

TRANSFORMING

LIVES THROUGH INVESTMENT



CONTENTS

1. Our Year	03
A Word from Daniel	04
Highlights	05
Twenty Years of Impact	06
An Update from Our Board	10
2. Invest & Strengthen	12
Investing for Impact	14
Transforming Lives Through Investment	16
Special Feature - Putting Housing First	18
Investment Summary	24
Sustainable Development Goals	26
Our Reach	28
3. Resonance Impact Property Funds	30
Life Changing Solutions for People in Housing Crisis	32
Focus 1 - Homelessness	34
Focus 2 - Learning Disability	46
Focus 3 - Vulnerable Women	48
4. Impact Labs	56
Developing Communities	58
Growing Enterprises	66
Shaping & Strengthening	76
5. Strength & Balance	80
Our Impact	82
Our 5 Year Track Record	83
Financial Results	84
Awards, Accreditations & Associations	85
Prove & Improve - B Corp	86
6. Our Teams & Partners	92
Our Teams Across the UK	94
Investment & Advisory Committees	98
Partners	102

Front cover image: National Homelessness Property Fund 2 (NHPF2) tenant with his young son, settling into their new home in Bristol, with support from housing partner DHI.



1 OUR YEAR

Photo: **BeyondAutism (BA)** worked with Resonance in 2008 when they received £4m in social financing and £250,000 grant funding. The investment was used to purchase and redevelop a property into a school, to grow the number of places available for children with autism. During our twenty year celebrations, BA credited Resonance as making their growth possible.

A WORD FROM DANIEL



It feels like we are bouncing from one global crisis to another, with little time for the previous one to abate before the next. Emerging from the global health crisis brought its own predictable economic volatility, but now with war in Europe, a food and energy crisis threatens us as nations, businesses and individuals. And of course, all of this is still in the context of the climate emergency, a growing mental health crisis, violence against women, racism and the severe lack of housing and increasing homelessness. It can be hard to stay positive all of the time.

More than ever, we need leadership, but it doesn't appear to be coming from the traditional sources. Even when the established institutions get it right, trust is so eroded that many fail to engage. At Resonance however, we often see good leadership in the most outstanding social entrepreneurs, that it is our privilege to serve – shaping the capital they need, to demonstrate that there are scalable solutions.

During the year we are delighted to have invested **£15.5m of useful capital mobilised into the hands of 28 social enterprises from 80 investors, bringing our rolling five year total to £151m into 106 enterprises.**

Helping us to deliver investment to innovative social enterprises is our growing team, which increased significantly again this year. It can be hard to grow whilst maintaining both culture and focus, but I continue to be in awe of how both new and established members of the team gel quickly, collaborating on new initiatives, drawing on their individual, sometimes very different lived experiences, and always demonstrating commitment to our **common purpose: transforming lives through investment.**

Partnership also continues to be a cornerstone of our ability to deliver at Resonance and it takes many forms. From housing partners sharing our mutual commitment to do more than just put a roof over someone's head, to those

supporting us to analyse the social impact we are making with our funds. Each plays an important part in helping us to improve the way we run as an organisation.

Alongside our strong team and dedicated partners, we have welcomed new and repeat investors from right across the investor landscape, all of whom share our vision of investing in funds where the aim is to provide safe, affordable homes, supporting tenants to move on from a housing crisis. These homes are now in an even wider spread across the UK, broadening our reach and helping more communities.

We are housing c. 3,000 adults and children in our c. 1,000 properties

An increasing and exciting trend that we are seeing is that more and more investors are looking at 'Placed Based' opportunities to support the communities in which they operate and/or where their members or customers live.

Finally, continuing collaborating and partnering with our peers has allowed us to not only learn from each other but use our combined strengths to make a difference to social enterprises and communities. The Social Enterprise Support Fund is an example of how collaboration enabled us to jointly deliver £16.1m of grant funding into 500 social enterprises, which operate in the most marginalised communities in England, assisting them to grow out of the pandemic, innovate and deliver their new ideas, and tackle future challenges.

Quoting last year's report: "the world has changed". The world it seems has changed yet again, this time driven by different factors. But what gives me hope is that through collaboration, partnership and teamwork, so much more can be achieved, and challenges overcome. And whilst it's often hard to see it now, people and communities can enjoy a better future if we continue to look out for each other.

Enjoy reading our report.

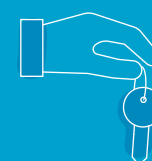
Daniel Brewer, CEO



HIGHLIGHTS

(FOR REPORTING PERIOD 1 APR 2021 TO 31 MAR 2022)

- Resonance celebrates its **twentieth anniversary from 2002 to 2022**, with a number of activities throughout the year, reflecting on the past and planning for the future.
- Resonance passes the **milestone of £300m funds under management** across all its social impact funds. Whilst this is, of course, simply a means to an end, it is nonetheless a milestone in becoming more accessible to a growing number of institutional investors interested in investing for impact.
- The **Church of England invests £1.6m** in the Women in Safe Homes fund. This was the organisation's first social impact investment, from its Social Impact Investment Programme, established within The Archbishops' Council in 2020. The programme is making £16m available for a social impact portfolio, which will seek investments targeting deep positive impact.
- The **Resonance Everyone In Fund wins Better Society's Major Project of the Year Award** for its COVID response – providing safe, long-term, affordable homes for rough sleepers in London. Resonance worked in partnership with social justice charity Nacro to deliver the sixty homes in a super-fast deployment.
- **Resonance Community Developers receives investment of over £8m** from Access – the Foundation for Social Investment and Big Society Capital.
- **Resonance Impact Property Funds** work with housing partners to deliver homes in three distinct impact strategies. From working with St Mungo's since 2013, when the first homelessness property fund launched, there has been a big shift in the past two years from just **one housing partner to twenty** - each working to ensure the right home for each individual tenant.



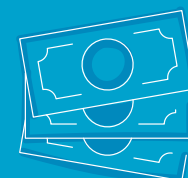
Over £230m invested in property for impact property funds



We've delivered safe and affordable homes for 2,928 people, including 1,431 children, in 869 properties



This year we invested £15.5m into 28 social enterprises from 80 investors



Cumulative total of investment over the past five years £151m into 106 social enterprises

TWENTY YEARS OF IMPACT



2022 has been an exciting year for Resonance as we have been celebrating our twentieth anniversary. The year has also proved to be thought provoking as we have looked back and reflected on the impact delivered by social enterprises and partners with whom we have worked over the years, against the current background of extremely challenging times – recovering from the pandemic, the cost of living crisis, war in Europe etc., – all of which increases the demand from people needing help from social enterprises, at a time when those very organisations are under extreme pressures themselves.

We held a twentieth anniversary celebration event in London in May with social enterprises, housing partners, investors, employees, social investment peers and other stakeholders, all of which have been part of our twenty year journey. Guests were able to read the stories of people that have been helped by amazing social enterprises, as well as what those social enterprises have used investment to achieve.

There were some short films of tenants screened, who have moved into Resonance Impact Property Fund homes, and shared their very personal and moving stories.

Throughout 2022 we released podcasts at intervals with someone from the world of social impact investment, talking about their relationship with Resonance and what they think the future may hold.

And Resonance produced a book to commemorate the twenty years by capturing the many voices of those who have helped shape Resonance into the organisation it is today. We are sharing a few reflections from the book, as well as some of the impact recorded over the twenty years, on the next couple of pages.

If you'd like to read the book, listen to the podcasts and understand in more detail the impact delivered, please visit the Resonance website.

REFLECTIONS



"At Resonance it's been all about the people - colleagues, clients, partners and investees I've worked with, have all been interesting, enthusiastic, committed and passionate."

Ben Wrigley, Resonance Senior Investment Manager, Developing Communities



"To see those pioneering ideas grow and mobilise other support along with capital to do so - for example, from an initial £16m property fund to over £300m assets under management now."

Anna Shiel, Head of Origination, Big Society Capital



"God, if I didn't have this place, I dread to think where I would be, maybe back on the streets."

Paul, National Homelessness Property Fund 2 Tenant



"No two years have been the same at Resonance. I've learnt so much being part of a team committed to finding new solutions to enable investment for impact. From the hundreds of social enterprises we've seen flourish, to the range of investors changing the way they invest, it's been a joy to be part of the Resonance journey."

Grace England, Resonance Senior Investment Manager, Growing Enterprises



"When I first met Daniel back in 2014, Resonance was one of the best kept secrets in impact investing. Thankfully this is no longer the case: they are now one of the best-known, successful examples of an impact driven investment approach that combines high impact with a risk adjusted return for investors."

Daniela Barone Soares, CEO, Snowball



Photo: Resonance's twentieth anniversary celebration was held at Mary Ward House in London in May.

TWENTY YEARS OF IMPACT

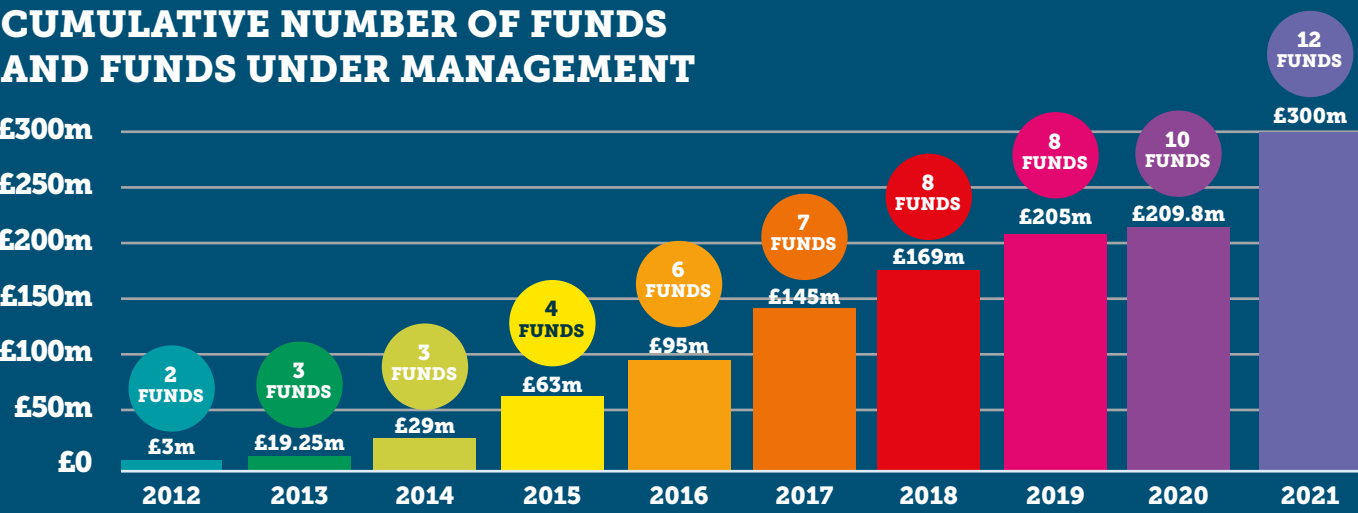


PLEASE NOTE:

1. The number of enterprises and investors at the top of this page, are the number of individual enterprises and investors that we have worked with. It excludes any repeat investments into the same enterprises, or the number of repeat investments made by individual investors. It also does not include every individual in a community share offer.

2. All data reported is up to date to 31 December 2021. This means that every year recorded is the financial year 1 Apr to 31 Mar, but the final year 2021 for the purpose of the Twenty Year Book, is reporting 1 Apr 2020 to 31 Dec 2021.

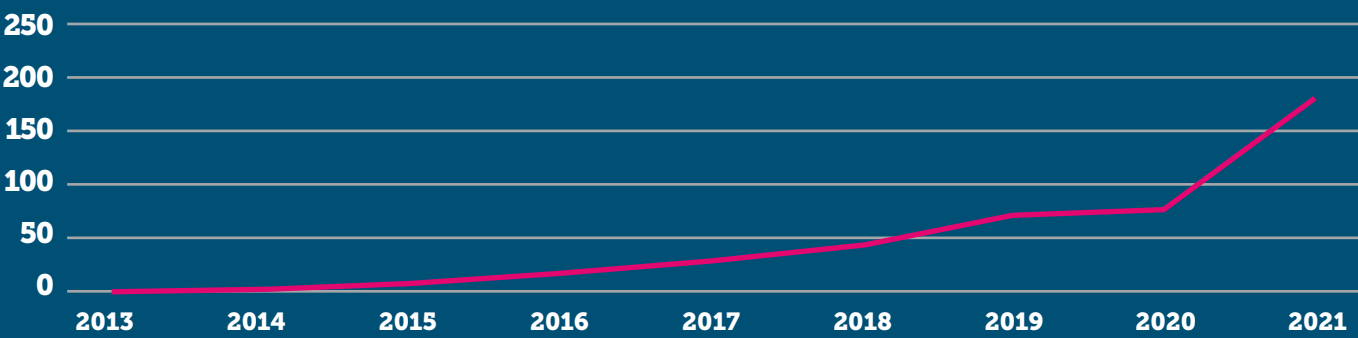
HOW WE GOT THERE



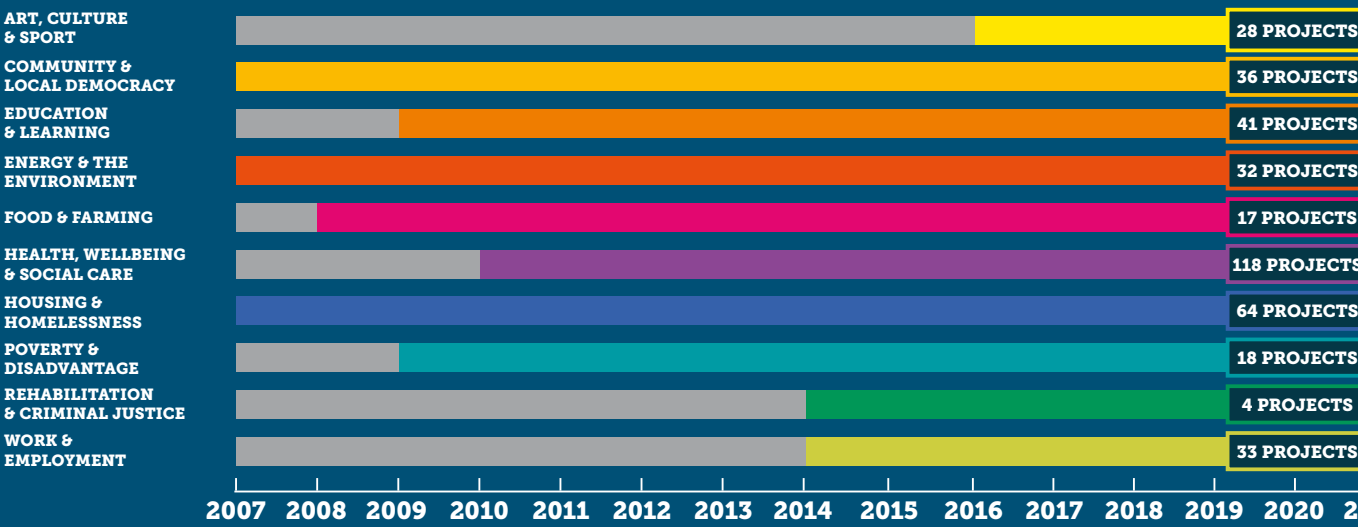
PLEASE NOTE: Resonance has designed/managed 13 funds in the 20 years. The Community Share Underwriting Fund exited in 2020.

REPEAT INVESTORS (CUMULATIVE)

NUMBERS HAVE STEADILY GROWN OVER THE YEARS



10 IMPACT THEMES



AN UPDATE FROM OUR BOARD

There have been some important milestones for Resonance over the past year and as Chair of the Board I have been delighted to share in these. Perhaps the most important of these was our Twentieth Anniversary Celebration. It was a delight to see so many supporters in the room – some of whom have been with us since Day One - and to hear from some of the tenants who have been supported by Resonance's investment into housing (another milestone being the investment in our 1,000th property).

None of this could be achieved without the commitment of the passionate and hardworking team of nearly sixty staff. Our Board of Directors also provides valuable insight, experience, and strategic advice for Resonance: I would particularly like to credit Peter Dawe, a non-executive Director since Resonance first began twenty years ago, whose contribution to our Board discussions has been invaluable. I have always believed that diverse thinking results in better governed companies, and we certainly have that on our Board.

Many people in the UK are currently facing unprecedented challenges. We continue to live with the knock-on effects of the pandemic. Inflation is running at its highest level for forty years: energy prices are making fuel costs unaffordable for many; basic food prices are increasing sharply. These impact those on the margins of society disproportionately, which is something we are acutely aware of, at Resonance. We will continue to strive to make life a little easier for those at the margins, whilst investing in a way which delivers an attractive return to our investors.

Without our investors, we would not be able to tackle social need, so I'd finally like to acknowledge the substantial commitment made via our existing relationships. I'd also like to encourage new investors to consider committing to Resonance funds, so that we can continue our mission to provide life changing housing solutions for people facing crisis.

Karen Shackleton,
Resonance Chair

WHO IS ON OUR BOARD?



Anita Bhatia, Non-Executive Director, is the Investment Director at Guy's and St Thomas' Foundation. Previously, Anita was at Barclays, developing impact investment funds for the retail and institutional market. Anita chairs our risk and resources sub group.



Michael Perreau, Non-Executive Director, is Director General of the United Bible Societies and a founder board member of Transformational Business Network. Michael chairs our design and innovation sub group.



Daniel Brewer
Chief Executive Officer

Founded Resonance in 2002 and has been a pioneer of UK social investment for the past twenty years.



Tim Pope, Non-Executive Director, has over twenty years of public service. He previously worked at Nesta on social innovation and is founder of the Community Builders funding programme.



Simon Chisholm
Chief Investment Officer

Joined Resonance in 2012 to build its impact funds business having formerly served as a Director with N M Rothschild & Sons and a Trustee of a homelessness charity.



Karen Shackleton
Chair of the board

An advisor to a number of Local Authority pension funds, previously Karen was CEO of a financial advisory business. She is founder of Pensions for Purpose, a collaborative platform to raise awareness of impact investing. Karen also chairs the marketing sub group and the product development and evaluation sub group.



Peter Dawe OBE, Non-Executive Director, is a serial entrepreneur, most notably founder and CEO of internet pioneer Pipex. Peter retired from the Board in 2022, and now continues his work with us as a Special Advisor.



Photo: Resonance Board Members joined the celebrations for Resonance's twenty year anniversary at the end of May, along with so many others who have been part of the journey.

"Resonance is at the very heart of what I deeply believe in - seeing communities flourish and thrive, by facilitating opportunities for communities to discover and explore.

"So, when Daniel first connected with me in 2002, I was at the time, one of the founding board members of Transformational Business Network (TBN). Since then, we have journeyed together to see Resonance birth and mature over these twenty years, through a dedicated and committed team, which continues to grow. I joined the Resonance board as a non-executive director in 2018.

"Yet our growing team is not resting on its laurels but continues to push into marginalised communities, in order to find solutions to the deeply challenging social issues of our time.

"I'm immensely proud of what we do, and even more proud of what we are becoming....making a difference from success to significance."

Michael Perreau, Non-Executive Director

2 INVEST & STRENGTHEN

Photo: Following illness and homelessness, St Mungo's offered Clifford his NHPF1 home in Bristol. He is now being supported by **DHI**, our housing partner in the city.



INVESTING FOR IMPACT

**SIMON CHISHOLM,
RESONANCE CHIEF INVESTMENT OFFICER**



Resonance's impact investment activity during this year continued to grow strongly. It became even more relevant as the ongoing effects of the pandemic highlighted societal issues, including homelessness and domestic abuse, which are addressed by our impact investment funds.

Resonance continued to build on its specialism and long-standing reputation as an impact property fund manager, with a focus on impact across the three themes of homelessness, learning disability and vulnerable women. But we also continued to go further, through our Impact Labs, to innovate in strengthening social enterprise responses to complex social issues like these. The strong re-enforcing linkage between these impact investment activities is highlighted in the sections which follow, reporting on the specific funds.

Our homelessness property funds entered their ninth year of successful track record, and are now consolidating and scaling further with institutional investment, through the most recent National Homelessness Property fund 2 (NHPF2), which is now scaling to £300m. The stability of this investment strategy during the volatile period of the pandemic, together with its income characteristics related to long term inflation, make it an attractive diversifier for institutional investment portfolios. It can also allow investors to see specific impact in their region whilst achieving national diversification from the investment portfolio as a whole.

We also began to build up good experience from our two more recently launched impact property funds: Resonance Supported Homes fund, focused on

providing a better leasing model for housing and support charities, helping individuals with learning disability live in the community; and the Women In Safe Homes fund, with a gender-lens focus on helping Women's Sector Organisations scale up responses to domestic abuse and the needs of women leaving prison.

Resonance's impact investment strategies are rooted in backing good social enterprise models, which for our impact property funds is becoming a key differentiator from other long leasing investment strategies in the market. Our leases are tailored to the needs of specific organisations and the tenants they serve, providing a more sustainable long-term arrangement. Our choice of housing partners is driven by a deep due diligence of their governance and commitment to impact for their tenants, which is strengthened over time by our impact measurement and management with those partners.

Finally, our "Impact Labs" now represent a unique feature of Resonance's "impact DNA", built up over many years of commitment to UK impact investment. Through these innovative community asset and enterprise growth funds we are able to channel other forms of capital into brilliant social enterprises across the country.

Photo: Julie and her daughters are some of the very first tenants to be housed by NHPF2.



"THIS HOUSE IS SECURITY, PROVIDING A HOME FOR MY FAMILY. TEMPORARY ACCOMMODATION SERVES A PURPOSE, IT HELPED ME WHEN I WAS HOMELESS, BUT THIS IS A NEW START WHERE I CAN MAKE A HOME."

