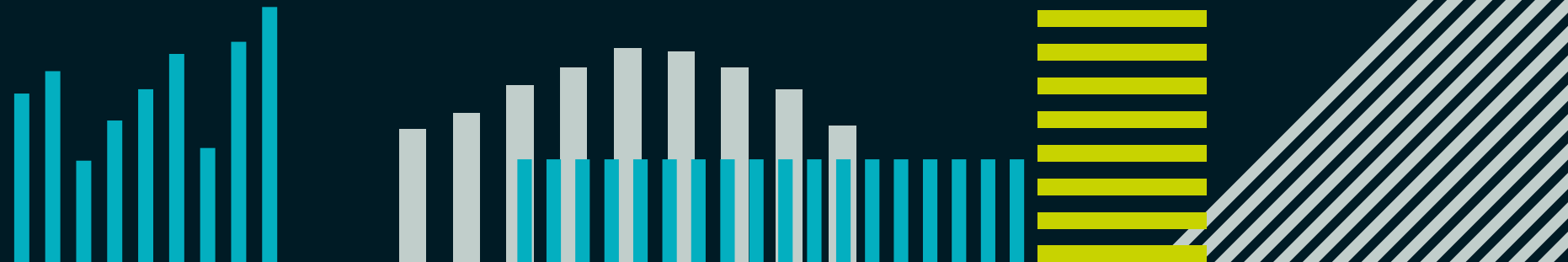


# The Sustainability Reporting Standard for Social Housing

March 2021

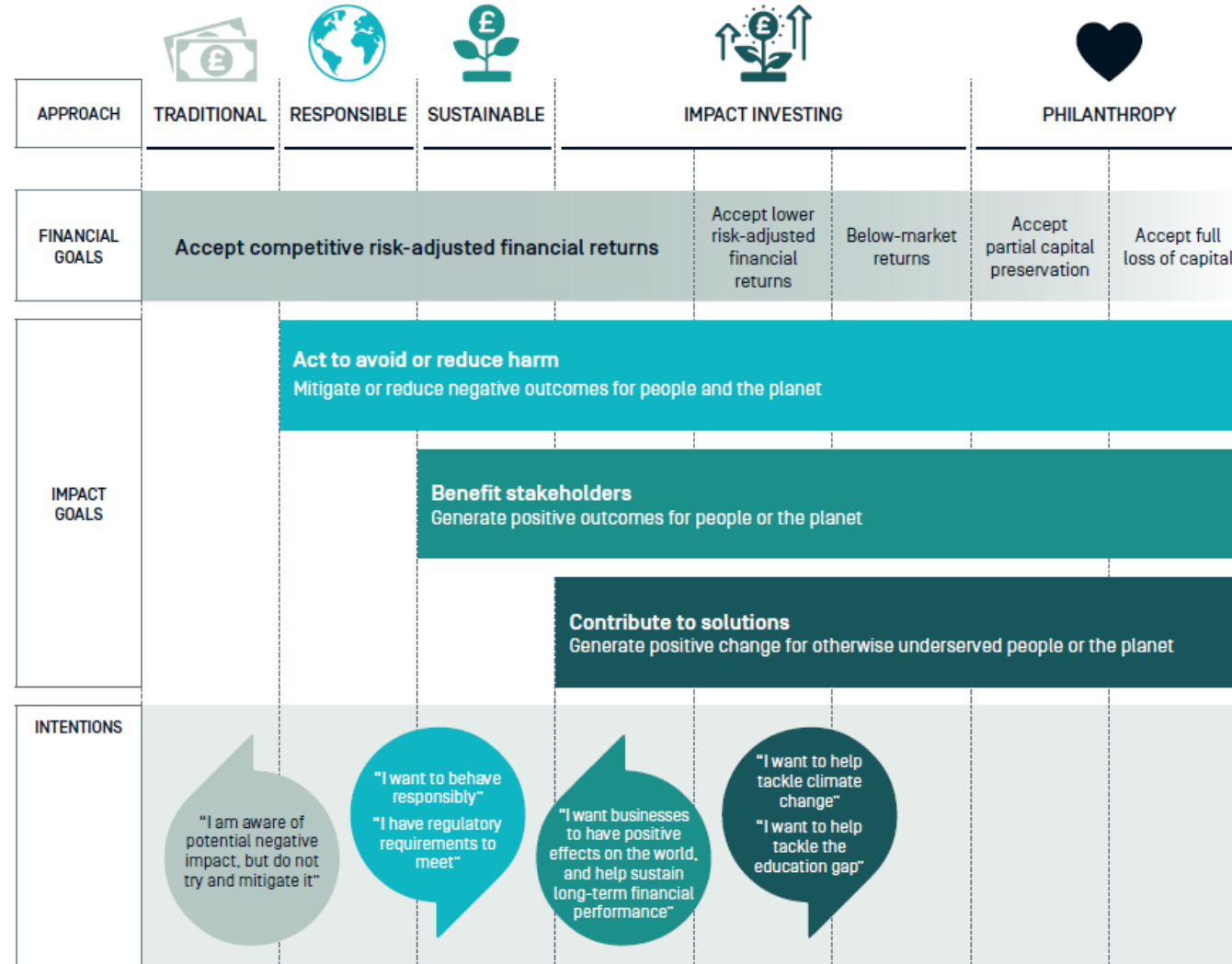


## The problem

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- Growing interest from lenders and investors in opportunities with a positive Environmental and Social performance and strong Governance (ESG) – ESG integration becoming the norm
- There is no consistency in how Housing Providers ESG performance is reported on and assessed – lenders and investments ask for different information
- In many areas Housing Providers have a very positive story to tell, but are unable to communicate this to potential lenders and investors
- Sustainability Reporting Standard developed to provide a consistent, credible and transparent way for Housing Providers to report on their ESG performance to funders and other stakeholders.

# The Spectrum of Capital: choices and strategies for investors



Source: Bridges Fund Management and Impact Management Project

# How social housing contributes to the Sustainable Development Goals



# Working Group Members

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# Principles

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1. Where possible use criteria that are already being measured and recorded by housing providers.
2. The criteria should work for small and large housing providers.
3. Focus on questions that are important.

# Sustainability Reporting Standard Themes

ESG Area	Theme Name	Description
Social	Affordability and Security	Provides affordable and secure housing
	Building Safety and Quality	Resident safety and building quality are well managed
	Resident Voice	Listens to residents' voice
	Resident Support	Supports residents, and the local community
	Placemaking	Supports residents and the wider local community through placemaking
Environmental	Climate Change	Prevents and mitigates the risk of climate change
	Ecology	Promotes ecological sustainability
	Resource Management	Sustainable management of natural resources
Governance	Structure and Governance	Legal structure of the organisation and its approach to Governance
	Board & Trustees	High quality board of trustees
	Staff Wellbeing	Supports employees
	Supply Chain	Procures responsibly

