

# Social Impact Report 2015





Welcome

Hello and welcome to the **2014-15 Key Fund Social Impact Report**, a document that is intended to fulfil two main purposes.

Firstly, we wanted to provide information about our place within the wider social investment market. This information was gathered from the Community Development Finance Association's (CDFA) report 'Inside Community Finance' (2013/14).

The CDFA report, released in December 2014, gathers investment information from all community development finance institutions (CDFIs) and gives a very interesting context to our work in that year as one of the leading CDFIs in the country.

Secondly, the report provides details of our activity in 2014/15, which as you will see has been a record investment year for us, as well as a huge period of wider growth and development for the organisation.

However, although we are proud of what we achieved last year and the fact that we almost doubled our previous annual record for value of deals completed, for us this is only part of the story - it is the impact that really drives us.

We want to invest in disadvantaged communities whilst also supporting the creation of new enterprises, helping to develop and grow existing enterprises, creating and sustaining jobs and supporting those people and groups most in need.

So this report also provides details of what the money has helped to achieve, as well as some of the stories that really inspire all of us at the Key Fund and make the hard work worthwhile.

Finally, Key Fund will soon be issuing its manifesto for growing the social economy. We hope it will help to influence and shape the policy and investment priorities of the new government along with other national funders.

I do hope that you enjoy the read.

**Sam Tarff**  
CEO

**We believe in people** and we believe in the power of those people to find the right solutions to the challenges facing their communities, using enterprising solutions to deliver real impact. But often it isn't easy and they struggle to find the support they need...**that is where the Key Fund comes in.**

Every single community/social enterprise that we support has been turned down by a mainstream provider of finance, some because they work in sectors with 'red lines' around them, others because their business models, putting impact on an equal level to profit, is simply not understood. Often, they don't even get to talk to a person before getting the inevitable 'no'.

In contrast, the Key Fund uses a very different model. We don't use blanket rules, algorithms or credit scores. Instead, we work with our applicants and get to know them, building a relationship of mutual trust. We assess risks but try to find ways to do deals anyway. It isn't easy, but our highly skilled investment team has a strong record of success, with processes built on robust assessment frameworks, which allow them to get an in-depth understanding of the enterprises we invest in.

This authentic approach really puts the customer at the centre of the interaction and leads to a positive client experience. For example, our latest satisfaction survey found 100% satisfaction with our development support and decision making. As one client said: "It has been excellent, a personal service, they know what they are talking about and you get great support."

Using this model, we have become a trusted delivery partner for a number of organisations, having successfully managed over £75m of public money (regional, national and European) over the last fifteen years.



## About Key Fund

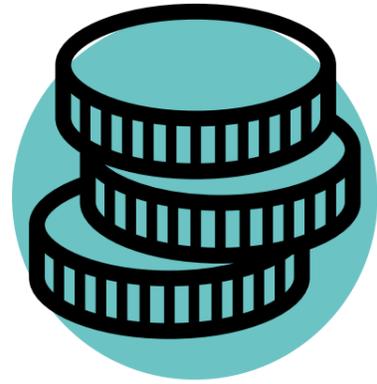
In the late 1990's South Yorkshire was facing a grim future following the demise of the steel and coal industries, with many communities suffering both economically and socially from the resulting changes in the labour market.

Key Fund was formed in 1999 by a group of community activists to deliver European Funds in the form of targeted small social capital grants (under £10,000), with the aim of addressing some of these issues by increasing social cohesion and economic activity.

In 2002 these same individuals identified a gap for specialist support to those attempting to develop sustainable community and social enterprise activity and so they introduced a new strand of work for the organisation, focussed on the provision of support and finance (using blended grant/debt and equity) to address the gap not met by commercial finance providers. The main aim of this expanded activity was to create new jobs and community and social enterprises, as well as enhance the sustainability of existing businesses of this kind across South Yorkshire.

In 2008, due to changes in the external funding environment we ceased our small grants work, having invested over £10m in 1,600 organisations. However, at the same time and with the support of the Regional Development Agency we expanded our social investment area of operation to cover the whole of the Yorkshire and Humber Region. Then in 2010 we expanded our area of activity again to cover the whole of the North of England, including: the North East, North West and Midlands.

Today we provide flexible and tailored finance to new and emerging community/social enterprises across the North of England, with a current average investment size of around £40,000. So far we have invested an additional £28 million in 1,100 of these types of organisations. This makes us pretty unique in the social investment market as one of the only funds that provides relatively small amounts of finance to support the development and growth of community and social enterprises. But its not just the amounts that makes us different it's the way in which we invest...



£38m

invested in total



300+

new start community/social enterprises created



2,700+

organisations supported



2,900+

jobs created and safeguarded



£75m+

worth of contracts managed

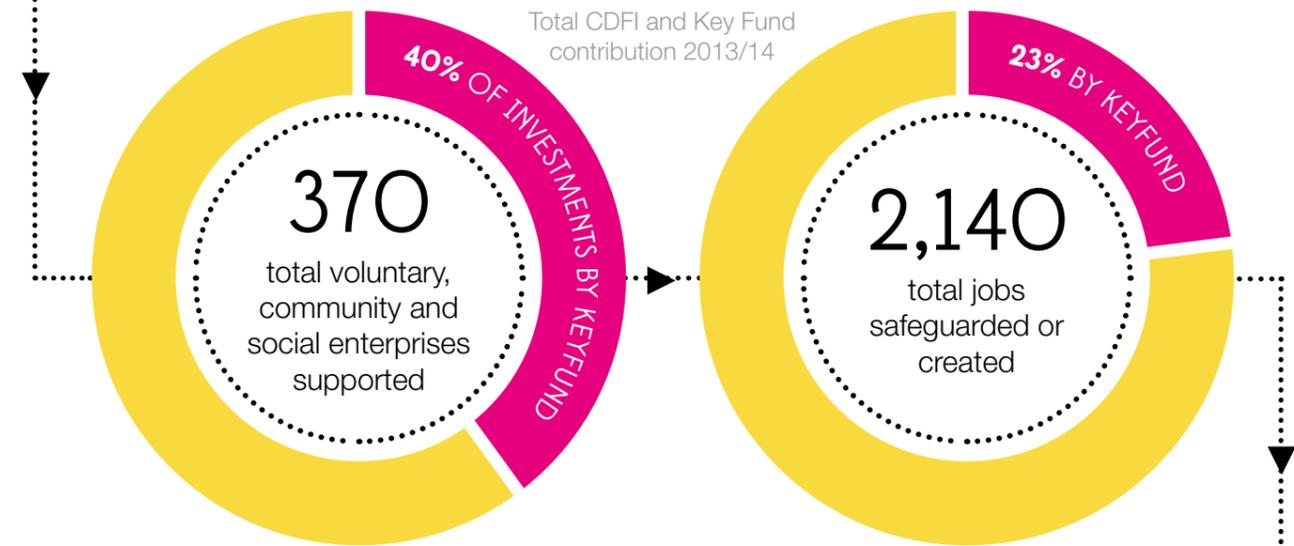
Key Fund has been a significant contributor to this success, especially given its size and target market, as graphically illustrated by the fact that whilst we only provided 3.4% of the total amount of money invested by CDFI's, the other numbers tell a very different story about our scale.