JULIE, NHPF2 TENANT

TRANSFORMING LIVES THROUGH INVESTMENT

Our purpose has always been to transform lives through investment - something we have been doing across the UK for more than twenty years. Front and centre of our mission is to connect capital to social enterprises, and we have seen first-hand the significant social impact delivered by investee social enterprises and how this has positively changed the lives of individuals and communities that they support.

Since Resonance founded in 2002 it has invested over £243m into 131 enterprises from 211 investors, across every corner of the UK. The investment into these enterprises has helped them to grow and flourish, expand their services and develop new offerings. It has also enabled them to strengthen, innovate and create change. These enterprises come in all shapes and sizes, across Resonance's ten impact themes to support individuals and communities. Investees use wide-ranging business models to deliver impact – from wood recyclers and sports retailers to outdoor activity centres and specialist schools, alongside those innovating on health and wellbeing and housing and homelessness.

AN IMPACT PROPERTY FUND MANAGER PROVIDING LIFE CHANGING HOMES AND SOLUTIONS FOR PEOPLE FACING CRISIS

In 2013 we launched our first homelessness property fund*, and we now have seven property funds, serving three main tenant groups – homelessness, vulnerable women and individuals with learning disabilities. These funds have enabled us to focus on one of the largest societal issues in the UK today, where over 100,000 individuals and families find themselves in temporary accommodation.

We have always known that providing a much-needed roof is only the start of a new beginning for most of our tenants. They also need support to help them with things that many of us take for granted such as education, training, employment and often overcoming health issues.

*Resonance impact property funds are created and managed by Resonance Impact Investments Limited, a subsidiary of Resonance Limited.

This support comes directly from the twenty plus expert housing partners with which Resonance works, that lease our properties, whilst providing wrap-around support to those tenants who need it. We are very proud and privileged to be working with these partners. You can read our **Special Feature** called "Putting Housing First", later in this section. It describes a new initiative for supporting rough sleepers into longer term accommodation, which is gathering strong political backing.

IMPACT LABS INNOVATE FOR A BETTER TOMORROW

In addition, more widely and often indirectly, support comes from the social enterprises and communities that Resonance has and continues to invest in, through our impact labs teams. They are working to develop the eco-system, around and ahead of our impact property funds. In doing so, Resonance innovates new solutions, pilots systemic change, increases supply and scales opportunity, often in the same communities in which we have tenants.

INCREASING SCALE AND IMPACT

In 2020 the Resonance National Homelessness Property Fund 2 (NHPF2) was launched, the result of both investor and societal demand. This fund has made an immediate impact attracting new investors, such as Greater Manchester Pension Fund, the first pension fund to invest into one of our impact funds, as well as enabling us to expand our geographical impact to meet the needs in other parts of the UK, starting in the North West of England.

After launching NHPF2, Resonance conducted investor research with Pensions for Purpose, and the report concluded that the structure and purpose of the fund, has given us the ability to significantly scale the impact of our property funds. Our ambition now is to scale this fund to £300m over the coming years, meaning we are aiming to deliver around **1,500 homes, housing about 16,000 tenants** over the fund's lifetime. This ambition, in conjunction with our housing partners and the social enterprises we support through our impact labs, means that we are **creating life changing homes and solutions for people facing crisis**.

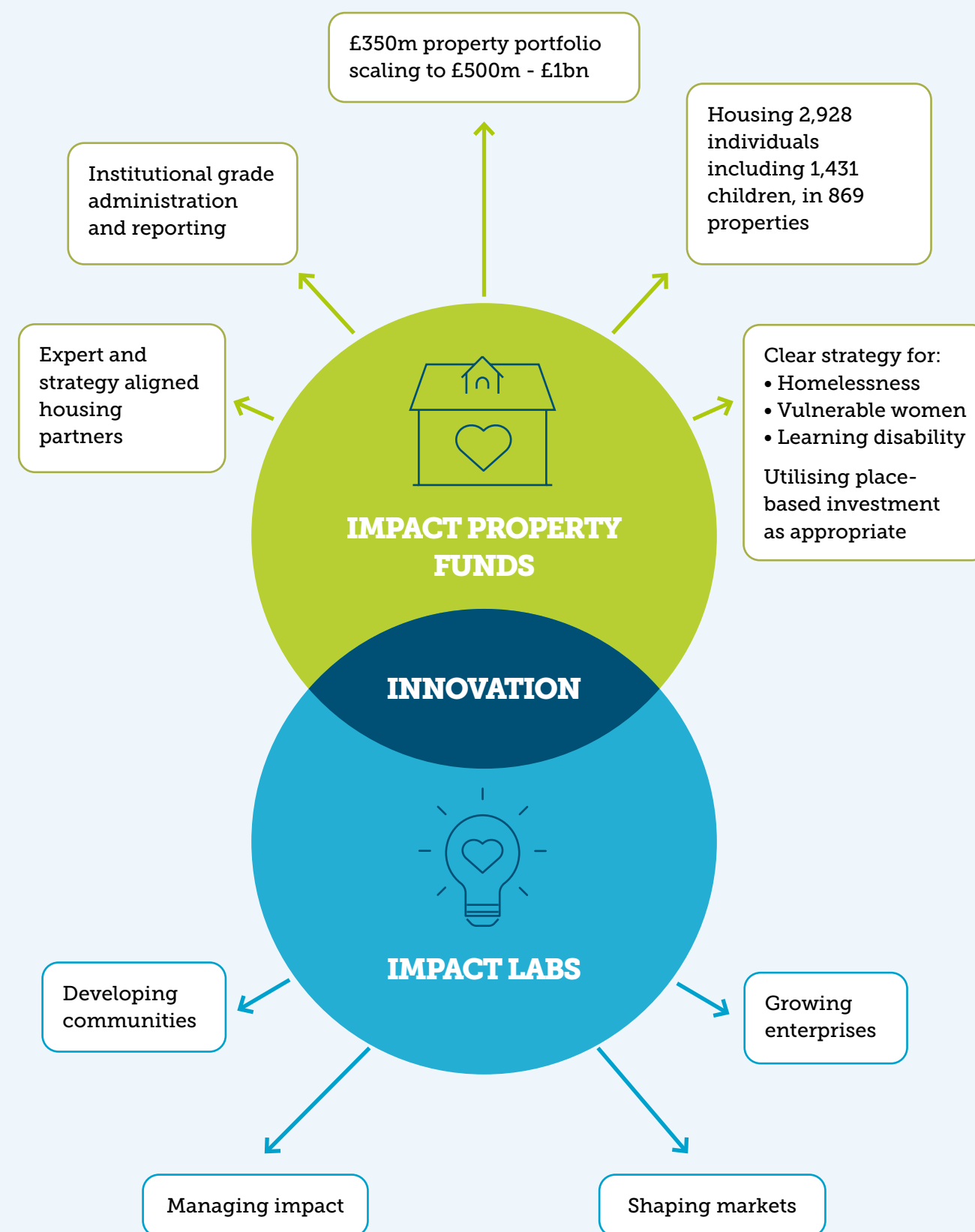


Photo: The average age of death for people experiencing homelessness is 46 for men and 42 for women. Already nine times more likely to take their own life than the general population, people sleeping on the streets are also seventeen times more likely to be the victims of violence¹.



SPECIAL FEATURE

PUTTING HOUSING FIRST

Our focus is supporting individuals and families who are in housing crisis. But a group for whom it has proved much harder to ensure positive outcomes are those who have been sleeping on the streets.

Poor outcomes, is one of the reasons that local authorities hesitate to make nominations for rough sleepers. This is not just a UK problem, but one that is recognised across Europe and the United States. A new initiative to help rough sleepers is gaining momentum and our special feature explains how it works.

ROUGH SLEEPING – REAL PEOPLE'S LIVES SPINNING OUT OF CONTROL

Aside from over 100,000 families in temporary accommodation across the UK, there are nearly 18,000¹ people sleeping rough. 'Rough sleepers' is not a very pleasant or particularly accurate term, when you consider that it describes real people who have to sleep out in the open with no safety or security, because they have no home and no shelter.

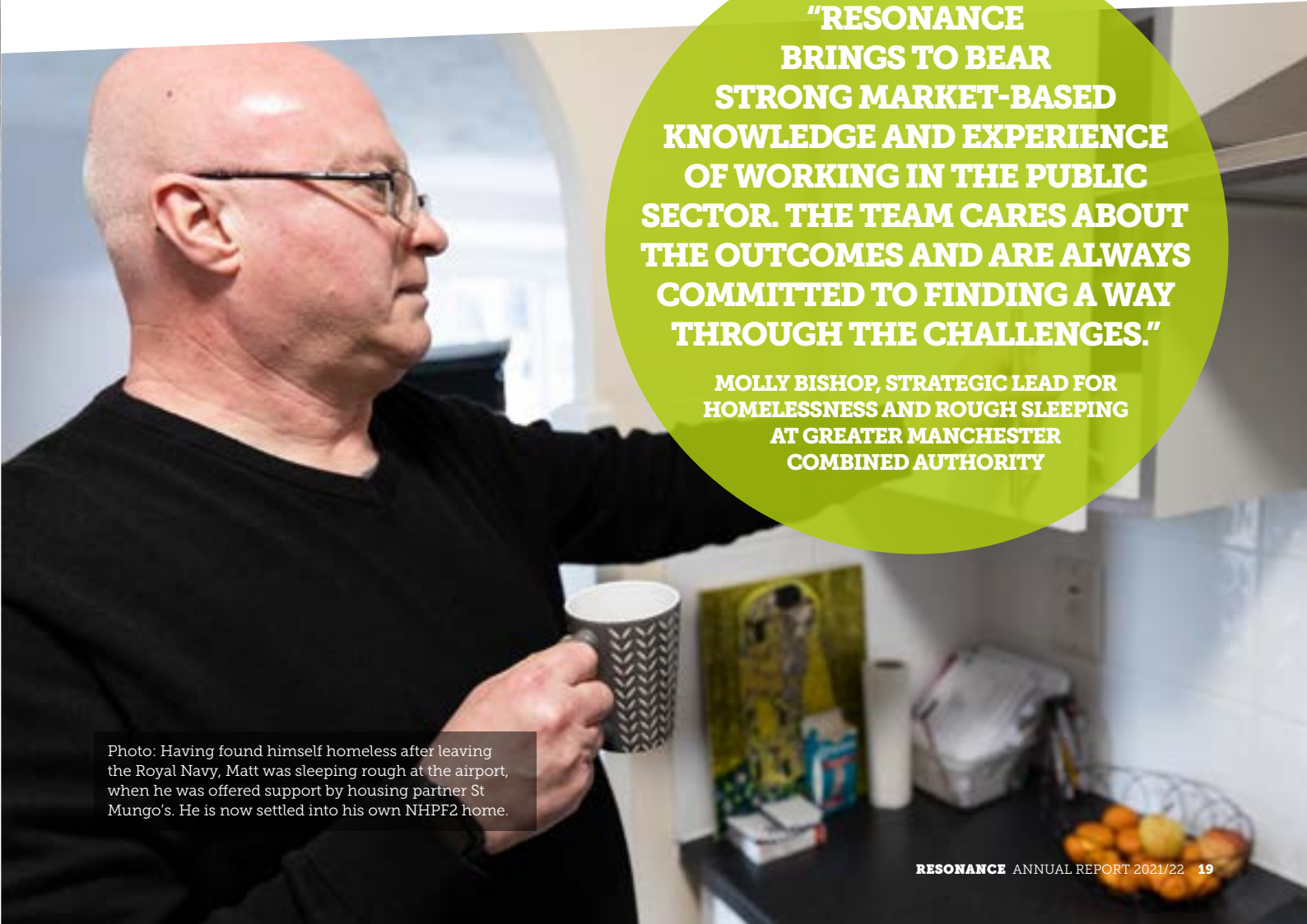
Most of us are lucky enough to know the security that comes with having a home – not necessarily one we own, but a dwelling that we have made into our home – with the feeling of safety and security that comes with that roof over our head, and a front door that we can close behind us, shutting out the world. When we are going through a tough time, the recent pandemic being a good example, our home becomes a sanctuary - a place to which we may retreat to relax, and gather strength to face such difficulties.

People without a home don't have that luxury – they have no privacy, no safety, no security, no space to rebuild broken lives, and no base from which to think and make good decisions.

No home, means no bank account, which means no job, and so the vicious circle spins on an axis from which many are unable to escape. The average age of death for people experiencing homelessness is 46 for men and 42 for women. Already nine times more likely to take their own life than the general population, people sleeping on the streets are also seventeen times more likely to be the victims of violence.

The biggest cause of homelessness is through no fault eviction, where a landlord just asks a tenant to leave. However, there are many reasons that lead to someone becoming homeless, and perhaps ending up sleeping on the streets. It could be the breakdown of a relationship, the loss of a job, when leaving care, or the army or prison, or when escaping domestic violence. Some, simply cannot afford their rent and can't find anywhere affordable to live. It really could happen to anyone and the longer someone experiences rough sleeping, the more likely they are to suffer physical and mental health issues, substance misuse and violence².

For years, governments across the world have grappled with the rising number of people living on the streets, and failed to find workable solutions. Until now.



"RESONANCE BRINGS TO BEAR STRONG MARKET-BASED KNOWLEDGE AND EXPERIENCE OF WORKING IN THE PUBLIC SECTOR. THE TEAM CARES ABOUT THE OUTCOMES AND ARE ALWAYS COMMITTED TO FINDING A WAY THROUGH THE CHALLENGES."

MOLLY BISHOP, STRATEGIC LEAD FOR HOMELESSNESS AND ROUGH SLEEPING AT GREATER MANCHESTER COMBINED AUTHORITY

Photo: Having found himself homeless after leaving the Royal Navy, Matt was sleeping rough at the airport, when he was offered support by housing partner St Mungo's. He is now settled into his own NHPF2 home.

SPECIAL FEATURE

WHAT IS HOUSING FIRST?

Housing First was the brainchild of US not-for-profit, Pathways to Housing, which back in the 1990s created the innovative model with the simple premise: **Housing is a human right that should not be dependent on tenants being 'housing ready'**. In simple terms, the programme doesn't view someone as a 'rough sleeper', but a human being that requires a home.

To understand why Housing First is so different, it is necessary to understand how most programmes actually work, in that they expect tenants to fit the property. Example: Here's a rough sleeper. They can move into a hostel and get some support. Once they've improved their issues (mental health, substance abuse etc.), then maybe they'll get moved to somewhere a bit more appropriate and then on and on, until eventually, if they've accepted support, remained substance clean, learned to maintain a budget and sustain a tenancy, then maybe, if they're lucky they'll be deemed fit enough for their own place.

Housing First sees a person without a home, with a range of needs, and offers them a safe and secure home in which to live, alongside tailored wrap-around support in their home. Tenants don't have to prove they deserve a home, and it is not viewed as a reward for adopting certain behaviours.

The evidence-based model has seen huge success with an 85% housing retention rate even amongst individuals that other agencies would not consider.

Housing First spread into Canada, Australia and across the Atlantic to Europe, where Housing First projects emerged in Finland, Denmark, France and the UK. Similar to the original project, high levels of tenancy sustainment were experienced in all regions.

In addition to the constantly high levels of tenancy sustainment the evidence from the UK indicates several other outcomes:

- 43% of tenants reporting **'very bad or bad' physical health** a year before using Housing First, **reduced to 28%** when asked about their current health.
- 52% of tenants reporting **'bad or very bad' mental health** a year before using Housing First, **fell to 18%** when asked about their current mental health.
- 71% of tenants reported they would **'drink until they felt drunk'** a year before using Housing First. This number **fell to 56%** when asked about their current use.
- 66% of tenants **reported drug use** a year before using Housing First, which **fell to 53%** when asked about their current use.

ROUGH SLEEPING ACCOMMODATION PROGRAMME

Politicians across the spectrum have indicated their support for Housing First with the initiative gathering strong political backing across the home nations. Resonance has been involved in the delivery of one such programme: **Rough Sleeping Accommodation Programme (RSAP)** – a government backed initiative aiming to support up to 6,000 rough sleepers into longer term accommodation. The initiative is backed by £435m over the period 2022-2024.

Grabbing the momentum of the 'Everyone In' project, which saw councils and homelessness charities across the UK getting thousands of people off the streets during the pandemic, Resonance developed the **Resonance Everyone In Fund** with the Greater London Authority to provide sixty safe, affordable, refurbished homes in London for rough sleepers. With the successful deployment of this fund, in record time RSAP is now a small but important part of the overall deployment strategy for the Resonance **National Homelessness Property fund 2 (NHPF2)**, across Greater Manchester, Liverpool City Region, Oxford and Bristol.

"Once in a place of their own, former rough sleepers are supported by specialist staff to access the help they need, including support for mental health and substance abuse problems."

Local authorities really like this scheme, as it is funded with both capital and grant. As an example of how it works, Greater Manchester and Resonance put in a joint bid for capital to be invested in the Resonance NHPF2 alongside support funding. The Greater Manchester Combined Authority put £2m into the NHPF2; the national government's Department for Levelling Up, Housing & Communities provided a further £2m investment into the fund too; and then Resonance matched this with £2m of private capital. The capital from central government is £2m, which is granted to the local authority to be invested in the fund. Then the local authority receives the income and return on £4m, the £2m they have invested plus the capital grant from central government, which they also get to keep.

Sitting alongside all this, is support funding for medium to high needs tenants, in order to pay for the required number of support workers. RSAP support is targeted on tenants with multiple and complex needs once they are in their new home. It helps them to access the support they need, including for those living with mental health issues, treatment of substance abuse, and progressing towards training and work.

"THIS GOVERNMENT WANTS TO END ROUGH SLEEPING FOR GOOD, AND THROUGH INNOVATIVE PROGRAMMES LIKE THIS WE'RE ON TRACK TO ENSURE NO ONE IS FORCED TO SPEND A NIGHT ON THE STREETS."

EDDIE HUGHES, FORMER MINISTER FOR ROUGH SLEEPING AND HOUSING

SPECIAL FEATURE

The scheme is a successful way to leverage capital into the fund whilst local authorities, that wouldn't otherwise have been able to invest, get nomination rights which helps them shorten their housing lists. A true double delta of impact investing, with positive, measurable social impact delivered locally and the authority as an investor also receives a financial return on its capital. Local authorities have in the past hesitated to make rough sleeper nominations as they can in some circumstances be something of a 'no win' scenario. With sometimes difficult tenants to manage who they couldn't adequately support, would be straight out on the street as they were often unable to sustain a tenancy, and they may also generate other issues around their placement.

Interestingly for Resonance, the property selection for RSAP is very strict, even more so than 'ordinary homes on ordinary streets', the formula normally used for our homelessness funds. As an example, homes for those moving on from rough sleeping should not be located near a pub, there should be no more than two, if in a block of flats, and other criteria are considered to help make the transition easier for tenants such as access to transport links, space requirements and private entrances to the properties. This could make acquisition of these properties something of a challenge, however, our experienced team understands the requirements and uses its vast knowledge of the areas to source the housing required.

REIF is now fully deployed in London with the purchase of sixty properties, and provided a blueprint for deploying the Rough Sleeping Accommodation Programme. NHPF2 is now deploying RSAP properties in Greater Manchester, Oxford City and Oxfordshire, Liverpool City and Bristol.

WORKING TOWARDS A BRIGHTER FUTURE

The national government's Department for Levelling Up, Housing & Communities should be congratulated for responding quickly to the plight of rough sleepers during the pandemic and then continuing the momentum by supporting a scheme that has seen success in many places overseas. Despite this, the numbers remain stubbornly high because although a large number of people were offered a home after the pandemic, there is a second wave of first-time rough sleepers, due to the many difficulties caused by the pandemic, followed by the pressure on jobs and cost of living that has ensued. The worry is that more and more people will find themselves in the terrible position of facing homelessness over the coming months and years.

The various Housing First schemes that are running now across the country supported by the hard work and commitment of local authorities and housing partners, to really tackle this long-term crisis, will we all hope eventually see rough sleeping as a thing of the past. No more should individuals have to suffer the indignities of surviving on the streets. All should have the opportunity to live fulfilling lives knowing they have their own safe space, from which to deal with whatever challenges they may have to face in life.

"WITH THE COST OF LIVING CRISIS AND CONTINUED WITHDRAWAL OF COVID RELATED SUPPORT, MORE PEOPLE WILL REQUIRE THE SUPPORT OF CHARITIES LIKE DHI AS INEQUALITY GROWS. WE FEEL THAT BY WORKING WITH RESONANCE WE WILL BE ABLE TO DEVELOP NEW AND INNOVATIVE WAYS OF RESPONDING TO THESE ISSUES AND DELIVER LONG-TERM CHANGE FOR OUR RESIDENTS."

DAVID WALTON, DIRECTOR OF HOUSING AND COMMUNITIES AT DHI

"THE FIRST TIME I MOVED IN HERE I KNEW IT WAS THE RIGHT PLACE."

STEVE, TENANT

Photo: Steve who had previously been rough sleeping in London, has settled into his new REIF home and is being supported by housing partner Nacro.

INVESTMENT SUMMARY

In this section we have gathered together high level data on our investment activities for the year, both raising and deploying investment to “connect capital with social enterprise”.

Our impact property funds represented £285m, around 95%, of funds under management at the end of the financial year 31 March 2022, and have continued to scale further since then. The main focus was on initiating and ramping up deployment on the new property funds launched at the end of the previous financial year. Since the end of this financial year we have now progressed discussions with additional institutional investors in NHPF2 to expand the target fund size from £100m to £300m by end 2023. This reflects both the scale of investment need which the fund is addressing and the increasing interest of institutional investors, particularly the Local Government Pension Schemes, in investing for place-based impact.

Our Impact Labs achieved a successful first close on Resonance Community Developers, which takes forward Resonance’s work supporting local community groups to develop affordable housing, sports and renewable energy projects. Our Growing Enterprises Team continued to complete deployment of existing investment funds and work on future plans for patient growth capital into social enterprise.

