORATE by convening diverse built environment organisations to engage in a common purpose

WE ADVOCATE by calling for ambitious commitments, stronger standards and progressive policy

WE ENABLE by developing guidance, showcasing solutions and stimulating innovation

WE INSPIRE by sharing knowledge and best practice, and encouraging transformational leadership



Year at a glance

Learning & development

2020/21 2019/20 2018/19

9,139
6,156 7,107
Hours of learning delivered

4,566
3,288 2,814
Course participants

70
43 48
Learning interventions

79%
82% 83%
Participant satisfaction rating

Membership

2020/21 2019/20 2018/19

4,956
4,040 3,744
Active member contacts

213
131 95
Opportunities for members to engage in UKGBC activities

542
430 397
Members

68%
68% 64%
Of member orgs that actively took part in UKGBC activities

Events

2020/21 2019/20 2018/19

40*
54 58
Events

2,673
1,622 1,342
Individuals took part in events

152K
124K 79K
Website users

52K
24K 5K
Downloads of all reports/tools

Communications

2020/21 2019/20 2018/19

43
35 33
Press releases

943**
782 195
Media mentions

42K
41K 39K
Twitter followers

16K
10K 4K
LinkedIn followers

*the number of events (40) excludes all L&D courses, webinars and leadership programmes and task groups / forums.
**Adjusted to remove 1 story syndicated in 322 places.

Impact insights | BUSINESS |

Driving up ambitious corporate commitments

Central to UKGBC's theory of change is the critical role that we play in advocating for more ambitious commitments from businesses in the built environment sector. Since 2016, we have tracked the commitments of our Gold Leaf members annually through the Sustainability 360 Review process. Our intention in doing so is to encourage a ratcheting up of ambition amongst these firms that aspire to sustainability leadership across all five of our key impact areas.

We also called on all our members to sign up to the WorldGBC Net Zero Carbon Buildings (NZCB) Commitment, trebling the number of UK signatories in just the past year alone. The cornerstone of this is a pledge that all building areas under their direct control will be et zero carbon in operation by 2030 – so driving up market demand for net zero buildings.

To support signatories to the NZCB Commitment, UKGBC convened quarterly meetings for these firms throughout 2020/21, providing a collaborative environment to actively create, promote and share solutions on how to deliver net zero buildings at scale.



"We made the Net Zero Buildings Commitment as part of the launch of our new operational climate strategy earlier this year. The robust framework and stretching objectives of the Commitment were fully aligned with our goal to achieve net zero operations by 2030, and helps us to demonstrate our ambition towards climate leadership in this area. The Commitment Forum has provided us with the opportunity to collaborate with like-minded organisations to tackle some of the challenges of delivering net zero buildings."

Olivia Cropper, Senior Manager Sustainability, Property Design, Lloyds Banking Group

42

Signatories to the WorldGBC Net Zero Carbon Buildings Commitment are operating in the UK



Alex Smith – Chazey Wood

Gold Leaf member commitments:

89%

Have a corporate commitment to climate action (77% at the whole business level)

38%

Have set a third party verified Science Based Target

38%

Are in the UNFCCC-backed Race to Zero

40%

Are signed up to the WorldGBC Net Zero Carbon Buildings Commitment

44%

Commit to the TCFD recommendations

44%

Commit to zero waste to landfill

26%

Commit to Biodiversity Net Gain

94%

Commit to improving health & wellbeing

96%

Commit to increasing social value contributions



40

UKGBC members profiled on the Climate Commitment Platform

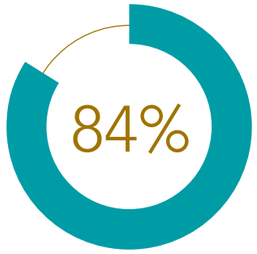
Holly Campbell – Bromley by Bow

Co-creating guidance and sharing best practices

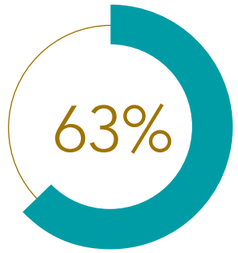
UKGBC plays a critical role in convening built environment businesses to share knowledge and accelerate learning while scaling up the adoption of best practices.

Work across all five of UKGBC's impact areas brought together hundreds of stakeholders, from the property and construction industry and beyond, to co-create and adopt new guidance, and to share insights and lessons learnt from implementing it. In addition, our member forums (including Members Advisory Group, contractors, infrastructure and university research forums) convened meetings for special interest groups to find new collaborative ways of overcoming the common sustainability challenges they each face.

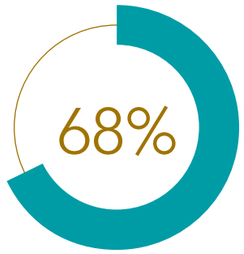
Percentage of respondents who consider UKGBC outputs supportive or highly supportive in their organisation's sustainability efforts:



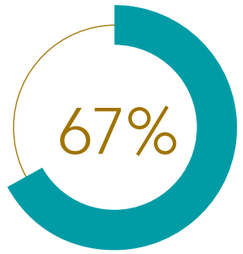
Guidance and toolkits



Best practice case studies



Data and evidence



Viable sustainable solutions



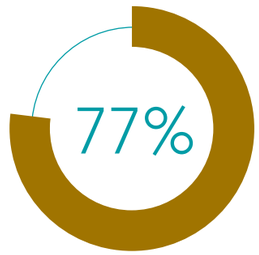
"The members advisory group met on a quarterly basis throughout 2020 and allowed members to provide strategic advice, insight and support the UKGBC through what was an incredibly challenging year. As a member of the group, I continue to be hugely impressed with the transparency and accountability in which the UKGBC operates, and their clear desire to fully represent their members."

Julie Townsend,
Executive Director, Head of Environmental Consultancy, CBRE

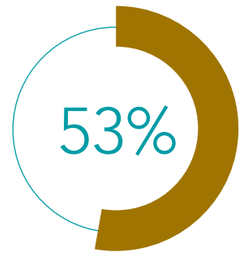
Fostering collaboration and partnerships

We are repeatedly told that UKGBC's breadth of membership and extensive stakeholder network provides it with unique convening power that is essential to breaking down siloed ways of thinking in our otherwise fragmented and risk averse industry. Everything we do is therefore geared towards convening our members and partners together – to achieve industry consensus on what good looks like and how to achieve it.

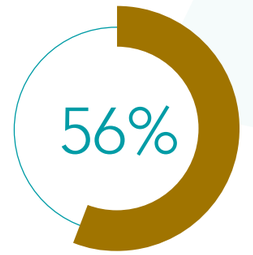
Percentage of respondents who believe UKGBC membership has enabled or highly enabled them to:



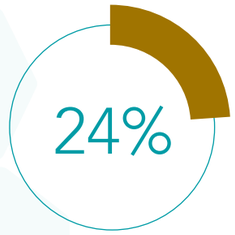
Gain valuable insights from across the built environment value chain



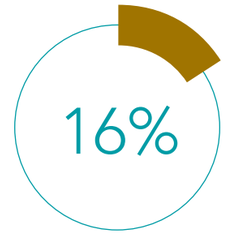
Make new contacts and extend their network



Collaborate with others to advance their sustainability journey



Enter into commercial partnerships with organisations that share their sustainability goals



Encounter start-ups or entrepreneurs who have come up with an innovative idea or solution to overcome sustainable built environment challenges



Munish Datta – Trumpington Meadows Wildlife Reserve



Showcasing solutions and innovation

Through our work showcasing solutions and innovation, UKGBC aims to:

- Identify and share high-quality, innovative and commercially viable sustainability solutions
- Enable a culture of innovation and collaboration
- Help innovative start-ups to scale

In 2020, UKGBC established a new proactive and collaborative process for identifying and disseminating solutions to overcome shared sustainability challenges. To inform the development of this process, we launched two pilot challenges centred on making existing buildings net zero carbon in operation - using a publicly accessible, web-based, ideation and innovation management platform. The solutions received in response to these challenges ranged from technologies to business models and financing solutions – a shortlist of which were then published in an Innovation Insights report.

The next stage of our work launches in June 2021, as we create ongoing opportunities for innovators to share ideas and collaborate, and also create an online and ever-expanding 'library' of innovations and solutions hosted on the UKGBC website.



"UKGBC is in a unique position to bring together a diverse range of stakeholders to maximise the potential of innovative solutions and the crosspollination of ideas. We need to come together, collaborate, and use all of our collective resources to their full potential: intellectual, creative, mental, emotional, and physical. Speed is of the essence and this work helps us identify solutions as quickly as possible and communicate these effectively to the wider industry."

Lorna Walker, Cofounder, COO and Head of ESG at Modomo, and a UKGBC Trustee

30

Members in the innovative start-up category (8 previous year)

88%

Of UKGBC members state 'identification of solutions/pathways/ frameworks to accelerate sustainable outcomes' as a primary reason for being a member





Julie Hirigoyen – Hampshire

Equipping professionals with knowledge, skills and competencies

As the Covid-19 lockdowns were first imposed at the turn of the last FY, UKGBC pivoted its entire learning portfolio for 2020/21 to a virtual environment, as well as introducing a number of new offerings.

The newly designed Global Green Building course ran three times through the year, with over a 100 participants across over a dozen countries taking part, as well as a broad range of UKGBC members.

The programme was a great way for those new to sustainability to get to grips with key concepts and explore them in depth through the use of global good practice sharing. The opportunity to explore and connect to different approaches from around the world was a key highlight.

We also launched the UKGBC resource packs across our 5 impact areas and the social value coursemail in 2020 and Health and Wellbeing in 2021, which were both very well received.

27

Have a corporate commitment to climate action (77% at the whole business level)

2,994

L&D participants

5,378

L&D learning hours

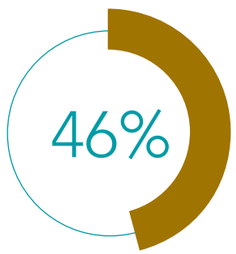
33

Lunch and learn sessions for members

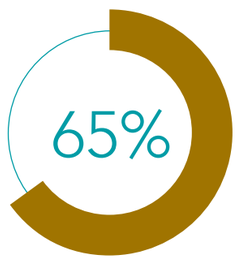


"I would encourage anyone interested in built environment sustainability to sign up for these courses as they are a very easy and enjoyable way to learn. It breaks up the working day without forcing you to spend too much time studying and you come away feeling like you understand the topic."

Stephen Alexander,
Sustainability Graduate, BRE



Of UKGBC members state 'equipping staff with the skills and knowledge to thrive in the future' as a primary reason for being a member



Of members said UKGBC had been supportive or very supportive to their team in developing the knowledge, skills and competencies required to achieve more sustainable outcomes



Emily Huynh – Greenwich

UKGBC worked in partnership with Property Week to support extensive coverage and commentary throughout the first year of its 'Climate Crisis Challenge' campaign, whose perception survey carried out in both 2020 and 2021 suggested a substantial increase in climate awareness amongst readers over the year. It also suggested significant investment in skills and capabilities in sustainability and climate action during the pandemic.