total market investment

## Our position within the wider community market

According to statistics from our trade body, the Community Development Finance Association (CDFA), during 2013/14 Key Fund and other Community Development Finance Institutions (CDFIs) delivered huge impact across the UK:



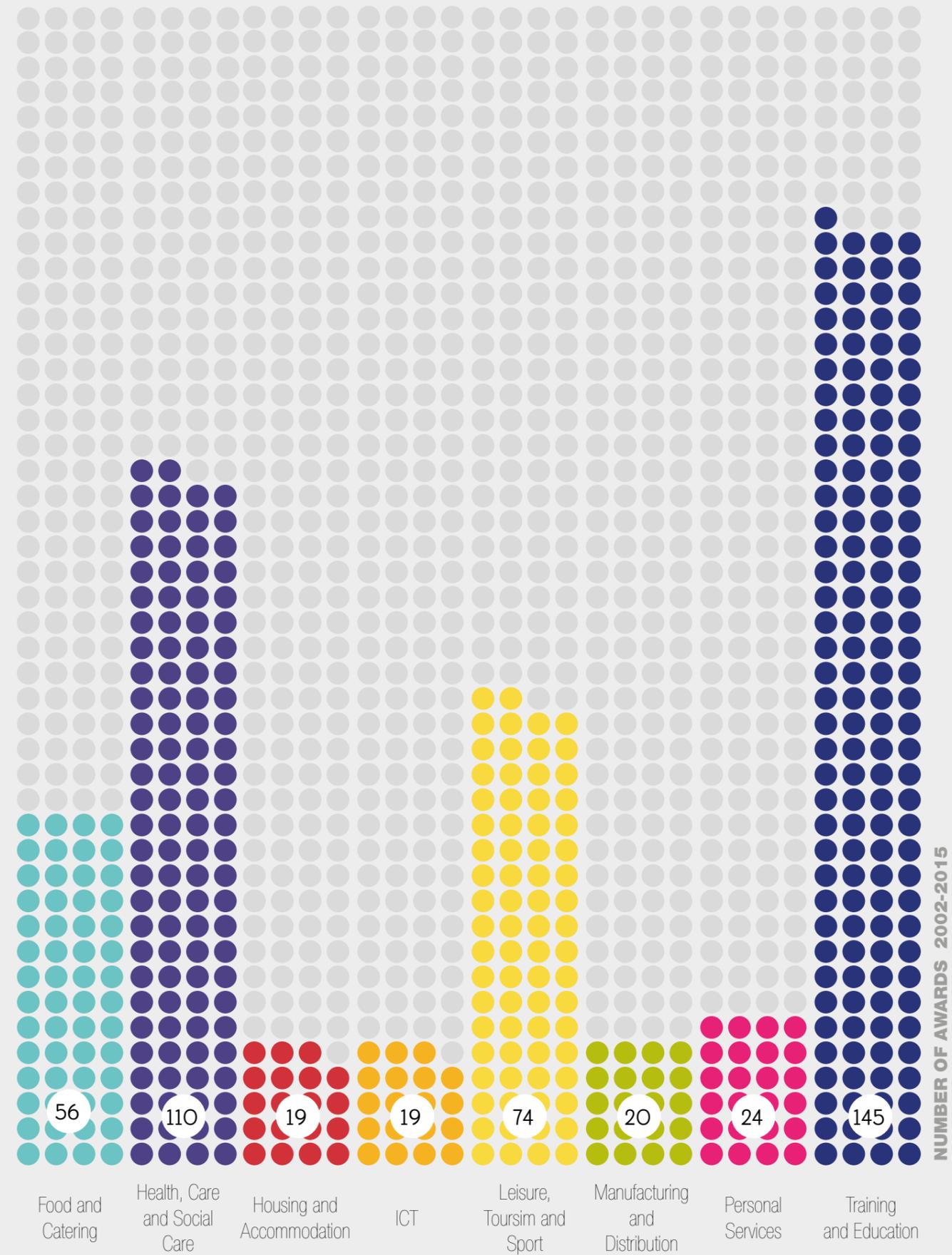
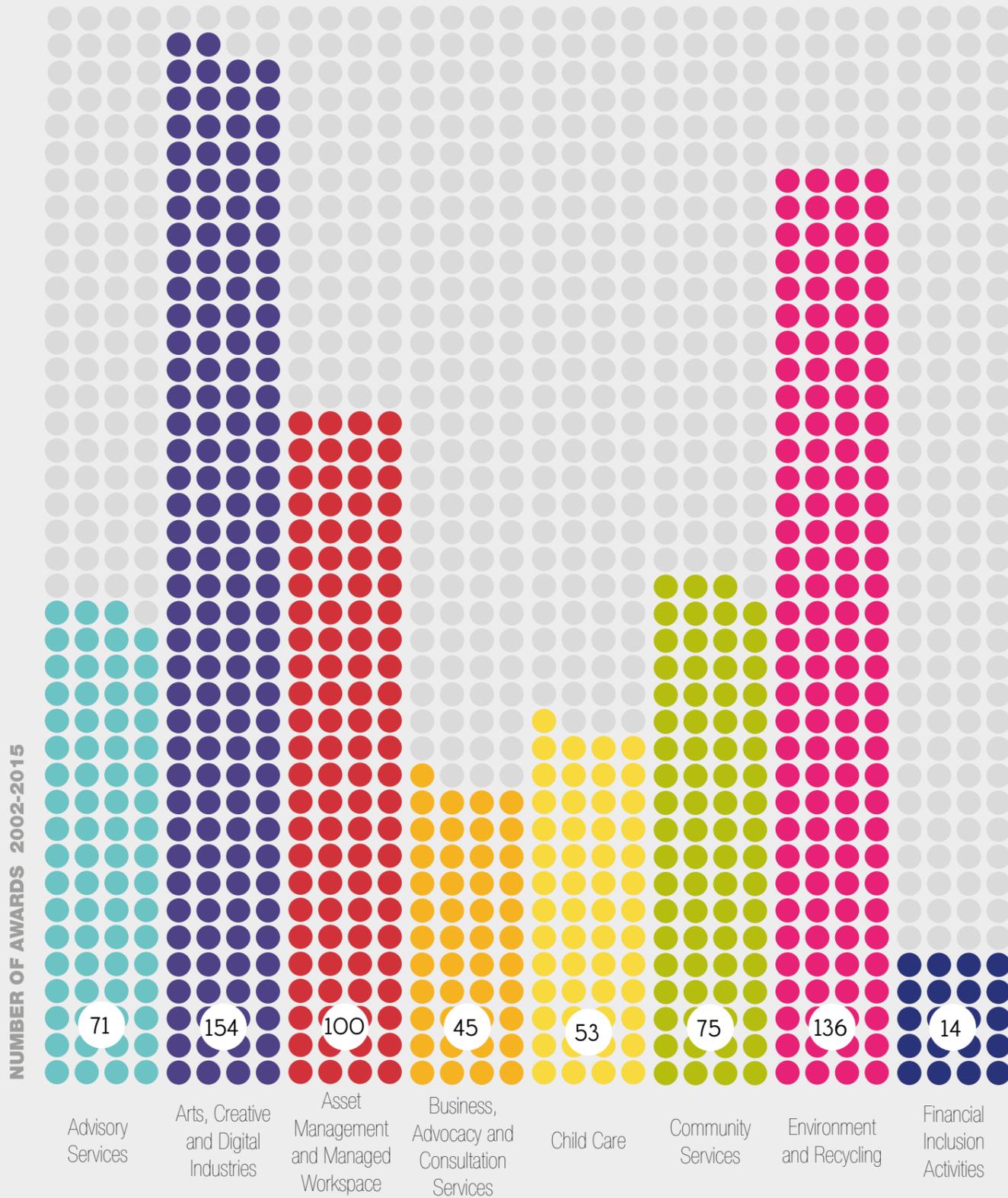
The scale of our work becomes even more evident when you remove the figures from the big sector banks and only compare our statistics to the other 10 CDFI's of comparable size investing in this space:



using the CDFA's new economic impact tool in 2013/14 our investments in local communities generated:

