SASC

SOCIAL and
SUSTAINABLE CAPITAL

Impact Report 2021

Social investment for a changing world

Social Housing
and
Community Renewables

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

NatWest SE100 Awards
2022
NatWest SE100
FINALIST

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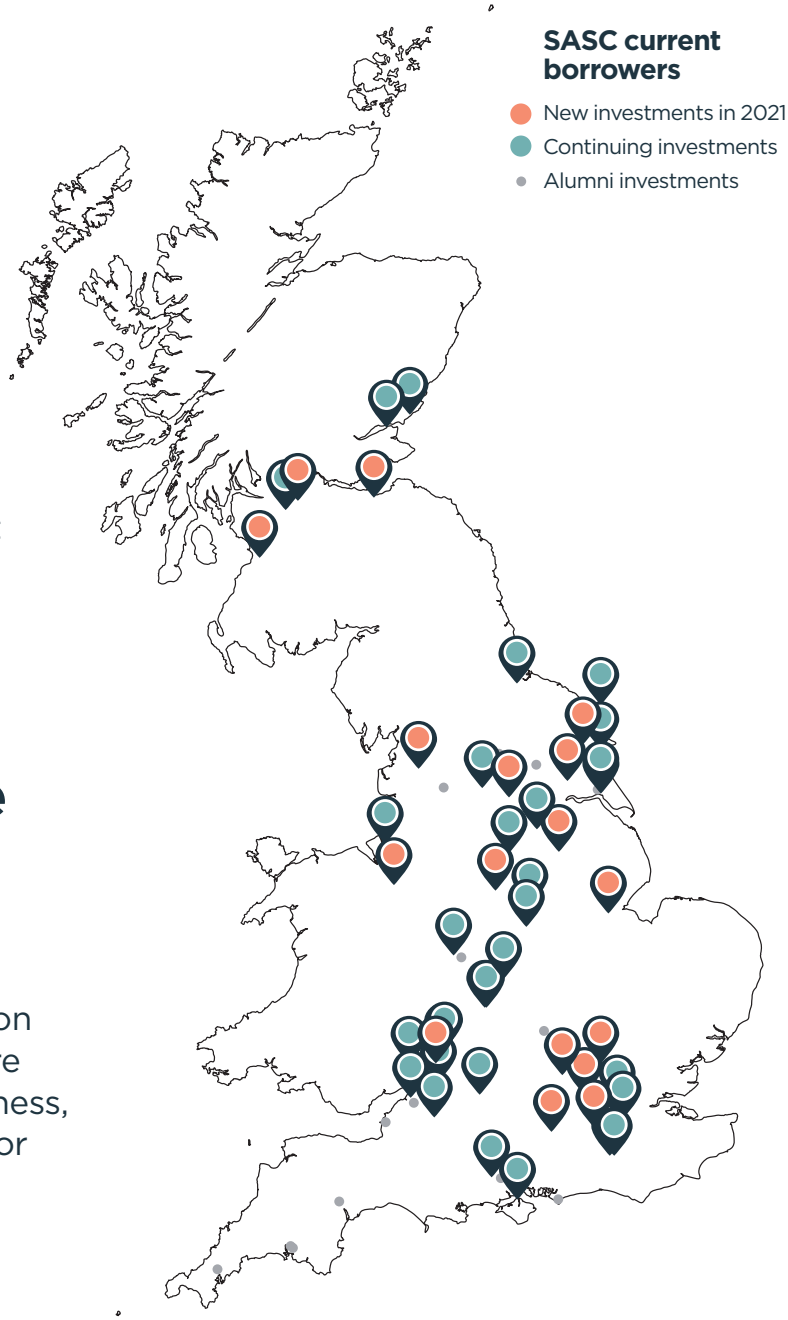
SASC at a glance



2021 activity

- 14 new social housing investments approved, totalling just over £38m – our fastest annual rate of investment to date.
- This momentum has led us to create our second housing fund, due to be launched this autumn.

Putting impact at the heart of what we do

Our four funds aim to improve the wellbeing of individuals, families, groups and communities. We focus on investments that help people who are struggling with poverty, disability, illness, economic hardship, unemployment or social isolation.

Our active portfolio 2021

Full listing on page 39

Active Prospects
affinitytrust
baca
The BigLife group
CCP
Child Dynamix
Drove Lane Solar Farm CIC
Emerging Futures
Five Lamps
Futures
Giroscope
hct group
Heart of England Community Energy
Homeless Oxfordshire
Homes for Good Glasgow
mind Hull and East Yorkshire
Hull Women's Network
New Mains of Guynd Solar Park CIC
P3
Peter Bedford Housing Association
positive steps
Resilient Energy
Resilient Energy Mountenevy Renewables Ltd
Simon Community Scotland
Storeroom
target
trinity
Valley House

Our institutional investors

ADLIB FOUNDATION

Barrow Cadbury Trust

BIG SOCIETY CAPITAL

CCLA GOOD INVESTMENT

CITY OF LONDON

COMIC RELIEF

Esmée Fairbairn FOUNDATION

Garfield Weston FOUNDATION

GMCA GREATER MANCHESTER COMBINED AUTHORITY

JRF JOSEPH ROWNTREE FOUNDATION

OAK FOUNDATION

THE OGLESBY CHARITABLE TRUST

power to change | business in community hands

Schroders | BIG SOCIETY CAPITAL
Schroder BSC Social Impact Trust plc

SKAGEN

Social Investment Business

Trust for London
Tackling poverty and inequality

the Tudortrust

THE UNIVERSITY of EDINBURGH

Virgin money foundation

zamocapital
INVESTING IN IMPACT INVESTORS

Pro bono supporters

ALLEN & OVERY

BRYAN CAVE LEIGHTON PAISNER BLP

CLIFFORD CHANCE

Mishcon de Reya

TRAVERS SMITH

Weil

Partners

Toby Lloyd
John Giesen
ARK Property consultants
Red Loft

Cumulative growth of our investments

To Dec 2021
£145.6m
69 investments

To Dec 2020
£107.5m
55 investments

To Dec 2019
£90.1m
47 investments

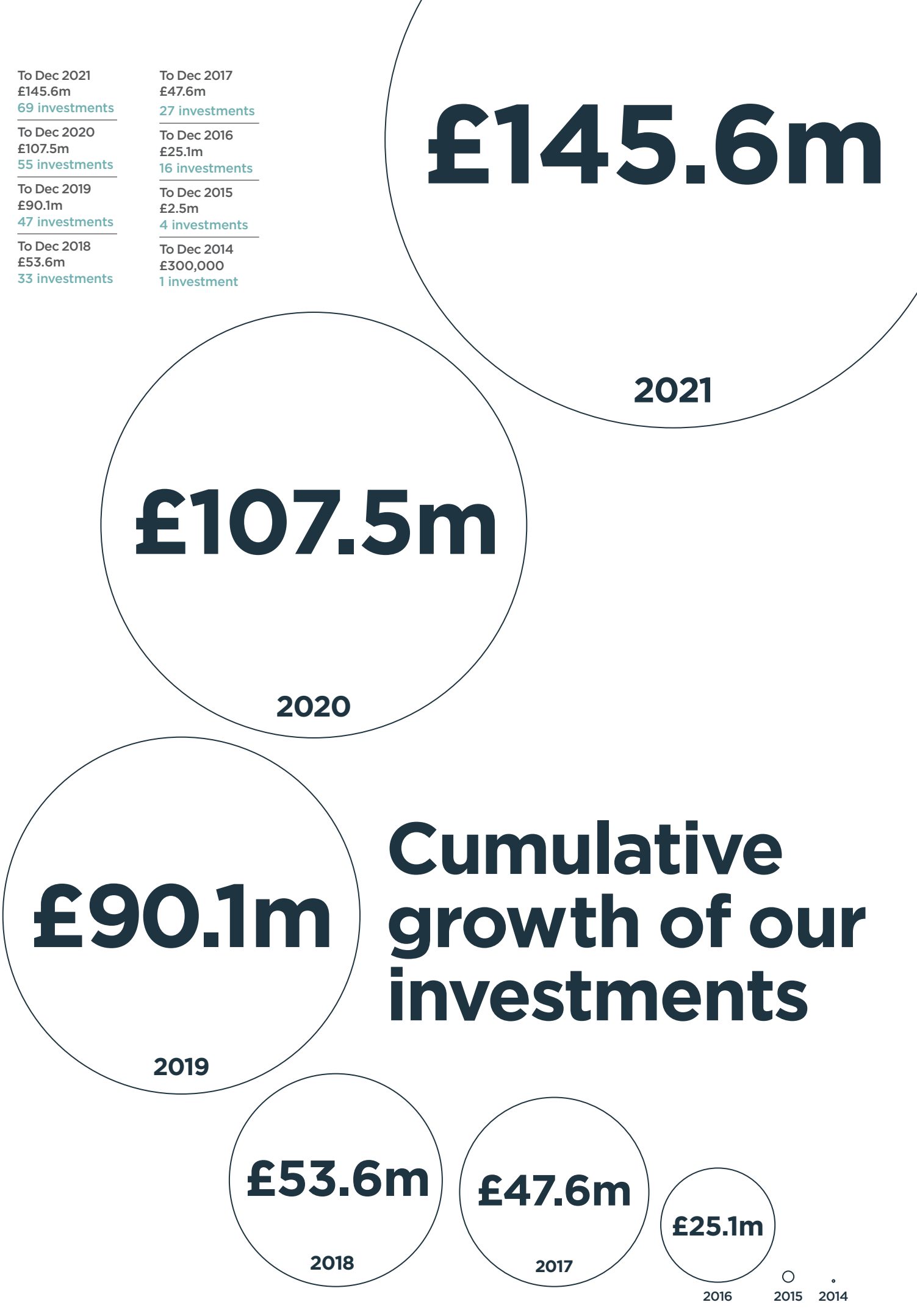
To Dec 2018
£53.6m
33 investments

To Dec 2017
£47.6m
27 investments

To Dec 2016
£25.1m
16 investments

To Dec 2015
£2.5m
4 investments

To Dec 2014
£300,000
1 investment



Dear friends

Our 2020 Impact Report reflected on the impact of the pandemic and how it made SASC's funds even more relevant. At the time we expected, or hoped, the bad times were almost behind us. Instead, the world faces a war in Europe and a growing cost of living crisis. All of which means our investment activity is increasingly important.

Despite the wider circumstances, SASC has been busy throughout 2021 – making 14 new investments totalling just over £38m, our fastest annual rate to date. The housing market slowly returned to a more normal, pre-pandemic state, with the conveyancing backlog finally easing. SASC supported frontline organisations across the UK to buy 121 properties. This trend has continued in 2022 as our borrowers acquired 72 houses during the first six months of the year.

Through our flagship fund Social and Sustainable Housing (SASH), launched 2019, SASC has supported 20 social sector organisations to take ownership of the housing stock in which they deliver support. This transfer of ownership sees existing housing stock move into the right hands – those with a long-term social commitment to people who need extra support. Ownership means these organisations can offer high quality housing to disadvantaged individuals and families in the right location, for the right amount of time. Since its launch, our housing fund has enabled over 400 adults and children to be supported in safe, stable, and appropriate accommodation.

At a time of significant stress in our energy markets, our Community Renewables investments have continued to support their local areas. These investments, in which a community builds or purchases renewable assets to deliver clean energy, retain profits for their local population to support local causes and help individuals who are facing fuel poverty. With the growth in our SASH product, nearly two-thirds of our current active and approved loans by value are for property. To ensure we play our part in achieving Net Zero, we will be working with our housing borrowers to deliver energy efficiency through improved EPC ratings.

Through our flagship fund Social and Sustainable Housing (SASH), launched 2019, SASC has supported 20 social sector organisations to take ownership of the housing stock in which they deliver support.

SASC grew in 2021, doubling in size to 20 staff across investment, portfolio management, finance and legal, to support the increase in our borrowers and investments. We also took time to review our processes, materials and support for the housing borrowers who make up most of our portfolio. This resulted in improvements that reduced the time from loan approval to deployment and now deliver more effective support. This work means the SASC team stands in good stead for the launch of SASH II later in 2022.

