

London Charity Property Matters Survey 2018

In summary

Themes & Findings

This is the first London property survey by the Ethical Property Foundation, supported by City Bridge Trust and undertaken in partnership with the Charity Finance Group.

Our Survey reveals:

- ▶ how London's charities hold and use property, whether rented or owned.
- ▶ specific property related issues and how they impact on staff, volunteers and service users.
- ▶ the capacity and ability of London charities to manage their property effectively.

Findings at a Glance

London Charity Property Characteristics

Significantly, more charities in London stated they rent from a private or commercial landlord than charities surveyed across the rest of England and Wales – 40% in London compared to 33% elsewhere. This underlines the rising costs of property in the capital, which is creating serious financial pressure on charities, and as well as the retreat of local authorities, in London, as a default sector landlord.

Issues around risk, costs & funding

- ▶ Property costs account for over 20% of total expenditure for 16.5% of respondents.
- ▶ More than 28% of charities say property is a barrier to delivering their charitable objectives, with 20% citing a lack of affordable premises and 8% a lack of space.

Property Knowledge and Management Skills

- ▶ 68% of London charities do not have a strategic property plan.
- ▶ 51% say no-one is specifically responsible for property within their organisation, 9% higher compared to the rest of England and Wales.
- ▶ 24% have experienced and 19% anticipate they will experience unforeseen property costs.
- ▶ 53% of London charities surveyed do not report regularly on property to trustees, compared to 44% across the whole of England and Wales, highlighting the additional pressures the sector faces in the capital.
- ▶ Over half London charities (51%) do not carry out regular risk assessments on their property a significant 10% difference compared to the 61% of charities in the whole of England & Wales which do complete regular risk assessments.
- ▶ 36% of London charities do not keep complete records of the property they own or rent.

Methodology

During the period from 23 January to 15 July 2018, the Survey was promoted across the sector with extensive use of social media. In total we received 138 London responses.

Key London Messages

There is widespread weakness in charities' own capacity to manage property effectively. This starts at the top with a lack of knowledge among trustees and a misunderstanding of their responsibilities. The message for trustees is to institute regular property reports and risk assessments, assigning a key person with property responsibilities, whether volunteer or paid staff. This is particularly pertinent for London trustees, with our survey demonstrating a significant lack of property knowledge in comparison to the rest of England and Wales.

For London Funders

Every project is almost always delivered by people in a building – and a proportion of any funding should reflect this – for the wellbeing of staff, volunteers and service users. With over 16% of respondents spending more than 20% of annual expenditure on property

costs, it is significant that London charities report widespread problems in obtaining core funding for property costs. This is impacting on projects, service delivery and long-term sustainability, with 29% experiencing difficulty in sourcing funding and 31% anticipating difficulty in the future.

For the London Property Industry

In the capital we are more reliant on commercial leasing than other parts of the country, as we shift away from being local authority tenants. As a sector we are going to need far greater strategic engagement with London's commercial property sector – from the perspective of a growing client group with often complex and distinct needs.

For Policy makers

There is a serious mismatch between the attention given to the London voluntary sector's property needs and the clear threats to the sector's objectives and long-term viability – particularly among voluntary organisations which are small and poorly resourced. The message to London policymakers is to consider an affordable social workplace strategy – akin to the current strategic policy thinking around affordable housing.

This survey has been funded by



For the full report and statistical analysis of the survey visit www.ethicalproperty.org.uk