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TX: 18.04.03 – NEW HOUSING INITIATIVE TO HELP PEOPLE WITH LEARNING DISABILITIES

PRESENTER: WINIFRED ROBINSON

ROBINSON

The charity MENCAP is issuing investment bonds. The aim is to raise £4 million to provide housing for people with learning disabilities. Research by the charity suggests that there are around 30,000 people with learning disabilities currently living with their elderly parents but only one local authority in every four has even begun to plan for what will become of these people when their parents die or become too frail to do the caring.

The promise is that investors in MENCAP's Golden Lane Housing Trust will get a good return on their capital, as well as the satisfaction of knowing that they have helped people like Hazel Whitfield. She used to live in a council flat with a 24 hour warden, now she lives in a house in Clitheroe in Lancashire bought for her by the trust.

HAZEL WHITFIELD

I enjoyed looking after my home, especially cleaning and decorating my own home. I enjoy cooking meals for myself. I enjoy having friends round to visit.

ROBINSON

Hazel Whitfield. Mark Magoogan runs MENCAP's Golden Lane Housing Trust and he's in our Bristol studio. How's this bond issue going to work?

MCGOOGAN

Well the aim of the bond is to tackle this chronic housing shortage faced by people with learning disability. As you rightly said there are 30,000 people with learning disabilities living at home with elderly carers and everyone is very concerned to try and address this problem while there is still time.

ROBINSON

Yes but what I'm asking is the nuts and bolts of how it works - who's running it, what do you have to do if you want to invest in it? I've said there promises to be a good return, how good a return?

MCGOOGAN

The bond will be paying RPI plus one per cent.

ROBINSON

Sorry RPI?

MCGOOGAN

RPI plus one per cent.

ROBINSON

So that's inflation?

MCGOOGAN

Yes.

ROBINSON

Plus one per cent?

MCGOOGAN

Plus one per cent. And that is the financial return that will be paid annually to each bond holder each year. The bond is intended to be a long term financial investment and it needs to be that way because we're providing housing for people with a learning disability again over the long term. So the idea behind the bond is to directly connect people's investment in the charity's work with the house purchase. So how the bond will work is that we will take the bondholder's money, we will gather that together and then we will buy houses with the money that we've received. Once we have found a house for a tenant we will charge them a rent and then some of that rent will go to pay the interest back to the bondholders. So we're trying to directly connect the financial return on the bond with the positive social benefit that this product will bring.

ROBINSON

I know that you're working in partnership with a financial investment company and they will inevitably of course take their percentage from what is invested and whatever is made on that investment. What about the business of giving to charity simply to give?

MCGOOGAN

I think it's always - and charities will always need giving in order to carry out their charitable work. With this bond there will be no fee or cut or anything of that paid to the sponsoring bank, which is Triodos and they're a ...

ROBINSON

So they're doing it for you free?

MCGOOGAN

No, there is - they are advising us to - in order to get the bond out to the public and they're making a charge for that but we feel certainly that this is a pioneering approach that we need to take in order to address what is a chronic housing shortage for people with learning disabilities. And unless we do - and unless we make bold and innovative initiatives like this then this chronic housing shortage will not be solved.

ROBINSON

I know you're planning to raise £4 million, where does that fit in, as a figure, with what you actually manage to raise every year from donations because you're quite a wealthy charity?

MCGOOGAN

MENCAP is, I'm sorry to say, is not a wealthy charity, I wish very much that it were. The money that's going to be raised by this bond is directly to help house people and it will have no effect on the charity's other fundraising efforts which are needed to support other activities and other things that people with learning disabilities need assistance with.

ROBINSON

How quickly - if you could answer this briefly - do you expect that people who have children, as you were describing, will see something being built near them?

MCGOOGAN

Well our idea is that - behind the bond - is that we actually have a rolling programme of properties and people who need housing. So matching that investment with a house purchase for a specific individual will be an extremely quick match. So it would be a matter of months or weeks before that happens.

ROBINSON

Mark McGoogan many thanks. And if anyone listening wants to know more about that scheme then they can ring us on 0800 044 044.