RESONANCE IMPACT PROPERTY FUNDS



**TOTAL FUNDS
UNDER MANAGEMENT**
£285.1m

TOTAL INVESTORS
41

WHO INVESTED?

INSTITUTIONAL / CORPORATE	£68.8m
PUBLIC SECTOR	£175.4m
FOUNDATIONS / TRUSTS	£38.5m
INDIVIDUALS	£2.4m

RESONANCE COMMUNITY ASSET FUNDS



**TOTAL FUNDS
UNDER MANAGEMENT**
£11.2m

TOTAL INVESTORS
8

WHO INVESTED?

FOUNDATIONS / TRUSTS	£455k
INSTITUTIONAL / CORPORATE	£5.9m

**TOTAL GRANTS
£4.8m**
AWARDED BY

FOUNDATIONS / TRUSTS	£4.7m
PUBLIC SECTOR	£142k

RESONANCE ENTERPRISE GROWTH FUNDS



**TOTAL FUNDS
UNDER MANAGEMENT**
£8.9m

TOTAL INVESTORS
155

WHO INVESTED?

INDIVIDUALS	£4.7m
FOUNDATIONS / TRUSTS	£2.2m
INSTITUTIONAL / CORPORATE	£1.9m
PUBLIC SECTOR	£234k



DIRECT DEALS IN PAST FIVE YEARS



TOTAL DIRECT DEALS
£1.4m

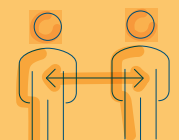
WHO INVESTED?

FOUNDATIONS / TRUSTS	£125k
SOCIAL IMPACT INVESTMENT FUNDS	£1.3m

**INVESTMENT
RAISED FOR
COMMUNITY
ASSET FUNDS
THIS YEAR**
£9m

**INVESTMENT
RAISED FOR
PROPERTY FUNDS
THIS YEAR**
£24.7m

DIRECT DEALS IN PAST FIVE YEARS



TOTAL DIRECT DEALS
£5.6m

WHO INVESTED?

BANKS / BUILDING SOCIETIES	£860k
FOUNDATIONS / TRUSTS	£1.7m
INDIVIDUALS	£2.1m
SOCIAL IMPACT INVESTMENT FUNDS	£1m



The social impact achieved through our funds contributes to the following twelve sustainable development goals:



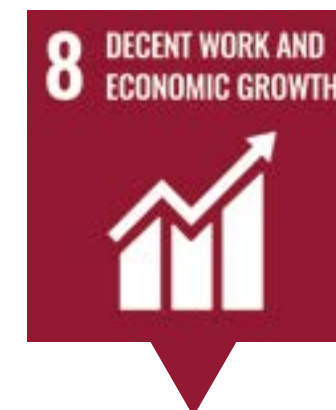
Across all our social impact funds, three goals feature most prominently:



- Homelessness continues to be a serious societal issue. In London alone there are **42,000 women¹ and 21,700 men living in temporary accommodation**. There are growing numbers of **rough sleepers**, a situation that is anticipated to only get worse with the worsening cost of living crisis. And record numbers of **women were made homeless escaping domestic violence** during the pandemic. That is why Resonance is focused on impact property investing – ramping up the supply of homes to its more than twenty housing partners.
- **Mustard Seed Property** continues to work with its three housing partners to provide housing for vulnerable people across Cornwall and the Isles of Scilly. Homelessness charity **St Petroc's**, domiciliary care company **Karrek Community** – supporting adults with learning disabilities, mental health challenges, and brain injury – and **Newquay Lighthouse**, offering supported housing to help those recovering from substance abuse.
- Our community asset fund, **Resonance Community Developers**, is working with a number of community groups on a variety of projects across the North West and South West of England. These projects will provide much needed **affordable housing, sport and leisure facilities and renewable energy schemes**, as identified by the people living in those communities.



- For people training to be social workers, access to quality training placements and workplace learning opportunities is essential. The **Resonance West Midlands SITR Fund** has invested into **The Sweet Project**, an organisation that provides internship placements for trainee social workers with the aim of improving the overall quality of social worker learning opportunities.
- **Greenwood Music CIC** is a social enterprise that offers woodland-based activities to all, but **especially those with multiple or complex needs**. The programmes encourage individuals to learn a range of skills such as woodwork, using traditional tools. Resonance's investment from the **Health & Wellbeing Challenge Fund (South West)** into Greenwood will facilitate its growth, allowing it to reach more individuals and help them to learn valuable new skills.
- Mental and physical health issues, learning difficulties and exclusion from school are all factors that can stand in the way of children being able to make progress in mainstream school systems. Resonance's **Health & Wellbeing Challenge Fund (South West)** has invested into **Apricot Online Learning**, a social enterprise that provides children experiencing ill health and exclusion with alternative education services, helping them to re-engage with learning and to build their confidence.



- Training roles and work placements often help individuals to gain further employment and income as well as building their confidence and providing workplace experience. The **Resonance South West SITR Fund** invested into **Somerset Wood Recycling**, which offers work-based training to people who have been out of work for a long time.
- **Real Ideas CIC** received investment from the **Resilience and Recovery Loan Fund** which will help the enterprise to provide more work and employment opportunities to young people. Real Ideas supports young people in gaining employment and work experience through offering courses that provide them with practical skills and industry insight.
- Only 5% of small and medium sized enterprises in the UK are ethnic minority led. **Diversity Business Incubator** offers training and services to black, Asian and minority ethnic people, encouraging networking, mentoring and ultimately business development. With investment from the Resonance **Health & Wellbeing Challenge Fund (South West)**, Diversity Business Incubator aims to help more black, Asian and minority ethnic members to gain the confidence and skills that they need to start businesses and to become entrepreneurs.

1. Big Issue Invest data March 2022

OUR REACH



Photo: Mustard Seed Property purchased and refurbished a property for **Newquay Lighthouse Project**, which provides supported housing to individuals recovering from substance abuse.

3 RESONANCE IMPACT PROPERTY FUNDS

Our impact property funds have three distinct impact strategies – homelessness, learning disability and vulnerable women.

Resonance impact property funds are created and managed by Resonance Impact Investments Limited, a subsidiary of Resonance Limited.

LIFE CHANGING SOLUTIONS FOR PEOPLE IN HOUSING CRISIS

Working closely with our range of expert housing partners, our impact property funds ensure that tenants are able to access specialist support and that properties purchased meet their individual and family needs. For Resonance, this means a focus on positive tenant outcomes, setting our property funds apart. So as well as support they make sure homes are safe, accessible, refurbished to a high standard, energy efficient and affordable. This helps tenants to find stability, live with independence, maintain their tenancies and to build resilience against homelessness.

With three distinct impact strategies – homelessness, learning disability and vulnerable women – the funds are not only housing a mix of tenants and partnering with over twenty specialist housing partners, they are also attracting and raising investment from a wide range of impact-focused investors aligned to the funds’ mission to genuinely make a difference in the housing and homelessness sector.

The three impact strategies have helped shape our funds, indicating very strong reasons the funds are needed:

- 96,000 households in England are living in temporary accommodation in September 2021 (a 1.5% increase on 2020)
- 2,440 people estimated to be sleeping rough on a single night in autumn in England 2021
- 48,000 adults with learning disabilities receiving long-term social care support, but still living with their families, would prefer to live independently
- 60% of homeless adults in temporary accommodation are women and 33% of women’s homelessness is caused by domestic abuse

With seven homelessness property funds, Resonance’s impact in providing a solution to the UK’s housing crisis continues to grow, evident in the number of regions, including London, the South West, South East and North West, where properties are being purchased. This expansion into other regions is also providing place-based impact investing opportunities for investors such as local authorities and pension funds that are keen to address local housing needs to deliver positive local impact.

This property purchase, as with all our others, illustrates how, by working in partnership with housing partners and with investment from social impact investors, this collaborative effort is providing a sustainable solution to the UK’s housing crisis.

SUPPORTING TENANTS

Since our property funds first launched in 2013, around **3,000 people have now been housed and supported**, providing them with the stability to create positive futures for themselves, with some moving on to live in their own homes or into private rented housing.

WHAT OUR PROPERTY FUNDS ARE ACHIEVING

This last year has seen a number of key milestones for the Resonance homelessness property fund team. We continue to house people facing crisis and with our housing partners – which we have seen grow to twenty in the last year - deliver deep and lasting impact. Our impact property funds recently hit a fantastic and important milestone, **our 1,000th property!** The property is a three-bedroom terraced house in Bolton bought by the **National Homelessness Property Fund 2**, providing a family with a desperately needed decent, affordable and stable home for many years to come.

PORTFOLIOS & PLACE-BASED INVESTMENT

A further key milestone and new strategic direction for Resonance is the acquisition of our first property portfolio in Greater Manchester for **National Homelessness Property Fund 2**. The portfolio consists of eight two and three bedroom homes and seven one and two bedroom apartments situated in popular residential areas across the city region. It is the first of many portfolios we are looking to purchase and represents our intent to acquire more dispersed, affordable housing across the nine regions of England.

Portfolio purchases also form part of our place-based impact investing strategy to increase the growth of our housing stock. With impact investors such as pension funds and local authorities looking to deliver positive local impact in their regions, portfolio purchases enable us to respond quickly to meet local affordable housing needs.

We now have c. £320m across our seven impact focused property funds and have a strategy to scale the Resonance leasing model significantly over the next few years to deliver measurable social impact as well as sustainable risk adjusted returns to investors.



FOCUS 1: HOMELESSNESS

REAL LETTINGS PROPERTY FUNDS 1 & 2

NATIONAL HOMELESSNESS PROPERTY FUND 1

Since 2013, Resonance has worked in partnership with Real Lettings, the social enterprise lettings agency run by homelessness charity St Mungo's. It houses people who are homeless or at risk of homelessness in stable, private tenancies without deposits. Resonance's first three homelessness property funds – **Real Lettings Property Fund 1 and 2 (RLPF1 & RLPF2)** and **National Homelessness Property Fund 1 (NHPF1)** - have now fully deployed, having **bought and refurbished 823 properties** in London, Bristol, Oxford and Milton Keynes. Real Lettings manage the tenancies and support tenants, working with other partners to help them access specialist support services and become part of local communities.

Since they launched, these three established funds have **provided 823 homes for 2,883 people, including 1,422 children**, who were living in temporary accommodation and on long waiting lists for social housing.

Providing a stable base and a safe, decent and affordable place to call home is continuing to make a difference to tenants' lives. It is helping them to improve their resilience against homelessness, take steps towards employment, education and training and to feel more hopeful about their futures, including the option to move on into private accommodation and social housing. This has meant that in the last year the funds have seen 89.4% of households with positive/other move-ons.

This year the funds provided a stable home for more children than adults. Housing quality and the stability of a home have often been cited as key factors in the positive development of children, impacting their educational attainment as well as their mental and physical health. The stability created by the fund's homes is enabling children and young people to thrive and more likely to reach their potential.

REAL LETTINGS

Real Lettings is a social enterprise working as a social lettings agency, within homelessness charity St Mungo's. It helps provide homes for vulnerably housed and homeless people. The Resonance Homelessness Property Funds RLPF1, 2 and NHPF1 purchased residential flats and small houses, which are leased to Real Lettings and made available to individuals and families who are homeless, or at risk of homelessness.

INVESTMENT FOCUS

The Resonance Homelessness Property Funds were developed in response to the lack of private rented accommodation accessible to rising numbers of people living in temporary accommodation. The investment this year of £466,564, the final deployment of RLPF2, bought a home to provide for a family at risk of homelessness.

£466,564

from RLPF2 into
1 HOUSING PARTNER

Real Lettings

WHY THESE FUNDS ARE NEEDED



96,000 households in England are living in temporary accommodation in September 2021 (a 1.5% increase on 2020)



1 million people in England are on social housing waiting lists



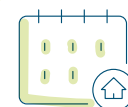
121,000 children in England living in temporary accommodation



9,780 households in temporary B&B accommodation – this includes **1,530 children** – in September 2021

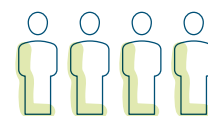


2,440 people estimated to be sleeping rough on a single night in autumn in England 2021



32,000 people have been living in temporary accommodation for 10 years whilst on a social housing waiting list

IMPACT SINCE LAUNCH OF RLPF 1 & 2 AND NHPF 1



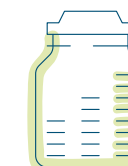
2,883
PEOPLE HOUSED



1,422
CHILDREN HOUSED



823
PROPERTIES



£198.5m
TOTAL INVESTMENT

HOUSING PARTNERS



St Mungo's is a leading UK homelessness charity. Their vision is that everyone has a place to call home and can fulfil their hopes and ambitions.

They provide support directly to clients, either to prevent them becoming homeless, or to respond to it and help them recover. They also build relationships with communities and the wider public, aiming to increase understanding of homelessness and empathy towards the people who experience it. St Mungo's also advocates for policy change by combining the voices of their clients with their experience of what works.



Developing Health and Independence (DHI) helps those who are excluded from society, and those at risk, to turn their lives around. Through practical and emotional support, they help their clients overcome barriers and behaviours that isolate them so they can establish connections and become part of their communities. They provide support around issues such as housing, debt, income, employment and substance misuse.

TENANT STORIES

MATT'S STORY

"I've done quite a few jobs and decided to move to Madrid, and was there for five years teaching English, before I decided to come back. I was 54 when I temporarily moved back in with my parents who were elderly and stayed with them for four to five weeks before I ended up becoming technically homeless.

"I literally sofa surfed for five to six months. But I was running out of friends' sofas that I could use, so I decided to go to Heathrow as it's a good idea to come to the airport if you haven't got anywhere to sleep. Simply because it's safe, it's warm. You can be safe there to tuck yourself away in a corner.

"I was there for about a year I suppose. I found myself with a group of people who would sleep around the terminals at night, and in the mornings go to libraries, go to McDonald's, and then come back to the airport again in the evenings. So, it was okay. But I was very much thinking, how am I going to get out of this.

"I was advised to apply for Universal Credit, which I did get in the end and so every month I used to put myself into one of the local Premier Inn type hotels and for a few nights have a decent bed, decent shower, decent meal from the restaurant, and basically get myself back to normal, but then have to get back to the airport.

"Then the pandemic hit. And we were all taken to various hotels in and around London, which was a godsend, to be honest. I spent three months in a hotel in central London, with three square meals a day.

"After that I was moved to a halfway house hostel type accommodation and was there for literally three weeks when an opportunity came up for a place in Hendon with Real Lettings. So then I came here. And it's been fantastic. It looked fantastic when I arrived. You know, I've got it how I want it. I've bought various items for the flat, and it's worked out very well. And I'm really, really happy.

"Having my own space has been a really good thing for me. I generally tend to do well, when I'm on my own and can sort out my own routine.

"I've got everything close by or a bus ride away, and there's a couple of tube stations, with good connections into central London, so it doesn't take me very long to get into work. And there is a good community spirit around here. Basically, having the space and being able to sort myself out has been a wonderful experience.

"Without this place, it would have been particularly difficult, especially because of the pandemic. This place has given me ample opportunity to improve myself and get some work and get into the local area and build contacts here."



WATCH MATT AND PAUL'S STORIES IN THEIR OWN WORDS.



PAUL'S STORY

We first met Paul three years ago when he was 61 and had already been living in one of our properties for around eighteen months, having previously experienced homelessness. His new home provided him with stability, and with support from our housing partner St Mungo's Real Lettings, he was able to rebuild his life, tackling his alcohol problem and securing employment as a crane lift supervisor.

However, when the pandemic first hit, Paul temporarily lost his job and had to claim Universal Credit for a time. This disruption was challenging for Paul as he needs routine to support his recovery. Thankfully though, after a few months Paul was able to start working again enabling him to continue to feel secure in his life and tenancy.

So three years on, it was great to catch up with Paul again as he explained the circumstances that originally led to his homelessness and the incredible impact having a safe, secure home has had on his life since he first moved in.

"I'm still an alcoholic, I'm still sober, I'm still working, and three years on, this is a nice follow up. I was sitting on a bench in Bow. I did one big bottle of cider, and I was looking down the neck of a second bottle and I realised then, that moment of clarity, that if I drank that bottle of cider, I'd be lost to it then, to a life on the streets. And it's then that I took a walk down to the hospital and then said, I need help.

"I've been very fortunate, with hard work, but I'm very fortunate to end up where I'm at right now, currently, at peace. I'm at peace in myself right now.

"When I moved into the flat in Hackney, it was really nice. I'd been in another property but that was only a short-term, temporary thing. I was on a waiting list: waiting, waiting, waiting. It's not until you get an offer, and you come, and you see, and you view it and it's like wow.

"You know, it's quiet, I know Hackney quite well, I lived in Tower Hamlets for a long time and everything else, so it's very central to where I was. My family are local and everything else but this flat itself, it's tucked away, it's secluded, a nice little cul-de-sac place and very welcoming, very nice to have.

"During the pandemic this place had a massive part to play. I mean, clearly you know, it's my home, at the end of the day. It's where I feel safe. This place had a massive, massive positive effect, you know, given the fact that the country and the world was going through this horrible thing.

"My plans for the future, is I think just to maintain a status quo here right now, and hopefully the future gets better with the economy and everything else. Live life, save, look to the future. I'm 64 this year. My retirement is looming very quick. I guess see where life goes from there."

FOCUS 1: HOMELESSNESS

NATIONAL HOMELESSNESS PROPERTY FUND 2

National Homelessness Property Fund 2 was created in response to the growing need for affordable housing, providing safe and decent homes for people in housing crisis. Initially, the fund focused on providing homes in the Greater Manchester region, where one in eighty-one people in Manchester is homeless, but the fund is now expanding into other regions across the UK including Liverpool City Region, Bristol, Oxford and London.

The fund launched with an initial investment of £20m in December 2020 and as of 31 March 2022, has raised £28m of its £300m target fund size.

Aiming to purchase 1,500 family and one-bedroom homes across the UK, the fund has so far partnered with a small number of established impact-driven housing partners including Let Us and DHI. And in line with its geographical expansion, the fund is continuing to gear up conversations with other local and national potential housing partners.

By working with local housing partners, the fund is tackling housing shortages within geographical regions of the UK, ensuring tenants are provided with the right homes and support for them in the areas within which they are already living, or to which they would like to move.

And as a place-based social impact property fund, it is providing an opportunity for local authorities and pension funds to invest in local, affordable housing, in the geographical area of the UK within which they operate, enabling them to make regional social impact on local housing crises but through investment in a nationally diversified fund.

The fund's housing partners ensure tenants are either provided with ,or signposted to, specialist support services enabling them to sustain their tenancies and maintain their homes, set down community roots, address any addiction, mental or physical health support needs, and re-engage with education or employment.

LET US

Working in the Greater Manchester area, three housing partners, which are part of the ethical lettings agency Let Us, have had properties leased to them from Resonance NHPF2 to house families and individuals in housing crisis. These housing partners are keen to provide the right homes for the right tenants and the fund works with each to ensure the properties sourced are what is needed. They are:



INVESTMENT FOCUS

At the very start of its deployment programme, the National Homelessness Property Fund 2 had by 31 March 2022 leased three refurbished properties this year, to Bolton at Home, Stockport Homes Group and Salix Homes, providing much needed safe affordable homes for families and individuals.

£449,861

into

3 HOUSING PARTNERS

Bolton at Home, Stockport Homes Group, Salix Homes

WHY THE FUND IS NEEDED



1 million people in England are on social housing waiting lists



15,000 single people in England are living in hostels



More than 274,000 people in England – including 126,000 children are homeless



97,000 households in Greater Manchester are on social housing waiting lists and 3,300 households are in temporary accommodation and in priority need

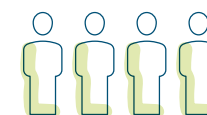


250,000 of these are living in temporary accommodation such as B&Bs



15,000 households in Bristol are on social waiting housing lists and 1,000 are in temporary accommodation

IMPACT IN THE LAST YEAR (START OF THE DEPLOYMENT TO 31 MARCH ONLY)



9

PEOPLE HOUSED



64

PROPERTIES PURCHASED



£28m

TOTAL FUND SIZE

HOUSING PARTNERS



The Greater Manchester ethical lettings agency Let Us is run by a group of housing providers: **Bolton at Home, ForHousing, Salix Homes, Stockport Homes Group** and **Wigan Council**. It has a long-established reputation for successfully managing tens of thousands of homes across Greater Manchester. It works with landlords to help tackle the housing crisis by offering the right homes to the right tenants, making more homes in the private rented sector available to tenants who really need them, whilst minimising risks to landlords through its proven and robust management approach.



Developing Health and Independence (DHI) helps those who are excluded from society, and those at risk, to turn their lives around. Through practical and emotional support, they help their clients overcome barriers and behaviours that isolate them so they can establish connections and become part of their communities. They provide support around issues such as housing, debt, income, employment and substance misuse.



**"BEST OF ALL,
IT'S NOT JUST A
PROPERTY WE'RE GIVING
SOMEONE - IT'S A HOME.
WE CAN ALREADY SEE THE
POSITIVE CHANGES THAT
ACCESS TO A STABLE HOME
HAS GIVEN TO JULIE AND HER
FAMILY AND I TRULY HOPE
WE CAN DO THIS FOR MANY
OTHERS IN HOUSING NEED."**

**DOMINIC WALKER, LETTINGS
& PROPERTY MANAGER
OFFICER, THREE SIXTY**

TENANT STORIES

JULIE'S STORY

Julie and her twin daughters were among the first tenants to be housed by National Homelessness Property Fund 2 in September 2021. We spoke to Julie not long after her family moved into their new two-bedroom home to find out how they were all settling in. At that time she explained how her new home was already having a positive impact on their lives: "My mental health and depression have improved already. And my children don't now have to get two buses just to get to school. We are back living in an area where I feel safe and where my children can go out in a familiar area."

Julie has now been living in her new family home for six months, so we recently caught up with her again to see how her and her daughters are getting on.

