



# PIONEERING

## SOCIAL IMPACT INVESTING



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Front cover image: Raised in Bristol, providing early years education and childcare services at the heart of community owned spaces.

## 1 OUR YEAR



Photo: Good Boost creates artificial intelligence personalised exercise programmes for older adults living with musculoskeletal conditions like arthritis and back pain.



# A WORD FROM DANIEL



Right now, I can't fully grasp the long-term future effects of a year like April 2020 - March 2021. What I can do is look back with pride at how the Resonance team, together with our partners across the sector, have responded to unforeseen challenges with resilience, creativity and flexibility.

This year saw our property funds achieve a whole new level of depth and richness as we widened the focus with new targeted funds. We hit a milestone of £250 million, increasing our funds under management by 40%. It's important to remember that the wider homelessness problem isn't solved by just putting a roof over someone's head – it's about working towards long-term solutions, finding reliable and sustainable homes, providing move-on support, and supporting vulnerable people before they become homeless. It's about greater systemic change. And others are recognising it too, with our first overseas investor and first pension fund investor this year. It's a great sign that people are thinking of social investment as a tool to tackle big societal problems like homelessness, and are looking to make their money do more than get a financial return.

When the pandemic took hold, it quickly became clear that the virus was no great 'equaliser'. Inequalities already entrenched in our society became even more exacerbated. Valuing respect, understanding and community took on a greater meaning this year, and these are at the core of what social enterprises do. That's why we backed the social enterprises we worked with, alongside our partners across the sector, with as much support as we could.

During the year we invested **£8.4 million into 28 social enterprises from 578 investors, bringing our total to £163 million of useful new capital mobilised into the hands of 90 social enterprises.** This is testament to an outstanding team of whom I am very proud; each one playing a key role throughout lockdowns and restrictions, going above and beyond to support those on the front lines serving their communities.

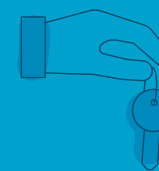
Building back better is now not enough – the world has changed. We're working towards building forward better. We can see a way to not only eliminate homelessness, but to do so in a way that is more affordable, empowering and with a lower carbon footprint. We can't do this on our own, but we're in good company. Please enjoy reading our annual report to see how we responded to a challenging year, and how we are turning our focus to what's next.

Thanks  
Daniel Brewer, CEO



## HIGHLIGHTS

- Achieved first close on **National Homelessness Property fund 2**, the fourth in our series of homelessness property funds, **attracting institutional investment** from Greater Manchester Pension Fund.
- Backed by the Mayor of London, the Resonance Everyone In fund is finding **affordable homes for rough sleepers**, after it became apparent that this group were particularly vulnerable to COVID-19.
- The Women in Safe Homes fund, believed to be **the world's first gender-lens property fund**, had a timely launch as the pandemic saw women being disproportionately affected by lockdowns, not least the significant increase in the rates of domestic violence.
- Working together with four of our sector peers, we distributed **£3.2 million** through the Social Enterprise Support Fund to **120 organisations** that needed extra support through the pandemic.
- We **invested £570,000** into two organisations, plus a grant of £68,000 into another, through the Resilience and Recovery Loan Fund. This was a sector-wide response using the government's C Bills loan guarantee scheme, helping **social enterprises get the emergency funding they needed** due to lockdown disruption.
- The COVID-19 Emergency Response Grant Facility provided **£1 million of grants** to support new borrowers, thanks to Access - The Foundation for Social Investment. We distributed **£554,769 into eight different social enterprises**, enabling COVID-19 specific costs and risks to be managed alongside growth plans.
- The pandemic saw a wave of support for communities to "build forward better". We experienced this exciting surge of support on the ground with our two community share offers - **Co Cars and Mustard Seed Property** - each achieving a **£600,000 raise**.
- 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.



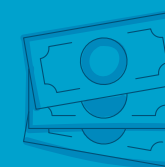
**OVER £260M INVESTED IN PROPERTY FOR HOMELESSNESS PROPERTY FUNDS**



**WE'VE DELIVERED SAFE AND AFFORDABLE HOMES FOR 2,683 PEOPLE, INCLUDING 1,322 CHILDREN, IN 822 PROPERTIES**



**THIS YEAR WE INVESTED £8.4M INTO 28 SOCIAL ENTERPRISES FROM 578 INVESTORS**



**CUMULATIVE TOTAL OF INVESTMENT OVER THE PAST FIVE YEARS £163M INTO 90 SOCIAL ENTERPRISES**

# INVEST AND STRENGTHEN

Our mission is to **connect** capital with social enterprise, something we have been doing across the UK for the last nineteen years.

Resonance is an **impact property fund manager**, but we go further through our **impact labs** to innovate for a better tomorrow.

## IMPACT PROPERTY FUNDS

Resonance has three distinct impact strategies within its property funds: Homelessness, Learning Disability and Vulnerable Women.



### HOMELESSNESS

There are five Resonance Homelessness Property Funds, providing move-on accommodation for those at risk of homelessness, as well as providing a yield and capital appreciation to their investors. The **Real Lettings Property Funds 1 and 2** have invested in homes in London, whilst the **National Homelessness Property Fund 1** has invested in homes in Oxford, Bristol and Milton Keynes.

In early 2021, the **Resonance Everyone In fund** was launched, providing accommodation to rough sleepers in London, as a response to the gargantuan effort by local authorities to get rough sleepers into hotels and hostels during the pandemic.

The **National Homelessness Property fund 2** is now Resonance's flagship fund to take forward this initiative across the UK. Launched in December 2020 with cornerstone investment from investors including Greater Manchester Pension Fund, this fund is now raising additional institutional capital to invest into the £20bn need for residential move-on accommodation across the country.



### LEARNING DISABILITY

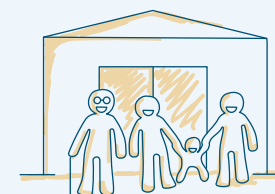
The **Resonance Supported Homes Fund** is currently sourcing homes for people with learning disability, autism and mental health challenges, to the specification and needs set out by our charity partners.



### VULNERABLE WOMEN

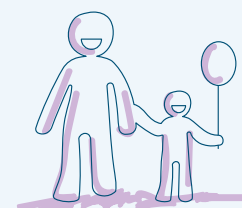
In conjunction with Patron Capital, Resonance designed and created the **Women in Safe Homes fund**, believed to be the world's first gender-lens property fund, which is now sourcing safe and secure homes for women fleeing abuse, leaving prison, or otherwise at risk of homelessness.

## IMPACT LABS



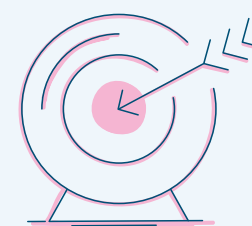
### COMMUNITY ASSETS TEAM

**Resonance Community Developers**, our new community asset fund, is focusing on helping local communities to develop affordable housing, sports and leisure facilities and renewable energy generation. This fund was developed from the learnings from Resonance's two original community asset funds: The Community Share Underwriting Fund and the Affordable Homes Rental Fund, both of which have proven successful in both financial and impact terms. The Community Assets Team also helps communities raise capital from community share issues, mini bonds and bank debt.



### ENTERPRISE GROWTH TEAM

To date, Resonance has two social investment tax relief funds operating in specific geographic locations: The **Resonance South West SITR Fund** and the **Resonance West Midlands SITR Fund**. These Funds provide loans to social enterprises that are helping to dismantle poverty in the regions. They also give investors a diversified portfolio of investments with yields and tax benefits similar to the Enterprise Investment Scheme (EIS). The **Health & Wellbeing Challenge Fund (South West)** also provides loans to social enterprises to develop new solutions in health and social care across the South West.



### IMPACT AND INNOVATION TEAM

Our Impact & Innovation Team offers professional advice, helping to strengthen social enterprises through building their capacity and developing their impact. With a wide range of networks and high levels of experience, the team also works with key partners in the impact investment sector to create systemic change.



# COVID-19 RESPONSE

**There is no doubt that the world has changed beyond our recognition since the beginning of the pandemic in 2020. The advent of the first lockdown changed not only how we conducted our day to day lives, but how Resonance, our social enterprises and our investors do business.**

The pandemic opened up the cracks that were already exposed in our society such as poverty and inequality, into gaping voids. So at a time when social enterprises were facing their biggest ever challenges, the communities they served needed them more than ever.

Social impact investment companies across the sector including Resonance stepped up to help the front-line social enterprises that faced the stark realities of the pandemic. These social enterprises were balancing between commercial survival and finding ways to re-invent themselves, in order to continue to deliver the social impact they care so much about.

During this very challenging year, Resonance learned that there were four key actions that greatly contributed to our ability to continue to support our social enterprises: Communication, Embracing Technology, Collaboration and Story Telling.

## COMMUNICATION

At the start of this almost 'perfect storm' Resonance believed that open communication channels were going to be critical. We're natural collaborators and we pride ourselves on building trusting and transparent relationships with our staff, our social enterprise clients and our investors. So we began conversations with all parties to find out what they needed, what they might be able to offer to help, as well as looking at our own situation at Resonance and making sure that we were in a good place to be able to offer meaningful support.

In conjunction with our social investors, Resonance developed a package of support for our social enterprises including capital and interest deferral on loans. We agreed with the Resonance team to work a temporary 4.5 day week, which meant we could stretch our resources a little further. And we kept communication lines open to our social investment peers, which lead to a collaboration that delivered a number of financial initiatives to support social enterprises.

## EMBRACING TECHNOLOGY

Prior to COVID-19 many companies were cautiously adopting new technologies and digital services, as part of a more flexible way of working. That was certainly the case at Resonance. The pandemic accelerated that process exponentially with working from home a government directive and a necessity for fighting the virus in the days before the vaccination, leaving businesses with little choice but to act quickly.

We worked to successfully relocate employees to work from home and still managed to raise capital, make investments, secure exits without a single default, and even hired new employees during the crisis, welcoming eleven new colleagues.

Social enterprises across the UK also met the challenges head-on – and where possible they moved vital services on-line and in some cases 'pivoted' business models in order to meet more pressing needs in their communities. Across the board there was action, innovation and determination.

## COLLABORATION

Exploring opportunities for collaboration proved to be another critical business activity whilst everything was in flux. It played a crucial part in the survival of many businesses, alongside looking at new ways to work, deliver services and adopt new technologies.

Resonance worked hand-in-hand with our peers, collaborating to support social enterprises with much needed grant funding that helped them through the worst of the emergency. Together we delivered financial initiatives from the likes of The National Lottery Community Fund, Big Society Capital and Access - The Foundation for Social Investment, which put much needed funding into the hands of the social enterprises so integral to the delivery of vital services.

Many social enterprises worked in collaboration with their peers in various sectors to share facilities, experiences and find ways to work together to deliver for communities. Resonance played its part by using our network to connect people where possible and we hope that some of these collaborations will continue once the crisis has passed, as some fantastic ideas came from the tough experiences shared by all.



## STORY TELLING

Another key part of the response to the pandemic was to ensure that we and our social enterprises continued to share their stories, offering inspiration to other social enterprises and communities across the UK. Showing that despite extremely tough economic conditions, social enterprises, which play a vital role in filling the gaps in provision in our society, can survive, deliver impact and what's more, even flourish. This annual report shares some of those stories.



Photo: Community green open spaces became so important during the pandemic, when lockdowns highlighted that many people don't have access to their own garden space. Grow Organic, based in West Midlands creates fabulous green spaces for their local community.



# OUR BOARD

As Chair of Resonance, I feel privileged to contribute to the 2021 Annual Report given what the Resonance team has achieved over the past year. The challenges of the global pandemic shifted somewhat, as vaccination programmes began to roll out, but it by no means diminished social need. The urgency to raise investment for social impact, if anything, increased as the economy limped its way towards a new normal. We continued to hear about organisations that could no longer continue in business, resulting in job losses and anguish for the families that were impacted. Mental health remained a silent and growing burden, particularly in younger generations; domestic violence in the home created suffering and desperation for a growing number of women, and homelessness, meanwhile, never really went away despite some of the pandemic crisis solutions found during lockdown periods.

Yet this was a year when the team at Resonance once again surpassed all expectations. The staff pulled together, with home working gradually being replaced by hybrid working, a mix of home and office arrangements being discussed with the team. The funds that had been launched in 2020, such as the Women in Safe Homes fund, continued to grow, with new investors committing to impact solutions that so very directly dealt with some of the challenges mentioned above. I just want to pay credit to the staff, from the senior leadership team to the fund managers to the IT department and on... right across the board the staff showed a willingness to go the extra mile to help those in need. Thank you.

As I mentioned in last year's report, none of this would be possible without our investors and partners. We value and appreciate your trust and willingness to invest in the range of impact funds offered by Resonance.

I hope these stories touch you as they do me, and that they also inspire you for the coming year. Thank you for your support.

**Karen Shackleton,**  
Resonance Chair



**Anita Bhatia**, Non-Executive Director, is the Investment Director at Guy's and St Thomas' Charity. 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 nineteen 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.

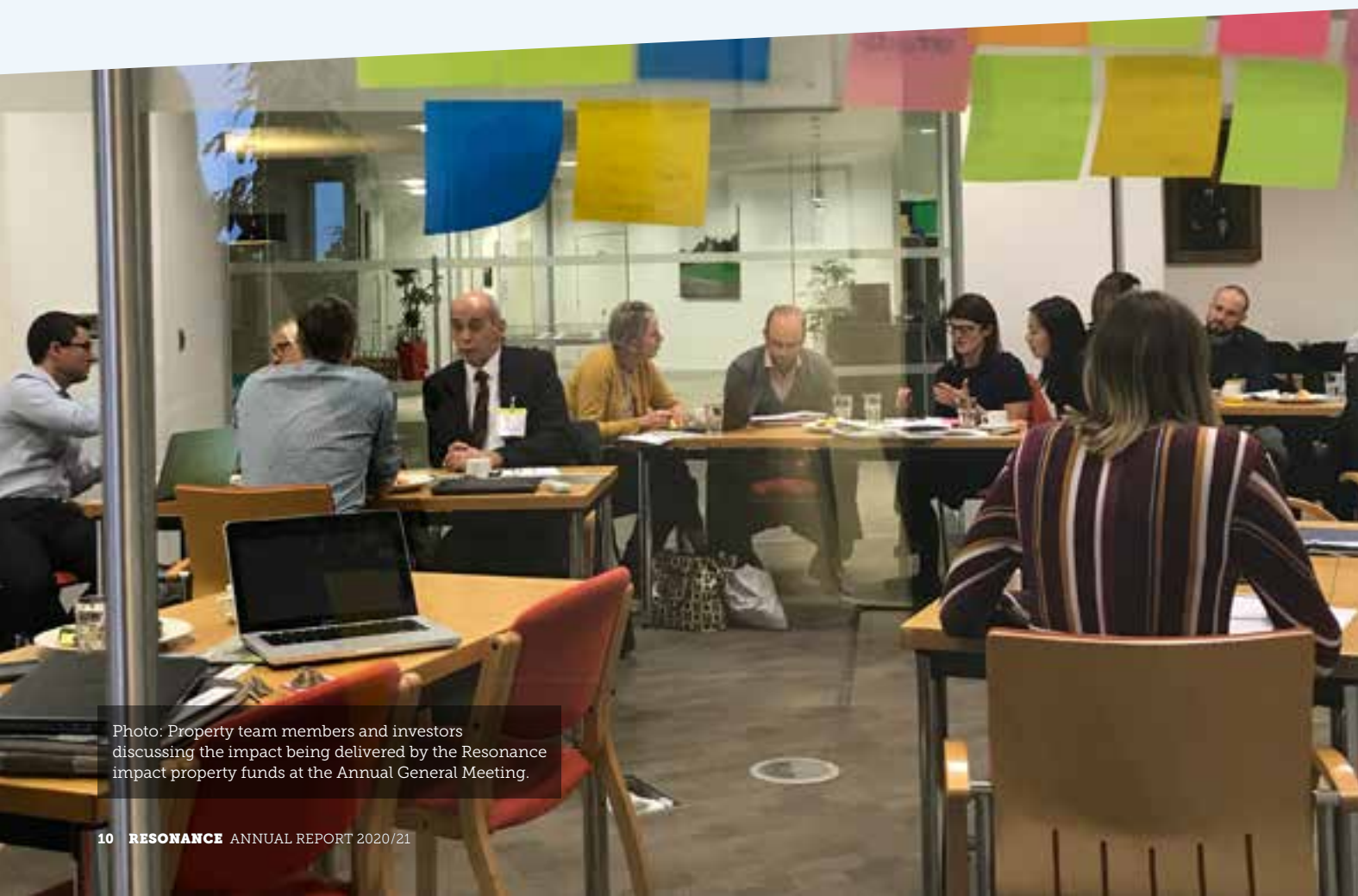


Photo: Property team members and investors discussing the impact being delivered by the Resonance impact property funds at the Annual General Meeting.

