



SOCIAL and  
SUSTAINABLE CAPITAL

## Impact Report 2020

# Resilience and opportunity in a time of uncertainty

Finance for good.  
Funding organisations  
that support communities  
and transform lives.



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# Dear friends

It is hard to know where to start when writing a letter looking back on the events of 2020. Like all organisations, SASC experienced challenges over the last 12 months and, like everyone else, we had to work harder. But the pandemic has made a fund we launched 18 months ago even more relevant. The result is that in 2020 we were able to support more organisations than in any previous year.

We work with charities and social enterprises that operate on the front line. Doing so has been very rewarding throughout this period. Both as an organisation and as individuals we were grateful to feel we were doing something that was making a difference. Meanwhile, the inspiring work of our borrowers was allowing SASC to raise additional funds. This will increase our investment activity in what has come to be our core activity – helping organisations buy housing to use in their services.

We published our last impact report in July 2019. At that point SASC had just launched Social and Sustainable Housing (SASH) with over £26m of commitments. Co-designing SASH with potential borrowers helped us to come up with an appealing investment product. We believed there was unmet demand from charities and social enterprises for funding that would allow them to buy properties to use as supported housing. This in turn would help them expand the work they were already doing with disadvantaged people.

By December 2019 we had approved loans of more than £16m to six inspiring charities across the UK. The high level of interest in SASH meant we were already working to raise additional funds. We were also in discussions with Zamo Capital. Zamo invests in organisations like SASC to help them grow their investing activity and the social impact it generates.

We are very grateful to Jim Roth and the Zamo team for concluding the investment in SASC despite the early signs of COVID-19 uncertainty. We are also grateful to the members of the SASC Board and Investment Committee whose co-investment showed their support for our longer-

term vision. These investments saw us enter the first lockdown in a strong and stable financial position.

As the seriousness of the pandemic became clear, our overarching priority became the ongoing health and resilience of the organisations in our portfolio. Throughout the COVID-19 period we have maintained close contact with our borrowers and provided whatever support we could.

Almost all our borrowers have been able to maintain both their services and their revenue streams. This underlines how strong the management, staff teams, and governance structures of these outstanding organisations are. We continue to be impressed by the agile and committed way in which they respond to their communities' needs during the pandemic.

SASC's investment strategy is to back charities and social enterprises that deliver vital services. A challenging period like the pandemic was bound to show just how valuable those organisations are. And SASH specifically was the right fund at the right time. In the early stages of the pandemic the government launched an initiative to find emergency accommodation for what they estimated to be at least 15,000<sup>1</sup> rough sleepers and homeless people. This shone a powerful spotlight on the stark reality of those without access to decent and sustainable housing. What began as a response to the crisis has become a wake-up call to government to address homelessness for the longer term.

This increased focus on supported housing created a need for additional funding. Meanwhile, investors had been getting steadily more interested in products that generate both a financial and social return. These two factors combined to see

SASH more than double in size over the course of 2020.

We would like to thank our investors for helping us show how social investment can unlock potential that might otherwise go unrealised. With SASH funding, frontline charities and social enterprises are playing a larger role in providing longer term solutions to the housing and support needs of people who are homeless, or at risk of becoming so.

The current situation has reinforced our determination to pursue opportunities where social impact can attract investment. One such opportunity arose in September, when SASC was able to acquire the investment arm of Pure Leapfrog, now called SASC Bridge Finance. Given renewed policy focus on community renewable projects, we relish the prospect of building on our combined track record of £68m of investment in this area.

SASC has always had two aims. We want to provide funding that helps charitable organisations become more sustainable and grow their impact. We can only do this if we attract investors pursuing both financial and social impact returns. As with many organisations, the uncertainty created by COVID-19 has tested our resolve. But we ended 2020 on a positive note, full of energy to tackle the next challenge. We believe that SASC is increasingly demonstrating our relevance and potential in the wider social investment market. This report sets out to explain in more detail why that is.

**Nat Sloane**  
Board Chair

**Benjamin Rick**  
Co-Founder and CEO

1. [https://www.crisis.org.uk/media/242907/homelessness\\_monitor\\_england\\_2020\\_covid19\\_crisis\\_response\\_briefing.pdf](https://www.crisis.org.uk/media/242907/homelessness_monitor_england_2020_covid19_crisis_response_briefing.pdf)

# Executive summary

It is 18 months since the publication of our last Impact Report. Reflecting in July 2019 on our first five years of investing, we said we thought SASC was on the cusp of a new phase of development. Looking back now, 18 months on: were we right?

As 2019 came to a close, Social and Sustainable Housing's early success attracted interest from Zamo Capital, a specialist investor in impact fund managers. Two things had caught Zamo's attention. We had designed a product that married compelling risk-adjusted financial returns with significant impact; and then managed to turn the idea into a working reality. Funding from Zamo, alongside investment from members of our Board and Investment Committee, allowed us to push ahead with confidence despite 2020's challenges.

First, we welcomed four new Board members and two new members to our Investment Committee. You can read about them and why they wanted to join SASC on pages 8 and 9.

Next we turned to an overhaul of our design and branding. This allowed us to reinvigorate our online presence and marketing. The new approach can be seen both on our re-launched website and in this Impact Report. We hope readers like it.

With our portfolio expanding at pace, we have refined our approach to assessing and reporting on the impact achieved by our borrowers. We have drawn on the internationally recognised Impact Management Project framework and the Sustainable Development Goals (SDGs) to create a consistent reporting approach across all our funds. This is shown on pages 28 onwards.

Like so many other organisations, the SASC team moved to remote working when the pandemic struck. Within weeks, it was clear that we needed to press ahead with our work with even more urgency than we had while working together in the office.

The critical role that charitable organisations had to play in

supporting disadvantaged communities through the pandemic soon became clear. It has been inspiring to see how dedicated, resilient and resourceful our borrower organisations are. On pages 16-19 we hear how some of them have met the challenges of the last 12 months.

SASC's ability to respond quickly and flexibly to organisations looking for finance has been invaluable during the pandemic. During 2020, we approved 17 new investments into 14 organisations.

With our two generalist funds – the Community Investment Fund (CIF) and the Third Sector Investment Fund (TSIF) – we have continued to expand our reach. We approved an investment in Lincolnshire, where we will be supporting P3 to deliver an innovative scheme renovating local housing for social rent in Gainsborough. In West Sussex we helped Active Prospects buy and renovate a property for use in supporting adults with learning difficulties. We were delighted to approve follow-on loans to Affinity Trust and Brook, enabling them to extend their work into new geographies. More detail can be found on page 46.

Turning to Social and Sustainable Housing (SASH), our investment activity continued to build. We now have eight organisations from across the UK in our portfolio, with a further three approved and in legal closing. The eight organisations are illustrated on the map on page 30 and more detail is provided on pages 32-35.

Since 2014, SASC has approved investments of more than £56m to enable charities to make safe, high quality housing available to the individuals and families they support. COVID-19 underlined the importance of this work. We are delighted that our investment has helped several

## The pandemic has shone a spotlight on a significant group of vulnerable people who, with support and decent housing, are able to get their lives back on track

charities in our portfolio respond to this growing need. We invited Mark Simms, CEO of P3, to offer his perspective on this issue (page 12).

Where does all this lead? On pages 14-15, we take a step back, and dare to believe that there is a much bigger prize now at stake. The pandemic has shone a spotlight on a significant group of vulnerable people who, with support and decent housing, are able to get their lives back on track. In many cases, small to medium sized charities are playing a critical role supporting this group.

Research recently published by IPPR North gave a detailed insight into the kind of housing needed for this work to be successful. IPPR identified significant issues with many aspects of the current landscape, including policy and funding, and coined a new term to make the sector more visible: 'Transitional Supported Housing' (TSH).

Most of what is often called 'supported housing' is for the long

# £43.8m of new investment into 14 organisations approved in 2020

term and needs to be specially adapted. Residents are typically either elderly or working-age people with severe disabilities and their housing is technically defined as 'specialist supported housing'.

By contrast, TSH mostly involves people of working age who can live in regular dispersed housing. The 'transitional' in TSH reflects the fact that these are individuals who need help for a limited period (typically up to two years) before they return to independent living.<sup>1</sup>

Our experience to date suggests that TSH as a whole needs a fresh approach. Social investors have an important role to play in making finance available to outstanding charities and social enterprises. This will help providers expand their stock of transitional supported housing.

It goes without saying that we can only do what we do with the support of our investors. In 2020 we have been able to build relationships with new investors as well as attracting further funding commitments from existing investors. They are all highlighted on page 6, together with our pro bono support partners. The endorsement that comes from being able to grow our funds in the face of the uncertainty created by the pandemic makes us more determined and ambitious. We are more focussed than ever on showing how effective a sustainable, impact-led social investment market can be.

The last 18 months have truly felt like a new stage in our journey. We are resolute in our mission to connect investors and social sector organisations. That creates a need for innovative funds that generate both compelling financial returns and tangible social impact. The work that our borrowers do is inspirational, and we are hugely grateful for steadfast support from our investors and partners.

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**As a specialist investor in the impact investment sector, Zamo looks to back high performing fund managers. SASC was a great fit. They are a well-led, agile and thoughtful social investor that, in 2019, had reached a critical phase in their own development. The importance and timeliness of SASC's work has been further borne out during the pandemic. Through its flagship fund, Social and Sustainable Housing, SASC has figured out a way to make great risk-adjusted commercial returns and simultaneously provide housing with support to homeless people. Zamo believes that the rapidly expanding focus on responsible investment will result in SASC's current and future funds attracting an increasing number and range of investors**

**Jim Roth, Founder and Managing Partner, Zamo Capital**

1. [www.ippr.org/research/publications/at-a-crossroads-the-future-of-transitional-supported-housing](http://www.ippr.org/research/publications/at-a-crossroads-the-future-of-transitional-supported-housing)

# Our investors

			
			
			
 Schroder BSC Social Impact Trust plc			
 THE UNIVERSITY of EDINBURGH			<p>Carolyn Aitchison    Adam Knight                  Olly Benkert        Ben Rick                  Paul Cannings       Nat &amp; Rebecca Sloane                  Louis G Elson        Katherine &amp; David Soanes                  John Kelting</p>

Pro bono supporters	ALLEN & OVERY	TRAVERS SMITH	Weil
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To Dec 2020  
£135.1m  
63 investments

To Dec 2019  
£91.3m  
46 investments

To Dec 2018  
£53.6m  
32 investments

To Dec 2017  
£47.2m  
25 investments

To Dec 2016  
£25.1m  
16 investments

To Dec 2015  
£2.5m  
4 investments

To Dec 2014  
£300,000  
1 investment

# £135.1m

2020

# £91.3m

2019

# £53.6m

2018

# £47.2m

2017

# £25.1m

2016

2015

2014

## Cumulative growth of our investments

These numbers include loans approved and still in legal in 2020; and loans made by Leapfrog Bridge Finance prior to its acquisition by SASC.

# Welcome to our new...

## Board members



### **TERRIE ALAFAT**

**Retired CEO of the Chartered Institute of Housing and active on Boards of housing associations and charities**

I have worked in housing for over 30 years, across a range of organisations including local and central government, and the charitable sector. I have had the opportunity to develop new policies and programmes alongside operational management experience. This allows me now to see the sector from many angles.

Early in my career I was given the responsibility for delivering homelessness and supported housing services in an inner-London authority. This included responsibility for the private rental sector (PRS) strategy. I saw many examples of people struggling with poor quality, unaffordable housing. It doesn't take much to tip someone over the edge - the loss of a job, family breakdown, or becoming unwell. But what really struck me was the positive impact that providing a home to an individual or family in crisis can have on their lives. That is what gave me the bug for housing in the early stages of my career and it is what attracted me to SASC.



### **SONALI SIRIWARDENA**

**Executive Director, Morgan Stanley Investment Management**

In my role at Morgan Stanley Investment Management (MSIM), I specialise in sustainable investment funds and serve as the Global Sustainability Regulatory and Policy Lead for MSIM. In addition, I co-chair Morgan Stanley's Women's Business Alliance, which is the largest diversity network of the Firm.

Before taking up my role at Morgan Stanley, I worked at Barclays Capital. Prior to that, I was an investment funds counsel at the City law firm, White & Case LLP, where I was an advisor to fund sponsors, banks and endowment funds.

I am a member of the Investment Association's Working Group on Responsible Investment and a Non-Executive Director of Social Investment Business (SIB).

I am joining SASC as the board representative for SIB, which is an investor in both SASC and their funds. As an investment funds lawyer specialising in sustainable investment, I am looking forward to leveraging my professional experience and expertise in support of SASC and to exploring ways to further strengthen the SIB - SASC partnership.



### **CAROLINE PILLAY**

**Senior Partner, Airey Miller and Chair of Councils Building Homes and Homes for Lambeth Group**

My degree was in nursing and social work, with a focus on learning difficulties. I was always interested in how health and social care interact and was lucky to be offered a community job looking at creating housing specifically for people with head injuries. This was in the days before supported housing was a mainstream idea. We had to rent housing on the open market, which was tough because many landlords were not interested in having people with head injuries as tenants.

I thoroughly enjoyed that work. I saw instantly how the right house combined with specialist support tailored to an individual's needs allows them to flourish. I've always tried to retain this connection between housing and impact in my work. My role is more strategic now. Joining SASC gives me that opportunity to contribute to the work being done on the ground.



### **RACHEL HARDY**

**CEO, Foresters' Friendly Society**

Over the last 20 years, I have worked in commercial businesses and large audit and accountancy practices. This has enabled me to approach issues from both a strategic and regulatory perspective. In my role as CEO of Foresters' Friendly Society, I see some strong parallels with SASC, not least through a similar ethos of providing finance to impact those most in need. As a Friendly Society, Foresters has a mutual ethos, which gives profits back to its members through providing discretionary benefits in their time of need, from healthcare grants to educational support awards.

I am looking forward to bringing my experience of compliance, audit and strategic leadership to the Board of an organisation that truly seeks to find solutions to social challenges through their investment funds. 2020 has been a challenging year for us all and only increased the importance of the role organisations like SASC play in improving the wellbeing of individuals, families, groups and communities.



# Renewables Investment Committee members



**LOUISA CILENTI**  
Founding Partner,  
Lux Nova Partners

I come from the industrial north. My father and my friends' fathers were all coalminers. During the miners' strike, I was surrounded by a community that broke. It was totally devastating, the loss of pride and community. I became an infrastructure lawyer because I saw this sector as an enabler of prosperity that could help communities. With over 20 years' experience, in 2015 I helped set up Lux Nova Partners, a boutique law firm with a sole focus on the renewable energy industry and supporting a just and impact-led transition to a decarbonised economy. What sets our firm apart in this sector is that we are mission-driven to prioritise market shaping and community-led projects that have the greatest social and environmental impact.

At a national level, I sit on the Finance Steering Committee of the Renewable Energy Association and support the UK100's secretariat and delivery of the All-Party Parliamentary Group on Sustainable Finance.

