INREV

LGIM - Community Impact Dolphin Centre

PROJECT:	**COMPANY:**	**LOCATION:**
Retail	LGIM	Poole, UK

Challenge

Like many high streets in the UK, Poole town centre has been challenged by the continued growth of e-commerce and competition from out of town retail destinations. Further disruption caused by the effects of the COVID-19 pandemic and ongoing inflationary pressures have made conditions even more difficult. According to PMA, vacancy in Poole town centre was 21.8% in Q4 2022, versus a national average of 18.8%.

The Dolphin Centre, a shopping centre in the heart of Poole town centre, has not been immune to these challenges – in June 2017, the amount of vacant floorspace was 17% within the centre, with significant further headwinds on the horizon.

The prospect of further vacancies meant it was clear that a different approach was needed to secure the long-term future of The Dolphin Centre, while at the same time exploring ways to shift our approach into one

that proactively and intentionally generated positive social impact for the local community.

Solution / Approach

- There has been a cultural shift in how consumers are interacting with places – the 'transactional' is no longer a priority, but rather the experience, functionality and inclusivity of their town centres is key. To respond to this shift, the goal was to shift the traditional 'shopping centre' beyond just solely shopping and pivoting towards working, healthcare, education, leisure and community, in the process stripping out barriers to entry for local businesses.

- Simultaneously, we wanted to deliver initiatives that helped to reinvigorate the Dolphin Centre as a destination whilst addressing social priorities facing the local community. A central pillar of the vision for The Dolphin Centre is to build a vibrant ecosystem where all the different uses

support and reinforce one another, with a particular focus on creating in effect an incubator for local entrepreneurs to establish themselves and thrive.

- To deliver this future-facing vision, we're working alongside and employing local people to help revitalise the area and create a sustainable asset that prioritises experience, localism and convenience.

Results

LGIM 's approach to securing place-based impact is a key driver to generating positive commercial outcomes for investors.

Results stemming from future-proofing efforts have successfully reestablished The Dolphin Centre's connection with the local community., with the asset on track for 35% of its floorspace to be occupied by alternative uses (like healthcare and education), thereby creating a diverse community destination that delivers meaningful social impact.

The statistics below provide a summary of how the positive social outcomes illustrated in case study report have been a catalyst for improved asset performance:

> In its first year Kingland generated an additional £2.2 million of spend across the Dolphin Centre, created over 30 new jobs, with footfall increasing by 16% versus its pre-pandemic trend.

> 60% of original Kingland brands agreed to a longer-term turnover partnership, with the remaining 40% occupied to new entrants. Post the opening of new operators in 2023, average turnover per unit has increased by 36% (over March to May 2023 versus equivalent period in 2022).

> An Adult Education Centre has launched in Poole in partnership with the Council. It is estimated that over 5,600 learners will benefit from the centre's state-of-art facilities each year

> The NHS outpatient assessment clinic saw over 15,000 patients between Dec 2021– Jan 2023, with the orthopaedic specialty experiencing a 92% reduction in people

> waiting over 78 weeks for an appointment. (Source: NHS Dorset as at March 2023)

> Launched Foundry (suburban co working product) - repurposing 20,000ft of 1960s office space, aiming to meet local need for high-quality working space and supporting the growth of regional business.

> For the first half of 2023, footfall within the shopping centre as a whole was +10.6% up on 2022. We are now seeing footfall ahead of 2019 levels, whereas the average UK shopping centre is c.-15% down on 2019.

Unless otherwise stated, sources are: LGIM Real Assets, 2023

Story

This project illustrates what can be achieved through embedding a place-based impact lens alongside a forward-thinking, proactive asset management strategy. It highlights how positive social outcomes can support desirable commercial outcomes, rather than representing an either/or.

The growing array of initiatives at The Dolphin Centre, from Kingland to Foundry, the NHS outpatient assessment clinic to the wellbeing hub, all serve to generate positive community impact, while at the same time breathing new life into a once declining asset through a vibrant mix of uses, culminating in significant additional footfall, right in the heart of Poole.

Through innovative, future-looking and proactive asset management, informed by data analysis and in close partnership with a range of community stakeholders, the impact achieved from interventions at The Dolphin Centre will help to continue to meet the needs of the community in Poole and the wider area for years to come.

LGIM

Legal & General Investment Management (LGIM) is one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1.2 trillion[1] in assets, working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

LGIM Real Assets has assets under management of £36.8 billion[2] and is one of the largest private market investment managers in the UK. Investing in both debt and equity and across the risk/ return spectrum, LGIM RA actively invests in and manages assets across commercial, operational, and residential property sectors, as well as infrastructure, real estate, corporate and alternative debt.

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[1] Firm AUM data as at 30 June 2023
[2] LGIMRA AUM data as at 30 June 2023 (GAV, including crossholdings)