



MEDIA RELEASE

New reporting standard to demonstrate community housing industry's ESG credentials

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The Community Housing Industry Association and a consortium of private and public sector partners have commenced the development of an industry specific environmental, social and governance (ESG) reporting standard, putting Australia at the forefront of ESG reporting for the sector globally.

Apart from the UK, Australia will be the first country to develop a community housing ESG reporting standard, opening the way for deeper institutional investment, according to CHIA CEO Wendy Hayhurst.

The reporting standard will demonstrate the added value community housing generates in driving improved economic and social outcomes and in doing so will help encourage and attract more diverse private sector lending, including from ESG investors.

“Affordable housing is recognised as a universal social good within the UN’s Sustainable Development Goals. It’s not just about ‘bricks and mortar’. Having a decent, affordable home is an important determinant of people’s health and well-being, has a positive effect on children’s education and can help people find and sustain employment to provide a route out of poverty”, Ms Hayhurst said.

By developing an industry reporting standard, community housing providers will be able to clearly articulate their contributions towards the UN SDGs and attract more private capital investment in urgently needed high quality, social and affordable rental provision. At the same time, finance providers and investors are increasingly mandated to direct funds into assets/sectors that offering both a sound commercial return and positive ESG outcomes for communities.

To tap these funds, 23 community housing organisations (CHOs) have come together with the National Housing Finance and Investment Corporation (NHFIC) and other private sector partners to commission a consortium led by SGS Economics & Planning Pty Ltd, working with Ritterwald Consulting and Paxon Group, to develop a credible and consistent reporting standard.

“The ESG standard is expected to diversify the funding sources available to the Australian community housing sector, enable access to lower cost funds, and encourage consistency in how the sector reports on the wide-ranging value it creates for individual tenants and the community as a whole,” said Andrew Hannan, CEO at Community Housing Canberra and CHIA’s chair.

Scott Langford, Group CEO of SGCH, a participating CHO, added “ESG is integrated in all aspects of our organisation and is a powerful lens through which we can communicate the value we create in partnership to deliver impact for communities. An industry wide standard will amplify our collective impact.”

NHFIC CEO, Nathan Dal Bon noted, “We are committed to encouraging a wider range of finance sources and deepening private sector engagement with the community housing industry. Promoting a better understanding of the value that well-built and managed social and affordable rental housing can bring is essential to supporting better housing outcomes for vulnerable Australians.”

The project will be a collaborative process. As Dr Marcus Spiller, SGS Project Director, explained, “The consortium will work closely with stakeholders from the housing, debt and equity sectors from the outset to scope a sector-wide standard that can be used to demonstrate value, support and grow investment, and incentivise social and affordable housing in Australia”.

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