Joining the SASC Renewables Investment Committee is an opportunity to bring together my legal experience and national level advisory perspective in order to contribute to the growth of community renewable projects on the ground. Local people are the key to prosperity in a community. As with the SASH fund, SASC has the opportunity to structure a product that addresses the risks perceived by communities but offers a consistent and reliable return to investors. It is about demonstrating to investors that communities are credible partners.



**MARK BILLSBOROUGH**  
Head of Renewable  
Sales and Trading,  
SSE Renewables

I have more than 15 years' experience in wholesale energy trading and renewable energy, and have built up specialist knowledge in wind renewable investment valuation and routes to market. My focus initially at E.ON Climate & Renewables and now at SSE Renewables has been on large-scale renewable projects and assets. More recently I was involved in community energy projects whilst procuring energy for Co-Op Energy prior to their sale to Octopus Energy.

There is a lot of focus on large-scale, offshore projects. But there is also an opportunity around onshore renewables that communities can take advantage of. This is not just about renewables, it is also about enabling communities. SASC can help empower communities to take on local projects and to develop skills that are sometimes missing in community energy groups. I am looking forward to contributing to this through my membership of the Renewables Investment Committee.

[Click here to see the full SASC Board, Investment Committee and Team](#)



## Reflections on 2020

**The dedication,  
resilience and  
pragmatism  
displayed by our  
borrowers has  
been inspiring**

# Looking back on 2020

## Mark Simms CEO of P3

I have always felt that P3 people are a driven bunch, living and breathing a strong set of values, and going above and beyond to develop authentic relationships of support with the people we are here to serve. But in my seven years as CEO, I never thought that my conviction would be put to the ultimate test. And not just once, but twice in three years. How could any scenario planning or risk register ever test our resolve as effectively as the combination of the Grenfell Tower tragedy and a global pandemic have done? As I write this, both events continue to challenge and occupy us, and our work is far from being over. However, an invitation from SASC to contribute to their 2020 Impact Report has given me the opportunity to step back and offer a perspective on P3 and its journey over the last five years.

In 2015, P3 was delivering one outreach service in the West Midlands. That work taught us the importance of learning from the people we're here for, hiring good people to fulfil our mission and not following the crowd! We learned that the success of our services relies on our staff having the energy, talent and drive to listen to and support our clients in a very intentional way, each and every day of their work. From there we embarked on a growth path to work with socially excluded and vulnerable people in new areas. We wanted to meet the increasing demand for our services while staying true to our mission to make a real and lasting difference to individuals within their communities. We are proud to have teams now operating in Derbyshire, Cambridgeshire, Staffordshire, Lincolnshire, Wolverhampton, Gloucestershire, and Warwickshire. In all these places, we help people experiencing homelessness to get off the streets and we work alongside people to prevent them losing their homes.

Early on in our growth journey, we realised it was important to make sure that P3's systems and infrastructure could cope, without diluting our ethos. We are fortunate to have in our Board a group of Trustees and a governance structure that have made this possible. Despite the inevitable pressures on finance that characterise this sector, we have been able to achieve a level of growth that is both manageable and impactful. That has meant we have been able to support communities when and where it is most needed. In 2017, we mobilised our services to help respond to the need which arose out of the Grenfell Tower tragedy. We continue to serve the children and young people in that community through our work with the Rugby Portobello Trust. More recently as the impact of the pandemic became clear, we were able to increase our capacity during the government's 'Everyone In' campaign to support nearly 1,000 additional people to exit the streets and access safe, temporary accommodation during the early stages of lockdown.

**I believe that P3's biggest achievement over recent years has been our ability to flex resources and mobilise to support communities when and where it is most needed**



Around 2018, we began to realise that in areas where we were offering housing-related support and street outreach, there were significant issues around the availability of quality, secure housing. In the absence of a decent and stable house, our services could only go so far in addressing the needs of vulnerable and disadvantaged people. That was when we met the SASC team. What SASC could provide addressed our frustrations around access to good housing. SASC loans have enabled us to take charge of our own housing needs. P3 has been able to co-create with SASC viable housing solutions that are delivering affordable, quality and secure housing for the people we are serving. This will lead to improved outcomes and better lives for the people who make them their homes and allow them to integrate into their communities.

Taking control of our own housing needs has provided the springboard for planning our next

phase. We are already developing new housing and support solutions to meet people's accommodation needs for the next phase of response to the pandemic: 'Everyone In For Good'. This is a bold plan: to significantly increase the P3 housing portfolio over the coming twelve months and provide people experiencing homelessness and social inequality with access to sustainable, quality housing.

I believe that P3's biggest achievement over recent years has been our ability to flex resources and mobilise to support communities when and where it is most needed. The fact that P3 is needed in so many places in this country is a genuine tragedy and we wish the societal problems we're tackling didn't exist at all. Until that wish is granted, we will be here, doing our level best to change as many lives as possible, for the better, every day.

**Mark Simms,**  
CEO of P3. For more  
information about P3,  
see page 35



# Supported housing – calling for a fresh approach

Drive, commitment, ambition and achievement all emerge clearly from Mark Simms' article. The same can be said for all the other organisations which make up the SASH portfolio. Post-pandemic, local and national governments are going to need all the help they can get. We believe organisations like these can be a key resource, especially when there is a desire to 'level up'.

Two things make us worry that this potential may not be fully realised. To understand why that is, it is important to have a clear sense of what a SASH organisation looks like.

P3 and most other SASH borrowers share three key features. First, they are truly social organisations: they have no shareholders in the regular sense. This means that unlike 'profit with purpose' organisations, they face no distraction from their social purpose. But in financial terms, their legal structure ties one hand behind their back because it limits the funding they can get access to. This in turn limits their ability to grow and fulfil their potential.

The second key feature is that SASH borrowers deliver both support and housing. This goes against a common mindset that says housing can and should only be delivered by specialists in bricks and mortar. In many situations, housing ownership should indeed be left to housing specialists – but not all.

Finally, SASH borrowers are locally rooted. Even when they operate in more than one area, they have strong local connections in each one. A strong local focus has always been part of our investment thesis at SASC, and our experience with SASH has reinforced that view. Several of our existing SASH borrowers have come to play the role of a trusted partner

for local commissioners. Other organisations that we are working with seem to be on track to achieve that status.

In our view, policy makers should want to see such local champions flourish. But two potential barriers lie in the way.

The first barrier is a high-level one. Some people believe that social housing should only be provided or owned by housing associations – ideally, at maximum scale. The UK has more than 1600 Registered Providers. They have a strong regulator and a clear identity: namely, they are the bricks and mortar specialists. Housing associations are also a key tool in national government's approach to what we at SASC call the UK's 'main' housing crisis – that is, the shortage of general needs housing.

The scale and nature of that 'main' housing crisis has led to an emphasis within the social housing sector on scale. A steady process of consolidation over time has seen fewer, larger housing associations emerge at the top end of the sector. 'There is now widespread acceptance in the housing sector,' according to one leading property consultant, 'of the need to operate as property development and asset management businesses.'<sup>1</sup> When it comes to building and managing the highest possible

volume of general needs housing, SASC agrees.

But building new general needs housing is not the whole story; social housing also includes various categories of supported housing. One of these is the Transitional Supported Housing (TSH) that SASH focuses on. TSH represents about £14bn of housing stock and involves little if any new construction. It accounts for around 30% of the broader supported housing category, including care homes. It is around 5% of the total social housing market (see graphic on page 24). Where disadvantaged groups are concerned, TSH is what matters. And it needs to be thought about in a different way.

In Transitional Supported Housing, support and housing go together. We believe this combination can be delivered in a range of different ways. But SASH has been working with organisations that deliver both: that is, they own the housing as well as delivering the support. Some of these organisations started out as charities; others, as smaller housing associations with a focus on support. From our perspective, small support-oriented housing associations have more in common with large charities that provide supported housing than they do with scale-oriented housing associations that focus on general needs housing.

1. Source: 'Background to the UK Social Housing Market', Civitas Social Housing REIT prospectus, 1 November 2016

Whatever their origins, the local nature of the organisations SASH works with may make them too small to appear on national policy makers' radar screens. They may also fly in the face of the drive to maximise scale across social housing in general. But local authorities commission these local organisations to deliver vital services, and view them as 'go-to' partners.

This may reflect something called diseconomies of scale. Maximum scale may produce the lowest financial costs. But it may also lose local insights and relationships – things that do not fit easily into spreadsheets. The pandemic has provided all too many examples of the tensions that exist between national-scale 'efficiency' and the benefits of local knowledge.

We also know it would be naïve to think that simply 'being local' is enough. Policy makers are right to worry that good intentions alone do not create a viable and sustainable organisation. Not all local organisations have the capacity to become 'go-to' champions, or should receive investment support to do so. At SASC we try to be realistic and clear-eyed about the organisations we meet. Sometimes this realism may feel like 'tough love', but we believe it is in everyone's best long-term interests.

Imagine now that the first barrier mentioned earlier – invisibility – has been overcome. National policy makers and other stakeholders, including private investors, come to agree that local 'go-to' champions have a key role to play in a mixed social economy. This brings us to the second barrier – namely, how these organisations can access the right kind of funding to fulfil their potential.

Even before COVID-19, investors were becoming increasingly enthusiastic about social housing. Post-pandemic, the stability of government-backed rental income will be more attractive than ever. Investing in social housing also addresses the growing interest in 'impact'.

But we believe there is a real danger that some of the private investment that has been flowing into social housing tilts risk and return heavily in favour of the investor at the expense of the organisations receiving the investment.

This raises serious issues for many of the charities and housing associations we are working with. They need funding that does precisely the opposite of most of what is on offer. They want to provide a combined offer of housing and support for disadvantaged people. To do this, they need an investment partner that can absorb the risks that are preventing them from scaling up their response to this 'other' housing crisis.

It was to meet this need that we designed and launched SASH in mid-2019. We believe the success we have had with both investors and borrowers over the last eighteen months highlights the opportunity for truly social investment in this sector.

Our hope is that policy makers and other stakeholders will come to share both parts of our vision: the role that P3 and other local 'go-to' champions can perform in the years to come, and the need to think about financing in a different way.

**Imagine that ... national policy makers and other stakeholders, including private investors, come to agree that local 'go-to' champions have a key role to play in a mixed social economy**

# Meeting the challenges of the pandemic – dispatches from our portfolio CEOs

Many of the SASC portfolio organisations provide critical front-line support and services to economically and socially disadvantaged individuals and communities. In the past, this work relied mainly on regular and frequent face to face contact with clients, many of whom are vulnerable. The onset of the pandemic and the resulting lockdowns forced our borrowers to re-think their working practices. CEOs from across the SASC portfolio have told us how their organisations set about meeting the challenges of COVID-19.

Maintaining business as usual during COVID-19 has not been without its challenges. But, as a charity, rooted in the Hull community, it has brought out the best in our staff, volunteers, children and young people and reinforced our commitment to our work. Many of the young people and children we support do not have an adult they can rely on in their lives or a secure place to call home. They often lack a routine or structure as they try and find their way in life. All our work is developed and delivered with these children and young people in mind.

The spring lockdown created rapid change across our themes of work.

**Our nurseries had to remain open, in order to be available to key workers and vulnerable children**

Our nurseries had to remain open, in order to be available to key workers and vulnerable children. Our parent mentor service, family support and services for young people quickly adapted to home working and found innovative ways to remain connected to service users. Telephone and 'virtual' became the new way of working. However, these are not options for everyone. Many people need regular face to face support, and practical help. In response to this we provided food parcels, activity packs, and welfare 'checks,' working closely with equally stretched statutory services.

Over the summer as restrictions eased, our teams adapted again. In resuming much of our 'pre-lockdown' provision we responded to the increased demand for services as problems and issues, hidden in lockdown, soon emerged.

However, the onset of autumn gave us the greatest challenges. In November 2020 Hull had the highest infection rates in the country. We had a number of staff self-isolating at the same time and saw the first positive cases in our workforce. All of which impacted on service delivery, especially in our nurseries.

**In November 2020 Hull had the highest infection rates in the country**

Financially, we implemented a range of actions to mitigate impact on both the long and short term, including revised budgets, use of the Job Retention Scheme and applications to specific COVID-19 funds. Impact continues to be felt on our trading income, specifically income from day-care and room hire along with reduced fundraising activity. The financial impact fluctuated throughout the year and will continue to do so going forward. All that said, the resilience, camaraderie, commitment, and sheer determination shown across our workforce and by all those using our service, demonstrates that people really do want to help and be there for each other.

Caroline East  
CEO, Child Dynamix

**Child  
Dynamix**  
Communities where children  
& young people thrive



As the Caring for Communities and People (CCP) leadership team gathered to prepare for the operational challenges imposed by COVID-19 and lockdown, our focus was the wellbeing of 150 homeless young people in our care and the workforce who would be their COVID-19 rock.

## Our focus was the wellbeing of 150 homeless young people in our care and the workforce who would be their COVID-19 rock

Young people's wellbeing has been central to our response and to our achievements and successes throughout the pandemic, even more so through the second lockdown. Mitigating the wider impact of the restrictions on young people has been key. We are careful to consider each individual and their own unique set of circumstances, and continuously assess the impact of the restrictions on their wellbeing together with their physical, mental and financial health and digital inclusion.

## Social contact is incredibly powerful for the young people living in supported accommodation

Social contact is incredibly powerful for the young people living in supported accommodation. Many have faced years of neglect, have become estranged from wider family networks, and struggle with the day-to-day rigours of their young lives. Our support staff, and other young people, therefore, play a vital role in their overall mental health and wellbeing.

The enduring nature of the pandemic has been a real test to many, affecting all aspects of their

lives including learning, work, and their wider social networks. Many other support services closed, which further restricted opportunities for social engagement.

Anticipating the disproportionate impact of the COVID-19 restrictions on the young people living in supported accommodation, we spent significant time and energy using a lens of Psychologically Informed Environments to enhance the physical spaces where our young people live. Upgrading TVs, creating additional safe spaces, re-decorating and refurbishing communal areas into even more homely, inviting, and comforting areas where young people would inevitably now spend more time.

We focused on support staff spending more quality time with young people, encouraging them out of their rooms to ensure no-one felt any more socially isolated because of the restrictions. An enhanced set of activities also engendered a feeling of togetherness, with themed days and nights helping young people away from boredom and potential isolation. Great food became a staple offer, further enhancing their emotional wellbeing.

At the beginning of the pandemic many of the young people told us they were afraid of feeling lonely and isolated. But, through the measures implemented, friendships have blossomed. Many of the young people have benefitted significantly from more face to face contact with each other and have actively avoided digital platforms for social contact.

Safe spaces have also featured highly in their feedback, where young people have 'hung out' much more frequently. We have undertaken more targeted communication with an emphasis on individual needs and using trauma informed approaches in our interactions.

What has been so inspirational is how positive and resilient the young people and support workers have been. For us, laughter, face to face contact and friendship has been the real winner arising from the restrictions placed upon young people during COVID-19.