"My Resonance journey began over ten years ago whilst I was at Nesta running a programme on investing in social venture intermediaries. At the time we were looking for a very small number of intermediaries that were working to support social ventures.

"When Daniel came to pitch the case for investing in Resonance, he set out a request to recruit an operational lead to help build the team. We had to make some tough choices about where to invest but we wanted to take a bet on Daniel. And we helped him recruit Simon. That bet paid off as they built a growing team.

"A couple of years after I left I was working with a council desperate not to be hosting homeless families in bed and breakfast. I suggested exploring the Real Lettings Property Fund as a suitable model, ultimately leading to their investment.

"Having been a friend of the firm I was delighted when asked if I would be interested in joining as a Non-Executive Director. It is a big responsibility and I'm hoping to continue finding and developing opportunities to fulfil the mission. I'm enjoying getting to know even more about an amazing organisation and a growing movement.

"Ten years ago we had a financial crisis. The last few years have felt even more existential. And we can be confident of more crises to come.

**"It is organisations like Resonance that are helping to find solutions for tomorrow's world. They are the future of investment."**

*Tim Pope, Non-Executive Director*



## 2 INVESTING FOR IMPACT



Photo: Julie, a tenant from NHPF2, and her twin daughters settled into their home in September.



# INVESTING FOR IMPACT



Resonance's impact investment activity during this year continued to grow strongly, and became even more relevant as the pandemic highlighted ongoing 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 eighth year of successful track record, and are now looking to consolidate and scale further with institutional investment, through **National Homelessness Property fund 2**, which launched during the year with first close investors including Greater Manchester Pension Fund. The stability of this investment strategy during the volatile period of the pandemic, together with its long-term inflation correlated income characteristics, 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.

It was also great to see the successful launch of two further funds during this financial year: **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; **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: Our impact property funds acquire "ordinary homes on ordinary streets" across the UK, housing people across our three focus areas of homelessness, learning disability and vulnerable women.



# REFOCUSING FOR THE FUTURE

Our main purpose at Resonance is to transform lives through investment. Investment into mission-driven social enterprises delivers significant social impact, and our experience since the launch of our first impact property fund in 2013 has been that this model is a powerful mechanism that delivers impact on a big scale.

Resonance, in partnership with a number of homelessness charity partners, has acquired homes for people who are either homeless or in danger of homelessness and it is well proven that a safe, secure, affordable home is a vital component in bringing stability to a person's life. It is the stepping stone – a solid base from which they have the space and security to help work on other areas of their lives that may have made them vulnerable to homelessness in the first place.

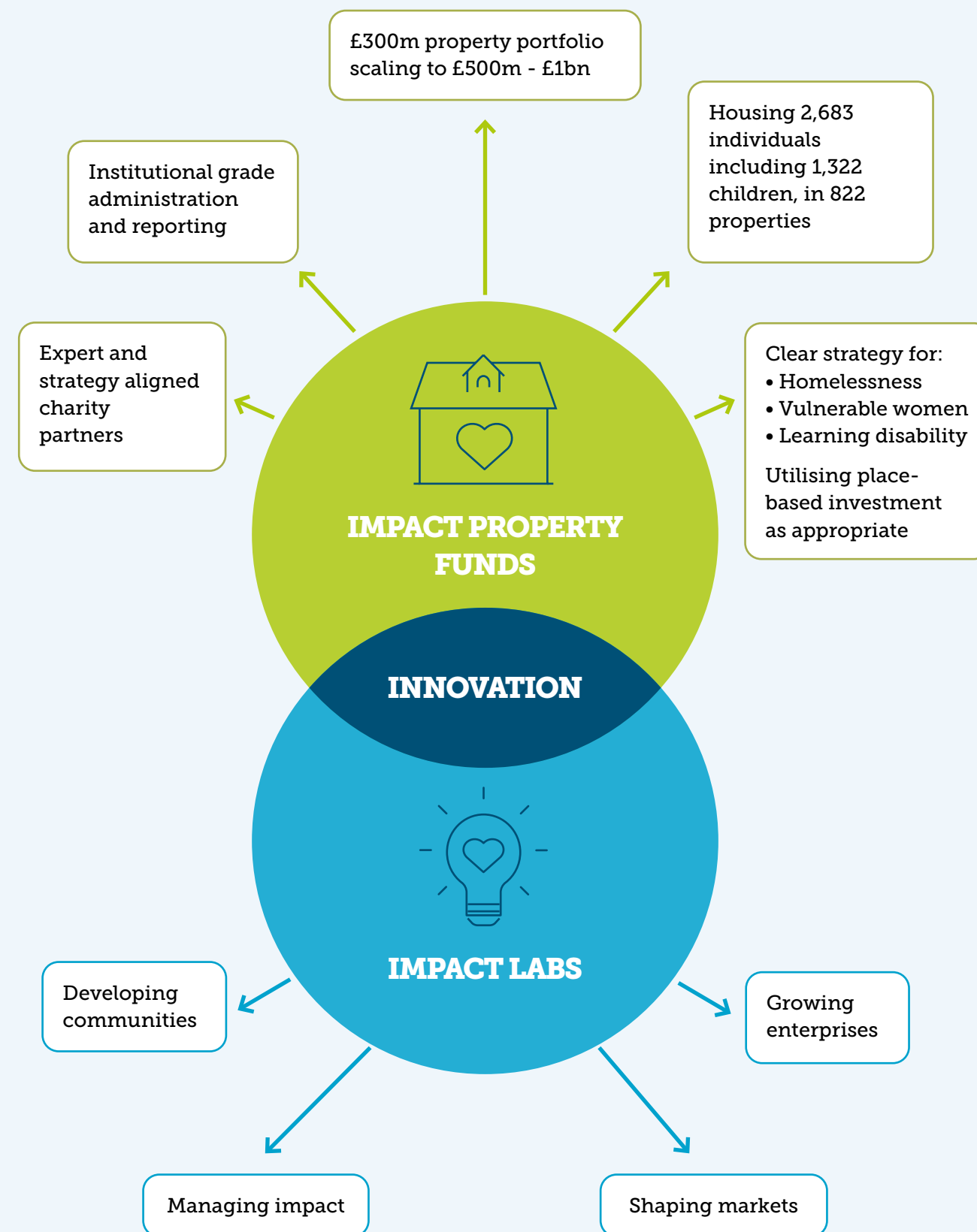
Whilst extremely important, providing a much needed roof over someone's head is not the end of the story. There are many reasons that people become vulnerable to homelessness and it is surprising how easily it can happen: from unemployment, inadequate skills, training or education to mental health issues, a lack of affordable child care or surviving domestic abuse to name but a few.

**Resonance is an impact property fund manager.** What makes us stand out from those that simply acquire and manage properties however, is that we go further. We are proud to work with our carefully selected charity partners that support tenants with wrap-around services and care, from helping them with education and employment opportunities through to supporting them to overcome any addiction or mental health challenges they may have. They do this while tenants have one less thing to worry about – a good quality, safe, affordable home.

Through our 'Impact Labs', we develop, innovate and provide other forms of tailored investment and funding to social enterprises. We help shape the products and services of tomorrow that help social enterprises grow their impact, through funding and specialist advice. The enterprises are then better positioned to provide the support needed to their communities and individuals, in order for them to rebuild and move-on with their lives.

"My teams and their charity partners are working around the clock to help the most vulnerable people to work towards a life off the street – but this is only possible if there is high quality, affordable accommodation available at the end of their journey. The work being carried out by Resonance and Nacro will create the homes our fellow Londoners deserve and ensure they have access to the support they need to rebuild."

*Sadiq Khan,  
Mayor of London*



# 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 £260 million, over 95%, of funds under management at the end of the financial year, and have continued to scale further since then. Total investment into these funds for the financial year was £61m, representing successful first closes on new funds in our three themes of homelessness, learning disability and vulnerable women. These included investment from Greater Manchester Pension Fund, our first Local Government Pension Scheme investor, and we continue to see increased interest from this investment sector in these impact funds.

Within our Impact Labs, both Community Asset Funds – Developing Communities and Enterprise Growth Funds – Growing Enterprises, made good progress in the year. For Community Assets, the main focus was on continuing successful exits from our early funds in this area, and achieving a significant first close for Resonance Community Developers, just after the year end which will be reflected in our next report. For Enterprise Growth, our work pivoted during the early phase of the pandemic for the team to help channel emergency support grants from the Social Enterprise Support Fund, helping many social enterprises weather the initial storm, as well as continuing to complete deployment of existing investment funds.

INVESTMENT  
RAISED FOR  
ENTERPRISE  
GROWTH FUNDS  
THIS YEAR  
**£470k**

INVESTMENT  
RAISED FOR  
PROPERTY FUNDS  
THIS YEAR  
**£61.3m**

## RESONANCE PROPERTY FUNDS



**TOTAL FUNDS  
UNDER MANAGEMENT  
£260.3m**  
**TOTAL INVESTORS  
37**  
**WHO INVESTED?**

|                           |         |
|---------------------------|---------|
| INSTITUTIONAL / CORPORATE | £68.5m  |
| LOCAL AUTHORITIES         | £163.7m |
| FOUNDATIONS / TRUSTS      | £26.1m  |
| INDIVIDUALS               | £2m     |

## RESONANCE COMMUNITY ASSET FUNDS



**TOTAL FUNDS  
UNDER MANAGEMENT  
£1.7m**  
**TOTAL INVESTORS  
8**  
**WHO INVESTED?**

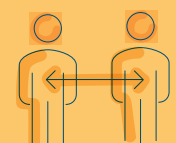
|                           |       |
|---------------------------|-------|
| FOUNDATIONS / TRUSTS      | £600k |
| INSTITUTIONAL / CORPORATE | £1.1m |

**TOTAL GRANTS  
£1.1m**  
**AWARDED BY**

|                      |       |
|----------------------|-------|
| FOUNDATIONS / TRUSTS | £880k |
| PUBLIC SECTOR        | £270k |



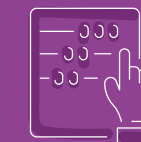
## DIRECT DEALS IN PAST FIVE YEARS



**TOTAL DIRECT DEALS  
£13.5m**  
**WHO INVESTED?**

|                                |       |
|--------------------------------|-------|
| BANKS / BUILDING SOCIETIES     | £8.1m |
| FOUNDATIONS / TRUSTS           | £1.7m |
| INDIVIDUALS                    | £2.7m |
| SOCIAL IMPACT INVESTMENT FUNDS | £1m   |

## RESONANCE ENTERPRISE GROWTH FUNDS



**TOTAL FUNDS  
UNDER MANAGEMENT  
£9.5m**  
**TOTAL INVESTORS  
146**  
**WHO INVESTED?**

|                           |       |
|---------------------------|-------|
| INDIVIDUALS               | £4.9m |
| FOUNDATIONS / TRUSTS      | £2.2m |
| INSTITUTIONAL / CORPORATE | £2.2m |
| PUBLIC SECTOR             | £200k |

**TOTAL GRANTS  
£2.2m**  
**AWARDED BY**

|                      |       |
|----------------------|-------|
| FOUNDATIONS / TRUSTS | £2.2m |
|----------------------|-------|



## DIRECT DEALS IN PAST FIVE YEARS



**TOTAL DIRECT DEALS  
£695k**  
**WHO INVESTED?**

|                                |       |
|--------------------------------|-------|
| FOUNDATIONS / TRUSTS           | £125k |
| SOCIAL IMPACT INVESTMENT FUNDS | £570k |



# **SUSTAINABLE DEVELOPMENT GOALS**

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



Across all our funds, three goals feature most prominently: Goal 11 Sustainable Cities and Communities, Goal 3 Good Health and Wellbeing, and Goal 10 Reduced Inequalities.



- 1.6 million women in the UK experienced domestic abuse in 2019. To help tackle this problem, the **Women in Safe Homes fund** will provide over 650 homes with a target fund size of £100 million.
- The **Resonance Homelessness Property Funds** now have a total of 822 properties, and housing 2,683 people, including 1,322 children.
- In Greater Manchester, over 2,000 households in temporary accommodation are waiting for a permanent home, and over 80,000 people are waiting on social housing lists. **National Homelessness Property fund 2** will provide affordable housing and wrap-around support to people experiencing or at risk of homelessness in Greater Manchester and the North West initially, expanding across the UK.
- Resonance has been awarded a £5 million investment by the Mayor of London, Sadiq Khan, to deliver housing for homeless Londoners, as part of a £15 million social impact investment property fund.
- Responding to the acute housing shortage that leaves thousands of adults with learning disabilities, autism and mental health challenges in inappropriate housing, **Resonance Supported Homes Fund** has started buying homes.



- Elderly people can have lengthy stays in hospital when there are not enough options for them to return home when they are well enough. Also many people with life-limiting conditions also want to remain in their homes. So good quality domiciliary care is essential and Resonance has made a number of investments into social enterprises that provide such care. **Health and Care at Home** and **Quovita** to name just two.
- There are long waiting lists for places offering support to people recovering from drug and alcohol issues. Resonance has invested in social enterprises providing such support, one of which is **Firestone Plymouth**. It provides supported housing in a mutual aid community setting, helping its participants establish sustainable lives for when they move on.
- Children with social, emotional and mental health, autism and anxiety needs often find themselves excluded from mainstream school. So Resonance was delighted to invest in two social enterprises that support this group of young people - **Belong Learning** and **Mime Heuristics**.
- The need for beautiful outside spaces and places people can go to take measure and help their mental health became even more important during the pandemic. **Gro Organic** received investment from Resonance and transforms urban outdoor spaces into everything from outdoor classrooms complete with bug hotels and earth ovens, to therapy gardens for children with diverse needs. Their aim is to transform areas so people can really enjoy being outside.



