



Funding Housing, Making Impact

Sustainability Reporting Standard for Social Housing (SRS)
Disclosure Report Year Ending 31st March 2023



How we're helping to address the housing crisis

1

bLEND IN NUMBERS

A snapshot of the bLEND portfolio at 31/03/2023.

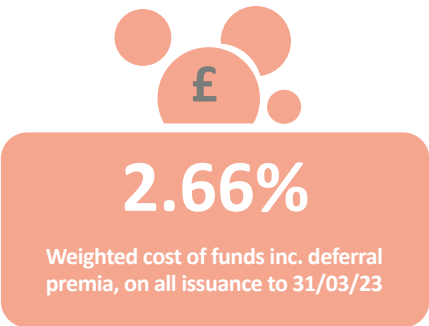


increase in signed loan facilities year-on-year



3

new borrowers added to bLEND in last year



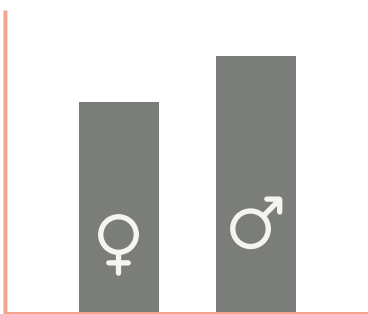
5

debt maturities



2 bLEND IN NUMBERS

A snapshot of bLEND borrowers at 31/03/2023, based on data from borrowers' SRS returns for the 2022/23 financial year.



6%

median gender pay gap



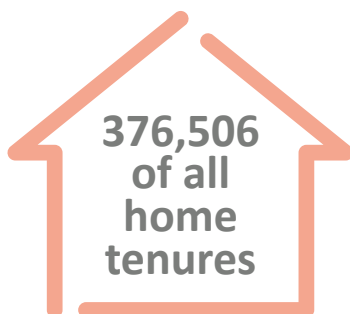
59%

average rents vs private rent levels



5.8 : 1

CEO-worker pay ratio



total homes owned and managed across bLEND portfolio



7,192
NEW
HOMES

delivered by borrowers

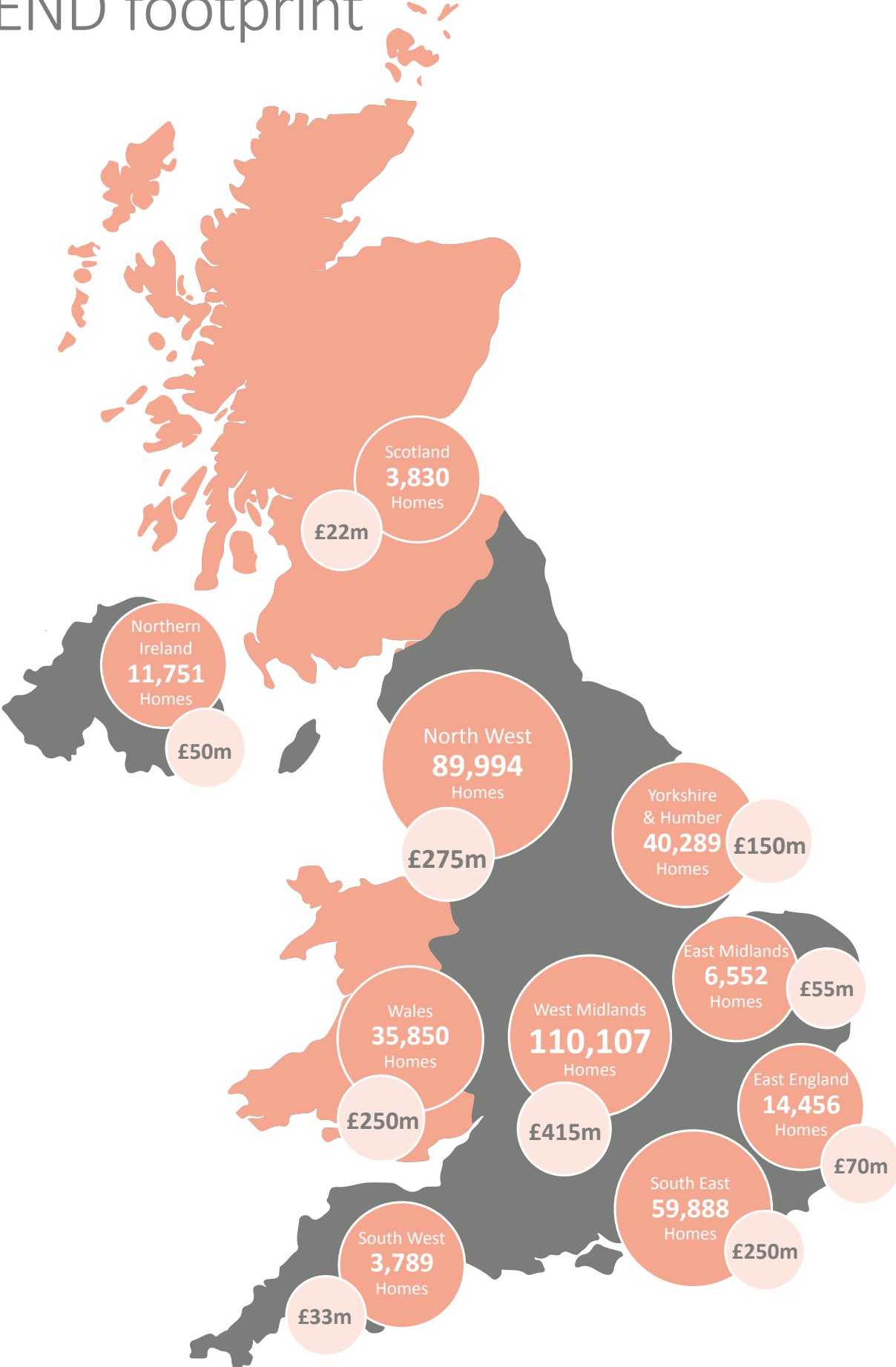
EPC ratings for existing homes

67% C
and above

EPC ratings for new homes

98% C
and above

bLEND footprint



The number of homes listed per region is representative of the total number of owned and managed homes (new and existing) by bLEND borrowers, based on data from 2022/23 SRS returns. The £ amounts are representative of drawn and un-drawn signed loan facilities.

Foreword



Welcome to our third annual Sustainability Reporting Standard for Social Housing (SRS) report for bLEND, a subsidiary of The Housing Finance Corporation (THFC).

At the time of writing, bLEND has agreed loans of £1.57bn and issued £1.47bn across all four nations in the UK. This issuance is spread across five maturities, four of which are social bonds and the fifth of which is a sustainability bond. While the rate of bLEND's growth has slowed due to a softening in demand for long-term debt, the underlying strength of our borrowers remains robust, as evidenced by the reaffirmation of the vehicle's A2 rating from Moody's earlier this year.