**Cordell Ray**  
CEO, Caring for Communities and People



Following the government guidelines, as a 'non-essential' retail business, Storeroom2010's furniture re-use charity shop and warehouse were obliged to close during both lockdown periods. With the charity being so dependent on walk-in customers, we were not able to operate any alternative service during those times.

From June, the charity shop and warehouse were able to re-open and sales steadily progressed back to normal levels. Unfortunately, other furniture re-use charities on the island struggled with volunteer issues.

## With the SASC loan ... we did not have to worry about any landlord related issues during the COVID-19 lockdowns

With the SASC loan in 2016, we had become the owner of the property where the charity is based. As a result, we did not have to worry about any landlord related issues during the COVID-19 lockdowns.

To further protect the charity's future as much as possible, we furloughed the maximum number of staff. For all but one week of the first lockdown we had just one member of admin staff working. For the second lockdown the assistant manager worked alone, ensuring all the various tasks were completed as required and keeping all staff and volunteers updated with as much information as possible.

We were very pleased that our staff were able to receive 80% of their wages using the Government scheme for both lockdown periods and we also were able to receive the Retail, Hospitality and Leisure Grant Scheme monies for both our main premises and the premises we own where our Community Project, The Cowes Men's Shed is based.

Despite the challenges, staff morale has remained strong. Staff elected to use up their remaining holidays during the second lockdown, which now means that we are looking forward to a fresh start in the New Year.

**Nick Miller**  
CEO, Storeroom2010



COVID-19 created a number of issues for us that we have done our best to deal with. Throughout the period, we have continued to take referrals into our services and have seen an increase in demand for safe accommodation in our domestic abuse service. In partnership with our Local Authority we have increased the number of accommodation units to try and meet this demand.

**Throughout the period, we have continued to take referrals into our services and have seen an increase in demand for safe accommodation in our domestic abuse service**

**Our priority has been to continue to offer support, both over the phone and face to face**

Becoming COVID-19 secure was critical so that staff could still take referrals and move people into our accommodation. Initially, like many organisations, we struggled to get the levels of PPE we needed. But we were lucky to receive a lot of support from the local business community. The Cooperative supermarket stepped in and donated a range of PPE so we could continue seeing our service users.

Local supermarkets and food banks have supported us with food, which we have been able to bag up and deliver directly to our service users.

We have seen an increase in levels of depression, mental health concerns and loneliness across our service users. To help manage this,

we have increased our “safe and well” visits and distributed resource packs. Our priority has been to continue to offer support, both over the phone and face to face. At times we have been really stretched when staff have had to self-isolate. What has been great to see is that all staff have taken on additional tasks, covering other roles, when necessary.

At a senior management level, a huge amount of time has been taken up, interpreting and implementing all the government guidance, trying to balance continuity of service with managing our staff's personal anxieties in relation to COVID-19. Yes, previous plans and timelines have had to take a back seat. But, looking back over the nine months, I am extremely proud of what the Valley House team has been able to achieve for the adults and children we support. We will emerge from lockdown even more resolute in our ambition to keep helping people take control of their lives and their own futures.

**Lj Winterburn**  
CEO, Valley House



We were already set up to work remotely as a staff team, however our whole approach is based on relationships and moving around the 500 properties we own and manage, so things had to change fast.

Lockdown brought the housing market to a halt in March. Despite this, we were able to support 36 move-ins by the end of June, for key workers required to isolate, or people at risk of becoming or who were homeless. When the market opened back up in July, we were busier than ever, with a further 62 move-ins by the end of October. Our partnerships with other support agencies also continued, with properties let as temporary accommodation for very vulnerable homeless people.

Everything was an operational challenge – one which the team responded to superbly – accessing furniture for new properties, carrying out repairs and maintenance, viewings – we had to come up with alternatives for everything to keep going.

**Our already strong focus on our tenants' welfare has intensified since March 2020 – the whole team essentially became tenancy support officers**

Our already strong focus on our tenants' welfare has intensified since March 2020 – the whole team essentially became tenancy support officers. We supported almost 130 Homes for Good (HfG) tenants who had never before required help; helped 57 tenants who had lost their jobs with Universal Credit claims; provided advice to external tenants and landlords who needed help with their tenancies; started

our specialist fuel advice service; established a food delivery and welfare check service for those in most need; created a full programme of activities for children and adults, including afternoon teas, film clubs, arts workshops; provided tablets and internet access for our tenants, a Homes for Good community Facebook group – all of which continues today.

We carried on working successfully with tenants on Love Home, our interior design project, despite the acute shortages of materials, and teaching painting and decorating via Zoom – no mean feat!

As an organisation, Homes for Good has come through 2020 well – we have continued to provide homes for people who need them most, collect the rent, support our tenants, work together as a committed team – and we are ready for the next stage of our growth in 2021.

**Susan Aktemel**  
Director, Homes for Good  
Glasgow



Every story of 2020 will now start in the same fashion “we were ticking over quite nicely, surviving and trying to make a difference, then from nowhere...bang! COVID-19 changed everything.”

Here at Target Housing, we work with homeless individuals who have multiple complex needs. Most often it’s drug and alcohol issues combined with an offending background to feed these addictions.

When lockdown started, the local authorities were quick to point out that we were an essential service. And that we must therefore continue to deliver face to face support. For the first time we realised: staff PPE was no longer just specialist gloves for handling sharps. Our staff needed much greater protection.

With none available from local authorities, we had to fight for PPE like everyone else. As it turned out, being a charity that had spent 30 years ducking and diving just to survive in normal times gave Target the resourcefulness to deal with the COVID-19 challenge. Whilst PPE supplies remained low, staff prioritised their clients. Those most in need were supported face to face,

whilst others were contacted by phone, at least daily. Where clients didn’t have a phone, Target bought one. We purchased over 50 phones for clients to ensure we could keep in touch.

Then, a breakthrough happened when a contact through SASC helped us source a regular supply of PPE. From that moment we were able to resume face to face working with all our clients. We learned our lesson. We now hold a minimum of three month’s supply of all PPE.

It is sometimes hard to accept that at this time of economic crisis we are growing; even harder when you realise, we are growing because so too is homelessness and hardship. Since April, across Rotherham, Barnsley, Doncaster and Hull, we have worked with the most vulnerable groups. Rough sleepers, women fleeing domestic violence and homeless families. In more than 250 cases, we have been able to provide a package of support and stable accommodation.

It will be no surprise to say that in the early stages of the pandemic, we felt like we were wading upstream through treacle. Local

**In more than 250 cases, we have been able to provide a package of support and stable accommodation**

authorities were unable to provide real guidance, just lots of verbal support. We didn’t know what to do; we just did it.

Over the months we have developed systems of working that mean we continue to deliver support whilst keeping staff as safe as possible. Out of a staff team of 127 we have had less than 10 confirmed cases of COVID-19.

Amongst our clients we have had similar very low numbers of cases. Long may this continue.

**Shaun Needham**  
CEO, Target Housing



Community energy enterprises serve a dual purpose, which has been brought into sharp focus with the onset of the pandemic. Over the long term they support the transition to net zero carbon emissions. In doing so, they generate profits which are used to fund local community projects. During 2020, three SASC projects\* came together to provide COVID-19 crisis funds.

Ferry Farm Community Solar (Selsey near Chichester) has allocated £40,000 to a COVID-19 crisis fund to support the community’s response to the pandemic. The funds have been used to provide laptops to schools in the local area to enable remote learning, fund the work of the local foodbank for a year, establish a

hardship fund and deliver meals to those isolating and shielding. Over the solar farm’s 25-year life, it is expected to generate up to £2 million of community funding.

Burnham and Weston Energy CIC (North Somerset)\*\* has also set aside £40,000 for a COVID-19 crisis fund to support longer term projects to help the local community build back better from the recession.

Gawcott Solar CIC (Buckingham) has allocated £14,000 to a COVID-19 crisis fund with donations going to the local Food Bank, the Young Carers network and three local schools to fund learning materials for disadvantaged children and to support home learning platforms.

As community-owned enterprises, they were able to mobilise funds ahead of Government, and where it was urgently needed, to support community-organised aid networks.

This illustrates how local ownership of energy (and other infrastructure) can help communities be more resilient: generating funds to deploy for the benefit of local communities as needs arise; in this case for an unprecedented crisis.

Hopefully next year, they will return to their longer-term purpose of supporting their communities’ net zero transition and tackling fuel poverty, but at present there is no greater need and no better use for the surplus funds than helping people in their locality. If every town had a community energy enterprise, the story could be repeated across the UK – something to bear in mind as we plan our new zero carbon energy future.

**Jake Burnyeat**  
Director, Community for Renewables (CfR)

CfR manages Ferry Farm, Burnham and Weston Energy and Gawcott Solar

**This illustrates how local ownership of energy (and other infrastructure) can help communities be more resilient: generating funds to deploy for the benefit of local communities as needs arise; in this case for a crisis which has come out of the blue**



\*Two of which were financed by Leapfrog Bridge Finance (LBF) prior to the acquisition of LBF by SASC.

\*\*Burnham and Weston is the community group associated with Verdant Community Energy CIC and financed by LBF prior to the acquisition by SASC.



# Impact

# What our funding supports

# We back organisations working across the UK

Access to capital can be a challenge for social sector organisations. We back high performing charities and social enterprises with demonstrable track records and strong leadership. In this way we support them to maximise their resilience and impact potential.

\* This number does not include loans approved and pending legal completion as at 31st December 2020.

\*\* All CLS organisations in the SASC portfolio have appropriate asset and mission locks.

	New organisations supported in 2020*	Active portfolio at end 2020	Total active portfolio and alumni
Charity	6	18	21
CIC	1	3	7
Registered societies	0	4	5
CLS**	0	0	2
<b>Total</b>	<b>7</b>	<b>25</b>	<b>35</b>

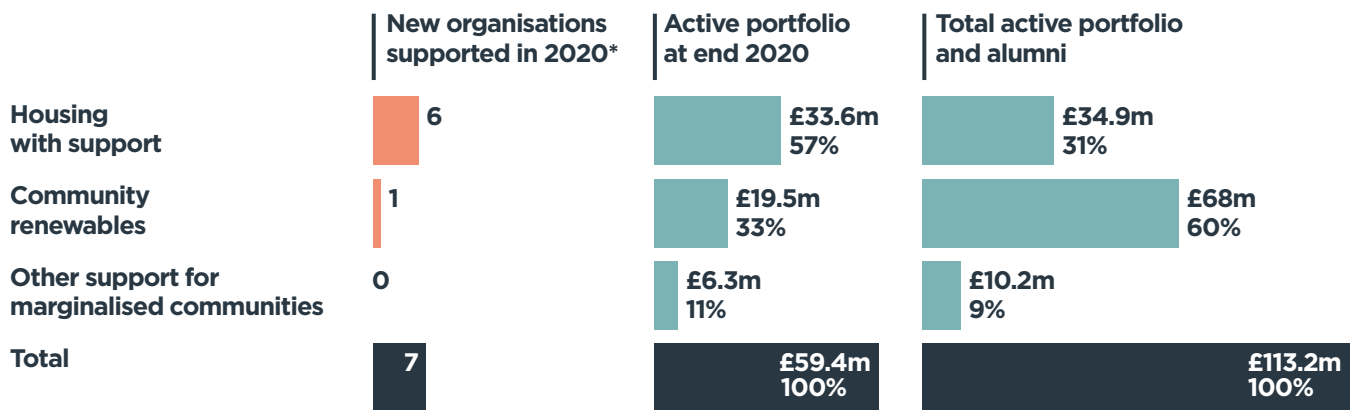
Where our active portfolio is located:



# Our investments focus on three themes

Our funds offer practical financial solutions that address the needs of high performing charitable organisations.

\* This number does not include loans approved and pending legal completion as at 31st December 2020.



Our investment supports organisations to create lasting impact in their communities. These are the SDGs that they, as organisations, address:



Our investments support work across a range of impact areas:

**Citizenship and community**  
Education, Employment and Training (EET)  
Financial inclusion

**Housing and local facilities**  
Mental health  
Physical health  
Renewable energy

Our investments provide direct support to a range of disadvantaged groups:

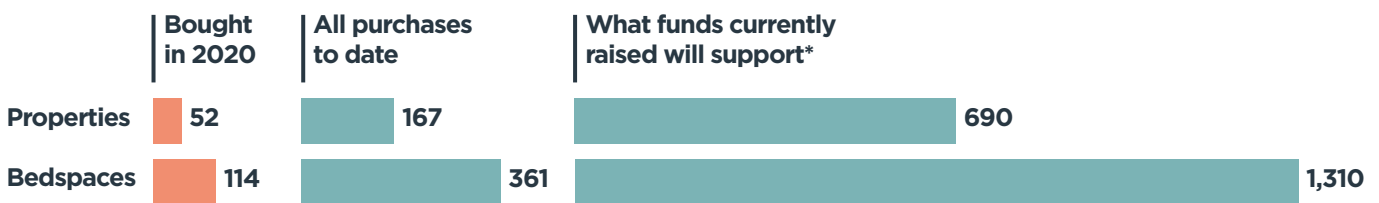
**Addiction issues**  
Asylum seekers and refugees  
Children and young people  
Disabled (learning)  
Disabled (physical)  
Domestic violence

**Ex-offenders**  
Homeless  
Living in poverty  
Long-term health conditions  
Long-term unemployed  
Mental health needs

# We finance property purchases that house disadvantaged people

Across our funds, we support social sector organisations that provide support services to their beneficiaries. All of them testify that they can create greater impact if their client is living in decent housing. Our funding gives them the power to build their own portfolios of suitable properties.

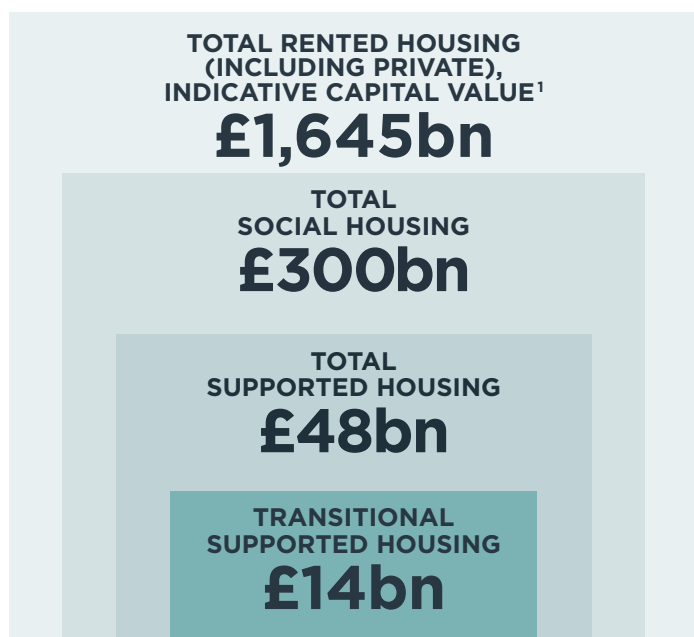
\* Includes housing due to be purchased with money committed from all funds, as well as housing that is expected to be purchased with money invested in SASH but not yet committed to charities.