"I felt very relieved moving on from being homeless and in the homeless situation. It was all about the

children, relief for them. Our new home means stability. It means being back on track as a family. Without this home we'd still be in temporary accommodation, so existing, rather than having a life. I am proud of moving the children out of a hostel and seeing them change into young adults, as life is about achieving the most for your children.

"This home has helped us to be back living within a community rather than a homeless situation and negative environment. And the support I received was brilliant. It helped me initially set up the tenancy and helped me deal with any issues including the challenges of getting into the day-to-day running of a household.

"My plans for the future are to stay here for as long as possible. I don't want to move again – we are happy here."

CLIFF'S STORY

"The last premises I lived in was a private rental home and unfortunately there was a serious issue with the plumbing and sewers and so I had to leave. I had just come out of hospital and was at my wit's end and didn't know what to do. St Mungo's found me this place which was an absolute godsend.

"They say you need three things in life: food, water a roof over your head. And if you don't have a roof over your head your ability to mentally navigate life is gone.

"I see people sleeping on the streets and I feel for them. Without this place I think I'd be in the graveyard across the street. It was a really dark time for me, but this place has given me my life back."



FOCUS 1: HOMELESSNESS

RESONANCE EVERYONE IN FUND

At the initial outbreak of the pandemic, the rough sleeping community were some of the most vulnerable people at risk. In a matter of days, councils and homelessness charities across the UK successfully managed to get thousands of people off the streets. Quickly coined 'Everyone In', the project allowed 6,000+ people in London alone, to be provided with a safe, temporary place to live, and healthcare and addiction support. With 11,018 people sleeping rough in London in 2020/21, this seemed to be the opportune moment to grab the momentum and create a solution, through the creation of the Resonance Everyone In Fund.

In March 2021 the fund was created - at speed in just a few short months - launching with £12.5m in seed investment from the Mayor of London (Greater London Authority) and Big Society Capital. The fund had an ambition to raise £15m in investment but this target was quickly exceeded following additional investment from four new investors: Trust for London, Monday Charitable Trust, Guy's & St Thomas' Foundation and an individual investor, taking the final fund size to £16.5m.

The fund's aim is to purchase over fifty one-bedroom properties in London to provide around 200 people sleeping rough with a refurbished and settled home over the fund's lifetime. As of 31 March, the fund has acquired 48 homes with many of these now providing safe, decent and stable homes for tenants.

NACRO

The homes purchased by REIF have been leased to housing partner Nacro. Nacro secured four-year funding from the GLA, to provide tenants with a wrap-around support service, enabling them to maintain their home, set down community roots, address any addiction, mental or physical health support needs, and re-engage with education or employment. This will enable more people to leave rough sleeping behind and live in supported accommodation.

INVESTMENT FOCUS

The properties purchased by the fund are chosen with Nacro to ensure they will meet the needs of individual tenants. Once they have been purchased and refurbished, including enhancement of their environmental credentials, they are handed over to Nacro. The housing team at Nacro is responsible for furnishing each property, ensuring they are homely, practical and welcoming for tenants when they move in.

£8,316,363

into
1 HOUSING PARTNER

Nacro

WHY THE FUND IS NEEDED



11,018 people rough sleeping in London, a 3% increase on 2019/20



The average age of death for people experiencing rough sleeping or in hostels is **46 for men and 42 for women**



7,531 people rough sleeping in London for the first time (68% of all people sleeping rough), a 7% increase on the number of new rough sleepers 2019/20



People sleeping rough are **nine times more likely** to take their own life than the general population



94% increase in rough sleeping numbers in London since 2011/12



People sleeping on the streets are **seventeen times more likely** to be the victims of violence

IMPACT IN THE LAST YEAR



48

ONE-BED PROPERTIES PURCHASED



30

PROPERTIES HANDED OVER TO NACRO



22

PROPERTIES TENANTED



6

INVESTORS



£16.5m

TOTAL FUND SIZE

HOUSING PARTNER

Nacro
WE CHANGE LIVES

Nacro is a national social justice charity with more than fifty years' experience of changing lives, building stronger communities, and reducing crime. They house, educate, support, advise, and speak out for and with, disadvantaged young people and adults. They are passionate about changing lives. They never give up. They help around 32,000 people each year.

TENANT STORIES

STEVE'S STORY

After being kicked out of his home as a teenager, by his dad, Steve described rough sleeping as the only option left for him. He experienced months of depression, addiction, and was forced to quickly learn how to survive on the streets.

"It's one of the worst feelings I've ever had, not having nowhere to go, no one to turn to. I wouldn't wish it on my worst enemy.

"You got other guys on the street, but a lot of them got mental problems. They've just come out of jail for various offences and all that, so you've just got to have eyes in the back of your head. It takes more out of you than people realise."

After recovering from addiction, Steve has now been clean for a year. He's been supported in his move into

a flat in Lewisham with Nacro, which provide tenants with a support service to help set down community roots, address any addiction, mental or physical health support needs, and re-engage with education or employment.

"The first time I moved in here I knew it was the right place. I mean, coming from a hostel where you got all them people around you just to my own four walls, it's bliss.

"Normally in London you hear sirens and stuff all over the place, not here, you know. And it was furnished as well, which is a major thing. Otherwise I would have had to sleep on cold floors again. I can't explain how good it is, you know, having my own place."

"A SECURE, LONG-TERM HOME SHOULD BE A BASIC RIGHT FOR EVERY LONDONER, BUT A DECADE OF AUSTERITY AND THE ECONOMIC CRISIS CREATED BY THE PANDEMIC MEANS FAR TOO MANY PEOPLE HAVE FOUND THEMSELVES ON THE STREET OR IN TEMPORARY ACCOMMODATION."

**MAYOR OF LONDON,
SADIQ KHAN**

Photo: Steve with his **Nacro Housing** Support Worker Seth.

FOCUS 2: LEARNING DISABILITY RESONANCE SUPPORTED HOMES FUND

There is a housing and inequality crisis facing people with learning disabilities and autism, with too many people living in completely inappropriate accommodation, facing challenges and barriers in accessing decent and sustainable housing that meets their individual needs. This can include the lack of availability of the right properties in the right locations, specialist property adaptations needed and lack of local, community-based support. However, when all the stakeholders involved are aligned, tenants and their families, housing and care providers, local authorities and more – the result is one where more people can choose where and how they want to live their life; in the right home, adapted to fit their needs, chosen by the tenant and with a person-centred support package.

The Resonance Supported Homes Fund launched in July 2020 as a pioneering solution to this acute housing shortage. Working in partnership with the fund, initial housing partners United Response and Reside With

Progress identify and ensure every property the fund purchases is right for the needs of each tenant. For some people this might be shared housing in a house or bungalow and for others, self-contained studios in a larger property. Importantly, all properties are based within local communities, close to amenities and facilities. Once purchased, the fund refurbishes and refits properties according to tenants' needs before leasing them to its housing partners. Properties are then let to people with learning disabilities and autism with a secure tenancy. Tenants are also provided with and choose the level of specialist support they need in order to manage their tenancies and lead their lives with choice and independence.

In the last year, the fund purchased its first properties and has handed one of these – a multi-occupancy property – over to United Response that has started to house tenants.

UNITED RESPONSE

United Response needs more properties to support the adults with learning disabilities, autism and mental health they are supporting. The properties they need include self-contained and multiple occupancy flats/houses/bungalows and blocks of flats with self-contained units.

The fund works closely with its housing partners to ensure that properties purchased are suitable for the needs of every tenant. This means that tenants and their families are actively consulted during the property purchase and refurbishment stages to ensure the fund is buying the right homes for them.

INVESTMENT FOCUS

The fund purchased a shared property in Lowestoft for three young adults who wanted to live together and who were already being supported by United Response. Working in partnership with all stakeholders, the four-bedroom property was identified as being suitable – following refurbishment – for the individual and collective needs of the three tenants. These tenants now have a shared home of their choice in a local community they know well and with bespoke support enabling them to find employment and live their lives how they choose to.

£795,000
into
**1 HOUSING
PARTNER**
United Response

WHY THE FUND IS NEEDED



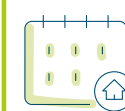
1.5 million people in the UK have a learning disability and **1 in 100** have autism



1,140 (56%) of these 2,040 people had been living as inpatients for more than 2 years



21.7% of people in the UK with a learning disability do not live independently or with family and friends



The average length of stay of autistic people and people with learning disabilities in assessment and treatment units is **six years**



2,040 people with learning disabilities or autism were living in hospital inpatient facilities as of end February 2022



48,000 adults with learning disabilities receiving long-term social care support, but still living with their families, would prefer to live independently

IMPACT IN THE LAST YEAR



AUTUMN
2021
**FIRST PEOPLE
HOUSED**



£15.2m
**CURRENT
FUND SIZE**



4
INVESTORS



2
**HOUSING
PARTNERS**

HOUSING PARTNERS



United Response is a national charity that works with adults and young people with learning disabilities or mental health needs. They are a community-based organisation working in England and Wales, providing bespoke residential care, supported living, day services and employment support. United Response has particular expertise in working with people with complex needs including those with profound learning disabilities.



RWP is one of the UK's largest providers of supported living accommodation for people with a learning disability, autism, an acquired brain injury or a mental health condition.

As a housing provider, it seeks to positively impact people and communities by providing high-quality homes, supporting independence, and creating opportunities.

It works closely with commissioners, health bodies, care/support providers, and local authorities to design housing solutions and provide homes for its tenants that meet their needs.

FOCUS 3: VULNERABLE WOMEN WOMEN IN SAFE HOMES FUND

The **Women in Safe Homes fund** is a gender-lens impact investment property fund helping address the housing crisis for women escaping domestic abuse, leaving the criminal justice system and at risk of or experiencing homelessness. It was launched in December 2020 as a joint venture of Resonance and Patron Capital.

There is a chronic shortage of safe, decent and affordable housing for women at risk of and experiencing homelessness. This includes women who have experienced domestic abuse and are in need of a safe place to escape to from their abuser, women who have been released from prison and are at an increased risk of the cycle of reoffending when they don't have a safe and stable home to go to; and women - often with children - living in temporary, poor and inappropriate accommodation, struggling to afford housing costs.

The fund uses social investment and property sector expertise to buy and refurbish properties – a mix of emergency refuge accommodation and two- and three-bedroom homes – leasing them to its expert, gender- and trauma-informed housing provider partners.

One of the important differentiators of the fund is the specialist wrap-around support provided to women by the fund's partners. This holistic approach means women are not only provided with a safe and stable home but with support, they are empowered to take control of and create lives of their choosing, for themselves and their children.

As part of its commitment to ensuring success in creating positive social impact for women, the fund appointed an all-women senior board of advisors, a first for an impact investment fund with a gender-lens homelessness focus. The board consists of a diverse group of women who bring with them a range of backgrounds and experience.

The fund has now raised £28.2 million, the majority of which has already been allocated to pipeline investments based on housing partners' immediate requirements.

DAIZYBELL, NACRO & SAFER PLACES

Three properties were purchased this year for three Women in Safe Homes fund housing partners.

INVESTMENT FOCUS

In the last year, the fund purchased its first properties in three regions of the UK and three housing partners were leased a property: Daizybell, Nacro & Safer Places. Each of the housing partners specialise in supporting women who have become homeless for a variety of reasons, and the fund purchases properties with the housing partners, to meet women's specific housing needs.

£2,888,098

into

**3 HOUSING
PARTNERS**

Daizybell, Nacro, Safer Places

WHY THE FUND IS NEEDED



1.6 million women in the UK experienced domestic abuse in 2021 and **33%** of women's homelessness is caused by domestic abuse



77% of women are released from prison without safe and secure accommodation to go to



57% of women in prison have experienced domestic abuse



12.9% of reported victims of domestic abuse are women of mixed ethnicity – the highest for any ethnic group



35% of women who had slept rough left home to escape violence



60% of homeless adults in temporary accommodation are women



4 in 5 black and minoritised survivors of domestic abuse are turned away from refuges due to barriers including language and cultural familiarity, and lack of sufficient provision for women with insecure immigration status



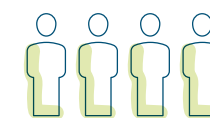
61% of referrals to refuges are turned away due to lack of space or capacity to support the woman's needs

IMPACT IN THE LAST YEAR



29

**PROPERTIES IN
THE PORTFOLIO
SO FAR**



11

**PEOPLE
HOUSED TO DATE**



5

**CHILDREN
HOUSED**



£28.2m

**CURRENT
FUND SIZE**



19

INVESTORS



7

**HOUSING
PARTNERS**

HOUSING PARTNERS



SaferPlaces (formerly known as Harlow Women's Aid) has over forty years' experience in delivering holistic support services to adult and child survivors of Domestic Abuse across Essex and Hertfordshire. Over the years Safer Places has grown and adapted their services to meet the needs of the communities they serve. The fund is purchasing properties across the South East for Safer Places. These properties will house women seeking crisis refuge accommodation.



Daizybell Homes is a sister organisation of Bradford Rape Crisis, a feminist organisation run by women for women and girls. It provides support services which are free, independent and confidential to hundreds of women and girls each year. The fund is purchasing a small portfolio of family homes in Bradford, which are being tenanted by women and their children fleeing domestic abuse.



Refuge opened the world's first safe house for women and children escaping domestic abuse in Chiswick, West London, in 1971. Since then, it has grown to become the country's largest single provider of specialist support to women and children escaping domestic abuse and other forms of gender-based violence. On any given day, Refuge supports more than 6,500 women and children. The fund is purchasing large housing of multiple occupancy space in London and the South East to house women and their children fleeing domestic abuse and in need of emergency, crisis accommodation.



Nacro is a national social justice charity with more than fifty years' experience of changing lives, building stronger communities and reducing crime. Nacro helps around 32,000 people each year. The fund is purchasing two and three bed properties across England for Nacro, which will provide shared homes and specialist support for women leaving prison.



Winner, Preston Road Women's Centre in Hull is an award-winning, pioneering organisation offering a range of integrated services under one roof for women and children experiencing violence and abuse. Since 2007 it has been developing its own housing portfolio to offer safe homes for women and children fleeing violence and abuse.

This year the fund acquired two new housing partners, with conversations with others progressing:



Ella's helps women who have survived trafficking and exploitation. The team at Ella's provide urgent safe house accommodation, care and rehabilitation, and long-term support to help women stay free and build safe lives.



Stop Domestic Abuse provides support to women, plus refuge accommodation for women and children, as well as community-based support for victims and survivors.



"WOMEN IN SAFE HOMES IS ENABLING US TO OPEN OUR THIRD SAFE HOME IN LONDON FOR SURVIVORS OF TRAFFICKING. IT HAS BEEN WONDERFUL TO WORK WITH THE TEAM AT RESONANCE AND GREAT TO BE PART OF A LARGE NETWORK OF ORGANISATIONS WHO ARE DOING INCREDIBLE WORK."

**MINKE VAN TIL,
CO-DIRECTOR, ELLA'S**

A TENANT'S STORY

SELIMA*, 39

Having suffered from repeated physical, psychological and sexual abuse, Selima fled her perpetrator and looked for help with her local social housing association, which referred her to the fund's housing partner. The violence included causing criminal damage to the shared house and complete forced isolation from the family. Selima has a disability, is in need of regular medication and health supervision, and has challenged mobility. Using specialised tools the risk score of her staying with the perpetrator was assessed as high.

Selima was able to access the fund's housing in early April 2022. She has been supported on a weekly basis through a holistic approach offered by the housing partner in multiple areas of life, ensuring she has foundational safety and space to start her recovery. Her health and wellbeing needs, including suffering from anxiety and depression, are being addressed through local GP and counselling services. For her financial aid, all her claims have been promptly filed and separated from the perpetrator's where necessary.

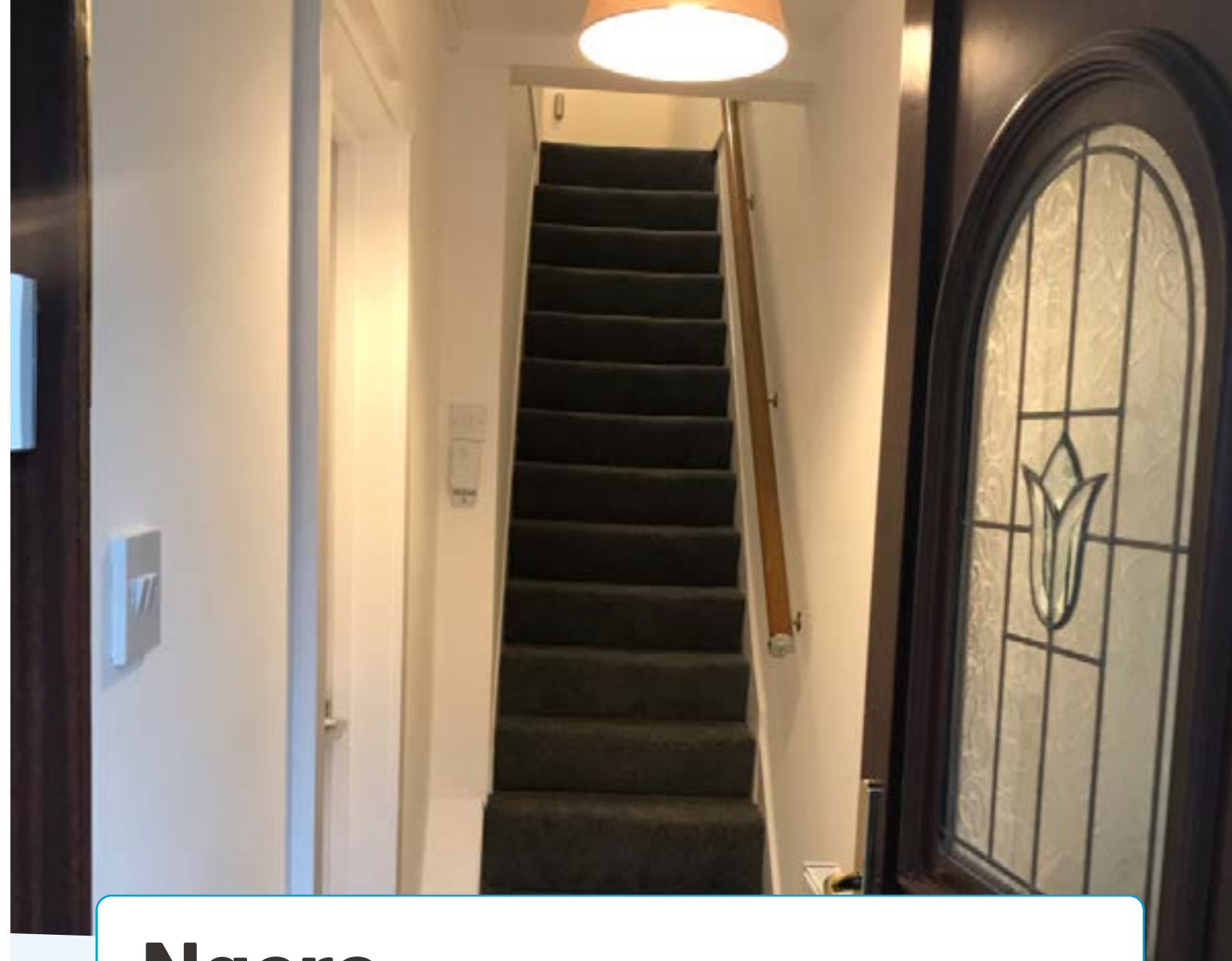
* Not her real name

Safety planning sessions are happening regularly, and Selima has started looking towards the future: She has completed a volunteering application and is now volunteering at the local food bank and has just been accepted to assist in English for Speakers of Other Languages (ESOL) classes. Her support also includes regular access to a nearby church where she was able to start bible classes, meeting her religious needs.

One of the very important outcomes is that Selima was able to reconnect to her family, recently meeting them in person for the first time after being isolated.

On meeting Selima for the first time, the support worker reported witnessing a very tearful and emotional woman, who after completing the booking-in process and being taken to the safe accommodation broke down in tears. The support worker thought it was because of the realisation of leaving the abuse, but in fact Selima explained that she was overwhelmed with the safe accommodation, how homely it was and how lucky she felt.

Her support worker said: "Now that she's realised these support services and accommodation are available, she is just flying. She is so lovely."



Nacro
WE **CHANGE** LIVES

NACRO: A PROPERTY CASE STUDY

Nacro provides women leaving the criminal justice system with safe, decent and stable homes where, with specialist support, they can turn their lives around. Their requirement for housing from the Women in Safe Homes fund is for two and three bedroom properties, which will each house two to three women, as shared housing.

Shared housing is an important aspect of Nacro's housing requirements: The homes provide women with a stable base; Nacro provides support to women through its resettling services, and by sharing a home, women living together are also providing support to each other, aiding their rehabilitation, social inclusion and chances of positive outcomes.

The fund has already purchased, refurbished and handed over several properties in London, Reading and Maidstone to Nacro with more in the pipeline. Nacro has furnished these properties to ensure a homely and practical welcome for women who otherwise might not be in a position to furnish their homes, and is now safely housing a small number of women.

Properties like this one, are chosen with Nacro, based on the needs and requirements of the women being housed. It is a decent family-sized home with three double bedrooms and communal areas via the kitchen/dining and living rooms, for up to three women. It also has a private and enclosed garden for women to enjoy outdoor space, and crucially it is well served by local amenities including supermarkets as well as nearby support services.

HOW OUR FUNDS HAVE IMPROVED EPC RATINGS: A CASE STUDY

During the reporting period to 31 March 2022, Resonance Supported Housing Fund has begun to purchase and refurbish a number of properties for one of its initial housing partners United Response. As an example of the fund's approach to improving environmental performance of its properties a case study is provided below of a specific property where the fund has improved the EPC rating from E to C. All our funds are working to achieve this same improvement of EPC ratings.