+40%

Respondents in 2021 compared to 2020

70%

Of respondents claiming their business has a strategy to tackle the climate crisis (60% in 2020)

56%

Of respondents stating they feel equipped to tackle the climate crisis (47% in 2020)

Activating transformational leadership

Cultivating transformational leadership by individuals working in the industry is also critical to UKGBC's theory of change. Over the past year, we doubled up on our efforts to activate sustainability leadership at varying levels of seniority and experience within the sector, including piloting Recalibrate, a brand new programme for C-suite Executives.

We continued to bring insights and support to our exclusive Leaders Network, with highlights including a focus on Task Force on Climate-related Financial Disclosures, and an exceptional virtual event to facilitate networking and a focus on mindsets and behaviour changes required for net zero, at the end of March 2021.

Finally, our Future Leadership Forum increased from 60 to 107 actively engaged alumni from our various leadership programmes held over the past five years for whom we ran a number of events and facilitated a practical visioning project for them to engage collaboratively towards tangible outcomes.

"The [Recalibrate] programme allowed me to explore ideas, obtain greater understanding and clarity and find a way of transforming my ideas on creating change through a clear purpose. The programme was practical, supportive and confidence building. The work undertaken by Elfrida and the team made sure that the content was relevant and insightful and I would strongly recommend this course for leaders looking to make a difference."

Peter Anderson,
Managing Partner, TB+A



Joanne Wheeler – North Devon

80+

Individuals starting or completing one of UKGBC's 3 leadership programmes

71/100

Average score from Change Accelerator delegates asked to rate the influence the programme had on their ability to affect organisational change

83/100

Average score from Recalibrate delegates asked to rate the extent to which the programme supported them to drive transformative change in their business

170+

C-suite executives on our Leaders Network

75%

Of members said UKGBC had been successful or very successful at inspiring leaders to drive transformational change

GOVERNMENT

Influencing progressive national policies

Influencing national policy remains as critical to our mission as ever and this year Covid-19 reminded us of the power of government to address a crisis. In fact, almost as soon as the pandemic took hold, the concept of 'building back better' and specifically a green recovery went to the top of the political agenda.

UKGBC strongly supported this advocacy, focusing on the need for a national home retrofit strategy and the potential for new green jobs. The Green Homes Grant scheme that was subsequently launched appeared to hold promise, but fell victim to poor implementation and lack of ongoing support from HMT in what was ultimately a major disappointment.

Despite that setback, the rhetoric from Government remains strong, with the PM's 10-point plan for a green industrial revolution and an ambitious new carbon reduction target published ahead of COP26. Although we spent a lot of the year waiting for a heat and buildings strategy, there was no shortage of crucial policy on which to engage, including Future Homes and Buildings Standards, energy efficiency in commercial buildings, major planning reform and the Environment Bill.

Our profile is as high as it ever has been at Westminster – despite the obvious face-to-face challenges – with an abundance of key meetings, and prominent campaigning with both traditional and social media, and joint letters in collaboration with other NGOs.





Anna Hollyman – Camber Sands



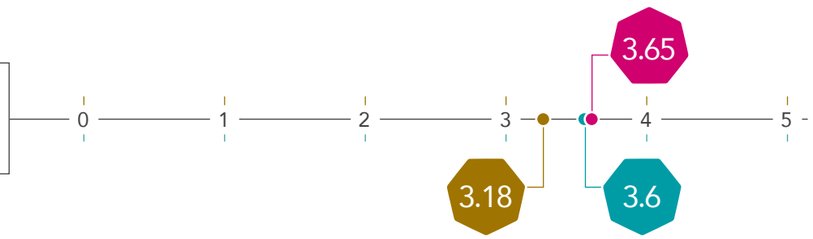
"I think your policy updates are brilliant – always plenty of interest in them, well written and clear action points. Very useful."

Jason Beedell, Director, Research, Strutt & Parker

MEMBER SURVEY

2021 2020 2019

How successful has UKGBC been at influencing national government policy?



56

Meetings with Westminster targets (52 previous year)

116

Paying members involved in national policy work (73 previous year)

6

National consultations or inquiries responded to

Supporting local policy-making and leadership

The role of cities and local authorities in driving a sustainable built environment continues to grow in importance for our mission. Over the course of the year UKGBC delivered a number of valuable guides for local authorities and facilitated collaboration, shared learning and common resources between them.

Hitting both climate and housebuilding targets is a challenge for most local authorities. In January 2021, we produced an updated policy playbook and interactive policy map to help all cities and local authorities drive up the sustainability of new homes. This topic area is one on which we receive a lot of enquiries and requests from local government, and it is a fast-moving agenda. We were pleased to support the West Midlands Combined Authority produce a zero carbon homes roadmap for the region, and have been supporting a similar exercise in Manchester.

We have also been exploring innovative approaches to development and regeneration in a partnership with Enfield Council on the Meridian Water scheme, as part of our Foreground programme with EIT Climate-KIC. A collaborative process has seen us work with a diverse range of stakeholders on finance and value; procurement; and community engagement.

An even greater challenge is carbon emissions from our existing housing stock. On home retrofit, we engaged over 110 officers from 73 local and combined authorities through our Accelerator Cities and Build Upon II projects. With energy efficiency increasingly a point of convergence for both 'levelling-up' and green recovery agendas, UKGBC also launched an interactive retrofit policy map and continued its fruitful collaboration with the Green Finance Institute, including through convening a delegation of finance sector representatives to advocate to BEIS Minister Kwarteng for a stamp duty incentive.

Being unable to hold face-to-face events was challenging, but nevertheless we maintained our local UKGBC networks in our three target city-regions of Greater Manchester, Birmingham and the West Midlands, and Bristol and the South West.

70+

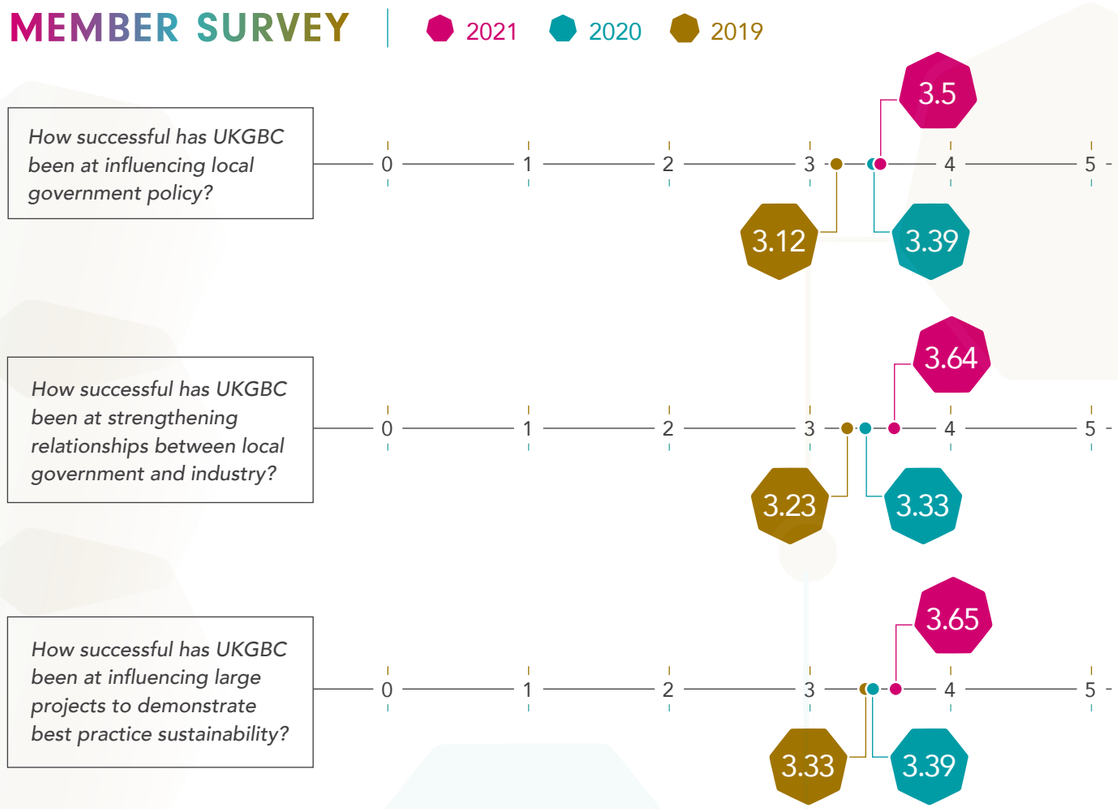
Local and combined authorities engaged with our cities projects

15

Meetings with local authorities

MEMBER SURVEY

2021 2020 2019





Anna Biggs – Loch Awe

Impact areas | CLIMATE CHANGE: MITIGATION

Advancing Net Zero

Advancing Net Zero continued as UKGBC's single largest programme as the momentum around net zero gathered pace amongst public and private sector alike. We were pleased to see the UK Government commit to a more ambitious 2030 emissions reduction target of 68% in December 2020, and welcomed the Climate Change Committee's renewed focus on buildings and heat strategy in particular.

Throughout the year, UKGBC worked with members to supplement the landmark Net Zero Carbon Buildings Framework, originally launched in April 2019, by publishing important new guidance on renewable energy procurement and carbon offsetting – once again the subject of extensive consultation and collaboration across the sector.

The team and our partner organisations also continued to explore the business case for net zero carbon buildings through conducting a cost evaluation study to bring office and residential buildings to 2025 and 2030 net zero standards, as well as publishing a market transformation report highlighting commonly cited barriers to net zero carbon assets and opportunities for overcoming these.



"This new guidance [on Renewables and Offsets] from the UKGBC is a major contribution in helping developers better understand what routes are available to secure renewable energy supplies as a tool to deliver net zero carbon buildings. This is a complex area, but one of growing importance as long term procurement of renewables presents significant opportunities in driving forward new renewable generation capacity in cities and more widely, supporting the renewables sector at a challenging time."

