

THE  
GOOD  
ECONOMY

CHEYNE IMPACT REAL ESTATE TRUST  
SOCIAL IMPACT  
REPORT

JULY 2024





This report was commissioned by Cheyne Impact Real Estate Trust ('CIRET' or 'the Fund'). This report has been prepared by The Good Economy Partnership Limited ('The Good Economy' or 'TGE'), a leading, independent advisory firm with expertise in impact measurement, management, and reporting.

The findings and opinions conveyed, via this report, are based on information obtained from interviews and portfolio data from CIRET. The information reviewed should not be considered as exhaustive and has been accepted in good faith as providing true and representative data pertaining to the schemes.

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# EXECUTIVE SUMMARY

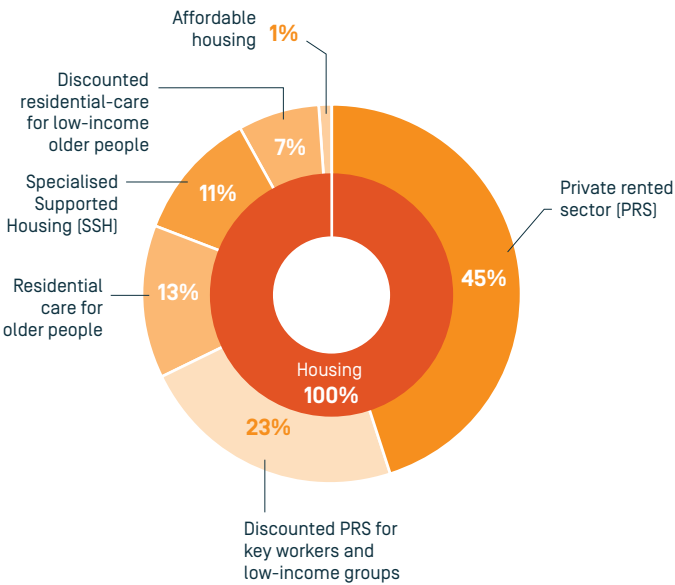
As of 31st December 2023

## CHEYNE IMPACT REAL ESTATE TRUST ("CIRET")

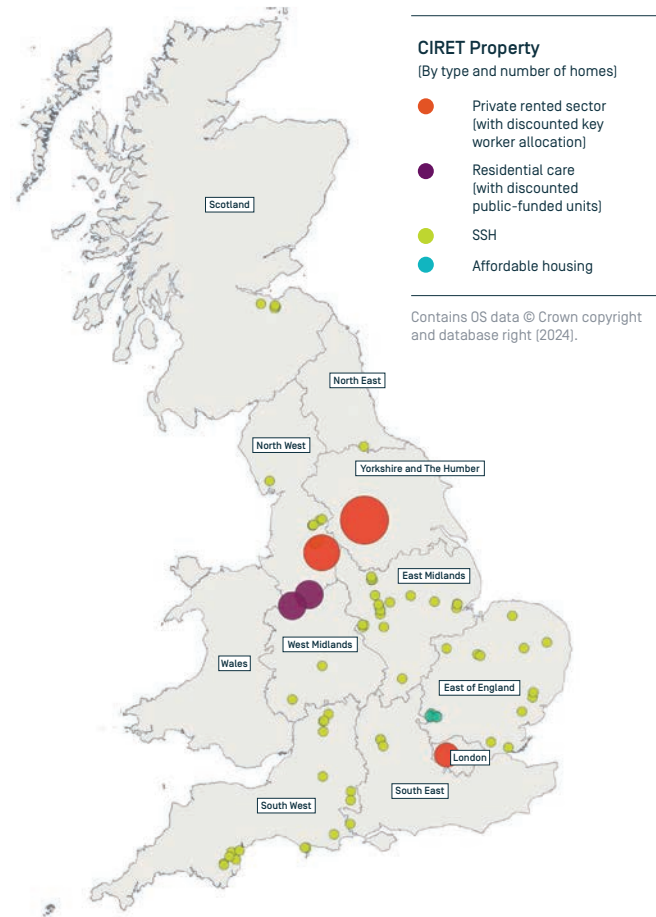
CIRET launched in April 2020 as Cheyne Capital's second impact real estate investment fund. It aims to increase the provision of high-quality affordable and specialist housing to enhance the quality of lives of people with a range of housing needs, including people facing homelessness, those with specialised or elderly care needs, and key workers.

- £113.3m committed
- 719 total homes (will be in the portfolio on completion of all schemes)
- 303 operational homes
- 416 homes under construction or awaiting operational commencement
- Potential to house c.1,367 people once completed.

## WHAT WE INVEST IN (% OF HOMES)



## WHERE WE INVEST (% OF HOMES)



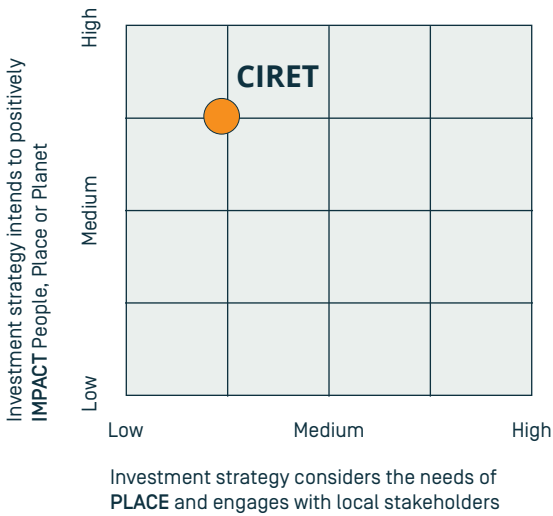
## HOW OUR INVESTMENTS IMPACT PEOPLE, PLACE AND PLANET

Unless otherwise stated, the figures below relate to all homes (i.e. operational homes and homes under construction).

	<b>Social Need</b>	63% of all homes to be in the 20% most deprived local authorities
	<b>Increase and Accelerate Supply</b>	88% of all homes to be newly built homes
	<b>Affordability</b>	34% of General Needs rented homes to be let at discount-to-market rents 100% of discounted rent homes are CIRET-funded (i.e. requiring no Section 106 or grant contribution)
	<b>Quality Homes</b>	99% of General Needs homes meet National Space Standards (NSS)* 73% of EPC ratings are B or higher**
	<b>Quality Partnerships</b>	Partnering with 5 operators who are responsible for managing homes**

\*Applied to Poplin and Luton Borough Council homes only.  
\*\*Operational homes only.

## HOW OUR STRATEGY ALIGNS WITH THE TRAITS OF PLACE BASED IMPACT INVESTING

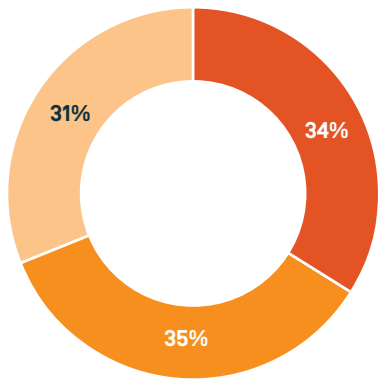


## OUR TYPE OF IMPACT (% OF HOMES\*)

Type of impact by impact intention [% of assets]

- Contribute to solutions
- Benefit stakeholders
- Avoid harm
- Does/may cause harm

**IMPACT MANAGEMENT PROJECT**



\*See Appendix 2 for definitions of each type of impact. Note this breakdown is based on operational homes only- homes that are still under construction or planning have not been categorised into an impact class within this portfolio breakdown.

# 1 / INTRODUCTION

## ABOUT THE CHEYNE IMPACT REAL ESTATE TRUST

CIRET is Cheyne Capital's second impact real estate investment fund, launched in April 2020. Its impact goal is to increase the provision of high-quality affordable and specialist housing to improve the lives of people with a range of needs, including those on local authority housing waiting lists and those with specialist care needs, as well as elderly residents and key workers who would typically not receive local authority assistance.

CIRET centres its impact strategy on additionality, contributing to the supply of affordable housing beyond what the market would deliver otherwise. It does so through employing a cross-subsidy model in new-build mixed-tenure schemes, voluntarily allocating portions of private schemes to affordable housing. TGE considers the model a best-in-class approach to accelerating the supply of affordable housing, as it does not require government grant funding and exceeds the planning requirements of Section 106 housing.