We carried out our first Borrower Survey to understand what specific aspects of our work offer most benefit, and to what extent SASC has succeeded in helping organisations grow their capacity and resilience. Nearly all borrowers said they found the flexibility of our financing and our partnership approach most valuable – 95% said they would recommend us to others.

During 2021, SASC also ran an ESG impact review designed to assess our practices and investments through an ESG lens. The outputs helped us to

Since its launch, our housing fund has enabled over 400 adults and children to be supported in safe, stable, and appropriate accommodation

Our second housing fund will be launched in the autum and benefits from the feedback and insights of our current housing borrowers.

better understand ourselves and our borrowers and to take practical action quickly, for example, we put in place a clearer screening process as part of borrower due diligence. As part of the impact review, SASC formalised its commitment to being an equitable, diverse, and inclusive organisation. We are excited that we have raised the bar for our internal and external impact development as SASC grows.

In 2022, our focus has been on cementing our progress of the last year and building SASH II, our successor housing fund. SASH II will launch this autumn and benefits from the feedback and insights of our current housing borrowers.

As the UK faces an extraordinary energy and cost of living crisis our partners' work supporting disadvantaged and often vulnerable individuals is more important than ever. SASC's role, as a social investor, has always been about more than the money. In the coming year we are committed to supporting our borrowers in their vital role as a conduit of wellbeing in their communities. We are proud to support each of our borrowers as they work alongside their councils and public sector organisations to deliver care, support, and housing to those who need it most.

Over the coming year, we look forward to building on our current partnerships, as well as welcoming new borrowers and investors to our second housing fund.

Nat Sloane
Chair

Ben Rick
Co-founder and CEO

If you are interested in knowing more about SASH II contact info@socialandsustainable.com

Impact in 2021

Our investments combine financial return with social and environmental impact

Impact in 2021

What we support

SASC specialises in two main areas of financial support for charitable or community organisations.

1

Housing with support

Primarily Supported Housing for vulnerable groups. This is housing that comes with wraparound support (i.e., more than merely tenancy support) based on an individual's specific needs and aims to help them return to independent living.

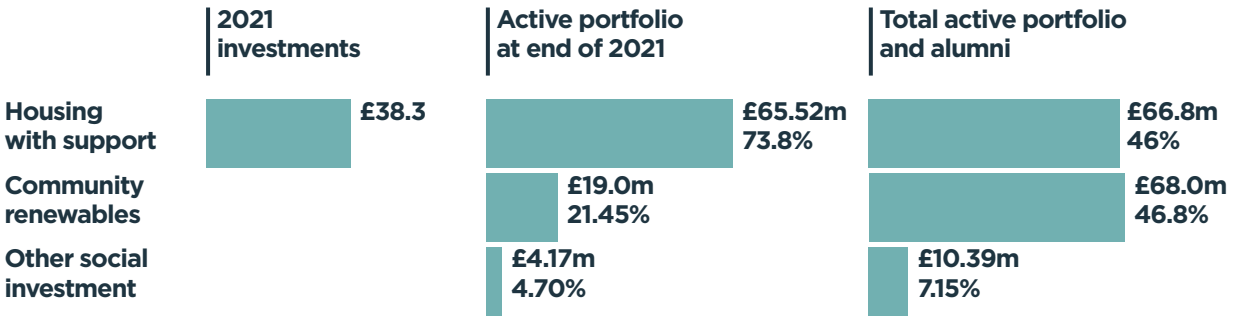
2

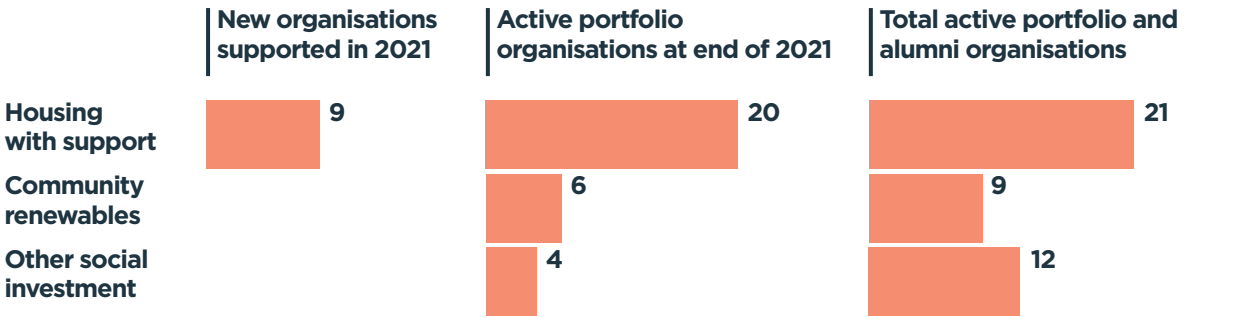
Community renewables

We support organisations who, in addition to generating carbon savings, commit to return a percentage of their income each year to local community programmes, including addressing fuel poverty.

In addition, as a legacy of our generalist Third Sector Investment Fund which is now in run off, we continue to help a number of charities to grow their business with bespoke financial support.

New deals





SASC has supported 42 organisations since 2014

Breakdown of borrower organisations by type

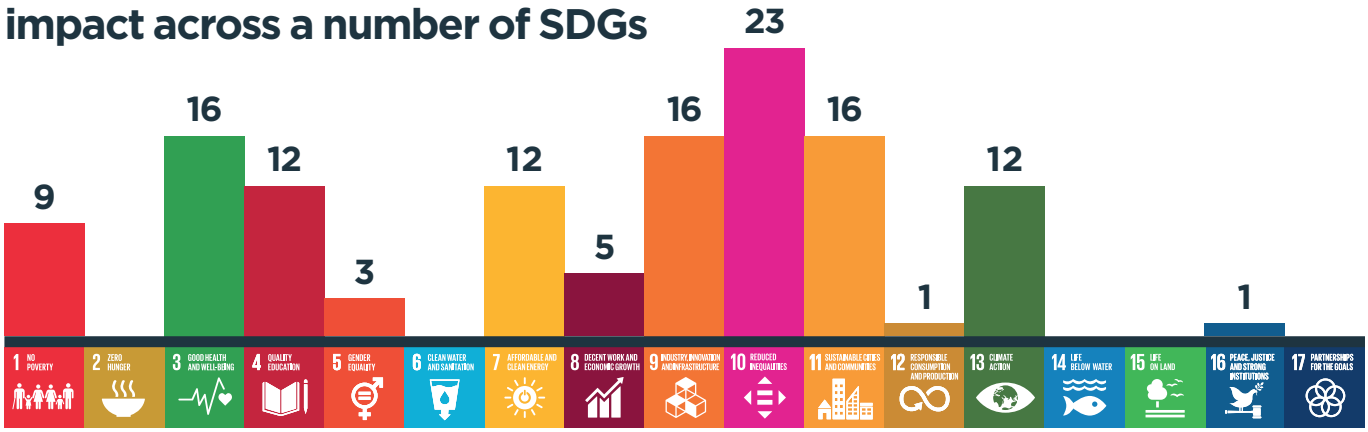
25 Charity/Company Limited by Guarantee

9 Community Interest Company

4 Registered Society

4 Company Limited by Shares

Since SASC launched, these 42 organisations have delivered impact across a number of SDGs



Our funds are UK-wide and we continue to build networks with high performing charitable organisations across the country

Our funds are UK-wide. This map shows the geographic spread of our work and borrowers in each region, as reflected by the relative size of the circles.

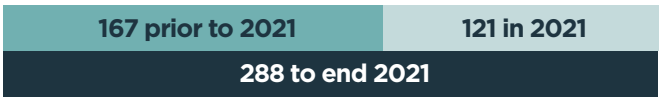
We focus on supporting organisations that work in 'left behind' communities around the UK. We use the Index of Multiple Deprivation to review our investments.

% of SASC's portfolio based in the quartile of greatest deprivation in the UK

1. Impact in housing with support

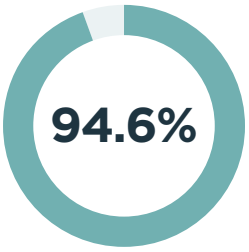
SASC believes everyone has the right to safe, stable and appropriate housing. We support social sector organisations to own or expand their property portfolio, allowing them to deliver an increased number of better quality services. The provision of housing with a package of support is designed to help disadvantaged individuals move back to independent living.

Properties purchased

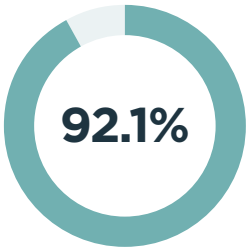


Bedspaces purchased

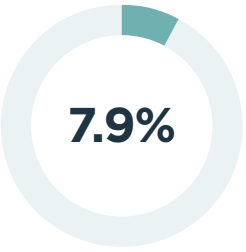
Social sector organisations are crucial providers of Supported Housing to disadvantaged people in their communities.



Average occupancy rate of properties in last quarter of 2021



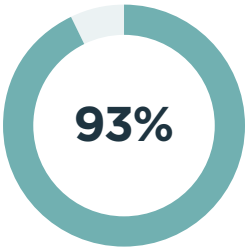
Housing purchased from the private rental sector



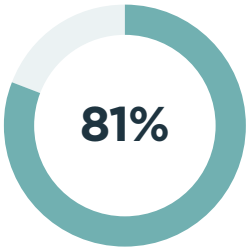
Housing purchased from Registered Providers of social housing

We use the Index of Multiple Deprivation to measure the impact of our investments. The IMD ranks areas in deciles from highest to lowest levels of deprivation.

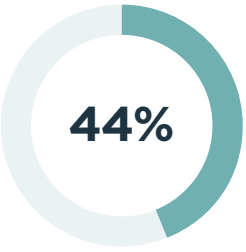
Due to affordability issues, safe, stable and appropriate housing is even harder to find in wealthier parts of the country. So we support organisations that work in the least privileged corners of the UK's most affluent cities, including Edinburgh, Gloucester, and London.



% of housing purchased with SASC investment located in areas ranked in the 50% most deprived areas in the UK



% of housing purchased with SASC investment located in areas ranked in the top third of deprivation in the UK



% of housing purchased with SASC investment located in the decile of greatest deprivation in the UK

* 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.

Housing quality

All residential properties funded by SASC

% of our portfolio that meets Decent Home Standards

EPC rating	% of portfolio
A	0.0%
B	0.3%
C	39.0%
D	45.8%
E	12.7%
Below E	2.3%

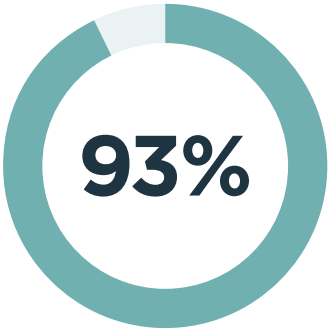
Our second housing fund will include a clear commitment to higher EPC ratings, and we will be working with all our existing borrowers to ensure appropriate measures are taken with respect to energy efficiency. Future impact reports will provide updates on our progress.

Moving onto independent living

The impact aim of all SASC funded properties is to enable frontline social sector organisations to deliver the right type of support and housing, helping their clients through periods of crisis. SASC believes that this delivers lasting improvements to wellbeing and the opportunity to move on to independent living.

426

total tenants housed to date in SASC properties



% of tenants who moved on in 2021 who maintained or improved their wellbeing

% of tenants making a positive move on in 2021

2. Impact in community renewables

We fund renewable energy projects that, in addition to generating carbon savings, commit to return a percentage of their income each year to local community programmes, including addressing fuel poverty. In 2021, SASC had active loans for eight community renewables projects.

Number of renewables projects funded to date

100%
All our projects come with a community benefit plan

12
Solar

2
Wind

Totals for 2021

Energy generated	Homes powered	Carbon saved
32k mWh	11k	4.3k tonnes

Totals since launch of fund*

Energy generated	Homes powered	Carbon saved
108k mWh	37k	14.5k tonnes

* Estimate based off MW capacity.

EDI in the portfolio

As part of our Borrower Survey, we asked our portfolio organisations about their EDI practices, including pay policies. Going forward, these questions will form part of our due diligence for new investments.