- The **Women in Safe Homes fund**, believed to be the world's first gender-lens property fund, is transforming the lives of women at risk of homelessness who have experienced multiple forms of disadvantage, such as domestic abuse, leaving prison, and mental health issues.
- Nationally, only 5.6% of people with a learning disability are in work. **SoFab Sports**, into which Resonance has invested, is providing much-needed opportunities for people with learning disabilities to gain vocational qualifications and experience including part-time job opportunities, in their sportswear shop.
- **Resonance Everyone In** is a new £15 million homelessness social investment property fund in response to COVID-19 and its potential for devastation amongst London's homeless population. The Fund aims to provide fifty homes.
- Whilst people with profound and multiple learning disabilities (PMLD) represent only around 0.3% of the population, the geographical spread of this means that there is little peer support with families feeling isolated. **Spectrum Days**, into which Resonance has invested, works with PMLD and their families, offering specialist support through their day care facility and domiciliary care services.

Photo: Southmead Development Trust is a community run health, wellbeing and enterprise hub in Bristol. It supports 1,000 people every month in the local area.



# OUR REACH

## INVEST

- New investments made into social enterprises
- Our existing portfolio of investment

## STRENGTHEN

- Other social enterprises we've supported this year

## PROPERTIES

- Where our tenants live





# **3 IMPACT PROPERTY FUNDS**





# RESONANCE PROPERTY FUNDS

Resonance's property funds have been designed in partnership with charity partners so that there is focus on the needs of the different tenant groups that are housed by the funds.

Raising investment from like-minded investors, the funds buy properties and refurbish them to a high standard, before they are handed over and leased to experienced and established leasehold partners, including homelessness charities and housing providers. The funds' partners manage tenancies and either support tenants directly or signpost them to support, to help them access specialist services, become part of local communities and make positive steps forward in their lives.

These experienced providers clearly understand the needs of the individuals they work with on a daily basis, and listening to them, we have focused on delivering the homes that people need to live independent lives in a safe, affordable, secure home.

Resonance has three distinct impact strategies within its property funds initiative, all of which have been designed and developed hand-in-hand with our charity partners – **homelessness, learning disability and vulnerable women.**

## WHAT OUR PROPERTY FUNDS ARE ACHIEVING

This year, the pandemic has had a huge impact on housing issues and homelessness, leading to an even greater need for decent and affordable housing for everyone. And whilst COVID-19 saw the number of people sleeping rough in the UK drop by 25% - thanks to the joint efforts of homelessness charity sector organisations and the government's Everyone In initiative - the number of people housed in temporary accommodation has risen by 26%.

Without access to decent housing, many people are stuck in inappropriate and temporary housing for long periods of time. Resonance's homelessness property funds are providing an effective pathway for tenants ready for independent living who would otherwise struggle to access private rented sector housing and having housed 2,683 people in 822 homes, our homelessness property funds model clearly illustrates that there is significant potential to scale up and expand our funds to provide a positive alternative to unsuitable temporary accommodation. In addition, we have adapted and tailored this impact property fund model to meet the different needs of adults with learning disability and vulnerable women. So this year, Resonance's four new impact property funds have gone on to partner with more charity partners and housing providers and raised £70 million investment from social impact investors including local authorities, US investors and new trusts and foundations, in order to tackle these issues. The funds are acquiring "ordinary homes on ordinary streets" across the UK, which are leased to our growing family of quality industry leading housing providers that then house and support people across our three focus areas of homelessness, learning disability and vulnerable women.

We now have c. £300 million across our seven impact focused property funds and have a strategy to scale this leasing model significantly over the next few years to deliver measurable social impact as well as sustainable risk adjusted returns to investors.

Our impact property funds are scaling social enterprise through access to residential property, on the right terms and at scale, with three focus areas: **homelessness, learning disability and vulnerable women.**

## PROPERTY



### HOMELESSNESS

#### 5 FUNDS

Real Lettings Property Fund 1 & 2  
National Homelessness Property Fund 1 & 2  
Resonance Everyone In fund

Our **first property fund** was launched in 2013 with Charity Partner St Mungo's

Since purchasing properties outside London, we now work with a range of Charity Partners across the UK

#### Focused on:

People who are homeless, living in inappropriate accommodation such as hostels or B&Bs, or who are sleeping rough

#### Current Investors:

Pension funds, local authorities, trusts and foundations



### LEARNING DISABILITY

#### 1 FUND

Resonance Supported Homes Fund

**Better long-term lease model** for the learning disability sector launched in July 2020

Charity Partners include Reside Housing and United Response

#### Focused on:

Providing housing and specialist support for adults with learning disabilities, autism and mental health issues

#### Current Investors:

Local authorities, trusts and foundations



### VULNERABLE WOMEN

#### 1 FUND

Women in Safe Homes fund

**World's first 'gender-lens'** impact investment property fund launched in December 2020

Charity partners include Daizybell, Nacro, Preston Road Women's Centre (Winner), Refuge and SaferPlaces

#### Focused on:

Women experiencing homelessness due to: domestic abuse, leaving prison, mental health problems

#### Current Investors:

Overseas investors, trusts and foundations

"I am proud that the Greater Manchester Pension Fund is able to invest in the Resonance Homelessness Property fund 2. It's important to me that we are able to make a sound and socially impactful investment which will help provide much needed, affordable and refurbished accommodation for rent across Greater Manchester, whilst still generating a return for the pension fund, to enable it to meet the pension promises of our members, who mainly live and work in Greater Manchester."

Cllr Brenda Warrington, Chair, Greater Manchester Pension Fund

Photo: Paul is a Real Lettings tenant. You can hear Paul's story in his own words on the Resonance website.



# FOCUS 1: HOMELESSNESS

## HOMELESSNESS PROPERTY FUNDS

Our first three homelessness property funds (**Real Lettings Property Funds 1 & 2** and **National Homelessness Property Fund 1**) and our partnership with St Mungo's have provided homes for people living in temporary accommodation or at risk of homelessness across the UK, proving that social investment can be part of the solution to the UK's social housing crisis. These three homelessness property funds have already provided safe and affordable homes for 2,683 people, including 1,322 children, in 822 properties across the UK. Resonance now has an additional two homelessness property funds: **National Homelessness Property fund 2** and **Resonance Everyone In fund**.

**Resonance Everyone In fund** (REIF) launched in March 2021 with £12.5 million in seed investment and was created specifically in response to the increasing demand for decent housing for rough sleepers in London, as a result of COVID-19. During the pandemic and across England in 2020, around 37,000 people were successfully moved off the streets and into emergency accommodation as part of the government's Everyone In scheme. Since then, however, the easing of lockdowns combined with new economic pressures have resulted in more - and in some case new - people becoming homeless. REIF is purchasing and refurbishing around 200 one-bedroom and studio properties in London with the aim of providing affordable homes for sixty rough sleepers. The fund leases properties to its charity partner, leading social justice charity Nacro, that will provide a specialist support service for the fund's tenants for four years.

**National Homelessness Property fund 2** (NHPF2) was launched in December 2020, with an initial investment of £20 million to help meet the increasing demand for decent and affordable homes for people who are homeless or at risk of homelessness. The fund formed its first partnership with Let Us, and is acquiring and refurbishing properties before leasing them to its partners, with an initial focus on buying affordable homes for people in need of housing in the Greater Manchester region. The fund is now expanding nationally, having recently received a further £2 million investment to house around thirty rough sleepers in ten shared homes and seventeen one-bed flats in Oxford. NHPF2 is aiming to provide around 870 affordable homes across the UK and is targeting a total fund size of £50 million - £100 million.

### Why These Funds Are Needed



According to Shelter (2019), an estimated **280,000 people are homeless in the UK**, equating to **1 in every 200 people**, with **over 84,000 households** stuck in temporary accommodation



Shelter further shares that **one million households are on social housing waiting lists** and that with our growing population, **three million new social homes will be needed** in England over the next twenty years



**Over 2,000 households** in Greater Manchester in temporary accommodation are **waiting for a permanent home**



**97,000 households** in Greater Manchester were waiting for a social home in 2019



**2,688 people** were estimated to be sleeping rough **on a single night** in autumn 2020 in England

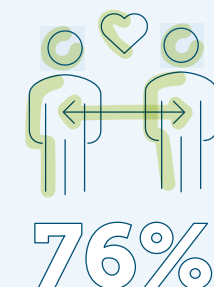


In London **10,726 people** were recorded as sleeping rough in 2019/20

**SINCE LAUNCH, OUR RLPF 1 & 2 AND NHPF 1 PROPERTY FUNDS HAVE PROVIDED AFFORDABLE, SAFE AND SECURE HOMES, WHICH ARE MAKING A REAL DIFFERENCE TO PEOPLE'S LIVES.**



**MORE HOUSEHOLDS  
MOVE ON POSITIVELY**



**OF TENANTS' SUPPORT  
NETWORKS AND RELATIONSHIPS  
ARE POSITIVELY AFFECTED**

## REAL LETTINGS

Real Lettings is a social lettings service set up to help provide homes for vulnerably housed and homeless people. Real Lettings is a social enterprise working within homelessness charity St Mungo's. The Resonance Homelessness Property Funds buy residential flats and small houses, which are leased to Real Lettings and then made available to individuals and families who are homeless, or at risk of homelessness.

### INVESTMENT FOCUS

These Property Funds have been developed in response to the lack of private rented accommodation accessible to rising numbers of people living in temporary accommodation or otherwise at risk of homelessness. In the year, the Real Lettings Property Fund 2 invested £4.8 million into new properties, providing more homes for people at risk of homelessness.



## OUR CHARITY PARTNERS FOR THE HOMELESSNESS PROPERTY FUNDS

The charity and housing partners that our homelessness property funds work with are experienced leaseholders. They understand the issues tenants face and working in partnership with them, our funds ensure the housing and support needs of tenants are met.



### Developing Health and Independence

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, we help our clients overcome barriers and behaviours that isolate them so they can establish connections and become part of their communities. We provide support around issues such as housing, debt, income, employment and substance misuse.



### Nacro

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.

**"Too many people in London are without a safe, secure home, unable to plan for the future. At Nacro, we're delighted to be working with the Everyone In partnership, to give people somewhere stable to live - along with extra support that can really make the difference."**

*Campbell Robb,  
Chief Executive of Nacro*



### Let Us

The Greater Manchester Ethical Lettings Agency is run by a group of housing providers (Bolton at Home, Forhousing, Salix Homes, Stockport Homes Group and Wigan Council) with a long-established reputation for successfully managing tens of thousands of homes across Greater Manchester. They work with landlords to help them tackle the housing crisis in Greater Manchester by offering the right homes to the right tenants, making more homes in the private rented sector available to tenants who really need them, while minimising risks to landlords through their proven and robust management approach.



### St Mungo's

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.

## TENANT'S STORY



### JULIE AND HER TWIN, TEENAGE DAUGHTERS, MANCHESTER

Julie and her twin daughters had been living in temporary accommodation in Greater Manchester for two years having lost their home. It was a challenging time for the family because they were moved to an unfamiliar area, away from their friends, family, school and support networks.

However, in September 2021, Julie and her daughters became one of the very first families to be housed by the National Homelessness Property fund 2. They were supported with the move into their new home - back in the local community where they lived previously and where Julie's daughters go to school - by Three Sixty, part of Stockport Homes Group, one of the partners of Let Us, the Greater Manchester Ethical Lettings Agency, which partnered with the fund.

Julie's home is a two-bedroom apartment, close to many local facilities, green open spaces and good public transport. Resonance purchased the property in late spring and our in-house property team fully refurbished and improved the property's energy efficiency, including full electrical rewiring, upgrades to the kitchen and bathroom, and redecoration of all rooms plus the communal landing areas and stairway.

**"Having this new home is a new start. We have all the tools to begin again. We are back living in an area where I feel safe, back to where I have doctors, schools, friends, family. My mental health and depression have improved already. The children are happy. We have everything available to make this successful."**

*Julie, tenant housed by  
National Homelessness  
Property fund 2*

Photo: Julie, a tenant from NHPF2, and her twin daughters settled into their home in September.



# FOCUS 2: LEARNING DISABILITY RESONANCE SUPPORTED HOMES FUND

FUND  
LAUNCHED  
JULY 2020

Working alongside **Reside Housing Association** and **United Response**, Resonance has co-designed a sector-wide solution for the supported housing need of people with learning disabilities, autism and mental health challenges, enabling them to live independently. The Fund has received initial investment from **Greater Manchester Combined Authority**, **Big Society Capital**, **Oxfordshire County Council** and the **Barrow Cadbury Trust**.

People with learning disabilities are in desperate need of the right housing for them. Instead, many are likely to be living in inappropriate housing with few suitable housing choices available to them, and where they do, they remain on long waiting lists.


Large numbers of people are being housed in local authority areas miles away from their families and friends. A high number of people are stuck living in unsuitable long-term hospital inpatient facilities (assessment and treatment units) where personal, health and societal outcomes are very poor and individuals can become 'institutionalised', facing multiple barriers to discharge.


After significant collaboration between Resonance, its charity partners, investors and commissioners, the Resonance Supported Homes Fund was created. The fund is structured to achieve significant social impact in learning disability and mental health, by providing bespoke Specialised Supported Housing (SSH). It works with impact-driven housing associations and learning disability charity partners to focus on the specific housing needs of the tenants being housed. It is also establishing a better long-term leasing structure for these organisations than is currently available in the market.


The fund will enable people to enjoy a more autonomous lifestyle, choosing the home they want to live in and the level of support with which they feel comfortable. Living independently helps with the development of skills and independence, whilst offering a better sense of personal safety, as well as increased community inclusion.

The fund launched in summer 2020 with £10.25 million in seed investment and a target fund size of £50 million - £100 million. In September 2021, the fund secured an additional £5 million from its second close. The fund aims to purchase 275 properties and to provide 500 people with long-term homes.


## Why This Fund Is Needed


 **1.5 million** people in the UK have a learning disability


 **38%** live with family and friends

 **22%** live in a registered care home


 Only **16%** live in supported accommodation

 **40%** of adults with a learning disability want to live independently in the community

 **700,000** people in the UK have autism

 **2,040 people** were still residing in long-term inpatient facilities in April 2021

 Demand for supported housing from people with a learning disability will increase from 38,500 units in 2015 to **59,800 units** by 2030

 **82%** of local authorities say they have a shortage of suitable housing for adults with a learning disability



**TARGET FUND SIZE =  
£50 MILLION -  
£100 MILLION**

**£10.25 MILLION**  
seed investment in 2020

**£5 MILLION**  
investment in 2021

Photo: 40% of adults with a learning disability want to live independently in the community.



OUR CHARITY PARTNERS FOR THE HOMELESSNESS PROPERTY FUNDS

The Resonance Supported Homes Fund has partnered with learning disability charity United Response and learning disability housing provider Reside Housing Association, to deliver the right homes for people with learning disabilities, autism and mental health challenges.