# Investments by sector

In 2014/15 we supported community and social enterprises working across a wide range of different industry sectors, using a number of different trading models, from the provision of training to retail activity...we believe that a diverse sector is a healthy sector.



## 2014/2015 in figures

2014/15 was a real 'game-changing' year for the fund, during which we moved in to new areas and exciting new markets, whilst also delivering more investment than ever before.



average investment



invested



investments



loss rate



leverage

## Treestation Greater Manchester

Greater Manchester TreeStation Limited acts as a hub for a broad range of wood related activities in Manchester.

**Aim:** Massive amounts of wood are being imported into the UK – as much as three quarters of all wood used to produce woodchip fuel. This adds a high carbon footprint, due to transportation over long distances, often from countries where forests are not sustainably managed. Locally sourced wood is the answer.

**Their Story:** Greater Manchester TreeStation has been trading in various guises since 2003. It started life as Ecos by founder Phil Benn as a sole trader in sustainable tree work and firewood, evolving into the TreeStation, as it's known today. It is a Social Enterprise constituted as a Society for the Benefit of the Community.

Locally produced wood fuels are a low carbon form of energy. TreeStation makes the best use of available wood from gardens, parks, and woodlands in the Greater Manchester area.

It is a hub for a broad range of wood services and products, from firewood to bespoke timber items for joinery, craft and art projects. Its team of experienced arboriculturists deliver domestic and commercial services. It also provides services in landscaping, woodland management and Forestry.

TreeStation is socially inclusive and co-operative, drawing on the strength of feeling within the local community. As well as benefitting the global community by contributing to carbon reduction, it carries out social and educational activities, such as educational activities on how to reduce carbon emissions with Carbon Literacy tours and school visits. It also works with other Social Enterprises to enable them to reduce their carbon emissions.

It now employs 25 people with a turnover of £450,000.

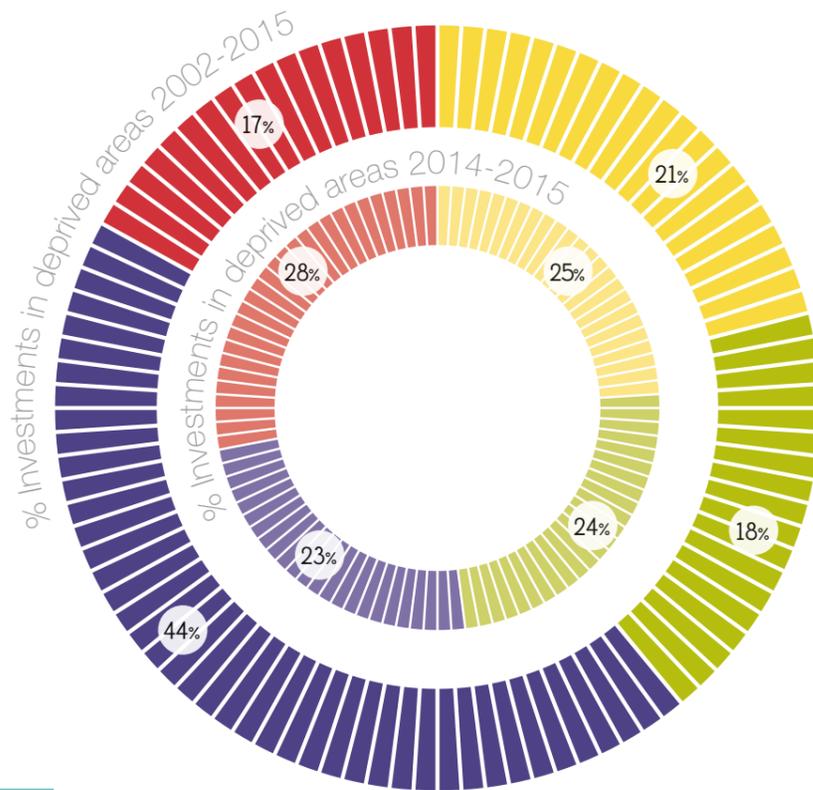
Key Fund invested a £65k loan to assist the purchase of a Bio Mass Boiler and Wood Drying Kiln.

*"Key Fund talked to us from the beginning and showed enthusiasm for our project. Rather than having strict eligibility guidelines they were able to look at us individually, come and visit and see what we were doing. We value their continued support and involvement." - Patrick Morrello, Finance Director*



## Investing in Disadvantaged Areas 2014-2015

We are passionate about providing investment to organisations working in disadvantaged communities, areas too often failed by mainstream finance. In fact, every single community and social enterprise we support has been turned down for finance elsewhere.



## Nice Guy Eddie Ltd North East

**Who:** Nice Guy Eddie Limited is the holding company of TryLife Limited based in Newcastle. It produces innovative online drama episodes, interactive media with educational content and workshops.

**Aim:** To reach and engage hard to influence young people aged 13 to 25 using interactive drama, created by some of the best in emerging UK talent.

**Their story:** TryLife formed in 2011. TryLife is the old choice based adventure books brought back to hi tech life. It is an online interactive drama series where at key moments the action pauses and the user decides what happens next. All of the episodes are issue based and designed by young people for young people.

TryLife is the most complex drama series ever created. The films explore hard hitting subjects, allowing young viewers to experiment with life choices in a safe environment. The films help change the way viewers think and act on risk taking behaviour.

TryLife is being showcased at the BMA national conference, Faculty for Public Health national conference, Oxford Health Science Network conference and also the largest Public Health conference in the USA. Jamie Oliver's team have introduced TryLife to the head of Microsoft Xbox One and they are now in talks with BBC regarding a potential commission with the support of Jamie's team.

TryLife engages with youth services, drug and alcohol teams, youth offending services, sexual health teams and the police to ensure the storylines and choices made by characters are as accurate as possible. It works with over 1,000 young people to develop the scripts. Hundreds of local young people audition for the roles and this is yet another opportunity TryLife use to engage with young people regarding the issues covered.

It has a bespoke radio station, TryRadio, to showcase emerging young artists. TryLife is written, shot, acted, edited and scored by young people. Even though the episodes are directed from top down in terms of the issues they cover, they are created bottom up by the people they wish to target. Young people can access support services at the end of each episode.

