

Investments August 5 2021

Civitas IM aims for £5bn in three years

BY **SALLY HICKEY****Financial Adviser**

Civitas Investment Management is aiming to double its committed capital in the next three years.

The impact fund manager, which is just five years old, currently has around £2.5bn in committed capital.

Andrew Dawber, director at Civitas, told FTAdviser: “The plan is to at least double that [committed capital] over the next three years.”

The group describes itself as an impact investment manager that is dedicated to “achieving long-term sustainable returns for our global investors by acquiring community-focused assets that deliver positive social outcomes.”

In practice, this means investing with local partners (public and private housing providers, local councils, and regional care providers) with the aim of providing investors with long-term, sustainable returns.

However, this runs alongside the aims of increasing the availability of social housing across the UK, improving the quality of existing social housing, as well as improving wellbeing outcomes for tenants and offering value for money for the public purse.

Dawber said that when he sets out the firm’s investing strategy to potential investors, there’s a lot of interest.

“I think if you can show people that

you’re investing into local assets that have a direct social benefit, and that you’re measuring that independently, and you can give them that empirical data to show what we’re doing.”

“I think that is very different than just investing in green buildings - [there is] nothing wrong with a green building, but this stage is further along from that.”

He added that there’s a lot of interest in UK investing, which is not just due to the benefits of currency arbitrage.

“When you look at the pricing of assets, UK assets are very competitive ... we don’t see a shortage of capital [for investment].

“The key is making sure that the opportunities that we’re investing in are what we say they are, and making sure that we can actually measure that social impact.”

Around a third of the £2.5bn is held in the Civitas Social Housing Reit, which was last valued at £915m on March 31.

The Reit posted a 30 per cent increase in total shareholder returns in the year to March 31, and calculated it is responsible for £80m of savings to the public purse in the same period.

The firm has also undertaken a partnership with Schroders Real Estate, the Social Supported Housing fund, which has so far completed five projects.

sally.hickey@ft.com