Composition of senior leadership teams

Gender

Two thirds of our portfolio have predominantly female senior teams

A fifth have senior teams where at least 75% are women

Ethnicity

Over half of our portfolio has senior teams with a minimum of 25% people of different ethnicities

Composition of trustee boards

Gender

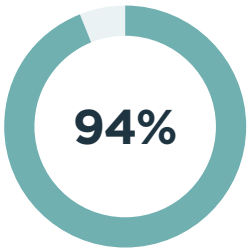
Two thirds of our portfolio's trustee boards have more men than women

A sixth have trustee boards where at least 75% are women

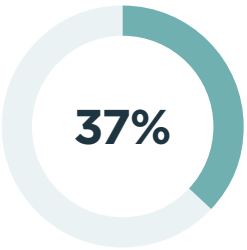
Ethnicity

A quarter of our portfolio has trustee boards with a minimum of 25% people of different ethnicities

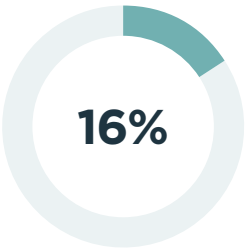
When it came to pay:



Number of borrowers paying the Real Living Wage



Number of borrowers measuring their staff pay ratio



Number of borrowers measuring their gender and ethnicity pay gaps

SASC in 2021

Getting set for greater impact

Our impact through an ESG lens

During 2021 we completed an impact review, designed to assess our practices and investments through an ESG lens. Its objective was to reflect on what we do and believe, and to make sure that those attitudes were embedded across the business. The outputs helped us to better understand ourselves and our borrowers and identified some immediate areas for improvement.

Summary of our progress and actions towards ESG goals:

Environment

SASC: commit to a carbon audit of the firm

Borrowers: bring screening of environmental practice into due diligence

Housing: assess regulatory landscape around carbon emissions in housing to make sure that our housing investments are at or above standard

Housing: develop networks to support our borrowers with current and future retrofit requirements

Governance

SASC: full staff survey to understand who we are, led by an EDI specialist company

SASC: CQ training for senior team members. Other EDI training planned for all staff

Social

SASC: training, studying and volunteering policies reviewed or written

Borrowers: screen for pay gaps and living wage pay policies

Investors: agree investor principles for fundraising

Impact Measurement

SASC: creation of the ESG matrix to crystalise our views as a firm and create a task list

SASC: develop our software to help scale SASC's work for better impact analysis

Borrowers: move SASC to a more aggregated impact data collection approach with a focus on simplifying and reducing the reporting burden on borrowers

Borrowers: introduce an online reporting system

The use of an ESG framework in our impact review highlighted, that while our work in housing is clearly Social (ie 'S'), we also need to ensure we were are intentional in our commitment to 'E' and 'G'.

The exercise began in spring 2021 and lasted a year. An Impact Working Group that included members of the Board steered the project, but it was a whole team effort. All staff and committee members given the opportunity to contribute at each stage, ensuring everyone's ideas were captured as we agreed our priorities. It challenged us to look at how we run our company, the work that we do and each external relationship, all through an impact lens.

We think of our impact as the result of what we do that is different to what might have happened otherwise – SASC aims to be additional in its role as a social investor. This means we design and offer financial support that is not available from mainstream providers of finance.

We used an ESG framework to assess each layer of our work as it offers a familiar way to look at an organisations structures and behaviours.

The result is a grid that distils our beliefs and motivations, and provides a to-do list that we will use to measure our progress.

We will continue to report to the Board on our progress, and provide updates in subsequent impact reports.

Reaffirming the E, S and G in our work

We launched our housing fund, Social and Sustainable Housing (SASH), in 2019. In 2021, we began our first full-scale review of the fund. It was important not just to analyse progress but to understand how SASH II, the follow-on fund set to be launched this year, could be refined and improved.

The impact review's use of an ESG framework made clear that while SASH is fundamentally a social (S) fund, we needed to ensure that the fund was also focussed and committed to the E and G.

In particular, as part of our overall commitment to a just transition to Net Zero, and as the country struggles with a cost-of-living crisis, we need to make sure that the housing being offered to vulnerable individuals was at or above acceptable levels of environmental performance in order to alleviate fuel poverty.

89% of all properties are already EPC D or above. Our second SASH fund will include clear commitments regarding the environmental footprint of the housing we fund, and we will be working with existing borrowers to support them to address the issue.

See Appendix for the ESG framework that captures our principles, behaviours and impact

SASC team insights – EDI, culture and pay

SASC is committed to being an open, diverse and inclusive employer.

Given the SASC team doubled in size in 2021, a major part of the ESG impact review was to make sure that Equity, Diversity and Inclusion practices were fully embedded in our culture as the team grew.

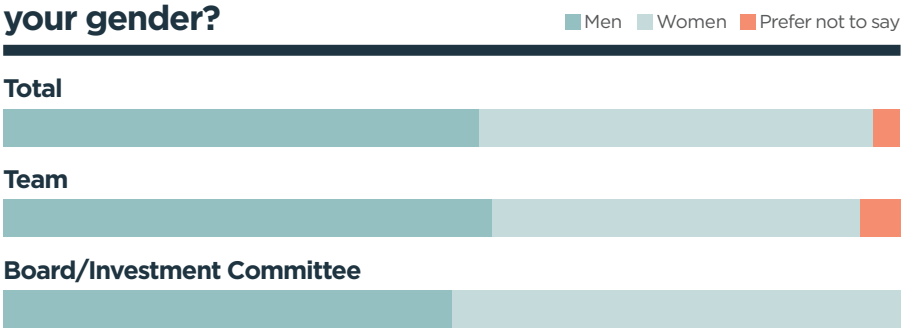
New staff were added across all parts of our organisation – origination, investment, portfolio management, finance and legal, each of which works with our borrowers and investors at different times. While our expansion was aimed at boosting SASC's capabilities and capacity to meet the future needs of the firm, we wanted to ensure we continued to embrace our commitment as an employer to openness, diversity and inclusivity.

Given this, the ESG impact review included a full team survey, to understand who we are and to inform our strategy for developing SASC's culture as we grow.

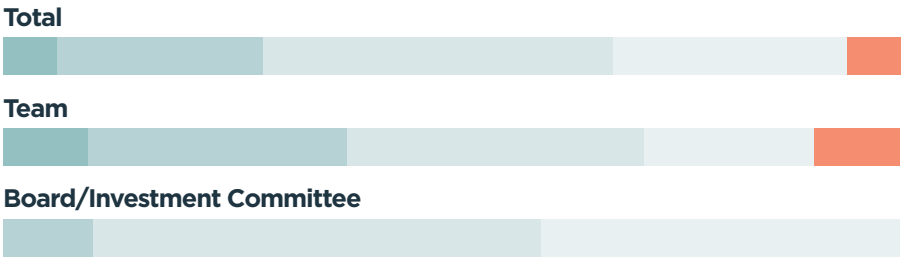
The survey was complemented by a wider review led by a specialist consultancy firm, and was focused on building culture through diversity, inclusion and shared values.

Our focus on EDI is reflected in several ways – how we work with our clients; at board level, where it is given specific consideration; and our team, where a senior leader is responsible for best practice across the organisation. Going forward we will be building diversity training into our wider training schedule for staff.

How do you describe your gender?



What is your age?



Do you identify as being from an underrepresented ethnic group?

Do you identify as having either a visible and/or non visible disability?

SASC culture

We asked the team about our culture, leadership and attitudes to diversity.

All staff were asked to describe SASC by choosing from a list of positive and negative adjectives. The word chosen most frequently was **friendly**, followed by **creative** and **empathetic**. Only one of the 20 most frequently chosen adjectives was negative, **long hours**, ranking at no. 18.

An overwhelming majority of staff felt they were respected at work (91%), that senior leaders were role models for SASC's values (81%) and that their contribution was valued and recognised (80%) and important to the future of SASC (87%).

Areas for improvement:

- long hours were identified as a barrier to optimum work/life balance
- internal communication could be improved both at team and individual/manager level
- more focus is needed on career development and training as we grow

Staff were asked to describe SASC by choosing from a list of positive and negative adjectives

friendly
creative
empathetic
long hours

SASC pay ratio and analysis

Fair pay is an important part of SASC's commitment to equality in the workplace. To ensure we are adhering to this commitment we carried out a pay analysis of the firm as part of the ESG impact review – the outputs are described below.

Our analysis identified gaps in pay across both gender and ethnicity. We plan to address this by maintaining our commitment to ethnic mix and gender balance as the firm grows.

We recognise there should not be pay gaps, therefore it was imperative for us to understand the cause of these gaps. Whilst we are aware that in an organisation of 20 people small changes in personnel can result in big changes to these summary statistics, we are committed to reducing pay gaps.

While the gender balance across our staff cohort is 55% men and 45% women, this is not reflected at all levels of the organisation. We continue to take steps and set goals to improve our gender balance across the organisation within the next 12 months as part of our EDI strategy.

This is the first year we are reporting staff gender, pay gap and ethnicity statistics and will report changes year on year going forward.

Our overarching aim is to ensure an inclusive environment, where diversity is celebrated, and an evolving culture allows all to thrive. Some practical actions to achieve this include enhancing our recruitment processes to attract the broadest community of candidates possible; continuing to accommodate those with caring responsibilities; offering access to wellbeing services for our staff and providing suitable hybrid working arrangements.

Highest to lowest staff pay ratio

2.5:1

Average pay gaps

Pay gaps	Gender	Ethnicity
Mean*	15.7%	12.0%
Median**	29.0%	16.4%

Staff ethnicity

White
Mixed ethnic group

Director and above

Manager and below

Breakdown of total employees (20)

Staff gender

Men
Women

Director and above

Manager and below

Breakdown of total employees (20)

* A mean pay gap measures the difference between the average annual salary of one group against another.

** The median pay gap measures the difference between the pay of the middle member of one group against the middle member of another group, when ordered in an ascending list of pay.

Building capacity and resilience in 2021

Listening to our borrowers creates the most powerful partnerships

Borrower survey

Working with our borrowers to understand our impact across SASC

This year we launched an annual Borrower Survey. We wanted to better understand what borrowers felt they got from SASC and how we can help them more. Crucially we wanted to start collecting some quantitative data on their capacity and resilience and how that linked to our investment.

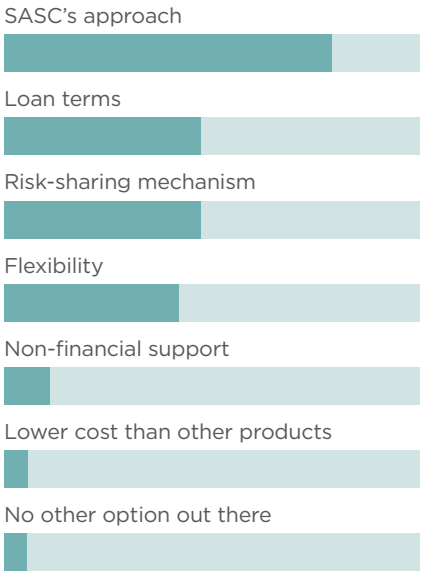
SASC's Mission is "Finance for good. Funding organisations that support communities and transform lives." We have anecdotal evidence and direct feedback from borrowers that supports this ambition. We also have repeat customers, which is a key goal for any organisation like ours.

But we are interested in understanding if our collaborative, longer-term engagement and broader support for social sector organisations delivers lasting benefits, and to understand how that changes over time.

Why SASC?

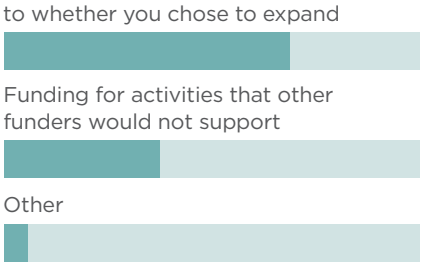
90% of organisations that have received funding from SASC had looked at or received other sources of funding before they came to us. The reasons they give for accepting funding from SASC are encouraging because they match our ambition. SASC's approach has always been to develop product that addresses the needs of the sector.

Why did you choose SASC (over alternatives if you considered them)?



SASC sees risk-sharing as core to the impact proposition. It allows borrowers to grow in a way that would otherwise not be possible, and deliver a larger number of higher quality services to disadvantaged people. Our borrowers view this as the ingredient that sets us apart from others.