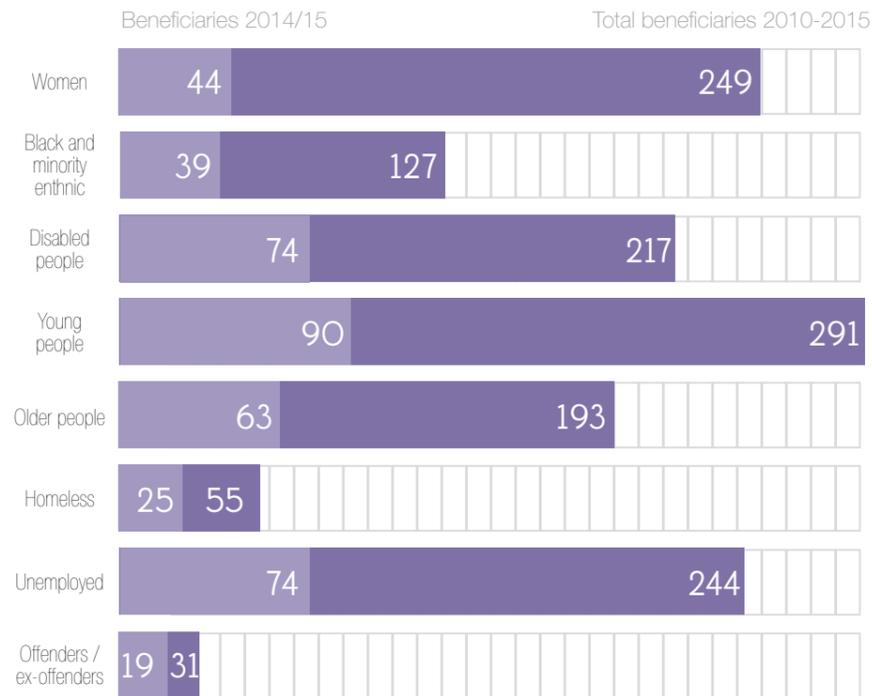
Key Fund invested a £100,000 loan to help TryLife move from concept to trading, to make it available on mobile apps and tablets. Studies show young people rate the internet as "very important" in their lives, with 94% of 14-16 year olds polled using smartphones or tablets as their main point of access. Mobile technology could also allow TryLife to use GPS to target relevant information and support to young people in their local area.

*"Working with Key Fund has been a pleasure from day one, they understood the product and the potential for TryLife to impact on millions of young people. They have provided business support and a vast network of contacts for us to liaise with along with the financial support to take TryLife to the next level. I can't speak highly enough of the Key Fund team, they have enabled us to grow and develop with extensive wrap around support." -Paul Irwin, Director*



## Investing in Disadvantaged Groups 2014/15

We want to support enterprises that have a meaningful impact on the lives of those people most in need, delivering services and interventions that enable real change.



## Paperworks Harrogate

**Who:** Paperworks (Harrogate) Ltd offers print, post and packing services while providing work skills training, work experience and job seeking support to vulnerable adults.

**Aim:** Paperworks support adults with a range of extra support needs including learning disabilities, mental health, physical or sensory impairment, offering work and training opportunities.

**Their story:** Formed in 1994, Paperworks is a Ltd company and became a registered charity in 2000.

Manager Damien Handslip has twelve years' experience starting, building and developing Social Enterprises in Yorkshire. He was previously Deputy Director of Green Estate Ltd (a regeneration social enterprise), and Chair of Social Enterprise Yorkshire and Humber.

Paperworks generates income through providing print, post and packing services. Their products include personalised print, newsletters, training manuals, discounted postal services, mail order fulfilment, marketing and office printing, etc. They regularly work for charities including Thames Valley Air Ambulance, Children in Need and local churches.

It delivers work opportunities and on the job training for adults with a range of extra support needs. After operating successfully in Harrogate for 18 years, Paperworks started an outreach project in Nidderdale to extend work experience opportunities in more rural North Yorkshire and expanded into Leeds, opening a new site in Killingbeck in 2012.

All beneficiaries are unemployed living within reach of its Harrogate and Leeds offices. All surplus income is used to support their target beneficiaries or re-invested into the business.

Since 2013, the business expanded, doubling its staff and number of trainees, and Paperworks now has a waiting list and growing number of enquiries each week.

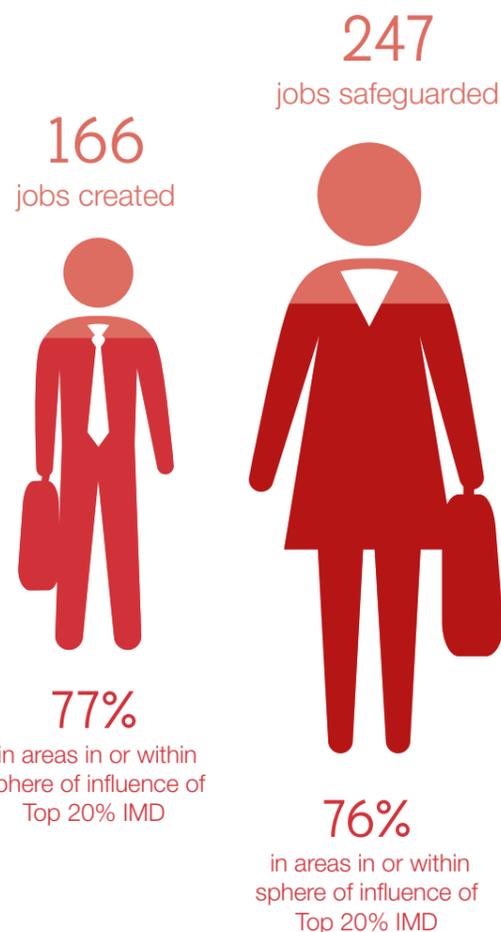
Key Fund invested £30k into Paperworks to increase cash flow in 2015/16 in order to expand the business to meet increasing demand and expansion

*"I have worked with Key Fund on a number of occasions and always found them to be supportive and helpful, particularly when it comes to guidance on completing the inevitable paperwork. The staff I have worked with have taken their time to get to know our business which is always welcome." - Damien Handslip, Chief Executive*



## Jobs 2014/2015

Creating new jobs and safeguarding existing ones is one of the main targets of our work. This is because we believe that the provision of employment opportunities has a central role to play in the successful regeneration of disadvantaged communities.



## Advance Employability North West

**Aim:** The North West's Advance Employability helps those who have been unemployed for prolonged periods back into the job market.

**Their story:** Advance Employability was established as a Community Interest Company in 2011 to work with those who need support to find and sustain employment in the North West.

In 2012, they partnered with Kaplan Skills and Employment to deliver Learndirect courses with a core programme of Employability Skills. They have delivered 5,000 BTEC Certificates in WorkSkills through their five centres across the North West. They are committed to delivering quality programmes and have received positive feedback from their first East Cheshire Council Ofsted inspection.

The Welfare to Work industry has proactively encouraged social enterprises with a growing number of contracts from Jobcentre Plus. As a CIC, Advance Employability is well-positioned to bid for funding and contracting opportunities have increased. They have established relationships with Jobcentre Plus, Work programme providers and those delivering other government funded contracts.