## Families, including more than 100 children, are now in safe, stable and appropriate accommodation, as a result of our funding

Social and Sustainable Housing, our largest fund, addresses the specific needs of charities working in the Transitional Supported Housing market. In a 2020 report that SASC supported, IPPR North observed that it was lack of access to suitable finance that stopped these organisations doing more work in this sector.

The full report can be read [here](#).



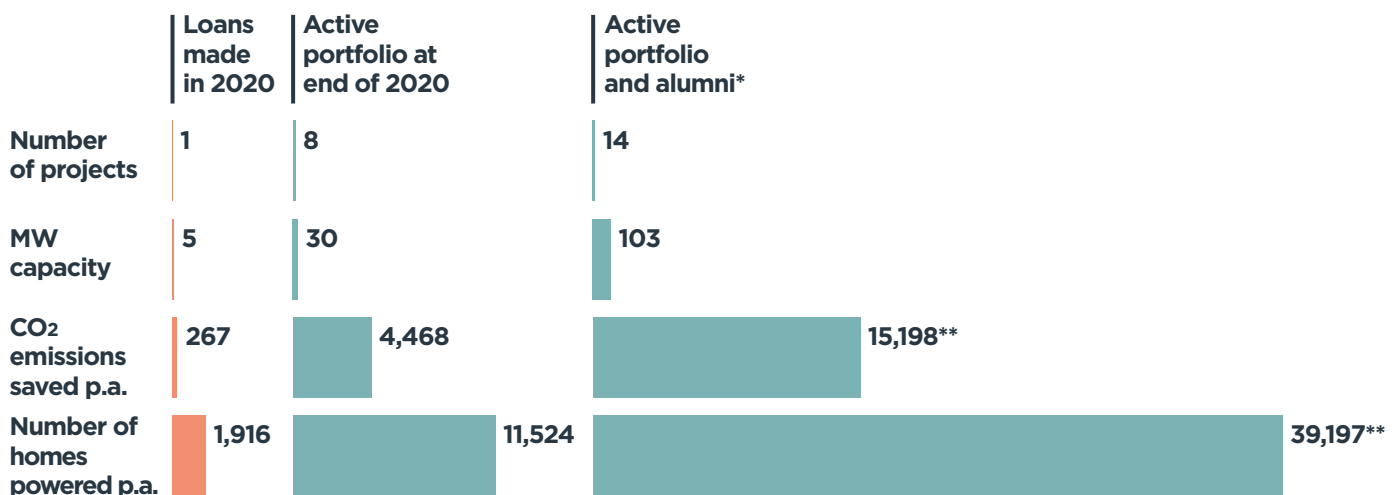
1. Indicative figures based on SASC analysis of data from MHCLG, Blood Review (2016), JLL, Savills.



# We finance the building or acquisition of renewable energy projects

Our commitment to community renewables programmes continued in 2020 with our acquisition of Leapfrog Bridge Finance from Pure Leapfrog. Now called SASC Bridge Finance, it has increased our ability to do more in this sector.

\* Includes all investments made by Leapfrog Bridge Finance (LBF) prior to the acquisition by SASC.  
\*\* Estimate based on MW capacity.

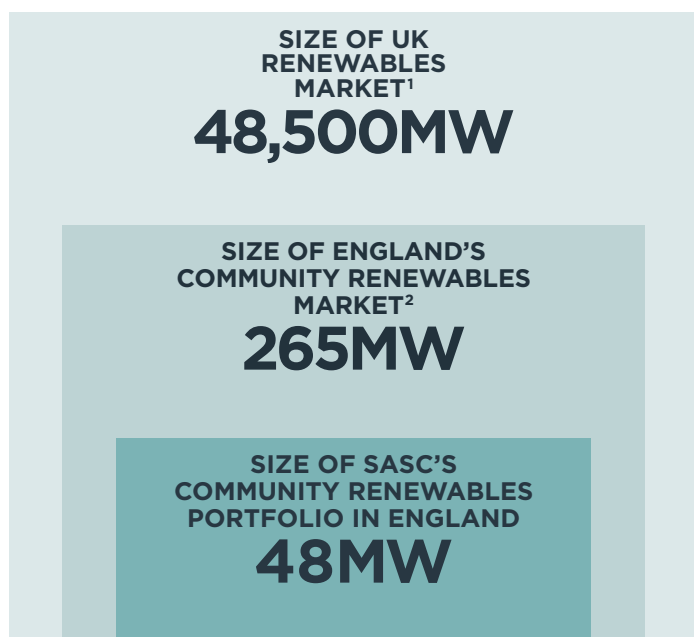


The UK is a global leader in renewable energy. The sector grew 5.4% in 2020, with the majority of that expansion being in offshore wind.<sup>1</sup>

The community renewables sector is a small percentage of the overall renewables market, but also continues to grow year on year.

Since launch, SASC\* has provided financing to projects that make up 18% of all community renewables projects in England, as reported by Community Energy.<sup>2</sup>

In addition, SASC Bridge Finance has funded a number of projects that created community benefit but are not classified as a community renewables project by Community Energy England.



1. <https://www.gov.uk/government/statistics/energy-trends-september-2020>

2. <https://communityenergyengland.org/pages/state-of-the-sector>



## **Our portfolio**

**SASC invests in  
high-performing  
social sector  
organisations  
across the UK**

# Our portfolio

## Our funds

Our funds aim to improve the wellbeing of individuals, families, groups and communities. We focus on investments that support the most vulnerable or disadvantaged. This includes people who are struggling with poverty, disability, illness, unemployment, economic hardship or social isolation. We currently manage four funds: Social and Sustainable Housing, the Community Investment Fund, the Third Sector Investment Fund and SASC Bridge Finance.

### SASC LABS

SASC's first generation funds were backed by Big Society Capital and The Social Investment Business. Their aim was to fund high impact charitable organisations in the UK, and identify opportunities that could attract commercial capital

### SASC INVESTS

The development of Social and Sustainable Housing (SASH) was informed by the wide variety of investments that SASC has made in the social sector over the past six years. SASH has raised £62m to date, and fundraising is ongoing






## Putting impact at the heart of what we do

SASC is proud to have invested in 35 ambitious charities and social enterprises to date. They work across a range of sectors, each looking to grow or deepen the impact they have on the lives of disadvantaged people. We are inspired by the ambition and dedication of the talented teams whom we feel privileged to be working with.

The following pages look at each of these organisations and how our investment is helping them further their social goals. We start by categorising each fund and investment according to how they address one or more of the UN Sustainable Development Goals. In addition, we evaluate the impact of each investment using the five impact dimensions of the Impact Management Project framework (IMP): what; who; how much; contribution; and risk.<sup>1</sup>

The IMP is a forum for building global consensus on how to measure, manage and report impact. We use the framework during our due diligence process and in our ongoing portfolio management. It allows us to analyse and summarise the impact of each of our investees in a concise and consistent manner.

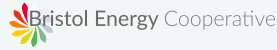
### THE IMPACT MANAGEMENT PROJECT'S FIVE DIMENSIONS OF IMPACT

Impact dimension		Impact questions each dimension seeks to answer
<b>What</b>		<p>What outcomes does the organisation's activities drive?</p> <p>How important are these outcomes to those experiencing them?</p>
<b>Who</b>		<p>Who experiences the outcomes?</p> <p>How underserved are the affected beneficiaries in relation to the outcomes?</p>
<b>How Much</b>		<p>Scale, depth and duration of the outcomes?</p>
<b>Contribution</b>		<p>What is the organisation's contribution to the outcomes, accounting for what would have happened anyway?</p>
<b>Risk</b>		<p>What is the risk that the outcomes do not occur as expected?*</p>

1. <https://impactmanagementproject.com/impact-management/impact-management-norms/>

\* This is not the financial risk of the transaction, which is also closely monitored by SASC but not reported on in this report.

# Active portfolio 2020



# Social and Sustainable Housing (SASH)

SASH offers outstanding charitable organisations the finance required to purchase residential property to house the disadvantaged people they support.

## NEW INVESTMENTS IN 2020

- 1 Baca
- 2 Making Space
- 3 Positive Steps
- 4 Target Housing

## CONTINUING INVESTMENTS

- 1 Active Prospects
- 2 Hull Women's Network
- 3 P3
- 4 Valley House

## Social and Sustainable Housing

### Reach

UK-wide

### Launch date

May 2019

### Funding available

£2m - £5m

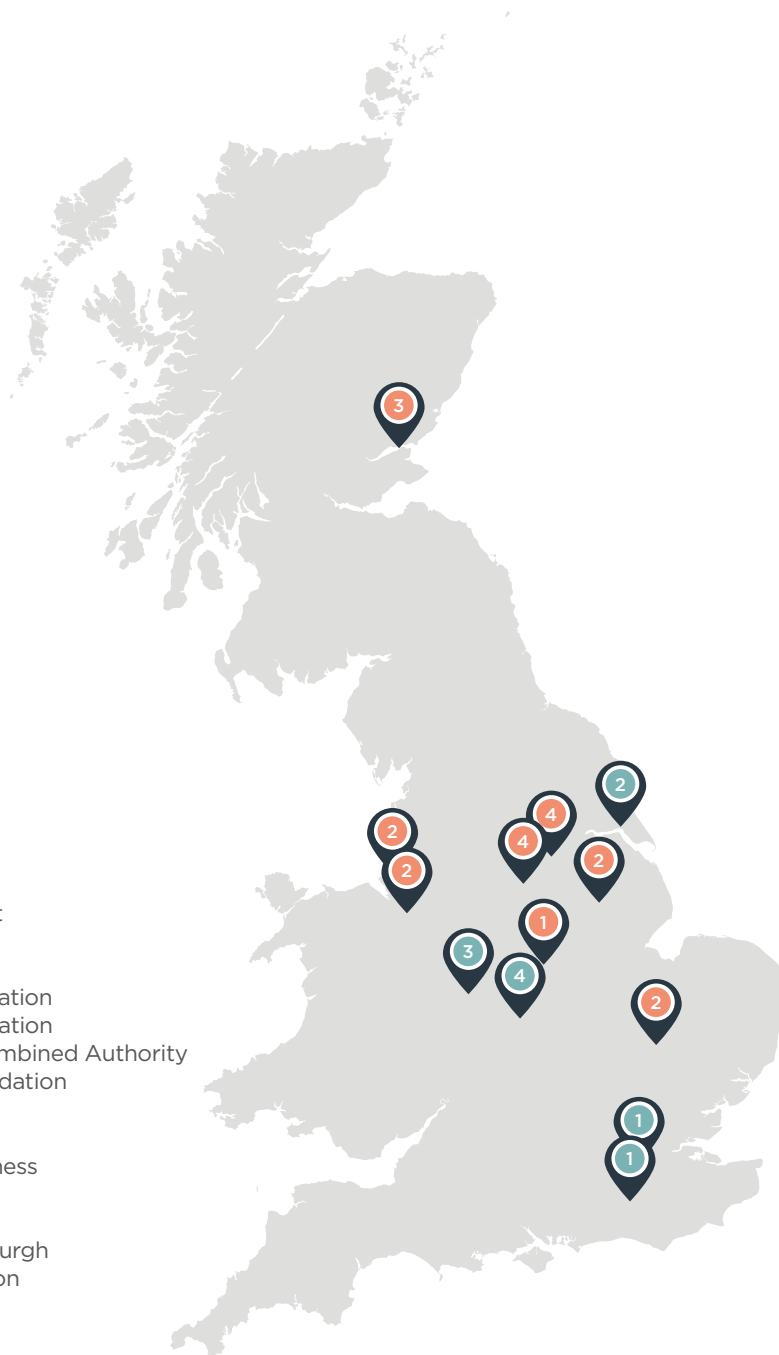
### Term

10 year loans

### INVESTORS<sup>1</sup>

Adlib Foundation  
Barrow Cadbury Trust  
Big Society Capital  
CCLA Good Investment  
City of London  
Comic Relief  
Esmée Fairbairn Foundation  
Garfield Weston Foundation  
Greater Manchester Combined Authority  
Joseph Rowntree Foundation  
Oak Foundation  
Power to Change  
Social Investment Business  
Trust for London  
The Tudor Trust  
The University of Edinburgh  
Virgin Money Foundation

1. Individual investors listed on page 6



SASC INVESTS

SASH DIRECTLY ADDRESSES 4 SDGS

Many small and medium sized charities who provide accommodation-based support services, struggle to access safe, stable and appropriate housing. This restricts their potential to support disadvantaged individuals and families.

SASH addresses this issue by offering flexible finance to ambitious organisations with experience of managing housing, a history of good financial management and confident leadership.



**1 NO POVERTY**  
In the UK, more than 250,000<sup>1</sup> people are reported to be homeless or living in inadequate homes.

**SASH enables charities to purchase residential property and offer safe, stable and appropriate housing to disadvantaged people.**



**3 GOOD HEALTH AND WELL-BEING**  
People living in 'non decent accommodation' suffer disproportionate levels of physical and mental ill health.

**SASH requires all housing to meet Decent Homes Standard.**



**10 REDUCED INEQUALITIES**  
36%<sup>2</sup> of working age households in the PRS and in receipt of benefit live in non-decent accommodation.