## 48 criteria – a mix of qualitative and quantitative

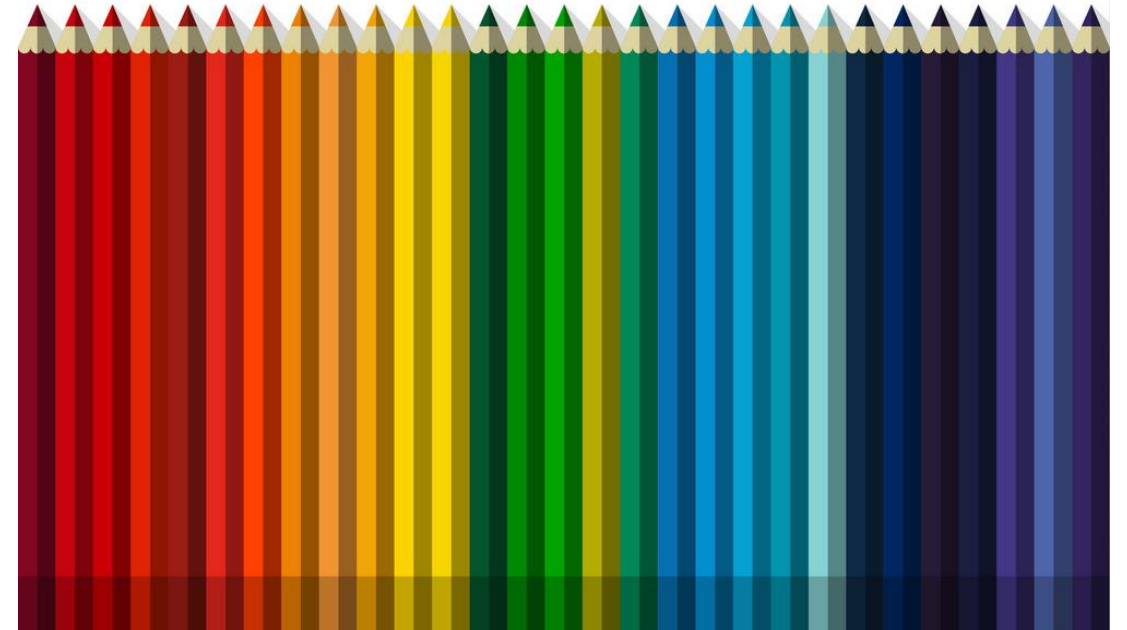
	THEME #	#	TYPE OF CRITERIA	CRITERIA	MEASUREMENT UNIT	NOTES	RATIONALE
BUILDING SAFETY AND QUALITY	T2	C6	Core	What % of homes with a gas appliance have an in-date, accredited gas safety check?	% of homes		This criterion is included to ensure that the Housing Providers' portfolio of homes are fitted with adequate and safe fittings and appliances, in the interests of resident safety.
	T2	C7	Core	What % of buildings have an in-date and compliant Fire Risk Assessment?	% of buildings	Housing Providers should also state their standard inspection cycle, e.g. Fire Risk Assessments are completed on an annual basis	This criterion is included to ensure that the Housing Providers' portfolio of homes are regularly assessed for their level of fire risk, in the interests of resident safety. This is a particularly topical issue given the events of Grenfell Tower in 2017, with an increased onus on Housing Providers to take a more proactive role in dealing with issues relating to resident safety.
	T2	C8	Core	What % of homes meet the Decent Homes Standard?	% of homes		The Decent Homes Standard (DHS) is a government-agreed technical definition on the statutory minimum requirement for a home to be classed as 'decent'. This is a standard national criterion that provides insight into the condition of a Housing Provider's stock.
RESIDENT VOICE	T3	C9	Core	What arrangements are in place to enable the residents to hold management to account for provision of services?	Qualitative response	Possible approaches to receiving scrutiny include: Resident members on the board, Resident Scrutiny Panels, Resident boards/forums	Resident scrutiny of the board is a key criterion providing insight into the influence afforded to residents within the Housing Provider's decision making process. Residents are the ultimate beneficiaries of the Housing Provider's services and therefore they should have sufficient means to scrutinise the decisions of the board and communicate feedback on key tenancy-related issues.
	T3	C10	Core	How does the Housing Provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years?	Qualitative response	Suggested response could include: Is there a resident survey, what happens to the results? Are there targets? Are they on track to achieve their targets?	Resident satisfaction provides a direct indication of resident perception of the standard of service that the Housing Provider is providing. The organisation's performance in terms of residents satisfaction should be measured against stated targets so that an assessment of their success in this area can be tracked over time. Housing Providers generally report their performance in terms of residents satisfaction that is specific to their organisation (i.e. there is no industry-wide standardised metric) and so this criterion should be reported in a way which best suits the organisation.
	T3	C11	Enhanced	In the last 12 months, how many complaints have been upheld by the Ombudsman.  How have these complaints (or others) resulted in change of practice within the Housing Provider?	Qualitative response		The manner and timeliness with which Housing Providers deal with resident complaints is an important indicator of the standard of service that they provide. The Housing Ombudsman advises Housing Providers to "be fair, put things right, learn from outcomes." The working group felt that reporting on complaints that have been escalated to the Ombudsman could be a standard reporting criteria.



## Alignment and Overlap with other Standards

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- This Standard has been aligned with other key reporting frameworks:
  - **Task-force on Climate Related Financial Disclosures (TCFD)**
  - **Sustainability Accounting Standards Board (SASB)**
  - **Global Reporting Initiative (GRI)**
  - **International Capital Markets Association (ICMA)/Loan Market Association (LMA)**
- Specific criteria enable Social Value reporting e.g. HACT Social value calculator



## Housing Provider – Early Adopters

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The Sustainability Reporting Standard had 47 Housing Provider early adopters as of 01/03/2021.

