

# Investing in Ordinary Lives

Innovations in housing for people with learning disabilities



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*Investing in housing for people  
with learning disabilities  
through Corporate Social  
Responsibility*

# Investing in housing for people with learning disabilities through Corporate Social Responsibility

## About this briefing

The Housing & Support Alliance wants to significantly increase the range and type of housing available to people with learning disabilities (PLD) in the UK.

This briefing sets out the options for companies to use their Corporate Social Responsibility (CSR) programmes as a way to invest in property/housing that can

be used by PLD or encourage the development of housing for PLD.

According to a recent report by Mencap<sup>1</sup> 8 out of 10 local authorities state there is a chronic shortage of housing for people with learning disabilities.

### FOOTNOTE

1 Housing for people with a learning disability (2012). Mencap

## Why use a CSR programme to invest in housing?

Many companies seek to use their CSR programmes to achieve a range of positive social objectives and to achieve the maximum impact from their CSR investments.

Using a CSR programme to invest in housing for PLD and/or to encourage the development of housing for PLD provides organisations with a range of opportunities to achieve their CSR objectives.

Most PLD, their carers and local authorities (that fund care and support) want a significantly increased range of housing options. The population of PLD needing housing is projected to increase over the next 10-20 years as the population grows due to increasing life expectancy and increasing numbers of children being born with learning disabilities.

**Investing in and encouraging the development of a wider volume and mix of housing opportunities has the potential to achieve a significant impact for many PLD:**

- ❖ The majority of PLD have an on-going need for housing to rent or to buy;
- ❖ There is a need for housing in all locations in the UK;
- ❖ A mix of types of housing is required including housing that will be shared by two or more people; self contained housing; small groups of flats; offering a mix of investment opportunities.

There are opportunities that provide both social and financial returns for companies/organisations as part of their CSR programmes. Investment in housing (as apposed to grant funding for short term objectives) can provide an attractive financial return, which can then be used again for additional CSR investment activity, as well as the social returns of bringing about life changing quality of life improvements for PLD, for example the 'housing bond' (*case study on the facing page*).



## Case Study – Nationwide Foundation

The Nationwide Foundation is a registered charity set up in 1997 by Nationwide Building Society. The Foundation provides a mechanism for the Building Society to meet its CSR interests.

The Nationwide Foundation is supporting alternative housing models which provide better living and new ownership opportunities for people on low incomes. This includes research into such housing models and raising awareness of them to try and elicit more support for such schemes. One of the projects the Foundation is investing in to achieve this outcome is the Golden Lane Housing Bond.

Golden Lane Housing (GLH) launched a housing bond in February 2013 with the intention of raising around £7m in 2013. GLH will invest these funds by providing long term housing for people with a learning disability. The bond is a commercially viable property investment which will give a reasonable financial return with social outcomes for investors. It will give investors like the Nationwide Foundation a 4% return in interest and after five years it will return the Foundation's entire investment so the Foundation can recycle the funds to help more people in need.

The Foundation's intended strategic outcome is that alternative, scalable housing models provide increased numbers of affordable homes and their value is recognised by other funders, lenders and government.

[www.nationwidefoundation.org.uk/newhousingmodels.asp](http://www.nationwidefoundation.org.uk/newhousingmodels.asp)  
[www.glh.org.uk](http://www.glh.org.uk)

### How could you use a CSR programme?

There are a number of options for companies/organisations to use their CSR programmes as a way to invest in property/housing that can be used by PLD or encourage the development of housing for PLD.

**These will typically include:**

- ❖ Grant funding that supports the development of housing for PLD;
- ❖ Investment for a financial and social return in housing for use by PLD;

- ❖ Investment in social lending for a financial and social return, for example to make available mortgage finance for people with long term disabilities.

A key consideration for companies/organisations using their CSR programme to invest in or encourage development of housing for PLD is how to make such an investment and whether this is done with or through a partner organisation.

**A number of possible options are summarised in the table below.**

|   | Options            | Description   | Considerations   |
|---|--------------------|---|--|
| 1 | Grant funding      | One-off investment in developing and/or encouraging housing for PLD | <p>The extent to which the social return and benefits justify one-off grant funding</p> <p>How many PLD will be helped to secure housing as a result of the grant funding.</p> <p>The nature of a partner organisation/s that may be required to use the grant funding to deliver/encourage development of housing.</p> <p>Likely to be more suitable where a company is seeking a relatively short term involvement/relationship with this type of social objective</p>   |
| 2 | Investment funding | Medium to long term investment in housing for use by PLD            | <p>Where a company/organisation is seeking a financial return as well as a social return.</p> <p>Provides a potentially attractive financial return linked to the types of property purchased as a result of the investment, which can subsequently be reinvested in the same programme or other CSR objectives</p> <p>Depending on types of housing delivered, provides an opportunity to help more people over a longer timeframe and achieve greater social impact</p> <p>Opportunity to develop on-going relationships with PLD and any partner organisations required to deliver the housing, for example specialist housing providers.</p> <p>Opportunity to invest in relatively innovative investment models, for example a ‘housing bond’ specifically designed to fund housing for PLD (see case study)</p>  |
| 3 | Social lending     | Long term investment in housing for use by PLD                      | <p>Where a company/organisation is seeking a financial return as well as a social return.</p> <p>Provides an opportunity to support very innovative approaches, for example shared equity home ownership specifically for people with long term disabilities</p> <p>Opportunity to work with specialist partner organisations that are for example experienced in brokering mortgage lending targeted specifically at people with long term disabilities, (such as MySafeHome <a href="http://www.mysafehome.info">www.mysafehome.info</a>) providing an agreed rate of return.</p> <p>Depending on types of lending and housing delivered, provides an opportunity to help more people over a longer timeframe and achieve greater social impact</p> <p><i>Note: a case study example of this type of investment is included in the Corporate Finance briefing.</i></p> |

[www.housingandsupport.org.uk/investing-in-ordinary-lives](http://www.housingandsupport.org.uk/investing-in-ordinary-lives)

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**More information on briefing 2**

<http://bit.ly/corp-responsibility>

**More information about the project**

[www.bit.ly/invest-ordinary-lives](http://www.bit.ly/invest-ordinary-lives)