**SASH is supporting the expansion of charity sector landlords, who are committed to providing safe, decent and appropriate housing for the disadvantaged people they support.**



**11 SUSTAINABLE CITIES AND COMMUNITIES**  
The UK suffers from an acute shortage of decent and affordable housing.

**SASH sets a new benchmark for how decent and affordable housing can be made available to the charitable sector and disadvantaged people, who would otherwise be excluded.**







**Finding SASC was a godsend. The investment has enabled us to buy our own properties. We knew we would struggle trying to source alternative accommodation from the private sector**





**LJ Winterburn  
CEO, Valley House**

1. [https://england.shelter.org.uk/media/press\\_release/homeless\\_in\\_a\\_pandemic\\_253000\\_people\\_are\\_trapped\\_in\\_temporary\\_accommodation\\_](https://england.shelter.org.uk/media/press_release/homeless_in_a_pandemic_253000_people_are_trapped_in_temporary_accommodation_)

2. <https://www.parliament.uk/globalassets/documents/commons-committees/public-accounts/Correspondence/2017-19/mhclg-gcgp-housing-300118.pdf>

NEW INVESTMENT	About our investment
 <p><b>Baca</b></p> <p><b>Location:</b> Loughborough</p> <p>Established in 2008, Baca is a registered charity and social enterprise that provides specialist supported accommodation and development training for young unaccompanied asylum seekers aged 16 years and over.</p> <p>Baca's clients have often been the victims of trafficking and have experienced trauma and exploitation in their home country or through their journey across continents to safety. Baca's mission is therefore to help young people "rebuild their lives, integrate into a community and use their experience positively".</p>	<p><b>Date of investment:</b> March 2020 £1.75m property loan (10-year term)</p> <p>The loan enables Baca to purchase 7 properties. This includes a mix of new-arrival houses, semi-independent accommodation and move-on accommodation, for clients ready to move on from the core service</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;">    </div>
	<p><b>What</b> <input type="checkbox"/> Transition to independent living</p> <hr/> <p><b>Who</b> <input type="radio"/> Young, unaccompanied asylum seekers aged 16+</p> <hr/> <p><b>How Much</b> <input type="checkbox"/> Housing and support for 22 vulnerable young people at any one time</p> <hr/> <p><b>Contribution</b> <input type="checkbox"/> Reduced reliance on a rental market dominated by student lettings. The provision of move-on housing currently a gap for young asylum seekers transitioning from care</p> <hr/> <p><b>Risk</b> <input type="checkbox"/> Strong track record providing support and housing to this group. Move-on housing is a new service</p>

NEW INVESTMENT	About our investment
 <p><b>Making Space</b></p> <p><b>Location:</b> Cheshire, Wirral, Lincolnshire and Cambridgeshire</p> <p>Making Space (MS) was established in 1982. The charity works across the UK, employing a personalised care model to support adults living with complex mental health needs, learning disabilities, and dementia, as well as working with older people and carers.</p> <p>MS is looking to grow their portfolio of owned properties across the four regions in response to commissioner need. In three of the regions the loan enables them to supplement existing supported housing, while Cambridgeshire will be a new region of focus.</p>	<p><b>Date of investment:</b> November 2020 £5m property loan (10-year term)</p> <p>The loan enables Making Space to purchase 26 properties across 4 regions, where there is commissioner demand for their services</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;">    </div>
	<p><b>What</b> <input type="checkbox"/> Improved quality of daily life, and wellbeing</p> <hr/> <p><b>Who</b> <input type="radio"/> Adults with long term mental health conditions, learning disabilities and dementia</p> <hr/> <p><b>How Much</b> <input type="checkbox"/> 26 additional properties will provide long term residential housing and care to 38 adults</p> <hr/> <p><b>Contribution</b> <input type="checkbox"/> The loan enables MS to respond to increasing demand for supported living in the community</p> <hr/> <p><b>Risk</b> <input type="checkbox"/> MS has significant experience in developing their housing stock and delivering support</p>

NEW INVESTMENT	About our investment
 <p><b>Positive Steps Partnership</b></p> <p><b>Location:</b> Dundee</p> <p>Positive Steps Partnership (PSP) was established in 1989 as a Dundee based charity focused on the HIV crisis in a city with many intravenous drug users.</p> <p>Drawing on their experience of supporting vulnerable young drug users, PSP developed its services to focus on ex-offenders (often addicts) being released from Dundee, Perth, Grampian and other prisons. On release from prison, PSP provides a combination of housing and support to enable this group to re-establish their lives.</p>	<p><b>Date of investment:</b> November 2020 £1.65m property loan (10-year term)</p> <p>The loan enables PSP to purchase 30 properties, dispersed across the city</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;">    </div>
	<p><b>What</b> <input type="checkbox"/> Transition from prison release to independent living</p> <hr/> <p><b>Who</b> <input type="radio"/> Vulnerable adults, including ex-offenders and those suffering drug addiction</p> <hr/> <p><b>How Much</b> <input type="checkbox"/> Housing and support for 30 clients at any one time</p> <hr/> <p><b>Contribution</b> <input type="checkbox"/> By reducing reliance on private rentals, PSP believes they can better support their clients to achieve successful transition to independent living</p> <hr/> <p><b>Risk</b> <input type="checkbox"/> Although PSP has no previous property ownership experience, they have a strong track record of supporting vulnerable individuals in rented housing</p>



# Spotlight on Baca

We are a social enterprise in Loughborough. We have been providing supported accommodation, education and training for young unaccompanied asylum seekers aged between 16 and 18 years old for more than a decade. The housing we provide is a huge part of the wrap-around support that we offer.

In recent years, demand for our services has grown. In 2015, we supported 12 migrants, and in 2019 this figure rose to 27. The immigration landscape is very volatile.

Before we received the loan from SASH, we were reliant on a student rental market. Loughborough has a large student population. Many houses are let on annual contracts with rents increasing on each renewal. Often, we had to vacate houses because landlords decided to rent to students. Finding quality accommodation was also challenging - the better housing almost always being very highly priced. We knew we had to re-think our strategy.

The £1.75m SASH loan gave us the opportunity to transform our work by bringing all but one of our properties into ownership.

Many of the young people we support are victims of trafficking or have fled war, and they are emotionally, physically, and socially, extremely vulnerable. Buying properties gives us long-term stability, and gives the young people better accommodation, with minimal transitional change.

The loan has also allowed us to purchase move-on accommodation for the first time in our history. There is currently a lack of move-on accommodation available for young asylum seekers when they are transitioning from care. But it is

critical as it avoids an abrupt end to the supported housing we are able to give. It takes time for them to be accepted on to the social housing registry, despite having been granted indefinite leave to remain. Our new housing helps address this.


We bought our first property with the SASH loan in May 2020 and were able to house three girls there. One of them had been rescued from trafficking. She told us that she felt like the house was a home and that the people in it felt like family to her.

With the SASH-funded housing, we have been able to focus on making it homely and more personal because we know we have it long term - and this does influence the way people use the space. It is such a contrast to rented accommodation which tends to be very monotone.

Now more than ever, due to COVID-19, property ownership gives us more security as we don't need to worry about landlords giving us notice to leave. Purchasing has also been easier as we are essentially a cash buyer through the SASH loan. The flexibility in the repayments and the shared void risk has also been very reassuring. The loan has also helped to increase local authorities' and funders' confidence in Baca because there is a recognition that we have more control over how we operate.

**Jimmy Zachariah**  
CEO, Baca





## Target Housing

**Location:** Sheffield and Doncaster

Established in 1990, Target Housing (TH) provides accommodation and support to vulnerable and homeless people who have difficulties sustaining a tenancy. This includes people with complex needs, ex-offenders, those at risk of offending, asylum seekers and people with mental health problems.

NEW INVESTMENT

About our investment

**Date of investment:** February 2020  
£3m property loan (10-year term)  
The loan enables Target Housing to purchase 29 properties for people who have limited accommodation options and may be facing, or have already experienced, homelessness




**What**  Transition to independent living


**Who**  Ex-offenders and individuals with complex needs

**How Much**   
  
 29 properties

**Contribution** + The loan provides TH with certainty of stable, decent accommodation to support their beneficiaries

**Risk**  TH has a strong track record of providing support and housing for this group and of being commissioned by the local authorities



## Active Prospects

**Location:** Surrey and West Sussex

Active Prospects (AP), founded in 1989, is a not-for-profit, award-winning residential care provider, based in Reigate and operating across the South East. AP supports adults and young people with learning disabilities, autism, mental health needs, acquired brain injury and other complex needs.

Active Prospects develops small clusters of self-contained homes with communal facilities. These make it possible for people with very high-level needs to move out of institutions. AP's high-impact approach is to provide "ordinary homes in ordinary communities".

NEW INVESTMENT

About our investment

**Date of investment:** November 2019  
£3.4m property loan (10-year term)  
The loan enables AP to purchase and refurbish up to 5 properties, creating 18 additional housing placements




**What**  Improved health and well-being; improved quality of life


**Who**  People with learning disabilities, autism, and with a high level of need

**How Much**   
  
 Long term residential housing and care for up to 18 adults in the community

**Contribution** + The loan will enable AP to grow their housing portfolio in a managed and sustainable way, enabling them to respond to increasing demand for supported living in a community setting

**Risk**  AP has significant experience in developing their housing stock and delivering their support services



## Hull Women's Network

**Location:** Hull

Hull Women's Network (HWN) is an experienced award-winning charity in the Preston Road area of Hull. HWN was established in 2004 to help address domestic violence across the city.

Women live with high-risk domestic abuse for an average of 2.6 years before getting effective help. With the benefit of access to safe, high quality housing, HWN supports women and their children to break free on their first attempt.

NEW INVESTMENT

About our investment

**Date of investment:** August 2019  
£3m property loan (10-year term)  
The loan enables HWN to purchase 49 dispersed properties




**What**  Transition to independent living, free from domestic violence

**Who**  Women and children fleeing domestic violence in Hull

**How Much**   
  
 49 houses gives capacity to support more than 300 women and children over the life of the loan

**Contribution** + The loan enables HWN to provide a mix of crisis and supported accommodation, alongside move-on housing. Without this, HWN was increasingly limited in its capacity to support women and children fleeing domestic violence

**Risk**  Strong track record. Existing SASC borrower

1. <https://safelives.org.uk/sites/default/files/resources/Getting%20it%20right%20first%20time%20executive%20summary.pdf>



### P3 (People, Potential, Possibilities)

**Location:** Wolverhampton

P3 is a charity that was established in 1972 and now operates across the UK, delivering services for socially excluded and vulnerable people.

P3 offers ongoing support and tailored advice to the people it works with. The organisation aims to help vulnerable individuals to transition towards semi-independent living and develop the skills to manage their own home.

#### About our investment

**Date of investment:**

November 2019  
£3m property loan  
(10-year term)

The loan enables P3 to purchase up to 34 properties for supported and for move-on supported housing. This is part of the homelessness pathway service provided by P3 in Wolverhampton

**What**

Transition to independent living

**Who**

Socially excluded, vulnerable individuals, with complex needs

**How Much**

34 properties which create 54 bed spaces for clients in move-on supported housing in Wolverhampton

**Contribution**

P3 will be less reliant on private/social landlords, and can provide safe, quality housing for individuals to move-on into semi-independent living

**Risk**

Strong track record of providing support and housing, alongside good void management and social investment experience



### Valley House

**Location:** Coventry

Valley House (VH) was established in 1977, in Coventry. It offers accommodation services to young parents aged 16-24 who have little or no family support, and to individuals escaping domestic abuse.

VH historically delivered services for a local housing association under a supporting housing contract. The housing association decided to sell the houses that VH was using. This presented VH with an opportunity to purchase the housing and continue its service delivery.

#### About our investment

**Date of investment:**

December 2019  
£2.5m property loan  
(10-year term)

The loan enables Valley House to purchase 22 properties, providing accommodation for 28 individuals and families in their supported housing services

**What**

Transition to independent living

**Who**

High risk young parents and families fleeing domestic violence

**How Much**

22 properties provides supported housing for 28 women and their children

**Contribution**

VH able to convert to an ownership model of supported housing, reducing reliance on social/private landlords. VH purchased 13 properties at short notice, avoiding disruption for the residents, who were existing VH service users

**Risk**

VH has a strong track record of this work and is commissioned by the City Council



**The resilience we have sought to build with the support of SASC was not just about property or balance sheet, it was a mindset, a belief in ourselves and our ability to adapt and deliver, whatever the situation. Compared to many others, we are still a small charity, but by working on our growth and developing our own self-belief as a team, we have created additional organisational resilience. During COVID-19, our housing stock came into its own at the point where Local Authority and housing association options were exhausted**

**Lisa Hilder  
Trustee, Hull Women's Network**

# Community Investment Fund (CIF)

CIF provides flexible capital to small and medium sized charitable organisations. This puts them in a stronger position to respond to need in local communities by providing them with a route to longer term sustainability.

CIF is an open-ended fund that offers long dated investment to locally-led organisations across England who are focussed on delivering social change, particularly amongst disadvantaged groups in their communities.

## NEW INVESTMENTS IN 2020

- 1 Active Prospects
- 2 The Big Life Company
- 3 Caring For Communities And People

## CONTINUING INVESTMENTS

- 1 Child Dynamix
- 2 Gawcott Fields
- 3 Giroscope
- 4 Heart of England
- 5 Hull Women's Network
- 6 Resilient Energy Forest of Dean (REFD)
- 7 Resilient Energy Mounteneys Renewables (REMR)
- 8 Spacious Place Contact
- 9 Storeroom2010

## Community Investment Fund

### Reach

England-wide

### Launch date

February 2014

### Funding available

£250k - £2m

### Term

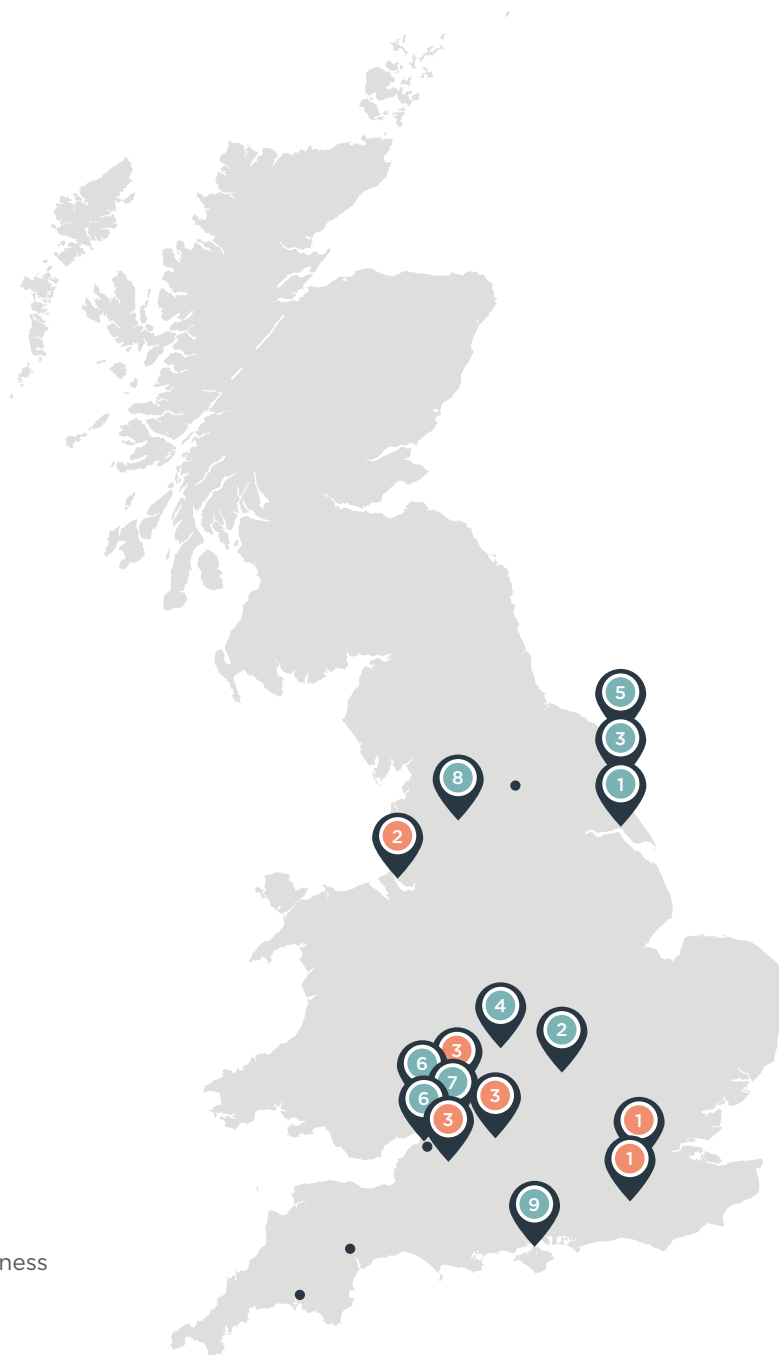
Flexible

### INVESTORS

Big Society Capital  
Social Investment Business

### GRANT PARTNER

Power to Change



• CIF Alumni  
(see p.43)

CIF DIRECTLY  
ADDRESSES 4 SDGS

We have seen how organisations that are embedded in communities support social inclusion and change.