Advance Employability offers a series of workshops to address individual barriers to employment, from confidence building to CV writing. The long term ambition is to expand and develop its Employment Services, alongside Commercial Training Services, Learning and Development Services and Recruitment and Selection.

As a social enterprise they have pledged to spend a minimum 60% of any surplus on community ventures, such as 'Back to Work Grants' and establishing local Work Clubs to offer bespoke support.

The senior team behind Advance Employability have over 30 years combined experience in Welfare to Work. Together they have moved in excess of 10,000 people into work.

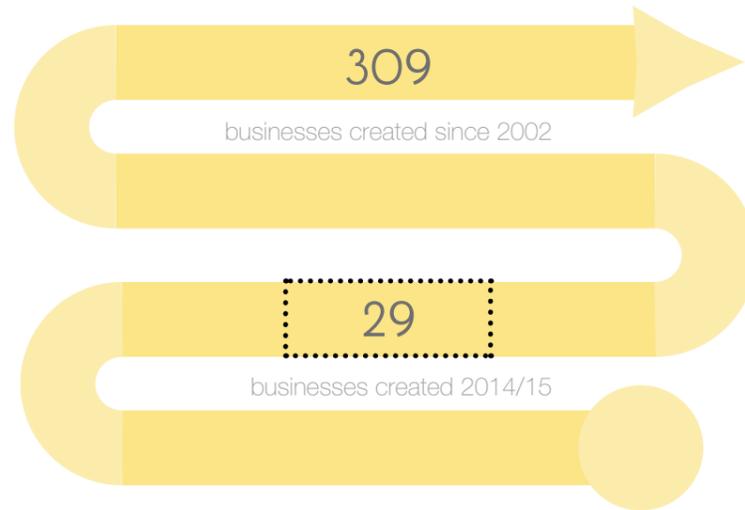
Key Fund invested a £60,000 loan to Advance Employability to assist with its business expansion as a result of new contracts in Cheshire and Merseyside.

*"I'd tried to get finance from an alternative lender in the Social Enterprise sector but it was like pulling teeth. I was recommended to the Key Fund, and they acted quickly and with ease. We literally had the finance agreed in ten days, and since our first loan, they've supported us again to help us expand. The support has been crucial to our business. I would say to any social enterprises, if I were you, I'd speak to the Key Fund." - Peter Salt, Business Development Manager*



## New Starts 2014/2015

Enabling the development of new community and social enterprises is a key part of our mission, supporting organisations that create both economic and social impact.



## The Works Skatepark Leeds

**Aim:** The Works Skatepark in Leeds operates a 50,000 square foot facility offering programmes for young people in sports, education and training. The focus of the charity has been around using non-traditional sports to build on a young person's fitness, self-confidence and esteem.

**Their story:** The Works Skate Park was formed in 2012 after the successful purchase of the Leeds Skatepark Ltd. A company limited by guarantee, and a registered charity, it was set up by CEO Elliott Turnbull, who was the former manager at the Leeds Skatepark. Elliott has recently been awarded a qualification affiliated by exam board AQA to offer a GCSE Level 2 in Skateboarding and BMX.

Key Fund provided a £5k grant and £15k loan to cover legal expenses for the share purchase of Leeds Skatepark in 2012. In 2014, it awarded another £14,500 loan to assist with salary costs for a new Education Manager.

The facility houses an indoor skatepark for Skateboarding, BMXing, Scootering and Rollerblading, a gym, dance/fitness studio, classrooms, climbing wall and large cafe area.

As well as being open to the public, it works with schools, youth groups and extended services to offer dedicated sessions including road safety, bike ability, maintenance, sports days and group bookings. They run workshops and cater for dance, PE, gym work, computer courses and cooking. Their courses are vetted by Coaching Leeds, and they work closely with the NHS, Street Games and Change for Life; all staff are first aid trained and CRB checked.

The recently launched education centre aims to support young people disenfranchised with mainstream education; the focus is to challenge the young people to achieve their dreams whilst providing a range of tailored support and structure throughout their progression plan.

The Work Skate Park is passionate about nurturing young people, offering individual sessions as needed, and opening facilities during the summer holidays. It improves the lives of young people in a safe environment with an emphasis on reducing obesity, building community cohesion and targeting disaffected young people through sport, inspiring confidence and focus. Its vision is to be accessible and affordable to all.

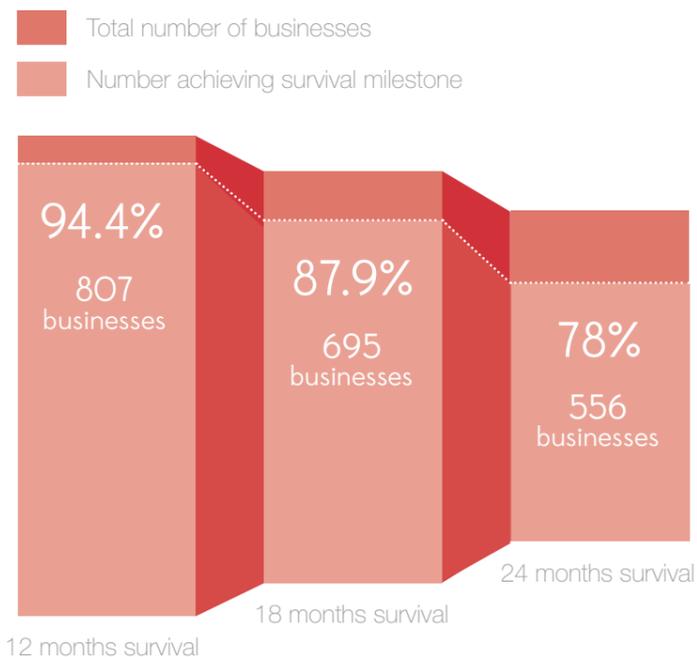
Following the launch of The Works Skate Park's Academy, to build on work with disengaged young people from across the city, The Works is now creating opportunities for apprenticeships across a range of industries within the city for a target of 150 young people, again focusing on education to support them through their apprenticeship placement, whilst also supporting the employer to fully engage with the new addition to their team.

*"Key Fund are a valued partner of The Works Charity, currently we are working with them on another project to further develop the charity and its provisions. They are a key factor to our current growth and hope they will be involved with us going forwards." Elliott Turnbull, CEO, The Works Charity*



## Sustaining Organisations 2014/2015

These are difficult and challenging times for many organisations and so we believe that as well as supporting new enterprises, it is very important that we also support existing community and social enterprises looking to develop and grow.



## Bread and Roses Worksop

**Who:** Bread & Roses is a Community Interest Company that operates Truly Scrumptious, a social enterprise café in Worksop town centre.

**Aim:** Bread & Roses is a food retail outside catering and event catering service in Worksop that seeks to address the social and economic impact of unemployment, poverty and poor health by bringing together the local community, using local produce, showcasing surplus, and providing healthy menus.

**Their story:** Formed in 2011, Bread & Roses operates the Truly Scrumptious café that delivers freshly cooked local produce. It encourages social eating, healthy eating and seasonal local products, teaching people to cook and offering training and employment for disadvantaged people out of work in the community.