- Abri
- Adra
- Alliance Homes
- Aster Group
- Broadacres Housing Association
- Cartrefi Conwy
- Catalyst Housing
- CHP
- Clarion Housing Group
- ClwydAlyn
- Curo Group
- Dolphin Living
- Gloucester City Homes
- Grand Union Housing Group
- Great Places Housing Group
- The Guinness Partnership
- Halton Housing
- Home Group
- Hyde Group
- Jigsaw Homes Group
- Karbon Homes
- Lincolnshire Rural Housing Association
- LiveWest Homes
- Livin Housing
- Magenta Living
- Metropolitan Thames Valley
- Midland Heart
- NCHA
- Network Homes
- Newlon Housing Trust
- Newydd Housing Association
- Nothing Hill Genesis
- Octavia Housing
- One Vision Housing
- Optivo
- Orbit Group
- PA Housing
- Peabody
- Pine Court Housing Association
- Platform Housing Group
- Pobl Group
- Rooftop Housing Group
- Settle Group
- Sovereign Housing Association
- Stonewater Homes
- Thirteen Group
- Vivid Housing

## Lenders/Investors – Early Adopters

The Sustainability Reporting Standard had 35 Lender/Investor early adopters as of 01/03/2021.

- Aberdeen Standard Investments
- Affirmative Investment Management
- Affordable Accommodation Investment Management (AAIM)
- Aviva Investors
- Barclays
- BlackRock Investment Management (UK)
- Civitas Investment Management
- Civitas Social Housing PLC
- Fundamentum Property Advisers
- Fundamentum Social Housing REIT PLC
- GB Social Housing
- Henley Investment Management
- HSBC UK Bank
- Insight Investment Management (Global)
- LaSalle Investment Management
- LGIM Real Assets
- Lloyds Banking Group
- M&G Investments
- MORhomes
- National Australia Bank
- NatWest Group
- Pension Insurance Corporation
- PGIM Real Estate
- Principality Building Society
- Rathbone Greenbank Investments
- Residential Secure Income Plc
- Rothesay Life
- Royal London Asset Management
- Schroders
- The Housing Finance Corporation
- The International Business of Federated Hermes
- Triple Point Investment Management LLP
- Clydesdale and Yorkshire Bank
- Scottish Widows

## Endorsers – Early Adopters

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The Sustainability Reporting Standard has 17 Endorser early adopters as of 01/03/2021.

- Adecoe
- Bevan Brittan
- Big Society Capital
- Centrus
- Community Works
- HACT
- Impact Investing Institute
- Low Carbon Journey
- Money A+E
- National Housing Federation
- Ritterwald
- Savills
- Suss Housing
- The Law Debenture Trust Corporation
- The Sovini Group
- TPAS
- Trowers & Hamlins

## What early adopters are signing up to

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### ***Early Adopter Commitment Statement – Housing Provider***

*In signing this statement, we confirm our commitment to become an early adopter of the Sustainability Reporting Standard for Social Housing (“the Standard”). We commit to:*

- *Report against the final version of the Standard by 31/10/2021*
- *Continue to report against the Standard on an annual basis for as long as we remain an Adopter*
- *Provide feedback on the Standard as a way of supporting the further development of the Standard*
- *Encourage others to adopt the Standard.*

## Governance arrangements

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The **Social and Affordable Housing: Sustainability Reporting Standards Board** will be established in 2021.

Members will be practitioners from the social housing and financial sectors, and key sector bodies.

Appointments to the Board will be made through a public recruitment process.

The Board's objectives will be to:

1. Develop, issue and promote sustainability reporting standards for the social and affordable housing sector, investor community and wider stakeholders;
2. Issue guidance and promote good practice to support implementation of sustainability reporting standards and seek feedback from reporting practitioners and users;
3. Oversee a post-implementation review of the Sustainability Reporting Standard for Social Housing;
4. Regularly review the Sustainability Reporting Standard for Social Housing, taking account of new regulatory standards and performance measures as well as developments in global corporate reporting standards; and
5. Issue new versions of the Sustainability Reporting Standard for Social Housing periodically.

## For further information

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Visit [www.esgsocialhousing.co.uk](http://www.esgsocialhousing.co.uk)

Or contact [srs.contact@thegoodeconomy.co.uk](mailto:srs.contact@thegoodeconomy.co.uk)