CIF works with charities and social enterprises that are focused on communities and social issues. These organisations have often been created by communities in response to specific problems.



**1 NO POVERTY**  
Poverty affects access to basic services, property and resources, often at a local level.

**CIF combats poverty by supporting organisations that enable local people to access local services and accommodation.**



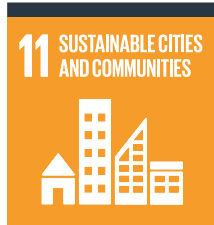
**7 AFFORDABLE AND CLEAN ENERGY**  
10%<sup>1</sup> of households in England struggle with energy debt and fuel poverty.

**CIF funds community projects that install energy efficiency measures and alleviate fuel debt.**



**8 DECENT WORK AND ECONOMIC GROWTH**  
Low-paid workers and the long-term unemployed are often trapped in poverty, impacting physical and mental wellbeing.

**CIF supports education, training and employment initiatives.**



**11 SUSTAINABLE CITIES AND COMMUNITIES**  
Access to adequate, safe and affordable housing is a nationwide challenge. Vulnerable people are often most affected.

**CIF builds communities by enabling vulnerable people to remain in their home town.**



**The Big Life Group has been supporting people to live independently in their own homes for over 20 years. But this is the first time we will be able to buy and own the properties. This will help us to expand the service to more people and offer high quality homes to people who often get the worst housing in the private rented sector**

**Fay Selvan  
CEO, The Big Life Group**

1. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/882404/annual-fuel-poverty-statistics-report-2020-2018-data.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/882404/annual-fuel-poverty-statistics-report-2020-2018-data.pdf)

# Spotlight on Active Prospects

In recent years, Active Prospects has seen greater demand on its services. Fortunately, thanks to the £3.4m loan from SASH and £900k from CIF, we have found a manageable way to expand.

The SASC loans have been a game changer for us, enabling the purchase of up to six properties, which will provide long term residential housing and care for up to 23 adults.

We have been able to expand our services into West Sussex. Commissioned by the County Council, we will house and support local people with autism, learning disabilities and mental health issues and in doing so, will meet a critical need for this service.

We recently opened our first supported living service in Crawley, West Sussex. This five-bedroom property will support the residents to live full and aspiring lives. Providing high-quality accommodation and support is essential for helping our clients live more independently.





Our support staff and service managers provide round the clock support for individuals in our accommodation. They help people manage their homes, ensure they live in a safe environment and go to college, as most are primarily young

people who move into the service. Every individual has a plan that addresses their health, support needs, and goals. For most, it will be the first time living in their own home and they are really excited they can focus more widely on their future lives.

Crawley MP Henry Smith, who attended the opening of our Crawley site, commented on the fact that having met the new residents and seen how happy they are, it was clear that having a real home has made an incredible difference.

We have already received some great feedback from our new residents. One told us, "This is so different to where I have lived before, it feels like it will work for me and it's my home. I get to live my life and I can truly be myself here and that feels amazing."

The Senior Commissioner, West Sussex County Council, was also impressed and said, "I really enjoyed seeing the new service and listening to the residents' experiences. What was really clear to me was that this is a homely

 <p><b>Active Prospects</b></p> <p><b>Location:</b> Surrey and West Sussex</p> <p>Active Prospects (AP), founded in 1989, is a not-for-profit, award-winning residential care provider, based in Reigate and operating across the South East. AP supports adults and young people with learning disabilities, autism, mental health needs, acquired brain injury and other complex needs.</p> <p>Active Prospects develops small clusters of self-contained homes with communal facilities. These make it possible for people with very high-level needs to move out of institutions. AP's high-impact approach is to provide "ordinary homes in ordinary communities".</p>	<b>NEW INVESTMENT</b>	<b>About our investment</b>	
	<p><b>Date of investment:</b> February 2020 £900k property loan (10-year term)</p> <p>The loan enables AP to purchase and refurbish a 5-bed property (increasing it to a 6-bed property), which they had previously rented from the local authority</p>	<p><b>What</b> <span style="float: right;">□</span> Improved health and well-being; improved quality of life</p> <p><b>Who</b> <span style="float: right;">○</span> Adults and young people with learning disabilities and autism, and with a high level of need</p> <p><b>How Much</b> <span style="float: right;">≡</span> The loan has enabled up to 6 adults with complex needs, to be housed long term, by an award-winning care provider in the community</p> <p><b>Contribution</b> <span style="float: right;">+</span> Without the loan, AP would have had to vacate the property and relocate the residents or accept an increase in rent</p> <p><b>Risk</b> <span style="float: right;">△</span> AP has significant experience in refurbishment of housing for adults with learning disabilities and of delivering support services to this group</p>	
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>3 GOOD HEALTH AND WELL-BEING</p> </div> <div style="text-align: center;">  <p>10 REDUCED INEQUALITIES</p> </div> <div style="text-align: center;">  <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> </div> </div>			



place, and that the people who have moved in were full of optimism. The personalised room design seemed excellent. It's so great to see the end product and meet the people now making this place their home."

The social investment funding from SASC has not only enabled this purchase, it will allow us to scale our services more quickly, expand our team and meet the growing demand for our services in Surrey and West Sussex.

We will be able to build our infrastructure as we grow and ensure we have a community network in place to support people in the best possible way. For example, with our new site in Crawley, we will create 20 local jobs.

Working with SASC also feels like a genuine partnership, with both parties sharing risk. The team has also shown huge flexibility and responsiveness since we started working with them, and particularly during COVID-19. They are a funding partner that is committed to finding solutions for its investees and the people they support.

We feel positive we are now in a strong position to address unmet need for our services and we can work in partnership with county councils and the NHS to provide homes and support that will enable the people we support to live aspiring lives, supported by highly competent staff.

**Maria Mills**  
CEO, Active Prospects



NEW INVESTMENT

About our investment

**The Big Life Company**

**Location:** Liverpool

The Big Life Company (BLC) is a £17m turnover group providing a range of services across North West England. The group was established in the early 1990s.

Big Life Homes provides support to adults with multiple needs, through a combination of housing, health/wellbeing support, and training. This activity is an area of expansion, with the current focus on Liverpool, where the demand for supported move-on accommodation for vulnerable adults is high.

**Date of investment:**

October 2020  
£950k property loan  
(10-year term)

The loan enables BLC to purchase 15 residential properties for supported accommodation dispersed across Liverpool

**What**

☐ Overcoming barriers to employment and developing the skills and experience required for independent living

**Who**

○ Adults with multiple needs facing homelessness or in temporary accommodation

**How Much**

≡ 15 properties will provide supported accommodation using unlimited tenancies. This allows clients to achieve stability and security before moving on

**Contribution**

⊕ The loan enables BLC to help address local need in a managed and sustainable way

**Risk**

△ BLC has a long-standing track record of delivery and is well regarded by the City Council



NEW INVESTMENT

About our investment

**Caring for Communities and People**

**Location:** Gloucester, Bath, Swindon

Founded in 1989, Caring for Communities and People (CCP) is a charity that provides support and accommodation for vulnerable young people and those leaving care.

CCP is one of Gloucestershire's leading social care providers in the voluntary sector. After growing its services, CCP now offers 69 units of supported housing across the South West, mostly in rented properties. The demand for supported accommodation for young people leaving care continues to grow.

**Date of investment:**

January 2020  
£2.85m property loan  
(10-year term)

The loan allows CCP to purchase 16 two-bedroom properties for CCP's supported accommodation services

**What**

☐ Transition to independent living

**Who**

○ Vulnerable young people (aged 16-18)

**How Much**

≡ More than 30 young people to be safely housed and supported by CCP

**Contribution**

⊕ The loan gives CCP greater control of its plans to provide stable, decent housing and dedicated support for vulnerable young people

**Risk**

△ CCP is able to continue its core work with the added stability and flexibility that property ownership provides



About our investment

**Child Dynamix**

**Location:** Hull

Child Dynamix is a charity that was established in 2005 in Hull. The charity provides high quality, affordable nursery provision in some of Hull and Grimsby's most deprived communities.

Child Dynamix has seen first-hand how poverty blights the life chances of children in low income families, putting them at risk of poor outcomes. Child Dynamix's response to these problems has been multi-faceted. Their services include the provision of many nursery places free of charge.

**Date of investment:**

July 2016  
£260k property loan  
blended with £80k grant from Power to Change

The loan enabled the purchase and refurbishment of a 53-place nursery (Boulevard) - the charity's third nursery

**What**

☐ Provision of free nursery places in an area of deprivation to enable successful transition to primary school

**Who**

○ Children from low income families, facing multiple disadvantage

**How Much**

≡ 53 new nursery places in an area of high deprivation

**Contribution**

⊕ Without the loan to purchase this additional nursery, affordable childcare in the area was very limited

**Risk**

△ Child Dynamix has the challenge of sustaining enrolment numbers in a diverse community with multiple languages being spoken







### Gawcott Fields Community Solar Project

**Location:** Buckingham

Gawcott Fields Community Solar Project generates, more than 4 million kWh of renewable energy each year from a 4.17MW solar farm, built in 2016. It contains 16,000 solar panels and can supply electricity to around 1,000 homes.

The project funds an energy and fuel poverty advice service through the National Energy Foundation (NEF), as well as providing grant funding through the Heart of Bucks Community Foundation.

#### About our investment

**Date of investment:**  
May 2017  
£575k asset finance, blended with £150k grant from Power to Change  
March 2019  
Loan refinanced with £425k  
The loan refinanced the original construction finance which was used to build the solar array for community benefit. SASC invested alongside Santander, Power to Change (grant), and community participation (retail bonds)



<b>What</b>	<input type="checkbox"/>	Improved access to affordable energy; support for community projects in a deprived area
<b>Who</b>	<input type="radio"/>	Households faced with fuel poverty in an area of deprivation
<b>How Much</b>	<input type="checkbox"/>	The project guarantees a minimum of £20k per year in community benefit payments and funds the Bee Warm fuel poverty advice service
<b>Contribution</b>	<input type="checkbox"/>	Without the loan, families would continue to face fuel poverty and local community projects and green energy initiatives would have less funding
<b>Risk</b>	<input type="checkbox"/>	Asset already in place, with full Feed in Tariff (FIT) accreditation



### Gioscope

**Location:** Hull

Gioscope, a charity, was set up in 1985 by volunteers motivated to regenerate a deprived neighbourhood of Hull. The collapse of the trawling industry had resulted in low levels of owner occupation and high volumes of poorly maintained private rented housing.

Gioscope buys and renovates empty properties to provide homes for those in need. Gioscope works with many volunteers who are at risk of social exclusion, and trains them through the Construction Skills Certification Scheme.

#### About our investment

**Date of investment:**  
January 2016  
£250k property loan (repaid)  
December 2017  
£750k property loan (15-year term), blended with £250k grant from Power to Change  
The loans financed the purchase and renovation of 12 flats in Hull, and a new build project consisting of 3 new houses



<b>What</b>	<input type="checkbox"/>	Enabling positive transition to affordable housing, employment and training
<b>Who</b>	<input type="radio"/>	Vulnerable people, at risk of homelessness and long-term unemployment
<b>How Much</b>	<input type="checkbox"/>	12 flats to be bought and refurbished, and 3 new houses to be built
<b>Contribution</b>	<input type="checkbox"/>	The loan enabled greater access to affordable accommodation and training opportunities for vulnerable people in the local community
<b>Risk</b>	<input type="checkbox"/>	Gioscope has an established track record of working with vulnerable people and of renovating housing



### Heart of England Community Energy

**Location:** Stratford-upon-Avon

Heart of England Community Energy (HECE) is an asset-locked Community Benefit Society (CBS). Its three solar farms, comprising 14.7 MW of capacity, occupy 75 acres. They are co-located with 3MW of battery storage capacity. This enables the site to both generate solar energy and provide storage services to the grid.

HECE bought existing solar assets from a commercial developer. By placing ownership in community hands, the project gives local people a stake in their local energy infrastructure and profits are used to support local charities and projects with a positive social and environmental impact.

#### About our investment

**Date of investment:**  
June 2017  
£2m refinanced in September 2019 (with a term loan from CIF)  
The loan financed the purchase of the largest community owned solar farm in the UK



<b>What</b>	<input type="checkbox"/>	Improved access to affordable energy and energy saving; and additional support for vulnerable households in a deprived area
<b>Who</b>	<input type="radio"/>	Individuals and families faced with fuel poverty in the local community
<b>How Much</b>	<input type="checkbox"/>	Renewable energy for c.4,500 homes. Profits from solar farm support projects such as Harbury e-Wheels, & Act On Energy, which help families facing fuel poverty
<b>Contribution</b>	<input type="checkbox"/>	New additional funding for community initiatives and support for green energy
<b>Risk</b>	<input type="checkbox"/>	Asset is already in place with a combination of FIT and RoC accreditation



### Hull Women's Network

**Location:** Hull

Hull Women's Network (HWN) is an experienced award-winning charity in the Preston Road area of Hull. HWN was established in 2004 to help address domestic violence across the city.

Women live with high-risk domestic abuse for an average of 2.6 years before getting effective help.<sup>1</sup> With the benefit of access to safe, high quality housing, HWN supports women and their children to break free on their first attempt.

1. <https://safelives.org.uk/sites/default/files/resources/Getting%20it%20right%20first%20time%20executive%20summary.pdf>

#### About our investment

**Date of investment:**  
November 2017  
£2m property loan (10-year term). HWN also received a £77k grant from Power to Change  
  
The loan enabled HWN to purchase 33 houses dispersed across Hull

<b>What</b>	<input type="checkbox"/> Transition to independent living, free from domestic violence
<b>Who</b>	<input type="radio"/> Women and children fleeing domestic violence in Hull
<b>How Much</b>	<input type="checkbox"/> 33 houses gives capacity to support more than 150 women and their children over the life of the loan
<b>Contribution</b>	<input type="checkbox"/> The loan enables HWN to provide supported accommodation for up to 2 years for women and children fleeing domestic violence. This reduces HWN's reliance on rentals from private landlords
<b>Risk</b>	<input type="checkbox"/> HWN has a strong track record of delivering this model of housing and support



### Resilient Energy Mountenneys Renewables (REMR)

**Location:** Kingswood, Stroud

Resilient Energy Mountenneys Renewables (REMR) is a Community Benefit Society that owns and operates two 500kW community wind turbines. REMR began as a collaboration between an established community energy developer (The Resilience Centre) and a community-minded landowner. Both wanted to make a difference through community-based, renewable energy generation. The organisation has committed to allocate 4% of its turnover to help build community resilience in Kingswood, Wickwar, Hillesley and environs, by addressing current needs and future challenges.