What did SASC offer that was not available elsewhere?



Most of our lending is used to help organisations grow.

What is the purpose of your SASC loan?

Borrowers say our loans help them do things they couldn't have done otherwise

95% of borrowers would recommend us to other organisations because...

- we create meaningful partnerships
- we offer a supportive approach
- we provide flexible funding

What makes SASC a good partner?

We asked our borrowers to be honest about their experience of working with us. **We were pleased to discover that 100% of our borrowers said our communication process with them was positive.**

All respondents also described our reporting processes as clear, although 28% said there was room for improvement. We are addressing this by creating a new reporting portal for borrowers.

90% Easy to work with

89% Good at resolving post-investment issues

89% Processes quick and efficient

63% Materials clear and informative

89% of SASC borrowers say their capacity to deliver impact has increased due to our funding

More than just money

We always set out to be more than just a lender, and offer non-financial support where we can. This can include advice, convening, or connecting to partners organisations.

58% of respondents tell us they have received, or expect to receive, this additional support.

62% say they would welcome such support in the future. Suggestions include more learning opportunities with other borrowers, and ongoing strategic help.

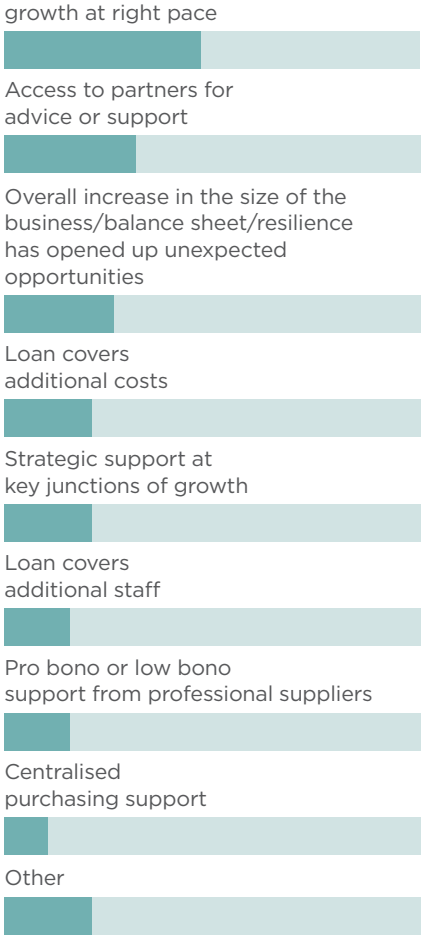
Improved capacity and resilience

SASC's products are designed to generate increased social outcomes whilst improving the sustainability of our borrowers through greater financial resilience.

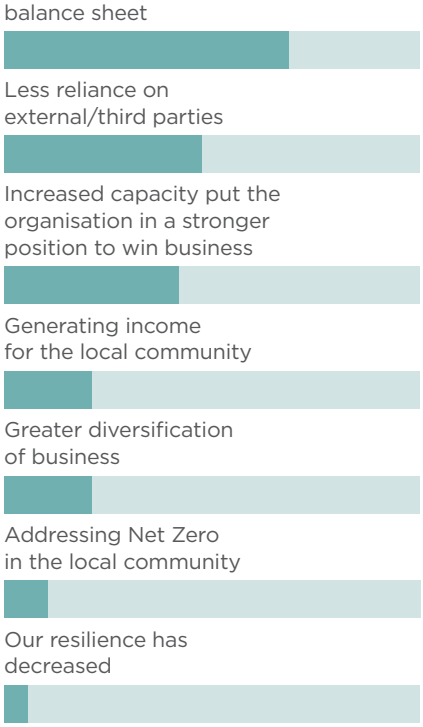
Our goal is that our borrowers are stronger at the end of the loan than they were at the start. This is what will allow them continue to provide best in class support for disadvantaged people.

84% of borrowers say their resilience has grown since taking on a SASC loan

Where your organisation's capacity is growing/has grown, how do we help?



What are the key factors in your changed resilience?



We continue to listen and respond

We were grateful that our borrowers also made suggestions about how we could help further. For example, borrowers suggested we could help by creating networks, pressing policy makers on relevant issues and supporting with internal models and business plans. We have already been working hard to improve our processes and materials, making it easier for potential borrowers to understand and access our funds.

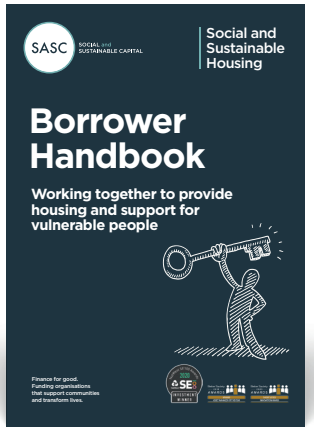
In 2021 we improved processes and materials for our borrowers:

To make it easier for organisations to understand SASH funding, we created a Borrowers Handbook

To make property purchase smoother for our borrowers, we provided more external support

To make reporting and communication simpler for our borrowers, we are launching an online portal

To make the legal closing stage less complicated for our borrowers, we are creating 'plain English' documentation



Dispatches from our borrower CEOs

The borrower survey demonstrated that finance from SASC supports our borrowers to build capacity and long term resilience, making them better able to weather uncertainty – crucial in the current environment.

Following the survey, we asked a selection of CEOs from across the portfolio to describe how their loan from SASC is enabling them to scale responsibly and meet the needs of their communities.

Many of these conversations were recorded and short video edits can be found in the Impact section of our website. The following articles are extracts from transcripts of those interviews.

CEOs

Ray Jenkins, CEO
Emerging Futures

Susan Aktemel, CEO
Homes for Good Glasgow

Jake Burnyeat, CEO
Communities for Renewables

Lorraine McGrath, CEO
Simon Community Scotland

LJ Winterburn, CEO
Valley House

Visit our website to watch short video edits of conversations with our portfolio CEOs

Emerging Futures is a community interest company which has been going for about seven years. We work with people with substance misuse problems who are experiencing low level mental health, homelessness or have some involvement with the criminal justice system. We provide community-based programmes and psycho-social interventions to support behavioural change. We work closely with partner agencies so that our clients get wraparound clinical or family support services.

Of our 200 employees, 75% have their own lived experience of substance misuse or homelessness. We see ourselves as an academy which offers opportunities, via recovery coaching and accredited courses, for people to work in the health and social care profession. We support individuals to build on their own experiences, and work with people effectively. We believe that to sustain change you need someone to love, something to do and somewhere to live.

Early on, we developed a strategic plan that included us providing a transitional housing element so that the people we were supporting could have a secure base. Housing has become the core of our work, allowing us to deliver a combined offer of housing and support. In the beginning we only had access to the Private Rental Sector (PRS). We learnt quickly that there are some landlords that are less scrupulous than others. We wanted to work with people we trusted and have a mixed portfolio. So, in order to improve the quality of the housing, we believed ownership was the route to explore.

We didn't jump in. It took us a couple of years of looking and doing our own due diligence to ask 'are we investment ready?'

We looked at all the different products, including commercial deals, but, ultimately, it made sense to work with an organisation who shared values and also wanted to make a difference. Social investment was new to me but luckily not to our chair. We didn't jump in. It took us a couple of years of looking and doing our own due diligence to ask 'are we investment ready?' The organisation was growing, our contracts were growing, and we needed housing we controlled.

We were always a professional organisation but now we are a commercial one too

Taking social investment has had the desired effect of driving up the quality of the properties that we've taken on board so far. Internally, it's changed the dynamics of not just the board and the governance, but the executive team as well. The discipline of getting the investment has enabled us to invest in the capacity of that executive team, building our commercial sense. But that step change has been pushed down throughout the organisation. So local service managers have a commercial awareness of their responsibilities and how they prioritise work. I would say that we were always a professional organisation but now we are a commercial one too. Ownership has enabled us to concentrate on the offer to the people in our housing. Improve the quality of staff and the interactions. Focus on the impact on clients.

It has been a real learning curve but I think the organisation is in a much, much better position now. The whole team feel as though we've got that capacity and are more resilient. And I think from the off, certainly through the whole process of due diligence, we felt as though we were in a partnership with SASC. What we found is that it wasn't just about giving us the knowledge of what we can and can't do with the money. SASC offered commercial suggestions; they were willing to work flexibly when markets changed. So when house prices went up in areas we wanted to work, we made alternative plans. We've always found SASC willing to find a solution, as long as it's within the principles of our business plan and loan requirements. The flexibility has been invaluable.

It has been a real learning curve but I think the organisation is in a much, much better position now

Ray Jenkins
CEO, Emerging Futures

EMERGING FUTURES
creating opportunities for change

Visit our website to watch the Ray Jenkins video

I created **Homes for Good** (HFG) for two reasons. Initially, I wanted to improve what I could see going on in the private sector, both for landlords and tenants. And that was as a direct result of my experiences as a landlord myself and in particular the negative experience that I had with letting agents that I worked with. I wanted to create the letting agency that I wanted to work with, that was values driven, that felt like home and that was a social business.

But then what I also realised was that there was a massive problem, which also then created a massive opportunity around people who couldn't get access to social housing because of waiting lists and then having to access the private rented sector. And often it was poor quality, it was expensive and it was insecure. I basically needed to 'compete with the cowboys' and deliver something very different – beautiful homes, with tenancy support and people feeling safe at home. So that really was HFG and after nine years we have 540 properties under management and with the help of SASC and other investment we own about 300 of those ourselves.

We were one of your guinea pigs for the original SASH fund loan structure in 2018 and we came back again in 2021 for a second loan. The reasons are fairly simple

We were one of your guinea pigs for the original SASH fund loan structure in 2018 and we came back again in 2021 for a second loan. The reasons are fairly simple. Firstly, the more properties we can buy, the more homes we have for people. It's just a really simple metric to be able to increase our impact through growth. The second thing is that by having this additional investment from SASC it has also strengthened our capacity by strengthening our operational income through rental income and management fees and those different things.

Investment like your loan is the oil for the cogs of the organisation to grow. And it's also strengthened and it will strengthen over time the balance sheet of HFG. All of this strengthens our financial resilience, which in turn makes it easier for us to deliver our impact. It's a virtuous circle.

The third thing is that it continues to strengthen our track record of continuing experience in the investment market. Every time you do the due diligence process and you get another approval for investment, it just strengthens your presence, which then is an added layer in the virtuous circle that enables you to grow more.

The reason we came back for a second loan is really simple. It's four years that we've been working together and we've all come such a long way in those four years. We've built up a really strong relationship with SASC around shared values and trust. And so it makes sense when you've got a partner that you really enjoy working with, to do more with that partner. And although designing the loan agreement four years ago was tricky, it's the shared risk, genuine shared risk that makes it an easy product for us to like and for our board to understand that we want to do more with that.

Susan Aktemel
CEO, Homes for Good Glasgow

We've built up a really strong relationship with SASC around shared values and trust. And so it makes sense when you've got a partner that you really enjoy working with, to do more with that partner

Visit our website to watch the Susan Aktemel video

CFR is a not-for-profit company that helps communities, councils and charities that want to set up clean energy businesses. Since we set up in 2012, we've helped to develop and finance community owned solar projects with a capital value of over £60m. We look after 50 megawatts of community owned solar projects across seven diverse localities, generating enough energy to power 13,500 homes. These projects are projected to generate £20m of surplus income over their lifetimes to support Net Zero transition and community projects in their localities.

A key part of our work is about supporting communities with the financing needed to set up a large-scale community energy project. It can cost well over £100,000 of risk investment, even to set up a project, secure planning, land and grid connection agreements and manage the transaction costs of building or purchasing a solar farm. That's before any capital spend building it.

These projects are projected to generate £20m of surplus income over their lifetimes to support Net Zero transition and community projects in their localities

The projects are all governed by local volunteer directors. Their operating business model is to generate energy which they sell to the grid and earn a revenue that is used to cover the running and finance costs. Any surplus income after operating finance costs and building up sufficient reserves is used by that company to support its community purpose.

Typically, schemes are funded by a combination of long-term bank debt, community investment and in some cases a bridge loan that fills the gap in between. SASC has provided our projects both bridging loans and long-term debt depending on what the project has required.

