

Third Sector Investment Fund (TSIF)

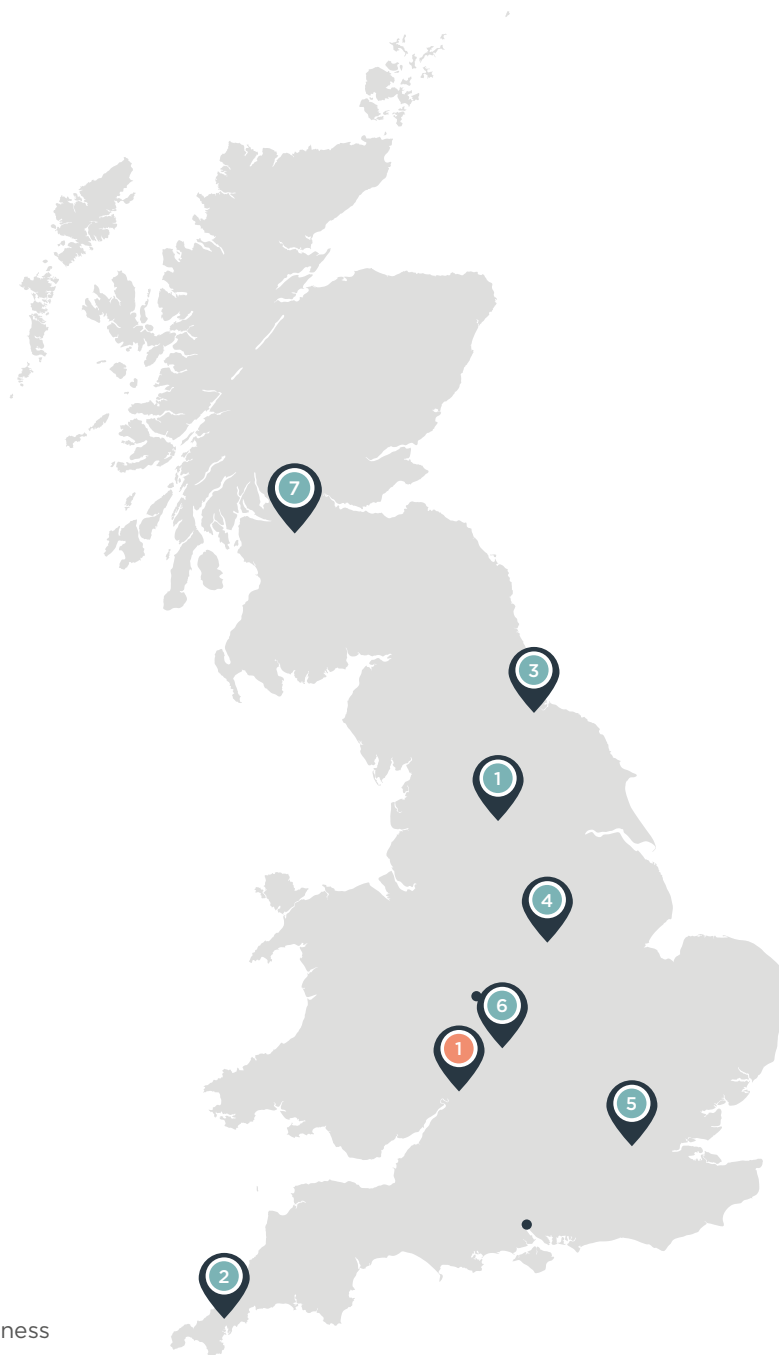
TSIF recognises the need for unsecured lending to high performing social sector organisations. With a wider remit, TSIF is able to support organisations across all social sectors, focused on improving the economic and social well-being of individuals from vulnerable and disadvantaged communities.

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.

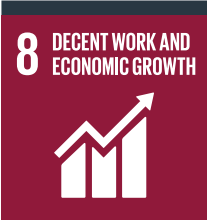
TSIF offers flexible forms of finance to organisations working to alleviate poverty.



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

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

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

What	<input type="checkbox"/>	Helping vulnerable households to break the cycle of high-cost debt
Who	<input type="radio"/>	Individuals and families with limited/no access to mainstream finance
How Much	≡	Our funding was part of a larger facility which has enabled FL to make more than 7,000 loans per year
Contribution	+	FL able to provide a fairer personal loan alternative nationally
Risk	△	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.

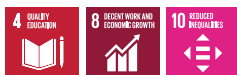
Futures targets hard to reach young people who are vulnerable to becoming and then staying NEET (not in Education, Employment or Training). More mainstream training services may not meet their needs, often resulting in poorer life chances.

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 focuses 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
Cornerstone		Adopted and fostered children/families	UK-wide	£600,000
Family Action		Vulnerable young people in the care system	Sandwell, Wolverhampton	£700,000
Wheatsheaf		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**