

Focus group briefing

How can we work with the Good Economy
to attract more investment in social
Housing?





Background

Tpas and [The Good Economy](#) (TGE) are teaming up to try and attract more investment to Social Housing. We are hosting a focus group meeting with tenants and housing staff to influence the success of how housing organisations attract investment.

What's the problem right now?

Over the last few years, there has been a growing desire from the public for their money to be invested in organisations that are not harmful to people, or the planet. This means there is a growing demand to invest in, and loan money to, companies who can demonstrate positive Environmental and Social impact, and who have strong Governance – this is called a company's **ESG performance**.

Housing Organisations should be well placed to benefit from this. They need to take on investment to keep building more homes, and they are organisations with a clear social purpose.

However, at the moment when investors ask Housing Organisations to disclose their ESG performance they don't always ask the right questions – so Housing Organisations aren't able to demonstrate the positive impact that they are having.

There is currently about £80 billion of debt, invested in housing organisations.

The National Housing Federation estimate that £10 billion a year needs to be invested to meet the UK Housing need

How can we influence what is asked?

In summer 2019, a working group was formed to try and develop a consistent way for Housing Associations to report on their ESG performance – TGE is part of the working group. This group contains a mixture of Housing Associations, Investors and other key organisations within the Social Housing sector¹.

¹ Working Group Members – Clarion, Optivo, Peabody, Sovereign, Insight, M&G, Centrus, Savills, Trowers & Hamlins, BSC, Impact Investing Institute, TGE



The group published a draft set of ESG questions (called the **ESG reporting criteria**) in May 2020, and are now part-way through a wider consultation with the social housing sector.

What the current criteria looks like

Currently there are 45 criteria, divided up into 10 different themes:

ESG Area	Theme #	Theme Name
Social	T1	Affordability
	T2	Building Safety
	T3	Resident Voice
	T4	Resident Support
	T5	Placemaking
	T6	Staff Wellbeing
Environmental	T7	Climate Change
	T8	Ecology
Governance	T9	Board & Trustees
	T10	Systems & Risk Management

We need your expertise and your opinion

We want to understand from you, what the right questions are to distinguish between Housing Associations that are high performing and low performing when it comes to their ESG performance.

As tenants, and housing officers your input is incredibly important in shaping the criteria to ensure that the right criteria are being measured and reported on. We expect this to start improving practice in Housing Associations, as once something is measured, it's a lot easier for it to be improved.

By inputting into this process, you'll be ensuring that the right questions are asked of housing associations, which will make it easier for the higher performing housing associations to take on investment and to expand their housing provision.



Questions we need to ask to form the new criteria

We'd love to hear any feedback relating to the criteria, however there are some specific questions that we'll be asking:

Questions for Residents

- How would you identify Housing Associations who really listen to residents? What measures should we use for Resident Voice?
- How would you distinguish the Housing Associations who are more proactive on Building Safety? What measure should we use?
- We currently ask the Housing Associations to provide their own "Resident Satisfaction Indicator" as everywhere does it differently. Does this make sense to you, or is there a more consistent measure we could use?
- What does scrutiny look like in an organisation that listens to its residents?

Questions for Housing Officers

- What is the best way of measuring Staff Wellbeing? What current measures are used, are these useful or not?
 - We currently ask the Housing Associations to provide their own "Complaint Handling Indicator" as everywhere does it differently. Does this make sense to you, or is there a more consistent measure we could use?
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Who are The Good Economy?

- The Good Economy (TGE) are a social impact advisory company. We work with investors who want to create positive social impact, as well as a financial return. We work with these clients to measure the outcomes created by their investments and assess their overall impact.