Sustainability for Housing (SfH) reported in June 2023 that the SRS, which was launched in November 2020, had grown its Adopter community from a pool of 68 to 94 housing providers in 2022/23. The Standard also maintained the support of its 36 Adopter funders, including THFC, that provide nearly all of the sector's £130bn of private finance. Not only is this growth impressive, but it comes at a pinnacle time for the UK's social housing sector.

With ongoing pressures such as cost inflation, reputational issues, a looming general election, and the ongoing cost of living crisis, housing associations (HAs) are reassessing their priorities. Resilience and consolidation have been key themes for the sector over the past 12 months, and that isn't set to change any time soon.

Along with a continued focus on addressing these macroeconomic headwinds has been the steadfast commitment to ESG-related issues such as energy efficiency, diversity, equity and inclusion (DEI), and financial inclusion. Sustainability, both in terms of finance and social impact, will continue to serve as a unifying compass for the sector in the coming months and years.

While the links between social housing and social impact may seem obvious, it is critical for the sector to tell its story clearly, backed by evidence, and with one voice. Good data helps us do just that, and the SRS has pushed the needle forward to where we are today.

At the time of writing, bLEND is the only lender to publish its own set of portfolio disclosures aligned with the SRS. In this third iteration of our SRS report, we thank all our bLEND borrowers for their comprehensive disclosures, which are helping push the sector forward in our collective ESG journey.

The first part of this report includes information about bLEND's social and sustainability bond frameworks, while the second part consists of the SRS portfolio disclosures. Together, they demonstrate the role bLEND plays in generating positive impact and supporting housing associations as they deliver their core social purpose.

This report is a reflection of the life-changing work being undertaken by the housing associations we serve. There will certainly be challenges ahead, but one thing remains true: not only does the social housing sector remain a worthwhile investment, but its progress in the areas of ESG and sustainability suggest that it will stand the test of time.

Piers Williamson

Chief Executive, THFC and bLEND
October 2023

bLEND Funding Plc

bLEND Funding Plc was founded in 2018 to provide quick and easy access to capital markets funding for registered providers of social housing in the UK. Its parent, The Housing Finance Corporation (THFC), was established for the same purpose in 1987 by the National Housing Federation and the Housing Corporation (now the Regulator of Social Housing).

bLEND issues bonds under a Euro Medium Term Note (EMTN) programme and on-lends the proceeds exclusively to not-for-profit housing associations on a materially matched basis (with the same maturity, interest and repayment profile) to minimise its own risk and pass on the full benefits of aggregated funding to its borrowers.

At the time of writing, bLEND has agreed loans of £1.57bn and issued £1.47bn across all four nations in the UK. This issuance is spread across five maturities, four of which are social bonds and the fifth of which is a sustainability bond.

bLEND is an early Adopter of the social housing sector's Sustainability Reporting Standard for Social Housing. As of October 2023, it has 31 borrowers from all four regions of the UK.

bLEND's impact strategy is based on the provision of long-term funding at competitive rates. This supports its housing association borrowers in realising their own sustainability and growth strategies.

 bLEND Funding Plc



Measuring performance and progress

This report delivers on bLEND's reporting obligations as set out in its [sustainable bond framework](#), and as mandated by its being an Adopter of the [Sustainability Reporting Standard](#).

We are pleased to have received the highest response rate per criterion this year, compared to our two previous SRS reports. This significant uptick in responses is extremely encouraging and demonstrates that HAs are increasingly integrating ESG reporting into their business functions each year.

As bLEND's pool comprises a range of housing associations with varying levels of resources and prior engagement on ESG, not all borrowers have been able to provide answers to every single criterion. This was noted particularly for a few of the qualitative criteria, with some borrowers submitting blank responses.

The newly launched Version 2.0 of the SRS will be widely reported against for the first time in the 2024 reporting season. This updated version of the Standard will adopt a "comply or explain" approach for each criterion, including qualitative criteria, which we expect will result in a higher level of responses for each criterion.

Positive progress has been made regarding EPC data, board representation, and other criteria during the period. The pool averages for Criterion 7 and Criterion 8, which cover Fire Risk Assessment compliance and national housing quality standard compliance, have decreased very slightly. This is understandable given the difficult operating environment and supply chain issues the sector has faced this year, but it is an area we will monitor. Our bLEND borrowers are seeking to improve these averages to 100% and our reporting helps hold them to account on this.

For the 2023 reporting season, Sustainability for Housing (SfH) advised housing associations to report against Version 1.2, as it did for the 2022 reporting season.

PHOTO CREDIT: B3 Living



Part 1 - Sustainable bond reporting

Social bonds

bLEND converted all of its outstanding bonds to social bonds in May 2021, reflecting the fact that its business consists solely of lending to non-profit registered providers of social housing. [The framework](#) was given a Second Party Opinion by Vigeo Eiris, who rated bLEND's contribution to sustainability as "advanced."

Housing associations manage around 17% of the UK's housing stock and are key providers of affordable housing. They are social organisations through and through, playing a vital role within communities across the country. Not only do housing associations manage affordable housing stock,

but they also develop new affordable housing as part of efforts to tackle the UK's housing crisis, as well as providing a myriad of support services to address social issues such as digital and financial exclusion, unemployment, health, and fuel poverty.

Proceeds from bLEND's social bond issuance are entirely on-lent to the housing associations in its pool for the purpose of supporting their core business activities, which are mapped against the UN Sustainable Development Goals (SDGs) below.



As of 31st March 2023, bLEND had 30 borrowers, an increase of 3 on the previous year. Total signed loan facilities grew over the year by £165m. The success of bLEND's deferred drawdown product can be seen in the right hand column below, with £182.5m undrawn loans across five borrowers.

bLEND supports housing associations by providing low-cost, long-term funding to support their business aims and activities.