In addition, CIRET invests across a range of other specialist tenure types, including specialist supported housing (SSH), affordable housing, and elderly residential care homes.

To mitigate impact risks, CIRET forges strong partnerships with local authorities, housing operators, and care providers. Combined with the Fund's 'evergreen' structure, this effort should ensure that residents receive high quality housing services, positioned to achieve positive outcomes for residents in the long term.

CIRET's strategy and impact thesis is underpinned by four key principles:

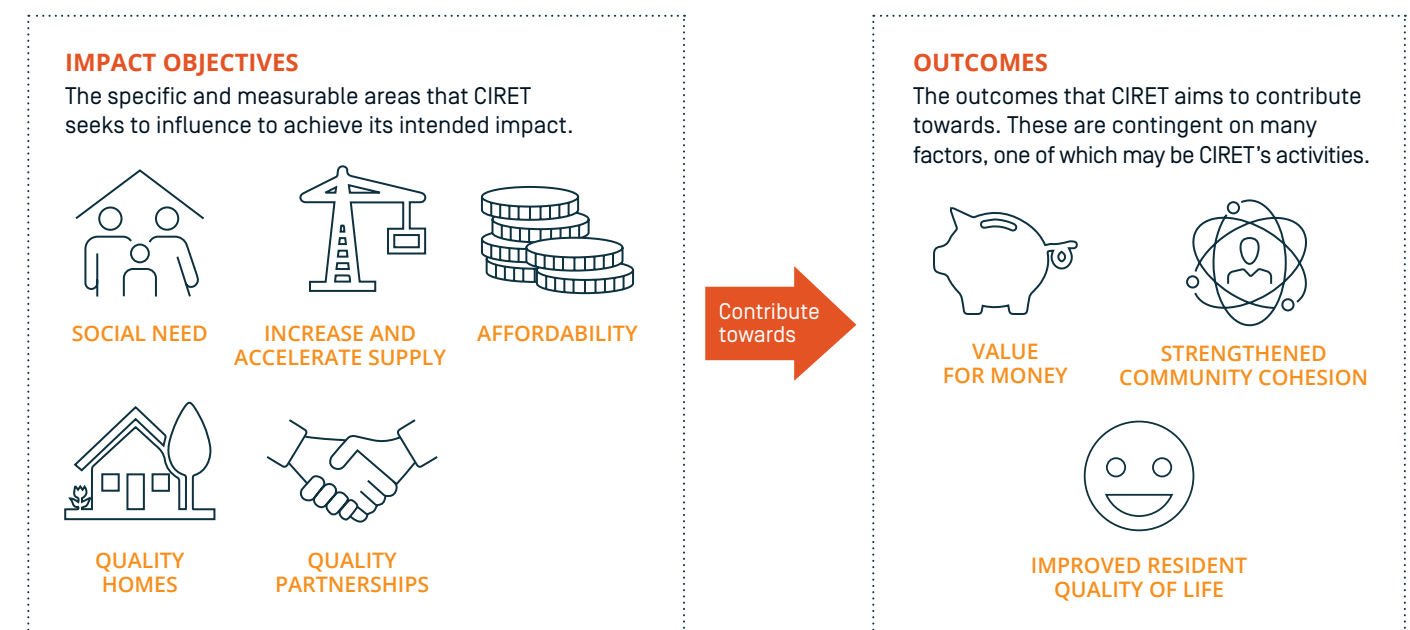
- Raise and deploy institutional capital to improve access to, and the quality of, affordable and specialist housing.
- Build strong relationships with partners to ensure improvements in resident wellbeing for the long term.
- Achieve high additionality by investing in housing schemes that would not have been built or made affordable otherwise.
- Ensure mixed-tenure schemes are 'tenure-blind' to encourage community cohesion, social integration, and social mobility.

## THIS REPORT

This is TGE's third impact report for CIRET. It assesses the Fund's impact for the 21-month period from April 2022 to December 2023.

The assessment in this section is structured according to CIRET's Impact Measurement and Management (IMM) Framework, which was designed in collaboration with TGE during the Fund's set up phase. The IMM provides a framework for assessing, measuring, and managing impact creation and ensuring impact considerations are fully integrated into the investment process.

The core component of the IMM is an agreed set of impact objectives and target outcomes. These objectives and outcomes provide the basis for the impact assessment contained in this report:



## METHODOLOGY

TGE employs a combination of quantitative and qualitative research methods to carry out impact assessments. For this report, data sources include:

- Analysis of portfolio data collected by CIRET
- Interviews with Cheyne Capital staff
- Interviews with key partners including housing managers, care providers and developers
- Site visits to two schemes, and conversations with residents, property managers and care workers.

Please see Appendix 1 for a full overview of the data sources used.

# 2 / PERFORMANCE AGAINST IMPACT OBJECTIVES


## INVESTMENTS AS OF 31 DECEMBER 2023

PROJECT NAME	LOCATION	TOTAL INVESTMENT	INVESTMENT TYPE	TYPE OF HOUSING	PROJECT STATUS	NUMBER OF HOMES	POTENTIAL NUMBER OF RESIDENTS
Ethical Lease Portfolio – Luton Borough Council	Luton	£1.3m	Acquisition from existing fund	Affordable housing <sup>2</sup>	Operational	8	16
Ethical Lease Portfolio – P3 Housing	Derbyshire and Gloucestershire	£1.9m	Acquisition from existing fund	SSH for people at risk of homelessness or with mental health conditions	Operational	14	28
Ethical Lease Portfolio – Forward Housing	National	£22.8m	Acquisition from existing fund	SSH for people with learning disabilities	Operational	61	119
Thera Trust	National	£1.3m	Existing properties converted to social housing	SSH for people with learning disabilities	Operational	4	9
Poplin, Oldham Road	Manchester	£33.9m	New-build development	Private rental sector [35% of units discounted and allocated to key workers]	Operational	144	336 <sup>3</sup>
Anavo Care	Crewe	£12.9m	New-build development	Residential care for the elderly [35% of units allocated to publicly funded residents]	Operational	72	72
	Whitchurch	£12.0m	New-build development	Residential care for the elderly [35% of units allocated to publicly funded residents]	Under construction [due Q2 2024]	68	68
Lina, Acton Gardens	London	£21.6m	New-build development	Private rental sector [20-25% of units discounted and allocated to key workers]	Complete with operational commencement in Q2 2024	45	101
Mabgate Yard	Leeds	£5.7m	New-build development	Private rental sector [35-40% of units discounted and allocated to key workers or low-income workers]	Under construction [due Q3 2026]	303	618
Total	–	£113.3m	–	–	–	719	1,367

2. In CIRET’s previous impact report, these homes were categorised as temporary accommodation. As confirmed by CIRET, these should be categorised as affordable housing.  
3. Note this figure has been updated since last year’s report. The updated figure is calculated based on the assumption that, on average, 1 beds are occupied by 1 person, 2 beds are occupied by 3 people, and 3 beds are occupied by 4 people. This assumption has been applied to estimate the potential number of residents (at full occupancy) for all General Needs PRS schemes.

## ■ IMPACT OBJECTIVE 1: SOCIAL NEED

Provide accommodation to address the needs of people on local authority housing lists, individuals with a care need and key workers who cannot afford to rent on the open market.

IMPACT OBJECTIVE	IMPACT METRICS	MAR 2022	DEC 2023 (UNLESS OTHERWISE STATED)
 SOCIAL NEED	Total number of homes that will be in portfolio upon completion of assets	371	719
	Number of operational homes	87	303
	Occupancy rate [of operational properties only]	97%	83%*
	Breakdown of homes by tenure type:		
	Private rented sector (PRS)	25%	45%
	Discounted PRS for key workers and low-income groups	27%	23%
	Residential care for older people	25%	13%
	Specialist supported housing (SSH)	21%	11%
	Affordable housing	2%	1%
	Percentage of all homes in the 20% most deprived local authorities	41%	63%

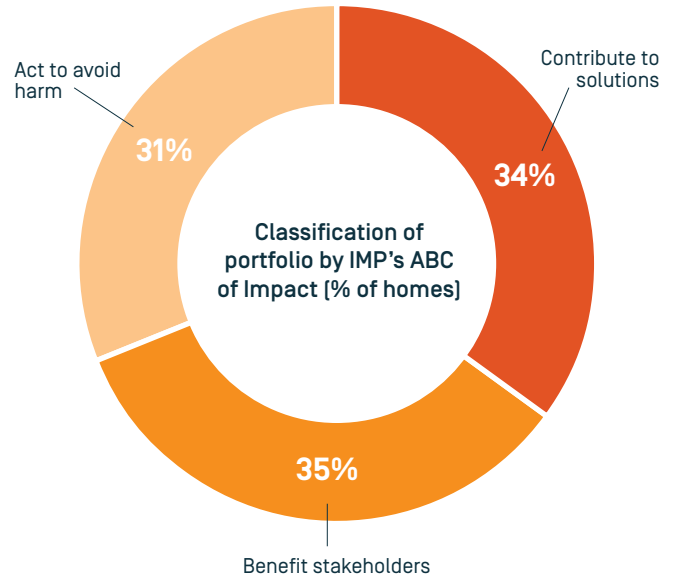
\*Occupancy as of May 31st, 2024. Occupancy figure is reported outside of reporting period as 40% of the portfolio was in the process of stabilising having completed construction in 2023.