Reside Housing Association was established in 2002 to provide housing for people with support needs to be independent in their community, particularly those with a learning disability, autism, acquired brain injury or mental health problems. Tenant support is provided through contracts with support providers to promote choice and independent living, whilst protecting the rights and welfare of tenants at the same time. Reside has received the highest ratings available from the Regulator of Social Housing.



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.

TENANT'S STORY



JOE, BEN & HOLLY

Joe, Ben and Holly have been friends since school. They have grown up together and their families have grown to be friends. They attended a residential college together and like all young people as the time grew closer to leaving college, Joe, Ben and Holly - together with their families - started making plans for the future, including finding a shared home and employment, in some capacity.

Based on the experiences of other families in the area who had supported young people through the transition to adult social care services, they approached United Response to share their hopes and ambitions for the future. Having lived away from home during their residential college years, Joe, Ben and Holly wanted to live close to their families without moving back to their families' homes.

United Response's local team were able to work with Joe, Ben and Holly and their families collectively and together they designed unique support plans, as well as supporting the families in agreeing these plans with their local authorities. Taking on board each of their individual and collective requirements, United Response was able to build a detailed housing specification. United Response worked in partnership with the Resonance Supported Homes Fund, to find and secure the right home for Joe, Ben and Holly – all of whom were central to choosing the property. In October, the perfect home was found for the trio and, with ongoing support from United Response, they are settling into their new home, close to their families and wider support networks.

"We know that people with learning disabilities, autism and mental health needs often struggle to access accommodation that is suitable for them and meets their needs. It's great to see partners in Greater Manchester working collectively to deliver housing solutions that genuinely meet the needs of our residents, especially at a time when we know Greater Manchester and the UK are facing a housing and homelessness crisis."

*Salford City Mayor Paul Dennett, Greater Manchester lead for housing, homelessness and infrastructure*

"Working with Resonance Supported Homes Fund is a true partnership. Working with organisations that have shared values makes a real difference, this includes the investors. The motivation of the fund is driven by delivering positive social impact. To provide good quality and sustainable housing solutions for people who have had very limited options. To ensure people live in places where they can live full lives as part of their community. We can be confident that Resonance will carefully ensure that all properties are compliant with high safety standards."

*Tim Cooper, Chief Executive of United Response*

Photo: 82% of local authorities say they have a shortage of suitable housing for adults with a learning disability.



# FOCUS 3: VULNERABLE WOMEN

## WOMEN IN SAFE HOMES

**Women in Safe Homes fund**, believed to be the world's first gender-lens property impact investment fund, was launched in December 2020 as a solution to the lack of affordable, safe and secure homes across the UK for women and their children who are at risk of or experiencing homelessness. They could be survivors of domestic abuse, have experienced the criminal justice system, or are otherwise experiencing personal challenges including poor mental health or illness.

The fund's initial charity partners including **Daizybell**, **Nacro**, **Preston Road Women's Centre (Winner)**, **Refuge** and **SaferPlaces**, provide specialist and housing support to help women recover from abusive or difficult circumstances, or house and support women who have left the judicial system without a home to go to or the support they might need to help them turn their lives around. The charities support these women to find stability and rebuild their lives, and to be more able to sustain their tenancies.

The fund was developed over more than two years in collaboration with leading women's sector organisations and networks (including Women's Aid), in order to ensure

that it responds to the lived experience of women and the organisations that support them. It takes a gender-lens approach to all aspects of its operation to ensure that its impact is led by the voices, experience and requirements of women.

The fund launched in December 2020 with £15.5 million raised from four seed investors. At the end of April 2021, the fund size increased to above £20 million following investment from new investors, and currently stands at £26.2 million.

The fund has an ambition to scale rapidly, with a target of raising £100 million from investors to provide around 650 affordable homes across the UK and benefit a wide range of women's sector organisations to support more women and their families.

The Women in Safe Homes fund is jointly managed by Resonance and Patron Capital.



**FUND  
LAUNCHED  
DECEMBER  
2020**



**TARGET FUND SIZE =  
£100 MILLION**

**£15.5 MILLION**  
seed investment in 2020

**£10.7 MILLION**  
investment in 2021 (taking fund  
size to £26.2 million)

"We are thrilled to be partnering with Big Society Capital and others in supporting the Women in Safe Homes fund and its innovative model for meeting the critical housing needs of women and children who are survivors of domestic abuse, have been involved in the criminal justice system, or are experiencing homelessness. As part of a select portfolio of investments we have been building through our Catalytic Capital Consortium initiative, this fund clearly demonstrates the power of catalytic capital to help build a more just, equitable, and resilient world."

*Debra Schwartz, Managing Director of Impact Investments at MacArthur Foundation*

### Why This Fund Is Needed



Women's pathways in and out of homelessness are typically different to men, often because of domestic violence. Domestic abuse is one of the leading causes of homelessness for women and children



**1.6 million** women in the UK experienced domestic abuse and were referred to specialist domestic abuse refuges in 2019



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



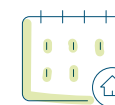
**53%** of women in prison have survived emotional, physical or sexual abuse during childhood



**7 in 10** women in prison are survivors of domestic abuse



**57.2%** of referrals to refuges are turned away



**66%** of homeless adults in temporary accommodation are women



**90%** of children have to leave home due to their mother's imprisonment



Photo: 57.2% of referrals to refuges are turned away.



## OUR INITIAL CHARITY PARTNERS FOR THE WOMEN IN SAFE HOMES FUND

The Women in Safe Homes fund offers a leasing model specifically tailored to women's sector organisations enabling them to deliver the most effective intervention - gender informed support services wrapped around stable accommodation. The fund's initial Charity Partners include:



**Daizybell** is 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.



**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.



**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. Their work includes supporting and housing women leaving prison.



**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.



**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 SaferPlaces has grown and adapted their services to meet the needs of the communities they serve.

"Domestic abuse is an issue which blights the lives of one in every four women. Every year thousands of women and children turn to Refuge for its life-saving and life-changing support. We are always looking to expand the emergency accommodation we provide so we can ensure the women and children in their hours of need can access this literally life-saving sanctuary. Refuge is delighted to be working with the Women in Safe Homes fund initiative to provide much needed safe, secure and confidential temporary homes to women and children escaping abuse. Alongside this vital accommodation, our experts will provide abused women and children with essential emotional and practical support so they can rebuild their lives from fear and violence."

*Tracy Blackwell, Head of Development at Refuge*

 **WOMEN IN SAFE HOMES FUND**



## TENANT'S STORY



### CLAIRE

Although not a current tenant, Claire's story is one that resonates with those who work with the fund. Claire's situation is sadly not unique and the fund aims to provide a safe and secure home for women like Claire.

"I grew up in violent households, this was normal for me and my brothers. Our lifestyle was chaotic – I lived in thirty-three houses and went to twenty-seven schools before I was thirteen.

"I had low self-confidence as a teenager and problems with behaviour. When I was in care I got into the wrong crowd and from the age of fourteen I was sexually exploited by older men.

"I ended up living in a tent over a bypass. I got into a violent relationship and had my first child taken into care. I was pregnant with my second daughter when my social

worker got the police involved. They gave me a choice – either move into a refuge or risk losing my second child when she was born. She was too important to me so I chose to move into a refuge.

"While at the refuge, Nacro knocked on my door. Nacro helped me to move from the refuge into Nacro housing which gave me more independence. Terri, my support worker from Nacro, has been my rock. She got me on to an English and maths course at Nacro education and I also did a youth work course.

"I want to use my own experience to do outreach work and help children in domestic violence situations. I want my kids to grow up to be strong, independent women and proud of me as a mother. Nacro has totally changed my life."



Photo: The Women in Safe Homes fund is purchasing both individual homes as well as shared accommodation.



# 4 IMPACT LABS



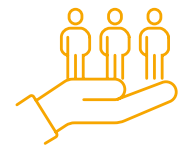


# DEVELOPING COMMUNITIES

Working with communities to help them deliver the change they want to see is in the Resonance DNA. We have been working with community groups since we launched nearly twenty years ago. Community-led projects address the direct needs of the members of that community and affordable housing has been a key need in all those years, across many areas of the UK.

Following the successful deployment of our first two community asset funds, the Community Share Underwriting Fund (this fund has also been fully repaid) and the Affordable Homes Rental Fund, Resonance used the learning to design and launch the current community asset fund, called Resonance Community Developers. This fund focuses on the development of affordable housing, sports and leisure facilities and renewable energy generation.

## 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

#### 2 SHARE OFFERS

Co Cars  
Mustard Seed Property

#### Focused on:

Homes for vulnerable people in Cornwall  
Green transport scheme

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

During the year, our Community Assets Team has worked on twelve investment offers totalling £162,442 into pre-development feasibility, across eleven community schemes; seven in Greater Manchester, two in Cornwall, one in Devon and one in Gloucestershire.

Launceston Community Development Trust (LCDT) has submitted its planning application for an affordable housing scheme on the edge of Launceston town. LCDT is also working on a sports initiative that received its first investment offer this year.

We have continued to support Blackbridge Community Land Trust in Gloucester that received investment in the previous financial year and is working towards its planning application for a community sports hub.

Langley Community Benefit Society has made huge progress this year and received investment from Resonance Community Developers as well as financial support from Rochdale Borough Council to work up viability for its affordable housing scheme.

Firs Community Benefit Society has received two investment offers this year, to set up its society, consult with the community and test the viability of its sports

proposals. The proposals sit within a wider housing initiative between Irwell Valley Housing Association and Trafford Council to regenerate an area of Sale West. The community has been active for a number of years through the Big Lottery supported by Our Sale West programme, which identified the need for a relocated and improved sports facility. The investment from Resonance Community Developers has enabled the formation of the new society putting the community in control of the design and delivery of the sports facility.

Two Community Land Trusts have been set up by Resonance, working together with our partners GMCVO and Regenda Housing Group to support communities in Rochdale town centre and Hollinwood in Oldham that needed additional support to form a society and progress their proposals. Community representatives will take over the directorships of the CLTs in the coming months as their capacity post-covid allows.

The investments have been made possible from funding provided from Esmée Fairbairn Foundation, Power to Change and Sport England.



Photo: Bristol Community Land Trust developed six new build homes and refurbished an old school building to create six flats too.



# RESONANCE COMMUNITY DEVELOPERS

## DELIVERING COMMUNITY OWNED ASSETS

**Resonance Community Developers** partners with local community groups to help them provide community-owned affordable homes, sports and leisure facilities and renewable energy initiatives.

The fund's vision is for communities to be empowered to own assets and meet local needs, contribute to place-making, build economic resilience, tackle inequality and strengthen community cohesion for the benefit of us all.

A chronic shortage of genuinely affordable homes, and a housing market unable to respond to ultra-local housing needs in England means that 92% of local authorities are not meeting affordable housing needs. Furthermore, financial pressures are squeezing public agencies' ability to continue funding non-essential services, such as sports facilities, which they may not be legally required to provide, but which play a vital role in supporting local communities and high streets.

Resonance Community Developers has been designed to address these issues by providing an end-to-end financial package from seed funding to development finance, as well as wrap-around support for community groups through their entire journey, not just at one point in time. Housing, sports and community renewable energy have been selected as the initial asset types as they meet the twin criteria of there being a community need and having a sustainable revenue model.

### Why This Fund Is Needed



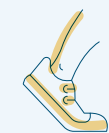
There is a chronic shortage of affordable homes and **92%** of local authorities are not meeting affordable housing needs



**£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



Sport England's Clubs Plan has identified **a need to increase levels of sport and physical activity among women**



Sport England's Clubs Plan has identified a need to address disparities in the geographic distribution of facilities, and **combat actual and perceived barriers to participation** for people within **lower socio-economic groups**



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



Photo: Langley CBS is working with RCD to deliver a community housing project. The group has been renovating Bowlee Pavillion (featured) which the group has been renovating for community use, including running a food bank during the pandemic, supporting ninety local families.



# LOCAL NEEDS BEING DELIVERED BY COMMUNITIES

**Resonance Community Developers** was developed 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.

£126,962

into

8 COMMUNITY GROUPS

seed investment

**COMMUNITY GROUPS WE HAVE WORKED WITH THIS YEAR:**

- Langley Community Benefit Society
- Mortenhamstead Community Land Trust
- Central Rochdale Community Land Trust
- Chadderton Community Benefit Society
- Launceston Community Development Trust
- Firs Community Benefit Society
- Leigh Community Benefit Society
- Hollinwood Community Land Trust



Photo: Concept drawing capturing proposed Firs Community Centre in Trafford for First Community Benefit Society, designed for a range of community uses with a focus on growing local activity and local participation.

## EXAMPLE PROJECTS

### CENTRAL ROCHDALE COMMUNITY LAND TRUST

Central Rochdale CLT has been set up with the help of Resonance Community Developers and partners, to deliver community-led housing for underserved groups in Rochdale town centre.

Covering the five diverse wards (61% BAME, majority Muslim incorporating Kashmiri, Pakistani and Bangladeshi communities) of central Rochdale, this CLT has been developed in partnership with the Kashmir Youth Project, a leading local regeneration charity. The ambition is to develop homes for local people who typically struggle to find suitable and affordable accommodation in the town. Land owned by Rochdale Council is to be married to land owned by Kashmir Youth Project (and adjacent to its training centre), to develop a first scheme of c. 100 homes. The group is also exploring other opportunities, including empty homes and sports initiatives.

**The Central Rochdale Community Land Trust wants to build homes to:**

- Provide appropriate and affordable homes for extended and multigenerational families
- Reduce overcrowding
- Provide attractive housing choices to encourage downsizing
- Provide homes for young people
- Bring together the diverse populations within the town
- Build homes that are energy efficient and reduce running costs

### CHADDERTON COMMUNITY BENEFIT SOCIETY

Resonance Community Developers is supporting the re-use and community development of the historic Foxdenton Park to expand public access to the Park, and bring the site back into use.

Chadderton Together, an umbrella charity of fifteen local community groups, has come together with Chadderton Football Club and a Veterans group to develop new sporting facilities and community housing within Foxdenton Park and associated land. It is intended that the community projects will be delivered alongside Oldham Council's proposals for refurbishment and conversion of the Grade II listed Hall and ancillary buildings. Large scale housing development is taking place in Chadderton, and Foxdenton Park will be a vital resource to bring existing and new communities together.

**The Chadderton Community Benefit Society wants to develop the site to:**

- Relocate and expand existing sports facilities, and provide new leisure opportunities that are inclusive, and serve the wider community
- Provide training, employment and volunteering opportunities for local people
- Enable local sports clubs to work together and share facilities, strengthening the financial future of all
- Build homes that are energy efficient and reduce running costs – c. 10 homes could be built on the car park site



# COMMUNITY SHARE OFFERS

Sometimes investment from our Resonance funds is not the most appropriate source of finance for a social enterprise. This may be where our funding isn't available in a particular area of the country, or able to be invested for the particular asset or business model that requires capital. In these cases, raising capital through community share issues may be another option, if it is a community organisation that is seeking investment to secure a community asset.

When community groups are looking to raise investment, the Community Assets Team works with them directly to find the right 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.

Community Share "Offers" or "Issues" are investments available to anyone aged 16 or over, and which are often available from as little as £1 per share. They are withdrawable (subject to terms and conditions) with notice.

Resonance supported two successful community share offers this year and you can read their stories opposite.

