

# Dolphin Living Retail Charity Bond 2026

## Social impact report 2024

### Introduction

Dolphin's Living's unique offer is providing homes at below market rent specifically for working Londoners on modest incomes.

In its early years Dolphin Living was primarily a developer of new homes. Now with a substantial portfolio, the charity and its strategy have matured to encompass the stewardship of those homes and the services we provide to our residents, with residents being a focal point in all we do. Delivery of a truly customer centric approach requires a culture whereby all Dolphin suppliers and colleagues acknowledge they are accountable for the experience residents have because of the decisions they make.

The cost of living crisis and increased property maintenance costs continues to present the Group and its residents with a challenging environment during the 2023/24 financial year. Against this background, our team have maintained our proactive and collaborative approach and increased our focus on long term cyclical maintenance whilst continuing to provide high quality and affordable homes to working Londoners.

### Strategy

In May 2024, the Board and the executive team formulated a new three-year strategy to take the Group through to 2027. The strategy is broken down into three areas of focus: customers; homes; and growth. The key issues in the housing sector; affordability, safety, sustainability, emerging legislation and inclusivity, are embedded within our strategy across the three core areas of residents, homes and growth. These three pillars are not independent of each other and to deliver this strategy the links between them are acknowledged.

#### **Residents**

Our residents are central to what we do and why we do it. They should all be treated equally irrespective of housing tenure. We will continuously improve our offer to our residents through:

- establishing a customer experience management system;
- delivering improvements in customer experience where it matters most to our residents; and
- growing a customer centric culture across all of Dolphin Living.

#### **Homes**

We provide homes that meet our residents' needs and that they can afford near to their place of work. We will:

- keep our homes and customer safe by delivering 100% health & safety compliance;

- evolve the repairs service to be customer centric;
- reduce our customers' energy costs by making our homes more energy efficient; and
- provide quality homes to all of our residents by ensuring all homes are decent, safe and energy efficient through effective planned maintenance and management.

### **Growth**

Dolphin will deliver a sustainable level of growth within a 30 minute commute of Westminster by:

- improving existing homes and rebuilding our older estates;
- acquiring affordable housing delivered by other developers; and
- identifying land-led opportunities to deliver new homes.

We will deliver our strategic aims whilst being mindful of financial and resource capacity constraints, data management, external changes to law, regulation and policy, as well as embedding our approach within our culture. Strong governance, financial resilience and responsible management underpin the delivery of the strategy.

### **Activities**

#### **Portfolio**

During the year, we acquired one property at Marylebone Square which added 25 homes to our portfolio. We also disposed of six homes from our portfolio which now comprises 838 homes for rent and 13 commercial units. Of the total portfolio 72% is intermediate rent, providing homes at an average discount of 39% to market rent whilst delivering a financial return that ensures the continued financial viability and growth of the Charity.

	Number of homes				Commercial units	TOTAL
	Intermediate	Social/ affordable	Market	TOTAL		
<b>Homes in management</b>						
<b>Portfolio at 31 March 2023</b>	<b>601</b>	<b>49</b>	<b>169</b>	<b>819</b>	<b>13</b>	<b>832</b>
Additions	25	-	-	25	-	25
Disposals	(6)	-	-	(6)	-	(6)
<b>Portfolio at 31 March 2024</b>	<b>620</b>	<b>49</b>	<b>169</b>	<b>838</b>	<b>13</b>	<b>851</b>
<i>% of portfolio</i>	72%	6%	20%	98%	2%	100%
Planning:						
New Era	97	-	-	<b>97</b>	<b>1</b>	<b>98</b>
Existing units demolished for development	(96)	-	-	<b>(96)</b>	<b>(12)</b>	<b>(108)</b>
<b>Forecast to 31 March 2029</b>	<b>621</b>	<b>49</b>	<b>169</b>	<b>839</b>	<b>2</b>	<b>841</b>

We continue to meet our charitable objectives with the majority of our affordable housing being intermediate rental homes. 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 with a more acute housing need.

### ***Environmental, social and governance (ESG) monitoring and reporting***

Like all organisations, particularly those within real estate, we have both a responsibility and financial imperative to measure and improve our sustainability performance.

Our primary charitable objective is to ‘provide reasonable assistance to those who cannot afford to rent or buy near their place of work’. Delivering on this social purpose, with a particular focus on affordability of our homes, both in terms of rent and utilities, is therefore a priority.

As a property owner and developer, we contribute to the reduction of carbon emissions through location, design, use and retrofit of our properties. We work with residents to resolve the root causes of any damp and mould found in their homes and enable them to live safely and comfortably in their homes.

Our stakeholders include our residents, local communities, investors, local government, our staff and Board. It is extremely important to us to continually improve our sustainability credentials. In order to assist measurement and reporting, the Group signed up as an early adopter of The Good Economy ESG reporting standard and our third report was published during the year. This standard sets out a number of baseline sustainability measures against which adopters must report and evidences our commitment to achieving high performance in all areas of ESG. We are measured as an organisation on our environmental and social impacts and risks, and the quality of our governance. The objectives of ESG reporting closely align to the Group’s charitable objectives, our culture and the future legislative requirements we expect to emerge in coming years.