The property is a four-bedroom, detached property in a residential area of Lowestoft, Suffolk and was bought for United Response for three young adults who will live in the property together. The property is tucked away in one of the town's suburbs and whilst it was well maintained and modern when purchased it still had to go through significant refurbishment to a high standard, ensuring it meets the exact needs of all three tenants.

To improve the property's EPC rating from an E to a C, it underwent several major improvements. This included a new and more efficient boiler and gas meter, and new electrical systems including a full re-wire and functionality at a higher capacity. And as well as new décor throughout, the property has also had a new kitchen and bathroom fitted, and a garage conversion to new office space for the housing provider's staff.

These improvements mean that the property is now much more energy efficient with an improved environmental impact. The improved EPC rating ensures the tenants will be warm in the house in the colder months and should help reduce everyday running costs.

Following refurbishment, the property has now been handed over to United Response, which will make it ready and homely for the three tenants to move into.

"THE LOWESTOFT PROPERTY IS IDEAL FOR THE INDIVIDUALS WHO WILL BE LIVING THERE, IT IS CLOSE TO ALL SUPPORT NETWORKS AND WE ARE LOOKING FORWARD TO WELCOMING THE THREE YOUNG ADULTS IN THE NEXT MONTH OR TWO, ONCE REFURB HAS BEEN COMPLETED."

**MARK DYER,
UNITED RESPONSE**



BEFORE



Photo: NHPF2 property in Greater Manchester after refurbishment. During refurbishment, properties are brought up to a high standard of décor as well as making improvements to energy performance, in order to lower carbon footprint, and consequently lowering bills for tenants.

4 **IMPACT LABS**

Photo: **Greenwood Music** works with community groups to help get volunteers from disadvantaged areas into the outdoors, by delivering workshops in forty acres of ancient woodland in Cornwall.



DEVELOPING COMMUNITIES

Supporting and investing in communities through asset development projects has become even more important to Resonance over the last twelve months. Our Developing Communities team has been working on a wide range of initiatives that directly tackle some of the most pressing issues at a local level, including bringing empty homes back into use, and helping to secure facilities at risk of closure such as theatres. We have also been working with our Impact & Innovation colleagues on ideas for a **High Street Buy Out Fund**, which aims to enable communities to become the owners and operators of properties along their high streets.

This financial year **Resonance Community Developers** reached a major milestone, with the fund raising £5m from Big Society Capital, matched by grant funding from the Access Foundation of £4m.

The Developing Communities team is part of **Resonance Impact Labs**, working with colleagues to find innovative new solutions to increase the opportunity for communities to build and develop the assets they need locally.

COMMUNITY ASSETS



COMMUNITY-LED

2 FUNDS

Resonance Community Developers
Affordable Homes Rental Fund

Focused on:

Affordable housing, sports and leisure facilities,
renewable energy generation



COMMUNITY SHARE OFFERS

1 SHARE OFFER

East Marsh United

Focused on:

Bringing empty homes back into use

With thanks to our investors in Resonance Community Developers:



With thanks to our investors in the Affordable Homes Rental Fund:



WHAT OUR COMMUNITY ASSETS FUNDS ARE ACHIEVING

Our long-standing **Affordable Homes Rental Fund**, which has assisted community groups to secure affordable homes in their communities, is entering its final year before exit. One of the investees was able to re-finance their loan during this year, helping them to plan ahead for future projects and enabling a partial capital repayment to the fund's investors. Three investees remain in the fund, one of which has two loans.

Resonance Community Developers (RCD) made twelve investment offers, which would provide a further £374,900 into pre-development feasibility, to progress four existing community initiatives and help eight new groups start their incorporation process. £55,000 of this investment has been drawn down into three organisations in the year, with the rest to follow.

INNOVATIVE & PROACTIVE COMMUNITY GROUPS

Langley Community Benefit Society (LCBS) in Middleton, Greater Manchester secured approval for £94,900 of additional investment from RCD alongside £6,500 of match funding, to appoint a project manager and prepare their planning application, building upon the viability testing commenced in the previous year. Their first project seeks to deliver sixteen social rent properties in the heart of their estate, offering a mix of one, two and three bedroom homes.

Across in Trafford, also preparing their planning application is **Firs Community Benefit Society**, with a further £150,000 of RCD investment and £25,000 of matched funding towards site investigations, a project manager and design fees for a new community sports centre to replace and relocate outdated facilities. Firs then intends to redevelop the redundant sports site for community housing. Greater Manchester Centre for Voluntary Organisation has assisted Firs with skills audits and the group has been taking on new members to help fill some of their knowledge gaps.

Leigh Spinners Mill have progressed with a second investment, bringing their total RCD commitment to £35,000 for the conversion of part of Leigh Spinners Mill in Wigan. The Trust, which owns the freehold, was successful in attracting a grant from the Community Ownership Fund towards the refurbishment of the Mill's building fabric.

In Rochdale, the **Central Rochdale Community Land Trust** have appointed four new community-based directors and commenced their second project; to acquire and convert unused properties into affordable homes.

New RCD investees starting their journeys include **Timperley Sports Club** in Trafford, **MOR Land Trust** in Cornwall and an **Eco Village** proposal in the Forest of Dean. The community co-ordinators will be assisting these groups through the incorporation of a community benefit society, undertake skills and training audits, prepare policies and start scoping their first development projects.



Photo: RCD - Supporting and investing in communities through asset development including affordable homes, leisure and sports facilities, and renewable energy projects.

RESONANCE COMMUNITY DEVELOPERS

DELIVERING COMMUNITY OWNED ASSETS

Resonance's community assets development funds have been designed following twenty years of working with and investing in communities.

We learnt with the **Community Share Underwriting Fund** and the **Affordable Homes Rental Fund** that markets, community needs and business models can change during the lifetime of an investment fund, and so in designing **Resonance Community Developers**, we deliberately built in an ability to respond to those changing needs over time.

The pandemic has changed many aspects of how communities achieve their desired outcomes. During this year, some of our groups have become more tech-savvy, whilst the reliance on face-to-face relationships of others has been highlighted.

Resonance Community Developers links community groups with a community co-ordinator; an organisation based locally with strong networks to partner organisations. They have a remit to assist the groups throughout their journey, from incorporation of their community benefit society to completion of a development project. The way our community co-ordinators have delivered services to RCD investees has evolved during the pandemic, finding the best ways to support each group and their individual needs.

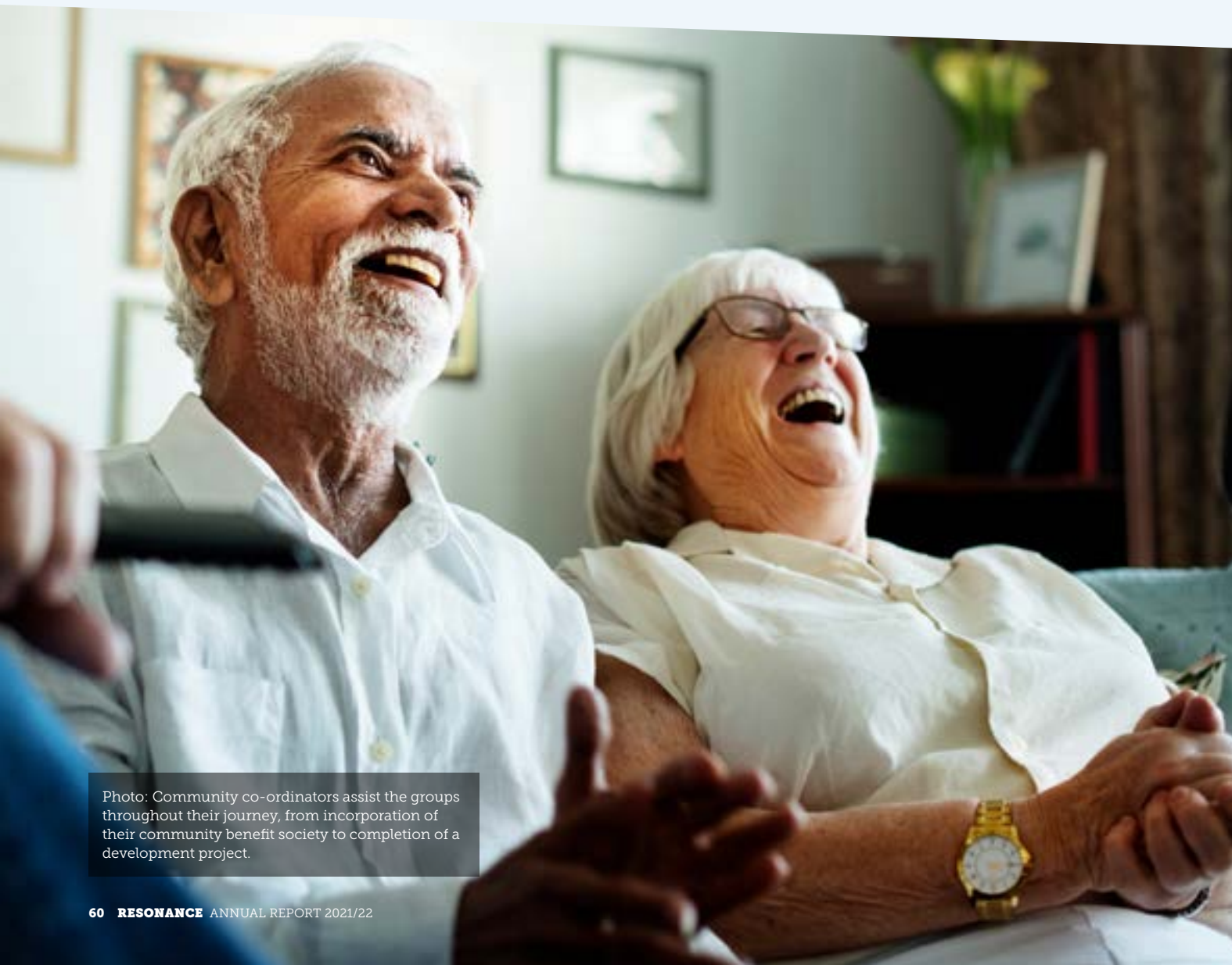


Photo: Community co-ordinators assist the groups throughout their journey, from incorporation of their community benefit society to completion of a development project.

WHY THIS FUND IS NEEDED

AFFORDABLE HOUSING



There is a chronic shortage of affordable homes and **92%** of local authorities are not meeting affordable housing needs. The Government plans to build 300k new homes every year to match demand and keep housing costs affordable, but **less than 250k were built last year**, the highest rate in a decade



£2.5 billion of capital funding is required to deliver the **12,000** affordable homes in the National CLT Network pipeline of **50** community-led housing projects across the country

COMMUNITY RENEWABLES



According to Community Energy England, community energy will help reach local and national net zero targets whilst keeping important social issues at the heart of the energy transition such as **fuel poverty and demand reduction**



Community energy organisations employed over **430 people** and raised over **£30 million** in community shares in 2020

COMMUNITY SPORT & LEISURE FACILITIES



24% of community groups report that they **don't have access to appropriate facilities**



Community sport and physical activity was estimated to **deliver £85.5 billion of social and economic impact** through delivering tangible outcomes in health and wellbeing, educational attainment, and crime prevention



Sport England (in a report released by the Local Government Association) says that up to **63% of community sports halls are more than 10 years old** and nearly a quarter of all sports halls and swimming pools have not been refurbished in more than 20 years

LOCAL NEEDS BEING DELIVERED BY COMMUNITIES

Resonance Community Developers was created to support one of the main priorities of communities across the UK: the provision of affordable housing, helping families and networks stay together and make communities more sustainable. This very much matches the aims of our property funds - safe, secure and affordable homes for people, near their families and networks. Resonance Community Developers also enables further investment in communities to promote health and wellbeing, by creating the facilities whereby people can supplement their daily lives with activities that support personal growth, resilience, physical and mental health, as well as social cohesion and employment opportunities. This has become especially important post COVID-19.

Additionally, sustainable communities are doing their part for the environment and the climate, by providing more energy efficient, carbon neutral homes and facilities with lower running costs. Although generally on a small scale, these projects are innovative and focused on local need and together make a significant contribution.

People that are working together to secure the homes and facilities they need, feel involved and invested in their own community success and know they can make a difference – all of which contributes to sustainable communities.

COMMUNITY GROUPS WE HAVE WORKED WITH THIS YEAR:

- Langley Community Benefit Society
- Moretonhampstead Community Development Trust
- Central Rochdale Community Land Trust
- Chadderton Community Benefit Society
- Firs Community Benefit Society
- Hollinwood Community Land Trust
- ACT Fal
- Tiny Homes Bristol
- MOR Land Trust
- Tuf*C
- Forest of Dean Eco Village

LEIGH SPINNERS MILL, TIMPERLEY SPORTS CLUB & LAUNCESTON COMMUNITY DEVELOPMENT TRUST

Whilst RCD has worked with eleven community groups this year. £55k of investment has been drawn down into three community groups.

INVESTMENT FOCUS

The investment into Leigh Spinners is towards the conversion of Leigh Spinners Mill. The other two investments are helping Timperley Sports Club and Launceston Community Development Trust in the early stages of their projects.

£55,000
into
3 COMMUNITY GROUPS

SPOTLIGHT ON TWO PROJECTS

LANGLEY COMMUNITY BENEFIT SOCIETY

RCD is supporting Langley residents to develop up to one hundred zero-carbon affordable homes, built around active lifestyles within their estate. The first phase will deliver c. 20 homes for rent by local people.

The Langley estate has seen a lot of social housing demolished and replaced with private homes in recent years. Many families and young people want to stay in the community but are struggling to afford the private rents and there are not enough social homes to meet demand. Use of foodbanks, zero-hour contracts and low incomes are common.

The Langley Community Benefit Society wants to build homes to:

- Stop extended families being split up as they have to move out of the area due to availability of affordable housing
- Reduce disputes between people who are competing for limited social housing
- Relieve tensions between locals and people being moved into the area
- Provide training/employment opportunities for local people, especially during construction
- Build homes that are energy efficient and reduce running costs

FIRS COMMUNITY BENEFIT SOCIETY

Firs CBS, a Lottery Big Local programme, supported by Irwell Valley Housing Association and Trafford Council is receiving support from RCD to deliver a leisure/wellbeing centre and a housing regeneration scheme.

A priority is to relocate and extend the community and sports facilities to a site adjacent to the health centre. Then, the existing community centre site is to be developed as community housing with support from the Greater Manchester Community Led Housing Hub.

Firs CBS wants to ensure:

- Provision of state of the art wellbeing and leisure facilities to tackle health inequalities
- Build new affordable/social housing to address the demand of housing need in the locality
- Future proofing housing through design, modern methods of construction and energy efficiency
- Provision of training and employment opportunities for local people during the construction phase



Photo: Leigh Spinners Mill CBS - driven by the community, providing innovative sports and leisure provision.

COMMUNITY ASSETS DIRECT DEALS

Sometimes investment from one of our investment funds is not the most appropriate source of finance for a social enterprise. For example, it might be the wrong scale or geography, or that the social enterprise has different capital needs. In addition to community shares, Resonance works with organisations to find alternative, suitable sources of finance such as debt from social investment funds or banks.

This year the Developing Communities team arranged investment into two social enterprises that we have worked with before: **Sunflowers Care** and **Mustard Seed Property**.

MUSTARD SEED PROPERTY

Acquires properties for charities and housing partners to help them provide more support for people who may be in danger of homelessness for a variety of reasons - learning disability, substance abuse. The properties create space for vulnerable people to flourish across Cornwall and the Isles of Scilly.

INVESTMENT FOCUS

Mustard Seed Property now owns three properties, which they have purchased using the proceeds of community share raises (with a small mortgage in place on the first property). The new facility arranged this year will be used to redevelop and refurbish properties two and three, so they can be leased to housing partners.

£950,000

into

**2 SOCIAL
ENTERPRISES**

SUNFLOWERS CARE

Specialises in caring for four children with highly complex and challenging needs who reside permanently at their property. This care provision is typically a "last resort" for children with nowhere else to go, and who would otherwise be in hospital – sometimes for the whole of their lives. The Sunflowers team provides best in class care and long-term stability for the children and their families to "help children live ordinary lives in extraordinary circumstances".

INVESTMENT FOCUS

To provide a mortgage so they were able to move from rented premises to a permanent freehold property, which is better suited for the long-term. Also, importantly it is in the same village (where the children cared for are involved in village life and are part of the community).

COMMUNITY SHARE OFFERS

Whilst there were no community share offers completed in the reporting year, Resonance supported **East Marsh United** community group to launch its community share offer. The community share capital that will be raised will be used to purchase, refurbish, and convert up to ten empty and derelict homes in the East Marsh of Grimsby; which will be ethically let at affordable rates to local people and families.

WHAT ARE COMMUNITY SHARE OFFERS?

Community share offers are an alternative source of finance for community enterprises, where Resonance funds may not be the most appropriate source of finance.

Community shares are an effective and democratic way for communities to secure the assets they need. They are designed so that members of a community can put their money to work to purchase any income-generating asset that is needed by the community. This will keep the asset safe for future generations and in community ownership in perpetuity.

Community shares are unique to community-led organisations such as community benefit societies or co-operatives and can be used to raise money for local facilities such as shops, pubs, village halls, affordable housing or community farms. Their main aim is to help grow sustainable and resilient communities.

WHY COMMUNITY SHARE OFFERS WORK FOR COMMUNITIES:



Keeps assets safe for future generations and in community ownership in perpetuity and help grow sustainable and resilient communities



According to the Community Shares Unit (CSU): Since 2012, over £155m has been raised by over 104,203 people in community shares across the UK into over 450 co-operative and community businesses including shops, pubs, renewable energy schemes, housing projects and community hubs



Community shares are a flexible and effective way to raise finance: an incredible 92% of all businesses that have used community shares are still trading according to CSU



Photo: **Sunflowers Care** look after children with complex and challenging needs.

GROWING ENTERPRISES

Our Growing Enterprises team is part of Resonance Impact Labs. Alongside the team in Developing Communities and Impact & Innovation, we aim to find innovative new solutions for our social enterprises to access capital and scale impact, whilst piloting systemic change.

The Resonance Enterprise Growth Funds invest into high impact social enterprises. They provide patient and flexible finance to help enterprises grow, enabling them to widen their impact and deliver their vital services to more people. Investment from the funds is dependent on where impact is being delivered and the nature of the impact.

By investing in impact driven social enterprises, our enterprise growth funds look to develop the eco-system and wider social economy around our property fund solutions. This may often fill the gaps in the vital services of state provision and includes wrap-around support for individuals in many areas of their lives: physical and mental health and wellbeing social care, work and employment, education and learning, dismantling poverty and disadvantage. The team is increasingly focused on the transition to a low carbon economy and how this is achieved whilst also reducing the inequalities of which we are already familiar. You can read some of the stories of these transformational social enterprises that have received investment from the Growing Enterprises team, over the next few pages.



Photo: Somerset Woods provides volunteer and training opportunities for those facing a disadvantage, such as long-term unemployed.

WHAT OUR ENTERPRISE GROWTH FUNDS ARE ACHIEVING

ENTERPRISE GROWTH



HEALTH & WELLBEING IN THE SOUTH WEST

1 FUND

Health & Wellbeing Challenge Fund (South West)

Focused on:

Innovative social enterprise, Health & Wellbeing, South West



SOCIAL INVESTMENT TAX RELIEF

2 FUNDS

Resonance South West Sitr Fund
Resonance West Midlands Sitr Fund

Focused on:

Using social investment tax relief to provide affordable loans to social enterprises that are dismantling poverty in the South West and the West Midlands

With thanks to our investors in the Health & Wellbeing Challenge Fund (South West).



We would also like to thank our 200 individual investors and their wealth managers in our social investment tax relief funds.

SOCIAL INVESTMENT TAX RELIEF

In Sept 2021 we formally stopped raising funds into our two existing regional Sitr funds after the Government decision to extend the Social Investment Tax Relief only temporarily (until April 2023). Across the two live funds we have raised over £4.9m from investors. The final investor capital in the **Resonance South West Sitr Fund** was deployed into two investments totalling £106k. During the period we saw the scheduled loan repayment in full of the Bristol Street Impact investment, returning £112,500 to investors. This brings the total capital returned to investors to £352,500. **By April 2022 the fully invested fund was made up of investments into thirteen impactful social enterprises, with a total of sixteen separate investments into them.**

The **Resonance West Midlands Sitr Fund** has now invested £1.15m into ten social enterprises tackling poverty and disadvantage across the West

Midlands region. This has drawn on investment from thirty-eight individual investors.

The fund has also supported social enterprises in the region to access an additional **£525k of business support funding** (this has included c. £220k of investment readiness support grants, and **£305k of COVID-19 emergency grant funding** to support those impacted by the pandemic).

Several more social enterprises remain in the investment pipeline, receiving ongoing support to take on investment and realise their growth plans before the Sitr scheme comes to a close in April 2023. The fund currently has c. £600k of funds remaining to invest, and is closed to further fundraising.

HEALTH & WELLBEING

The first **Health & Wellbeing Challenge Fund (South West)** closed to deployments in September 2020, and over **£500k of capital and interest was paid to investors.**

The follow-on **Health & Wellbeing Challenge Fund (HWCF2)** continued to deploy throughout 2021 and in February 2022 the investors agreed to increase the capital available by £1.3m.

In the period April 2021 to March 2022, **the fund made eleven investments in nine enterprises, comprising £685k in unsecured loans**, £90k in longer term investments (permanent capital), and one £10k grant alongside a launchpad loan for an early-stage enterprise. The investments included three limited companies with asset locks, profit caps and mission statements, and continued the fund's aim to deliver finance to a wider pool of social enterprises making a clear difference to peoples' health and wellbeing. **Total capital deployed by the fund reached £4.37m by March 2022.**

The team looks forward to investing in more social enterprises in the pipeline before the fund wraps up in December 2022.