Once fully operational, CIRET’s current portfolio will consist of 719 homes, with the capacity to provide a home for around 1,367 people.

The portfolio includes a mix of tenure types which will cater to a diverse range of needs. Overall, TGE is of the opinion that all CIRET’s homes help to meet a defined social need. However, some of the Fund’s homes are delivering greater impact by contributing to meeting the housing needs of individuals who may otherwise be defined as underserved. We note that the model CIRET uses means some homes that serve less pressing needs are required to cross-subsidise the homes meeting more underserved populations.

This is the case for the homes that are categorised as ‘Contribute to Solutions’ under the Impact Management Project’s (IMP) ABC of impact<sup>4</sup> – as Figure 1 demonstrates, this applies to just over a third of CIRET’s operational portfolio as of December 2023.

Figure 1: Classification of portfolio by IMP’s ABC of Impact [% of homes]



4. See Appendix 2 for definitions of what the ABC of impact means. Note that this breakdown is based on operational homes only – homes that are still under construction or planning [58% of the portfolio] have not been categorised under the ABC of impact within this portfolio breakdown.



Of CIRET’s 719 funded homes, 303 are currently operational (the remaining 416 are currently waiting to commence operations, under construction, or going through planning). Of the operational homes, the portfolio occupancy rate is 83%, as of May 31st 2024. This includes two schemes (Poplin and the Anavo care home in Crewe) which only completed construction in June and July 2023 and are in the process of leasing up.

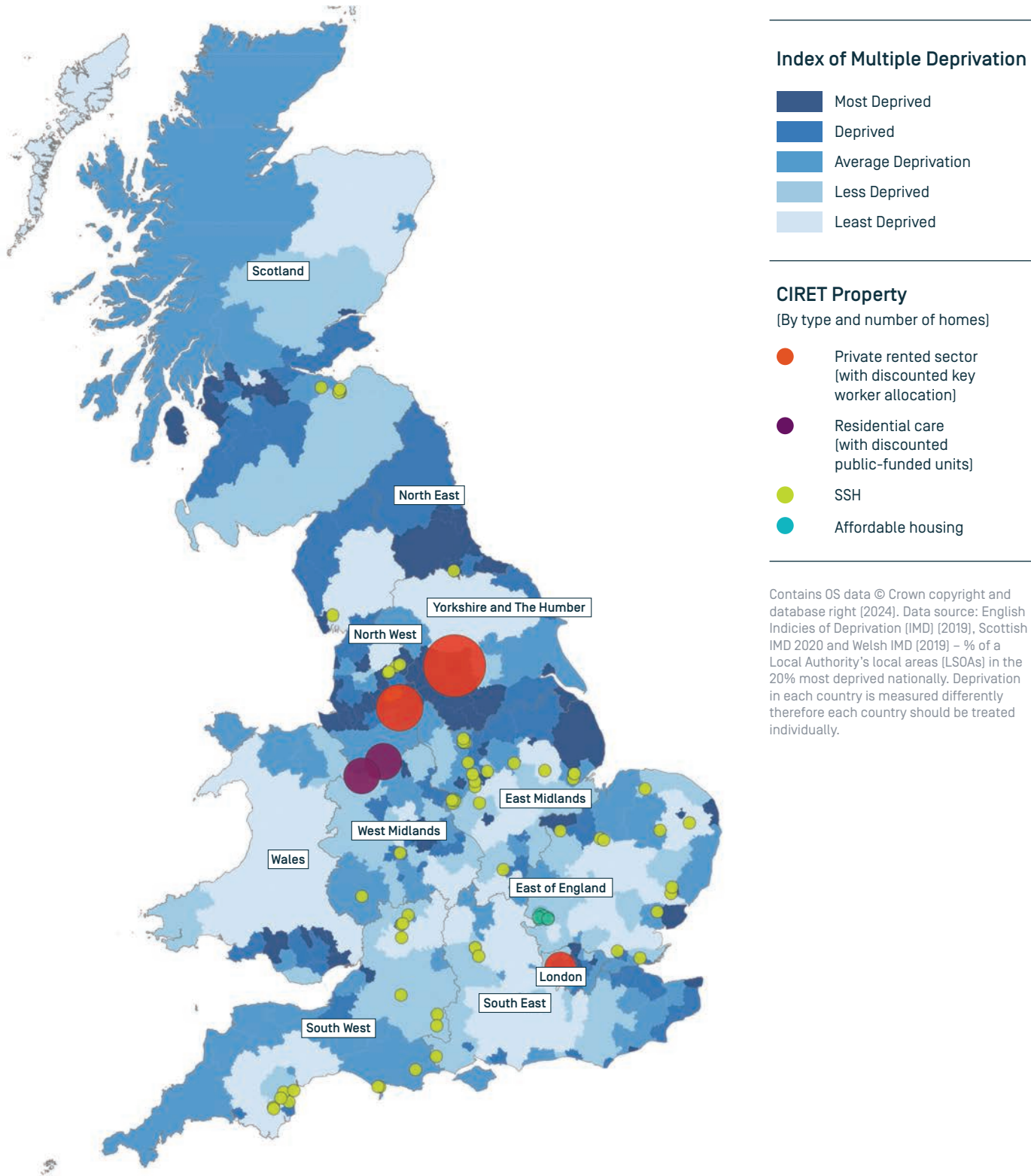
For the existing, stabilised schemes, occupancy rates are all 90%+ (with most at 100%). For the new schemes, conversations with property managers indicate that demand is high, and that these are expected to be fully occupied in the coming months. Overall, this demonstrates that there is a high level of underlying social need for the Fund’s homes.



TENURE TYPE	EVIDENCE OF SOCIAL NEED
Key worker homes	<p>The Poplin scheme offers 51 homes at a discount to key workers, of which 98% are occupied as of May 2024. These homes aim to alleviate the challenge that local key workers face finding high-quality affordable accommodation in central Manchester, which the high occupancy figure demonstrates a need for. See case study on page 19 for more information.</p> <p>For the remaining 93 homes in the scheme, which are general needs private rented homes, occupancy is at 97%.</p>
Residential care for older people	<p>There is a pressing need for more care home beds nationwide. This is caused by demographic pressures (e.g. an ageing population and longer life expectancy) and a decline in the overall availability of care home beds.<sup>5</sup> Anavo Care, managing CIRET’s two care homes, noted high demand for rooms in the operational scheme in Crewe. As of May 2024, 43% of the care beds are occupied, with occupancy of the privately funded beds at 55% and occupancy of the publicly-funded beds at 20%. As the scheme only opened in September, the process of moving residents in is ongoing. Across the Whitchurch and Crewe care homes, 35% of beds are designated for publicly-funded residents through the NHS and/or Local Authorities, ensuring access for lower-income individuals.</p>
SSH	<p>Across the UK, there is a need for more SSH. Government policy in this area generally seeks to reduce dependence on institutional and residential services and encourage a shift towards more community-based housing for people with care needs.<sup>6</sup> P3 Housing, the RP managing 14 of CIRET’s SSH units, explained that demand outstrips supply in both schemes owned by the Fund. Forward Housing (subsidiary of Thera Trust Group), overseeing a share of CIRET’s SSH homes for people with learning disabilities, echoed this sentiment. As of May 2024, 100% of homes managed by P3 Housing are occupied and 94% of homes managed by Forward Housing are occupied.</p>
Affordable housing	<p>Luton Borough Council (BC), overseeing CIRET’s eight affordable housing homes, is facing a shortage of adequate housing. In 2023, there were 8,716 households on the local housing waiting list,<sup>7</sup> representing 11% of the council’s households. This is more than twice the national average of 5.2%. As of May 2024, 100% of the homes managed by Luton BC are occupied.</p>

5. Care home bed availability, Nuffield Trust, 2023.  
6. Department of Health and Social Care, People at the Heart of Care: Adult Social Care Reform White Paper, Dec 2021.  
7. Local Authority Waiting Lists, DHLUC, 2023.