For this sort of non-standard commercial project, communities need flexible funders who share our social objectives and values, and are comfortable supporting social enterprise structures. SASC is one of a handful of UK funders that can do that. We have now worked together on five projects across the UK. All the short-term bridge loans have been refinanced, including Burnham and Weston Energy that raised £4m in a community bond raise – the largest ever community solar bond raise in the UK.

On one group of community projects, SASC has been through several refinancing transactions with us. The flexibility SASC has shown in allowing us to restructure the loans has been vital in helping us create a long-term affordable finance structure for the project.

Energy is an economic drain on any community*. Community renewables projects, where there is a locally-owned energy economy, allows profits to stay in the community, creating a local economic multiplier.

Our ambition is to scale the community renewable sector, but there are two main challenges: competition with commercial companies and development risks for communities.

Communities are competing with well-funded, well-resourced, experienced commercial developers. Quite often we find a community energy enterprise got going in a town, with a great idea for a local energy economy, and with the backing of the community and towns institutions, but when it comes to trying to find suitable sites for a community and wind farm or solar farm, they find that the sites have already gone to commercial developers and that grid is full.

When we can help communities to get a large scale, profitable community energy scheme off the ground, they then have the challenge of how best to use the profits from that project. Lots of our projects are looking to support their local community with the transition to Net Zero. They are exploring a range of models, in particular with a focus on supporting the retrofit economy in their areas. Others are looking at deploying rooftop PV or funding energy advice services to support people in their communities who are struggling with fuel poverty.

CFR believes that community energy is an opportunity to address not just Net Zero but also the cost-of-living crisis, and has been overlooked by investors. In the long term, SASC has an opportunity to play a key role in helping charities, not for profits and potentially public sector bodies deploy significant amounts of capital into community-owned low carbon infrastructure which is aligned with their social and environment values and delivers sustainable returns.

Jake Burnyeat
CEO, Communities for Renewables

CfR manages Ferry Farm, Burnham and Weston Energy, Gawcott Solar and Heart of England

Visit our website to watch the Jake Burnyeat video

* This interview was conducted before the regulator announced the raising of the new energy price cap in August 2022

NEW DEAL IN 2021

Simon Community Scotland (SCS) provides hope and homes for people experiencing homelessness or who are at risk of homelessness. SCS works in partnership with local authorities, other agencies and other funders. We provide a whole range of different accommodation services from emergency immediate crisis intervention accommodation through to long term and now, with SASC support, permanent homes.

We were introduced to SASC by Homes for Good Glasgow who are part of our extended network and explained what social investment does. The loan has already had a huge impact on us because as a provider of social care homelessness services, we now know we also can also facilitate people directly into permanent homes. So that means that we have a real end to end offer.

It has been remarkable in our interaction with our clients. We have sometimes worked with people for many years. They have been in and out of the system and our care. To finally have the opportunity to offer them a safe, secure home with a landlord that really understands them is wonderful. It can take people four or five years to access even basic accommodation in Edinburgh with hundreds of applications for every social tenancy. So, to be able to help long-standing clients is so important for us. And in return, our new tenants have been incredulous about the quality of the housing we are able to offer them because we are in control of the properties and their maintenance.

To finally have the opportunity to offer them a safe, secure home with a landlord that really understands them is wonderful

Owning our own properties has also given SCS the ability to talk to other housing providers on an equal basis. The SASC-sponsored growth has been hugely welcomed by the local authority because anything that increases the options for housing in the city is appreciated. Especially anything that helps people to move on from long-term support and care accommodation which is very expensive.

Owning our own properties has also given SCS the ability to talk to other housing providers on an equal basis

Working with SASC gave us the confidence to trust ourselves and our ability to manage the housing. It was a very, very steep learning curve for me and the team. We had to really develop our understanding of the finance and legal worlds. We worked hard to make the business case work but we never lost sight of the impact we were trying to achieve.

It was a very, very steep learning curve for me and the team. We had to really develop our understanding of the finance and legal worlds. We worked hard to make the business case work but we never lost sight of the impact we were trying to achieve

And, of course, the learning has continued as the pressure remains high on the housing market in Edinburgh. But the loan pays for someone to purchase the housing and that has been critical as they can respond really quickly and we've managed to buy houses despite the competition.

What we weren't expecting but what is going well already is how quickly our tenants have settled into their new homes, despite their many challenges and their chronic experiences of homelessness. It can't be overstated just how much impact this has had. Even on just one life. It is giving people a sense of hope and aspiration and offering them something they have never had.

Being in control of the purchasing means we can buy in areas where people want to live. Near their families or a location that will work best for them. It means we can give them the best possibility of service.

We'd love to do more social investment and be able to offer more people a different type of accommodation. SCS does not have an ambition to be a large landlord, we want to make things happen, create capacity, and allow people to move forward. With the social investment, we are the first to establish a model that shows that was possible. We want to continue to build the evidence so we can encourage local authorities and other agencies and housing providers to come alongside us and be part of that ambition.

Lorraine McGrath, CEO
Simon Community Scotland

Visit our website to watch the Lorraine McGrath video

Before meeting SASC, we were reliant on registered providers and private landlords to source accommodation and it often wasn't right for our service user groups in terms of schools, transport links, or quality. We also weren't particularly attractive to private landlords. They stereotyped our service user groups and, if they could rent to other people, the general public, they would choose to do that. Additionally, some registered providers are pulling back from leasing their properties to organisations like **Valley House** because of increased demand on them.

But we had obligations in terms of our contracts with the local authority, so we decided to look at trying to buy our own properties. We realised it was going to be a lot of money – way more than our annual turnover – but we believed it was something we had to do to move forward. SASC went through a very long due diligence process that allowed me to get our board to a place where they felt safe to take on this.

Before meeting SASC, we were reliant on registered providers and private landlords to source accommodation and it often wasn't right for our service user groups in terms of schools, transport links, or quality

And it means that we now own 22 properties in areas that we want them to be in. It has been a journey. You start off thinking that you just want to borrow money, then you realise there are the challenges that sit behind that in terms of knowledge and skills you need. So, we're going through a process of upskilling so we can be the very best landlord.

The loan hasn't yet increased our capacity in terms of the contracts that we've currently got. But what it does mean going forward is that

You start off thinking that you just want to borrow money, then you realise there are the challenges that sit behind that in terms of knowledge and skills you need. So, we're going through a process of upskilling so we can be the very best landlord

when a contract tender goes out, we are able to say that we have our own properties and have the housing management expertise. This will be beneficial in terms of looking for additional funding going forward for services.

In our SASH properties we are completely responsible for all the maintenance, rather than in our rentals where we are reliant on the landlord. We have an ongoing issue with one property where there is mould in the bathroom. The Registered Provider has come and done a bit of work here and there but it has been going on for six months and to me that's unacceptable.

For our owned properties we've got external contractors and work gets done a whole lot quicker and to a better standard, with better communication with us than we have with our other landlords.

I've just finished writing our new strategic plan, and within that there's the commitment to write an environmental sustainability strategy aligning with the green agenda, which will address all the regulations and standards.

My advice to new borrowers is to think about the green agenda and how their strategies speak to that.

LJ Winterburn, CEO
Valley House

VALLEY HOUSE
Promoting positive change since 1977

Visit our website to watch the LJ Winterburn video

Shaun Needham, departing CEO of Target Housing, has the final word

In 2018, an event was held in Rotherham which provided an opportunity to reflect on, and craft solutions to, the community-level issues facing the city. SASC Research Director, Peter Morris, who was then part of the investment team, had been invited to discuss financing for property purchases.

Shaun Needham was attending as CEO of Target Housing, a charity and social landlord working with vulnerable groups across Yorkshire and the Humber.

A conversation between the two led to a loan, that has since been increased twice to allow Target to scale to meet local need. One increase was during the pandemic to help the Everyone In cohort of rough sleepers who found themselves without support of shelter during the pandemic. The second, this year, allowed Target to continue to expand in line with need. The charity now manages 865 properties and owns 96 of them of which SASC helped fund 47 through two loans.

After 15 years at Target, Shaun is now retiring. We would like to thank him for choosing to work with SASC and for all his invaluable support of the SASH fund and its development. His ability to articulate the view from a charity's perspective, and how funding needs to be adjusted to support frontline work, has been a vital tool in explaining the impact of the fund to a wider audience. He first sat on a panel discussion when we launched SASH; since then, he has spoken to investors, government and potential new borrowers numerous times on our behalf. We are grateful for Shaun's encouragement of the fund which is generously offered in that ongoing spirit of partnership.

Before he steps down, and as our first borrower CEO to retire mid loan, we talked to him about his career and how he will hand on the management of the SASC loans to his successor.

It would be great to hear again about your reasons for taking social investment, and what you might have been concerned about at the time.

I attended an E3M presentation in Rotherham and although very worthy it was obvious that it wasn't clear that the Local Authorities were going to support more of the radical procurement ideas being discussed. But one person spoke with a voice I liked and understood and that was Peter Morris, so when I managed to get him on his own I listened and thought social investment from SASC might be a way for Target to massively speed up its ownership of property goal.

I had previously been approached by a number of other "social Investors" all of whom offered lots of money but either they came across as unscrupulous organisations or they just wanted to know what their return was first and foremost.

Peter and then everyone we met at SASC wanted to know what we would do with the money; how it would benefit our clients. SASC took an interest in Target – who we are; how we did things; why we did things; what did the wider sector think of Target. That is, were we worth investing in! It was only when they had looked into that did we started to look at returns.

Because of the demand (then and now) for our services, I was always comfortable with our ability to cover the monthly fees and once we had agreed additional funding to bring in an extra staff member to procure the properties, I knew we would take the investment.

My initial concern was would I be able to persuade my Board to agree to the investment. We had never borrowed such a large sum in our history and the Board is very conservative; but during their first visit to us, SASC spoke clearly and openly to Chair and Treasurer and won them over. Since then, it has been very pleasurable plain sailing.

You took a second investment to help address the Everyone In crisis at the start of the pandemic, and we hope Target Housing will take future investment too. What is it about SASH loans that make you feel comfortable about doing that when at the beginning you were concerned about what you would be leaving future CEOs?

Being flexible and designing a monthly fees calculation in a way we could easily budget for, and everyone could understand, made future investment discussions far simpler with our Board and some senior staff.

So, taking the second investment was a no brainer. At that time, we were swamped with demands for property from commissioners and others in the local area. Plus, our property procurement team was finding property when we all thought it would be far more difficult; so we had the demand and the supply at the same time.

Sadly, demand is still there and I suspect always will be. It may be wrong to say it but the Pandemic was an opportunity for Target to continue to grow; everyone else battened down the hatches but Target did as always and said yes because there was huge need, and then tried to work out how we'd manage it. It has worked out, as we knew it would and we are pleased that we heeded that call to help.

Can you describe why you choose to own houses rather than rent. Has your view on this changed over the years you have had the loans?

Owning gives total flexibility. In financial terms owning is always going to be cheaper than renting and eventually we have equity in the portfolio to use to expand it even more.

Perhaps more importantly though, we get properties that we can switch between one project to another, so as to retain income. For us this has fairly important consequences as we can adapt to the neighbourhood.

One example might be if we had very complex, drug-using clients who had undesirable friends that came and caused neighbourhood issues. If we own the house, we can move that client and look to use the property for another client group, for example a mother and child fleeing domestic violence.

Private landlords tend to demand their property back at the first sign of neighbourhood issues reaching their ears; sometimes they have inflamed issues with neighbours without our knowledge. Having this flexibility allows us to repair a complicated situation if something goes wrong.

You are our first SASH CEO to be stepping down. What will you be telling your successor about SASH and SASC?

Obviously, it is a large sum of money we have taken on and so the repayment after 10 years will be something I think about even after I retire. I've already run the idea of mortgaging the whole portfolio past a potential future lender and, although a long way off, it is clear they would like to take it on if they can. I also still think and tell anyone who will/might listen, that Government should be offering long-term mortgage deals for social housing providers. SASC could also deliver this to borrowers as a follow on.

While I will always worry for my successor, Target has already grown far more resilient and is able to deal with issues on a much bigger scale than ever before. I am confident that simple solutions can be found.