Syed Ahmed,
Director, Energy for London

541

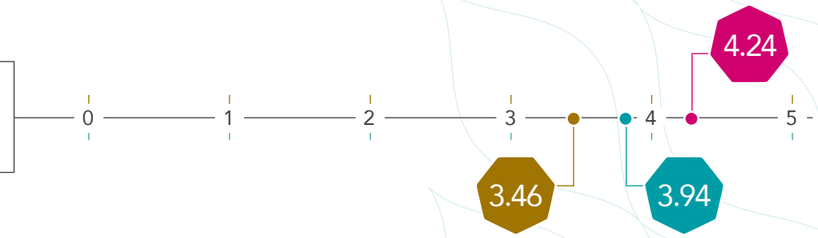
Individuals directly engaged in the Advancing Net Zero Programme (297 previous year)

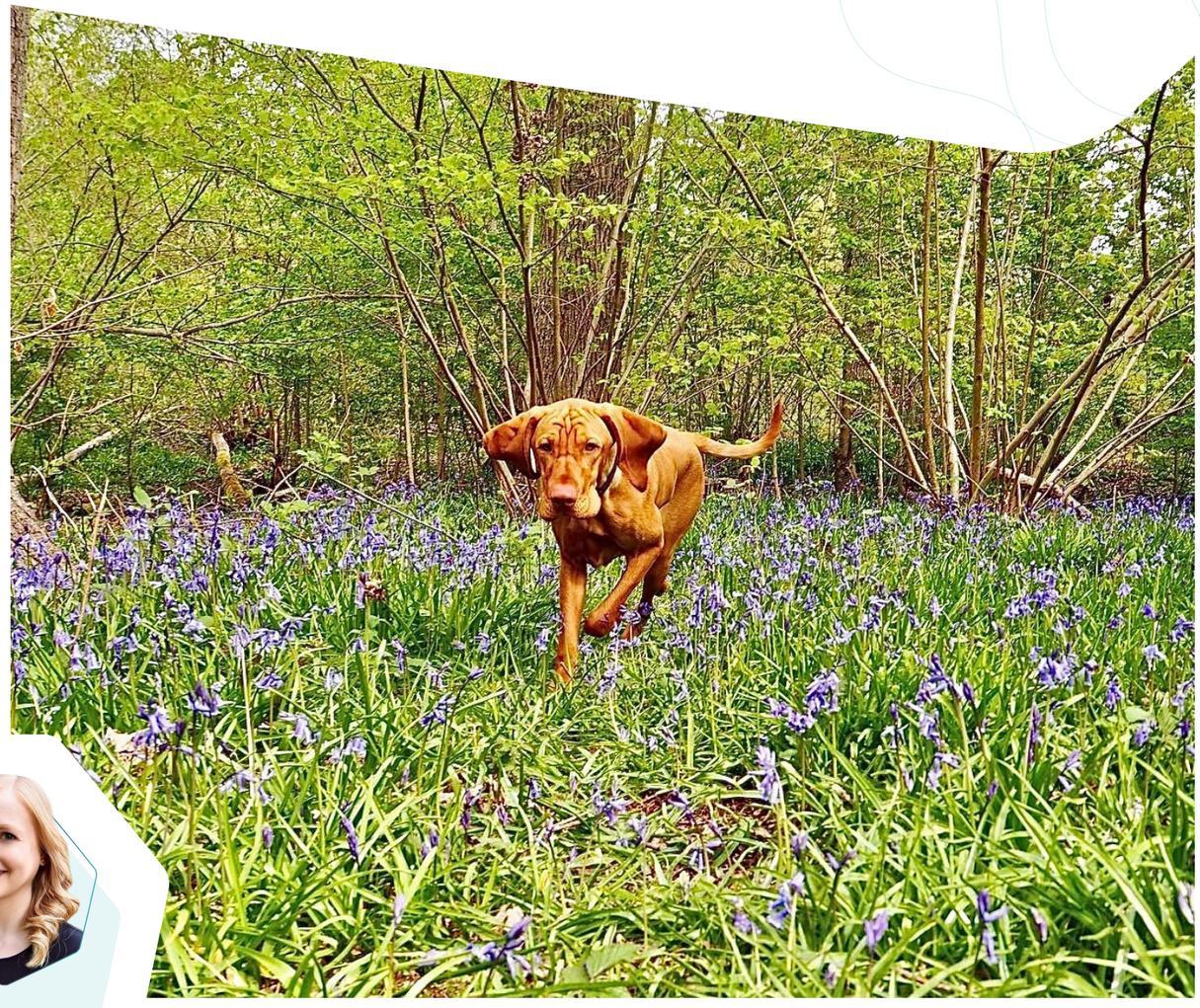
170

Different organisations directly engaged in the Advancing Net Zero Programme

MEMBER SURVEY | 2021 2020 2019

Extent to which UKGBC supports its members in climate change mitigation





Lucy Rees – Wimbledon Common

Outcomes evaluation: Advancing Net Zero programme

The following data is drawn from a survey that UKGBC conducted in April and May 2021 to evaluate the outcomes of its work on Advancing Net Zero (ANZ) over the past year.

Driving collaboration and partnerships

32%

Agree or strongly agree that they have made connections with organisations by taking part in the ANZ programme

70%

Agree or strongly agree that the Renewable Energy Procurement & Carbon Offsetting Guidance is a result of wider industry collaboration to drive the net zero agenda for the built environment

68%

Agree or strongly agree that industry task groups with open consultation allowed for cross-industry consensus building when developing the Renewable Energy Procurement & Carbon Offsetting Guidance

Best practice and solutions

63%

Agree or strongly agree that the Renewable Energy Procurement & Carbon Offsetting Guidance provides a best practice process to achieving net zero carbon and the associated values and implications

Knowledge, skills and competencies

58%

Agree or strongly agree that they have acquired new sustainability knowledge by taking part in the ANZ Programme

74%

Agree or strongly agree that the Renewable Energy Procurement & Carbon Offsetting Guidance deepens understanding of what sustainability best practice means in the built environment context

Strong standards across major projects

57%

Agree or strongly agree that the ANZ programme has contributed to strengthening the ambitions of our corporate commitments and strategies

74%

Agree or strongly agree that the Renewable Energy Procurement & Carbon Offsetting Guidance will improve the likelihood of higher standards of sustainability being adopted across the built environment industry

68%

Have shared the Renewable Energy Procurement & Carbon Offsetting Guidance with colleagues, clients and/or partners to help drive higher sustainability standards

77%

Have applied, or intend to apply the Renewable Energy Procurement & Carbon Offsetting Guidance in their business and/or on projects to drive higher sustainability standards

*These findings were derived from a relatively small sample size of 30 individuals responding to the survey in full

Climate Resilience; Nature and Biodiversity

Understanding risk and promoting resilience

Covid-19 shone a light on the scale and severity of systemic global risks, which served to heighten awareness and concern for climate related financial risks, and also brought home the critical role that green space and nature play within our urban areas. UKGBC welcomed the Chancellor's announcement in November 2020 that, by 2025, a significant number of UK companies will be obliged to report on their climate-related financial risks. Throughout the year, UKGBC ran three separate events for members on the recommendations of the Taskforce on Climate-Related Finance Disclosures (TCFD) – welcoming speakers from the Bank of England, Lloyds Banking Group, NatWest Group, Lendlease and more.

312

Individuals directly engaged in Resilience and NBS projects

167

Different organisations directly engaged in Resilience and NBS projects

Principles for nature-based solutions

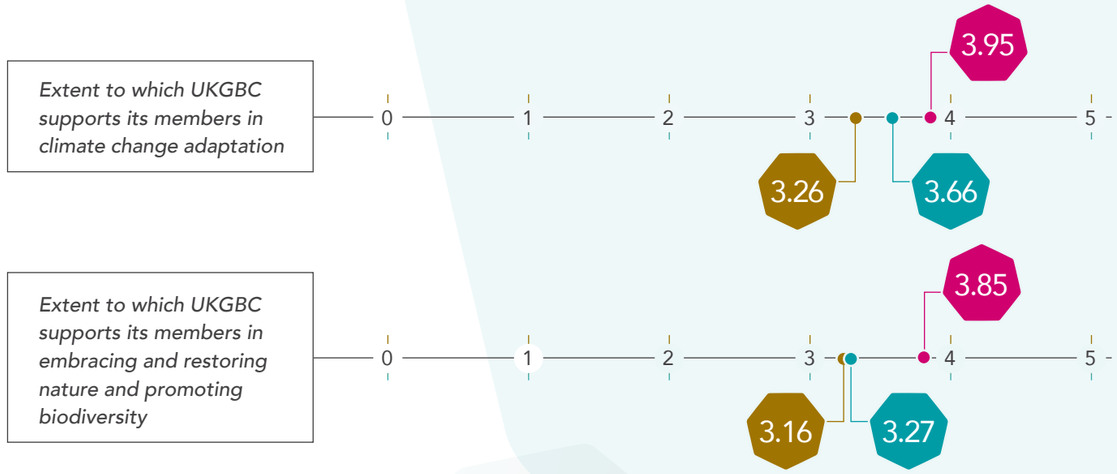
Urban nature-based solutions (NBS) can provide an answer to the growing demands from finance, business, regulators, and communities, around the built environment's role in providing a solution to the climate and ecological emergencies.

Throughout the year, UKGBC coordinated an extensive consultation engaging over 90 industry stakeholders in the creation of a set of principles for delivering urban nature-based solutions, to help developers and owners increase the incorporation of NBS within the construction and operation of built assets. The final report, published in April 2021, provides a concise overview of practical methods and best practice examples that empower influencers and decision-makers within built environment organisations to increase the use of urban NBS as a means of ensuring climate resilience and enhancing nature.

Through our collaboration with Business in the Community and Greater Manchester Combined Authorities on the EU funded IGNITION project we also published a business-facing resource titled 'Nature-based solutions to the climate emergency: The benefits to business and society'. The IGNITION project, which is ongoing, aims to develop innovative financing mechanisms for nature-based solutions to improve the climate resilience of Greater Manchester's urban area.

MEMBER SURVEY

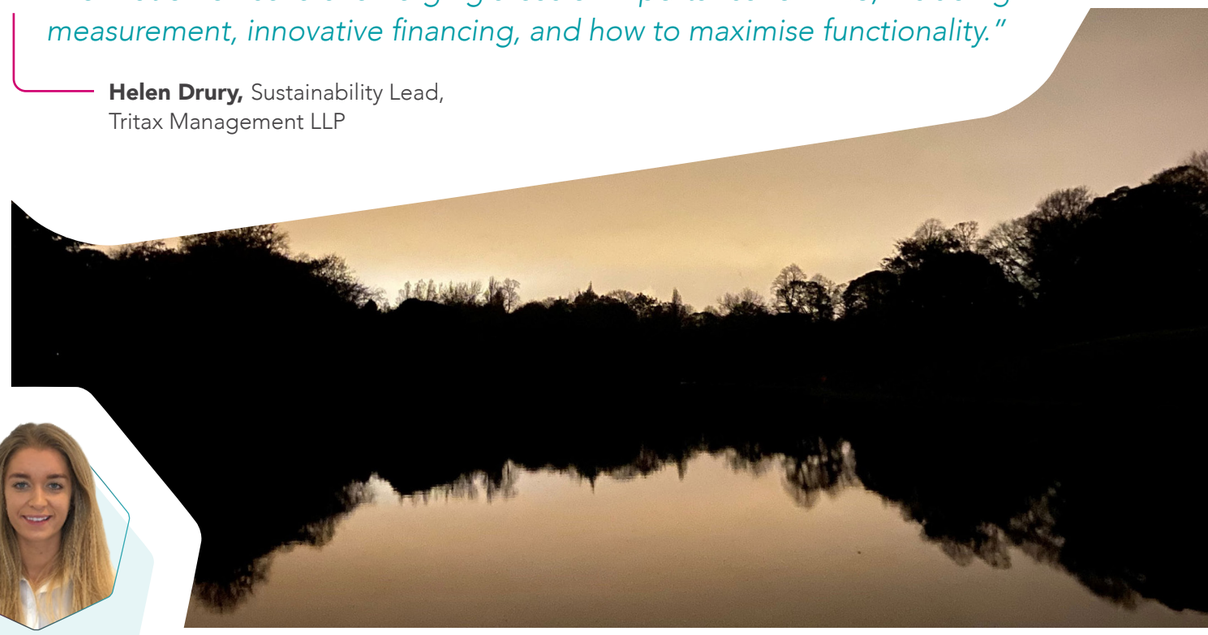
2021 2020 2019



"At Tritax Big Box REIT we have put nature-based solutions at the heart of our ambitions to tackle the impacts of climate change, create biodiversity net gain, and generate social value. The principles, methods, and case studies in this new UKGBC report will help us inform internal and external stakeholders of the importance and possibilities for integrating NBS into our new and existing assets. I encourage all professionals to access the report as it provides actionable information on several emerging areas of importance for NBS, including measurement, innovative financing, and how to maximise functionality."