63% of the Fund’s homes are in the 20% most deprived local authorities in the country.





■ IMPACT OBJECTIVE 2: INCREASE AND ACCELERATE SUPPLY

Drive delivery of affordable housing and specialist housing that would not be built otherwise.  
Accelerate the rate at which stalled schemes are developed.

IMPACT OBJECTIVE	IMPACT METRICS	MAR 2022	DEC 2023
 INCREASE AND ACCELERATE SUPPLY	Number of new-build homes funded (including homes under construction)	284	632
	Percentage of new-build homes by current status:		
	Complete and operational	0%	34%
	Under construction or planning	100%	66%
	Percentage of new-build homes by delivery method:		
	Section 106	0%	0%
	Grant Enabled	0%	0%
	Unrestricted	100%	100%
	Number of existing homes	83	83
	Number of existing homes converted to specialised housing	4	4

CIRET continues to exhibit a best-in-class approach to increasing the supply of affordable housing that otherwise would not have been built. It does so through adopting a cross-subsidy model to deliver affordable homes alongside market-rate homes.<sup>8</sup>

CIRET does not actively seek out investment in affordable housing legally designated by Section 106 planning requirements. This is a key point of distinction between CIRET and many other affordable housing funds. Instead, the Fund invests in schemes that would otherwise be wholly or mostly market-rate accommodation and provides a voluntary discount on a portion of the homes. Notably, CIRET does not rely on government grants, freeing up this capital for other affordable housing initiatives.

During the reporting period, the Fund approved the acquisition of two new schemes, with one currently under planning and the other awaiting operational commencement. Once operational, these two new schemes will deliver 348 new homes, of which a portion will be let at discounted rents.

The two new schemes are:

- ➔ **Acton Gardens, London**  
A forward-purchase of 45 homes within a wider regeneration project delivering nearly 3,500 homes. The 45 homes CIRET has acquired were originally intended for private sale, but the Fund has decided to allocate 20-25% of the homes to local key workers. These homes will have discounted rents calculated based on 35% of net income.
- ➔ **Mabgate Yard, Leeds**  
Funding the acquisition and planning of a land parcel in Leeds, with outline planning consent to deliver 303 homes, as well as commercial and amenity space. Under the planning consent, 20% of units will be defined as Discounted Market Rent. CIRET also plans to voluntarily deliver an additional 15-20% of units at discounted rents for local key workers

In 2023, two of CIRET’s new-build schemes also completed construction and became operational – Poplin in Manchester and one of the Anavo care homes in Crewe (the other care home in Whitchurch is still under construction and due to complete in 2024).

8. CIRET also holds several schemes which were acquired from Cheyne Capital’s previous real estate fund. These schemes did not use the cross-subsidy investment model. They account for 87 homes (12% of the Fund’s total units, including schemes under construction).




CIRET continues to exhibit a best-in-class approach to increasing the supply of affordable housing that otherwise would not have been built.





■ IMPACT OBJECTIVE 3: AFFORDABILITY

Ensure funded developments are affordable within their local markets.

IMPACT OBJECTIVE	IMPACT METRICS	MAR 2022	DEC 2023
	Breakdown of total units in portfolio by tenure type:		
	Private rental sector (PRS)	25%	45%
	Discounted PRS for key workers	14%	23%
	PRS residential care for the elderly	25%	13%
	Specialised supported housing (SSH)	21%	11%
	Discounted public residential care for the elderly	13%	7%
	Affordable housing	2%	1%

The affordability of CIRET’s portfolio varies across its different tenure types. Overall, we assess that the portfolio is mostly affordable within local market contexts for the different groups that each tenure type aims to serve. Nevertheless, some of the key worker homes are serving those on higher incomes than what was originally intended. Also, due to its cross-subsidy model, we note that not all of the Fund’s homes are more affordable than market-rate alternatives. 58% of homes are let at market-rates in line with their market type, with the remaining 42% of homes targeting key workers and/or lower-income groups, or providing a form of specialist provision.

The analysis below focuses solely on the 42% of CIRET’s homes for which affordability is a key consideration in how the homes contribute to positive impact.

DISCOUNTED PRS FOR KEY WORKERS

Key workers living at the Poplin scheme earn between £13,000 and £80,000, with the majority (68%) earning up to £40,000. The discount is only offered to key workers earning up to £45,000. The average key worker income is £36,523 – this is marginally above the median income in Manchester (£33,010).

TGE notes that approximately a third (32%) of the key workers earn more than £40,000, and 60% earn more than £32,000. This is not in line with the initial intention of targeting key workers on mostly lower incomes – the original qualifying criteria stated key workers must earn between £24,000 and £32,000 to be eligible for these homes. We note that this criteria was outlined in 2020, and since then the combination of salary increases and inflation likely mean that typical salaries for key workers have increased. However, almost one third of residents make more than £40,000, which is markedly higher than originally intended. We understand that CIRET is working with Native to target a lower salary base for the key workers.

Given the higher incomes of these key worker residents, they are likely to have other housing options, compared to the original target demographic. Native Residential is working with CIRET to reach a wider range of key workers, with the aim of sourcing individuals that will benefit more from the discounted rents. TGE recommends that, to maximise its positive impact, CIRET sets an upper limit for how much key workers can earn to be eligible to live in the discounted rent homes. This should ensure a more targeted approach in providing affordable housing for key workers who are relatively underserved in terms of their housing needs.

On average, the key workers at Poplin receive a 18% discount on their rents. The level of discount applied to each unit is calculated based on the income of the key worker, with the criteria that 30% of their net monthly income is spent on rent and the discount offered may not exceed 25%. The approach of using net income to determine the level of discount is aligned with the Affordable Housing Commission, despite the assets being private sector. Unlike other asset owners which typically offer a blanket discount, CIRET seeks to means-test the discount offered to key workers based on their income. In cases where a key workers’ rent to income ratio is above 30% and the maximum discount of 25% has been applied, CIRET may work with their lender to offer a higher discount. The discount should enable key workers to live in high-quality private rent housing in the centre of Manchester without being overburdened by rent. However, even with the discount applied, the 1-bed units are only affordable to relatively higher earning key workers (mostly earing £40,000+), and the 2-bed units are only affordable to relatively lower-earning key workers when occupied on a shared basis.

The two new schemes added this year, Mabgate Yard and Acton Gardens, will operate a similar model, allocating 15-25% of the homes to key workers. The homes will be discounted, with rents set at 30% or 35% of the net income of the key worker[s].<sup>9</sup>

9. Mabgate rents will be set based on 30% of net income, Acton rents will be set based on 35% of net income. Acton has been adjusted upwards to cater to the London rental market, where people often spend a higher proportion of income on housing costs. We view it as preferable for rents to be set based on 30% of net income, nonetheless both thresholds are broadly in line with the guidance of [The Affordable Housing Commission’s in its approach to defining affordability](#).



Rental increases are capped for all residents at Poplin, with the same applying to Mabgate Yard and Acton Gardens once the schemes become operational. We note that this is relatively rare for the BTR sector, where there is typically a flat 5-6% rental increase cap according to CIRET.

AFFORDABLE HOUSING

Rents for the affordable housing units leased by Luton BC are set above Local Housing Allowance (LHA) rates.<sup>10</sup> Given that residents living in these units will likely be reliant on housing benefits, these homes are not considered wholly affordable for the lowest income households. Where top ups are required, residents cover it themselves, which will be costly for some. At the top end of the difference between LHA and rents, this can be up to £48 per week. This is likely a significant cost for the most vulnerable households, such as those solely relying on housing benefits to cover their rent.

SSH

Interviews with P3 Housing and Forward Housing confirmed that most residents living in the 79 SSH units have their rent fully covered by the LHA and/or other care-related payments by the local authority. As these residents do not require additional financial contributions (‘top-ups’) to cover their rent, these homes are deemed affordable even to the lowest income households.