COMMUNITY & LOCAL DEMOCRACY

Sustainable communities are essential to help families and networks stay together. This very much matches the aims of our **impact property funds** and our community assets fund **Resonance Community Developers (RCD)** - **safe, secure and affordable homes for people, near their families and networks.**

Our enterprise growth funds along with RCD, also enable further investment in communities to promote health and wellbeing, including creating the facilities whereby people can supplement their daily lives with activities that support personal growth, resilience, physical and mental health, as well as social cohesion and employment opportunities.

Whilst we talk a lot about communities in the sense of where people live together, there are also **communities based on other shared commonality such as customs, religion, values, or identity.**

£415, 656

into

3 SOCIAL ENTERPRISES

Here are three social enterprises that have received investment, and are working to support their own communities.

DIVERSITY BUSINESS INCUBATOR

A business hub for minority ethnicity entrepreneurs providing training, services and social interactions. Diversity Business Incubator assists with business advice, finding grant money for start-ups and existing businesses. Its aim is to offer a comprehensive and sustainable business support for Black, Asian Minority Ethnicity entrepreneurs living in the South West to help them thrive in business and help the wider community embrace their contribution.

INVESTMENT FOCUS

The **Health & Wellbeing Challenge Fund (South West)** investment was used to grow the Diversity Business Incubator and their sister company Jabulani CIC, which is a multi-cultural food court, offering a bubbling and communal experience that celebrates the increasingly diverse culture in Plymouth's Stonehouse.

LGBT FOUNDATION

LGBT Foundation is a national charity delivering advice, support and information services to lesbian, gay, bisexual and trans (LGBT) communities.

INVESTMENT FOCUS

The investment was a direct deal from the **Resilience and Recovery Loan Fund** for the project costs to implement key software to facilitate the donor scheme and host an online shop. This will create long-term sustainable revenue stream. In addition, it covered eleven month's salary of the charity works officer who will support delivery of additional counselling.

SOUTHMEAD DEVELOPMENT TRUST

Southmead Development Trust is a local community organisation and hub, which provides a wide range of services to local residents. This includes a health and wellbeing offer through its gym and other related activities, training and employment support, one-to-one support, community events and more.

INVESTMENT FOCUS

The investment from the **Resonance South West SITR Fund** supported the overall capital investment programme at the Greenway to enable Southmead to continue, and to grow their services, with two key priorities: Essential works to ageing parts of the site have had no investment since 1955 and post pandemic adaptations to the Greenway.



Photo: **Diversity Business Incubator** runs a business hub providing training, services and social interactions for minority ethnicity entrepreneurs.

HEALTH, WELLBEING & SOCIAL CARE

An essential component for our feelings of security and wellbeing, in addition to a safe and secure home, is knowing that we have access to the care and support we need when we are unwell or get older.

A good quality of life can only be achieved if we can be sure that we will receive the care we need, when we need it, with compassion and dignity. Many of the social enterprises in which Resonance funds invest are working hard to improve the delivery of services to people. Creative solutions, including the use of technology is increasing and here we feature two social enterprises that are using medical technology to improve patients' experiences.

£345,000

into

3 SOCIAL ENTERPRISES

APPT HEALTH

Appt Health is a 'MedTech' company delivering an innovative patient booking mechanism for providing preventative appointments. It is improving the uptake of preventative and ongoing health screening checks at GP practices, thereby improving long-term healthcare outcomes.

INVESTMENT FOCUS

The **Health & Wellbeing Challenge Fund (South West)** invested in order for Appt Health to expand into the South West after delivering strong pilots in London, as well as to contribute to ongoing and development costs.

WE HEAR YOU

We Hear You provides free emotional support for patients, families, friends and carers who have been affected or bereaved by cancer or any other life threatening condition, across Somerset, Bath and North East Somerset and Wiltshire. It provides a safe space to work through difficult feelings with an experienced, specialist counsellor.

INVESTMENT FOCUS

The **Health & Wellbeing Challenge Fund (South West)** investment provided working capital and helped towards staffing costs to launch a new, paid for, on-line only counselling service, Talkativity. This service is for those able to pay thus providing an ongoing income stream for the main charity.

GOOD BOOST WELLBEING

Good Boost Wellbeing provides technology/applications to individuals with muscular-skeletal disorders, which helps them manage their conditions. This increases community provision and reduces healthcare costs. The main product is a computer tablet, which can be used by public swimming pools to run classes for people with a range of muscular-skeletal disorders at the same time, as each person's tablet gives them personalised exercises.

INVESTMENT FOCUS

The investment from the **Health & Wellbeing Challenge Fund (South West)** is to help improve Good Boost's products and software, including for personal phones to use on land or in private pools. It is also for growing awareness of their presence in the UK swimming pool market, enabling Good Boost to prepare for growth into international markets.



Photo: **Good Boost Wellbeing** creates artificial intelligence personalised exercise programmes for older adults living with muscular-skeletal conditions such as arthritis and back pain.

EDUCATION & TRAINING POVERTY & DISADVANTAGE

Education & learning and poverty & disadvantage are **intrinsically linked**. A child born into a family living below the poverty line is more likely to struggle at school as families can't afford to pay for school trips, uniforms, computers, or even for their child to participate in events such as World Book Day. Analysis of official figures undertaken by the Think Tank 'Institute for Public Policy Research', found that **working family poverty rates had increased by two-thirds over the past decade to reach 42%**. They have been driven into poverty due to spiralling housing costs, low wages, job insecurity, expensive childcare and the cost of transport – all making it near impossible for people to improve their prospects or their family's lives. The knock-on effect is children often arriving at school tired, hungry and unable to concentrate – all of which affects their ability to learn.

It can be even tougher for families with children who have special needs – social, emotional and mental health, autism and anxiety – and who would benefit from specialist help. This includes young people with behavioural issues or who have been excluded.

Life chances and opportunities to become independent are improved with a good education, which is why many of our investee social enterprises offer support to young people that didn't get a good start and may even have left full-time education with little or no qualifications. Some assist with specialist education, or training opportunities

APRICOT ONLINE

Apricot provides an online alternative education programme for vulnerable children whose education has been affected by mental or physical health issues, learning difficulties, exclusion or risk of exclusion. It provides services to children aged 8 to 18 years who require teaching outside of mainstream schools for short or long periods of time. Apricot supports students to re-engage with learning, recognise self-worth and reintegrate to school where possible.

INVESTMENT FOCUS

The **Health & Wellbeing Challenge Fund (South West)** investment was used to recruit new teaching staff so more students across the country could be supported, with the initial focus on expanding its reach into Devon and Cornwall.

£760,000

into

**6 SOCIAL
ENTERPRISES**

that are intended to lead to work, others focus more on social skills and development, but all realise the importance of giving young people the chance to grow in confidence and resilience.

Our funds have made significant investments into social enterprises delivering these life-changing services, alongside our main focus of giving people the stability of a home. Children who have lived in temporary accommodation often don't have anywhere they can do their homework or a space they can call their own. So affordable, secure accommodation is another important piece required to improve education and learning.

Here are the six inspiring enterprises that have received investment for their work in providing education and training opportunities, especially to those facing barriers or in the most disadvantaged communities.

GREENWOOD MUSIC

Based in north Cornwall, Greenwood Music is a small but growing social enterprise, providing woodland based activities, training, and workshops for individuals and groups. The focus is on helping people who are disadvantaged and need to grow their confidence.

INVESTMENT FOCUS

The investment is a launchpad loan from the **Health & Wellbeing Challenge Fund (South West)**, which was used to build up Greenwood's overnight stays offer and provide marketing support for growth.



Photo: The Sweet Project's trainee social workers provide vital support to families across south Birmingham.

MOOR TO LIFE

Moor to Life offers a not-for-profit explorative, creative and nature engrossed education programme that improves physical and mental health. It provides outdoor education experiences and offers an alternative skills and learning pathway for those who face barriers to education, employment and training.

INVESTMENT FOCUS

The investment from the **Health & Wellbeing Challenge Fund (South West)** was used to launch a training programmes for 'NEETS' (those who are not in education, employment or training). It was also used to refinance a previous launchpad loan, to complete their hub, start delivery of sessions and for reserves/working capital.

REAL IDEAS

The Real Ideas Organisation supports young people to find work and develop skills, also helping start-ups and enterprises thrive, whilst working to solve problems and create positive and lasting social change.

INVESTMENT FOCUS

The investment was a direct deal organised by the Growing Enterprises team from the **Resilience and Recovery Loan Fund**. It provided emergency cash flow to allow the community-driven re-opening of hospitality, arts and social enterprise spaces after COVID-19, which also helped provide employment and training opportunities for young people.

ROCK UK ADVENTURES

This Christian charity has four nationwide centres offering tailor-made programmes of challenging outdoor activities to encourage resilience, confidence and independence. Rock is passionate about developing young people, bringing adventure into learning, to transform lives by helping them to push boundaries, widen their horizons and discover capabilities they didn't know they had.

INVESTMENT FOCUS

The **Resilience and Recovery Loan Fund** investment provided bridging finance and covered a shortfall that was expected in cashflows, setting them up for a strong return the following year.

THE SWEET PROJECT

The Sweet Project helps to improve the quality of practice learning opportunities for social work students and improve the quality of social care support interventions. It is focused on 'The Three Estates' - a recognised area of significant deprivation in South Birmingham, which has limited access to appropriate services.

INVESTMENT FOCUS

The investment from the **Resonance West Midlands SITR Fund** is being used to take on and refurbish new premises, which is more fit for purpose and will facilitate Sweet's longer term growth plans. In addition, The Sweet Project is investing in two new staff members in the areas of business development and service delivery, enabling the team to take on larger numbers of students and contracts.

WORK & EMPLOYMENT

Good quality work plays a significant role in reducing poverty and improving an individual's quality of life. That's why this is one of the key focuses of our homelessness housing partners, once a tenant settles into their new home. Where appropriate, our partners work hand-in-hand with tenants to help them move into employment.

Individuals need support on the journey to employment, especially if they already face other barriers such as disability, lack of skills or education, or have been out of work for a long time. Resonance invests in social enterprises that offer positive pathways to employment including volunteering and training opportunities.

£120,000

into

**2 SOCIAL
ENTERPRISES**

FENTONFENNA FARM

Fentonfenna Farm is a multi small business space and farm development site with starter farms, which provides training and wellbeing for long-term unemployed from Cornwall's most deprived communities.

INVESTMENT FOCUS

The **Health & Wellbeing Challenge Fund (South West)** investment was used for working capital and cashflow as well as capital investment in farm improvements.

SOMERSET WOOD RECYCLING

Somerset Wood Recycling helps local disadvantaged people (long-term unemployed and often facing multiple barriers to entering work) to gain work-based training, volunteering and skills and to re-position lives in a positive way, whilst challenging perceptions of 'waste'.

INVESTMENT FOCUS

The investment from the **Resonance South West SITR Fund** enabled the refurbishment of an onsite space to have a proper showroom for sales and purchasing as well as replacing one of the collection vans.



Photo: **Real Ideas**, which supports young people to find work and develop skills, has a co-working space "Market Hall" that is used by individuals including those who are embarking on setting up start-ups and enterprises.

SHAPING & STRENGTHENING

During the last twenty years, Resonance has always gone further than raising investment, creating and managing social impact property funds. This year has seen us work with 28 enterprises, which are embedded in their communities and providing support to those most in need. These enterprises have a variety of business models and are of all shapes and sizes, from those focused on refugees to others assisting individuals and families living with dementia.

We strive to support these enterprises on their journeys to grow, so they can generate more positive impact for individuals and families. We also work with them to define their impact, shape their business strategy and to manage and implement their growth.

Over the last twenty years we have gained a wealth of knowledge and are continually adding to our experience through collaboration and sharing best practise with other organisations, peers, industry and government bodies, enabling us to build innovative solutions to overcome societal challenges.

BUILDING CAPACITY ACROSS THE SECTOR

It was another challenging period for social enterprises. Resonance continued to offer support to help them recover from the pandemic, by growing out of it, for example by increasing their trading incomes.

It was another year of notable achievement for Resonance as we distributed **grant funding totalling £3,537,000 into 118 social enterprises, from the Resilience & Recovery Loan Fund (RRLF), the Social Enterprise Support Fund (SESF) and through the Reach Fund.**

The **Social Enterprise Support Fund 1 and 2**, in conjunction with our peers UnLtd, School for Social Entrepreneurs, Big Issue Invest, Key Fund and the National Lottery Community Fund, allowed us to distribute a total of **£34.8m to 1,100** social enterprises across the breadth of England, that were looking to re-boot their trading incomes. This fund had a particular focus on reaching the most marginalised communities and promoting inclusion. We prioritised social enterprises which were working with: The most marginalised communities in England; led by and/or working with disabled people and/or from black, Asian and minority ethnic and/or LGBTQIA+ communities and led by people with direct lived experience of the issues they are seeking to support.

The second iteration of the **Social Enterprise Support Fund (SESF2)** was launched in November 2021. Successful applicants have all been offered one-to-one surgeries with investment managers at Resonance to look at specific challenges they are facing and to sign-post them to potential solutions and sources of support. Applicants from diverse communities were also given the opportunity to get pre-application and post-grant support tailored to their needs via Development Partners recruited to assist the fund. **SESF2 has delivered £16.1m in grants to 500 organisations.**

This year saw Resonance help social enterprises secure even more grants through **Reach Fund** than in previous years; we **supported 13 social enterprises** to secure Reach Funding of **£137,000**. The Reach Fund is a grant programme that helps charities and social enterprises raise investment. It is funded by **Access – the Foundation for Social Investment**, and is open to all organisations in England. Helping our social enterprises obtain grants enables them to fund critical activities and development work, in particular to take on investment properly.

We also secured blended finance through being a partner on the RRLF, which is run by **Social Investment Business**. **RRLF distributed £1.05 million of blended finance** into 4 enterprises brought forward by our team, of which £159,000 was grant funding.

We continued to develop capacity building programmes in partnership with foundations and deliver bespoke consultancy, designed in collaboration with our clients. For example, our continued collaboration with **Esmée Fairbairn Foundation** and our **Scaling Impact and Building Resilience** programme. These practical and engaging workshops focus on organisational impact, financial resilience and operating models, providing a facilitated space for organisations to reflect and build on their impact. Having created an online version of the programme during the pandemic, we returned to running these workshops in person during the year.

In response to the pandemic and the continued desire to build capacity within the social enterprise sector, the **Access Business Support Grant** enabled several of Resonance's Health & Wellbeing Challenge Fund investees to bring in external expertise to strengthen their organisations.

Resonance's Impact & Innovation team has developed everything from bespoke financial planning tools to theory of change frameworks, and impact measures to strategic reviews. One such example is **Musica Music & Wellbeing CIC**, which supports people living with their dementia and their carers. The 2019 Resonance investment enabled Musica to take the next step in its growth, expanding services and customers. During the pandemic, with care homes closed to visitors and face-to-face workshops on pause, Musica, like many others, faced a drop in demand. Our Impact & Innovation team supported Musica through this difficult period.

MUSICA MUSIC & WELLBEING

Musica seeks to harmonise the healthcare industry, supporting the wellbeing of people living with dementia and their caregivers through music.

SUPPORT FOCUS

Working with the team at Resonance, Musica reassessed its business model and financial forecasts, developing a financial dashboard to strengthen financial oversight and decision making. Some of the changes Musica undertook, whilst they weren't able to continue to run care home sessions included rationalising costs and focusing on the most impactful and scaleable services. Musica continued to run (online) training sessions for care home workers and developed resources that could be utilised in home settings.

It's been a bumpy ride for a number of our investee companies over the last couple of years, but we believe that the combination of financial investment and hands on consultancy will create resilient organisations, with increased impactful outcomes over the longer term.

Outside of our investee organisations our Impact & Innovation team works with other social enterprises, one of which is called Good Loaf.

As with many of the organisations we work with, we may start working on one thing but as our relationship and understanding deepens, we are happy to adapt and flex as best suits our clients.

GOOD LOAF

Good Loaf is a Northampton based café providing support and employment for vulnerable women wanting to break the cycle of offending, poverty and/or unemployment.

SUPPORT FOCUS

Good Loaf originally worked with our Impact & Innovation team to determine if new ovens could be purchased. The work evolved to undertake a strategic review and articulation of strategic objectives; an impact assessment and infographics framework; the development of a financial model to support longer term forecasting and a bespoke unit cost calculator to ensure the gross margins could be efficiently calculated across all product combinations.

STRENGTHENING SOCIAL ENTERPRISES BEYOND INVESTMENT 2021/22

GRANTS WON FOR CLIENTS

£1.72m

VALUE OF SUPPORT PROVIDED

£130k

SOCIAL ENTERPRISES WORKED WITH

NEW

REPEAT

45

49

MEANINGFUL INTRODUCTIONS

23

STRENGTHENING HOUSING ACROSS THE UK

Our impact property funds continue to provide safe, affordable and quality homes to adults and children across the UK, who were previously homeless or in temporary accommodation, giving them a real place to call home. With our focus on three key distinct groups, working with our housing partners, we are ensuring that we are sourcing the homes that our tenants need.

Our Impact Property Funds team now works with over twenty housing partners, and together we are all committed to increasing both the supply and quality of housing across the UK.

Alongside our Impact Property Funds, our Impact Labs also work with social enterprises that provide supported housing solutions. The **Health and Wellbeing Challenge Fund (South West)** has worked with enterprises that meet the impact remit of the fund. **Firestone Plymouth** and **Trevi** are great examples of organisations that blend accommodation with health support: Firestone focusing on abstinence based mutual supported housing and Trevi offering residential based social care assessments and intensive support for mothers at risk of losing young children due to addiction.

RAISING HOUSING STANDARDS ACROSS THE UK

We continue to raise standards in our existing portfolio and the new properties we buy every week by working closely with our housing partners on the refurbishment process. We are making effective, long-term and sustainable improvements to properties such as installing smart heating controls, insulation and double-glazed windows, which can help tenants save money on bills and make their homes more comfortable, especially during the colder months.

One example of this drive to improve standards is a two-bedroom, semi-detached, post war build property purchased in Yorkshire by the **Women in Safe Homes fund**, with housing partner **Daizybell**. The property was rated D at purchase, but following refurbishment its EPC rating increased to a C. The property underwent several significant improvements including: Upgrading the double glazing; laying new loft insulation; installing a newer and more energy efficient boiler and better and more efficient radiators; plus carrying out a full re-wire and improving functionality of the electrical system at a higher capacity.

.....
Improvements help the climate and support tenants to lower the cost of running their homes

These enhancements mean that the property is now much more energy efficient, reducing its environmental impact. The improved EPC rating and energy efficiency ensures the tenant will be warm in the house in the colder months and should mean lower bills, which considering the current cost of living crisis and increasing energy prices, will be a major benefit to the tenant. Following refurbishment, the property was handed over to Daizybell in late November 2021 and in early December, a woman - who had been experiencing domestic abuse - moved into the property with her children.

IMPROVING ENVIRONMENTAL PERFORMANCE

In addition to the work being undertaken by the impact property funds to improve the environmental footprint of our properties, a substantial number of Resonance investments are into organisations that blend environmental considerations with mental and physical wellbeing. **Greenwood Music**, is one such example, that enables people from disadvantaged communities to learn skills and grow in confidence whilst contributing to the upkeep of an ancient woodland in Cornwall. Another is **Skill Mill**, which provides work opportunities for young ex-offenders, in water and land based management, helping to reduce flood risk and improve the local environment.

RESPONDING TO SHARED NEEDS

When a shared need is recognised, Resonance has a track record in collaborating to deliver innovative solutions. The pandemic was a huge crisis that affected the world and our Impact Labs teams have worked tirelessly to provide support to enterprises in our portfolio to help them navigate away from the impact of the pandemic. They have helped enterprises plan how they can grow in the future to support the communities that they serve. Resonance partnered with a number of our peers to deliver the Social Enterprise Support Fund programme, and we continue to work in particular with UnLtd, School for Social Entrepreneurs, Big Issue Invest and Key Fund on the second roll out of the fund.

Impact Labs have also been focused on improving our equality, inclusion and reach, including undertaking a series of focus groups and surveys with a variety of organisations, to build up a detailed picture of need and suitability of current solutions, in order to help design new funds for launch in 2022/23.

Our **Impact & Innovation team** completed a collaborative piece of work with **Shared Assets** and a metropolitan council to research and develop a business model/case for the set-up of a Parks Foundation. This work focused on the development of new models to manage assets that create a shared social, environmental and economic benefit to communities.

MAKING GOOD CONNECTIONS

When we engage with social enterprises, we are often in a position to identify opportunities for mutual collaboration, and we try to connect social enterprises and other professionals or businesses, that might benefit from working together. Sometimes the connections are quite creative, and for others it can be a very straight forward exchange of services.

In August 2021, a corporate company known to Resonance took on a new building in Birmingham. Before it could be refurbished, the building had to be emptied of furniture and equipment that had been left behind. Growing Enterprises Senior Investment Manager Grace England got in touch with one of our **West Midlands SITR Fund** investees, which runs a recycling and re-use shop, and they were able to make use of a lot of the items for re-sale. It even included a huge pizza oven from Pizza Express, which was on the ground floor.

Growing Enterprises Senior Investment Manager Donna Thomas also connected two **South West SITR Fund** investee enterprises that support young, disadvantaged people through sport. **FutSoul CIC**, a South West social enterprise known to Donna, don't have a venue in South

Bristol so she connected them to our investee **Imperial Sports Ground** (formerly known as South Bristol Sports Centre) that has the venue, but doesn't currently have Futsal as an offering. Another connection involving FutSoul, was connecting our investee **Southmead Development Trust**, which is trying to fill its newly modernised outdoor play area that includes a 5-a-side football pitch. FutSoul is seeking venues in low income areas to increase their support of young children. Hopefully these connections will prove advantageous to the enterprises.

AND FINALLY.....