bLEND borrowers

As at 31st March 2023

BORROWER	REGION	UNITS	% OF POOL	LOAN FACILITY AMOUNT (£K)	DRAWN LOAN (£K)
Ateb	Wales	3,206	0.85%	18,000	18,000
B3 Living	South East	5,602	1.49%	35,000	35,000
Cardiff Community	Wales	3,093	0.82%	37,000	37,000
Choice Housing	Northern Ireland	11,751	3.12%	50,000	50,000
Cobalt Housing	North West	5,869	1.56%	25,000	25,000
Connect HA	Yorkshire & the Humber	3,691	0.98%	30,000	30,000
ForHousing	North West	23,906	6.35%	60,000	30,000
GreenSquareAccord Limited	West Midlands	26,738	7.10%	75,000	75,000
Hightown	South East	7,948	2.11%	50,000	50,000
Leeds Federated	Yorkshire & the Humber	4,578	1.22%	20,000	20,000
MSV	North West	8,898	2.36%	40,000	40,000
Newport City Homes	Wales	9,150	2.43%	25,000	25,000
Ongo Homes	East England	10,377	2.76%	50,000	50,000
Orwell	East England	4,079	1.08%	20,000	20,000
Platform	West Midlands	48,231	12.81%	180,000	180,000
Regenda	North West	11,884	3.16%	50,000	50,000
Rooftop Housing	West Midlands	6,949	1.85%	50,000	50,000
Silva Homes	South East	6,957	1.85%	25,000	25,000
Taff Housing Association	Wales	1,507	0.40%	25,000	15,000
Teign Housing	South West	3,789	1.01%	33,000	33,000
The Community Housing Group	West Midlands	6,119	1.63%	35,000	35,000
Torus62	North West	39,437	10.47%	100,000	100,000
Trent & Dove	East Midlands*	6,552	1.74%	55,000	27,500
Trust HA	Scotland	3,830	1.02%	22,000	22,000

Valleys to Coast	Wales	6,103	1.62%	35,000	35,000
Vivid Housing Limited	South East	35,362	9.39%	100,000	-
Wakefield & District Housing	Yorkshire & the Humber	32,020	8.50%	100,000	100,000
Wales and West	Wales	12,791	3.40%	110,000	110,000
Walsall Housing Group	West Midlands	22,070	5.86%	75,000	75,000
Worthing Housing	South East	4,019	1.07%	40,000	25,000
TOTAL		376,506	100.00%	£ 1,570,000	1,387,500

Loans to ForHousing, Trent and Dove, Choice Housing, B3Living, Taff Housing Association, and Worthing were on a deferred drawdown basis. bLEND lends to associations operating across all four nations of the UK.

In the year to 31st March 2023 new loans were signed for Taff Housing Association, based in Wales, Worthing Homes, based in South East England, and VIVID, based in South East England. Loans completed after 31st March 2023 included West Kent Housing Association with a loan facility of £50m and Leeds Federated with a loan agreement of £10m.

Units are based on group level, not borrowing entity, using data from SRS returns.

Units include both owned and managed homes, and they represent both existing and new units from the period.

Sustainability bonds

In November 2021, bLEND converted its 2061 bond series, with £75m outstanding issuance, to a sustainability bond. This was in collaboration with the sole beneficiary of the proceeds of that series, GreenSquareAccord (GSA).

As well as their core social housing activities, housing associations are now tasked with undertaking the decarbonisation of their stock and business operations. The focus so far has been on improving existing stock to EPC “C” by 2030, in recognition of this being not only an achievable target, but also of instrumental importance in eradicating fuel poverty among tenants and reducing their exposure to energy bill volatility. Beyond that, the 2050 net zero target has challenged HAs with understanding how to go beyond fabric changes to fully decarbonise their homes, as well as making operational improvements to reduce their direct and indirect greenhouse gas emissions.

The cost of this transition is expected to be significant. bLEND’s role will be to ensure it can help its borrowers access long-term funding at a competitive price that meets HAs’ strategic needs. Given that residential housing accounts for roughly a fifth of all UK carbon emissions, HAs

clearly have a large role to play in the net zero transition. By paving the way for decarbonisation, the social housing sector is making contributions to United Nations Sustainable Development Goal 13: Climate



bLEND’s [sustainable bond framework](#) allows for sustainability bonds to be issued where the housing association borrower has allocated green projects of a sufficient capex in proportion to the loan facility amount. These projects must fulfil the criteria of one of the green categories listed in the framework:

- Green Buildings (new builds or retrofit works that achieve EPC B or higher)
- Renewable Energy
- Energy Efficiency (retrofit interventions achieving 30% efficiency improvements)

	LOAN FACILITY AMOUNT £K	DRAW LOAN £K	SUSTAINABILITY ALLOCATION		
GreenSquareAccord	75,000	75,000	£27,038K	36%	Green Buildings

GreenSquareAccord allocated £27m of its £75m bLEND loan to new build projects expected to reach EPC B and A. A total of 153 units will be developed across Gloucestershire, Northamptonshire, Oxfordshire and Wiltshire. Nearly 70% are intended to be allocated to affordable rent, with the remaining units allocated for low cost home ownership.

Part 2 - ESG reporting: the Sustainability Reporting Standard

The Sustainability Reporting Standard for Social Housing (SRS) was developed by and for the social housing sector, in partnership with investors and other stakeholders. It is a voluntary reporting framework that covers the Environmental, Social and Governance (ESG) factors relevant to the social housing sector.

bLEND's parent, THFC, was involved in the working group that developed the Standard and became an early Adopter. In 2021, bLEND published its first SRS portfolio report, becoming the first lender to do so. This is the third consecutive year bLEND has published an SRS portfolio report. As of the time of writing, bLEND remains the only funder to issue its own aggregated SRS report.

All bLEND borrowers were asked to submit a completed copy of the [SRS input tool](#), with the completed information covering the year ending 31st March 2023. All 31 of our bLEND borrowers submitted an SRS form. Since West Kent Housing Association joined the bLEND pool after 31st March 2023, its SRS data has not been included in this report.

The voluntary standard outlines 12 themes and 48 criteria, covering a range of ESG issues.

ESG AREA	THEME #	THEME NAME
Social	T1	Affordability and Security
	T2	Building Safety and Quality
	T3	Resident Voice
	T4	Resident Support
	T5	Placemaking
Environmental	T6	Climate Change
	T7	Ecology
	T8	Resource Management
Governance	T9	Structure and Governance
	T10	Board and Trustees
	T11	Staff Wellbeing
	T12	Supply Chain Management

The Standard has been designed to align to the following United Nations Sustainable Development Goals:



The aim of the SRS is to streamline and standardise ESG reporting across the social housing sector, promoting a comparable and consistent reporting approach, and to ensure housing associations are well placed to continue attracting investment. The value of this is not just to maintain the hugely successful public-private partnership that has been developed over the years in the social housing investment market, but also to better communicate to tenants and communities the performance and social impact of housing associations.

THFC continues to encourage all of its 150+ housing association borrowers to engage with and adopt the Standard.

As an aggregator, THFC occupies a unique position, being neither an association nor an investor. As a symbol of its commitment to the sector and its support for the SRS, THFC has committed to annual reporting in line with the SRS. For the time being this reporting is just within its subsidiary bLEND, given the difficulties of initiating SRS reporting in some of its older subsidiaries which are no longer writing new loans.

Given the range in size of bLEND's borrowers and the relative newness of ESG reporting to some of them, not all borrowers were able to provide responses to every criterion. Where appropriate, an explanation has been given beneath the aggregated response.