Helen Drury, Sustainability Lead, Tritax Management LLP



Eleanor Boyce – Sefton Park



RESOURCE USE

Promoting circular economy principles

UKGBC launched a series of implementation packs on Materials Reuse and Products as a Service to assist built environment projects adopt circular economy principles and drive down resource use.

Throughout the year of the programme, we convened dozens of member organisations together through regular member-led working groups focused on particular aspects of implementation - including material reuse, circular economy indicators, and design for disassembly – all focused on facilitating shared learning on live projects.

The team also supported the Horizon 2020 funded CIRCuIT programme looking to apply circular construction thinking at a city level and collaborated closely with other organisations working in this area (for example, ReLondon, LETI, Ellen McArthur Foundation) to extend impact and influence across the built environment industry.





Celina Penny – Middleton Road

172

Individuals directly engaged in Circular Economy work



"The Circular Economy Live Project Forum has initiated a number of critical conversations surrounding material reuse, measuring circularity and design considerations. It has provided an insightful platform for clients, design teams, suppliers and contractors, to share advice, ideas and opinions. It has enabled us to collectively raise our ambitions for circularity on our projects. Orms are looking forward to continuing this work with the Circular Economy Programme as Partners this year."

Rachel Hoolahan, Architect, Orms

MEMBER SURVEY

2021 2020 2019

Extent to which UKGBC supports its members in eliminating waste and maximising resource efficiency



93

Different organisations directly engaged in Circular Economy work

SOCIO-ECONOMIC IMPACT

Progressing the understanding of Social Value

The focus on social value continued to gather momentum over the past year, with growing interest from development and construction firms as well as public authorities. In the second year of our now well-established programme, we worked with most of the leading social value practitioners in the industry to focus on measurement, definitions, and the just transition.

There are multiple social value measurement portals and methods already available, many of which are designed for slightly different purposes. Over the last year, UKGBC convened experts together, drawing out their insights about the specific purpose and application of different social value measurement approaches.
We published a short guide to help organisations understand which measurement approach might be most suitable for their needs and why.

Framework for defining social value

In 2020, UKGBC brought together a Social Value Task Group to address the challenge of defining social value for the built environment sector in a way which is applicable and useful for all projects and places. Launched in February 2021, the resulting Framework for Defining Social Value provides guidance on the principles and process for defining and delivering social value across all stages of the asset lifecycle.

As momentum builds around the race to zero, UKGBC investigated the social justice considerations and opportunities of the net zero transition through consultation with academia and industry stakeholders. We created an infographic to highlight key considerations of the Just Transition to take into account at different stages of a built asset lifecycle.



"The UKGBC programme to define social value has made an excellent contribution to the way the construction sector evolves its approach to social value. The programme was inclusive and produced an incredibly thoughtful and important piece on what social value is and how it can be managed in the built environment."

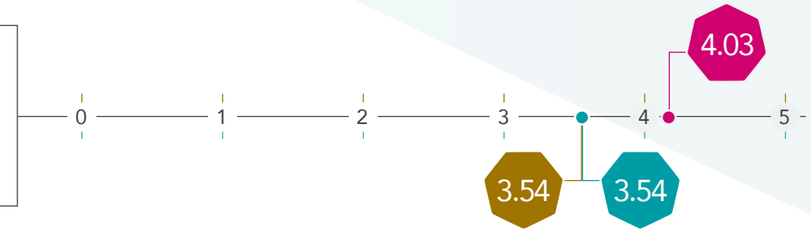
Ben Carpenter,
CEO, Social Value International

408

Individuals directly engaged in Social Value projects

MEMBER SURVEY | 2021 2020 2019

Extent to which UKGBC supports its members in creating long term social value and improving quality of life for people







Alastair Mant – Knysna Lagoon

133

Different organisations directly engaged in Social Value projects

Outcomes evaluation: Social Value programme

The following data is drawn from a survey that UKGBC conducted in March and April 2021 to evaluate the outcomes of its work on social value over the past year.

Driving collaboration and partnerships

50%

Agree or strongly agree that they have made connections with organisations by taking part in the Social Value Programme

59%

Agree or strongly agree they have extended their professional network by taking part in the Social Value Programme

75%

Agree or strongly agree that the Social Value Framework Definition is a result of cross-industry consensus

89%

Agree or strongly agree that the collaborative way in which the Social Value Framework Definition was developed will support its take up

Best practice and solutions

75%

Agree or strongly agree that the Social Value Framework Definition provides a best practice process to define and deliver social value in any project or place

Knowledge, skills and competencies

71%

Agree or strongly agree that the Social Value Framework Definition deepens understanding of what social value means in the built environment context

71%

Agree or strongly agree that the Social Value Framework Definition equips organisations and government with knowledge and skills needed to drive better outcomes for communities

86%

Agree that the Social Value Framework Definition has filled a knowledge-gap in the industry

Strong standards across major projects

70%

Are considering using the Framework for Defining Social Value in future projects

71%

Agree or strongly agree that the Social Value Framework Definition will improve the likelihood of positive social value outcomes being delivered on built environment projects

75%

Agree or strongly agree that the Social Value Framework Definition encourages flexibility in interventions and diversity in outcomes – giving space for the development of innovative solutions

*These findings were derived from a relatively small sample size of 32 individuals responding to the survey in full.

HEALTH AND WELLBEING

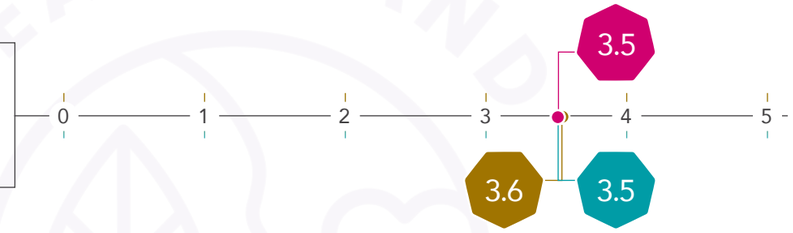
Maintaining momentum on health and wellbeing

The Covid-19 pandemic has put health and wellbeing firmly into the spotlight for everyone, as nations have battled the worst health crisis in living memory. Our experiences of lockdown showed how our homes, our workplaces and our communities directly affect our health and wellbeing, and our quality of life. The closure of many sectors of the economy and the transition of many office-based employees to home working led to many in the property industry considering the future of our homes and workplaces and UKGBC hosted an event to explore what might change dramatically in the 'new normal'.

WorldGBC's Better Places for People programme continued throughout the year, leading a consultation with over 40 green buildings councils from around the globe, including UKGBC. This work sought to broaden the conversations around health and wellbeing in buildings, beyond buildings in-use to the entire value chain and the full built asset lifecycle. WorldGBC also developed a new framework to encompass the broader socio-economic and environmental determinants of health.

MEMBER SURVEY | 2021 2020 2019

Extent to which UKGBC supports its members in eliminating waste and maximising resource efficiency





"The pandemic has put the topic of health and wellbeing in buildings firmly in the spotlight over the past year. We brought members together early on in the pandemic to begin having conversations about the changes that were happening and what the future of our built environment might look like. It was great to discuss what lessons can be learned and how the industry can ensure it builds back fairer, as well as builds back better"

Anna Hollyman, Sustainability Advisor, UKGBC





John Alker – Peak District

Our impacts and the year ahead

Addressing UKGBC's impacts

Like many organisations during the global pandemic, our team has predominantly been working remotely over the past year. This has necessitated a significant shift in mindset about how we consider our impacts as an organisation, and the culture we want to enhance and nurture internally.

Many of the activities we had planned to do, such as implementing measures to improve office air quality, had to be postponed. As a result, we placed a much greater emphasis on activities that could be carried out effectively online, and on measures to improve our own health and wellbeing. Some of our key highlights include:

Continuing our pathway to net zero

We strive to 'practice what we preach' and have done so by signing up to WorldGBC's Net Zero Carbon Commitment. We also worked with Carbon Intelligence to analyse in more detail our carbon emissions profile, which highlighted the main areas – predominately Scope 3 emissions - which we will need to focus on in our own, ambitious net zero journey.

Supporting our staff during lockdown

UKGBC understands the vital importance of supporting the health and wellbeing of our team, and this became a priority focus during the Covid pandemic. We introduced a number of initiatives, designed to act as both active and passive touchpoints to ensure we maintained our community spirit, support network and personal wellbeing throughout the year. This included organised mindfulness sessions, a monthly book club and social coffee mornings. We also sent every staff member some seeds to grow as part of our gardening club initiative – the products of which occasionally made it into our healthy lunch club!

All of this was over and above more formally organised weekly team meeting, quarterly team half days and a colleague survey all driving further improvements in HR and people related processes.

Supporting our communities during lockdown

The Covid pandemic has heightened our desire to support our communities during lockdown, particularly the demographics most hit by the recent year. In June last year we took part in JLL's Property Weekend Challenge, a virtual duathlon to fundraise donations for Crisis and LandAid – and at Christmas donated towards three further charities selected by our team: Coram's Fields, a children charity close to our office, Young Minds and The Trussell Trust.

Holly Campbell, our Sustainability Leaning Co-ordinator, continued our schools' outreach virtually by creating a home art activity for children aged 9 to 16 around increasing animal biodiversity in Canary Wharf. This was in collaboration with our Gold Leaf member, Canary Wharf Group plc.

Diversity & Inclusion

The past year has also been tumultuous in other ways, and the Black Lives Matter movement in the summer sparked our internal reflection on how we could collectively become a more active champion of diversity and inclusivity. This led us to set up a formal Diversity & Inclusion group and saw us partner up with Inclusive Employers to help support us on our journey to improve our working practices and advocacy in this space.



"Prior to my first day at UKGBC, I had reservations around how engaged and welcomed I could be when joining a new organisation remotely during the global pandemic. I needn't have worried – UKGBC has been hugely supportive of its staff during lockdown, and 12 months on, despite still not having met most of my colleagues in person, I feel a part of the UKGBC community."