10. Note weekly LHA rate for a 1-bed unit in Luton is £143.84 (as of Dec 2023).

11. Note TGE has not received rent data for the care homes for this report and thus cannot comment on the actual level of discount applied to these units.

DISCOUNTED PUBLIC RESIDENTIAL CARE FOR THE ELDERLY

CIRET’s care homes in Crewe and Whitchurch, operated by Anavo Care, allocates 35% of the rooms to publicly-funded residents. These units will be available to two groups:

- Those with the lowest ability to pay for care (based on means-testing)
- Those eligible for NHS continuing care funding based on the extent of their health needs.


TGE has been informed by CIRET and Anavo Care that these units are to be let at a 25-30% discount to the private units.<sup>11</sup> It is expected that that all NHS and most local authority-funded residents will have their rent fully covered, with some local authority-funded residents possibly requiring small ‘top-ups’ to cover the rent.



■ IMPACT OBJECTIVE 4: QUALITY HOMES

Fund developments which improve access to high-quality housing:

- a) Environmental Sustainability – good energy efficiency, build quality etc.
- b) Social Sustainability – pleasant environments, social infrastructure within reach e.g. close to transport etc.

IMPACT OBJECTIVE	IMPACT METRICS	MAR 2022	DEC 2023
 QUALITY HOMES	Breakdown of completed units by EPC rating [50% of CIRET's portfolio]		
	B or higher	5%	73%
	C or higher	29%	80%
	D or below	71%	20%
	Expected EPC rating of units under construction [50% of CIRET's portfolio]		
	B or higher	100%	100%
	Number of existing homes with improved EPC rating	0	0
	Percentage of homes meeting Decent Homes Standard	–	100%*
	Percentage of General Needs homes meeting National Space Standards	N/A	99%**

\*Where known (excluding Luton units).  
\*\*Applied to Poplin and Luton BC homes only.

Overall, CIRET's new-build homes appear to have been built to a high standard and TGE has seen evidence of the Fund being proactive to influence and improve scheme design where possible.

The existing properties acquired from a previous Fund are older – as a result, they achieve lower standards of energy efficiency, and the Fund has less ability to influence the design of the homes. Nonetheless, the feedback TGE has gathered from partners and through site visits suggest these properties are generally of a suitable quality to meet the needs of residents. However, to date, TGE has not been able to visit or gather insight on the quality of CIRET's affordable housing properties in Luton – this is a cause for concern as there is a risk that these properties are not of adequate quality to meet resident needs.

ENVIRONMENTAL SUSTAINABILITY

During the reporting period, the energy performance of CIRET's operational portfolio improved significantly. This is driven by the completion of two new schemes – Poplin and the Anavo care home in Crewe.

Both of these schemes have EPC ratings of B, which is in line with the national median for new-builds.<sup>12</sup> TGE expects this direction of travel to continue as the portfolio shifts towards more new-build housing, as new schemes are delivered.

Prior to this point, CIRET's operational portfolio had consisted of older, existing stock which it acquired from Cheyne Capital's first real estate fund. These are older properties, with lower standards of energy efficiency – the homes are entirely rated EPC D or below (note the national median for all housing stock in England is EPC D<sup>13</sup>).

CIRET has not yet carried out any retrofit activity to upgrade the energy performance of its older stock. However, the Fund is actively discussing the need for and logistics of a retrofit programme with Thera Trust and P3 Housing, which manage the homes in question. TGE recommends that this should be a priority for the Fund for the year ahead, with a focus on minimising disruption to residents, most of whom have specialist care needs.

SOCIAL SUSTAINABILITY

Operational schemes

Conversations with partners, as well as site visits conducted this year and for previous reports, indicate that CIRET's homes are generally of good quality and accessible to necessary social and transport infrastructure. It is a notable positive that all the Fund's schemes are constructed 'tenure-blind', as this should help to foster community cohesion and social interaction between different socioeconomic groups.

With its acquisitions of existing properties from Cheyne Capital's previous fund, CIRET's ability to influence the quality of homes is minimal. However, relating to its new-build schemes, TGE heard examples from partners of CIRET being actively engaged and making capital commitments to enhance the quality of schemes. For example, at Poplin, the Fund committed additional capital to install stone worktops and make technological upgrades across all homes. There has also been praise for Poplin's overall architecture and design, with one commentator describing the building as 'fitting considerably better into the fabric of Manchester' compared to other build-to-rent schemes in the city.<sup>14</sup>

This year, TGE conducted site visits to the new-build and newly operational schemes, Poplin, and Anavo Care's Crewe care home. Case studies describing these schemes in more detail can be found on page 19 and 25, respectively.

Last year, TGE visited two of the Fund's SSH homes in Salisbury and found the homes to be of good quality, with large garden areas and located appropriately to enable residents to interact with neighbours and community groups. To date, TGE has not been able to visit any of the Fund's affordable housing properties,<sup>15</sup> so cannot comment on the quality or suitability of the homes.



12. ONS. Energy efficiency of housing in England and Wales: 2023.  
13. As per footnote 12.

14. The Guardian. Is the only way up for Manchester?. Feb 2024.  
15. TGE has requested to be put into contact with Luton BC for this year's and previous year's impact reports. However, the Fund's contact at Luton BC changes often due to high turnover at the council, and so it has been unable to provide TGE with a contact.





Poplin is a clear example of CIRET's commitment to creating positive social impact through its investments. The Fund went above the 20% typical allocation to affordable housing required by the local authority had it been stipulated by planners, offering a 35% allocation instead.

## CASE STUDY NATIVE RESIDENTIAL, POPLIN

Poplin is a Build-to-Rent scheme in Manchester. It consists of 144 homes, including a mix of 1-, 2- and 3-bedroom apartments, with 35% of the homes allocated to key workers at discounted rents. The scheme opened in August 2023 and is operated by Native Residential. TGE conducted a site visit to the scheme in January 2024.

### Scheme overview

Poplin is a 11-storey building with a brick exterior and large windows providing bright natural light in the flats. It is adjacent to the northern quarter, in the centre of Manchester city, a 15-minute walk to the two main train stations in Manchester, Victoria and Piccadilly. There are no parking facilities on site, but there is a bicycle parking space for all the homes. The scheme is tenure-blind, meaning the key worker flats are spread out across the scheme, with the same design and furniture.

Residents have access to a range of on-site amenities. The ground floor contains a communal working space – to date, this has been used to host events, such as watching significant sports events. There is also an event space available for booking, including a small kitchen, dining, and lounge area. In addition, the building has a roof terrace which is open for resident use during the day, and an atrium.

Native Residential is keen to foster a strong sense of community and integrate into the existing community in the wider area. Part of this includes putting on events twice monthly, such as breakfast club, beer and bingo, fresh fitness, and meet your neighbours.

Upon move-in, residents receive a welcome box with basic toiletries that are environmentally friendly and locally sourced. Residents are also automatically signed up to an account with the Poplin card application, which offers discounts for a local gym and their 'Neighbourhood Heroes', local businesses that the scheme has partnered with. The aim of these discounts is to support the strengthening of the local economy in Manchester.

### Who benefits?

Key workers are eligible for the homes at discounted rates, with the level of discount calculated based on 30% of their income. Through this person-centered approach to affordability, key workers can benefit with up to a 30% discount on rent. Like many cities in the UK, Manchester is facing a shortage of affordable housing. Rents have risen significantly in recent years<sup>16</sup> and are projected to continue rising,<sup>17</sup> which will make living in the city less favourable for key workers to access. The aim is for these units to alleviate the affordability challenge that local workers encounter when seeking high-quality affordable housing in the central Manchester area (see 'Affordability' section on page 14 for details of key worker

incomes at Poplin). In addition, all residents benefit from capped annual increases on rents, making the homes broadly more affordable compared to market alternatives.

Across the whole scheme (including the key workers), residents mostly range in age from 20 to 40. While there are a few families and students living at Poplin, it is mainly singles or couples occupying the homes. There is a range of key workers living in the homes, including teachers, doctors, nurses, and lecturers.

### Contribution to Place-Based Impact

Poplin is a clear example of CIRET's commitment to creating positive social impact through its investments. The Fund went above the 20% typical allocation to affordable housing required by the local authority had it been stipulated by planners, offering a 35% allocation instead. Overall, the scheme has the potential to play an important role in meeting a key place-based need through the allocation of homes to key workers.