We continue to work closely with different groups to share knowledge and experience. These groups include peers, government departments, social enterprises and investors. This knowledge sharing has been delivered through roundtables, meetings, events, conferences and workshops, as well as published content through a number of publications.

During the year we addressed key UK conferences in particular to Local Government Pension schemes on the subject of social impact investing in the residential property sector.

"Resonance truly cares about our organisation and also the team as individuals, I can honestly say they have also been a great support for my own mental wellbeing as a CEO steering our organisation through COVID. I can't thank Resonance enough."

Rosanna Mead, Director & Founder, Musica

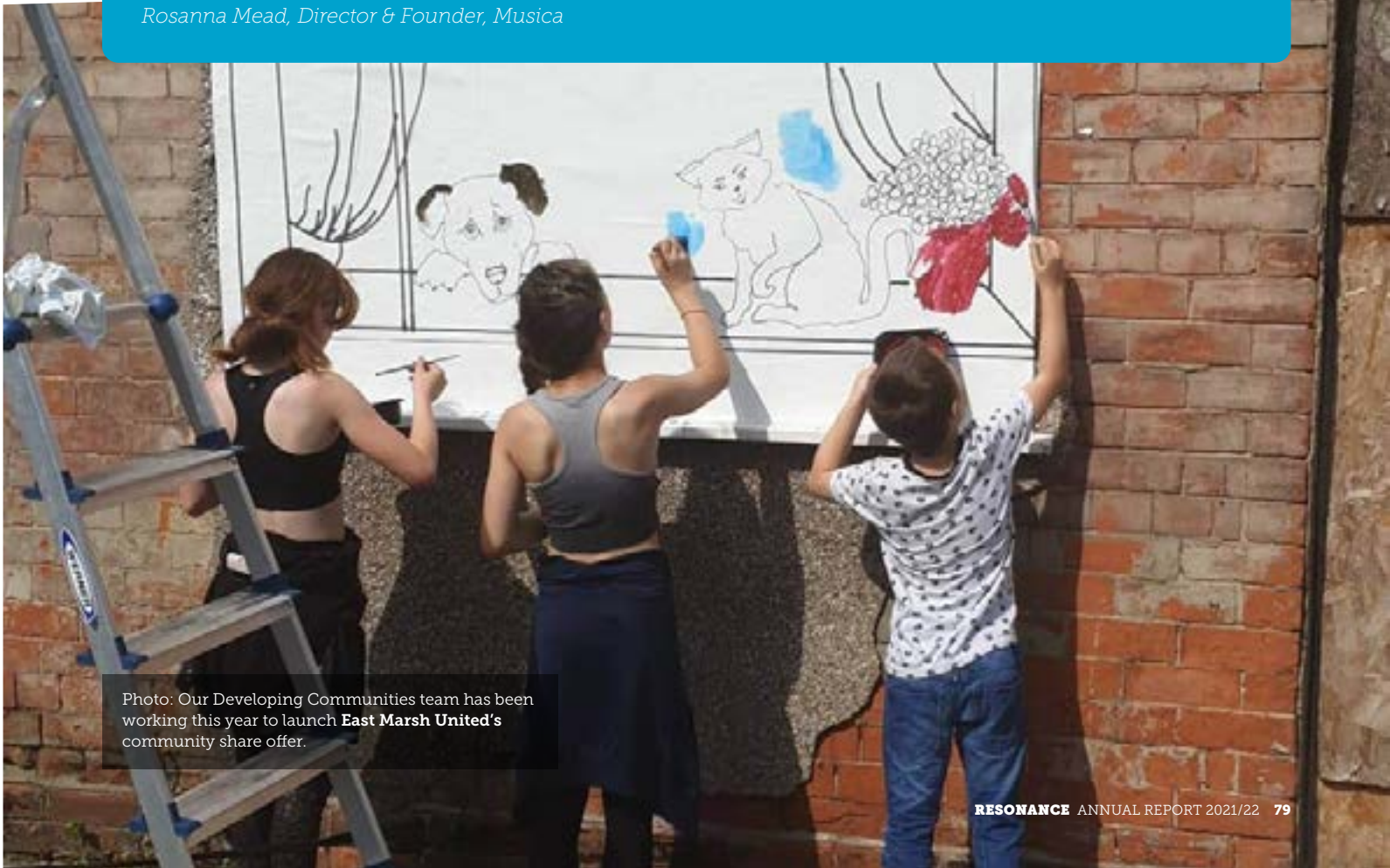


Photo: Our Developing Communities team has been working this year to launch **East Marsh United's** community share offer.

5 STRENGTH & BALANCE



Photo: Resonance staff members based in Launceston, litter picking in local woodland on a sunny afternoon in July. They were supporting one of Resonance's Developing Communities investees, **Launceston Community Development Trust**, which is committed to making more woodland and meadow space available for people in the town, especially those with mental health issues.

OUR IMPACT

INVESTORS



5

Growing the market: 5 new investors connected to social enterprises.



14

Building relationships: 14 investors returned this year to invest again.



£35.4m

Scaling impact: Unlocking £35.4m of new investment for social impact.

RESONANCE



£15.5m

Bridge-building: We built bridges between investors and social enterprises by making investments that carried £15.5m of capital to 28 social enterprises from 80 investors in 2021/22.



Systemic change: We have designed 3 new funds, all in pursuit of mobilising capital efficiently for social enterprises to deliver greater social impact.

ENTERPRISES



23

Extending our reach: We made 23 meaningful introductions to third parties for our social enterprises including suppliers, customers, funders, non-executive directors etc.



122

Wrap-around support: We provided 122 social enterprises with investment or supported them through paid consultancy in 2021/22.

PEOPLE AND PLACES



2,928

Somewhere to call home: 2,928 people have been housed in our impact property funds since the first fund launched in 2013 to 31 March 2022.

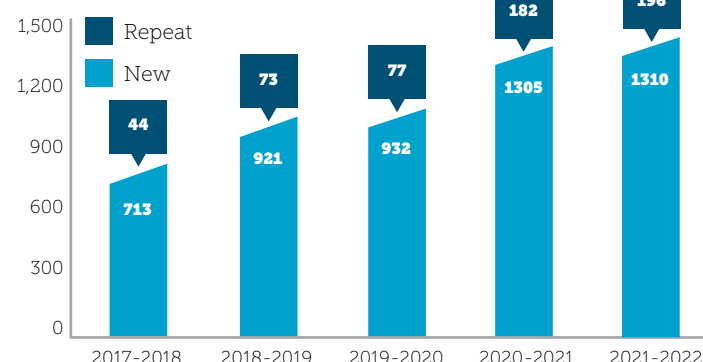


6

Places: Our place based investment strategy for our property funds currently covers six regions: London, South West, South East, North West, East of England and Yorkshire and the Humber.

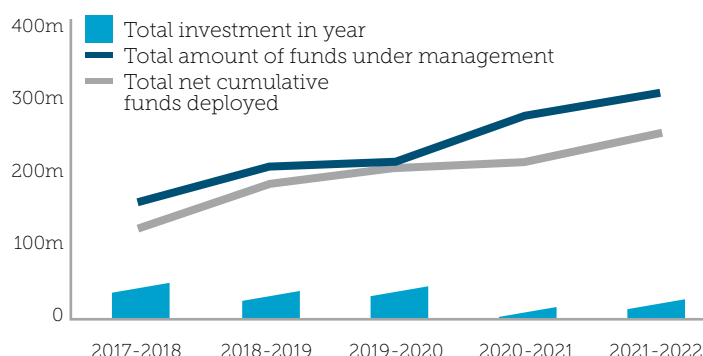
OUR 5 YEAR TRACK RECORD

Cumulative number of investors



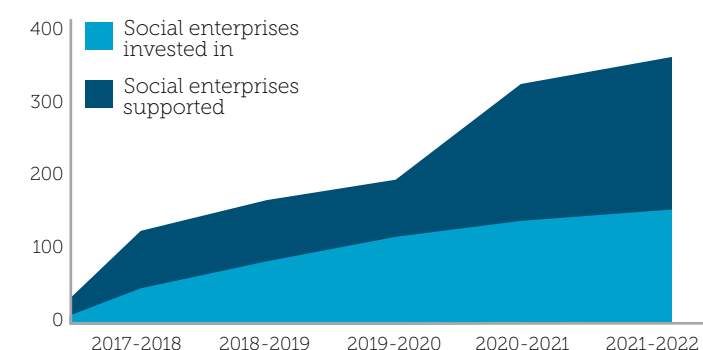
We are always pleased with being able to attract an increasing number of investors, demonstrating how more people are finding a way to put their money where their values are. But we have over the years built a growing pool of returning investors that now feel part of the wider Resonance family. It is evidence of the values alignment we are creating as much as it is a reflection of the commercial and impact performance being achieved. This year, our family of investors that have invested twice or more with us, has almost reached 200. Together we're enabling the scaling of solutions to some intractable problems.

Financial performance (£)



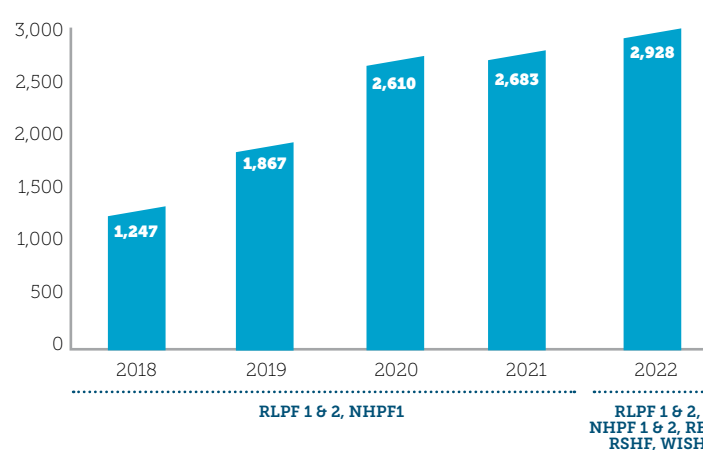
As the economy continues to splutter back into life post pandemic, our four new funds launched in 2020/21 have now started to pick up pace in deployment. We've got some way to go and now we are working with over twenty housing partners we have the foundations for investing at scale and pace. We broke the £300m Funds under Management barrier and have a clear plan to get from here to the £1bn mark. We don't chase scale for its own sake, we're driven by the 100,000 people stuck tonight in temporary accommodation – that's a £20bn capital problem!

Cumulative number of social enterprises backed



Whilst critical, investment is rarely enough on its own. Almost all social enterprises need strengthening in other ways as well. This can be an intense short-term piece of work before or after a transaction, or a longer light touch relationship. In some cases, we are able to support organisations on their journey to scale their social impact without the need for investment at all. For the second year running much of our enterprise support work focused on distributing grants through the Social Enterprise Support Fund from the National Lottery Community Fund, to social enterprises across the UK as part of a consortium. Through all this time of economic rebooting, we have kept mobilising useful capital into a growing number of social enterprises.

Individuals housed cumulatively since funds launched



We buy homes for people facing crisis whether that is exiting temporary accommodation or fleeing domestic violence. Each home houses on average a little more than two people and then with some natural churn (about 10% pa once the portfolio has settled), the property is available again for a new family. The 900 homes we have purchased in total to date, has over the period we have owned them created a safe, affordable, healthy space for nearly 3,000 very important people!

FINANCIAL RESULTS

In the year, our Resonance team continue to operate through two national lockdowns caused by COVID-19 and kept going, delivering more than ever before.

Our funds under management and deployment levels both increased by over 10% compared to 2021. This enabled us to continue our steady growth, increase the team size by over 30% to fifty-seven, and still achieve a net profit of 11%.

We returned to the offices with a new set of hybrid working practices and virtual work skills, which have continued post pandemic.

	2021 £m	2022 £m
Funds under management	272.4	305.2
Investment made in year (funds and direct deals)	8.40	15.5
Net funds deployed	212.8	245.1
Income	3.04	3.70
Profit	0.45	0.41
Net assets	0.7	1.18

Seven year historic financials (£)

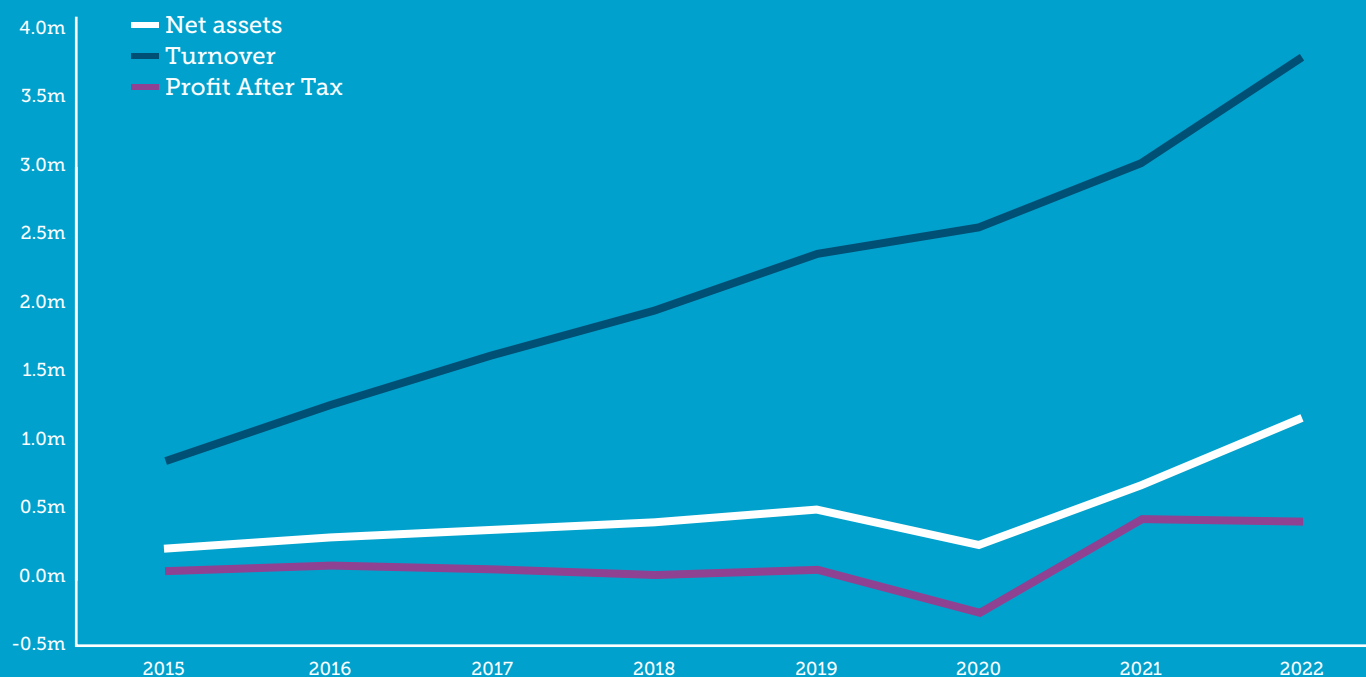


Photo: Guests who attended the Resonance twentieth anniversary celebration were able to trace Resonance's story on a timeline of the past twenty years, as well as reading many of the personal individual stories of people helped by the social enterprises into which Resonance has invested.

AWARDS, ACCREDITATIONS & ASSOCIATIONS



PROVE & IMPROVE

Resonance completed its B Corp recertification in 2021 and we have been awarded an improved score of 128.9, up from 115 back in 2018. We were also delighted to be recognised, for another year, as **“Best for the World” in the two categories of Governance and Customers**. Each year, B Lab lists the B Corps that have scored in the top 5% of companies their size, in the world, in the five impact areas: community, customers, environment, governance and workers; and highlights them as **“Best for the World”**.

This year there were 165 Best for the World honourees in the UK, and only 13 of those achieved Best for the World in two categories – representing only 7.5%

The verification process carried out by B Corp proved to be incredibly thorough, requiring detailed answers and supporting evidence. Although we celebrate an improved score as some measurement of progress, the real aim is to learn and develop as a company and to fully embrace B Corp as part of our culture.

As part of the recertification process, Resonance has created a plan illustrating our goals for the next three years, and the areas of the business that we want to work on. We’re focusing on improving our inclusion and diversity, reducing our environmental impact and working in fair and equitable ways for our customers, employees and the wider community. Holding the company to account at every level is a way in which we can learn and develop and this section illustrates the data we can prove and the areas where we are working to improve.

B Corp analyses businesses across five key areas:



B Corp has rated Resonance as “Best for the World” in two key business areas: Governance and Customers. Best for the World means that we are in the top 5% of companies of our size worldwide.

WHAT IS B CORP?

B Corp is a community of over 4,000 businesses, in 70 countries and 150 industries, which have been through the B Corp certification process to ensure that they meet the highest standard of verified social and environmental performance, public transparency and legal accountability, to balance profit and purpose.

To certify as a B Corp, a company must achieve a minimum verified score of 80 points on the B Impact Assessment. The B Impact Assessment asks around 200 questions about how the day-to-day operations of a company create positive impact for the company’s workers, community, and environment. Additionally, companies can earn further points if their overall business model can be shown to create positive social and environmental impact as well, qualifying the company for specific Impact Business Model points. Scores for Certified B Corporations are verified by the non-profit B Lab.



“As a social enterprise itself, Resonance has always believed in running its own operations in a way which is good for people and planet. So becoming a B Corporation felt a very natural extension of this, and a way to hold ourselves accountable.”

Simon Chisholm

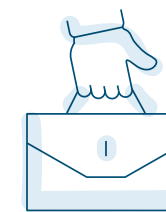


GOVERNANCE

Our high score for Governance relates to the way we are structured and operate as a company, especially in the following areas:



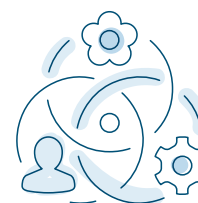
Social impact at the heart of everything we do



Stakeholder engagement



Independent board members



Ethical decision making



Good internal governance



Financial transparency



Mission lock

B Corp says Resonance is **“Best for the World” GOVERNANCE**

Photo: Resonance is partnered with over 20 housing providers. The team at DH1, as featured, is one such housing partner, which provides support for those who are excluded from society and those at risk, to turn their lives around.



WORKERS

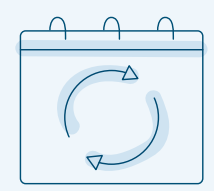
We are very proud of our employees at Resonance – they work very hard to deliver our company's vision and mission. In return we try to reward them with above industry average compensation and benefits.

Prior to the pandemic, Resonance already offered its staff flexible working hours, job sharing and one day a week working from home. During the lock-downs the whole team moved to working from home and despite this perceived inconvenience, four new funds were launched and our investee social enterprises were fully supported. Having proved the team could maintain productivity without attending the office five days per week, Resonance consulted its staff members to ask them if they would like to move to a more hybrid model of working i.e. more working from home as well as moving to a '9 Day Fortnight'. We are trialling these hybrid working models at the moment.

The percentage of staff who have worked for Resonance for more than a year:



Over the past three years, following a consultation with our employees, we've introduced a number of improvements including:



Flexible working patterns



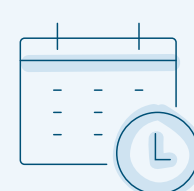
Employee benefit trust



Rewards for long service



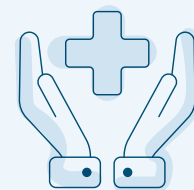
Core working hours 9am to 3pm



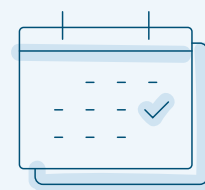
36 hour working week



Improved parental leave



Improved sickness support



9 day working fortnight



Hybrid working models



Volunteering leave

PAY GAP

Ratio of the highest to median salary*

Proportion of staff with above inflation pay rises who were women

Median gender pay gap*



*Excluding non-executive directors and interns

*Median gender pay gap: (median pay for men - median pay for women) / median pay for men.