Social

C1

For properties that are subject to the rent regulation regime, report against one or more Affordability Metric:

1) Rent compared to Median private rental sector (PRS) rent across the Local Authority

59% 21 HA responses

Compared to 61% in 2021/22

2) Rent compared to Local Housing Allowance (LHA)

77% 25 HA responses

Compared to 72% in 2021/22

C2

Share, and number, of existing homes (owned and managed) completed before the last financial year allocated to:

General needs (social rent)	256,921	69.6%
Intermediate rent	3,861	1.0%
Affordable rent	40,665	11.0%
Supported Housing	13,252	3.6%
Housing for older people	22,385	6.1%
Low-cost home ownership	19,987	5.4%
Care homes	786	0.2%
Private Rented Sector	2,745	0.7%
Other	8,712	2.4%
TOTAL	369,314	100.0%

30 HA responses

C3

Share, and number, of new homes (owned and managed) that were completed in the last financial year, allocated to:

General needs (social rent)	1,413	19.6%
Intermediate rent	163	2.3%
Affordable rent	2,667	37.1%
Supported Housing	263	3.7%
Housing for older people	79	1.1%
Low-cost home ownership	1,973	27.4%
Care homes	-	0.0%
Private Rented Sector	336	4.7%
Other	298	4.1%
TOTAL	7,192	100.0%

30 HA responses

C4

How is the housing provider trying to reduce the effect of fuel poverty on its residents?

Housing associations realise the importance of addressing energy inefficiency to tackle fuel poverty among social housing tenants. Despite policy uncertainty from Government, the sector remains committed to achieving a minimum of EPC “C” across its housing stock by 2030. As shown in Criteria 15, nearly all of bLEND borrowers’ new housing stock is certified to EPC “B” or “A,” and about half are implementing retrofit works to enhance the efficiency of their existing stock. In addition to making energy efficiency improvements to their housing stock, HAs have also offered a range of financial inclusion support services to help tenants struggling with fuel poverty. At least 14 have dedicated personnel to provide personalised energy saving and money advice, and 8 have special hardship funds to rescue tenants in emergency situations.

30 HA responses

Signposting to advice/hardship support	20
Officers dedicated to advice/support	14
Retrofit works (any type)	16
Solar panels and batteries	2
Fabric first insulation works	5
Energy modelling/smart systems	2
Social Housing Decarbonisation Fund/Government grant	5
Dedicated hardship funds	10

CASE STUDY: ATEB – THE HOME ENERGY PROJECT

In 2021, ateb launched The Home Energy Project alongside the Energy Saving Trust (EST) to support tenants experiencing fuel poverty. This initiative has continued into 2022/23, during which time hundreds of ateb tenants have benefitted from specialised energy advice and financial support. The Home Energy Project has enabled in-person visits to take place in customers’ homes, where a Home Energy Officer provides bespoke advice and identifies other areas of support needed, such as physical and mental health, as well as eligibility for welfare support. The ateb Hardship Fund has been a particularly impactful element of the project, which provided energy support for 38 households in 2022/23. This funding enabled families to purchase energy efficient hardwares and off-grid fuel, as well as receive financial support with arrears.

On one occasion, “B” requested advice about how to optimise his heating system. Not only did ateb’s Home Energy Officer visit his home to demonstrate how the heating controls and timers could be best utilised to suit his requirements, but it was also identified that “B” could benefit from items such as an electric blanket and oil-filled radiator. The Home Energy Officer was then able to access the Hardship Fund to provide “B” with the items he needed to keep warm. “B” also received assistance in applying for pension credit.



PHOTO CREDIT: ATEB

C5

What % of rental homes have at least a 3-year tenancy agreement?

62%

28 HA responses

Compared to 64% in 2021/22

This is a pool average, based on 28 responses. The individual responses were polarised, with 24 out of 28 responses being 0-10% or 90-100%.

C6

What % of homes with a gas appliance have an in-date, accredited gas safety check?

99.9%

This is a pool average, based on the 30 responses we received.

30 HA responses

Compared to 99.9% in 2021/22

C7

What % of buildings have an in-date and compliant Fire Risk Assessment?

97.8%

This is a pool average, based on the 30 responses we received.

30 HA responses

Compared to 99.0% in 2021/22

C8

What % of homes meet the national housing quality standard?

99.0%

30 HA responses

Compared to 99.7% in 2021/22

This is a pool average, based on the 30 responses we received. The national housing quality standards are the Decent Homes Standard (for England), the Scottish Housing Quality Standard, and the Welsh Housing Quality Standard.



Resident Voice

C9

What arrangements are in place to enable the residents to hold management to account for provision of services?

All bLEND borrowers have policies and processes in place to enable tenants to hold management to account for provision of services. The majority make use of scrutiny panels or resident forums/associations to represent their residents. Many also conduct surveys, host events, and use digital or social media channels to make sure that their tenants' voices are heard. Other strategies for holding management to account include formal tenant subcommittees of the board, placing a tenant representative on the board, tenant inspections, community officers, annual tenant reports, and the convening of events that give tenants the chance to voice their thoughts and concerns face-to-face.

30 HA responses

Tenant rep on board	8
Subcommittees	8
Scrutiny panels, forums or associations	22
Focus groups/structured interviews	7
Surveys	12
Tenant inspections or mystery shoppers	3
Community champions or neighbourhood/tenant/customer engagement officers	2
Digital/social media	7
Tenant annual report	3
Information about complaints procedures or performance	2
Events	5

C10

How does the housing provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years?

Housing associations use a variety of methods to measure resident satisfaction, including the use of HouseMark's STAR (Survey of Tenants and Residents) survey framework and independent surveys. bLEND's borrowers have also begun collecting data in line with new Tenant Satisfaction Measures (TSMs), which were introduced earlier this year. While some associations reported improvements in overall tenant satisfaction, a wider trend toward lower overall satisfaction has emerged post-Covid and amid the cost of living crisis. This has been especially evident in cases where digital surveys were introduced, which can sometimes skew more negatively compared to surveys conducted by phone or face-to-face. bLEND's borrowers are committed to increasing tenant satisfaction, with many having put new plans in place to improve resident satisfaction.

30 HA responses

STAR	11
Independent data gathering	8
Reporting stable levels of satisfaction	7
Reporting improvement in satisfaction	4
Reporting post-Covid dips in satisfaction	12

C11

In the last 12 months, how many complaints have been upheld by the Ombudsman. How have these complaints (or others) resulted in a change of practice within the housing provider?

On average, there were **2** complaints upheld per respondent, with a total of **46** complaints upheld among the pool of respondents. The majority of borrowers reported three or fewer complaints being upheld. **13** borrowers reported 0 upheld complaints.