#### About our investment

**Date of investment:**  
October 2016  
£1.6m asset finance  
  
The loan provided construction finance to build and install two 500kW wind turbines. The two-turbines were pre-accredited for the Feed-in-Tariff ('FIT'), with all surpluses being used to improve social outcomes in the local community

<b>What</b>	<input type="checkbox"/> Improved access to affordable energy and improved social outcomes for local community
<b>Who</b>	<input type="radio"/> Individuals and families faced with fuel poverty in a local community
<b>How Much</b>	<input type="checkbox"/> A minimum of 4% of annual revenue, and any excess cash, to be distributed to community projects
<b>Contribution</b>	<input type="checkbox"/> The loan provides additional funding for community benefit. Projects are chosen by local community volunteers
<b>Risk</b>	<input type="checkbox"/> Wind energy is reliable. The risk to revenue and 4% surplus generation for community benefit, is low



### Resilient Energy Forest of Dean (REFD) formerly REACR

**Location:** Alvington and St. Briavels, Forest of Dean

Resilient Energy Forest of Dean Renewables (REFD) is a Community Benefit Society (CBS) that owns and operates two 500kW wind turbines near Alvington, Forest of Dean. A share of operational turnover and any surpluses are allocated to local community resilience initiatives, including fuel poverty.

REFD is one of several projects managed by The Resilience Centre (TRC), a social-purpose business that helps to build resilience in communities in response to climate change and diminishing resources.

#### About our investment

**Date of investment:**  
April 2019  
£1.44m asset finance  
  
The loan financed the acquisition of Resilient Energy Great Dunkilns (REGD) (500kW wind turbine). The acquisition allowed the conversion of REGD from a Public Limited Company (PLC) to a wholly-owned subsidiary of a CBS, thereby releasing additional funds for community benefit

<b>What</b>	<input type="checkbox"/> Improved access to affordable energy; energy saving and support for community projects
<b>Who</b>	<input type="radio"/> Individuals and families faced with fuel poverty in the local community
<b>How Much</b>	<input type="checkbox"/> A minimum of 4% of annual revenue, and any excess cash, to be distributed to community projects
<b>Contribution</b>	<input type="checkbox"/> The loan brings a more cost-efficient structure, strengthens the CBS' financial position; and generates more surpluses for community initiatives
<b>Risk</b>	<input type="checkbox"/> Wind energy is reliable. Risk to revenue and 4% surplus generation for community benefit, is low





## Spacious Place Contact

**Location:** Burnley

Spacious Place Contact (SPC) is a company limited by guarantee, established in 2013.

SPC works with private businesses to help create employment and training opportunities for disadvantaged and vulnerable individuals. The organisation also helps individuals who are in work but need support and advice to maintain the role.

SPC is also developing a digital inclusion app, which will offer access to affordable white goods to people living in poverty.

### About our investment

**Date of investment:**

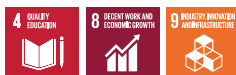
October 2015  
£1.5m property loan  
blended with £500k grant  
from Power to Change

December 2016

£160k bridging loan for  
working capital needs

Loans combined and  
refinanced by SASC in 2019

The loan financed the  
purchase of a grade II  
listed former cotton mill  
in Burnley. The building  
is rented out to private  
businesses that provide  
employment and training  
to vulnerable people



**What**

☐ Employment information and training

**Who**

○ Unemployed adults, including more vulnerable individuals

**How Much**

≡ SPC leases the premises to private businesses. SPC offers personal development and training to their employees

**Contribution**

⊕ The purchase enabled SPC to create a place of employment and training for disadvantaged people. Since 2017 SPC has focused on pre-employment engagement and workplace support for employees in tenant companies

**Risk**

△ SPC's model relies on 3rd party employers to engage with their programme. COVID-19 has been a challenge regarding tenants



## Storeroom2010

**Location:** Cowes, Isle of Wight

Storeroom2010 (SR) was set up by Nick and Wendy Miller as a charity. It helps address high levels of unemployment and child poverty across the Isle of Wight, by selling furniture and household goods donated by the public, to help deprived families furnish their homes.

The charity also runs the Cowes Men's Shed project. This brings together vulnerable people who are at risk of isolation and encourages social connections, alongside building skills in carpentry and horticulture.

### About our investment

**Date of investment:**

July 2016  
£360k property loan  
(including £79k bridge  
loan, repaid in October  
2016)

The loan enabled the  
charity to purchase the  
warehouse it had been  
using to store and sell  
furniture



**What**

☐ Improved quality of life, training, and work experience

**Who**

○ Low income families and socially isolated individuals in the Isle of Wight

**How Much**

≡ Over 150,000 Kgs of furniture saved from landfill annually. Engagement and training of around 50 vulnerable adults per year

**Contribution**

⊕ SR was at risk of losing the property if withdrawn from rental market. Building purchase has been essential for SR's long-term sustainability

**Risk**

△ SR has a track record of selling second-hand furniture and supporting vulnerable people. Loan serviced by surplus from furniture sales

CIF ALUMNI		Beneficiary group supported	Geography	Loan value
<b>Bristol Energy Cooperative</b>		Individuals and families faced with fuel poverty in an area of deprivation	Bristol	£800,000 Blended with £155k Power to Change grant
<b>Chime Social Enterprise</b>		Hearing services for adults and children with hearing loss and impairment	Exeter	£170,000
<b>Harrogate Skills 4 Living</b>		Supporting adults with learning disabilities and autism	Harrogate	£1,085,000 (2 loans) Blended with £200k Power to Change grant
<b>Plymouth Energy Community (PEC)</b>		Solar farm with surpluses funding community programmes	Plymouth	£610,000

# Third Sector Investment Fund (TSIF)

TSIF recognises the need for unsecured lending to high performing social sector organisations. With a wider remit, TSIF is able to support organisations across all social sectors, focused on improving the economic and social well-being of individuals from vulnerable and disadvantaged communities.

## NEW INVESTMENTS IN 2020

- 1 Affinity Trust

## CONTINUING INVESTMENTS

- 1 Affinity Trust
- 2 Brook Young People
- 3 Five Lamps
- 4 Futures Group
- 5 HCT Group
- 6 Heart of England
- 7 Homes for Good Glasgow



## Third Sector Investment Fund

**Reach**  
UK-wide

**Re-launch date**  
2017

**Funding available**  
£250k - £3m

**Term**  
Currently loans up to 8 years

**INVESTORS**  
Big Society Capital  
Social Investment Business

● TSIF Alumni  
(see p.49)

**TSIF DIRECTLY  
ADDRESSES 4 SDGS**

The Third Sector Investment Fund supports organisations across all social sectors which focus on improving the economic and social well-being of individuals from vulnerable and disadvantaged communities.

TSIF recognises the need for unsecured lending to high performing social sector organisations, that can pose a higher financial risk.



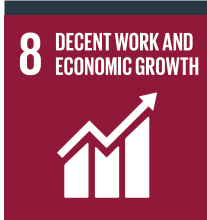
**1 NO POVERTY**  
Poverty and inequality in the UK leave many people caught in a poverty trap.

**TSIF offers flexible forms of finance to organisations working to alleviate poverty.**



**7 AFFORDABLE AND CLEAN ENERGY**  
Energy debt and fuel poverty is a big driver of social inequality across the UK.

**TSIF funds community projects that increase energy efficiency and help address fuel debt.**



**8 DECENT WORK AND ECONOMIC GROWTH**  
Access to education, training and employment are key to social inclusion and breaking the cycle of disadvantage.

**TSIF provides flexible finance to organisations that support groups excluded from the employment market and individuals not in Education Employment or Training (NEET).**



**10 REDUCED INEQUALITIES**  
Ensuring equal opportunities and access to services is critical to reducing inequality.

**TSIF provides funding to organisations that empower people and communities through education, employment and support.**



**SASC provided Affinity Trust with the flexibility and simplicity we needed to take our first steps into the world of Social Impact Bonds. That was three years ago and we now have a high performing, award winning delivery model that is being replicated in other areas**

**Nicola Brittle**  
Development Director, Affinity Trust

NEW INVESTMENT

About our investment



**Affinity Trust**

**Location:** Bradford and Gloucestershire

Affinity Trust (AT) supports people with learning disabilities across the UK. The charity was established in 1991 and helps individuals lead the lives they want to, as independently as possible.

Many children and young people with learning disabilities are moved out of their own homes into residential placements, resulting in poorer outcomes. Affinity Trust delivers Positive Behavioural Support (PBS) programmes for children with learning disabilities and challenging behaviours who are at risk of entering residential care.

**Date of investment:**  
March 2018  
£150k working capital loan  
  
November 2020 (new)  
£150k working capital loan  
  
Both loans were used to fund working capital under payment by results (PbR) contracts, part of a central government Social Impact Bond (SIB) programme  
  
One contract was commissioned under the Commissioning Better Outcomes Fund and the other under the Life Chances Fund



<b>What</b>	<input type="checkbox"/>	Reduction in challenging behaviour and improved quality of life
<b>Who</b>	<input type="radio"/>	Children with learning disabilities and behavioural challenges, and their families
<b>How Much</b>	<input type="checkbox"/>	The loans part-financed highly specialised support programmes for extremely vulnerable young people at any one time, where no other options were available
<b>Contribution</b>	<input type="checkbox"/>	The loans helped AT win PbR contracts, providing the working capital to support the delivery of the PBS programme
<b>Risk</b>	<input type="checkbox"/>	AT has now delivered its PBS programme in 2 locations



**Brook Young People**

**Location:** UK-wide and Cornwall

Brook Young People (BYP) was established in 1964 by Helen Brook who opened the first sexual health clinic for women in London.

The organisation now operates in 22 locations in England and delivers relationship and sex education (RSE) in 43% of local authorities in England.

Brook is a charity specialising in sexual health, and the only organisation in the UK to offer clinical and educational services specifically to young people.

About our investment

**Date of investment:**  
November 2018  
£200k working capital loan (repaid March 2019)  
  
June 2019  
£300k working capital loan (2-year term)  
  
The first loan was UK-wide; the second to deliver a new all-age sexual health contract in Cornwall



<b>What</b>	<input type="checkbox"/>	Improved sexual health and wellbeing through education, advice and support
<b>Who</b>	<input type="radio"/>	Residents of all ages across Cornwall
<b>How Much</b>	<input type="checkbox"/>	The programme delivers county-wide sexual health advice and support, including a new digital service
<b>Contribution</b>	<input type="checkbox"/>	Working capital to enable delivery of a new contract with payment terms of 90-days in arrears
<b>Risk</b>	<input type="checkbox"/>	New client group (all-age) and offering (digital)



**Five Lamps**

**Location:** UK-wide

Five Lamps (FL) is a responsible finance provider, regulated by the Financial Conduct Authority, offering fair and affordable personal loans as an alternative to high-cost credit.

Financial exclusion is a pressing issue in the UK, and high-cost credit is widespread. Over 3 million UK adults have one or more high-cost loans or have had one in the past year. Vulnerable adults, with poor financial resilience, are twice as likely to use high-cost credit.

About our investment

**Date of investment:**  
September 2017  
£350k working capital loan  
  
The SASC loan was part of a £5m loan to Five Lamps from a group of nine social investors



<b>What</b>	<input type="checkbox"/>	Helping vulnerable households to break the cycle of high-cost debt
<b>Who</b>	<input type="radio"/>	Individuals and families with limited/no access to mainstream finance
<b>How Much</b>	<input type="checkbox"/>	Our funding was part of a larger facility which has enabled FL to make more than 7,000 loans per year
<b>Contribution</b>	<input type="checkbox"/>	FL able to provide a fairer personal loan alternative nationally
<b>Risk</b>	<input type="checkbox"/>	Striking the right balance between helping as many people as possible and ensuring affordability of repayment is key, a particular challenge during COVID-19

# Spotlight on Brook Young People

Brook is a young persons' sexual health and wellbeing charity. Through innovative clinical services, digital support, tailored counselling and inspiring relationships and sex education, Brook allows young people to take charge of their sexual health and wellbeing.

In 2019, Brook took the decision to diversify our model and bid for a contract to deliver all-age sexual and reproductive health services across Cornwall and stretch our clinical delivery from a nurse-led to a consultant-led service. This included the provision of contraception, emergency contraception, STI testing and treatment, condom distribution, vaccinations, HIV pre-exposure prophylactic, junior doctor training and workforce development across the county.

Working in partnership with SH:24, an award-winning supplier of digital sexual health and reproductive services, we were successful in our bid and, in December 2019, we launched our first all-age, digitally led service. Building on more than 25 years' experience delivering young people's services across the county, Brook was well placed to meet the unique needs of the population. The integrated model takes a whole life approach to sexual and reproductive health and has a strong focus on education, early intervention and prevention for children, young people and those at risk, while adults without symptoms have access to a 24/7 digital service to support them to manage their own sexual health and protect our face to face offer for those most in need and at risk.

The previous service provider saw on average 400 clients per week with an entirely face to face offer. Between December and January, (which included the set-up month and Christmas), Brook averaged 442 clients per week - an immediate 10% increase. For the first quarter of our delivery, we had a total of 7,522 clinical and digital visitors.



Reviews of the service have been excellent and the digital-first offer has been very well received across the county. Cornwall County Council is very happy with what we have achieved and have been delighted that we were able to continue to operate during the challenges of lockdown - where the previous provider would have been unable to continue providing its services.

It was with SASC's help that this was possible. We knew that mobilising this contract would take significant resources and so a £300,000 investment - structured as a working capital facility - allowed us to draw down the funds when we needed them. This support allowed us to comfortably secure and deliver the £17 million, seven-year contract

without putting our other work at risk. It has also enabled us to develop our digital innovation which benefits the rest of the organisation and puts us in a stronger position for other contracts.

**Helen Marshall**  
CEO, Brook Young People

# Futures

## Futures

**Location:** Nottingham

Futures Advice, Skills and Employment was set up in Nottingham in 2001. They work with individuals and organisations to provide advice, guidance and practical support designed to help people achieve more in their jobs and get more from life.

Futures targets hard to reach young people who are vulnerable to becoming and then staying NEET (not in Education, Employment or Training). More mainstream training services may not meet their needs, often resulting in poorer life chances.

### About our investment

**Date of investment:**

September 2018  
£250k working capital loan

Futures won a contract with Nottingham City, Nottinghamshire County Council, and the Life Chances Fund to deliver a new service over 5 years on a payment by results (PbR) basis. The loan covers the working capital requirements before results can be evidenced



**What**

☐ Overcoming barriers to learning and achievement; moving successfully into sustained employment

**Who**

○ Young people and adults at risk of being NEET

**How Much**

≡ Person-centred support for 560 young people and adults in Nottingham, over 5 years

**Contribution**

⊕ The loan provides working capital for Futures to deliver a PbR contract

**Risk**

△ The programme (FutureU) explicitly focusses on the hardest to reach young people, at greatest risk of disengagement and often ill-served by mainstream services, leading to poorer life chances



## HCT Group

**Location:** UK-wide

HCT Group is a charity established in 1983. It aims to break down barriers for the most vulnerable and marginalised in society. It does this by providing community and other transport services in London and across the UK and offering jobs and education.