In both our homes and our office, and through development and our supply chain we will:

- minimise our carbon footprint through reducing electricity and gas usage, and prioritising carbon reduction measures in our homes, developments and refurbishments;
- monitor our construction projects to reduce the environmental impact of activities on site;
- risk assess all our construction, development and refurbishment projects against the predicted local impacts of climate change;
- develop sustainable procurement processes for our goods and services;
- assess and improve carbon emissions across our housing stock;
- deliver net gain biodiversity at our developments, creating great places for both people and nature to thrive;
- work with residents so they can make greener choices; and
- encourage our residents to put the environment first and to integrate good environmental practices into their everyday lives.

Following a review of the available industry benchmarks undertaken last year, SHIFT by Suss Housing was selected as a sustainability measure/benchmark. The second year of a three-year term of our SHIFT accreditation was completed last summer and we attained a silver standard.

A sustainability group comprising the CEO and other senior members of staff, established last year, monitors and reviews our progress against the Group's targets.

### ***Customer service***

Following on from our review last year of our residents' experience we have:

- increased our resident engagement with at least one in person meeting at each property during the year and more as required, in addition to an increase in 1:1 home visits. The outcomes of these meetings have, and will continue to, inform our approach and help us improve the service that we offer;
- carried out a review of our repairs service with a focus on making it resident centric. Key actions have been identified and will be rolled out over the coming year;
- improved our arrears management, increasing engagement at an early stage and offering support to residents through deferral, waiver and rent payment plans; and
- made improvements to the onboarding process for new residents, which are underway and ongoing.

Surveying our residents is an important tool to understand their experience and ensure we take action to improve the areas that matter most to them. Our annual customer survey resulted in a Net Promoter Score (NPS) of 31 and Tenant Satisfaction Measures (TSMs) identified that 74% of residents are satisfied with our services. Across the TSMs we scored an average of 69%. Our lowest scoring TSM was in response to complaint handling where we will seek to deliver improvement next year, in particular as we roll out improvements to our repairs service which was the main source of customer complaints.

We continue to improve our response to reports of damp and mould in our homes and have plans to carry out extensive capital works at some of our older properties. Our regimen of regular property inspections will also identify any cases which our residents do not report. Our customer service colleagues, along with team members from our managing agents, Touchstone CPS, have undertaken training in the identification of domestic abuse within our homes and how to respond to suspected abuse, as well as further training on improving customer service specifically in written communications and complaints handling. We will be using the learning from this training to improve our services and support our residents.

### ***Development properties and pipeline***

During the year, we completed the acquisition of 25 homes for intermediate rent at Marylebone Square, Westminster.

In July 2020, the London Borough of Hackney ('LBH') resolved to grant planning consent for the New Era estate where 199 new homes will be built. However, the requirement for a second staircase in new developments above 18m has delayed our plans. Earlier this year we selected a development partner and we are working with them and LBH to redesign our plans to incorporate the second

staircase and to ensure financial viability of the scheme. A revised application will be submitted in early 2025.

We are updating the planning application for our proposed development at Parkhouse Street, Camberwell, where we have a resolution to grant planning for 85 homes. The updated plans take into consideration new Fire Safety regulations by incorporating second staircase access as well as the financial viability and deliverability of the scheme.

The Board have defined Growth within our strategy as improvements to existing homes as well as the acquisition and development of new homes. During the year, we commenced a review of two existing estates owned by the Charity, being Mount Close, Ealing and Havelock House & The Hermitage, Lewisham. The work includes a review of the opportunities within each estate to improve the existing homes, both from a design and sustainability perspective.

We continue to be active in the market looking for opportunities to acquire sites, completed properties and existing homes. We remain committed to our Westminster beneficiaries, albeit acknowledging that in balancing costs against number of beneficiaries, we will continue to seek opportunities in areas that provide a sustainable commute to Westminster as well as making acquisitions within Westminster.

### ***Grants***

We have operated the Westminster Homeownership Accelerator scheme for a number of years, through which we make grants to participants on the scheme to assist them purchase their own homes. During the year we made seven grants totalling £189k which brings the total number of grant payments made to date to 44 totalling £849k. We look forward to more tenants making the move into homeownership and we will continue to support residents in this process through (but not limited to) access to a financial advisor and flexible end of tenancy terms.

### ***Other***

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:

- 333 Kingsland Road won a RIBA London and RIBA National award (via the architect, Henley Halebrown) and was also shortlisted for the RIBA Stirling Prize and an Inside Housing Development award.
- During the year, Dolphin Living's CEO, Olivia Harris, spoke at the UK Residential ESG & Sustainability Conference, Movers & Shakers Build to Rent Forum, SPACE UK and NHF Finance Conference. Olivia also spoke on two podcasts for Deverell Smith and FTI Consulting.
- Dolphin Living appeared in 22 articles across 12 publications.