Emily Huynh, Technical Advisor – Advancing Net Zero, UKGBC

Overview of the year ahead

Our 2021/22 annual operating plan is based on four strategic priorities:

- Leverage COP26 to drive up ambition and commitment to climate mitigation and adaptation across the whole property and construction industry and to strengthen key elements of the UK Government's built environment policy
- Accelerate leadership and action, primarily by businesses and government (national and local), towards more sustainable built environment outcomes
- Convene cross-sector collaboration, facilitating connections and meaningful partnerships to scale up the adoption of sustainable outcomes and solution
- Extend our membership network and activities across the UK, with a particular focus on Scotland in advance of the COP26 conference in November 2021

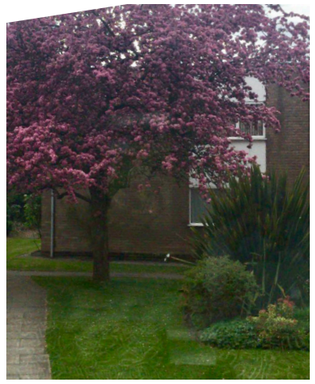
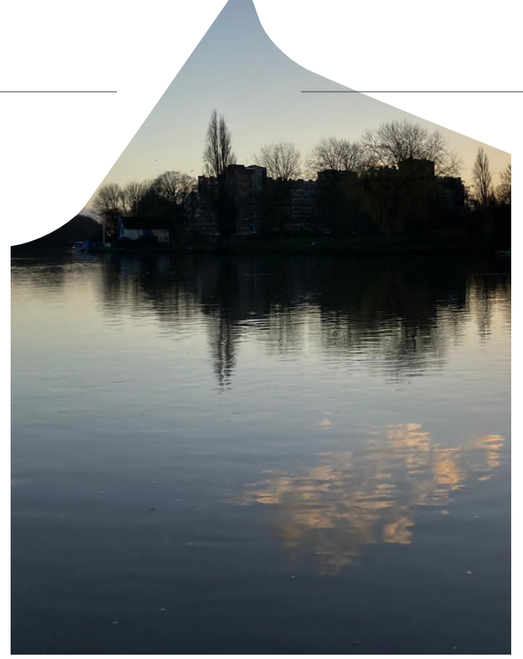
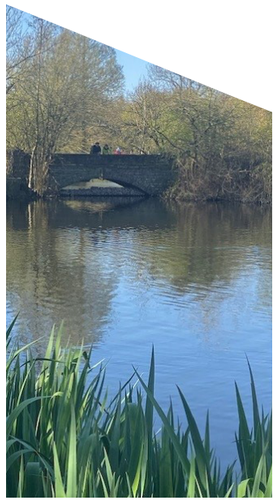
Having canvassed the views of our members on the introduction of more prescriptive membership requirements for our corporate members, UKGBC is introducing these in the current FY to report on in next year's Impact Report.

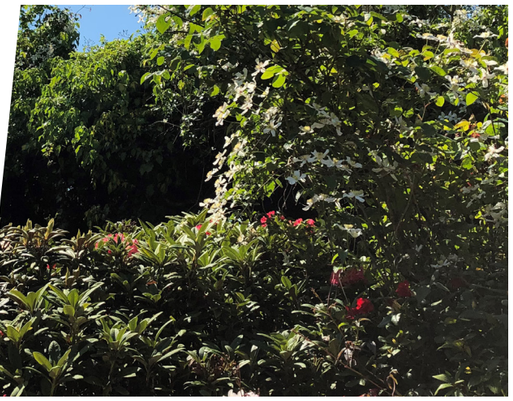
80%

Of members agreed UKGBC should require minimum sustainability commitments from corporate members as a condition of membership

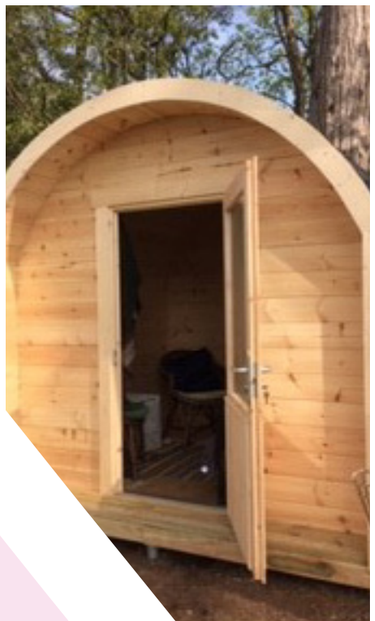
Programme and project partners FY20-21

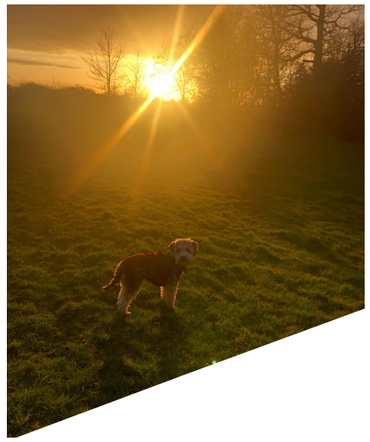
Advancing Net Zero	| Redevco Foundation | BAM | Berkeley Group	| Grosvenor | Hoare Lea | JLL UK
Leadership	| The Crown Estate | Grosvenor	| Mitsubishi Electric
Leaders Network	| CFP Green Buildings	
Seconding Organisations (Local Networks & other projects) & regional office support	| Chetwoods, Birmingham & West Midlands | Hoare Lea, Bristol & the South West	| Cundall, Greater Manchester
Social Value	| Argent | Avison Young	| Buro Happold | Federated Hermes
Resilience and Nature Based Solutions	| John Ellerman Foundation	
Ignition	| EU's Urban Innovation Actions Initiative	
CIRCuIT	| EU Horizon 2020	
Construction Innovation Hub (CIH) Value Toolkit	| CIH	




PAVILION




Reports

REFERENCE AND ADMINISTRATIVE DETAILS

Status	The organisation is a charitable company limited by guarantee, incorporated on 29 September 2009 and registered as a charity on 24 March 2010.
Governing Document	The company was originally established under Memorandum and Articles which established the objects and powers of the charitable company. New Articles of Association were approved by the Charity Commission on 21 January 2020.
Board of Trustees	Judith Everett Jerome Frost OBE Mina Hasman (co-opted) Bill Hughes Chris Oglesby (co-opted) David Partridge Sunand Prasad Victoria Quinlan Lorna Walker Rick Willmott Derek Wilson (co-opted)
Company Secretary and Chief Executive	Julie Hirigoyen
Senior Management Team	
Chief Executive	Julie Hirigoyen
Director of Policy and Places	John Alker
Director of Membership and Operations	Munish Datta
Director of Experiential Learning and Leadership	Elfrida Hamilton-Russell
Director of Business Transformation	Alastair Mant
Registered Office	The Building Centre, 26 Store Street, London, WC1E 7BT
Company Registration Number	01029239 (England and Wales)
Charity Registration Number	1135153 (England and Wales)
Auditor	Buzzacott LLP, 130 Wood Street, London, EC2V 6DL
Bankers	NatWest Bank, 250 Regent Street, London, W1B 3BN
Solicitors	Russell-Cooke LLP, 2 Putney Hill, London, SW15 6AB

TRUSTEES' REPORT
YEAR TO 31 MARCH 2021

The trustees present their annual report and the audited financial statements of UKGBC Limited (UKGBC) for the year ended 31 March 2021.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and it is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 65 to 69 and comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The objects of the charity are for the public benefit:-

- To increase the sustainability of the built environment by improving the way it is planned, designed, constructed, maintained, operated, modified and replaced ("Improving sustainability")
- To advance the education of the public in the sustainability, conservation, protection and improvement of the built environment ("Education")
- To promote the sustainability, conservation, protection and improvement of the built environment ("Raising awareness")

Public Benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

The trustees are confident that UKGBC's aims and activities of Improving Sustainability, Educating, Campaigning for and Raising Awareness of the Sustainability of the Built Environment are in accordance with the regulations on public benefit.

FINANCIAL REVIEW (continued)

Results for the year

Total income for the year increased by £20,640 (1%) to £2,306,950 (2020: £2,286,310) compared to the previous year.

The primary income source, accounting for 62% of total income (2020: 54%), is membership subscriptions. These have increased by £203,189 on 2020, with total membership fees in the year amounting to £1,427,153 (2020: £1,223,964).

Grant and contract income has decreased by 11% to £559,099 (2020: £630,405). During the year we employed the WorldGBC European Policy Officer (until June 2020) and the WorldGBC Communications and PR Coordinator (from September 2020) to work on the funded programme Build Upon II. In addition, we secured funds from EIT Climate KIC, the Redevco Foundation, the IKEA Foundation and Laudes Foundation. A total of £45,182 (2020: £52,552) of this income was retained at the year end and is held in restricted funds.

Education course income increased by 18% to £162,502 (2020: £138,085).

There was no major event income in the year (2020: £nil) as UKGBC did not organise any major sponsored events in FY2020-21 as a result of Covid-19.

The value that we have received from expert members speaking at our education courses, the venues we have been donated to use without charge and secondees from member organisations who worked for us during the year, have been recognised as voluntary (in kind) donations. The value of these donations amount to £31,575 (2020: £45,180) and comprise 100% of voluntary income in the year.

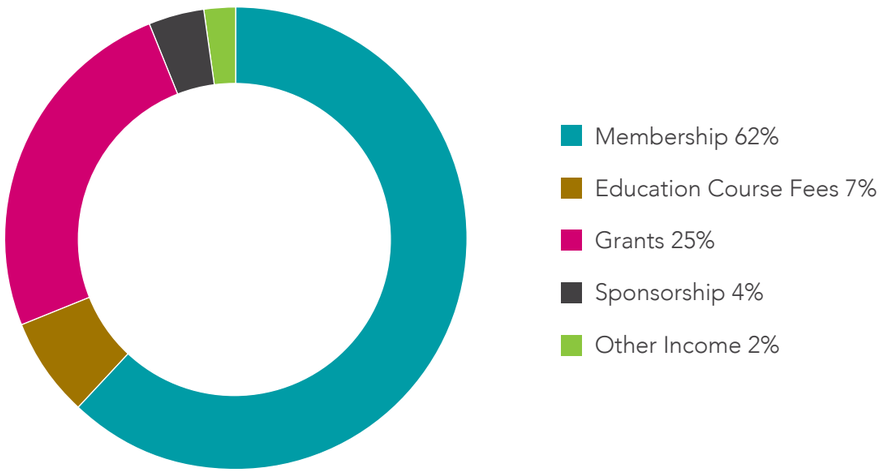
Total expenditure decreased by £271,306 in the year to £2,128,670 (2020: £2,399,976) largely a result of expenditure associated with staff costs. Staff costs remain our biggest single cost, comprising 73% (2020: 64%) of costs at £1,562,791 (2020: £1,527,434) in total.

Support costs in the year came to £581,410 versus an equivalent of £470,057 in the previous year, which is mainly as a result of increased staff costs due to the employment in late 2019 of a Director of Membersip and Operations focused on delivering improved membership value and organisational effiencies.

