

The Dolphin Square Charitable Foundation

4.25%Bonds due 2026

Social Impact Report 2018



Activity

Our portfolio now comprises 629 homes for rent of which 87% are affordable housing. The majority of our affordable housing is intermediate rental homes which are provided to London's workers at an average rent of 53% of market rent, whilst delivering a financial return that ensures the continued financial viability and growth of the Charity. These homes provide stable tenancies at a range of rents affordable to households earning less than the affordable housing incomes limits set annually by the Mayor of London. Priority is given to those who can afford the rent yet earn the least and those who will most fully occupy each home. In following our charitable objects we aim to prioritise those with a Westminster connection.

Alongside our intermediate rental homes we provide a smaller number of homes at affordable and social rent that are subject to nominations by the local authority. We also own and let a portfolio of homes for those in more acute housing need. In addition to our completed properties we have a development pipeline comprising 174 further homes under construction and 200 in the design process.

Funds raised through the Retail Charity Bond are being used to finance the development of more homes. We aim to deliver at least half the homes at below market rent. Two significant projects under development are described below:



Since acquiring the New Era estate in December 2014, we have undertaken essential repairs and some updating as well as surveying the estate to inform our understanding of the longer term repairs and maintenances needs of the estate. The results of this work showed that extensive repairs were necessary over the coming years, including a new roof and extensive work to the drains. Yet, even with

these repairs the fabric of the estate limited the changes we could make through refurbishment. In August 2017 we therefore asked the residents' association to consider the option to rebuild the estate as this would enable us to provide them each with a brand new home, and an estate that included lifts, balconies,



better heat and sound insulation, as well as keeping the community together. We are keen to ensure that every resident can return to the rebuilt estate and their needs remain central to our plans. Alongside the residents we have continued to explore the options and to understand what is important to each household. We are drawing up plans for a redevelopment of the estate which we intend to share with residents imminently.

In August 2017 we acquired an industrial warehouse site in Camberwell in the borough of Southwark. The site is currently allocated for industrial land use with strong potential for a residential lead redevelop. We have instructed architects and a design team and are working with the local authority on proposals for the site.

Impact

Our primary charitable objective is to provide reasonable assistance in securing accommodation to workers in Westminster and neighbouring boroughs, who cannot afford market housing. The impact of the housing crisis, especially on those under the age of 40, has been widely reported. Many households are stuck in the trap of high rental costs and unstable tenancies.

During the year we carried out a customer satisfaction survey. Key outcomes reflecting impact were:

- 65% of respondents are under 40 years old
- median household income is £45,000
- 43% of respondents work in Westminster
- around half of respondents are saving and expect to be home owners in the next 3 years.

At the New Era estate, following our meeting with the residents' association in August 2017, we carried out 82 individual tenant meetings to discuss the option to rebuild New Era. The majority of residents, 83% of tenants interviewed were positive and understood the requirements of the project during initial conversations. The majority support confirmed our decision to rebuild New Era estate. The first stage of consultation was carried out in January 2018 to provide the opportunity for residents to ask questions and voice their concerns about the decision including the temporary relocation to Kingsland Road apartments. Of the 68 New Era residents attended 96% were supportive of rebuilding the estate. We also received 100% support for our design ambitions such as increasing the size of home, the quality of finishes and amenity space across the estate that would result from the rebuild of New Era.



Design is in progress and we anticipate being able to provide over 200 homes with at least half being let at affordable rents to London's workers. Homes will be let at a range of rents from London Living Rent, affordable to local workers on median earnings, up to market rent.

At our site in Camberwell we hope to provide around 100 build to rent homes at the property at a range of

rents from London Living Rent upwards. As designs and plans are realised so we will be able to provide more detailed indicators and results against our targets to provide homes to London's workers.

Both these development projects are long term and funds raised through Retail Charity Bonds plc are being used to finance the design and planning costs. The impact of these projects is as yet unknown although we estimate they will provide 300+ new homes, half of which will be affordable.

More generally the team at Dolphin Living have many opportunities to inform the wider real estate and housing sectors on the need, benefit and business case for providing homes at discounted market rents. During the year to March 2018 we:

- spoke or presented at 8 events including CIH, RESI, UKAA conferences, Savills annual housing seminar and events hosted by Movers & Shakers;
- received 4 awards including Landlord of the Year (Registered Social) at the RESI Awards 2018; and
- appeared in 10 articles in 4 publications making the case for homes for working Londoners.