

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.'¹ 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.

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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.

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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.

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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



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.

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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.

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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

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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.