





Golden Lane Housing (GLH)

- Leading national charity providing housing for people with a learning disability
- Established in 1998 by Mencap, now owns and leases 700 properties across England and Wales which are home to 1,400 tenants with a learning disability
- Historically able to get public grants and private loans
- Provides specialist housing management and maintenance but not personal support and care
- Works with over 100 local authorities and support providers
- Rental income pays for management, maintenance and servicing our capital





The problem

- Huge need for housing for people with a learning disability
- Only 16% of people with a learning disability in England live in supported housing in the community
- Most live in large institutions, often remote, or with parents who are increasingly unable to cope
- In the worst cases, people suffer terrible abuse (eg Winterbourne View)
- Increasing numbers in Assessment and Treatment Units who shouldn't be there





Lack of money

Individuals

- People with a learning disability are far less likely to be in work
- Squeezed out by shortage of homes: low levels of new housing but increasing numbers of households

Organisations

- Very few public sector grants available now
- Private sector loans are expensive and require security and a deposit





The opportunity

- Private investment: institutional and retail
- Low interest rates and low inflation = good macro economic climate for bonds
- Capital asset: 500 properties = £83m
- Reliable rental income stream: £11m pa
- Track record





Previous GLH Bonds

2003

10 year bond at RPI plus 1% raised £1.8m

2013

- 5 year bond at 4% fixed rate raised £10m
- Mainly from charitable trust funds and social investors: not much left!
- But lots of individual investors too
- Good publicity: importance of the brand
- Little liquidity: not listed

2014

where to get substantial new investment?





The retail bond market

- Order book for Retail Bonds launched by London Stock Exchange in 2010
- Strong investor demand for listed bonds:
 - can be held in an ISA/SIPP
 - offer the flexibility to buy and sell the bonds before maturity
 - highly regulated market
- Demand for ethical products
- But issuing listed bonds is expensive





Retail Charity Bonds

- Bond issuing platform, created by Allia in association with Canaccord Genuity
- Allowing charities to access the benefits of the retail bond market at affordable cost when raising smaller amounts
- Provides established issuing structure with template documentation





GLH 2014 Bond

- First Retail Charity Bond launched for GLH in June 2014
- 4.375% fixed rate for seven year fixed term
- No credit rating
- Unsecured loan to GLH with light covenants
- Raised £11m in 8 days, closed early and oversubscribed
- 60% retail investors, 40% institutional





What Retail Charity Bonds offers

- A new source of affordable loan finance
- Unsecured lending on light terms
- 5-12 year loans
- Significant profile raising
- Engagement with a new audience of savers and investors

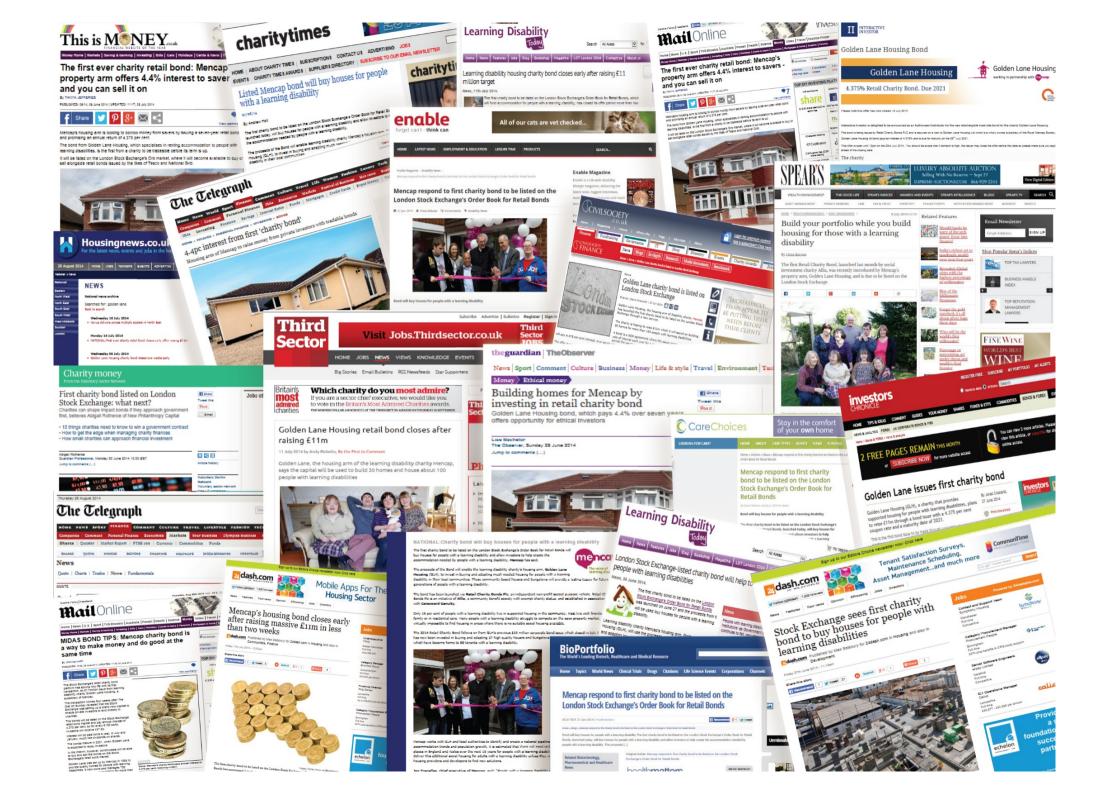




Great publicity

- Increasing awareness of issues to do with learning disability and housing
- Positive images and coverage
- Challenging stereotypes of learning disability
- Raising the profile of GLH and Mencap







What is the money being spent on?

- Buying and adapting over 30 new houses and bungalows across England and Wales
- These will become homes to over 100 people with a learning disability
- A lasting legacy for the future
- Social impact report: increased confidence, independence, learning new skills, wider social network, participation in the community and better health. Much improved health of the parents





Golden Lane Housing

working in partnership with mencap



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