However, occupancy of the key worker units was initially lower than was hoped. As of December 2023, the allocation of units to key workers with discounted rents was 19%, below the target allocation of 35%.

TGE understands this was driven by difficulties faced by Native Residential in finding key workers for the scheme. This was partially due to challenges in establishing points of contact with potential partners, such as the NHS, which typically have high turnover and a lack of resources. Instead, Native Residential has had to rely more on generating demand through posters or word-of-mouth.

During 2024, Native has been working with Cheyne to develop a social media marketing campaign to reach more potential key worker residents. This has driven increased interest in the scheme and, as of May 2024, the key worker allocation had increased in line with the original target, with almost all of the 35% of key worker units occupied with discounted rents.

As a learning for future projects, this example demonstrates the value of engaging local stakeholders earlier in the process. Local stakeholder engagement is a key trait of place-based impact investing and one which CIRET and its partners should look to prioritise moving forward.


16. JLL, Big Six Residential Development Report, Summer 2023.

17. JLL, Big Six Residential Development Report, Winter 2023/2024.



■ IMPACT OBJECTIVE 5: QUALITY PARTNERSHIPS

Ensure property managers and care providers deliver quality services and outcomes for residents. Work to educate and encourage operators to further improve impact delivery. Have strong working relationships with partner organisations and appropriate financing terms that meet the funding needs of operators.

IMPACT OBJECTIVE	IMPACT METRICS	MAR 2022 & DEC 2023 (NO CHANGE)
 QUALITY PARTNERSHIPS	Total number of partners (operational homes)	5
	Breakdown of partners by type:	
	PRS property managers	1
	Residential elderly care providers	1
	SSH providers	2
	Local Authorities	1

As CIRET does not have a direct relationship with residents, the Fund aims to partner with high-quality operators that are responsible for managing its homes. CIRET looks to select partners that align with its impact goals and have the capability to deliver high-quality services to residents.

In the period, the Fund maintained partnerships with five organisations across its operational portfolio. Overall, TGE assesses that several of these organisations exhibit high standards of resident service and a commitment to delivering positive outcomes. However, one organisation has encountered regulatory difficulties, which CIRET is seeking to remediate. Also, the Fund has a weaker relationship with another one of its partners, as demonstrated by the fact that CIRET struggles to maintain regular contact with that partner.

QUALITY PARTNER SELECTION

Interviews with partners support the notion that CIRET acts as a responsible landlord, considering impact as a core priority. Native Residential, which manages the recently opened Poplin scheme, noted that the scheme is unique because of its social impact angle and that for CIRET it is “always about the impact, the community, and the broader impacts for the area.”

- The priorities of CIRET’s partners also reflects a similar approach in their own operations:
- **P3 Housing** explained that they raised the salaries of their staff by approximately 30% in the past two years, contributing to a considerable decrease in staff turnover.
  - **Anavo Care** is working towards becoming B Corp accredited, which will recognise their commitment to high environmental and social standards. The B Corp accreditation is very rare in the health and social care sector and would be a significant achievement.<sup>18</sup> As part of the accreditation, Anavo Care is working towards becoming an accredited real living wage employer.
  - **Forward Housing** and **Thera Trust** won a bid to participate as a ‘facilitator’ in research led by Improving Adult Social Care Together, which aims to develop the evidence base of how to provide good social care in practice.
  - **Native** is also working towards becoming B Corp accredited, which will demonstrate their commitment to high environmental and social standards.

CIRET regularly conducts monitoring by collecting monthly, quarterly, and yearly reports from operators, including financial performance and adherence to regulations. For this report, TGE interviewed four of the Fund’s partners – all confirmed that they have a positive relationship with CIRET, describing the Fund as responsive and understanding of the broad set of challenges they face.<sup>19</sup>

Forward Housing oversees 65 of CIRET’s SSH homes. At these properties, Forward Housing operates an underlease arrangement to another organisation, Empower Housing Association, who take on the role as the housing manager.

Recently, Empower Housing has encountered various governance-related and operational difficulties. In September 2021, the Regulator of Social Housing (RSH) issued a Regulatory Notice to Empower due to non-compliance with the Governance and Viability Standard, the Rent Standard and failure to demonstrate that it had an appropriate business planning and risk and control framework in place. However, in April 2023, the RSH withdrew its regulatory notice as it found the issues had been resolved.<sup>20</sup> This followed a detailed period of Empower working with the Regulator to move back to a position of regulatory compliance. During that period, Empower appointed a new Board (in October 2021) and agreed to a Voluntary Undertaking to deliver a comprehensive action plan to address all aspects of regulatory compliance.

Despite this improvement in the Regulator’s view, TGE understands that Forward Housing is continuing to work with Empower Housing to address some operational challenges. Specifically, these challenges relate to the quality of service delivered in certain geographies, and Empower’s ability to provide compliance reporting, as well as the Tenant Satisfaction Measures (TSMs) required by the Regulator.

Forward Housing has been transparent about the situation with CIRET and is proactively engaging with Empower Housing to remediate the situation.

PARTNER MONITORING

CIRET does not actively require operators to collect or report on resident outcomes as part of its standard monitoring of partners. However, we have seen evidence that several of the Fund’s partners do regularly engage to collect resident feedback through both surveys and other means:

- **P3 Housing** conducts the TSMs annually. In addition, it has a broader strategy focused on resident engagement which goes beyond the TSMs (which is a statutory requirement). This includes elements such as their ‘People’ board, an app where residents can provide feedback following engagement with staff, and a team of resident engagement officers. The ‘People’ board consists entirely of residents and any proposition must be approved by them before it moves on to the main board, allowing residents to directly engage with the governance process. P3 Housing won the UK Governance Award in 2022.
- **Forward Housing** also conducts the TSMs and is committed to improving resident outcomes. Along with Thera Trust Group, it recently won a bid to participate in one of Improving Adult Social Care’s research projects. This project aims to build the evidence base for what works practically in the social care sector, putting into practice how to provide good quality social care.
- **Native Residential** collects resident feedback through the review website Homeviews. According to Homeviews, Poplin is ranked as the number one development in Manchester,<sup>21</sup> demonstrating high levels of resident satisfaction.
- **Anavo Care** (part of the Anavo Group) is a provider of residential care services, and so is regulated by the Care Quality Commission (CQC). For Anavo Care, 75% of its homes that have been inspected are rated ‘Good’ or ‘Outstanding’ by CQC – this is below the national average of 83%.<sup>22</sup> However, TGE notes that, to date, Anavo Care’s strategy has involved taking over several care homes from other care operators which were in need of turnaround, with the aim of improving the quality of service delivered at those homes. TGE therefore expects Anavo Care’s ratings to improve over time once these services have been re-inspected by the CQC.

18. B Corporation, Find a B Corp. As of March 2024, eight companies are listed as B-Corp certified within the residential care sectors. Of these, only one operates in the UK.  
19. TGE was unable to speak to Luton Borough Council, as CIRET does not have an active relationship with them due to high rates of turnover and a lack of resources. The council oversees only 8 of the Fund’s homes.

20. RSH, Withdrawn Regulatory Notice: Empower Housing Association Limited, 26 April 2023.  
21. Out of 55 developments. Guide to Living in Manchester. Homeviews.  
22. Figure A3 (Residential homes only) – CQC, The state of health care and adult social care in England 2022/23.

# 3 / CONTRIBUTION TO OUTCOMES

Impact objectives play an important role within impact assessment since these are activities over which CIRET has direct control. However, they do not capture CIRET's full impact as they do not account for the outcomes experienced by residents.

This section assesses the change in outcomes experienced by residents living in CIRET's homes. As these are influenced by many factors, the Fund only contributes in part. Nonetheless, it is important to assess these outcomes since they provide insight into CIRET's ultimate impact on residents.

- We have identified three target outcomes which CIRET aims to contribute towards:
- ➔ OUTCOME 1: Provide value for money
  - ➔ OUTCOME 2: Improved quality of life
  - ➔ OUTCOME 3: Strengthened community cohesion.