## Why community share offers work for communities:



Keeps assets safe for future generations and in community ownership in perpetuity



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



CSU also says that Community shares have been invested 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: Co Cars transforming transport and making car and bike sharing a reality in Exeter.

## MUSTARD SEED PROPERTY

£601,246

Community share offer raised from

**166 INVESTORS**

FOR PROPERTY - SUPPORTED HOMES

Creates space for vulnerable people to flourish across Cornwall and the Isles of Scilly. It strengthens local charities and social enterprises by providing them with the property they need to deliver more social impact – by housing and helping more people.

### INVESTMENT FOCUS

The community share capital raised has been used to purchase another property. Mustard Seed Property now has two properties and is actively seeking to acquire more for other social enterprises or charities in the county.

## CO CARS

£659,637

Community share offer raised from

**294 INVESTORS**

**+ £150,000**

**INVESTMENT**

FOR ENERGY & THE ENVIRONMENT

An eco-friendly vehicle sharing co-operative, the aim of which is to transform travel across Exeter and the wider South West through 'on demand shared mobility'. Their aim is to create greener, calmer and more connected places for people to thrive.

### INVESTMENT FOCUS

The community share capital raised plus the investment from the **Health & Wellbeing Challenge Fund (South West)** was used to increase Co Cars hybrid and electric car and bike fleet, as they look to scale up their network across Exeter and the wider south west region.



# GROWING ENTERPRISES

Resonance Enterprise Growth Funds invest directly into high impact social enterprises. They provide affordable 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, which often fill the gaps in the vital services of state provision, Resonance continues its 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.

You can read the stories of these transformational social enterprises that have received investment from our enterprise growth funds over the next few pages.

## 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 West Midlands

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



We would also like to thank our high net worth and wealth management investors in our social investment tax relief funds.



Photo: Good Boost creates A.I. personalised exercise programmes for older adults living with musculoskeletal conditions like arthritis and back pain. Participants use water-proofed iPads on pool side, showing their own tailored exercise programme.

## WHAT OUR ENTERPRISE GROWTH FUNDS ARE ACHIEVING

Offering affordable, flexible and patient loans to high impact social enterprises to help them grow.

The **Resonance South West SITR Fund** total raised remained at £3.1 million (from 127 investors across 10 closes) for the period, with no further closes being completed. This pause in fundraising was due to uncertainty created by COVID-19 and lockdowns and the policy uncertainty around SITR. Despite the difficult year with COVID-19 and lockdowns the period saw the final **£512,000 of funds deployed across five investments**. Four of these were further investments into existing successful portfolio enterprises looking to build on their

Utilising the Access Foundation COVID-19 Emergency Lending facility the fund also deployed just over £310k of grant alongside these loans.

opportunities, a further investment was into a new social enterprise. One investment was successfully exited during the period, returning £240,000 of capital to investors. By April 2021 this meant that the full £3.1 million of investor funds had been invested and the portfolio was made up of fourteen social enterprises and seventeen separate investments.

The **Resonance West Midlands SITR Fund** completed a fifth investor close of £250,000 in April 2020 bringing the total raised to £1.82 million from thirty-eight investors. During the period the fund made **five new investments totalling £580,000**. Utilising the Access Foundation COVID-19 Emergency Lending facility the fund also deployed nearly £240,000 of grant alongside three of these loans. Whilst all investments made were into new social enterprises, several had been long-term relationships built through the pipeline process. The total invested by the end of the period was £1.015 million across nine enterprises. Following the Budget decision by the Treasury to extend SITR only until April 2023, we have decided not to raise further investment into either of our existing SITR funds. The two-year extension does not allow us to

operate our funds in the best interest of social enterprises, investors or wealth managers, and therefore these funds will not be seeking to raise further capital.

The **Health & Wellbeing Challenge Fund (South West)** continued to deploy investments in the period and received a second-stage capital investment of £1.2 million from Big Society Capital and The National Lottery Community Fund (mediated by Access) in September 2020. **This investment allowed the Fund to expand its geography into Wiltshire, Dorset, Gloucestershire and Bristol** and extend the time it could deploy until May 2022. From both the first and second funds, a total of **£570,000 of investment funds were deployed into eight social enterprises**, including two launchpad loans to early-stage enterprises of £10,000 each. Alongside this, grants for business support and to help make COVID-19 adaptations across the pandemic were made to thirty organisations in the portfolio, totalling just under £185,000. **By end of March 2021, a total of £3.6 million of blended finance has been deployed by the Health and Wellbeing Challenge Fund since its launch in Autumn 2017.**



# HEALTH AND WELLBEING CARE AND SUPPORT IN OUR COMMUNITIES

In addition to a safe, secure and affordable home, knowing that good quality care is available when and where it is needed, is an essential component for our feelings of security and wellbeing. A good quality of life can only be achieved if we can be sure that should we fall ill and/or when we grow old, we will receive the care we need, with compassion and dignity. Many of the social enterprises in which Resonance funds invest are working hard to improve the delivery of care in people's own homes ensuring both carers and those requiring care, are treated fairly and with dignity.

As times change, support is being delivered in different ways – ways that were quite unthought of a few years ago. People seek help online, via a swipe on their phones and some of our investees are using technology to get support to wider audiences, in the way they want to receive it.

Read about some of the innovative, compassionate health and wellbeing social enterprises that have received investment.

£210,000  
into  
**4 SOCIAL  
ENTERPRISES**

## SPECTRUM DAYS

Provides people with profound and multiple learning disabilities (PMLD) and their families with specialist support through a day-care facility and domiciliary care services, enabling them to live fulfilled lives, build friendships and enjoy bespoke activities tailored to their needs. Spectrum Days prides itself in providing fun, stimulating, person centred care packages for individuals with specialist support needs.

### INVESTMENT FOCUS

The investment from the **West Midlands SITR Fund** is being used to purchase a new vehicle, which will be used to transport members to the centre and outside facilities. The investment is enabling Spectrum Days to continue delivering a vital service for its members, as well as being able to take on new members, growing its income and its impact.

## HEALTH & CARE AT HOME

Provides private and publicly funded health and care services, focusing on the provision of care for people in their own homes in mid and west Cornwall. The team works with the person themselves, their families and practitioners to ensure that the people they support receive a fully inclusive service and a comprehensive care package that is tailored to their individual needs.

### INVESTMENT FOCUS

The investment from the **Health & Wellbeing Challenge Fund (South West)** will strengthen Health and Care at Home, after the impact on their service due to COVID-19. It will enable their continual growth so they can help even more individuals to receive care in their homes.



## QUOVITA

Provides a domiciliary care support service, offering competent, self-employed carers known as "Micro providers", support to deliver well to those seeking good care. Individuals are not yet required to have CQC regulation, only organisations, so Quovita is setting a high, yet sustainable standard, in what is currently an unregulated market.

### INVESTMENT FOCUS

The investment from the **Health & Wellbeing Challenge Fund (South West)** will enable further development of their tech-based solution for micro-provider registration, as well as ongoing organisational strengthening.

## MOTHERDOM

As the UK's first mainstream media platform dedicated to maternal mental health and wellbeing, Motherdom aims to educate, uplift and empower its readers, by sharing parents' stories of their own mental health journeys as well as offering expert advice. The content is aimed at parents with children under five years.

Motherdom was created by a former BBC journalist with experience of maternal mental ill-health and has been called "a game-changing publication for parents" and has featured in BBC News and Forbes.

### INVESTMENT FOCUS

With the investment from the **Health & Wellbeing Challenge Fund (South West)** Motherdom wants to grow its income and to generate a larger online audience via podcasts, as well as establishing its presence and impact in the South West.



# HEALTH & WELLBEING SUPPORT TO RECOVER AND MOVE-ON

There are times in an individual's life when they need extra support to help them recover and move-on with their lives. This could be from substance abuse, mental health issues or unemployment to name but a few. At Resonance we understand that a safe, secure and

affordable home is step one in moving-on, but other types of support to help individuals take control and rebuild their lives are also incredibly important stepping stones. The investees below, specialise in helping rebuild lives.

## CITIZEN COACHING

Provides high-quality counselling, personal development coaching and anger management services to support recovery through mental health issues, as well as addressing offending behaviours, life controlling addictions and 'worklessness'.

### INVESTMENT FOCUS

The investment from the **West Midlands SITR Fund** is being used to expand its counselling team, invest in delivering more specialist therapy interventions – including its new online mental health service, widening the scale and reach of its services significantly. Citizen Coaching also wants to support younger clients with specialist support needs, through a new sensory play therapy space.

£175,000

into

**2 SOCIAL  
ENTERPRISES**

## FIRESTONE PLYMOUTH

Previously known as Plymouth Lighthouse, Firestone Plymouth provides supported housing for men with a history of drug and alcohol issues, where they can share in a mutual aid community. The community is abstinence based and focuses on helping its participants establish sustainable lives for when they move-on. Whilst living in the house the residents learn about their own neuroscience using an online course, and access further support through organisations like Alcoholics Anonymous and Narcotics Anonymous.

### INVESTMENT FOCUS

This investment from the **Health & Wellbeing Challenge Fund (South West)** provided financial security during the pandemic. It recognised the way the project has gone from strength to strength since founding, with over 26 people supported in the first full year of operation, with the majority of these completing a successful move-on.



Photo: Firestone Plymouth provides supported housing for men with a history of drug and alcohol issues.



# HEALTH & WELLBEING POVERTY & DISADVANTAGE

Social enterprises work with some of the most deprived communities in the UK, giving disadvantaged people who are already living in poverty a variety of opportunities to help improve their lives. A roof over their head is the first stepping stone, but strategies to improve health and wellbeing (both physical and mental), opportunities for education, learning, work experience and skill development are also very important and these three social enterprises, help individuals in a number of different ways.

You will also read that YMCA Dulverton got back to basics and addressed an urgent need for accommodation during the pandemic, by using one of their buildings in order to provide emergency accommodation for rough sleepers and others needing a safe place to stay during the pandemic. It is great when social enterprises are flexible and having identified an urgent need, they are willing to pivot their business model in order to provide different services when they are most needed. And nothing is more important than a safe place to stay.



Photo: West Midlands based Gro Organic, creates outstanding green spaces whilst investing in local people and the community.

## GRO ORGANIC

Provides outdoors based activities to support the mental and physical health and wellbeing of disadvantaged local people, helps reduce social isolation and promotes community cohesion. It also helps with the development of transferable employability and educational skills. Award winning Gro Organic, specialises in the design and build of educational, commercial and domestic landscape gardens, alongside the delivery of specialist workshops, mentoring and programmes.

### INVESTMENT FOCUS

The investment from the **West Midlands SITR Fund** enabled Gro Organic to purchase new equipment and new expert assistance, as well as the recruitment and development of specialist teams to increase its mentoring programme across a wider range of schools. Gro Organic is also expanding its landscaping services, enabling it to offer more training and employment opportunities in the local area.

## YMCA PLYMOUTH

Works with the most deprived communities in Plymouth through training, education, sports, and community engagement, typically having over 100,000 engagements every year. For example, during lockdown it has grown fresh vegetables for foodbanks, helped vulnerable students get laptops, provided IT support, emotional support, and continued to run cardiac rehabilitation remotely.

### INVESTMENT FOCUS

The investment from the **Resilience and Recovery Loan Fund** provided cashflow support to cover a reduction in income during COVID-19, as well as refurbishment of gym facilities to the highest standard, at their Honicknowle site.

£720,000

into

**3 SOCIAL  
ENTERPRISES**

## YMCA DULVERTON

Offers a wide range of services to the community through a number of sites located across Somerset and East Devon, addressing three key areas: accommodation, health and wellbeing, and training and education. When the pandemic struck, YMCA was able to convert its commercially run Beach Hotel into emergency accommodation for rough sleepers and other people needing a place to stay.

### INVESTMENT FOCUS

The investment from the **Resilience and Recovery Loan Fund** provided cashflow to support the organisation as, like many organisations across the country, it saw a big impact on its revenues as a number of its services had to be closed due to the restrictions. The liquidity this investment provided enabled the organisation to continue supporting rough sleepers in the region during the pandemic, as well as finding ways to continue to support people in their communities.



# 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 charity partners, once a tenant settles into their new home. The charity works hand-in-hand with the tenant to see if they can move into work.

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 a history of offending or substance abuse. Resonance invests in social enterprises that offer positive pathways to employment including volunteering and training opportunities.



Photo: Sofab Sports works with young adults that have physical and learning disabilities, to help them on the pathway to employment.

## ENTERPRISE HOMES

Provides accommodation, support, training and employment to those experiencing a period of homelessness and/or long-term unemployment.

### INVESTMENT FOCUS

The investment from the **West Midlands SITR Fund** has enabled the refurbishment and launch of its trading arm, ReGen Household CIC, which sells affordable, second-hand furniture and housewares through its new retail space, as well as scaling up its professional, household and property clearance service. The investment is also being used to develop the organisation's infrastructure, purchasing new vans and hiring additional employees to scale the venture. Through its employment and volunteering programme its mission is to help people live their best life, by providing skills and opportunities as well as those supported through the retail offering.

## SKILL MILL PARTNERSHIP

Works with young ex-offenders to increase their employability through a range of supported training and employment opportunities, primarily through its environmental projects including flood management and construction. As well as a recognised qualification, young people also gain the skills and self-confidence to reconnect with their community, as well as improved emotional and physical wellbeing.

### INVESTMENT FOCUS

The investment from the **West Midlands SITR Fund** is being used to help finance the delivery of an Outcomes Contract between seven local authorities and Skill Mill Partnership, an accredited social impact contractor, with the aim of delivering positive employment outcomes for young people with a history of offending.

## SOFAB SPORTS

Works with young adults that have physical and learning disabilities. Sofab helps with building skills, confidence and self-esteem through sports and retail related supportive employment opportunities, volunteer opportunities and inclusive sporting activities.

### INVESTMENT FOCUS

The investment from the **Resonance South West SITR Fund** is to support with working capital to promote further growth, acquire additional stock and purchase software for multi-listing capabilities across multiple platforms, so that Sofab Sports can create more part-time job opportunities for people with disabilities.

£305,000

into

**3 SOCIAL ENTERPRISES**



# EDUCATION & LEARNING, POVERTY & DISADVANTAGE

Education & learning and poverty & disadvantage are intrinsically linked. From the day an individual is born, their life chances are affected by many factors, not least their parents' ability to provide for them and their access to early years' learning and education. In addition to any poverty their family may be experiencing, life can be much tougher for children, young people and their families if they also have other challenges such as social, emotional and mental health, autism and anxiety – which would benefit from specialist support.

Access to affordable, quality child-care is also essential for some families in order for them to work and help themselves escape poverty, as well as providing essential early years' supported learning for the children. In addition, affordable legal and benefit support plays a critical part in helping families navigate their journey out of poverty and move-on to a more stable future. Our funds have made significant investments into social enterprises delivering these much needed services.



Photo: Raised in Bristol provides early years education and childcare services, using community owned spaces.

## BELONG LEARNING

Providing bespoke independent school and community outreach programmes and services to support vulnerable children excluded from mainstream education, with social, emotional and mental health, autism and anxiety needs. Belong Learning was previously known as CMAS.