Committed to reducing waste, it positions itself as a 'Forpation' – a for benefit co-operation built from the ground rather than being tied to return a profit to shareholders. It employs nine staff with a mix of volunteers and can cater for 56 covers. It's not just about great food, but real relationships with the aim of using food and cooking to meaningfully enhance lives, create value and inspire.

It also offers outside catering and event catering, whilst delivering a social eating event every Thursday, where people can enjoy a freshly prepared three course meal for just £2.50. It operates under the slogan 'Just come and eat with us', and is open to all in the community. This helps address social isolation, develops community cohesion, and improves community health. If people can't afford to pay, they can volunteer their services from helping to cook or clear dishes, in return for food.

Bread & Roses is run by a dedicated team of directors and board members with expertise in catering and business commerce, as well as experience in setting up social enterprises, working with the disadvantaged in the labour market.

Key Fund invested £90,000 loan to support the purchase of the premises from their current landlord, which will give them security of tenure and a long term future for the business

*"Without the money and support from the Key Fund we stood to lose this café. The landlord was selling the premises and there was a clause in the lease saying we could be turned out. We could have lost three years of our work putting the business together. Our bank wouldn't support us but the Key Fund were very keen to help. They came over, went through the figures, helped with the application forms and I was very surprised how quickly it happened, it really worked well. Without the Key Fund we wouldn't be here today, you can't say more than that."*  
-Steve Ralf, Board Member and Director



## What our customers say

We put people at the centre of everything we do, offering support at every step and trying to remove the bureaucratic burden wherever we can, so we are very proud of the comments and statistics from our investees below.

*"We are very, very grateful that Key Fund came in at the time that they did, because I do not think we would be here otherwise."*

*Both our times with Key Fund have been excellent, a benefit to what we do.*

*"They are non judgemental and look at the information in front of them, they are very receptive of information sent to them. They work out of the box and are very flexible, I like the way they operate."*

*"It has been excellent, a personal service, they know what they are talking about and you get great support."*

*"It was a useful because of dealing with other funders, once Keyfund had invested in us, it gave other funders the confidence to invest in and support us also."*



satisfaction with support during application process



satisfaction with speed of decision making



satisfaction with monitoring support



of investees report increased social impact as a result of support



of investees report increased sustainability as a result of support

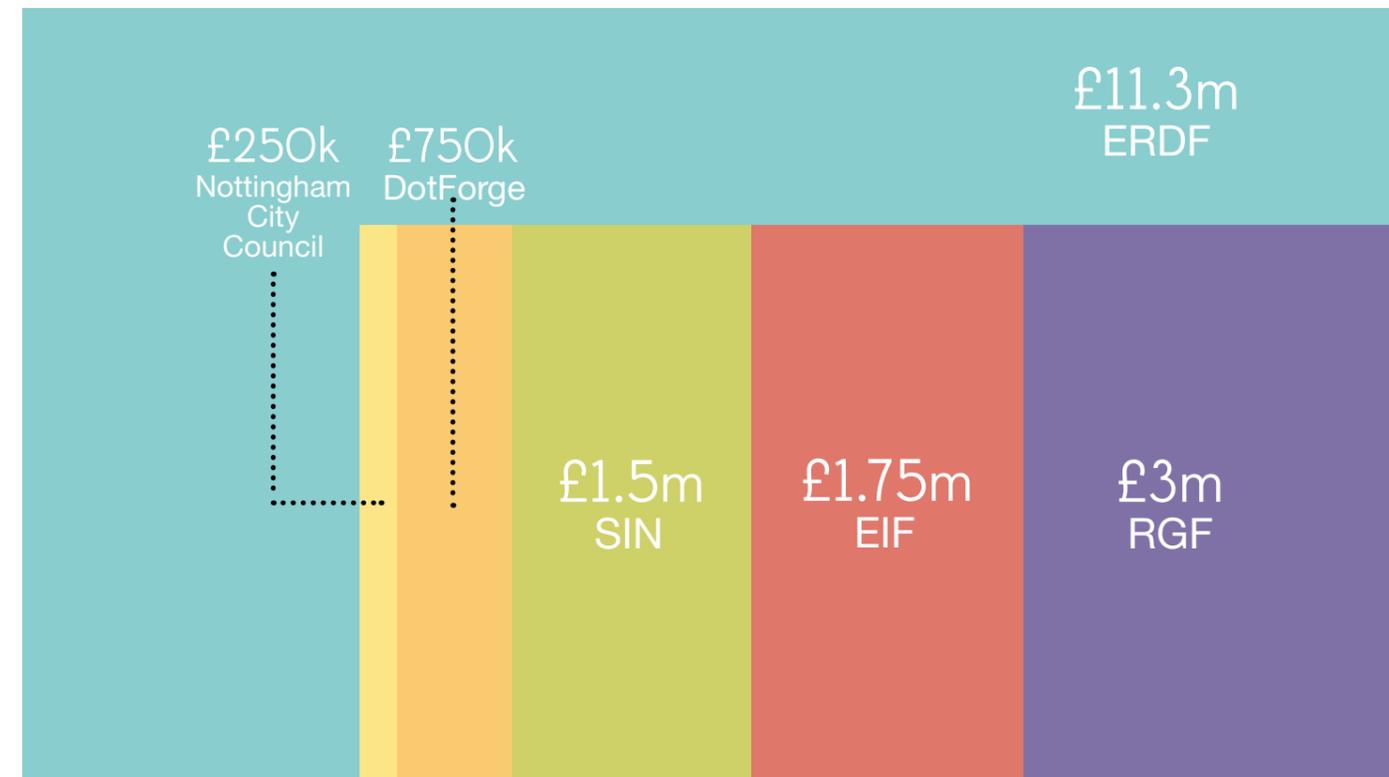


Net promoter score

## Contract Management

The Key Fund has a strong track record of contract management and delivery, having provided services for a wide range of organisations including local/regional/national government, the Big Lottery Fund and the European Union amongst others. Our current contracts include:

Value of contracts



## 2014/15 Developments

2014/15 was an incredibly exciting year for the Key Fund. As well as the hugely impressive investment outturn, we have also expanded in to new markets and seen significant growth in the organisation.



Expanded to cover West Midlands - our **fifth** region



**Doubled** investment level from c£3m to c£6m



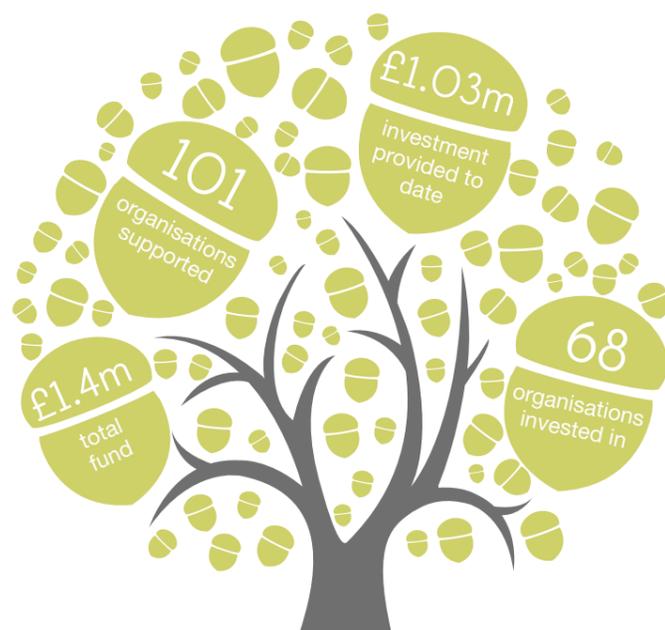
Expanded team by **six**



Invested in **five** Social Impact Bonds

## Social Incubator North 2014/2015

This is a £2m programme that provides support and investment to enable the development of new social businesses across the North and Midlands, delivered in partnership with Locality and the regional social enterprise networks. Funding was provided by Cabinet Office, via the Big Lottery Fund.