CIRET's investment strategy and subsequent outcomes contribute towards several of the United Nation's Sustainable Development Goals (SDGs). In particular, CIRET focuses on:



**The Poplin scheme features multiple communal spaces, including a communal working space, event space, and a rooftop terrace. These amenities, along with community events hosted by Native Residential, aim to foster interaction between residents, enabling them to become a community of their own.**

**PROVIDE VALUE FOR MONEY**

**Residential care**

CIRET's two care homes will provide a total of 49 care beds for publicly-funded residents. These beds are expected to be 25-30% cheaper than the self-funded beds, producing cost savings to the local authorities which would likely have had to pay higher rents for similar high-quality elderly residential care.<sup>23</sup> The beds are estimated to cost approximately £1,100 per week. According to the operator of the schemes, this represents a £350 weekly saving compared to similar quality alternatives in the area.

In addition, the publicly-funded beds can be used for individuals referred by the NHS. This can deliver cost savings for the NHS by transitioning patients from hospitals to care homes, and preventing bed-blocking.

**SSH**

CIRET currently owns 79 SSH homes. As a form of housing for individuals with complex care needs, SSH has the potential to offer substantial value for public budgets. Research by the charity Mencap in 2018 showed that the average weekly state funding required for a person living in SSH was £1,569. This was £191 per week lower than residential care, and £1,931 lower than an in-patient placement.<sup>24</sup> As rents are generally covered by housing benefit rather than residents, it is local authority budgets that can benefit from these cost savings.



**IMPROVED QUALITY OF LIFE**

Forward Housing, overseeing 77% of CIRET's SSH homes, implements a person-centered approach to resident support, believing in the efficacy of their tailored support plans. Positive feedback from care providers and residents during site visits to two SSH homes last year highlighted the beneficial impact of these services on resident wellbeing.

P3 Housing, managing the remaining 14 SSH units, conducts an annual resident survey, with results from 2022 indicating high satisfaction rates. While responses are from across the operator's whole portfolio (rather than just the CIRET homes), they still indicate positive impacts on resident wellbeing.

The Anavo care homes are also expected to positively influence quality of life for residents, through the operator's focus on reducing loneliness and the offer of discounted rents which will improve access for low-income groups. TGE heard positive feedback from several residents on a site visit to the scheme in January 2024 (see page 25).

The Poplin scheme has received positive feedback from the key workers living there:

- ➔ Lucy, a teacher, said that *'thanks to the key worker discount, I am saving £100 per month on rent and live in a much nicer apartment.'*
- ➔ Another teacher, Emma, noted the positive benefits of living in the centre of the city and not risking bumping into students or parents. Speaking specifically to the discount, she said it was *'life changing. Especially while you're early in your career you don't have much money. It's a demanding job, so coming back to somewhere it feels nice to come home to is so lovely.'*

**STRENGTHENED COMMUNITY COHESION**

CIRET's newly developed schemes, Anavo Care and Poplin, have been designed to operate in a manner that fosters community cohesion. The Anavo care home in Crewe is designed as a household model and has multiple communal spaces, intending to reduce isolation and loneliness. One of the communal spaces, 'Anavo Club', is open to the public and has been used by the local authority. The Whitchurch care home, which is still under construction, will also have communal areas, including a rooftop space and community garden. Anavo Care hopes the homes will become hubs for the wider community, enabling residents to become part of this community. See the case study on the Crewe care home on page 25 for further information.

The Poplin scheme features multiple communal spaces, including a communal working space, event space, and a rooftop terrace. These amenities, along with community events hosted by Native Residential, aim to foster interaction between residents, enabling them to become a community of their own. Native Residential also work with local businesses to offer discounts to residents for their products. See the case study on Poplin on page 19 for more information.

CIRET also has a policy of ensuring its schemes are delivered tenure-blind. This means that residents in the discounted units receive access to the same services and amenities as the market-rent units, and they are dispersed throughout the schemes. TGE believes that this should help to foster community cohesion.

23. As we have not received rent data for the Anavo Care scheme, we are unable to confirm the actual discounts.  
24. Funding supported housing for all, Mencap, 2018.





## CASE STUDY ANAVO CARE, CREWE CARE HOME

The Anavo Care schemes will provide 140 residential care beds for the elderly split across two care homes in Whitchurch and Crewe. Each of the schemes will have 35% of beds allocated to publicly-funded residents, providing access to low-income individuals. TGE conducted a site visit of the 72-bed Alexandra Mill care home in Crewe which opened in August 2023. The Whitchurch care home is due to open in August 2024.

### Scheme overview

The Crewe care home has a similar red-brick exterior as the neighbouring general needs homes. It is well-connected, with a bus stop on the doorstep of the home, as well as car parking facilities. The town centre and train station are less than a 10-minute drive away. The interior is well-designed and adapted to residents' needs. Rooms are spacious, with lots of natural light and en-suite wet room facilities. The scheme is tenure-blind, meaning that the publicly and privately funded rooms are designed and furnished the same, with equal access to all amenities.

The scheme is designed as a 'household model', interweaving rooms amongst communal spaces with the hope of reducing resident loneliness and isolation by fostering a sense of community. There are multiple communal spaces, including an IT hub, hair salon, library, and cinema. A communal garden is also available for use, and if appropriate, residents have access to outdoor space directly through their rooms. Anavo Care is keen to support and integrate into the wider local community by offering the public use of communal spaces. TGE was informed that the local authority, Cheshire East, has used it to host meetings multiple times.

Staff noted they regularly hear positive feedback from residents and families about the quality of the home, and the overall environment. The manager described the home as above what you would normally see in the care sector, and that staff report being happy at their workplace.

### Who benefits?

As of May 2024, occupancy for the scheme is at 43%. The property is in the process of being filled, which takes time with care homes because of the need to sensitively manage the move-in process.

The tenure-blind model aims to rectify the disparity in care home quality often found between publicly and self-funded

residents. Due to substantial financial investments and the absence of an affordable allocation mandate in the UK planning system, new-build care homes predominantly serve the private market. As such, publicly funded residents are often placed in older care homes that are less suitable, with shared bathroom facilities for example. This can exacerbate existing inequalities in health and wellbeing.

An Anavo Care representative explained that most residents previously lived in poor quality residential homes or their homes. Many residents have heard about the home through word-of-mouth, indicating a growing awareness and popularity of the home within the wider community.

### Resident stories<sup>25</sup>

**Neil** moved into Alexandra Mill care home in November, following his wife's passing. He was recommended the home by a friend, and decided to move in as it made financial sense. Neil enjoys partaking in one of the many daily activities put on by the staff, including bingo and a quiz about Scotland for Burns night. He spoke highly of the staff, explaining that they have ongoing jokes and describing them as kind. The activities coordinator knows his interests well at this point so makes sure to inform him when an activity is on that he would enjoy participating in.

**Margot** suffered a car accident at the beginning of January and was referred to the care home for rehabilitation by the NHS. This means her care and accommodation is fully funded by the NHS. Margot described the quality of the care home very positively, highlighting the foyer and bright natural light in the home. She mentioned that the staff were very supportive and like a family, and that she appreciated how consistent and proactive they were. Margot also noted that the visiting times were excellent, allowing her sons to visit her at times that are suitable for them.

25. Note these are not the real names of the residents.



# 4 / IMPACT RISK

Impact risk is the likelihood that impact will be different than expected, and that the difference will be material from the perspective of those being impacted. TGE has analysed the potential impact risks relating to CIRET using the [IMP's impact risk assessment framework](#).

The IMP identifies nine types of impact risk that investors may face. TGE has classified three categories of risk as potentially material for CIRET.