29 HA responses

This compares to an average of 2 complaints upheld per respondent in 2021/22, with a total of 48 complaints upheld among the pool of respondents in the same period.”

C12

What support services does the housing provider offer to its residents. How successful are these services in improving outcomes?

Housing associations go above and beyond to support their tenants’ needs beyond the provision of housing. The two case studies below are excellent examples of bLEND borrowers’ commitment to supporting their tenants in a holistic manner.

CASE STUDY: NEWPORT CITY HOMES TO HELP THOUSANDS OF HOUSEHOLDS WITH ENERGY SAVING ADVICE

Newport City Homes has rolled out a new Energy Advice service, thanks to a [£500k grant from the Ofgem Energy Industry Voluntary Redress Scheme](#). Its team of 6 energy advisors are working in partnership with Warm Wales to provide advice and support to customers and the wider community on how to save money and energy. Since launching in May, the trained coaches have been out in force across Newport conducting money health checks, providing budgeting advice, assessing eligibility to access benefits, and offering help for eligible households to apply for energy bill support and money maximisation schemes.

Newport City Homes hopes to support around 6,000 households in the city across the next 2 years – with roughly 80% comprising customers of NCH and the remaining 20% supporting vulnerable households across the wider community. The association is using its internal data on EPC ratings and customers in rent arrears to proactively target those most in need. Between May and September, the team supported 151 customers and helped achieve total savings in energy costs of over £21k, with one satisfied customer stating: ‘I really don’t know what I would have done without your service’.

PHOTO CREDIT: Newport city homes



CASE STUDY: HIGHTOWN SUPPORTS 330 HOMELESS ADULTS THROUGH SUPPORTED HOUSING PROVISION

As a founding member of Homes for Cathy - an alliance of housing associations, local authorities, and charities working together to end homelessness - Hightown continues to support the needs of people experiencing homelessness through its supported housing provision and person-centric policies and practices.

In 2022/23, Hightown supported 330 homeless adults through its emergency and temporary supported housing, floating support, and outreach services, helping 42 people move on to their own homes. The association allocated 49% of new lettings to homeless households, reviewing its general needs allocations and lettings policy to ensure flexibility around eligibility for applicants coming from homeless situations. To allow for early intervention to prevent tenancies breaking down, Hightown also revised its tenant vulnerability matrix to identify individuals and households who require referral to its tenancy sustainment and financial inclusion teams. As a result of this policy revision, 259 tenants were offered financial inclusion support in 2022/23, while 276 were referred for holistic tenancy sustainment assistance.

PHOTO CREDIT: Hightown



CASE STUDY: FORHOUSING HELPS TENANTS THROUGH COST OF LIVING CRISIS

As more tenants are struggling to make ends meet as a result of the cost of living crisis, ForHousing is continuing to put tenants at the heart of what it does through the following initiatives:

Live Well hardship fund

Available for tenants who need help meeting a short-term need, this has provided around 3,500 food parcels, essential items, and furniture since June 2022, in addition to helping pay energy bills.

Better Together Fund

Through £10,000 of funding from Knowsley Council's Knowsley Better Together Hardship Fund, we have supported community groups in providing packed lunches for children during school holidays, hot meals for the elderly and vulnerable, and access to subsidised food, essentials, and wellbeing support for residents.

Money support and advice

Through offering advice on accessing benefits and money management to providing wellbeing support, we have helped 267 people successfully remain in their home. This prevented evictions from taking place and brought in £1.07m of extra money for individual tenants. Our income team also made over 21,057 contacts with tenants to discuss and work together on rent payments. Affordable repayment agreements were made with 5,025 tenants in arrears, enabling that many tenants to stay in their homes. We have also developed a [money support section](#) on our website that offers tenants practical information, from advice on debt and budgeting to accessing local support such as council hardship funds and food banks.

PHOTO CREDIT: Forhousing



CASE STUDY: TAFF ALLOTMENT GROUP – GARDENING GROWS COMMUNITY SPIRIT

Taff has for many years offered tenants and service users the opportunity to grow produce at our allotment space, located in the heart of Cardiff. The Taff allotment is more than just a garden. It's a space where people of all ages and backgrounds can connect with nature, learn new skills, and build relationships with others in the community. This is why it has become a popular destination for Taff tenants to come together and make a positive difference whilst growing fresh produce, socialising, and enjoying the outdoors. The Taff allotment has been a source of hope and healing for many of our tenants. Spending time outdoors, connecting with nature and working towards a common goal has helped people feel more grounded and connected during challenging times.

Taff intends to increase the allotment space by leasing additional space from Cardiff Council. This will enable more tenants to enjoy an allotment space and transform unused allotment spaces back into flourishing community centres.

“This really is my happy place. I love to share the fruit, flowers, and vegetables I grow with family and friends so everyone can benefit from it”.

– Quote from Taff Allotment Member



PHOTO CREDIT: Taff allotment group

CASE STUDY: TRENT AND DOVE DELIVERS WARM SPACES FOR WINTER

In response to the energy and cost-of-living crises, Trent & Dove has brought the national “Warm Spaces for Winter” campaign to life for its residents in Burton-on-Trent, delivering lasting benefits and enabling local people and communities to thrive. Trent & Dove has provided ongoing financial support to two popular community café “hubs,” which serve as social gathering spaces for residents. In addition to offering warmth, hot food, and drinks for a (voluntary low-cost donation, the “hubs” also provide a befriending service, which is an initiative designed to reduce loneliness. Trent & Dove have also sponsored a Coffee Connect van, which visits local spots to provide free beverages and cakes, as well as a Community Fridge, offering staple food items free of charge.

Over 5,000 meals were served in the “hubs” in the first four months of the initiative, and the Coffee Connect van has enabled Trent & Dove to engage with over 10,000 customers and other community members. Trent & Dove has received numerous stories of new connections and friendships that have developed in the “hubs.” The “Warm Spaces” initiative has enhanced Trent & Dove’s contact with hard-to-reach sections of the community, opening the door for impactful follow-up community initiatives.