In addition to this, I will be saying that SASC is a vital and important partner to Target Housing. I hope they will be able to access SASC resources for a very long time to come and continue to contribute to the work of SASC.

We wish Shaun every happiness in retirement and want to thank him for all his support and encouragement

Visit our website to watch Shaun Needham in conversation

For more information about Target Housing, see pages 44 and 46

Our portfolio

Supporting best in class charities and social enterprises 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 disadvantaged. This includes people who are struggling with poverty, disability, illness, unemployment, economic hardship or social isolation. We currently manage four funds:

1. **Social and Sustainable Housing (SASH)**
2. **Community Investment Fund (CIF)**
3. **Third Sector Investment Fund (TSIF)**
4. **SASC Bridge Finance (SBF)**

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.

Putting impact at the heart of what we do

SASC is proud to have invested in 42 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.[1]

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

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.

Portfolio 2021

○ Current investments
● Alumni investments

Active Prospects
affinitytrust – Supporting people with learning disabilities
baca – investing hope, shaping futures
The BigLife group
Bristol Energy Cooperative
brook
CCP – Caring for Communities and People
Child Dynamix – Communities where children & young people thrive
chime – NHS partner – your specialist hearing experts
cornerstone
Drove Lane Solar Farm CIC
EMERGING FUTURES – creating opportunities for change
family action
Ferry Farm community solar
FIVE LAMPS – Making People Matter
Futures
GAWCOTT FIELDS COMMUNITY SOLAR
GIROSCOPE
GRIDSERVE sustainable energy
HS4LC – Harrogate Skills 4 Living Centre
hct group
Heart of England Community Energy
Homeless Oxfordshire – Housing today, hope for tomorrow
HOMES FOR GOOD GLASGOW
mind Hull and East Yorkshire
HULL Women's NETWORK
New Mains of Guynd Solar Park CIC
P3 – PEOPLE POTENTIAL POSSIBILITIES
Peter Bedford Housing Association – Inspiring Brighter Futures
PEC Plymouth Energy Community
positive steps
RESILIENT ENERGY
RESILIENT ENERGY – Mounteneys Renewables Ltd – TWO COMMUNITY WIND TURBINES
Simon Community Scotland
spacious place – CONTACT
2010 Storeroom
target
trinity – ending homelessness
VALLEY HOUSE – Promoting positive change since 1977
Wheatsheaf Trust

Social and Sustainable Housing (SASH)

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

Social and Sustainable Housing

Reach
UK-wide

Launch date
May 2019

Funding available
£2m – £5m

Term
10 year loans

INVESTORS[1]
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
Oglesby Foundation
Power to Change
Schroders BSC Social Impact Trust
Skagen Conscience Capital
Social Investment Business
Trust for London
The Tudor Trust
The University of Edinburgh
Virgin Money Foundation

1. Individual investors listed on back cover

NEW INVESTMENTS IN 2021

1. Hull and East Yorkshire Mind
2. Homes for Good Glasgow
3. Peter Bedford Housing Association
4. P3
5. Target Housing
6. Simon Community Scotland
7. Thrive Social Housing (Emerging Futures)
8. Homeless Oxfordshire

CONTINUING INVESTMENTS

1. Baca
2. Positive Steps
3. Target Housing
4. Active Prospects
5. Hull Women's Network
6. P3
7. Valley House

Loans approved in 2021 that closed in 2022 are not listed above

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.

In the UK, more than 250,000[1] people are reported to be homeless or living in inadequate homes.

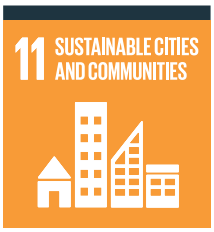
SASH enables charities to purchase residential property and offer safe, stable and appropriate housing to disadvantaged people.

People living in 'non decent accommodation' suffer disproportionate levels of physical and mental ill health.

SASH requires all housing to meet Decent Homes Standard.

36%[2] 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.



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.

£44.8m
Total investment to end of 2021

13
Organisations active in SASH portfolio in 2021

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

NEW INVESTMENT

Hull and East Yorkshire Mind

Location: Greater Hull

Established in 1976, Hull and East Yorkshire Mind delivers specialist mental health services to vulnerable individuals and their families. The charity supports beneficiaries across a spectrum, from those needing modest support through to 24-hour care residents. They also campaign to destigmatise mental health and to improve mental health facilities and services in the Greater Hull area.

About our investment

Date of investment:
September 2021
£2.65m property loan
(10-year term)

The loan will enable Hull and East Yorkshire Mind to purchase 21 properties, expanding their housing portfolio and providing 65 bedspaces to vulnerable individuals with mental health challenges.

What	Transition to independent living
Who	Vulnerable people at risk of homelessness with mental health challenges
How Much	21 properties for individuals with complex needs across the Greater Hull area
Contribution	Expand its housing portfolio to meet local need
Risk	Strong track record of delivering quality support services and property management

NEW INVESTMENT

Homes for Good Glasgow

Location: Glasgow

Homes for Good 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:
November 2021
£3.5m property loan
(10-year term)

The loan will enable Homes for Good to purchase 47 properties in Glasgow and Ayrshire.

What	Providing tenants with safe and affordable homes to live in, alongside tailored tenancy support to individuals with more complex needs
Who	Low-income individuals and those facing homelessness
How Much	47 properties to be made available for a low income and vulnerable client group
Contribution	The loan will support Homes for Good to grow its portfolio by an additional 47 houses and address the shortage of safe and affordable housing in Glasgow and Ayrshire
Risk	Homes for Good has a strong track record of purchasing and refurbishing properties and providing tailored tenancy support

NEW INVESTMENT

Peter Bedford Housing Association

Location: Greater London

Peter Bedford Housing Association has been providing general needs and transitional supported housing in the London boroughs of Hackney and Islington for over forty years. Their services include people who have experienced homelessness, time in prison, mental health issues, drug or alcohol misuse, and people with learning difficulties.

Residents are also encouraged to engage in additional services, including access to community activities, work schemes, training and employment for people who have suffered social exclusion in Islington and Hackney.

About our investment

Date of investment:
December 2021
£2,050,000 property loan
(10-year term)

SASH and GLA funding will enable PBHA to purchase and refurbish 12 self-contained units in the London Borough of Newham.

What	Safe and affordable homes with comprehensive support
Who	The vulnerable and socially excluded, including the homeless, and those with substance abuse problems, learning disabilities and mental health conditions
How Much	12 properties in Newham
Contribution	Working with the GLA to increase provision of supported housing
Risk	The charity has a long history and strong track record of delivering support

Spotlight on Peter Bedford Housing Association

PBHA is a small supported housing provider in northeast London that delivers social and practical support to tenants as well as employment and training support.

PBHA hadn't developed any new housing for almost 20 years and we were looking for ways to grow and develop, while also trying to work with more people. We've identified that there were some neighbouring boroughs that had really high homelessness needs, and we wanted to try and help.

Working with SASC was such a positive experience. The funding helped us to, first of all, go out and find additional funding from the Greater London Authority (GLA). Through this initial work with the GLA we have become a GLA "Investment Partner" which will offer future avenues for investment. It helped us to really grow our purpose, and meet more need in more areas. We'd been able to work with individuals to reduce their homelessness and help them to become independent in the future.

By growing our asset base, the investment will help us to grow even further because we'll have more assets from which to build more properties in the future or to borrow money against. In addition, we feel we have are becoming stronger for the future as well. Not just in terms of buildings, but also in terms of the skills that we have and the people within the organisation.

In fact, the first investment went so well and we bought our properties so quickly that we were delighted to extend the funding to buy an additional nine properties.

We learnt so much from the first investment including setting up a project team to help deliver the second investment comprising of colleagues from the property, senior leadership, and finance teams.

To be able to give former rough sleepers their own front door, their own place where they can cook their own food and just be themselves, and have that sort of freedom again, is so important. And we can offer ongoing support to help them maintain that because part of the funding through the GLA is for a recovery worker who will help tenants grow into their community, manage their heath and move toward employment.

In a place like London the housing market is so complicated. It takes time to get to know it and understand what you want to buy. We have been working with Red Loft for several years developing our own Development Strategy and we partnered again with them to support our search for the right kind of housing. They had the market knowledge and expertise around negotiation and really helped streamline sourcing of the properties. During the conveyancing process, they helped us to hold our nerve when it became stressful. Through this process and through working with them, we have developed our knowledge and understanding about renovation and refurbishment as well.

Social investment has given PBHA the opportunity for a strong future. To be able to look back on the process and see all the development you weren't expecting is so encouraging. We expect the financial resilience and the upskilling of the team will support us for the next 25 years at least. Which, sadly, is good given the need for supported housing isn't going to go away.

Clare Norton
CEO, Peter Bedford Housing Association

Visit our website to watch a short interview with Clare Norton

NEW INVESTMENT

P3 (People, Potential, Possibilities)

Location: Lincolnshire and Gloucestershire

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:
January 2021
2 new investments, totalling £5.9m property loan (10-year term)

These investments will allow P3 to purchase an additional 69 properties to provide vital accommodation in Lincolnshire and Gloucestershire.

The original loan enabled P3 to purchase up to 34 properties for supported housing; 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	69 properties, bringing the total to 103 properties, which create over 100 bed spaces in supported housing across Wolverhampton, Lincolnshire and Gloucestershire
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

NEW INVESTMENT

Target Housing

Location: Yorkshire and the Humber

Established in 1990, Target Housing 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.

About our investment

Date of investment:
February 2021
£2m property loan (10-year term)

This new investment will allow Target Housing to purchase 20 properties across Yorkshire and the Humber.

This brings our total investment in Target Housing to £5m. The original loan enabled the purchase of 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	20 properties, bringing the total to 49 properties across Yorkshire and the Humber
Contribution	The loan provides Target Housing with certainty of stable, decent accommodation to support their beneficiaries
Risk	Target Housing has a strong track record of providing housing for this group and of being commissioned by the local authorities

NEW INVESTMENT

Simon Community Scotland

Location: Edinburgh

Simon Community Scotland (SCS) focuses on providing housing and support for people facing homelessness. Working across Scotland, the charity supports people to resolve their homelessness and recover from extremely difficult circumstances. The charity was founded in 1963.

Simon Community Scotland's services range from 24/7 online help, street teams, outreach housing and supported accommodation across Glasgow, Edinburgh, North Lanarkshire, Perth and Kinross.

About our investment

Date of investment:
May 2021
Up to £5m (10-year term)

The loan enables Simon Community Scotland to expand its services into Edinburgh and buy 15 one and two-bedroom properties that will provide permanent homes for people with complex needs and experiencing or facing homelessness.

What	Transition successfully out of homelessness into independent living
Who	Vulnerable adults and young people with complex needs, experiencing homelessness in Edinburgh
How Much	The loan will provide safe and affordable accommodation for up to 30 rough sleepers and homeless people in the city
Contribution	The loan enables Simon Community Scotland to supplement its existing services in Edinburgh
Risk	Simon Community Scotland has a strong track record of providing support and housing for this group in Glasgow and North Lanarkshire

NEW INVESTMENT

EMERGING FUTURES
creating opportunities for change

Thrive Social Housing (Emerging Futures)

Location: East Cheshire, Lancashire & Hertfordshire

Emerging Futures provides transitional supported housing across the South East for people affected by homelessness, poor health or drug and alcohol issues.

The charity was founded in 2014. They provide safe and affordable homes to enable vulnerable adults to move on successfully from homelessness and addiction. Residents are supported to engage with a range of local health, social care and primary care programmes to support their journey towards independent living.

About our investment

Date of investment:
July 2021
Up to £2.65m
property loan
(10-year term)

The loan enables Emerging Futures to purchase 10 three and four-bed properties for use as supported housing across East Cheshire, Lancashire and Hertfordshire.