RISK TYPE	RISK LEVEL	RISK DESCRIPTION	MITIGATION STRATEGY
<b>Execution risk</b>  The probability that the activities are not delivered as planned and do not result in the desired outcomes	<b>Medium</b>	Currently, Poplin has a lower proportion of homes taken up at discounted rents to key workers than was originally targeted. This is owing to challenges identifying points of contact with key worker organisations to raise awareness of the scheme.	CIRET is engaging with Native Residential to explore ways to raise awareness of the discounted key worker units at Poplin. The learnings from Poplin will be incorporated into future schemes that allocate a portion of units to key workers at discounted rents [e.g. Mabgate Yard and Acton Gardens].
	<b>High</b>	One of CIRET's partners, Empower Housing, has faced governance issues [as raised by the RSH] and operational challenges in terms of property management and maintenance services. Clearly, if properties are not managed appropriately, there is a risk that resident's quality of life may be affected.	The Regulatory Notice issued to Empower by the RSH in September 2021 was withdrawn in July 2023. This is a recognition from the RSH that Empower has addressed the points of non-compliance it had raised relating to governance, financial viability, and the Rent Standard.  Relating to CIRET specifically, Empower Housing takes on an underlease on its properties from Forward Housing as the housing care and development manager. Forward Housing is engaging with Empower to address the identified issues.
<b>Stakeholder participation risk</b>  The probability that the expectations and/or experience of stakeholders are misunderstood or not taken into account	<b>Medium</b>	CIRET's monitoring of partners does not require that partners collect or share data relating to resident feedback [e.g. resident survey results]. This increases the risk that the views of the Fund's residents are not accounted for in its regular monitoring process.	TGE heard during interviews with four out of the Fund's 5 partners that CIRET is an active and engaged landlord. This regular engagement provides a mechanism for CIRET to gather general feedback on how things are going at its schemes, which can include an update on resident feedback/sentiment. Also, CIRET engages TGE to undertake regular impact assessments – this includes, among other things, site visits to selected schemes, and interviews with residents (where possible) to understand their opinions on their homes and how they have impacted their lives.
<b>Evidence risk</b>  The probability that insufficient high-quality data exists to know what impact is occurring	<b>Medium</b>	For this year's and last year's Impact Report, TGE was unable to speak to Luton Borough Council and/or to visit the properties for any of CIRET's affordable housing facilities. Older affordable housing stock can present a high risk of poor-quality housing, however TGE is unable to comment on the Fund's potential exposure to such a risk due to a lack of evidence.	TGE is aware that CIRET has actively tried to establish a relationship with Luton BC and source evidence of the quality of the homes from Luton BC, though unsuccessfully.

# 5 / CONCLUSIONS AND RECOMMENDATIONS



## STRENGTHS

- ➔ **Social need**  
CIRET's portfolio is helping to tackle a range of housing needs across tenure types. This includes affordable housing, residential care for the elderly, SSH for adults with care needs, and discounted rental housing for key workers.
- ➔ **Additionality**  
CIRET continues to exhibit a best-in-class approach to additionality. The Fund uses a cross-subsidy model to deliver affordable homes without use of government grant, going beyond affordable housing requirements as stipulated in planning agreements. CIRET's latest investment, funding the acquisition and planning of a land parcel in Leeds to deliver 303 homes, provides an example of the high level of additionality provided by the Fund. This scheme demonstrates both its active role in driving forward the delivery of new homes, as well as the additionality created through increasing the allocation of affordable homes above the legal requirement.
- ➔ **'Place' benefits**  
The Poplin scheme serves an important role in responding to the specific needs of the place in which it is located. It was delivered with support from the local authority, and looks to address the need for affordable accommodation for key workers in central Manchester, who may otherwise be priced out of the area. In addition, now that the scheme is operational, the property manager (Native Residential) has developed partnerships with local businesses, offering discounts to residents, with the aim of strengthening the local economy in Manchester.
- ➔ **Tenure-blind commitment**  
The Fund ensures that all its schemes are delivered 'tenure blind', with any discounted units built to the same high quality and pepper-potted throughout the scheme with the private units. This ensures that there is equal access to quality housing and any on-site amenities between groups, and should also help to foster greater community cohesion.

## POTENTIAL WEAKNESSES AND MITIGATING ACTIONS

- ➔ **Key worker allocation**  
There have been challenges sourcing and allocating homes to key workers at Poplin. This has resulted in slower uptake of homes being occupied by key workers on discounted rents than was originally intended. TGE understands that CIRET and Native Residential are exploring ways to raise awareness of the key worker units, and that these learnings will be incorporated for future schemes.
- ➔ **Partner issues**  
The underlessee of one of CIRET's partners has faced governance issues and some ongoing operational challenges during 2023. TGE understands that CIRET have been proactive and responsive in supporting its lessee (Forward Housing) to address the challenges that have been encountered by its underlessee (Empower Housing). However, this situation highlights the increased risk to service standards when underlease arrangements are introduced. Underleases increase the number of parties involved, and limit the Fund's influence over which organisations are responsible for delivering services to the residents living in its homes.
- ➔ **Energy performance**  
11% of CIRET's operational portfolio continues to perform at or below the national median for energy performance for all housing stock. Majority of these homes were acquired from Cheyne Capital's previous fund and some under the latest acquisition with Thera Trust, as such the Fund has limited influence over its design and architectural features. TGE notes that the Fund's new-build schemes are rated entirely EPC B (in line with general new-build standards) and one of the Fund's schemes under construction, Mabgate Yard, is targeting an EPC of A. However, retrofit works will need to be carried out at the Fund's older properties to upgrade their EPC ratings. These homes will become stranded assets if regulation comes in that raises the minimum EPC rating.



# APPENDIX

## APPENDIX 1 – DATA SOURCES

DATA SOURCE / EVIDENCE	OVERVIEW	EVIDENCE RISK	LIMITATIONS
Unit-level portfolio data	Unit-level portfolio data provided to TGE by the Fund. For each unit (or scheme if appropriate), this includes the following: <ul style="list-style-type: none"><li>– Address of properties</li><li>– Type (new build, acquisition, etc.)</li><li>– Tenure type</li><li>– Care classification (if relevant)</li><li>– Operator details</li><li>– EPC ratings</li><li>– Unit size</li><li>– Development stage</li><li>– Lease length</li><li>– Gross acquisition price</li><li>– Net invested.</li></ul>	Low	Reliant on accuracy of data provided by Cheyne Capital.
Scheme level occupancy data	Occupancy data collected by the Fund's partners and collated by the Fund.	Low	Reliant on accuracy of data provided by Cheyne Capital.
Interviews with key partners	Interviews carried out with CIRET's partners. Through these interviews, TGE aims to understand the operator's ongoing relationship with Cheyne Capital, as well as specific details in relation their specific homes and residents.	Medium	TGE aims to speak to all key partners for each Impact Report to triangulate findings. Anavo Care, Forward Housing, Native Residential and P3 Housing were interviewed for this report. TGE was unable to speak to Luton Borough Council.
Interviews with CIRET staff	Interviews carried out with various members of CIRET's staff, including the organisation's directors as well as those from investment teams and asset-management teams.	Medium	Reliant on the accuracy of the answers provided by CIRET staff.
Contextual data	Contextual data is used throughout the report to provide information for specific impact objectives. Specific data sources include the national indices of deprivation, the Annual Survey of Hours and Earnings (ASHE), numbers of households on local authorities' waiting lists, Local Housing Allowance rates and Private Market Rental Statistics. These are referenced throughout.	Low	Where possible, contextual data is sourced from national datasets published by public bodies such as the Office for National Statistics and LUHC.
Site visits and Resident interviews	TGE conducted site visits to two operational schemes. Whilst there, TGE conducted a visual assessment of the homes as well as interviews with on-site staff, such as property managers or care providers. TGE interviewed two residents and three key members of staff.	Medium	A small sample size means the outcomes data disclosed may not be representative of the wider portfolio of residents. It is also reliant on the accuracy of data provided by residents and staff.
Regulatory assessments of key partners	TGE conduct a review of the Governance and Viability (G/V) gradings published by the RSH and the ratings published by the CQC where relevant for the Fund's partners.	Low	The RSH and the CQC are independent regulatory bodies. The gradings and ratings should accurately reflect an independent appraisal of their quality.

## APPENDIX 2 – IMPACT MANAGEMENT PROJECT'S ABC CATEGORIES

The figure below describes IMP's guidance on classifying investments according to impact potential. The ranges referred to are established by evidence-based societal or ecological thresholds.

IMPACT GOALS	DESCRIPTION
Act to avoid harm	The asset improves outcomes that are in the unsustainable range so that they are getting nearer the sustainable range.
Benefit stakeholders (implies A+)	The asset actively benefits stakeholders by maintaining or causing improved wellbeing for end-stakeholders and/or the environment within the sustainable range.
Contribute to solutions (implies A+ B+)	The asset improves the wellbeing of end-stakeholders and/or the environment so that the outcome moves from the unsustainable to the sustainable range.
Does cause harm	The asset does not improve an unsustainable outcome.

## NOTES

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## CONTACT

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4 Miles's Buildings, Bath BA1 2QS  
Moor Place 1 Fore St Ave, London EC2Y 9DT

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+44 (0) 1225 331 382  
[info@thegoodeconomy.co.uk](mailto:info@thegoodeconomy.co.uk)

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[thegoodeconomy.co.uk](https://thegoodeconomy.co.uk)