PHOTO CREDIT: Trent and Dove

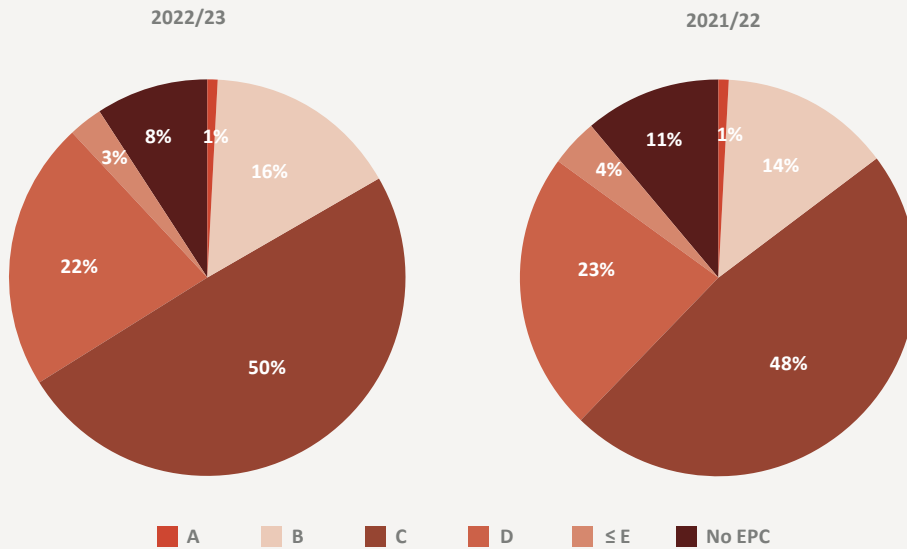
CASE STUDY: CONNECT HOUSING ASSOCIATION TENANTS HELP REJUVENATE LOCAL SPACE

Connect carried out a biodiversity project at Dolphin Street, which was informed by feedback from tenants. There had been a section of untended land on the corner of the estate that had become overgrown, giving a negative impression as tenants entered the Street, which the residents were unhappy about. Through discussions with tenants, it was identified that they preferred an area for the community to use but had concerns that it could become an area for congregation, as there were already a number of issues in the surrounding area with anti-social behaviour. Plans were drawn up with involvement from the tenants, Connect’s Estates team, and the conservation volunteers which included a path area, herb garden, and bushes that help protect the privacy of the gardens that border the space. The work has dramatically improved the area, with a number of local people stopping by to say how pleased they were to see this area be rejuvenated. It has made a significant impact to the impression when approaching the street and an overall positive difference to the local community.

Environmental

C14

Distribution of EPC ratings of existing homes (those completed before the last financial year).

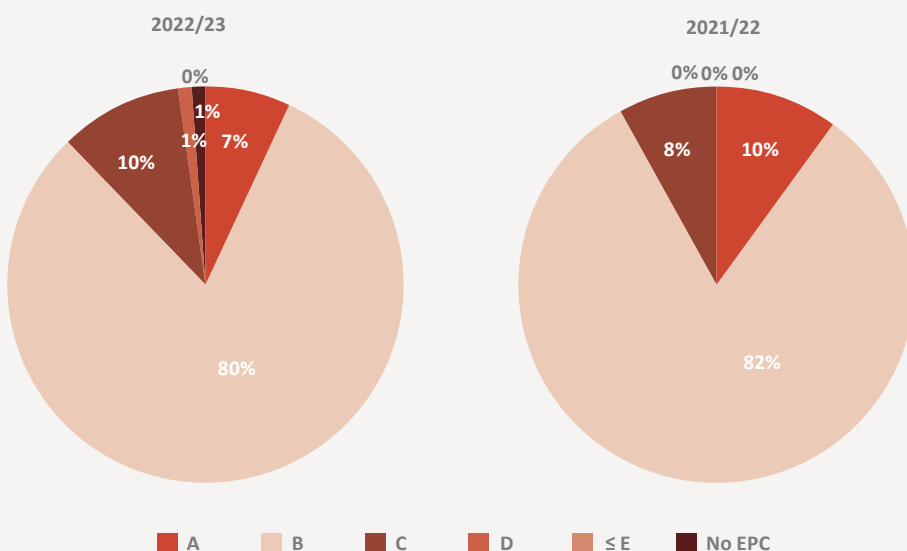


These percentages have been weighted by units and represent the entirety of housing stock in the bLEND pool. Marginal improvements have been made over the last year, as can be seen in the table, with existing homes with an EPC rating of “B” increasing from 14% to 16% of the pool and homes with a rating of “C” increasing from 48% to 50% of the pool. It is also encouraging to observe marginal decreases in the percentages of homes categorised as “D,” “E or lower,” and those without an EPC rating. One borrower was added to the bLEND pool between 2021/22 and 2022/23. Social housing stock performs better regarding EPC ratings than homes in the private rented sector, and the homes of bLEND borrowers continue to perform better than the average social housing stock in the UK. [30 HA responses](#)

The percentages in the 2021/22 pie chart do not add to 100% due to rounding.

C14

Distribution of EPC ratings of new homes (those completed in the last financial year).



These percentages are pool averages, based on the 29 sets of data we received. [29 HA responses](#)

The percentages in the 2022/23 pie chart do not add to 100% due to rounding.

C16

Scope 1, Scope 2 and Scope 3 greenhouse gas emissions.

Collecting greenhouse gas (GHG) emissions data is a complex and time-consuming process that some of our borrowers have not yet been able to undertake. We were encouraged, though, that 23 of our bLEND borrowers provided GHG emissions data this year, an increase of six respondents compared to last year.

However, we noted inconsistencies in the units used to report GHG emissions, with some borrowers reporting in KgCO₂e, some reporting in tCO₂e, and with the units unclear for others. This suggests that the reporting of GHG emissions is still in relative infancy, with clear parameters and guidance needed to assist the sector in achieving consistency of approach. Unit conversions have been made where possible for the purposes of preparing this report, with the below figures representing a best-effort approach in aggregating the emissions data of our 23 borrowers who submitted this information. Material differences between this year's GHG figures compared to the figures presented in 2021/22 are due to the process of converting units to KgCO₂e where possible for this year's report. The "average GHG emissions (1,2,3) in KgCO₂e per unit" metric has also been weighted against both existing and new homes, whereas this figure was solely weighted against existing homes in 2021/22. We acknowledge that this makes it difficult to accurately compare this year's figures against the figures in 2021/22, but we hope the pursuit of accuracy and precision will improve our reporting processes going forward as we work with our borrowers to improve their provision of this data.

Average GHG emissions (1,2,3 in KgCO₂e per unit: **353,718**

Total Scope 1 & 2 emissions in KgCO₂e: **29,214,509,378**

23 HA responses

C17

What energy efficiency actions has the housing provider undertaken in the last 12 months?

bLEND's borrower pool has invested significant funds and efforts into their energy efficiency activities over the last 12 months. The majority of HAs have undertaken retrofit works of some kind, with many implementing fabric first approaches, smart technology integration, or a combination of the two. Several of our borrowers have succeeded in their bids to obtain Government grant funding for energy efficiency works, and many have employed new staff or consultants to assist them with their decarbonisation efforts. We expect investment in energy efficiency to continue despite a recent shift in policy signalling from Government, as HAs maintain their commitments to improve energy affordability for their tenants.