### INVESTMENT FOCUS

The investment from the **Resonance South West Sitr Fund** is to support with working capital to continue building the team and enable Belong Learning to secure more appropriate and COVID-19 compliant premises as they grow.

## MIME HEURISTICS

A new, specialist independent school in Devon for children with Social, Emotional, and Mental Health (SEMH) needs. 'The Wildings' offers a broad approach to the curriculum that centres on the individual.

### INVESTMENT FOCUS

The investment from the **Health & Wellbeing Challenge Fund (South West)** covered the costs of setting up the school and getting it running well, including passing their first Ofsted inspection. The school property and grounds were also renovated to a high standard.

## RAISED IN BRISTOL

Provides Ofsted regulated early years education and childcare services at the heart of community owned spaces. It aims to create a network of nurseries across Bristol paying rent to community spaces, bringing both financial stability to community hubs and at the same time delivering a much needed service. Raised in Bristol invests profits to sustain these community spaces for the benefit of the whole community.

### INVESTMENT FOCUS

The investment from the **Resonance South West Sitr Fund** is to support Raised in Bristol with working capital to open up a fourth nursery in Bristol and to assist with the adverse impact of COVID-19 in the near term.

£566,500

into

**5 SOCIAL ENTERPRISES**

## BH SUPPORT

Offers affordable legal and benefit support, especially during times of crisis. Its main impact is in providing low cost or free support and advice for individuals experiencing debt, unemployment, housing, child access, domestic abuse or mobility issues, as well as tackling loneliness by building social connections within the wider community. BH Support (previously Leges Support) also operates as a community and drop-in centre, support hub and food bank.

### INVESTMENT FOCUS

The investment from the **Health & Wellbeing Challenge Fund (South West)** is to help them with recruiting more staff, improving their premises and online presence, and working capital during early-stage growth due to mass demand for services.

## FENTENFENNA FARM

A multi, small business space and farm development site with starter farms and businesses that provides training and wellbeing for the long-term unemployed and others who may not want to or be able to access mainstream employment. Fentenfenna typically works with people from Cornwall's most deprived communities.

### INVESTMENT FOCUS

The investment from the **Health & Wellbeing Challenge Fund (South West)** provided some start-up capital, allowing the farm to complete parts of the renovation work that would enable its first businesses to get established on site, as well as general working capital until the new income streams come through.



# SHAPING & STRENGTHENING

Our work at Resonance has always gone further than raising investment and creating and managing investment funds. During the year we've worked with 170 social enterprises across the UK, in sectors from recycling through to horticulture. We aim to support these social enterprises on their journey, from helping them to define their impact and shape their business strategy, to helping them with implementation.

From working with such a wide range of enterprises we know that investment in isolation is almost never the solution. We've found that through collaboration, adding expertise that social enterprises may not have access to, mentoring and the sharing of knowledge, we can help them become more resilient and prepared for growth.

## STRENGTHENING HOUSING ACROSS THE UK

Resonance has always had a focus on ensuring that the housing stock across the UK improves, by providing affordable quality homes for individuals who are currently in temporary or inappropriate accommodation. As our housing footprint across the UK continues to grow, so does our commitment to ensuring that we continue to raise standards of our own housing portfolio, for example working with our charity partners to ensure that we continue to invest in the refurbishment of our properties, making them attractive as well as providing better outcomes for tenants, from both a financial and health perspective. This year our Property Funds Team created new partnerships with nine charities to work together and share learning around how to achieve the best outcomes for individuals and families experiencing or at risk of homelessness.

## IMPROVING ENVIRONMENTAL PERFORMANCE

Whilst our focus in buying and managing our property portfolio is unapologetically focused around tackling homelessness, **our commitment to the journey towards net zero** is something that the social housing sector as a whole needs to work through, as well as the private rented sector. We are focused on this issue, not only from a societal environmental perspective, but also from tenant cost and health perspective, and not just for our own properties but for those owned by our clients.

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

## BUILDING CAPACITY ACROSS THE SECTOR

In such a challenging period that our social enterprises have just worked through, we gave an even greater focus on new ways to help these enterprises to support their communities and grow their impact.

During the year we **supported six enterprises to secure £63,390 of Reach Funding**. 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 organisations in England. Helping our social enterprises obtain grants, such as Reach Funding, enables them to fund critical activities, in particular getting them ready for investment. These activities range from market research and impact measurement, through to the development of a financial model.

We also unlocked additional grant funding, in fact in total during the year we unlocked a total of £3,822,769 of grant funding to 129 social enterprises, from Resilience and Recovery Loan Fund (RRLF), the Social Enterprise Support Fund (SESF), and the COVID-19 Emergency Grant Facility. This year has been a phenomenal year in terms of building capacity and resilience, representing the highest level of grant funding we have ever distributed to social enterprises. The Social Enterprise Support Fund alone enabled us to distribute £3.2 million of grants to 120 social enterprises to help them overcome some of the organisational issues caused by COVID-19.

Our capacity building work has been delivered almost entirely online, as we and our clients adapted to the new normal. This gave us the opportunity to deliver a 'Boosting Business, Increasing Impact' programme in Ethiopia, alongside the British Council – something that we would previously have thought required travel. We delivered business planning, financial modelling and an 'investor lens' appraisal, to a cohort of twenty-five social enterprises focused on improving the lives of children, young people and women, and all keen to learn from our experience and share theirs.

The same virtual delivery model has allowed us to explore impact, financial resilience and the operating models of UK organisations as well, leaving them with a tool kit of approaches and models, which allows them to continue to grow and develop their organisations and their impact long after we have logged off. Working with Esmée Fairbairn Foundation grantees, many of them took up the opportunity offered by Esmée of further support, and for some organisations this developed into a fuller review of strategy, stakeholders and planning.

### RESILIENCE AND RECOVERY LOAN FUND

£570k

#### INVESTMENT

into **2** organisations and

£68k

#### GRANT

into **1** organisation

### SOCIAL ENTERPRISE SUPPORT FUND

£3.2m

#### INVESTMENT

into **120** organisations

### COVID-19 EMERGENCY RESPONSE GRANT FACILITY PROVIDED BY ACCESS - THE FOUNDATION FOR SOCIAL INVESTMENT

£554,769

#### INVESTMENT

into **8** social enterprises

## RESPONDING TO SHARED NEEDS

Our Enterprise Growth Team has continued to provide intense support to portfolio enterprises throughout the COVID-19 crisis (from understanding government support options to help planning for future growth). As part of this Resonance has worked collaboratively on both the RRLF and SESF programmes, the latter with our peers and partners – UnLtd, School for Social Entrepreneurs, Key Fund and Big Issue Invest, helping social enterprises across the country to overcome the challenges of the pandemic.

When we recognise a shared need in a sector, we also see an opportunity to innovate in ways that can help shape the whole social investment market. One such project, funded by Innovate UK and Esmée Fairbairn Foundation, and working alongside our charity partners, has been to look at how technology can be used to strengthen the link between tenants and investors without diluting their privacy.

Working with our technology partner, Alice SI, a system is developing which uses technology in a unique way to help tenants save for a deposit, while also developing their own resilience to the challenges they face. The deep learning we can develop from the anonymous data we are collecting, also helps sharpen our own impact work, as well as aligning with our charity partners and our investors in their own creation of impact.

## MAKING GOOD CONNECTIONS

We always strive to connect social enterprises with each other where there is a potential for mutual collaboration. This has understandably proved more difficult during the pandemic and lockdown, but despite the difficulties, we have continued to work with all our social enterprises to support them and introduce them to other like-minded enterprises. A great example of this was introducing MiMe Heuristics, a Devon-based social enterprise looking for a suitable location to set up their school for young people with social, emotional and mental health needs. We connected them to Danu Blue, a previous investee of the Health and Wellbeing Challenge Fund, based in East Devon. They reached an agreement to allow MiMe to use the site, and since then MiMe have utilised investment from the fund to repurpose the site and are now supporting 5-10 students per week.

In addition, to introducing enterprises to other enterprises we have also introduced individuals to social enterprises, where we believe an individual can provide skills and expertise that the enterprise needs to grow. Belong Learning (previously CMAS), is one such example where we introduced them to someone who could help shape their strategy, resulting in not only strategic advice but also a new non-executive director for the social enterprise. Our Community Assets Team also built professional connections to help with planning applications for Launceston Community Development Trust to build affordable housing.



KNOWLEDGE TRANSFER

We endeavour to continue to share knowledge and consult with different groups, including government, investors, wealth managers and social enterprises, both in the UK and overseas. This has been delivered via meetings, events, conferences, roundtables, workshops as well as contributions to articles and thought leadership. We continued this knowledge share throughout the pandemic, through virtual and written communications.

Once again we addressed the key UK conference focused solely on the topic of social impact investing for Local Government Pension Schemes (LGPS), the LGPS ‘Investing for Impact Summit’. We formed part of a panel with key industry stakeholders on the subject of “What social impact capital will be required through the COVID-19 recovery phase”?

We continued our campaigning alongside Social Enterprise UK and Big Society Capital to central Government highlighting the case and need to save Social Investment Tax Relief (SITR). This campaigning proved quite successful and it was announced in the Spring Budget that the tax relief is due to end in April 2023, which means that social impact investors can continue to support social enterprises that are looking for affordable growth finance.

In addition, through our membership of EVPA, we have shared our experience with European institutions, including to the Alliance for Gender Equality in Europe. We also attended an online pan European roundtable on how do we respond to the increasing need to address people who are vulnerably housed, in the context of getting to net zero and there not being enough government funding around.

AND FINALLY....

We are using our property expertise and knowledge of social enterprises and community enterprises to look at ways that we might be able to mobilise capital to prepare social enterprises for a future emerging from the pandemic, especially around the use of commercial property. Examples of this are our early stage work with a number of partners on developing a “high street buy-out fund” and “sale and lease back property fund”, both of which are in the design and research phase. These developments prove that we continue to be at the forefront of addressing social enterprises that are changing landscapes, especially within the property sector, and helping them to innovate and adapt to how they serve their communities.

STRENGTHENING  
SOCIAL ENTERPRISES  
BEYOND INVESTMENT 2020/21

| GRANTS WON<br>FOR CLIENTS | VALUE OF<br>SUPPORT<br>PROVIDED | SOCIAL ENTERPRISES<br>WORKED WITH |        | MEANINGFUL<br>INTRODUCTIONS |
|---------------------------|---------------------------------|-----------------------------------|--------|-----------------------------|
|                           |                                 | NEW                               | REPEAT |                             |
| £3,848,373                | £158,085                        | 106                               | 44     | 27                          |

Photo: During the pandemic, Bristol Music Trust moved many of its artistic programmes to online delivery. Photo courtesy © Simon Hill.





## 5 STRENGTH & BALANCE

Photo: Belong Learning provides alternative education for young people who, for a variety of reasons, are not accessing mainstream schools.



# OUR IMPACT

## INVESTORS



373

**Growing the market:** 373 new investors connected to social enterprises.



105

**Building relationships:** 105 investors returned this year to invest again.



£65.6m

**Scaling impact:** Unlocking £65.6m of new investment for social impact.

## RESONANCE



**Bridge-building:** We built bridges between investors and social enterprises by making investments that carried £8.35m of capital to 28 social enterprises from 578 investors in 2020/21.



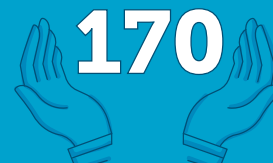
**Systemic change:** We achieved first close on 3 new funds and designed 2 others, 1 of which launched in year and achieved financial close shortly after, all in pursuit of mobilising capital efficiently for social enterprises to deliver greater social impact.

## ENTERPRISES



27

**Extending our reach:** We made 27 meaningful introductions to third parties for our social enterprises including suppliers, customers, funders, non-executive directors etc.



170

**Wrap around support:** We provided 170 social enterprises with investment or supported them through paid consultancy in 2020/21.

## PEOPLE AND PLACES



2,851

**Somewhere to call home:** 2,851 people have been housed in our impact property funds since the first fund launched in 2013 to December 2021.

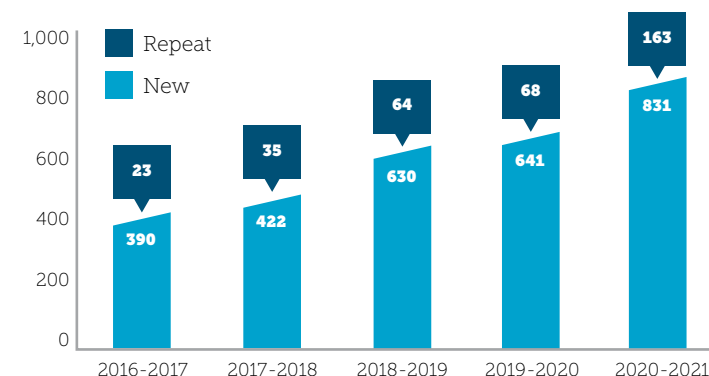


5

**Places:** Our place based investment strategy for our property funds currently covers five cities/regions: London, Bristol, Oxford, Milton Keynes and Greater Manchester.

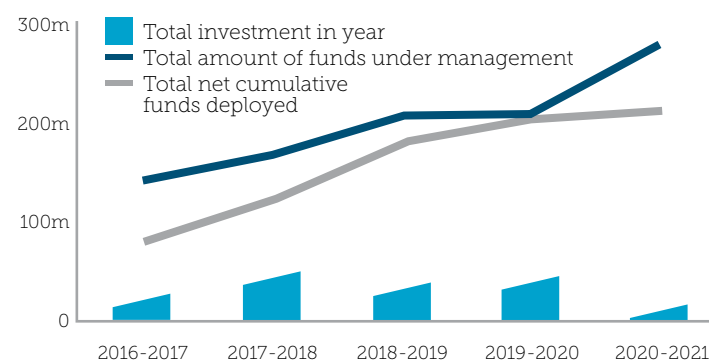
# OUR 5 YEAR TRACK RECORD

Cumulative number of investors



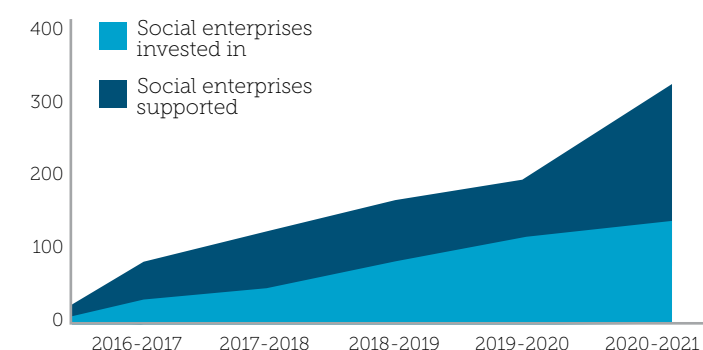
We are always pleased with being able to attract an increasing number of investors, demonstrating how more people are finding a way to put their money where their values are. But we have over the years built a growing pool of returning investors that now feel part of the wider Resonance family. It is 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 repeat investors in the last five years reached 163; ranging from Local Authorities to individual angel investors, together we're enabling the scaling of solutions to some intractable problems.