What	Successful transition to stable, healthy and independent lives
Who	People with multiple, complex needs arising from substance abuse & addiction experiencing homelessness in the South East and North West
How Much	10 properties which provide safe and affordable accommodation for up to 38 vulnerable adults
Contribution	The loan enables Emerging Futures to expand their portfolio of properties reducing reliance on housing rented from private landlords
Risk	Emerging Futures is commissioned by the local authorities in the regions in which they operate

NEW INVESTMENT

Homeless Oxfordshire
Housing today, hope for tomorrow

Homeless Oxfordshire

Location: Oxford and Banbury

Homeless Oxfordshire is the largest supported accommodation provider for homeless people in Oxfordshire. Through 11 innovative housing projects, the charity provides a range of support to help people rebuild their lives. At present Homeless Oxfordshire supports 220 single homeless people in Oxfordshire.

They provide a range of housing with high quality support, creating individual solutions to individual need; encourage and support homeless people to take up training, education and activities.

About our investment

Date of investment:
October 2021
£3.75m property loan
(10-year term)

The loan enables Homeless Oxfordshire to purchase 11 properties across Oxford City and Banbury that will provide 27 beds for rough sleepers with varying support needs. These owned properties will primarily replace rented bed spaces in less suitable parts of Oxford

What	Providing affordable accommodation to overcome rough sleeping in Oxfordshire
Who	Vulnerable adults and young people with complex needs
How Much	The loan will provide safe and affordable accommodation for rough sleepers in Oxford and Banbury
Contribution	The loan enables Homeless Oxfordshire to offer supported accommodation to vulnerable people with complex needs
Risk	Homeless Oxfordshire have a strong position in the Oxford market as the only provider of hostel accommodation and with strong links to Oxford City and County Councils

baca
investing hope, shaping futures

Baca

Location: Loughborough

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.

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".

About our investment

Date of investment:
March 2020
£1.75m property loan
(10-year term)

The loan enables Baca to purchase 6 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

What	Transition to independent living
Who	Young, unaccompanied asylum seekers aged 16+
How Much	Housing and support for 22 vulnerable young people at any one time
Contribution	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
Risk	Strong track record providing support and housing to this group. Move-on housing is a new service

positive steps

Positive Steps Partnership

Location: Dundee

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.

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.

About our investment

Date of investment:
November 2020
£1.82m property loan
(10-year term)

The loan enables PSP to purchase 30 properties, dispersed across the city

What	Transition from prison release to independent living
Who	Vulnerable adults, including ex-offenders and those suffering drug addiction
How Much	Housing and support for 30 clients at any one time
Contribution	By reducing reliance on private rentals, PSP believes they can better support their clients to achieve successful transition to independent living
Risk	Although PSP has no previous property ownership experience, they have a strong track record of supporting vulnerable individuals in rented housing

target

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.

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

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".

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.[1] 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:
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

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
£2.55m 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

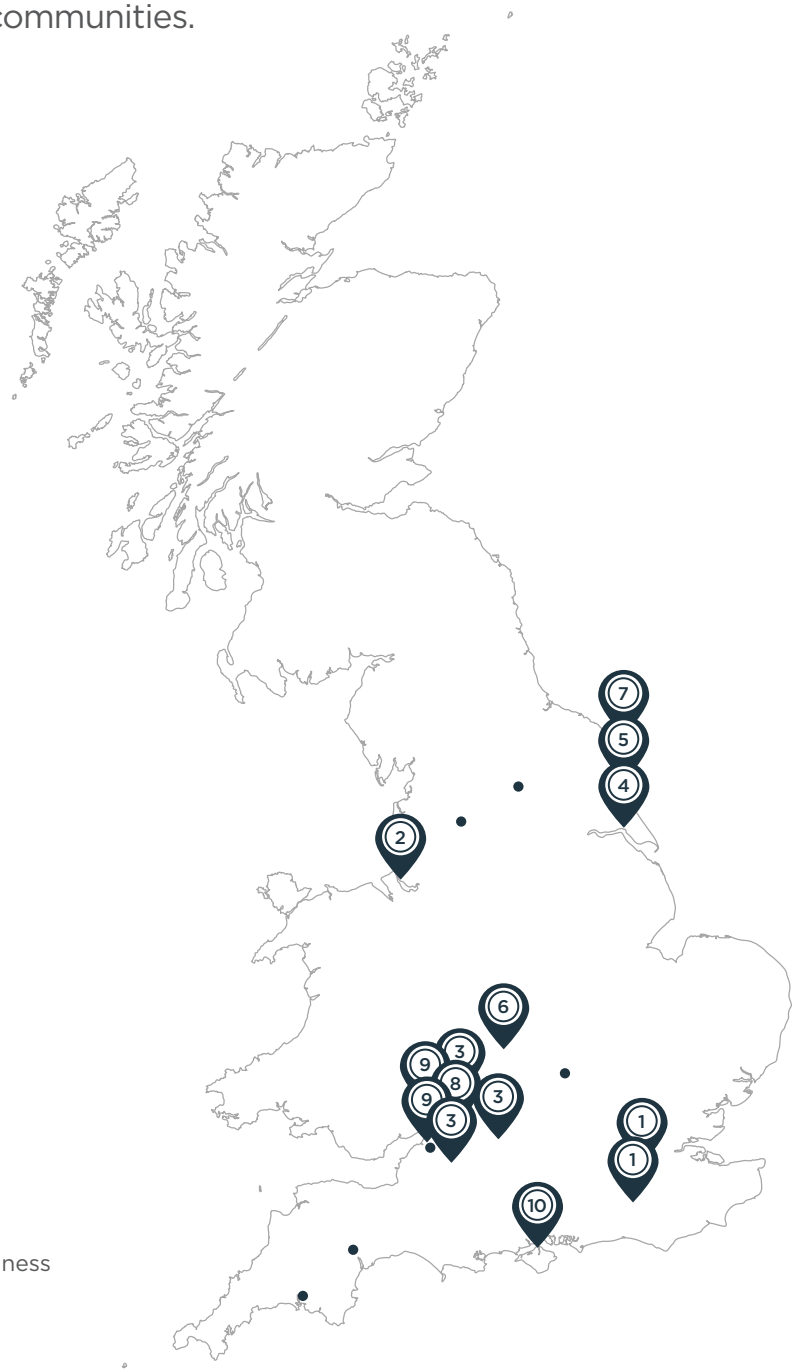
Community Investment Fund (CIF)

CIF provides long dated loans to small and medium sized charitable organisations across England. These organisations are focussed on delivering social change, particularly amongst disadvantaged groups in their communities. Our loans are designed to support financial strength and organisational 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.

CONTINUING INVESTMENTS

1. **Active Prospects**
2. **The Big Life Company**
3. **Caring For Communities And People**
4. **Child Dynamix**
5. **Giroscope**
6. **Heart of England**
7. **Hull Women's Network**
8. **Resilient Energy Forest of Dean (REFD)**
9. **Resilient Energy Mounteneys Renewables (REMR)**
10. **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 page 55)

SASC LABS

CIF DIRECTLY ADDRESSES 4 SDGS

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

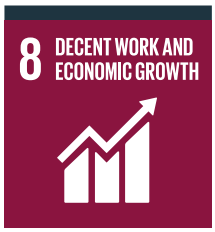
CIF works with charities and social enterprises that are focused on communities and social issues. These organisations have often been created by communities in response to specific problems.

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.

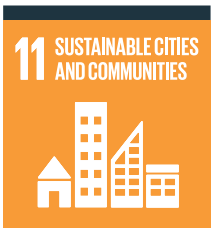
Multiple households in England struggle with energy debt and fuel poverty.

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



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.



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.

£22.9m
Total investment to end of 2021

11
Organisations active in SASH portfolio in 2021

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

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".

About our investment

Date of investment:
February 2020
£900k property loan
(10-year term)

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

What	Improved health and well-being; improved quality of life
Who	Adults and young people with learning disabilities and autism, and with a high level of need
How Much	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
Contribution	Without the loan, AP would have had to vacate the property and relocate the residents or accept an increase in rent
Risk	AP has significant experience in refurbishment of housing for adults with learning disabilities and of delivering support services to this group

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.

About our investment

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

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.

About our investment

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

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.

About our investment

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

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 and May 2021 (with a term loan from CIF)

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

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

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.[1] 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

What	Transition to independent living, free from domestic violence
Who	Women and children fleeing domestic violence in Hull
How Much	33 houses gives capacity to support more than 150 women and their children over the life of the loan
Contribution	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
Risk	HWN has a strong track record of delivering this model of housing and support

Spotlight on Giroscope

Giroscope was one of our first deals, and a big step in our early development as we grew into a confident social investor – clear on how we could make a difference. Our partnership with Giroscope brought into sharp relief how, by working closely with a borrower to design the right funding, we could help transform and grow a vital, local organisation. This experience, and the outcomes of our work together, continues to inform our approach today.

Our first investment from SASC was an interesting one, in the sense that we were trying to refinance a deal with a bank. We had three banks all vying for our business, but we had also committed to buying certain buildings in a short timeframe. That SASC investment, which we were able to organize really quickly, enabled us to buy the buildings immediately but then give us time to get the bank deal right. Without the SASC loan, I think we'd have been tempted to try and rush into whichever bank deal could be done first and that would have been a real mistake.

Our second loan was a lot larger: £1m in total, including a £250,000 grant that SASC delivered on behalf of Power to Change. Giroscope is quite a big organisation but such a large grant was hugely valuable. It enabled us to do something we hadn't done before which was to try and build some houses.

The project has been a real challenge. But, six years down the line now it has taught us a lot. The houses are built, people are living in them and working with SASC has never been a struggle which I really sensed it would have been if we'd got the

GIROSCOPE
Turning empty houses into homes

Giroscope

Location: Hull

Giroscope, 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.

Giroscope buys and renovates empty properties to provide homes for those in need. Giroscope 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

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

finance from a high street bank. SASC's finance really helped propel Giroscope on the next stage of its journey. It enabled us to do things we'd hadn't done before – new builds – and has given us ideas for the future.

Giroscope has always been an innovator when it comes to energy conservation and housing and right now, with the cost of living, we are grateful with all the work we did in these SASC-funded projects that seemed really experimental when we started. There are lots of things we're doing which no longer feel like they're kind of wacky eco experiments but are just standard practice, such as air sourced heat pumps. We expect the bills in our houses to be to be a fraction of what other people may be paying.

I started Giroscope in the early 80s and sometimes you forget how much work you have done. I looked at Google streetview with a new colleague. You can look back at 2008 and it was shocking. It looked like the Blitz. Empty housing, houses boarded up. Now it's still a tough neighbourhood with lots of challenges but because it looks normal you almost forget that at one point it was so bad. There have been a lot of people involved in that but our partnership with SASC and Hull City Council has really helped to transform the neighbourhood. There are now people moving into the area. The population dropped continuously after WWII but that's reversed and now there are people from all over the UK, Europe and the world moving here.

Martin Newman
CEO, Giroscope

Visit our website to watch a short interview with Martin Newman

Resilient Energy Mounteneys Renewables (REMR)

Location: Kingswood, Stroud

Resilient Energy Mounteneys 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

What	Improved access to affordable energy and improved social outcomes for local community
Who	Individuals and families faced with fuel poverty in a local community
How Much	A minimum of 4% of annual revenue, and any excess cash, to be distributed to community projects
Contribution	The loan provides additional funding for community benefit. Projects are chosen by local community volunteers
Risk	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

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

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
Bristol Energy Cooperative	Bristol Energy Cooperative	Individuals and families faced with fuel poverty in an area of deprivation	Bristol	£800,000 Blended with £155k Power to Change grant
Chime Social Enterprise	chime	Hearing services for adults and children with hearing loss and impairment	Exeter	£170,000
Harrogate Skills 4 Living	HS4LC Harrogate Skills 4 Living Centre	Supporting adults with learning disabilities and autism	Harrogate	£1,085,000 (2 loans) Blended with £200k Power to Change grant
Plymouth Energy Community (PEC)	Plymouth Energy Community	Solar farm with surpluses funding community programmes	Plymouth	£610,000
Gawcott Fields Community Solar Project	Gawcott Fields Community Solar	People living in poverty and/or financial exclusion	Buckingham	£575k asset finance Blended with £150k grant from Power to Change
Spacious Place Contact	spacious place CONTACT	People experiencing long-term unemployment	Burnley	£1.5m property loan blended with £500k grant from Power to Change

We've now got the security that we can invest in a property and raise it to a higher standard but also the most important tool is that we know that property won't be taken away from us and therefore the young person. It's really important that young people experience as few transitions as possible – sometimes that happens naturally because their needs change or because they move-on successfully but what we never wanted to happen was that was a forced change because that property was taken away from them. Because we own the property, that support and home will never be taken away from them

Cordell Ray
CEO of CCP

Third Sector Investment Fund (TSIF)

Now in run-off, TSIF was designed to offer a range of funding including unsecured lending to growing social enterprises. TSIF was able to support a wide range of sectors across the UK.