Retrofit (of any kind)	22
Fabric	10
Company fleet replacements	3
Green energy procurement for operations (inc. PVs)	3
Solar panels/battery storage	8
Insulation	15
Staffing changes/appointments/consultants	7
Stock surveys and modelling	4
Grant bids	6
Air source heat pumps	4
EPC "A"/No gas/net zero new development	4

30 HA responses

CASE STUDY: ONGO UNVEILS 'FIRST OF THEIR KIND' CARBON NEUTRAL HOMES

Ongo has completed work on eight innovative carbon neutral homes in Scunthorpe, North Lincolnshire, which are the first of their kind in the area. The £1.8million project takes the place of garages and unused land on two sites and features low carbon technologies including air source heat pumps, photovoltaic roofs, electric vehicle charging points, and highly efficient insulation. This not only makes them carbon neutral homes and therefore environmentally sustainable, but also reduces running costs for tenants.

The development comprises of three and four-bedroom homes available for affordable rent, all of which come with modern, eco-friendly features and finishes, open plan living, and car parking spaces. The homes are part of a commitment the organisation has made to be net zero by 2050, with modern methods of construction (MMC) playing a huge part in this.

You can learn more about Ongo's carbon neutral homes by watching this [video](#) or visiting Ongo's [website](#).



CASE STUDY: WDH TAKES 'WHOLE HOUSE RETROFIT' AND SMART TECH APPROACH

WDH are breaking ground with retrofit in Castleford. European Regional Development Funding (ERDF) funding of £2.35 million has supported WDH to continue improving the energy efficiency of its homes and make progress toward its target of achieving a minimum of EPC Band "C" in all homes by 2030.

Taking a 'whole house approach' to energy efficiency, the scheme – delivered in conjunction with Equans – has provided external wall insulation, air tightness improvements, and smart technology to around 200 homes in Airedale, Castleford. Positive input ventilation systems have also been installed to ensure that damp, mould, and condensation are avoided.

The smart technology trialled in the project includes the Switchee smart thermostat, which has been installed in all properties, and the Airex smart airbrick, which has been installed in around 20% of homes. The Switchee enables predictions regarding the causes and likelihood of condensation and mould growth, allowing WDH to identify any potential problems early on, as well as identifying customers at risk of fuel poverty so they can be provided with support. The Airex smart airbrick uses sensors to detect indoor and outdoor conditions, which helps to optimise airflow through the sub-floor airbricks and improve energy efficiency.

The scheme is being independently monitored and evaluated into the upcoming winter heating season to enable WDH to better understand the impact on its customers and inform future investment decisions around the smart technology.



PHOTO CREDIT: WDH

C18**How is the housing provider mitigating the following climate risks: Increased flood risk? Increased risk of homes overheating?**

The vast majority of HA respondents reported that none, or a very low percentage, of their housing stock is located in areas of significant flood risk. For the few homes that are exposed to flood risk, our borrowers reported having suitable measures in place to address the risk, such as ensuring that tenants are signed up to receive early flood alerts, making sure emergency action plans are in place, and liaising with the relevant environment and drainage authorities when flood incidents occur. Similarly, very few respondents reported issues with homes overheating. Many HAs are taking a proactive approach to prevent overheating in the future by factoring this potential issue into new build design and ventilation systems. One HA has built-in capacity to deliver water bottles and other hot weather provisions for vulnerable clients in the case of heatwaves, and others send out hot weather alerts when necessary as part of their resident engagement strategies.

*28 HA responses***C19****Does the housing provider give residents information about correct ventilation, heating, recycling, etc.? Please describe how this is done.**

The majority of housing providers go the extra mile to provide residents with information about ventilation, heating, recycling, damp and mould prevention, etc. This is done in a variety of ways, including the provision of initial information at the time the tenant signs up to live in their home, employing front-line teams to advise customers on heating and ventilation in their homes, publishing digital articles and tips on their websites, installing environmental sensors inside homes that tenants can access, social media communications campaigns, and information packs after the completion of retrofit projects.

*30 HA responses***C20****How is the housing provider increasing green space and promoting biodiversity on or near homes?**

SHIFT and data collecting	1
Tree planting/rewilding/wildflowers/"No Mow May"	6
Green space/communal gardens in new builds	11
Changes to grounds maintenance	2
Local biodiversity partnerships and projects	8
Miscellaneous biodiversity projects	7
Under consideration	2

28 HA responses

PHOTO CREDIT: V2C

C21
-
C24

Does the housing provider have a strategy to actively manage and reduce all pollutants? If so how does the housing provider target and measure performance?

23 respondents sent in qualitative responses for Criterion 21. While some HAs have begun to put policies and procedures in place to manage pollutants, the responsible sourcing of materials, waste management for building materials, and water management, many are still in the planning and consideration stages, with a high level of inconsistency between responses and approaches.

C21: 22 HA responses

C22: 22 responses

C23: 23 HA responses

C24: 23 HA responses

Governance

Structure and Governance

C25 Is the housing provider registered with the national regulator of social housing?

100%

Yes

30 HA responses

C26 What is the most recent regulatory grading/status?

As part of the general sweep of regulatory regrades during 2022/23, some of our bLEND borrowers received regrades from the national regulator, with a few being regraded from a V1 grading to a V2 grading. Out of our 22 English borrowers, 12 are rated G1/V1 by the English Regulator for Social Housing, which is the highest possible grading. All but one of bLEND borrowers have a compliant grading, the one exception having received a Regulatory Judgment of G3/V1 grading in January 2023,

30 HA responses

C27 Which Code of Governance does the housing provider follow, if any?

The housing associations are following the codes of governance in the nations in which they operate.

Governance Code:	Number following governance code:
Community Housing Cymru Code of Governance	6
National Housing Federation Code of Governance	23
Scottish Federation of Housing Associations 2020	1

30 HA responses

C28 Is the housing provider Not-For-Profit?

100%

of HA respondents indicated they are not-for-profit organisations.

30 HA responses

C29

Explain how the housing provider’s board manages organisational risks.

bLEND borrowers follow robust risk management procedures, with their risk registers and frameworks overseen by Boards as well as some form of Audit or Risk Committee. All borrowers emphasised regular maintenance of risk registers, to reflect new operational and strategic risks. Some borrowers highlighted the provision of training for the Board on risks.

30 HA responses

C30

Has the housing provider been subject to any adverse regulatory findings in the last 12 months (data protection breaches, bribery, money laundering, HSE breaches etc) - that resulted in enforcement or other equivalent action?