## Electric Bike Shed South Shields

**Who:** The Electric Bike Shed is the trading name of Experiential (North East) Limited, a wholly owned subsidiary of the social enterprise Sports Recycler Unlimited.

**Aim:** To introduce the Electric Bike Experience in the North East and beyond and make cycling more accessible to a wider audience. To defy the barriers imposed by lifestyle, diminished ability or age, which prevent continued cycling.

**Their Story:** The Electric Bike Shed is based at South Shields Business works. "The Home of the Electric Bike" sprang from client demand and was established in 2008 by the social enterprise, Sports Recycler.

Sports Recycler aims to open up cycling to disadvantaged members of the community by providing low cost, refurbished bikes, encouraging healthier life styles and promoting recycling. The surpluses of the commercial sale of electric bikes will be passed to Sports Recycler to support their social aims.

Very popular abroad, electric bikes are making their presence known throughout the UK. Users range from people with breathing difficulties, or physical considerations they need to take into account, and those

who want to commute to and from work and arrive feeling fresh and ready to face the day, to people who have cycled actively all their lives but now find maybe due to illness or advancing age that they cannot continue to enjoy their bikes as they once did.

Optional power assistance means that the cyclist can continue cycling and this can have a truly life-changing effect. The electric option reduces a user's carbon footprint, and can be a potentially cheaper mode of transport. It can improve fitness – users find they cycle more with an electric bike.

The Electric Bike Shed has a dedicated showroom where clients can test ride a good selection of bikes and get advice and assistance to help them make the right choice when purchasing, and receive post-sales aftercare.

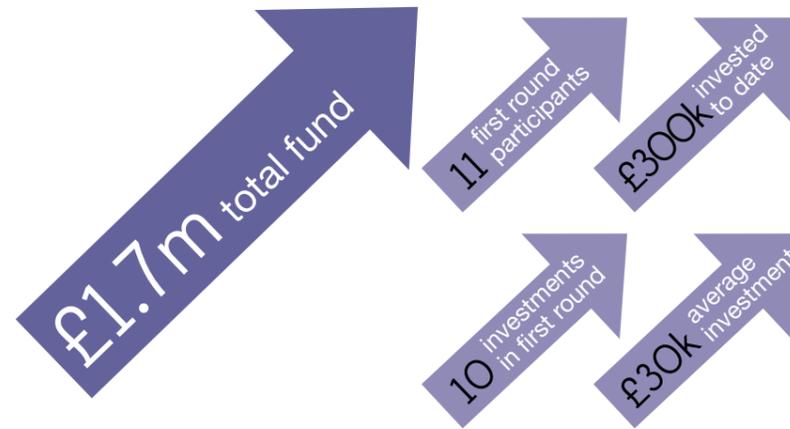
Key Fund delivered a loan of £21,500 to help the start-up of the Electric Bike Shed.

*"The Key Fund loan has enabled The Electric Bike Shed to extend its demo range so that a variety of clients with varying needs, lifestyles and demands can be catered for. The test ride and advice session, on the right bike for the client, is a crucial stage in their decision to embark upon the electric bike experience; a more extensive range of demo bikes means that this opportunity is opened up to more and more people." Trish Armitage, Manager*



## DotForge Social Ventures Accelerator 2014/15

We are also involved in a second incubator, supported by the Cabinet Office via the Big Lottery Fund. The Dotforge Accelerator is a two-year programme, delivered in partnership with Traction Central, which provides support to technology focussed social ventures.



## Open Cinema Sheffield

Open Cinema is a film company which uses community cinema and filmmaking projects to help socially excluded people such as homeless people to come into contact with each other and into mainstream society. Established in 2009, they have presented over 1000 film screenings, welcoming 14,000 admissions, and mobilized 18,000 volunteer hours, winning awards around the globe. They have come onboard with Dotforge to help grown their business even further, spreading successful film clubs into communities across the world.

Christoph Warrack is the founder and chief executive of Open Cinema. He says: 'I believe that Open Cinema fills the space between home cinema and the high street cinemas. The key detail that major cinema chains have missed is that cinema isn't about box office figures. It's about those watching the film; the communal experience. It's about people.'

'There are 756 cinemas in the UK, each showing films to just an 18% occupancy. Something is broken in the system as it stands. Even independent cinema chains such as Curzon, who are looking at franchising their brand, want extraordinary amounts of money to set up new cinemas.'

Open Cinema has worked with disenfranchised communities across Britain to great triumph. Setting up film clubs in premises used by the homeless, the system allows service users to watch movies, curate film seasons, take part in lively post-screening discussions, and meet film makers. These film clubs have high impact, helping to empower users, giving them feelings of self-worth, reducing anxiety, promoting relaxation, and teaching people social and emotional skills.

Christoph said: 'Working with vulnerable people, going to a screening and seeing the difference that we make is very fulfilling. It's fantastic to join in the discussions with filmmakers and see that the questions asked are so much more astute than the pompous questions asked in Soho hipster film clubs. I say that as someone who is the first to admit that I am one of the first with their hands up asking those pompous questions.'

Expanding their successful project further, Dotforge is helping Open Cinema to realise a new branch of operations for their project. The new project is a digital community cinema platform, run from an app. This allows any room with a projector in it to become a cinema.

The application allows users to choose films, curate seasons, sell tickets and advertise them in the local area as well as collecting data on attendance, to help create valuable member journeys. There are thousands of films in the Open Cinema database, along with 150 12-week seasons that have already been curated by community groups. There is the ability for film clubs to build and manage their own new film seasons, adding films along themes, genres, or whatever takes their fancy. It hands the keys of cinema to communities, whether a group of Girl Guides in a church hall or even an assembly of city executives running an after-work club, to come up with their own tailored set list.