Financial performance (£)



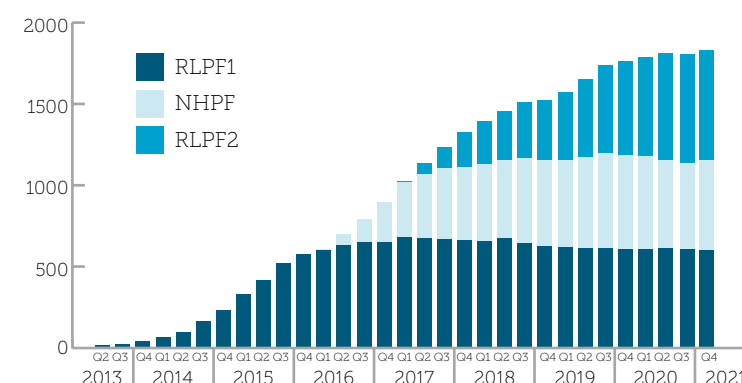
After achieving near full deployment last year and having fund launches delayed due to the pandemic, this year has been focused on raising capital for several new funds. The majority of the capital we raised was in the final quarter of the year which meant that capital deployed into social enterprises was much less than in previous years. The delay to fund launches has resulted in four funds launching in a single year - an uncomfortable record and akin to how much of the economy is trying to play catchup for lost time. One of these new funds was a specific emergency response to the pandemic in support of the 'Everyone-In' campaign to support rough sleepers into safe temporary and then permanent accommodation.

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. This year we pivoted much of our enterprise support work to focus on distributing emergency grants from the National Lottery Community Fund to social enterprises across the UK as part of a consortium. This is the main driver behind the significant acceleration of support despite the volume of investment transactions being lower than last year.

Cumulative number of tenants housed in our Property Funds



We have seen the number of households being housed during the lifetime of our property funds, increasing year on year. Most of these households are single parent families, with comparable number of adults and children now being housed. Resonance is also seeing growing interest and investment from local government pension funds and local authorities when considering social housing as a key area for part of their wider place-based investment strategy. This enables them to invest in the geographic area of the UK in which they operate. We expect to expand the areas in which we are investing in the years to come to meet this demand.



# FINANCIAL RESULTS

Entering lockdown days before the beginning of the financial year saw the whole team transition to remote working almost overnight. In spite of this totally new way of operating, we managed to successfully launch all four of the new funds that had been delayed in the previous period and to grow and strengthen our team. In addition to this, we were also part of a consortium created to distribute grant funding to some of the social enterprises hit hardest by the pandemic. All whilst navigating our own business through a very unique and challenging time. We closed the year bigger and stronger than ever. Definitely a year for the Resonance team to be proud.

|  | 2020<br>£m | 2021<br>£m |
|--|------------|------------|
| Funds under management                           | 209.8      | 272.4      |
| Investment made in year (funds and direct deals) | 43.1       | 8.40       |
| Net funds deployed                               | 208.1      | 212.8      |
| Income   | 2.7        | 3.34       |
| Profit   | (0.26)     | 0.45       |
| Net assets                                       | 0.24       | 0.7        |

Six year historic financials (£)

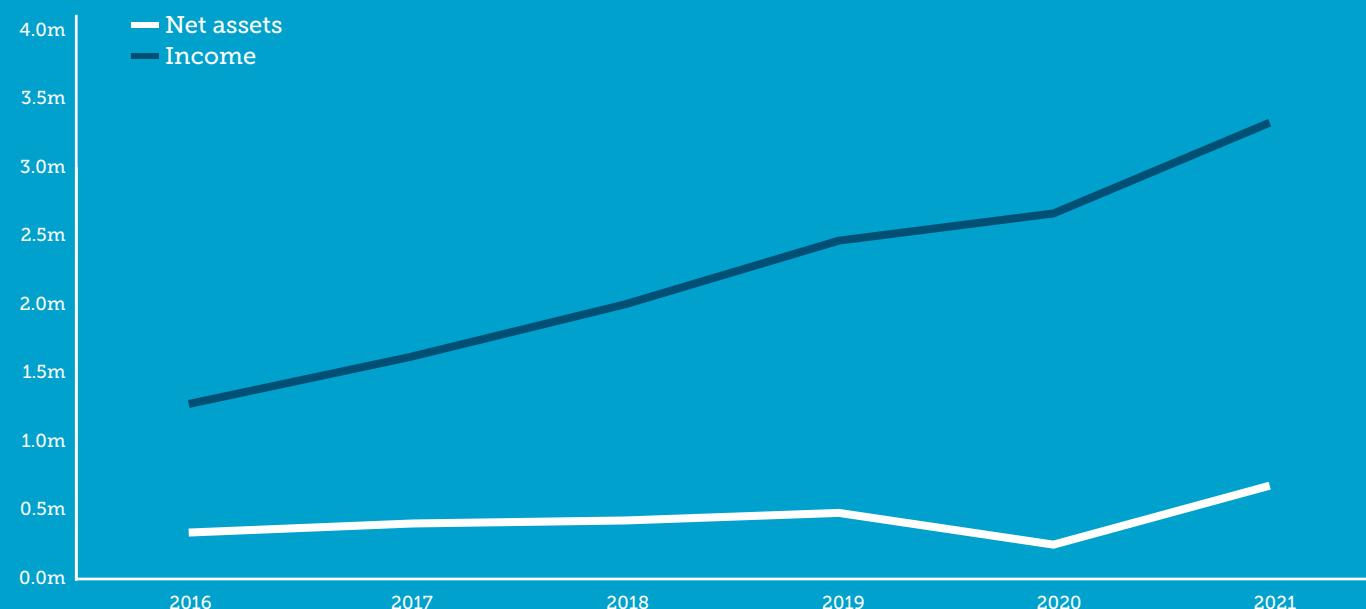


Photo: Jericho Foundation runs a range of social enterprises including cleaning, construction and recycling, whilst providing supported employment opportunities to local people who need them most.

## AWARDS, ACCREDITATIONS & ASSOCIATIONS





# PROVE & IMPROVE

"There's a way to go but by being transparent we hope to demonstrate our commitment to being part of the driving force towards breaking down the systemic biases in today's society."

*Daniel Brewer*

Our Annual Report, in addition to telling the stories of the impact being delivered by the wonderful social enterprises with which we work, also reports on Resonance's impact. This includes how much investment we have put into the hands of social enterprises, how many investors we are working with, the funds we've developed and launched and the other support we have provided. In addition, we report on our five-year track record and the financials.

Over the years we have increased our reporting from our gender balance and pay gap to the age of employees and our staff retention. As Daniel mentioned in his introduction to the 2020 Annual Report, we are making small steps towards reporting more about Resonance each year. Having become a B Corp in 2018, it makes sense for us to report using the B Corp framework, against which the impact of all the elements of our business can be measured, as well as helping us as we plan and work towards specific goals.

We are working continuously to improve our inclusion and diversity, reduce our environmental impact and work in ways that are fair and equitable for our customers and employees as well as our wider community. Holding the company to account at every level is a way in which we can learn and develop. So this section illustrates the data we can **prove** and also outlines the areas where we are working to **improve**.

B Corp separates businesses into five key areas:



**Governance**



**Workers**



**Community**



**Environment**



**Customers**

**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.

We have completed our recertification in 2021, and we're waiting to hear if we've improved on our 2018 score of 115, although it is most definitely not about the score. Whilst an improved score is 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.

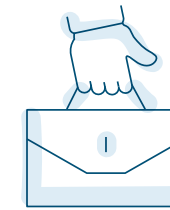


## GOVERNANCE

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**

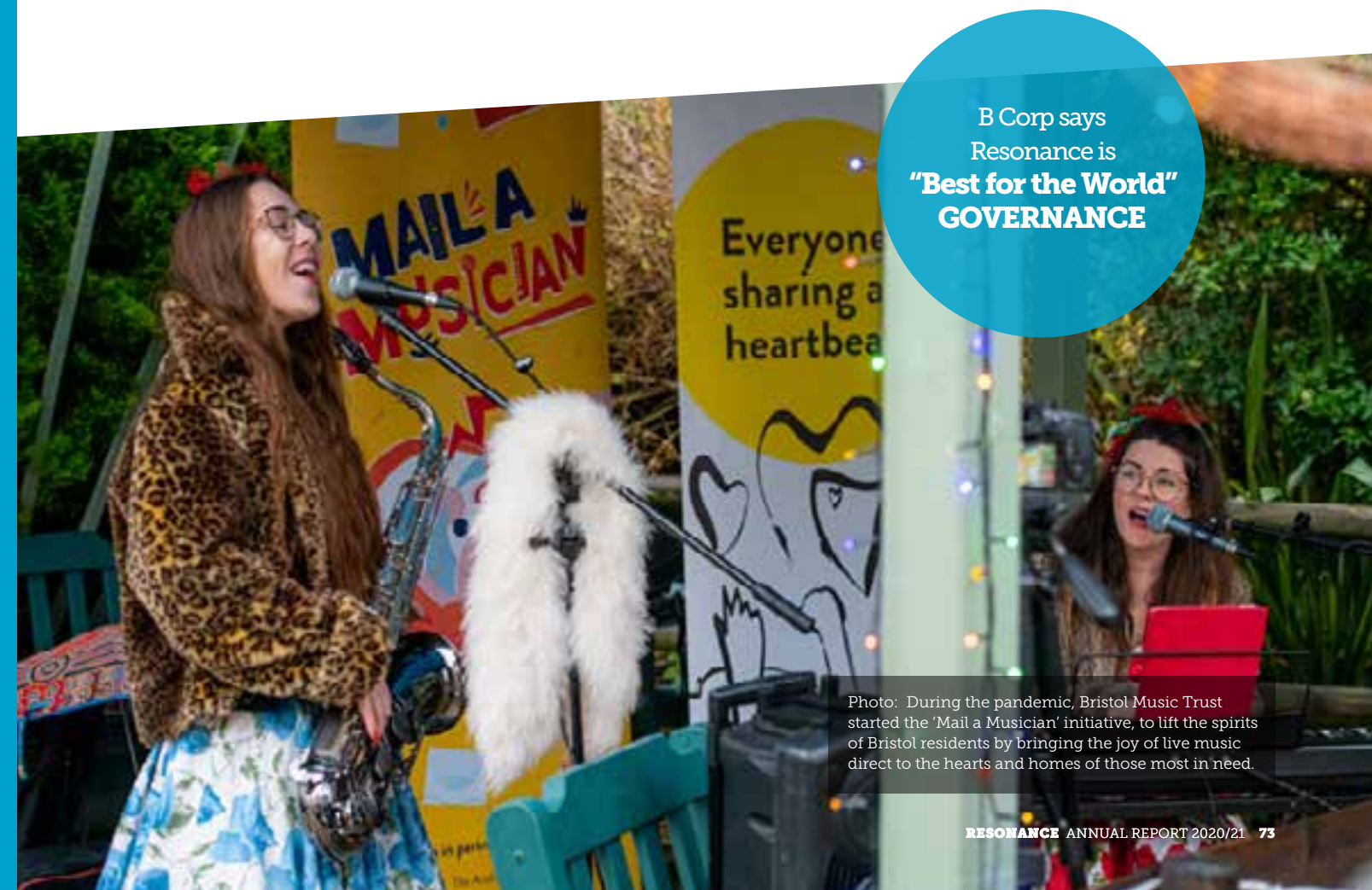


Photo: During the pandemic, Bristol Music Trust started the 'Mail a Musician' initiative, to lift the spirits of Bristol residents by bringing the joy of live music direct to the hearts and homes of those most in need.

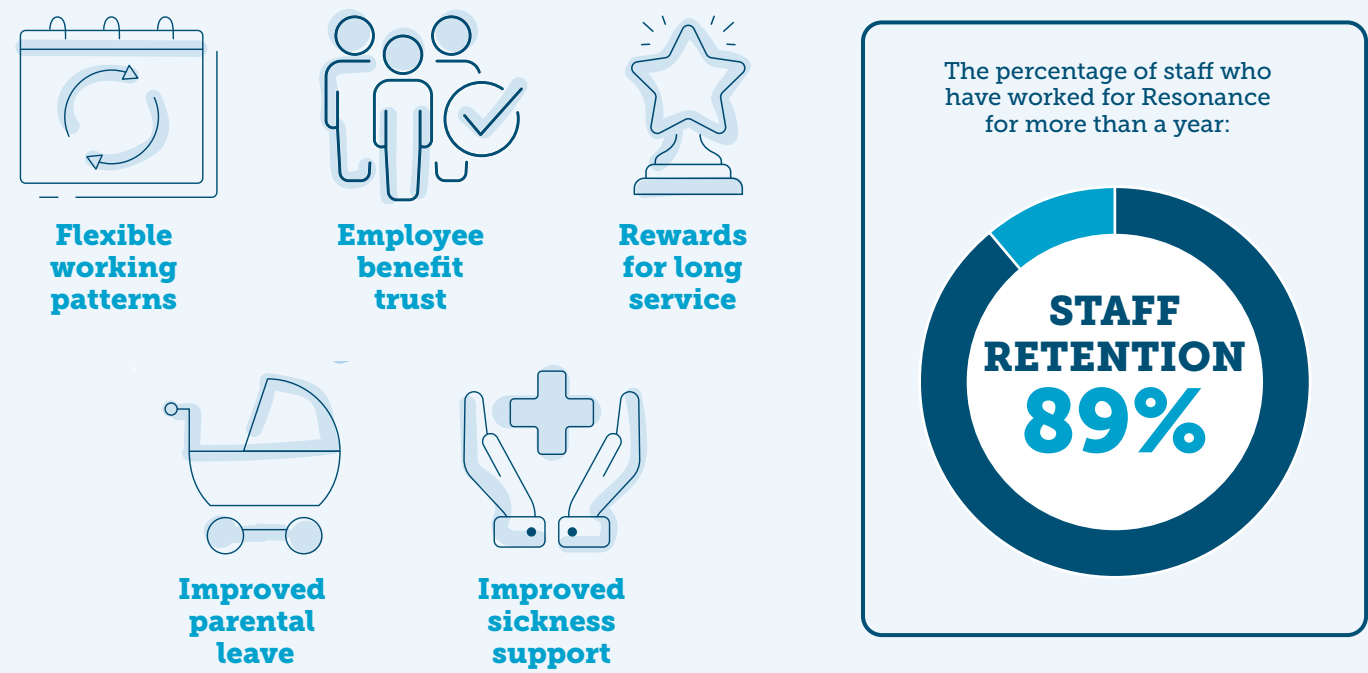




# WORKERS

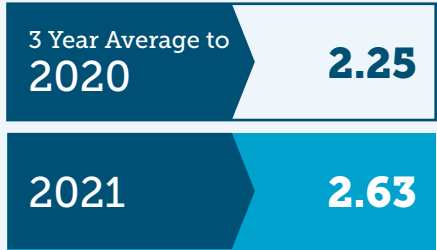
We are very proud of our employees at Resonance – they work very hard to deliver our company ambitions. In return we try to reward them with above industry average compensation and benefits. One of our key measures of staff satisfaction, is the staff retention rate and at Resonance we enjoy higher than average staff retention.