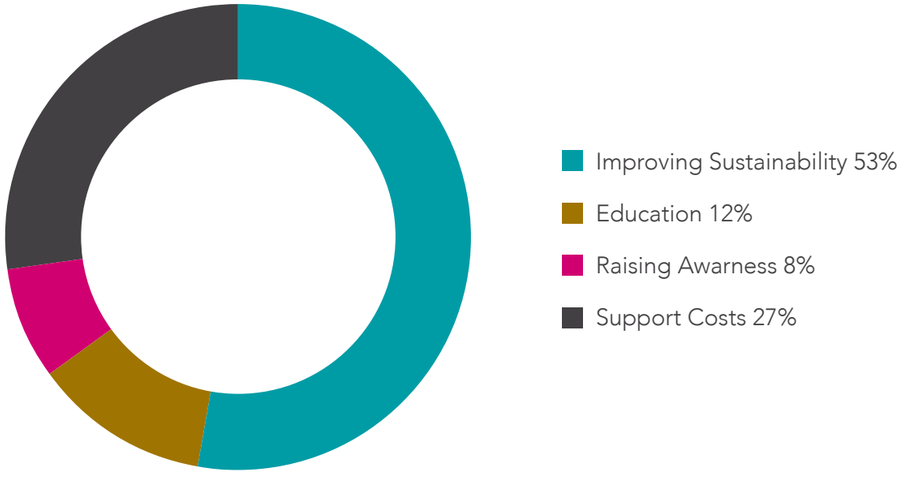
Trustees had ringfenced £40,000 of excess reserves generated in FY2018-19 to be reinvested in FY2019-20 for the purpose of piloting a new member benefit. Of this, £35,608 (89%) was re-invested during FY2019-20, with the remaining balance utilised in full in FY2020-21.

Overall the charity generated a surplus of £178,280 (2020: deficit £113,666) in the year, which increased charitable funds to £1,017,709 (2020: £839,429). Of these, £45,182 (2020: £52,552) are restricted to specific ongoing projects and will be expended in future years. £972,527 (2020: £786,877) are held in unrestricted reserves at the year end.

Where our funds come from



Analysis of our expenditure



FINANCIAL REVIEW (Continued)

Reserves policy and financial position

The trustees have set a reserves policy that requires that unrestricted reserves be maintained at a level that ensures that UKGBC's core activities could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained on easy access deposit. The calculation of the required level of reserves is an integral part of UKGBC's planning, budgeting and forecasting cycle. It takes into account the risks associated with each stream of income and expenditure varying from budget; the planned activity level; and UKGBC's future commitments.

The methods recommended for calculating the reserves requirement (which fall under the Charity Commission's recommended reserve policy guidelines for less complex charities) are that:

- The policy addresses the risk of the need for unforeseen expenditure
- The policy addresses the risks associated with the loss of a source of income

In using each of these in turn, the trustees of UKGBC calculate and test the appropriate level of reserves for UKGBC on an annual basis. To feed into the Budget FY2021-22, the reserves policy was reviewed and updated in February 2021.

THE NEED FOR UNFORESEEN EXPENDITURE

This method involves calculating the expenditure that would be required to maintain UKGBC's ordinary activities for a period of 4 months. The level of reserves required based on 4 months of UKGBC's FY2020/21 budgeted expenditure (excluding depreciation and expenditure associated with restricted income) is £745,000.

RISKS ASSOCIATED WITH THE LOSS OF A SOURCE OF INCOME

Membership fees constitute over 60% of UKGBC's income and are considered by trustees to be the main source of risk to UKGBC, particularly during the COVID-19 crisis when our members are likely to be suffering economic hardship. Based on the total budgeted income from membership renewals in FY2021-22 being £1,387,000, applying a worst case scenario of 40% attrition would give rise to a loss of income of approximately £555,000. In the event that membership attrition is greater than 40%, cost-mitigating strategies will be implemented to reduce the impact of this on the charity.

UKGBC proposal for FY2021-22 is an 'extraordinary investment budget' aiming to fully harness the unprecedended momentum for UKGBCs mission within business boardrooms, financial markets and socio-politically. Mitigating climate risks, net zero carbon, biodiversity & Nature, and ESG, the backdrop of COP26, the Race to Zero and the Green Industrial Revolution is converting to significant growth in membership and high grant and sponsorship funding commitments secured. The board is supportive of the UKGBC executive team re-investing funds held in excess of the reserves requirement where these can be deployed to amplify impactful outcomes against the charitable objectives.

The trustees consider that, based on current estimates, an appropriate level of reserves for FY2021-22 would be between £555,000 and £745,000, as determined by the two tests above.

As at 31 March 2021, free reserves (excluding the net book value of fixed assets of £19,578) amounted to £952,950 excluding fixed assets which is above the trustees' stated reserves policy.

Going concern assessment

The coronavirus (COVID-19) outbreak has caused extensive disruptions to organisations as well as economic activities globally with no exception for the UK.

Trustees acknowledge and recognise the potential impact of the COVID-19 pandemic on the future operations of the charity, its members, beneficiaries, partners and stakeholders and on wider society. Whilst the charity has exceeded the budgeted income to date since the lockdown began including generating new programmes of work, the crisis has created economic, social and operational uncertainties which cannot be fully quantified or predicted in relation to a period of twelve months from the date of signing the financial statements.

Based on the current plans, assumptions and forecasts, whilst acknowledging there are material uncertainties and additional financial risks, the trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

Investment policy and performance

The trustees have wide-ranging powers of investment as determined by the Articles. Due to the charity's reserve requirement (see above), funds are held that exceed the short-term expense requirements and forecast programme costs, but to which access may be required at short notice. Therefore excess funds are placed in fixed deposit financial statements with a basket of UK retail banks. The maturity of these funds is designed to correspond with forecast expenditure and reserve requirements, whilst the nature of these investments ensures that no unnecessary risks are being taken with our funds.

Funds required to meet liquidity and short-term expenditure requirements are retained in interest-bearing current accounts with the charity's bankers.

The invested funds held in fixed deposit accounts together with those in interest-bearing current accounts achieved an average rate of return 0.38% (2020: 0.7%).

Fundraising statement

Over the course of FY2020-21, UKGBC did not undertake any public fundraising activity, nor do our commercial and corporate supporters undertake any public fundraising on our behalf. UKGBC does not have any subsidiary trading companies, nor do we employ commercial third parties to undertake fundraising on our behalf. There were no complaints in the year in relation to our fundraising.

PRINCIPAL RISK AND UNCERTAINTIES

The Board of Trustees has the overall responsibility for the governance of risks and ensures there are adequate and effective systems in place to mitigate these. These risks are reviewed annually by the whole Board as an intrinsic part of strategy setting and upon consideration of new opportunities. The trustees continue to assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and reputation. The trustees have established systems to monitor and to mitigate those risks and continue to review their effectiveness.

UKGBC has an open and accountable culture, which recognises that risk is inherent in business, particularly where we are aiming to be innovative and ahead of the curve. We adopt an open and proactive approach to risk management, with a view to being pre-emptive rather than box ticking.

The risk management framework is put forward by the Leadership Team, and reviewed and approved by the Risk & Audit Committee and by the Board. UKGBC's risk management framework is designed to identify the principal risks faced by the organisation and ensure that these are being appropriately monitored. In the case of each of the principal risks, controls are in place and mitigating actions will be allocated to individuals on the team who will be tasked with the requisite accountability. A detailed risk and mitigation report featuring quantitative/ qualitative indicators will be reviewed by the Risk & Audit Committee at least twice a year.

The trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The significant risks and uncertainties identified through the above process are discussed on the next page:

RISK IDENTIFIED	ACTION TAKEN TO MITIGATE THE RISK
FINANCIAL	
High reliance on membership fees, partnership as a source of income & long term financial impacts of COVID-19.	Alternative sources of funding are targeted to diversify income further from a variety of governmental, EU and philanthropic organisations. A number of successful bids (e.g. Laudes Foundation, John Ellerman Foundation, IKEA Foundation, Climate KIC) have helped diversify income sources.
Charities being increasingly targeted for cyber fraud and breach of data protection.	Clear roles and responsibilities in terms of data protection and increased training, security measures (e.g. Multi Factor Authentification, forced password reset, virus scans, geographical restrictions and Mimecast) have been deployed along with several other actions.
PEOPLE	
Loss of UKGBC talent due to increased market momentum and demand for sustainability professionals leading to high staff turnover.	Increased focus on career development and successional planning. Investment in development of team values, core values and team working practices. Annual and tactical review of UKGBC reward package to ensure it is as competitive as possible for all roles. Ensuring sufficient notice periods for all roles commensurate with their criticality to the organisation.
Difficulty in recruiting high calibre staff.	Annual and tactical review of UKGBC reward package to ensure it is as competitive as possible for all roles leveraging the uniqueness of working with a pan industry, mission led charity.
PROGRAMMATIC	
Ensuring a coordinated and integrated offering of programmes that deliver positive outcomes.	Significant efforts have gone into planning and scheduling for the upcoming financial year to avoid risk of programmatic clashes and to ensure maximum member impact with variety of different programmes and activities. A marketing and communication strategy for key programmes is now being delivered and having an impact. A revised 'outcomes' based approach to impact measurement will be applied to all major programmes for FY2020-21.
REPUTATIONAL	
Demonstrating a meaningful impact on the sector to protect UKGBC brand reputation.	Impact is central to our business planning process and tangible outcomes based measurement being delivered for key programmes. Member survey has been adapted to capture impact/ outcomes. The introduction of mandatory membership commitments in May 2021 is commensurate with scale of transformation required from members and the sector as a whole.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

UKGBC Limited was formed in 2006 as a company limited by guarantee and is governed by an amended Memorandum & Articles of Association dated 29 September 2009. The Charity Commission formally registered the company as a charity on 24 March 2010. New Articles of Association were approved by the Charity Commission on 21 January 2020.

Recruitment and appointment of trustees

The Board of Trustees (who are also directors for the purposes of the Companies Act 2006) consists of not fewer than four and no more than twelve persons elected by members of the charity; in addition the Board has the power to appoint trustees to fill vacancies, and may co-opt up to four more individuals from across the sustainable built environment sector. Trustees are confirmed in post by an election process, and typically serve for an initial 3 years, whereupon they retire by rotation. They may seek re-election.

The following trustees were in office and served between 1 April 2020 and up to the date of approval of this report, except where shown.

TRUSTEE	APPOINTED/RESIGNED
Michael Cross	Resigned 16 September 2020
Judith Everett	Appointed 1 October 2020
Jerome Frost OBE	
Mina Hasman	
Bill Hughes	
Chris Oglesby	Co-opted 1 January 2021 due for election at next AGM
David Partridge	
Sunand Prasad	
Victoria Quinlan	
Lorna Walker	
Rick Willmott	
Derek Wilson	Co-opted 16 September 2020 due for election at next AGM

Trustee induction and training

On election, each new trustee receives an induction pack including the 'Good Trustee Guide' published by the Charity Commission and a range of key organisational policies and documents. All new trustees are invited to attend a Role of Trustee course and along with other trustees are given regular opportunities to meet the senior management and other staff.

Management

The day-to-day management of the charity is delegated to the Chief Executive who is responsible for achieving the overall aims and objectives of the charity to agreed annual budget and target performance criteria.

Remuneration of key management personnel

The trustees consider that they, together with the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 6 to the financial statements.

The pay of the Senior Management Team and all staff are reviewed annually by the Personnel & Nominations Committee and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the trustees benchmark against pay levels in other membership bodies and trade associations.