Need for their services is highlighted by low travel patterns of disabled people compared to non-disabled and reporting of difficulties with any kind of trip by 25% of people with disabilities.

### About our investment

**Date of investment:**

November 2015  
£500k (repaid June 2018)

May 2018  
£2.55m term loan

The loan was expected to support rapid growth in activity and impact



**What**

☐ Provision of community transport and access to jobs and education services

**Who**

○ Disadvantaged and community groups

**How Much**

≡ Passenger trips, improved access to local facilities, training and job creation – with a focus on disadvantaged groups

**Contribution**

⊕ Working capital to accelerate their growth, including funds to acquire commercial bus operators and turn them into social enterprises

**Risk**

△ Strong growth requires HCT to take on substantial levels of operating leases to fund the fleet and operational efficiency is key



## Heart of England Community Energy

**Location:** Stratford-upon-Avon

Heart of England Community Energy (HECE) is an asset-locked Community Benefit Society (CBS). Its three solar farms, comprising 14.7 MW of capacity, occupy 75 acres. They are co-located with 3MW of battery storage capacity. This enables the site to both generate solar energy and provide storage services to the grid.

HECE bought existing solar assets from a commercial developer. By placing ownership in community hands, the project gives local people a stake in their local energy infrastructure and profits are used to support local charities and projects with a positive social and environmental impact.

### About our investment

**Date of investment:**

June 2017  
£4.2m partial repayment and refinancing

September 2019  
£1.5m bridge loan  
£780k term loan

The loans financed the purchase of the largest community owned solar farm in the UK

The short term loans are due to be repaid via a series of community bond offers over the next two years



**What**

☐ Improved access to affordable energy and energy saving; and additional support for vulnerable households in a deprived area

**Who**

○ Individuals and families faced with fuel poverty in the local community

**How Much**

≡ Renewable energy for c.4,500 homes. Profits from solar farm support projects such as Harbury e-Wheels, & Act On Energy, which help families facing fuel poverty

**Contribution**

⊕ New additional funding for community initiatives and support for green energy

**Risk**

△ Asset is already in place with a combination of FIT and RoC accreditation





### Homes for Good, Glasgow

**Location:** Glasgow

Homes for Good (HfGG) was founded in 2013 in Glasgow to provide quality homes within the private rented sector for people on low incomes and those who fall on the spectrum between homelessness, social, and affordable housing.

Homes for Good offers an alternative approach to a standard letting agency. It works with individuals struggling with a range of challenges including mental health issues, family breakdown and recovery from drug and/or alcohol dependency.

### About our investment

**Date of investment:**

June 2018  
£2.85m property loan  
(10-year term)

The loan enabled HfGG to purchase 52 additional properties in Glasgow

**What**

☐ Improved wellbeing and transition to training and employment

**Who**

○ Vulnerable adults across Glasgow

**How Much**

≡ 52 houses to be made available for a low income and vulnerable client group

**Contribution**

⊕ The loan has provided finance for HfGG to grow its portfolio by an additional 52 houses, in support of a vulnerable client group

**Risk**

△ HfGG has a track record of bringing 190 properties back to life and providing quality support to tenants



TSIF ALUMNI		Beneficiary group supported	Geography	Loan value
<b>Cornerstone</b>		Adopted and fostered children/families	UK-wide	£600,000
<b>Family Action</b>		Vulnerable young people in the care system	Sandwell, Wolverhampton	£700,000
<b>Wheatsheaf</b>		Unemployed individuals with health conditions or disabilities	Hampshire and Isle of Wight	£330,000

**SASC’s loan was a massive enabler for us to bring forward the concept of VR in the social care sector and consequently has impacted on our adopters, foster carers, parents, social workers, judges and children’s lives**

**Alison Alexander  
CEO, Cornerstone**

# SASC Bridge Finance (SBF)

SBF, formerly Leapfrog Bridge Finance, was acquired by SASC in September 2020.

SBF offers flexible secured loans of between £1 million and £15 million. The fund supports organisations working in disadvantaged communities that want to be engaged in the low carbon energy sector, and renewables developers that wish to address their corporate social responsibilities.

## NEW INVESTMENT IN 2020

- 1 Ferry Farm Community Solar Project CIC

## CONTINUING INVESTMENTS

- 1 Drove Lane Solar Farm CIC
- 2 New Mains of Guynd Solar Park CIC



## SASC Bridge Finance

**Reach**  
UK-wide

**Launch date**  
September 2020

**Funding available**  
£1m - £15m

**Term**  
Short-term bridge loans

**INVESTOR**  
Big Society Capital

● SBF Alumni  
(see p.53)

SASC LABS

SBF DIRECTLY  
ADDRESSES 4 SDGS

Many communities that wish to engage with the low carbon energy system through locally owned and governed renewable energy schemes, find funding the cost of entry to the energy market prohibitive.

SBF addresses the issue by providing 100% of the investment required to build or acquire projects.



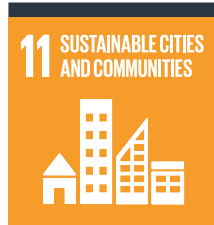
In 2018 the number of households in fuel poverty stood at 3.3 million<sup>1</sup>. Renewable energy technologies are an affordable, clean technology.

**SBF will provide loans to community focused projects targeting areas in the 40% most deprived on the Index of Multiple Deprivation (IMD).**



Construction or acquisition of projects is expensive with capital costs often running into many millions of pounds. This is a big hurdle for most communities.

**Our experience and approach to funding community-led schemes makes the process achievable. SBF will continue to support new community-focussed business models and partnerships in the public and private sector.**



High fuel costs put pressure on communities.

**The schemes financed by SBF will generate funding for projects that create social impact within local communities, tackling issues such as fuel poverty, economic redevelopment, and education.**



There is an urgent need for climate action.

**By enabling involvement of some of the UK's most deprived communities in the sector we aim to ensure that the just transition to a low carbon economy includes the most vulnerable sections of our community.**



1. [https://commonslibrary.parliament.uk/research-briefings/cbp-8730/?utm\\_source=twitter&utm\\_medium=social&utm\\_campaign=cl-business\\_wh-191120](https://commonslibrary.parliament.uk/research-briefings/cbp-8730/?utm_source=twitter&utm_medium=social&utm_campaign=cl-business_wh-191120)

\*This includes facilities provided by the fund during the time it was managed by Leapfrog Bridge Finance. It also includes a bridge loan to Ferry Farm, repaid in December 2020.



NEW INVESTMENT

About our investment

**Ferry Farm Community Solar Project CIC**

**Location:** Selsey

Ferry Farm Community Solar is a Community Interest Company serving Selsey and Sidlesham in West Sussex. It was set up to manage the process of bringing the 5MW solar array into full community ownership. The society is governed by a board of volunteer directors and owned by its members (currently around 100), who invested in a community share offer when the society was first set up.

**Date of investment:**  
March 2020  
£5.85m bridge loan (repaid December 2020)  
Completed prior to the purchase of Leapfrog Bridge Finance by SASC  
£5.85m loan to acquire a 5MW solar farm being sold by an existing EIS investment scheme

- What**  Affordable energy and support for community projects in a deprived area
- Who**  Individuals and families faced with fuel poverty and hardship
- How Much**  The site generates clean energy for c. 1,300 homes and is expected to generate c. £2m in support of local community projects over its lifetime
- Contribution**  Without the loan, the seller was unlikely to agree the purchase by the community. The ownership and governance structure maximises surpluses for distribution as local grants
- Risk**  Very little construction or revenue risk because source already in place, with full Feed in Tariff (FIT) accreditation



**Drove Lane Solar Farm CIC**

**Drove Lane Solar Park CIC**

**Location:** Salisbury

The borrower is a Community Interest Company operating as a community energy producer that owns a solar farm. The facility funded the acquisition of a 5MW fixed-tilt, ground-mounted PV plant located approximately 3.5 miles outside Salisbury. The project benefits a local deprived ward - The Friary - where high numbers of families live in poverty.

About our investment

**Date of investment:**  
May 2017  
Completed prior to the purchase of Leapfrog Bridge Finance by SASC  
£5.9m loan to finance the construction of a 5MW solar farm by Pflzsolzar GmbH  
At the time of acquisition the outstanding principal was £2.2m

- What**  Funding community projects in a deprived area
- Who**  Families facing hardship and poor mental health in an area of deprivation
- How Much**  Community benefit funds of £25,000 per year over 24 years, plus 65% of any surpluses. Power generated for 1,500 homes, saving almost 19,900 tonnes CO<sub>2</sub>
- Contribution**  Support for Stronger Families programme
- Risk**  Very little construction or revenue risk as asset already in place, with full Feed in Tariff (FIT) accreditation



**New Mains of Guynd Solar Park CIC**

**New Mains of Guynd Solar Park CIC**

**Location:** Arbroath

The borrower is a Community Interest Company operating a community enterprise generating renewable electricity from a 5MW fixed-tilt, ground-mounted solar plant constructed near the town of Arbroath in Angus. Arbroath struggles with growing unemployment and increasing poverty.

About our investment

**Date of investment:**  
May 2017  
Completed prior to the purchase of Leapfrog Bridge Finance by SASC  
£5.8m loan to finance the construction of a 5MW solar farm  
At the time of acquisition the outstanding principal was £2.1m

- What**  Funding community projects in a deprived area improving local opportunities and provide curriculum material on renewable energy
- Who**  Elderly, disadvantaged and isolated families; children and young people in schools
- How Much**  The loan will support £25,000 of community benefit over 24 years, plus 65% of future surpluses; carbon saving of 19,500 tonnes of CO<sub>2</sub>
- Contribution**  Support for Foundation Scotland programme
- Risk**  Very little construction or revenue risk as source already in place, with full Feed in Tariff (FIT) accreditation



SBF ALUMNI		Beneficiary group supported	Geography	Loan value
<b>Plymouth Energy Community</b>		Individuals and families in area of economic deprivation	Plymouth	£3,962,000
<b>Verdant Community Energy CIC</b>		Local community in an area of economic deprivation	Weston Super Mare	£13,077,085
<b>Gridserve WBC York Ltd</b>		Disabled people and people living with long term health conditions in Warrington. Individuals with learning difficulties plus local schools, colleges and social enterprises in York	York	£11,000,000
<b>Gridserve WBC Hull Ltd</b>		Disabled people and people living with long term health conditions in Warrington. Local schools and colleges, social enterprises and wildlife organisations, young students & disadvantaged people in Hull	Hull	£6,500,000
<b>Ferry Farm Community Solar CIC</b>		Local community in an area of deprivation	Selsey	£5,850,000

# Why we need community energy

As 2020 draws to a close, governments across the globe are focusing in on their strategies for building a green economy to tackle the twin emergencies of the COVID-19 pandemic and climate change. The UK Government is no exception.

The Government's promise to 'build back better' is now underpinned by the Ten Point Plan,<sup>1</sup> the Spending Review<sup>2</sup> and the Energy White Paper,<sup>3</sup> and will be supported by a UK National Infrastructure Bank.<sup>4</sup> It's a welcome recognition for the entire clean energy sector that there are only 'wins' in accelerating the deployment of renewable electricity generation, which is increasingly cheaper than new electricity capacity based on fossil fuels.

We are now in the 'decisive decade' for actions needed to put us on the pathway to achieve net zero by 2050. Given the scale of the climate challenge and speed needed to reboot the economy, the emphasis so far has been on offshore wind, big infrastructure and private sector

delivery and technical innovation through hydrogen production, and carbon capture and storage. But let's take a moment also to consider community renewables and the important role the community sector is playing to benefit hard-hit communities and achieve the Government's legally-binding targets.<sup>5</sup>

In recent years, it has been the community energy sector that has led much of the innovation and new business models for decentralised local energy solutions, including mini-grids and micro-grids. For example, it is the community sector leading the charge in a collaboration with Network Rail (the UK's largest energy consumer) on decarbonising our electric railways by making it possible to directly connect solar

generated power to the rail network.<sup>6</sup> It is also the community sector leading partnerships and collaborative initiatives at the local level to alleviate fuel poverty, increase energy efficiency, improve biodiversity, and raise environmental awareness.

Throughout my career advising on investment into clean energy projects, I have been struck by the commitment and innovation of community-led renewable projects. Often these projects are developed and led by the unsung heroes of our society, who recognise the impact potential of community renewable projects and work hard to implement and manage these initiatives. For this reason, I was delighted to join the SASC Renewables Investment Committee (IC) in 2020.

1. <https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution>  
 2. <https://www.gov.uk/government/publications/spending-review-2020-documents>  
 3. <https://www.gov.uk/government/publications/energy-white-paper-powering-our-net-zero-future>  
 4. Announced by the chancellor Rishi Sunak in the Spending Review  
 5. See WPI Economics Report (2020). The community sector has delivered over 250MW of renewable energy generation capacity. <http://wpieconomics.com/site/wp-content/uploads/2020/01/Future-of-Community-Energy-20200129-Web-Spreads.pdf>  
 6. <https://uk.reuters.com/article/idUKLBN2193CK>

**The community energy sector is a small but crucial part of the larger renewable sector and can help address wider issues such as fuel poverty and supporting left-behind communities**



Since 2014, SASC has been empowering community groups to develop innovative energy projects through their Community Investment Fund and Third Sector Investment Fund. In 2020, they built out their community renewables portfolio with the acquisition of Leapfrog Bridge Finance, now called SASC Bridge Finance. The combined entity has funded more than 20% of the UK community renewables market and has an opportunity to play a significant role supporting the growth of this sector in the coming years.

In the lead up to the COP26 conference in Glasgow in 2021, there is an opportunity to send a clear signal to government that community-led projects can play a vital role as part of the multiple solutions needed to tackle climate change and ultimately help create a more inclusive and resilient economy.

The sector needs an enabling framework and viable financing solutions so it can forge ahead. Without this support, the community sector is less likely to achieve its distributive growth potential. This is where SASC can play an important role, enabling investment in smaller projects which can be replicated and scaled up. The right type of funding could help to remove some of the barriers to entry in the development phase of new projects and address the significant issue of power price risk in a post government subsidy environment.

Using an impact lens can lead to alternative financing mechanisms. There are similarities here with how SASC went about solving the investment gap for charities operating in the supported housing market through its successful SASH fund. The community energy sector is a small but crucial part of the

larger renewable sector and can help address wider societal issues supporting left-behind communities.

I am looking forward to joining the SASC governance structure and together with my fellow Renewables IC members, I hope we can help drive forward SASC's work in this important sector at a decisive moment in our planet's history.

**Louisa Cilenti**  
SASC Renewables  
Investment Committee  
member and Partner,  
Lux Nova Partners

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**We care**

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**We persevere**

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