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

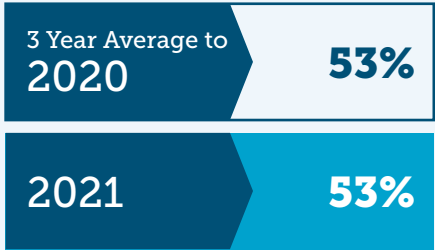


## PAY GAP

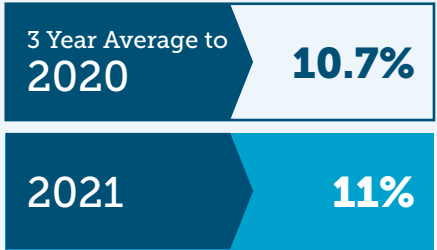
Ratio of the highest to median salary



Proportion of staff with above inflation pay rises who were women



Median gender pay gap\*



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

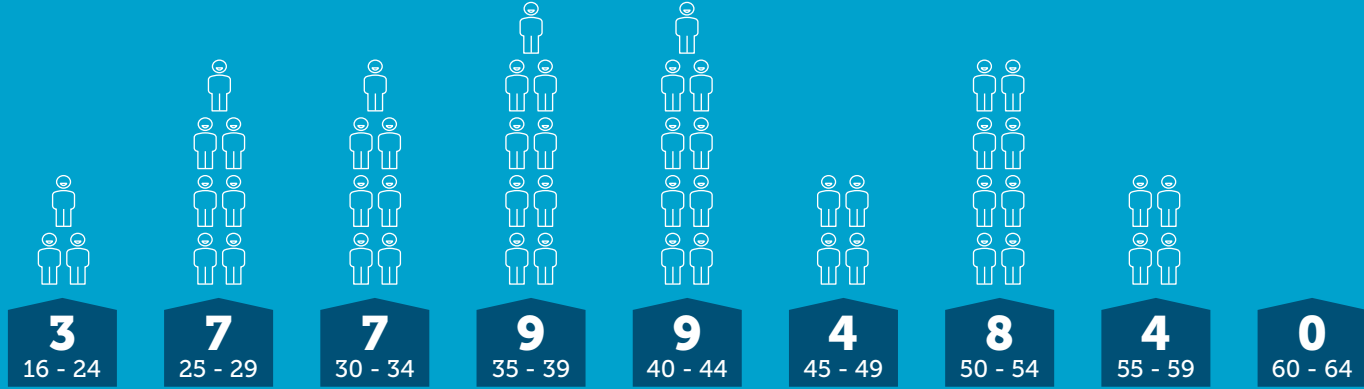


# COMMUNITY

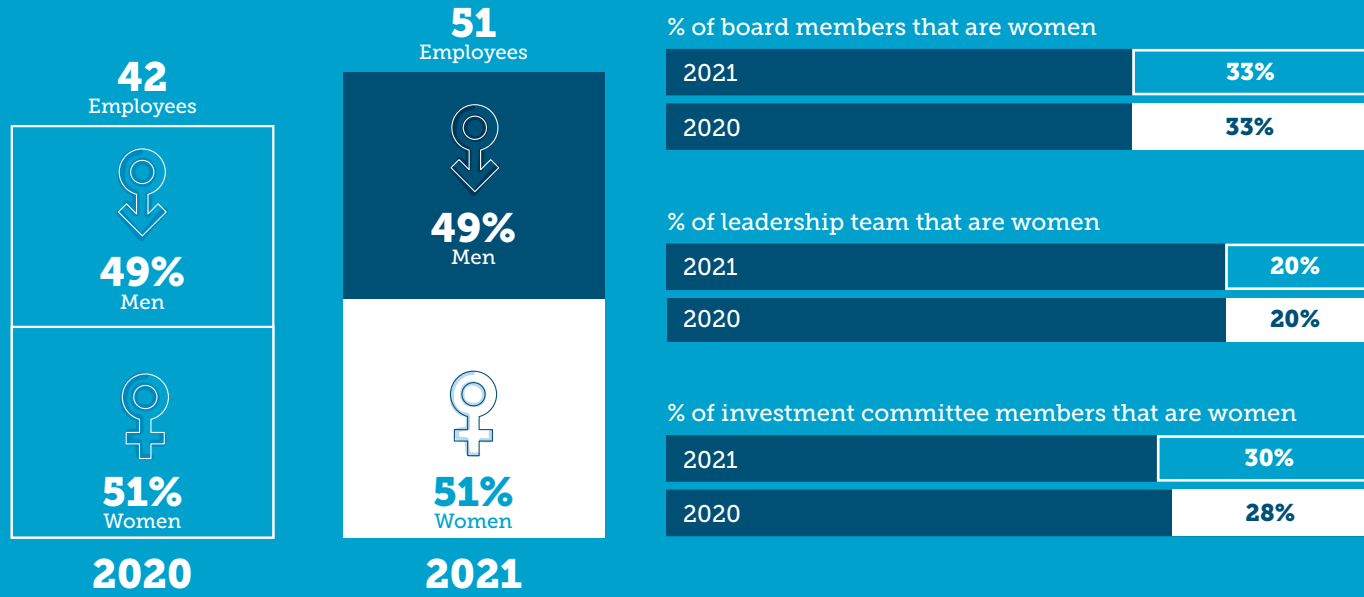
A working group of volunteer employees is helping us develop our equality, diversity and inclusion policies.

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 our environmental impact 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.

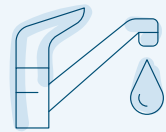
We established a working group called the Greener Resonance Group, which will help to guide us on our journey towards a net zero carbon operation and help us achieve the commitments and longer term goals set out in the commitment.

Not only are we working on 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**

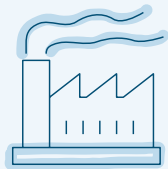


**Water usage**



**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.

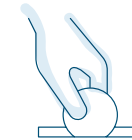
Resonance is committed to benchmarking sustainability against the recently launched Affordable Housing equity investment mode, which Resonance worked on closely with Big Society Capital and the Good Economy as well as the Sustainable Reporting Standards for Social Housing.



## CUSTOMERS

Resonance has two distinct clients. The first are high impact social enterprises (which include charity partners and community-led groups) that help tackle specific social issues. The second being the 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**



**All-women advisory committee for our gender-lens property fund**



**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: The Skill Mill Works with young ex-offenders to increase their employability through a range of supported training and employment opportunities, primarily through its environmental projects.



## 6 OUR TEAMS & PARTNERS



Photo: Challenge Academy runs an outdoor adventure facility with a range of activities providing innovative learning and development opportunities for young people from marginalised communities.



# OUR TEAMS ACROSS THE UK

## BRISTOL



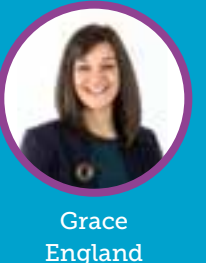
## LAUNCESTON



## MANCHESTER



## BIRMINGHAM



## LONDON



- Central Team
  - Property Funds Team
  - Community Assets Team
  - Enterprise Growth Team
  - Impact & Innovation Team
- IMPACT LABS**



# INVESTMENT & ADVISORY COMMITTEES

We have independent members for the investment and advisory committees of 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: Investment committees are instrumental in achieving timely deployment of funds and ensuring the investments match the aims of the funds. Advisory committees are more involved in adding value to the investment strategy and delivery of the funds.

## 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 charity 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




# ADVISORY COMMITTEE MEMBERS


We have a Senior Board of Advisors that supports our Women In Safe Homes fund and other advisory boards are being developed for other funds.




**Alison Inman**  
Past President, Chartered Institute of Housing and NED at two housing associations and a care charity




**Cherine Aboulzelof**  
Managing Director & Head of Europe at BGO Strategic Capital Partners




**Colette Cronshaw**  
Project Assistant at Riverside Housing Association




**Elizabeth Corrado**  
Co-Founder and Managing Director of Impulse Impact Ltd




**Ghada Sousou**  
Chief Executive Officer of Sousou Partners




**Jacinta Kent**  
Group psychotherapist, trainer and facilitator



**Laura Dale-Harris**  
Associate director at Social Finance and director at Reconnections



**Lynn Fordham**  
Chair of the Royal Marines Charity and director at Conquering Horizons



**Rehaila Sharif**  
Head of Membership at Women's Aid

# 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 Specialist, Specialised Supported Housing Resonance Supported Homes Fund



**John Featherby**  
Founder and Consultant at Shoremount Homelessness Property Funds



**Cath Green**  
Director at Cath Green Consulting Ltd Women in Safe Homes fund and National Homelessness Property fund 2



**Nick Lewis**  
Chartered Accountant Resonance Community Developers



**Andrien Meyers**  
Common Councilman at the City of London, Head of Local Government Pensions, Honorary Diplomat Homelessness Property Funds



**Charles Middleton**  
Non-Executive Director of a number of impact-led organisations Resonance West Midlands SITR Fund



**Melanie Mills**  
Social Sector Engagement Director at Big Society Capital Resonance West Midlands SITR Fund



**Shuab Mirza**  
Director of Jones Lang Lasalle and a Senior Member of its Affordable Housing Team Homelessness Property Funds



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



**Nick Salisbury**  
Board Member of Home Group and Trustee of Oasis Aquila Housing Homelessness Property Funds



**Karen Sorab**  
Founder and now Chair of Trustees for BeyondAutism Resonance Supported Homes Fund



**Martin Stanley**  
Private Entrepreneur Resonance Community Developers



**Andy Street**  
Chartered Engineer and Environmental Consultant Resonance South West SITR Fund



**Sandra Sykes**  
Director at Changing Views Resonance South West SITR Fund



**Dave Tarbet**  
Business Development Director at the Royal Devon and Exeter NHS Foundation Trust Health & Wellbeing Challenge Fund (South West)



**Rich Watson**  
Director of Finance at South West Academic Health Science Network Health & Wellbeing Challenge Fund (South West)



**Chris Wood**  
Partner in the Ti Group Health & Wellbeing Challenge Fund (South West)



Photo: Resonance values collaboration. This includes with investors, social enterprises, industry peers, members of our committees and others, which bring a range of expertise including regional and subject matter and lived experience.



# PARTNERS

In addition to the inspiring social enterprises and charity 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 four groups: Local Authorities and Local Government Pension Schemes; Social Investment Specialists; Foundations; and Wealth Management. 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.



The mission of the John D. and Catherine T. **MacArthur Foundation** is to support creative people, effective institutions and influential networks, building a more just, verdant and peaceful world.

The organisation strives to enable transformative change, addressing social and environmental challenges around the world, in part by building the field of impact investing and providing catalytic capital. One of their areas of focus has been housing; in particular, supporting more balanced, forward-looking housing policies that acknowledge the importance of affordable rental housing and the role that various attributes of housing may play in promoting strong, resilient families and vibrant communities

MacArthur was one of the seed investors into the Women in Safe Homes fund when it launched in December 2020, and – alongside fellow seed investor Lostand Foundation – was the first overseas, US-based investor, into one of Resonance's property funds.

Their £3.7 million investment into the Women in Safe Homes fund was made through the Catalytic Capital Consortium, an investment, learning and market development initiative, conceived of by the MacArthur Foundation in partnership with The Rockefeller Foundation and Omidyar Network, to demonstrate the power of catalytic capital and to expand the reach of the impact investing field.

Macarthur believes that by using flexible, patient, and risk-tolerant capital—catalytic capital—impact investors can fuel innovation. And that investors can bridge gaps for high-impact projects and funds – such as the Women in Safe homes fund - helping them build the track records and scale needed to attract conventional investors.



**Greater Manchester Pension Fund** is one of the largest public sector pension schemes in the UK and the eleventh biggest defined benefit pension fund in the UK. It looks after over 375,000 pensions and pays over £750 million of benefit each year.

Greater Manchester Pension Fund was one of the seed investors into the National Homelessness Property fund 2, investing £10 million. It was also the first UK pension fund to invest into a Resonance homelessness property fund. Alongside regional seed investment from Greater Manchester Combined Authority - and seed investment from Big Society Capital – it enabled the fund to initially focus on tackling homelessness and housing issues in the Greater Manchester region, where currently, 80,000 people are on social housing waiting lists. Tackling the region's housing issues through geographically targeted social impact investing is making a real difference to people living in the North West who are in housing need.



As a result of the pandemic, London's homelessness crisis worsened. In response to this, in Autumn 2020 the Mayor of London, Sadiq Khan, announced funding for more than 900 homes for London's rough sleepers. 38 homelessness projects were selected to receive funding, including Resonance's Everyone In fund.

A £5 million investment from **Greater London Authority** into the Resonance Everyone In fund, enabled Resonance to extend its long running homelessness property fund initiative in London. Helping to reach the specific and urgent housing need arising from the pandemic – helping provide move-on accommodation for individuals who had been temporarily housed in hotels and other emergency accommodation, and to help prevent a return to the streets by providing a better way forward.

The fund is providing 60 homes in London for around 200 of the city's rough sleepers and is partnering with leading social justice charity Nacro, that has significant experience of working with this tenant group and providing appropriate support to ensure successful tenancies and progression for individuals.

Schroders



In 2020, Big Society Capital (one of the UK's leading impact investors) partnered with leading investment manager, Schroders, to launch the **Schroder Big Society Capital Social Impact Trust plc**. Following a successful initial raise of £75 million, it listed on the London Stock Exchange. The fund is pioneering and allows ordinary investors access to private market impact investment for the first time and brings millions of pounds of additional capital to help social enterprises and charities.

The investments will address social challenges ranging from helping people with dementia or learning disabilities, to providing homes and support for those who have experienced homelessness or are survivors of domestic abuse.

One of the first investments of the fund was into Resonance's Real Lettings Property Fund (RLPF1).

There is a growing private impact investment market in the UK, providing solutions that aim to help alleviate some of the country's most pressing social challenges, while targeting a sustainable financial return. Many of these investment opportunities, which deliver the highest level of social impact are found in private markets which, although they have increasing institutional investor backing, are not easily accessible to other investors without specialist expertise and deep networks.

The Schroder BSC Social Impact Trust provides investors with unique access to a diversified portfolio of high-impact private market investments within a liquid investment vehicle. Capital at risk.

For more information about the fund please visit Schroder's [website](#).

## LOCAL AUTHORITIES

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

## SOCIAL INVESTMENT SPECIALISTS

- Access - The Foundation for Social Investment
- Big Society Capital
- Ethex
- Schroders BSC Social Impact Trust plc
- Snowball

## FOUNDATIONS

- Andrews Charitable Trust
- Barrow Cadbury Trust
- Blagrove Trust
- City Bridge Trust
- Esmée Fairbairn Foundation
- Friends Provident Foundation
- Guy's & St Thomas' Charity
- Joseph Rowntree Foundation
- Lankelly Chase Foundation
- London and Quadrant Housing Trust
- MacArthur Foundation
- National Lottery Community Fund
- Samworth Foundation
- Treebeard Trust
- Trust For London

## WEALTH MANAGEMENT

- Boulter Bowen Wealthcare
- BpH Wealth Management
- Cazenove Capital
- Chamberlyns
- EQ Investors
- Grierson Dickens
- Ifamax
- King's Court Financial Planning LLP
- Paradigm Norton
- Patron Capital Partners
- Prydis
- Rathbone Greenbank Investments
- UBS






Photo: Through their range of outdoor activities, BF Adventure in Cornwall supports children and young people facing life's toughest challenges to gain confidence and make positive choices in their lives.



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