NEW INVESTMENTS IN 2021

1. **P3 Gainsborough**
2. **Trinity Homeless Projects**

CONTINUING INVESTMENTS

1. **Affinity Trust**
2. **Five Lamps**
3. **Futures**
4. **HCT Group**
5. **Heart of England Community Energy**
6. **Homes for Good Glasgow**

Third Sector Investment Fund

Reach
UK-wide

Re-launch date
2017

Funding available
Closed

Term
Closed

INVESTORS
Big Society Capital
Social Investment Business

• TSIF Alumni (see page 61)

SASC LABS

TSIF DIRECTLY ADDRESSES 4 SDGS

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

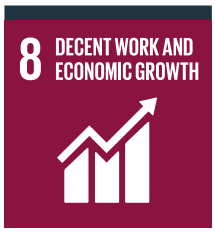
TSIF recognised the need for unsecured lending to high performing social sector organisations, that can pose a higher financial risk.

Poverty and inequality in the UK leave many people caught in a poverty trap.

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

Energy debt and fuel poverty is a big driver of social inequality across the UK.

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



Access to education, training and employment are key to social inclusion and breaking the cycle of disadvantage.

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

Ensuring equal opportunities and access to services is critical to reducing inequality.

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

£21.0m

Total investment to end of 2021

8

Organisations active in SASH portfolio in 2021

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
Former Development Director, Affinity Trust

NEW INVESTMENT

People, Potential, Possibilities (P3)

Location: Gainsborough and Derbyshire

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:
January 2021
£2.2m asset finance

The loan will allow P3 to purchase 43 properties in Gainsborough and Derbyshire.

What	Transition to independent living
Who	Socially excluded, vulnerable individuals, with complex needs
How Much	43 properties for clients in move-on supported housing across Gainsborough and Derbyshire.
Contribution	Move-on accommodation for vulnerable individuals and support to local partners to help them improve the area.
Risk	Strong track record of providing support and housing alongside good void management and social investment experience

NEW INVESTMENT

Trinity Homeless Projects

Location: Hillingdon, Greater London

Trinity has been operating in Hillingdon and Slough since 2007 and works with people at risk of or suffering homelessness. Trinity creates housing pathways for individuals offering services including street outreach, emergency housing, supported housing and longer-term affordable housing.

About our investment

Date of investment:
December 2021
£3.2m asset finance

TSIF funding will enable THP to purchase and refurbish Riverside Hotel and create 41 self-contained units in the London Borough of Hillingdon.

What	Trinity will provide tenants with safe and affordable homes to live in, designed to transition to independent living for those supported by Trinity's services and act as a steppingstone from shared houses back into a sustainable tenancy
Who	People who are vulnerable and socially excluded. This includes people who've experienced homelessness
How Much	41 self-contained units
Contribution	The loan enables Trinity to provide housing in Hillingdon where there is a shortage of social housing provision
Risk	The charity has a long history and strong track record of delivering support

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.

About our investment

Date of investment:
March 2018
£150k working capital loan
Repaid February 2021

November 2020
£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	Reduction in challenging behaviour and improved quality of life
Who	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

Spotlight on Trinity Homeless Projects

Trinity Homeless Projects is a registered charity in West London, which provides housing pathways for people affected by homelessness. The Riverside Project started three years ago when one of my colleagues took me to a pretty rundown old hotel that was up for sale and sold me a vision of how that hotel could be turned into supported housing. She wanted to create 41 micro studios from the hotel rooms. The site was on the banks of a river, surrounded by trees and a nature reserve. I saw the vision and made the decision that day to find the money for the project.

We looked for social investors because we figured it would be essential with this kind of project to have a critical friend along for the ride. Someone that bought into not just the business side of how this project would work, but also the philosophy of what we were trying to achieve. Our view was that whatever happened from the business perspective, as long as we're on the same page with what we're trying to achieve, things could be overcome.

We knew that we needed investment to deliver a project like this. And we were confident in our own processes. We just needed to convince someone to invest in it. We didn't really have that confidence in mainstream funders like banks, and probably the banks didn't have that kind of confidence in us.

When we met SASC it is fair to say there was some negotiation and convincing both ways. But ultimately what I was impressed by when we met SASC was the questions we were asked. They weren't just business questions. SASC wanted to know where we are going, what we are doing – and why. You looked under the bonnet of Trinity and challenged us, and it gave me the confidence to think that you were confident in our ability to deliver it. It became a self-serving process.

And, despite all the tough times with getting the renovations and the project over the finishing line, it was my belief that you believed in us that kept us going. This project has been a real test for both Trinity and SASC and tested our partnership. But there is a roadmap that can be gleaned from our experience together.

One thing I have taken away is having the right legal support. We had pro bono legal support which meant that we didn't always have advice and legal input when we needed it. With hindsight, with a complex project like this, having a legal team on hand when you need them would be better.

Looking to the future, our view is that we want to continue to grow. We want to be able to provide a solution that gives everyone a home and at least a bed for the night. We also want to find other partners to work on affordable housing, because that is the silver bullet right now. We don't have enough of it and we need to create more of it. So as soon as we cut the ribbon on this project, we will be coming back to SASC again to make another plan.

Steve Hedley
CEO, Trinity Homeless Projects

Visit our website to watch a short interview with Steve Hedley

Images: Before and after the redevelopment of part of the hotel complex

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	Helping vulnerable households to break the cycle of high-cost debt
Who	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

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 designed 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

Refinanced again in May 2021

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 (HFG) 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 HFG 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 HFG to grow its portfolio by an additional 52 houses, in support of a vulnerable client group
Risk	HFG 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
Brook Young People	Vulnerable young people and NEETs	UK-wide and Cornwall	£300,000

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.

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 page 64)

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.

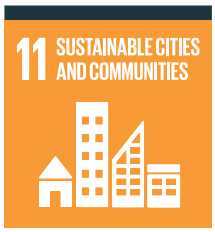
SBF addresses the issue by providing 100% of the investment required to build or acquire projects.

Renewable energy technologies are an affordable, clean technology.

SBF will provide loans to community focussed 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.

£52.1m*

Total investment to end of 2021

2

Organisations active in SASH portfolio in 2021

*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.

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 Pfalzsolar 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_2
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_2
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
Plymouth Energy Community	Individuals and families in area of economic deprivation	Plymouth	£3,962,000
Verdant Community Energy CIC	Local community in an area of economic deprivation	Weston Super Mare	£13,077,085
Gridserve WBC York Ltd	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
Gridserve WBC Hull Ltd	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
Ferry Farm Community Solar CIC	Local community in an area of deprivation	Selsey	£5,850,000

Appendix: SASC – ESG framework 2021

		Environment	Social	Governance
SASC BELIEFS	**What we stand for**	We recognise the threat of climate change and believe we all have a duty to deliver Net Zero.	We are a double bottom line investor. Financial sustainability drives our investment process, but our motivation is social purpose. We believe it is possible to deliver both attractive returns and impact of a kind that really makes a difference.	We believe strong management, diversity and good governance all matter for organisations that want to be financially sustainable and create social impact.
SASC BEHAVIOURS	**Our approach**	We consider our impact on the environment when making business decisions. We are conscious about our own energy usage and take practical steps to measure and reduce our carbon footprint. We use our finance, networks and internal skills to support housing borrowers to understand and address the Net Zero requirements of social landlords. We use our funding to maximise the social impact of renewable energy. We do not invest in organisations that are involved in the extraction of fossil fuels.	We are a social enterprise, meaning that our social purpose informs how we behave, make decisions and work. We aim to be an inclusive employer, supporting and developing our staff to achieve their goals. We use our funding to support organisations that provide lasting solutions to entrenched social challenges. We only invest in social sector organisations: (i) that support disadvantaged people, families, and communities; and (ii) where our investment helps an organisation increase both its capacity and its resilience. We look for opportunities where improved financial performance equates to higher impact, and vice versa. We understand that risk sharing is often what makes the difference in unlocking extra social outcomes.	We recognise transparency, diversity, and accessibility as the hallmarks of good leadership and governance. We are building a diverse staff and governance team and will give everybody an equal opportunity to succeed. We believe this will make us the best we can be. Governance is key to decision making across our funds. We believe that resilient, well-managed organisations are more able to focus their attention and resource on delivering better outcomes for their clients.
SASC PRACTICE	**Our actions**	**Currently:** Recycle where possible. Have a bike to work scheme Encourage staff to take public transport rather than drive to meetings around the UK. **In the next 18 months:** Analyse our corporate carbon footprint Establish specific targets for minimising our impact. Determine the best way to offset our environmental impact.	**Currently:** Support our staff to study for external qualifications alongside their work. Operate a Give As You Earn scheme. Offer internships to individuals who might not otherwise get exposure to our sector. **This year** Continue to adapt our practices post pandemic as we retain an element of hybrid working. Put in place a staff volunteering policy. Assess how we can better support staff with caring responsibilities.	**Currently:** Consciously inclusive hiring policy. Offer a clear career pathway for our staff to build their skills and experience. **This year** Carry out the first annual survey of staff, board and IC members to give us a clear view of who we work with and how we can make SASC a fairer, more inclusive and supportive employer. **In the next 18 months:** Use survey data to publish information on the make up of the SASC team. This will include our gender and diversity pay gap and pay ratios.
	How we work with our borrowers	**Currently:** Invest in community renewable energy projects whose impact is both environmental and social. Ensure that all funded renewable projects deliver social benefit to a local community. Work with borrowers to make sure they are clear, as social landlords, of the regulations around EPC ratings. **In the next 18 months:** Launch SASH II with inbuilt support around retrofit. Create pan-SASC support for borrowers to address fuel poverty and rises in energy prices. **And beyond:** Seek to understand the internal carbon policy of each of our borrower organisations. Measure and report on the carbon footprint of our investment activity.	**Currently:** Invest in organisations that can evidence that their support makes a real difference to their clients' lives. Embrace a partnership approach to working with our borrowers, meaning: i We co-design funding solutions with borrowers. ii We provide additional services to help borrowers get the most out of our investment. iii We want to see borrowers build skills and assets on a lasting basis. **In the next 18 months:** Review what additional services we could provide to our borrowers.	**Currently:** Develop a good understanding of and relationship with the management teams and boards of the organisations we work with. **In the next 18 months:** Adapt what we learn from our internal staff survey for use with our portfolio. Include in our impact report a comment on each organisation's pay ratio and gender and diversity pay gaps, as well as its position on paying the Living Wage.
	How we work with our investors	**In the 18 months:** In time, we will look to understand our investors' carbon policies.	**Currently:** We decline sources of capital that contravene our social values.	**In the next 18 months:** In time we will consider potential investors' EDI practices.
SASC IMPACT	**On our borrowers**	Our funding helps new community renewable energy projects get built; and helps existing renewable energy projects get transferred into community ownership.	Our investments make it possible for third sector organisations that help vulnerable people in society to become more resilient and more sustainable.	Our relationship with the senior management team and Board of a borrower is key both at due diligence and throughout the life of a loan. We pay particular attention to high governance standards, skills and diversity.
	Supporting the best outcomes for vulnerable people	Any renewable project we fund must also deliver additional social outcomes and directly benefit a local community.	Our borrowers tell us that our investment and wider support helps them to deliver better services to their clients.	We believe that good governance leads to good outcomes for beneficiaries who deserve the best support.

We are SASC

We care

Putting social impact at the heart of everything we do

We listen

The only way we know to design effective solutions

We persevere

Because that's what it takes to do it right

Thank you to our individual investors

Carolyn Aitchison
Olly Benkert
Paul Cannings
Louis G Elson
John Kelting
Adam Knight
Ben Rick
Nat & Rebecca Sloane
Katherine & David Soanes

Designed using 100% renewable energy.

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