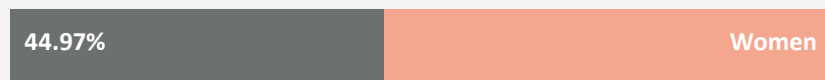
29 out of 30 HAs in the bLEND pool responded “no” to this question. The one "yes" response was due to an adverse regulatory finding in relation to damp and mould, and a plan is in place to resolve this issue going forward.

30 HA responses

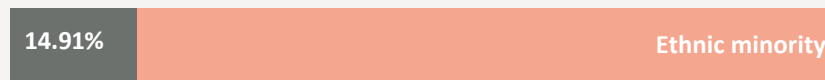
C31

What are the demographics of the board? And how does this compare to the demographics of the housing provider’s residents?

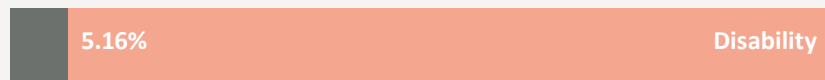
It has not been possible to provide an aggregated outlook of how the demographics of the boards compare to the demographics of residents.



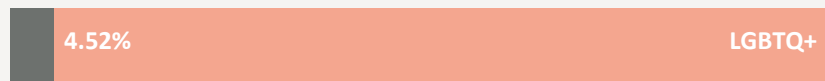
30 HA responses



28 HA responses



27 HA responses



27 HA responses



28 HA responses



28 HA responses

These figures represent pool averages. They compare to 43.71% women, 12.82% BAME, 5.01% disability, and 4.60% LGBTQ+ from the 2021/22 period. The average age and tenure have remained the same year on year.

C32**What % of the board and management team have turned over in the last two years?****27%****Board***29 HA responses*

This compares to 30% in 2021/22.

16%**Management***28 HA responses*

This compares to 14% in 2021/22.

C33**Is there a maximum tenure for a board member? If so, what is it?**

Maximum tenure	Number of HAs	% of HAs
6 years	15	50.00%
7 years	1	3.33%
9 years	14	46.67%

Some borrowers have a six-year limit but allow for nine in exceptional circumstances.

*30 HA responses***C34****What % of the board are non-executive directors?**

94%, with the responses ranging between 73% and 100%. One borrower's governance structure has trustees as opposed to non-executive directors.

30 HA responses

This compares to 96% in 2021/22.

C35**Number of board members on the audit committee with recent and relevant financial experience.**

All borrowers confirmed that at least one member of their board who are on the audit committee have relevant financial experience, with the maximum reported number being five. Qualifying roles included chartered accountants, finance directors, and members with banking, investment, and consultancy experience.

*30 HA responses***C36****Are there any current executives on the remuneration committee?****100%****of HAs said No***30 HA responses*

C37**Has a succession plan been provided to the board in the last 12 months?**

Response	Number of HAs	Percent of HAs
Yes	27	90%
No	3	10%

*30 HA responses***C38****For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?****4.1****Years on average**

The range was between **0** and **17** years. 28 borrowers reported 9 years or less. One reported 11 years and one reported 17 years.

30 HA responses

This compares to 3.5 in 2021/22

C39**When was the last independently run board effectiveness review?**

20 HA respondents reported they had had a board effectiveness review within the last two years; 5 had not had one in the last 3 years.

*28 HA responses***C40****Are the roles of the Chair of the Board and CEO held by two different people?****100%****answered Yes***30 HA responses***C41****How does the housing provider handle conflicts of interest at the board?**

All borrowers required board members to complete a register of interests annually, which is used as a reference for the start of Board meetings when a member must declare any conflict of interest. Depending on the declaration the member may then be obliged to not participate in discussion, to excuse themselves, or in extreme cases to resign.

30 HA responses

C42

Does the housing provider pay the Real Living Wage?

24

HAs (80% of respondents) indicated that they pay the Real Living Wage

30 HA responses

This compares to 22 in 2021/22

C43

What is the median gender pay gap?

6%

3 borrowers reported negative gender pay gaps, while 6 reported no pay gap at all. The highest reported pay gap was 30%. 3 borrowers did not provide a figure.

27 HA responses

This figure remained the same between 2021/22 and 2022/23

C44

What is the CEO median-worker pay ratio?

5.8 : 1

The pay ratio ranged from 3.6 to 9.7.

27 HA responses

This compares to 5.6 : 1 in 2021/22

C45

How does the housing provider support the physical and mental health of their staff?

Our bLEND borrowers invest heavily in their employees' physical and mental health. The majority provide health training and offer external healthcare provision, and many also host health-related events, administer staff surveys, and allow for flexible working practices. Many HAs also have Mental Health First Aider programmes, which provide voluntary mental health training to staff who are interested in becoming trained mental health contacts for their employees.

Health training	18
External healthcare providers	19
Comms and events	12
Staff surveys	5
Flexible working	10

30 HA responses

C46

What is the average number of sick days (both long and short term) taken per employee?

9.5

This figure ranged from **0.66** to **10.74**.

29 HA responses

This compares to 10.2 in 2021/22

C47

How is social value creation considered when procuring goods and services?

There are many different ways that HAs go about considering the generation of social value when procuring goods and services. Many HAs include questions in their standard procurement processes and consider the responses in the decision-making process, while others have agreed-upon social value targets with their contractors that, if not achieved, would trigger a financial penalty.

30 HA responses

C48

How is environmental impact considered when procuring goods and services?

Similar to Criterion 47, there is a variety of ways in which HAs consider environmental impact when procuring goods and services, which often involves including questions on the subject during the procurement process and considering responses in the decision-making process. Other methods include incorporating environment-related terms and conditions in agreements in contractors or scoring potential contractors with a pass/fail system. A few HAs are still in the consideration phase, without a strategy in place.

29 HA responses

In Conclusion



The growing adoption of the Sustainability Reporting Standard for Social Housing (SRS) demonstrates housing associations' steadfast commitment to their social purpose and has allowed the sector to tell its inspiring ESG story with one voice. We are extremely pleased to see how our housing association clients have continued to embrace the Standard and improve upon their ESG reporting each year.

As the social housing sector becomes more seasoned in regard to ESG reporting, we expect that internal processes will become more robust and data will become stronger and more precise as a result. We have already seen enormous progress in these areas over the last three years, and we are confident that these improvements will continue in the years to come.

We believe that this increasingly unified and consistent ESG data will allow housing associations to tell their ESG stories with clarity, improve where necessary, and continue to shine even brighter over time, as they track their own progress and hold themselves, and each other, to account.

We appreciate each of our bLEND borrowers for engaging with us on these important matters, and we hope that our stakeholders find this report useful and interesting. We look forward to working with our borrowers over the next year as the sector prepares to report against SRS Version 2.0.



3rd Floor
17 St. Swithin's Lane
London
EC4N 8AL

Visit : www.blendfundingplc.com
Call : 020 7337 9920
Email : info@blendfundingplc.com