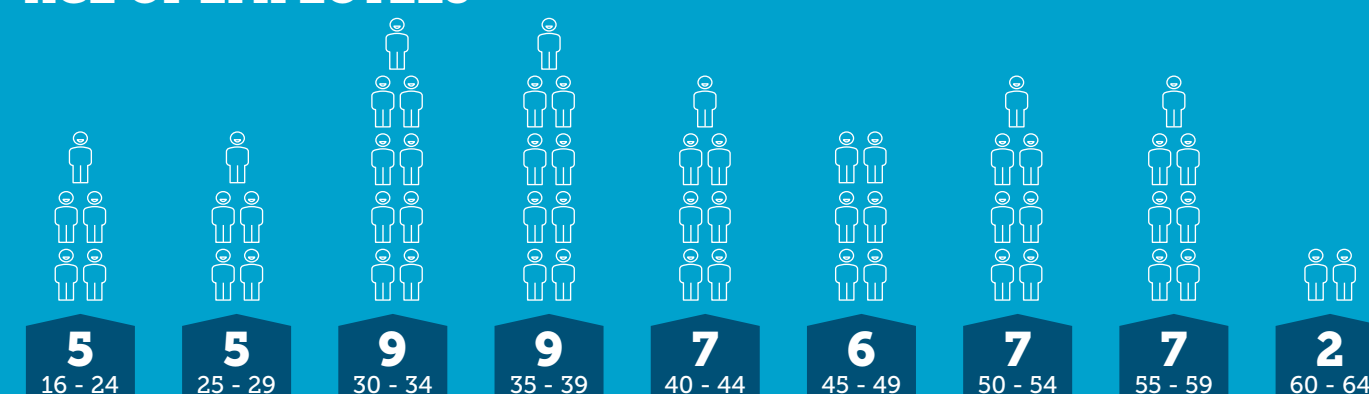


COMMUNITY

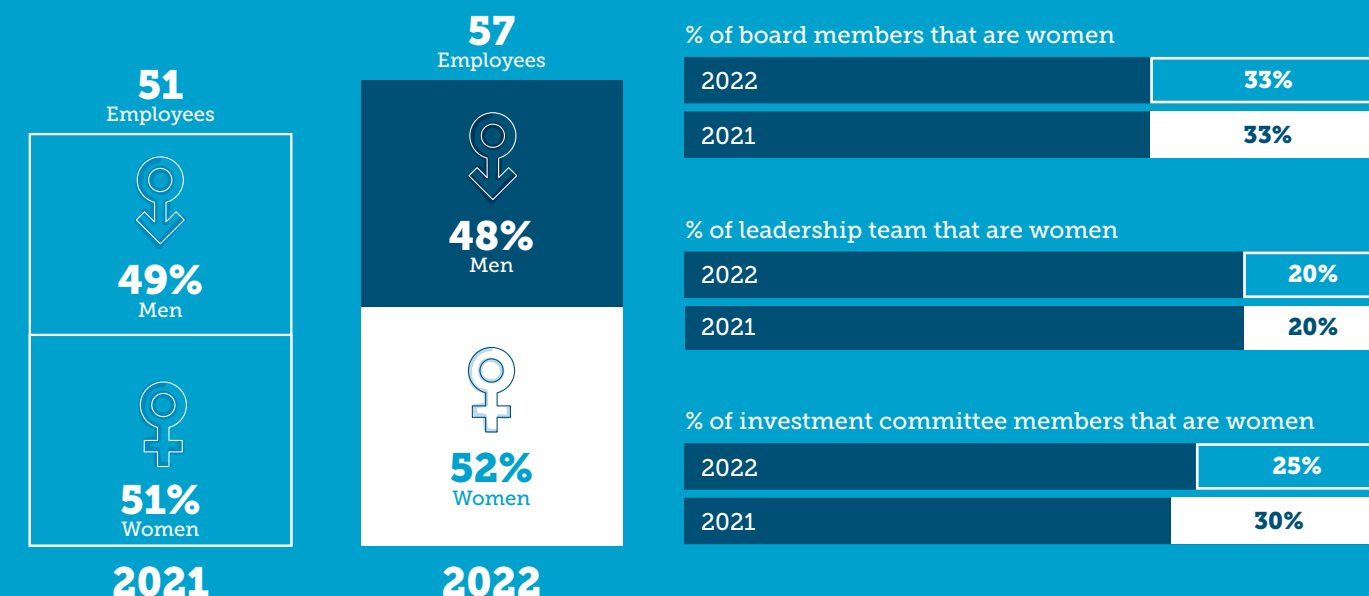
A working group of volunteer employees is helping us develop our equality, diversity and inclusion policies.

At present we measure the age and gender balance of our employees. We'd like to measure more as part of our commitment to being part of the driving force breaking down the systemic biases in today's society. The working group will help us with our learning and development in the coming months. Age of employees and gender balance are covered under community in B Corp's framework, as it considers that employees are part of the wider community from which companies employ people, as well as others with whom they engage, such as suppliers.

AGE OF EMPLOYEES



GENDER BALANCE



We've set ourselves some goals in relation to our wider community as well, including the types of suppliers we'd like to work with:



Local suppliers



Shared values



Committed to improving their own social & environmental impact



ENVIRONMENT

Resonance is committed to reducing its impact on the environment as we recognise that this also has a social impact, with disadvantaged and impoverished communities typically most at risk from climate change and environmental degradation.

We've made a commitment to the environment, our aim being to monitor and improve our impact, cost control and efficiency, at the same time as encouraging our stakeholders to adopt similar policies.

We established a working group called **Greener Resonance**, which is helping to guide us on our journey towards a net zero carbon operation and help us achieve the commitments and longer term goals set out in the commitment.

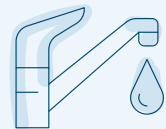
Our staff moving to hybrid working giving them more flexibility and extra rest days, has resulted in more positive environmental outcomes too, with reduced staff travel as well as lower power and water usage.

In addition to endeavouring to reduce the environmental impact of our offices, we are working hard to improve the environmental impact of our property fund portfolios. Monitoring and measuring will help us establish targets to conserve supplies and minimise consumption.

For our offices we are currently monitoring and measuring:



Energy usage

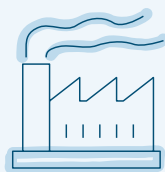


Water usage



Waste including levels of reducing, re-using, repairing and recycling

We are also aiming to start monitoring use of fossil fuels and consider how we might offset our emissions:



Fossil fuels



Carbon offsetting

For our property fund portfolios we currently have three core metrics:



EPC ratings



Carbon emissions



Utility costs

Measuring in this way will help us reduce carbon emissions of the portfolio, as well as improving Energy Performance Certificate (EPC) ratings and reducing utility costs for tenants. Measurements will be taken at purchase, post refurbishment and ongoing into the future.

Resonance is committed to benchmarking sustainability against the recently launched Affordable Housing equity investment mode, which Resonance worked on closely with Big Society Capital and the Good Economy as well as the Sustainable Reporting Standards for Social Housing.



CUSTOMERS

Resonance has two distinct clients. The first are high impact social enterprises (which include housing partners and community-led groups) that help tackle specific social issues. The second are investors who want their money to both generate returns and do good, by investing in social enterprises (either directly or into Resonance impact investment funds).

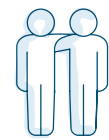
Our high score in relation to customers, reflects a wide spectrum of our work with investors and social enterprises, that we see as critical to offering the range of services they want and need.



Range of investments



Social impact models



Customer stewardship



Social impact reporting



Independent investment committees



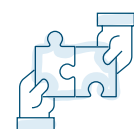
20+ housing partners



Audited financials for all our funds



Flexible and patient capital



Capacity building services for social enterprises

B Corp says
Resonance is
**"Best for the World"
CUSTOMERS**

Photo: Adam Langer from **Newquay Lighthouse Project** (NLP) with Suzie Ackford from **Mustard Seed Property** (MSP) visit the Newquay property, which MSP purchased and refurbished before handing over to NLP, to provide supported housing to individuals recovering from substance abuse.

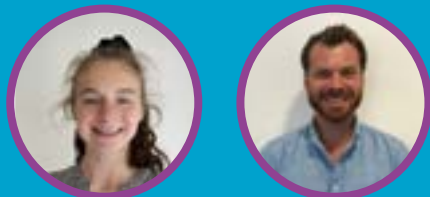
6 OUR TEAMS & PARTNERS



Photo: The Developing Communities team, part of our impact labs, joined the twentieth anniversary celebrations earlier in the year featuring: Beverley Brown, Ben Wrigley, Lara Bell, Jacob Lee and Tom Crooke.

OUR TEAMS ACROSS THE UK

BRISTOL



Jess Gibbon
Oliver Pollard



Donna Thomas

- Central Team
- Impact Property Funds Team
- IMPACT LABS**
- Developing Communities Team
- Growing Enterprises Team
- Impact & Innovation Team

MANCHESTER



Kate Aiken



Monica Baracho



Andy Bealby



Sam Berry



Beverley Brown



Kezia Brown



Simon Chisholm



Andrew Copson



Chris Cullen



Grace England



Alex Fleming



Gina Hallums



Rosie Henderson



Aggie Kelsey



Martin Lawson



Simon Leete



Hal Miller



Theo Morgan



Mike Purves



Alex Reeve



Vid Shanmugam



Gary Walker



John Williams



Anne Woolhouse

📍 **LAUNCESTON**



Amy Bailey Lara Bell Daniel Brewer Jérémie Chotard Tom Crook



Lucinda Dalziel Heather Darracott Barry Elms David Fowie Sharon Gorman



Andy Grant Paul Handford Megan Husband Charlie Landsborough Charles Lewis



Craig McFadzean Kim Neville Tracey Northcott Leila Sharland Sharon Smallworth



Nick Smith Jamie Stevens Karen Wilson Ben Wrigley

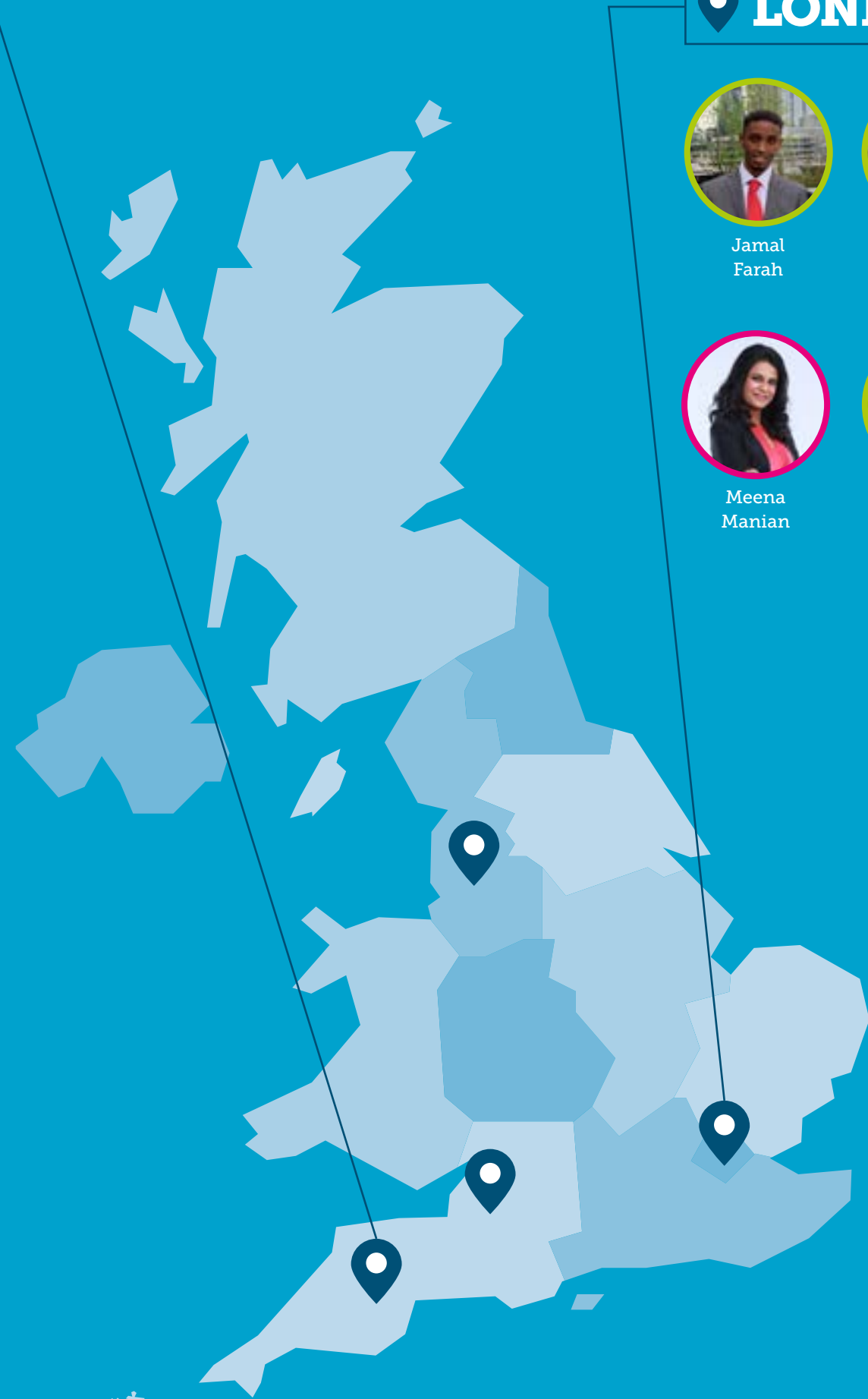
📍 **LONDON**



Jamal Farah Nora Jarada Beatriz Luque



Meena Manian Eamonn Mullins Robin Short Louise Swinden



Central Team

Impact Property Funds Team

IMPACT LABS

Developing Communities Team

Growing Enterprises Team

Impact & Innovation Team

INVESTMENT & ADVISORY COMMITTEES

We have independent members for the investment and advisory committees for each of our impact funds. These are made up of regional and subject matter experts, who understand both investment and social enterprise.

These dedicated individuals bring skills and experience from a wide variety of backgrounds including the property, finance, public and third sectors. Our Women in Safe Homes fund has an all women Senior Board of Advisors, which also includes members with lived experience of domestic violence, bringing added depth to strategic decision making.

We would like to thank all members of our investment and advisory committees for their hard work, commitment and for the difference they make.

Photo: Manchester Town Hall and Tramway. Our place based investment strategy currently covers six regions which are targeted due to the lack of affordable homes and the level of poverty: London, South West, South East, North West, East of England and Yorkshire & the Humber.

WHAT DO THESE COMMITTEES CONTRIBUTE TO THE FUNDS?

INVESTMENT COMMITTEES

Investment committees are instrumental in achieving timely deployment of funds and ensuring the investments match the aims of the funds.

A key ingredient to the way we make robust investment decisions are the members of our investment committees. The responsibilities of the investment committees depend on the fund.

Property fund investment committees are responsible for approving the acquisition of properties to ensure their suitability as homes as defined by the housing partners. Some members will bring property sector experience including an understanding of local housing markets, whilst others will bring experience perhaps from public sector housing. Their key aims are to deliver diverse portfolios that will deliver tailored homes for those in need of housing, as well as sufficient returns to attract investors. They will examine all aspects of the properties including (but certainly not limited to) the following criteria:

- **Dimensions of the rooms** – there are specific requirements
- **Proximity to local amenities and transport links**
- **Property type and market price** – value for money
- **Average local rents and the affordability of the rent achievable**
- **Refurbishment costs**

For Enterprise Growth funds, as another example, the investment committees will look in detail at the social enterprises into which the investment teams want to invest. They will review investment papers submitted by the investment team, examining all aspects of the businesses, to ensure they are prepared to receive capital to help them grow. They will:

- **Offer constructive challenge to the team**
- **Contribute to the shape of a deal**
- **Make a judgement in support, against or calling for further information**

Their role is to help create a balanced portfolio of investments that has the potential for attractive returns, whilst providing unsecured, low cost loans to high impact, mission driven social enterprises that fit with the fund's objectives, in this case 'dismantling poverty'.

ADVISORY COMMITTEES

Advisory Committees/Boards have a different aim. They are more involved in adding value to the investment strategy and delivery of the funds. Our Women in Safe Homes Advisory Board, the members of which are all women, provides a number of important perspectives to ensure the fund's success in creating positive social impact for women.

The fund consults the Senior Board of Advisors on a variety of topics including:

- **GENDER-LENS** – how the fund defines it and how the fund stays true to this lens
- **STRATEGY** – relationships with housing and support providers, perspective of national compared to localised services, sizing of the fund and assessment of needs, recommendation of additional parties to help drive the fund's mission
- **EXPERIENCE** – direct understanding of the need and the services provided as well as lived experience
- **FUNDRAISING AND CAPITAL** – thoughts and ideas regarding the marketing of the fund as well as potential investors which may include introductions where appropriate
- **PROPERTY** – support and help in sourcing property which may include relationships with large property owners/developers to help serve the need

INVESTMENT COMMITTEE MEMBERS

A key ingredient to the way we make robust investment decisions are the members of our investment committees. We have independent members for each of our impact funds and these are made up of regional and subject matter experts, who understand both investment and social enterprise.



Simon Allcock
Head of Improvement, The
Riverside Group and Supported
Housing Specialist
Resonance Supported Homes Fund



Fiona Creighton
Executive Director of Homes,
Mosscafe St Vincent's Housing
Group
National Homelessness Property
Fund 2



John Dunn
Depaul trustee & Chair of Depaul
Housing Services
National Homelessness Property
Fund 2



Nick Lewis
Independent Investment
Committee Member
Resonance Community Developers



Charles Middleton
Non Exec Director of a
Renewables Fund and two Impact
Investing Businesses
Resonance West Midlands SITR Fund



Melanie Mills
Head of Social Sector Engagement
at Big Society Capital
Resonance West Midlands SITR Fund



Shuab Mirza
Valuation Consultant with
Jones Lang Lasalle and a Senior
Member of its Affordable Housing
Valuation Team
National Homelessness Property
Fund 2 and Resonance Supported
Homes Fund



Jane Plighting
Leadership Development at
Evolutionary Connections
Health & Wellbeing Challenge
Fund (South West)



Nick Salisbury
Chair of Trustees of Oasis
Community Housing
National Homelessness Property Fund 2
and Resonance Supported Homes Fund



Karen Sorab OBE
Chair of Disability Sports Coach UK,
Founder & Patron of BeyondAutism
Resonance Supported Homes Fund



Martin Stanley
Retired Entrepreneur
Resonance Community Developers



David Tarbet
Business Development Director at the
Royal Devon University Healthcare
NHS Foundation Trust
Health & Wellbeing Challenge
Fund (South West)



Richard Watson
Chief Operating Officer
- Arts University Plymouth
Health & Wellbeing Challenge
Fund (South West)



Chris Wood
Director of the Curiosity Society
Health & Wellbeing Challenge
Fund (South West)

Photo: The property investment committees consider a number of criteria before approving a property acquisition, including dimensions of rooms, proximity to local amenities and transport links as well as refurbishment costs. This is a property in Greater Manchester undergoing refurbishment before being handed over to our property partner **Let Us**.



PARTNERS

In addition to the inspiring social enterprises and housing partners we work with and which are featured throughout this report, we are privileged to have a number of great partners that generally fall into three groups: Local Authorities and Local Government Pension Schemes; Impact Investment Specialists and Foundations. We have highlighted one from each group to explain a little about how we work together. We are proud to have worked with all our partners and we are so grateful to them for their ongoing support.



Greater Manchester Combined Authority (GMCA) is made up of ten Greater Manchester councils and the Mayor, which work with other local services, businesses, communities and other partners to improve the city region for the 2.8 million people who live there.

Their vision is to make Greater Manchester one of the best places in the world to grow up, get on and grow old. The Greater Manchester Strategy sets out a set of clear priorities for delivering this goal, including:

- All children to start school ready to learn
- Young people equipped for life
- Good quality housing, and an end to rough sleeping
- Greater Manchester to pioneer a positive vision for growing older

We have worked closely with GMCA in relation to our Resonance Supported Homes Fund, into which GMCA invested £5m in July 2020. And in December 2020, it was one of three seed investors when we launched National Homelessness Property Fund 2, investing £5m into the fund. It has subsequently made two further investments into this fund, bringing its total investments to over £8m. GMCA has also been helping expand Resonance Community Developers across Greater Manchester.



Pensions for Purpose exists as a bridge between asset managers, pension funds and their professional advisors, to encourage the flow of capital towards impact investment.

It is an online platform providing a knowledge centre including an extensive bank of information and case studies. Members are able to network with peers whilst learning more about impact investment via a members' forum, training workshops and events.

Pensions for Purpose helps pension funds mitigate negative impacts and seek positive impacts by understanding what they invest in and what opportunities exist in the market.

Resonance works with Pensions for Purpose as their work is raising awareness and building interest in impact investment strategies, into which Resonance's experience can usefully feed.



Guy's & St Thomas' Foundation is an independent charitable foundation investing in a healthier society. The Foundation is committed to achieving both financial returns and health impact to drive health equity.

The Foundation has invested over £10m in three of Resonance's impact property funds: Real Lettings Property Fund 2, Women in Safe Homes and Resonance Everyone In Fund, as part of the charity's initiative to invest some of its £1bn endowment in funds that aim to have a positive effect on health in the UK, complementing its charitable activity. As part of the Foundation's impact investment strategy it is committed to increasing its impact investment allocation from £22m to £100m by 2026.

Providing suitable and stable accommodation to vulnerable adults and children, and enabling people to build resilience against homelessness, addresses the current challenges of a key determinant of health. By supporting funds like Resonance's impact property funds, the foundation believes it can improve the health and wellbeing of some of the most vulnerable groups in society.

LOCAL AUTHORITIES & LOCAL GOVERNMENT PENSIONS SCHEMES

- Bristol City Council
- Croydon Council
- Greater London Authority
- Greater Manchester Combined Authority
- Greater Manchester Pension Fund
- Lambeth Council
- Milton Keynes Council
- Oxford City Council
- Oxfordshire County Council
- Westminster City Council

IMPACT INVESTMENT SPECIALISTS

- Access - The Foundation for Social Investment
- Big Society Capital
- Ethex
- Snowball

FOUNDATIONS

- Andrews Charitable Trust
- Barrow Cadbury Trust
- Blagrove Trust
- Casey Family Programs
- Ceniarth
- Church of England Archbishops' Council
- City Bridge Trust
- Comic Relief
- Cripplegate Foundation
- Esmée Fairbairn Foundation
- Friends Provident Foundation
- Guy's & St Thomas' Foundation
- Joseph Rowntree Foundation
- Lankelly Chase Foundation
- London and Quadrant Housing Trust
- LostAnd Foundation
- MacArthur Foundation
- National Lottery Community Fund
- Samworth Foundation
- Schroders Big Society Capital Impact Trust plc
- Stewardship
- The Clothworkers' Foundation
- Treebeard Trust
- Trust For London



Photo: Anna Shiel, Head of Origination at Big Society Capital, has worked with Resonance since 2012 and was involved in the first investment into the Real Lettings Property Fund 1. Big Society is celebrating its tenth Anniversary this year.

Photo: **BeyondAutism** is one of Resonance's oldest clients and as a result of social investment over the years, offers support to children with autism and their families, at its two schools and sixth form college in London.




Launceston
The Great Barn
5 Scarne Court
Hurdon Road
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PL15 9LR

Manchester
Suite 707
Bloc
17 Marble Street
Manchester
M2 3AW

We also have
dedicated
Resonance teams
based locally in
Bristol and London

resonance.ltd.uk

 **Resonance Limited**

 **@resonanceltd**

 **Resonanceltd**

 **Sign up for our newsletter on our website**

ACKNOWLEDGEMENT

Thank you to everyone that has contributed to this year's Annual Report, especially the social enterprises that are delivering much needed services in their communities and the investors who have made this possible.