Statement of the trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:

Chairman: Sunand Prasad
Date: 15/07/2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED

Opinion

We have audited the financial statements of UKGBC Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to the information contained in the trustees' report and principal accounting policies to these financial statements, which sets out the material uncertainties relating to going concern. Our opinion is not modified in respect to this matter.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED (continued)

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UKGBC LIMITED (continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Date: 15/07/2021



Financial Statements

STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 31 MARCH 2021

	Notes	Un-restricted funds £	Restricted funds £	**2021 Total funds £**	Un-restricted funds £	Restricted funds £	2020 Total funds £
Income from:							
Donations and legacies	**1**	31,575	-	**31,575**	54,180	-	54,180
Charitable activities	**2**						
. Improving sustainability		1,459,339	559,100	**2,018,439**	1,344,440	630,405	1,974,845
. Education		162,502	-	**162,502**	138,085	-	138,085
. Raising awareness		80,430	1,980	**82,410**	70,431	9,067	79,498
Investments		3,460	-	**3,460**	7,512	-	7,512
Other sources		8,564	-	**8,564**	32,190	-	32,190
Total income		1,745,870	561,080	**2,306,950**	1,646,838	639,472	2,286,310
Expenditure on:							
Charitable activities	**3**						
. Improving sustainability		991,792	566,470	**1,558,262**	731,325	579,234	1,310,559
. Education		354,548	-	**354,548**	465,796	-	465,796
. Raising awareness		213,880	1,980	**215,860**	614,554	9,067	623,621
Total expenditure		1,560,220	568,450	**2,128,670**	1,811,675	588,301	2,399,976
Net income (expenditure) and movement in funds	**5**	185,650	(7,370)	**178,280**	(164,837)	51,171	(113,666)
Reconciliation of funds							
Brought forward at 1 April		**786,877**	**52,552**	**839,429**	951,714	1,381	953,095
Carried forward at 31 March		**972,527**	**45,182**	**1,017,709**	786,877	52,552	839,429

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two periods of report.

BALANCE SHEET
YEAR TO 31 MARCH 2021

	Notes	**2021 £**	**2021 £**	2020 £	2020 £
Fixed assets					
Tangible fixed assets	**7**		**19,577**		20,801
Current assets					
Debtors	**8**	**555,367**		570,268	
Short term deposits		**910,381**		904,673	
Cash at bank and in hand		**1,109,275**		629,389	
		2,575,023		2,104,330	
Current liabilities					
Creditors: amounts falling due within one year	**9**	**(1,576,891)**		(1,285,702)	
Net current assets			**998,132**		818,628
Net assets			**1,017,709**		839,429
The funds of the charity:					
Unrestricted funds	**14**				
. General funds			**972,527**		782,485
. Designated funds			**-**		4,392
			972,527		786,877
Restricted funds	**14**		**45,182**		52,552
Total charity funds			**1,017,709**		839,429

The principal accounting policies and notes on pages 65 to 79 form part of these financial statements.

Approved by the trustees and signed on their behalf by:

Chairman: Sunand Prasad
Date: 15/07/2021

Company Registration Number: 01029239 (England and Wales)



STATEMENT OF CASH FLOWS
YEAR TO 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	**A**	**489,749**	166,042
Cash flows from investing activities			
Interest received		**3,460**	7,512
Purchase of tangible fixed assets		**(7,615)**	(17,830)
Net cash used in investing activities		**(4,155)**	(10,318)
Change in cash and cash equivalents in the year		**485,594**	155,724
Cash and cash equivalents at 1 April	**B**	**1,534,062**	1,378,338
Total cash and cash equivalents at 31 March	**B**	**2,019,656**	1,534,062

Notes to the statement of cash flows for the year to 31 March

A Reconciliation of net income to net cash provided by operating activities

	2021 £	2020 £
Net income (as per the statement of financial activities)	**178,280**	(113,666)
Adjustments for:		
Depreciation charges	**8,838**	31,047
Investment income receivable	**(3,460)**	(7,512)
Decrease in debtors	**14,900**	7,681
Increase (decrease) in creditors	**291,191**	248,492
Net cash provided by operating activities	**489,749**	166,042

B Analysis of cash and cash equivalent

	2021 £	2020 £
Cash at bank and in hand	**1,109,275**	629,389
Short term deposits	**910,381**	904,673
Total cash and cash equivalents	**2,019,656**	1,534,062

C Analysis of changes in net debt

	At 31 March 2020 £	Cash flows £	**At 31 March 2021 £**
Cash at bank and in hand	629,389	479,886	**1,109,275**
Short term deposits	904,673	5,708	**910,381**
Total	1,534,062	485,594	**2,019,656**

PRINCIPLE ACCOUNTING POLICIES
YEAR TO 31 MARCH 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

General information

The charity is a company limited by guarantee, incorporated in England and Wales (company number: 01029239) and a charity registered in England and Wales (charity number: 1135153). The charity's registered office address is: The Building Centre, 26 Store Street, London, WC1E 7BT.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2021 with comparative information provided for the year to 31 March 2020.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Preparation of accounts on a going concern basis

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements. Further details have been provided on page 66.

PRINCIPLE ACCOUNTING POLICIES (continued)
YEAR TO 31 MARCH 2021

Critical accounting estimates and areas of judgement

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the charity's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual result ultimately differ from those estimates.
The items in the accounts where judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets; and
- determining the most appropriate basis for allocating support costs.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy.

Going concern assessment

The coronavirus (COVID-19) outbreak has caused extensive disruptions to organisations as well as economic activities globally with no exception for the UK.

Trustees acknowledge and recognise the potential impact of the COVID-19 pandemic on the future operations of the charity, its members, beneficiaries, partners and stakeholders and on wider society. Whilst the charity has exceeded the budgeted income to date since the lockdown began including generating new programmes of work, the crisis has created economic, social and operational uncertainties which cannot be fully quantified or predicted in relation to a period of twelve months from the date of signing the financial statements.

Based on the current plans, assumptions and forecasts, whilst acknowledging there are material uncertainties and additional finanicial risks, the trustees believe it is appropriate for the charity to continue to prepare the financial statements on the going concern basis.

Income recognition

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably. Amounts received for application in future periods are held on the balance sheet as deferred income and released to the statement of financial activities in the relevant period.

INCOME FROM CHARITABLE ACTIVITIES

Income from charitable activities is recognised as earned as the related services are provided.
Income from other trading activities is recognised as earned as the related goods are provided.

Income received in the year has been deferred in respect of specific events and education courses taking place after the year end.

Memberships fall due for renewal throughout the year membership. Consequently fee income is calendarised so that only the income for the accounting year is recorded and the balance carried as an accrual.

DONATED SERVICES

Donated services and facilities are included as 'donations income' at a value equivalent to the estimated commercial cost that the charity would otherwise have incurred, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

GRANTS

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. In the event that a grant or donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

INVESTMENT INCOME

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is comprised of the costs associated with the key strategic areas of activity being; improving sustainability, education and raising awareness. Support costs including governance costs are allocated between the various categories of charitable expenditure (see below).

ALLOCATION OF COSTS

Expenditure allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

PRINCIPLE ACCOUNTING POLICIES (continued)
YEAR TO 31 MARCH 2021

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Support costs also include governance costs. This relates to the cost incurred with meeting constitutional and statutory requirements and the costs associated with the strategic management of the charity.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred.

Tangible fixed assets

Assets costing more than £500 are capitalised. Fixed assets are recognised at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the costs of the fixed asset capitalised over their estimated useful economic lives as follows:

Computer equipment	3 years straight line
Fixtures, fittings and equipment	25% reducing balance
Leasehold refurbishment	3 years straight line

Investments

Current asset investments are cash amounts held by the charity with a maturity date of less than one year and held for investment purposes. They are measured at the cash value of the deposit.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Funds

Unrestricted funds are income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

Employee benefits

SHORT TERM BENEFITS

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

EMPLOYEE TERMINATION BENEFITS

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

PENSION SCHEME

UKGBC operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the company in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year to the funds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31 MARCH 2021

1 Income from donations and legacies

	2021 Total £	2020 Total £
Donations	**-**	9,000
Services donated	**31,575**	45,180
	31,575	54,180

Included within donations and legacies are goods and services which have been donated to the charity during the year totalling £23,908 (2020: £44,180). This consists of venue hire (£nil (2020: £6,000)) and consultancy (£23,908 (2020: £39,180)).

2 Income from charitable activities

	2021 £	2020 £
Improving sustainability		
Membership income	**1,427,153**	1,223,964
Sponsorship income	**32,186**	107,898
Grant & contract income	**559,099**	630,405
Other income	**-**	12,578
	2,018,438	1,974,845
Education		
Leaders Network sponsorship income	**13,750**	18,750
Education course income	**148,752**	119,335
	162,502	138,085
Raising awareness		
Grant & contract income	**1,980**	9,067
Sponsorship income	**66,680**	51,681
Leaders Network sponsorship income	**13,750**	18,750
	82,410	79,498
Total charitable income	**2,263,350**	2,192,428

3 Expenditure on charitable activities

	Direct costs Other £	Direct costs Staff £	Support costs £	**2021 £**
Improving sustainability	415,359	718,050	424,853	**1,558,262**
Education	76,848	175,964	101,736	**354,548**
Raising awareness	65,075	95,964	54,821	**215,860**
	557,282	989,978	581,410	**2,128,670**

	Direct costs Other £	*Direct costs Staff £*	*Support costs £*	*2020 £*
Improving sustainability	*397,787*	*665,158*	*247,614*	*1,310,559*
Education	*135,621*	*240,606*	*89,569*	*465,796*
Raising awareness	*133,811*	*356,936*	*132,874*	*623,621*
	667,219	*1,262,700*	*470,057*	*2,399,976*

4 Analysis of support costs

	Premises £	IT/Comms £	Admin staff £	Governance £	**2021 £**
Improving sustainability	95,286	32,179	112,410	184,978	**424,853**
Education	23,351	7,886	25,569	43,930	**101,736**
Raising awareness	12,735	4,301	14,217	23,568	**54,821**
	131,372	44,366	153,196	252,476	**581,410**

	Premises £	*IT/Comms £*	*Admin staff £*	*Governance £*	*2020 £*
Improving sustainability	*83,700*	*21,856*	*83,098*	*58,960*	*247,614*
Education	*30,277*	*7,906*	*30,058*	*21,328*	*89,569*
Raising awareness	*44,915*	*11,728*	*44,592*	*31,639*	*132,874*
	158,892	*41,490*	*157,748*	*111,927*	*470,057*

Support costs are divided in the proportion of the direct staff costs of each activity area, thus:

	2021	**2020**
Improving sustainability	73%	53%
Education	17%	19%
Raising awareness	10%	28%

NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR TO 31 MARCH 2021

5 Net income for the year
This is stated after charging/crediting:

	2021 £	2020 £
Auditor's remuneration		
Audit	**12,000**	9,200
Tax compliance services	**1,500**	-
Tax advisory services	**1,780**	-
Depreciation	**8,838**	31,047
Pension costs	**90,459**	85,677

6 Staff costs and remuneration of key management personnel
Staff costs during the year were as follows:

	2021 £	2020 £
Salaries and wages	**1,311,018**	1,261,877
Social security costs	**140,765**	141,886
Pension contributions	**90,459**	85,677
Termination payments	**-**	4,930
Other employee costs	**20,549**	33,064
	1,562,791	1,527,434

The average number of employees during the year on a headcount basis was as follows:

	2021 Number	2020 Number
Charitable activities	**22**	22
Support	**3**	3
	25	25

6 Staff costs and remuneration of key management personnel (continued)

The number of employees whose emoluments for the year fell within the following bands were:

	2021 Number	2020 Number
£60,001 - £70,000	**-**	2
£70,001 - £80,000	**2**	2
£80,001 - £90,000	**1**	1
£90,001 - £100,000	**1**	1
£190,001 - £200,000	**1**	1

These 5 employees are accruing pension contributions totalling £35,462 (2020:7 employees, accruing £37,680).