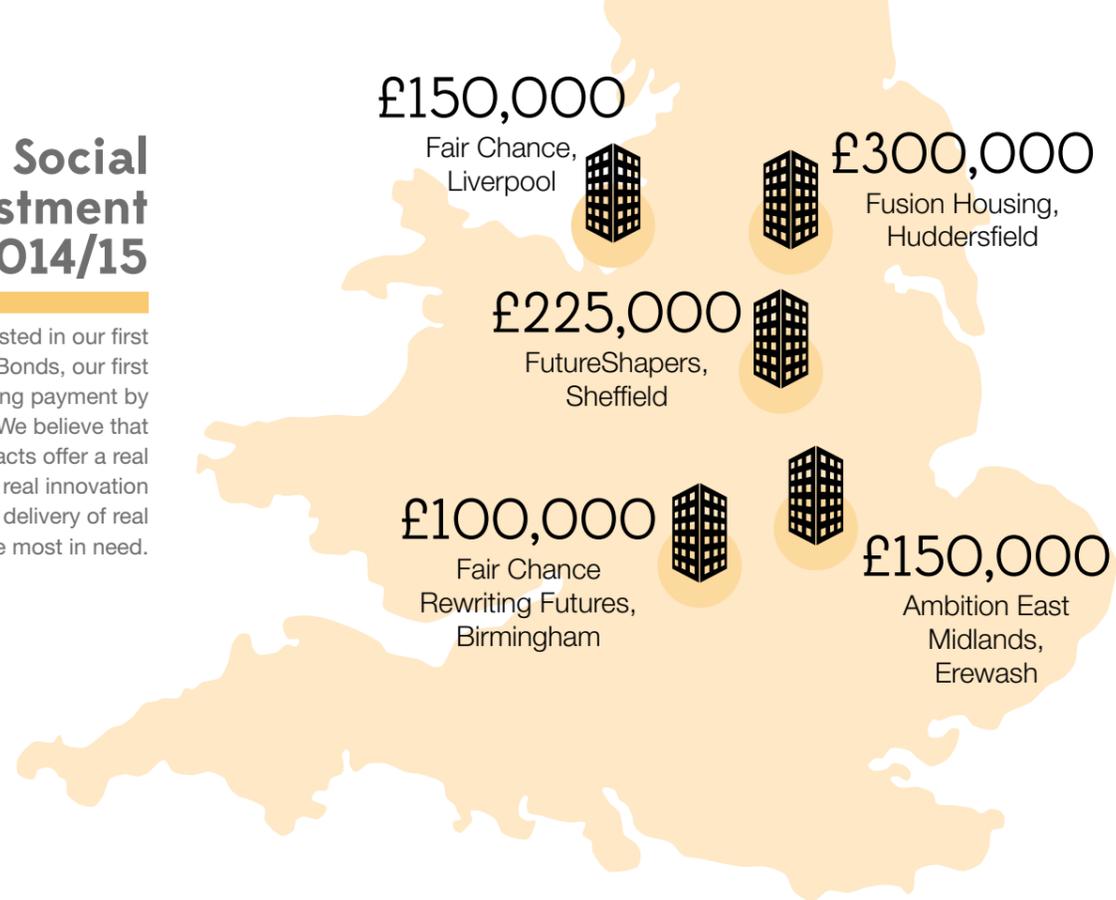
Currently working from London, the company is opening an office Sheffield with Dotforge to help grow their successful proposition even further with the hope to take the project not just nationwide, but even further, spreading internationally. They have already had enquiries in their project from 65 countries.

*Christoph said: 'Community cinema is the future of cinema. With Open Cinema, there can be a screening anywhere. We just want to get ourselves out of the way and put the tools in the hands of everyone.'*



## Social Investment Bonds 2014/15

In 2014-15 we invested in our first Social Impact Bonds, our first step in to supporting payment by results contracts. We believe that these types of contracts offer a real opportunity to enable real innovation and a focus on the delivery of real impact on people most in need.



### FutureShapers Sheffield

**Who:** Future Shapers is a newly formed, investor-owned special purpose vehicle pioneered by Sheffield Futures, Sheffield City Council and Triodos Bank.

**Aim:** Following a nationwide competitive tender process, Future Shapers successfully secured a Payment by Results contract to deliver intensive support to vulnerable young people in Sheffield who are at risk of becoming long term "NEET" (not in education, employment or training).

**Their story:** Future Shapers was formed by Sheffield Futures - a leading independent charity providing targeted support and advice in relation to training and employment, social inclusion, careers guidance and personal development. It was created to tender for the Social Impact Bond for the Youth Engagement Fund.

As an Investor, Key Fund helped with a proportion of the capital (£225k) Future Shapers needed to cover the costs of their work. Over three and a half years, FutureShapers will deliver a programme of support to vulnerable young people across the city. In so doing, these individuals will be helped to achieve their full potential and ultimately secure a successful transition to adulthood.

It is estimated that 13.6% of young people in England are not in education, employment or training (NEET).

Future Shapers works to improve school behaviour, attendance and the achievement of qualifications for 14-15 year olds. It also assists 16-17 year olds achieve vocational training and entry into employment. It delivers tailored, intensive mentorship to young people through a multi-agency approach, working with employers to support young people.

Future Shapers partners with Sheffield City Council and other organisations to access existing databases of young people, including those in care, young offenders and those in substance misuse services or those with special education needs. Pupils are ranked by vulnerability to NEET. FutureShapers meets with school leaders to agree the pupils in most need of support.

They expect to help 1,300 vulnerable young people during the life of the programme.

*"The investment from Key Fund and other social investors is a fantastic opportunity for young people in Sheffield. Future Shapers enables Sheffield Futures to intensively work with young people to enable them to achieve their potential. Key Fund has believed in our model from the start, and their support is invaluable for us to make a big difference to young people who might not otherwise get a chance." - Gail Gibbons, CEO*





WE LISTEN,  
WE HELP,  
WE FUND...  
**YOU GROW**



## The Key Fund Impact Reporting Tool

### We take impact seriously at Key Fund.

We are very proud that our investments enable our clients to make a real difference and we really want to help our clients to shout about the amazing things that they do, but we know just how time consuming, complex and frankly expensive this can be.

So we have developed our own simple and straightforward impact reporting tool that makes it easy for organisations to get started with their own report.

From 2015, all Key Fund customers will be given FREE access to our new Impact Reporting Tool...we're calling it KeyFIT for short.

The tool considers two sides of impact. Firstly, the difference your organisation makes to the local economy, community and environment. There are 6 modules with themes closely related to the main drivers of most public sector organisations. These include the economy, employment, family, community, health & wellbeing, and the environment.

Secondly, the tool gathers information about the difference you make to the people you serve. This section has three or four indicators in the areas of Job & Business Creation, Financial Exclusion, Training and Learning, Older People, Young People, Family, Crime & Offending, Social & Community, and Housing and Homelessness.

Getting reports couldn't be easier either. You can get your results from each module in a list format - great for copying into reports etc., but you can also create your own infographics from your results.

KeyFIT has been designed to introduce organisations we invest in to the world of social impact reporting and show off just how amazing they are!



Thank  
You

2014/15 has been a fantastic year for the Key Fund with significant growth in almost all areas; we have invested more than ever, secured new substantial contracts and grown the size of the fund.

All of these set us up for another record year in 2015/16 and so in anticipation the Board have also agreed to invest in the staff team, growing our ability to invest in even more community and social enterprises...but perhaps more importantly, to enable even more impacts in disadvantaged communities.

Ultimately this is what drives us as a Board and the Staff team, the impact that our investees achieve with our support. This is why the stories contained in this report are so important... it's all about the people!

We believe strongly that Key Fund has a vital role in developing community and social investment activity in the North and Midlands, continuing to innovate and develop new solutions to the challenges facing our communities.

To make this happen we will continue to be the alchemist between local and national programmes, using our expertise and collaborative approach to partnerships to improve access to finance and build social inclusion.

**Hugh Rolo**  
Chair

# KEY FUND INVESTMENTS

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