The trustees consider that they together with the Senior Management Team comprise the key management personnel of the charity. The total remuneration payable to the key management personnel of the charity was £629,548 (2020: £663,395).

Trustees are not remunerated for their services to the charity. However, out of pocket expenses incurred in connection with the execution of their duties as trustees are reimbursed where claimed. No such claims were made in FY2020-21 or FY2019-20.

7 Tangible fixed assets

	Office equipment £	Computers £	Leasehold refurbishment £	**Total £**
Cost				
At 1 April 2020	60,034	53,156	133,343	**246,533**
Additions	-	7,614	-	**7,614**
Disposals	-	(10,500)	-	**(10,500)**
Balance at 31 March 2021	60,034	50,270	133,343	**243,647**
Depreciation				
At 1 April 2020	54,900	37,489	133,343	**225,732**
Charge for the year	1,283	7,555	-	**8,838**
Released on disposal	-	(10,500)	-	**(10,500)**
Balance at 31 March 2021	56,183	34,544	133,343	**224,070**
Net book value				
At 31 March 2021	**3,851**	**15,726**	-	**19,577**
At 31 March 2020	5,134	15,667	-	**20,801**

NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR TO 31 MARCH 2021

8 Debtors

	2021 £	2020 £
Trade debtors	**389,690**	401,500
Prepayments	**50,764**	43,480
Other debtors	**114,913**	125,288
	555,367	570,268

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	**94,165**	84,119
Other taxation and social security	**141,841**	130,319
Deferred income (Note 10)	**1,196,338**	927,393
Accruals	**143,926**	128,273
Other creditors	**621**	15,598
	1,576,891	1,285,702

10 Analysis of deferred income

	2021 £	2020 £
Deferred income at 1 April	**927,393**	749,422
Applied during the year	**1,196,338**	927,393
Released during the year	**(927,393)**	(749,422)
Deferred income at 31 March	**1,196,338**	927,393

Deferred income relates to income received in the year which relates to specific events and education courses taking place after the year end.

11 Financial instruments

	2021 £	2020 £
Financial assets measured at fair value	**2,409,346**	1,938,295
Financial liabilities measured at amortised cost	**(94,165)**	(84,119)

12 Operating lease commitments
At the balance sheet date, the charity's total future commitments under non-cancellable operating leases are as follows.

	Equipment		Land and buildings	
	2021 £	2020 £	2021 £	2020 £
Leases which expire				
Within one year	**4,747**	4,747	**135,295**	132,149
Within two to five years	**2,374**	7,121	**34,086**	169,381
	7,121	11,868	**169,381**	301,530

13 Analysis of group net assets between funds

	Restricted funds £	Unrestricted funds £	**Total funds 2021 £**
Fixed assets	-	19,577	**19,577**
Current assets	112,121	2,462,902	**2,575,023**
Current liabilities	(66,939)	(1,509,952)	**(1,576,891)**
Net assets at 31 March 2021	45,182	(972,527)	**1,017,709**

	Restricted funds £	*Unrestricted funds £*	*Total funds 2020 £*
Fixed assets	*-*	*20,801*	**20,801**
Current assets	*120,719*	*1,979,219*	**2,104,330**
Current liabilities	*(68,167)*	*(1,217,535)*	**(1,285,702)**
Net assets at 31 March 2020	*52,552*	*761,684*	**839,429**

NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR TO 31 MARCH 2021

14 Analysis of funds

	Balance at 1 April 2020 £	Income £	Expenditure £	**31 March 2021 £**
Unrestricted funds				
General funds	786,877	1,745,870	(1,560,220)	**972,527**
Restricted funds				
World GBC European Policy	5,499	26,764	(25,755)	**6,508**
Advancing Net Zero	-	155,691	(155,691)	**-**
Build Upon 2	47,053	35,719	(44,098)	**38,674**
Circuit – Circular Economy	-	30,970	(30,970)	**-**
Climate KIC – Accelerator Cities	-	121,749	(121,749)	**-**
Climate KIC - Foreground	-	68,447	(68,447)	**-**
Construction Innovation Hub	-	33,000	(33,000)	**-**
Ignition	-	23,717	(23,717)	**-**
Nature Based Solutions	-	32,000	(32,000)	**-**
Whole Life Carbon Roadmap	-	33,023	(33,023)	**-**
Charity total	**839,429**	**2,306,950**	**(2,128,670)**	**1,017,709**

	Balance at 1 April 2020 £	*Income £*	*Expenditure £*	***31 March 2021 £***
Unrestricted funds				
General funds	*951,715*	*1,646,838*	*(1,811,676)*	***786,877***
Designated funds	*40,000*	*-*	*35,608*	***4,392***
Restricted funds				
. World GBC European Policy	*5,427*	*104,864*	*(104,792)*	***5,499***
. EeMAP	*(4,047)*	*26,564*	*(22,517)*	***-***
. Build Upon 2	*-*	*186,316*	*(139,263)*	***47,053***
. Advancing Net Zero	*-*	*138,109*	*(138,109)*	***-***
. Climate KIC – Innovation	*-*	*36,267*	*(36,267)*	***-***
. Circuit - Circular Economy	*-*	*19,000*	*(19,000)*	***-***
. Ignition	*-*	*20,932*	*(20,932)*	***-***
. Epping Forest	*-*	*6,450*	*(6,450)*	***-***
. Climate KIC - Foreground	*-*	*64,985*	*(64,985)*	***-***
. Climate KIC – Accelerator Cities	*-*	*35,985*	*(35,985)*	***-***
Charity total	*953,095*	*2,286,310*	*(2,399,976)*	***839,429***

Restricted funds

ADVANCING NET ZERO (ANZ)

This relates to funding secured from Redevco Foundation for a project about galvanising the industry and policy makers to deliver a net zero carbon built environment, through industry leadership and strong regulation.

BUILD UPON 2 (BU2)

This relates to grant funding received from the European Union to fund work on the Build Upon project as part of a consortium of Green Building Councils from across Europe. The aims of the project are to help European countries design and implement strong, long-term national strategies for the renovation of their existing buildings.

CLIMATE KIC – ACCELERATOR CITIES

This related to funding secured from EIT Climate-KIC to deliver a programme that supports local and combined authorities deliver home retrofit.

CLIMATE KIC – FOREGROUND

This relates to funding secured from EIT Climate-KIC for the delivery of a programme of workshops and site tours with local authorities and businesses, to support the sustainability outcomes of three large scale development schemes.

CLIMATE KIC – INNOVATION

This relates to funding the UKGBC Innovation Portal secured from EIT Climate-KIC to develop links between larger corporates (demand) and start-up innovators (supply), and in so doing building the capacity within UKGBC's membership to adopt innovative approaches to drive sustainability in the sector.

CLIMATE KIC – ZERO CARBON LABS

This relates to funding secured from EIT Climate-KIC for the delivery of a programme of work to support local authorities deliver against their Climate Emergency goals.

CIRCUIT – CIRCULAR ECONOMY

Circular Construction in Regenerative Cities - is a collaborative project involving 29 partners across the entire built environment chain in Copenhagen, Hamburg, Helsinki Region and Greater London. Funded by the European Commission's Horizon 2020 programme, the project will support the creation of regenerative cities by implementing sustainable and circular construction practices. UKGBC forms part of the Greater London cluster and has secured 4 years worth of funding. Through this project we can start to bridge the gap between theory, practice and policy by delivering a series of demonstrations, case studies, events and other dissemination activities that showcase how circular construction approaches can be scaled and replicated across Europe to enable cities to build more sustainably and transition to a circular economy on a wider scale.

NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR TO 31 MARCH 2021

14 Analysis of funds (continued)

CONSTRUCTION INNOVATION HUB'S VALUE TOOLKIT

UKGBC is the Natural Capital lead on the Construction Innovation Hub's Value Toolkit. We have convened an industry steering group to create a suite of tools to support value-based decision making across the investment lifecycle. The overarching aim of this collaboration is to contribute to the development of a robust, consensus-based methodology for the definition, evaluation and measurement of value across the entire investment lifecycle of new built assets.

EeMAP (THE ENERGY EFFICIENT MORTGAGES ACTION PLAN)

This relates to a 2 year project funded by the European Commission's Horizon2020 research programme. The project aims to create a standardised "energy efficient mortgage", according to which building owners are incentivised to improve the energy efficiency of their buildings or acquire an already energy efficient property by way of preferential financing conditions linked to the mortgage.

ENFIELD COUNCIL – FOREGROUND

This relates to funding from Enfield Council to act as critical friend in facilitating a process designed to support the implementation of its Sustainability Strategy for Meridian Water.

EPPING FOREST

This relates to funding from Epping Forest District Council to act as critical friend in facilitating a review of the Sustainability Guidance and Checklists for Harlow and Gilston.

EU'S URBAN INNOVATION ACTIONS (UIA) INITIATIVE – IGNITION

This relates to funding UKGBC secured from the UIA to join the IGNITION project alongside 11 other partners from local government, universities, NGOs and business. The aim is to develop the first model of its kind that enables major investment in large-scale environmental projects which can increase climate resilience. By 2038 this will enable an increase in Greater Manchester's urban green infrastructure coverage by 10% from a 2018 baseline.

INCREASING NATURE-BASED SOLUTIONS

A UKGBC programme to enable more ambitious industry targets and increase the application of nature-based solutions in urban areas for climate resilience and environmental net gains. Funding for this programme has been provided by the John Ellerman Foundation.

WHOLE LIFE CARBON ROADMAP

This relates to funding secured from Laudes Foundation and Ikea Foundation for a project as part of a consortium of Green Building Councils from across Europe. The UK project will deliver a whole life carbon roadmap for the built environment, in collaboration with industry and government.

14 Analysis of funds (continued)

WORLD GBC EUROPEAN POLICY

The World Green Building Council European Policy reserve relates to income received to fund the employment of a Senior European Policy Officer. The European Senior Policy Officer advises on European green building law and policy for the Europe Regional Network of over 30 national Green Building Council's around Europe, including UKGBC.

GENERAL FUNDS – DESIGNATED FUND

In FY2018-19, the Trustees of UKGBC unanimously decided in favour of re-investing £40,000 from the surplus generated as designated funds to pilot a new member benefit that is intended to mitigate against attrition risks, and deepen the engagement of member companies. £35,608 was utilised during FY2019-20, with the remaining £4,392 carried forward to FY2020-21 being utilised in full during the year.

15 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose.

16 Related party transactions

There were no transactions with related parties as at 31 March 2021 (2020: none).



UK GBC

UK Green
Building Council

The Building Centre
26 Store Street
London WC1E 7BT

020 7580 0623
info@ukgbc.org
ukgbc.org