



# Social Impact Report

**April 2014 – March 2015**

The Five Lamps Organisation Limited  
Registered Office: Eldon Street, Thornaby, Stockton, TS17 7DJ  
Registered Charity Number: 702314  
A Company Limited by Guarantee: 2441319

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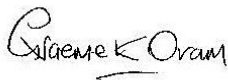
## Welcome



Welcome to our 2014/15 Social Impact Report. This is the fifth impact report that we have produced and in doing so we are trying to answer a fundamental question on if our services actually make a lasting difference to our customer's lives. For an organisation like Five Lamps that aims to transform lives', raise aspirations and remove barriers, this question is simple to ask and extremely complicated to answer.

The impact of our works spans supporting long-term unemployed people back into work; providing training, employment and qualifications to NEET young people; supporting customers on their enterprise journey from enterprise coaching, mentoring, business planning and accessing finance for start-ups; providing evening and weekend youth club activities; refurbishing and letting previously long term empty properties; systematically stripping away the barriers that face troubled families; delivering welfare assistance programmes; providing affordable personal loans to individuals and homeowners who are unable to access mainstream support.

The production of our Social Impact Reports has become integral to Five Lamps' operation and culture, supporting our growth and development, adding value to tenders, influencing service design, providing a marketing tool, generating a stream of good news stories, celebrating success and providing a case for social investment.

A handwritten signature in black ink that reads "Graeme Oram". The signature is written in a cursive style with a horizontal line underneath the name.

Graeme Oram  
**Chief Executive**

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## ABOUT FIVE LAMPS

Five Lamps was originally established to support people who were unemployed, due to the decline of the traditional industries in Teesside. 30 years later there is now a greater need for the services we deliver and our geographical reach now spans across the North East and into North and South Yorkshire.

Five Lamps now delivers services to over 23,000 socially, economically and financially excluded customers through its three integrated business divisions - Youth Services, Financial Inclusion and Housing and Economic Development.

The majority of our customers often have multiple barriers preventing them from moving forward with their life goals and are often the hardest to reach in society. Five Lamps aims to support and advise them in raising their aspirations, removing their barriers and offering them choice.

The type of customers who access our services include; people unable to access mainstream finance; the long-term unemployed or those trapped in the 'low pay, no pay' cycle; vulnerable groups including those people with drug and alcohol and problems and mental health issues, customers wishing to move into self-employment who do not necessarily have the knowledge and skills around becoming self-employed; the financially excluded and young people with complex needs who are at risk of social exclusion due to the limited meeting places in the local area where their needs can be supported.

<b>Vision</b>	Creating Possibilities: Improving Lives
<b>Mission</b>	To Transform Lives, Raise Aspirations and Remove Barriers to Social, Economic & Financial Inclusion
<b>Values</b>	<p>To <b>make people matter</b>, by releasing their potential and encouraging self-worth</p> <p><b>Performance matters</b>, by achieving targets and meeting quality standards</p> <p><b>Quality matters</b>, by assuring quality and achieving contemporary quality standards</p> <p>To <b>make communities matter</b>, by understanding neighbourhoods and their needs including everyone</p> <p><b>Measuring impact matters</b>, by collecting social, performance and environmental data across the full range of our business and producing an annual Social Impact Report</p>
<b>Our Board of Trustees</b>	<p>Our Board of Trustees provide leadership, strategic direction, challenge and entrepreneurship, driving the business forward and keeping it under prudent control.</p> <p>The Board currently has 5 members who have a diverse range of skills and qualities gained from different professional backgrounds. A Chair and Vice-Chair are appointed annually and have full voting rights. The Board meets at least quarterly and has a sub-committee; Audit &amp; Risk, the remit of which is to support the Board in carrying out its obligations</p>

relating to its financial duties and legal/statutory compliance. Our Board of Trustees also hold two away days per year with the Senior Management Team to discuss performance across the organisation with resulting action plans which are worked towards throughout the year.

Day to day responsibility for the provision of services and operation of the business rests with the Chief Executive.

## Social, Economic and Financial Exclusion

**Over 5 million vulnerable households are affected in some way by Financial Exclusion in the UK today**

(Source: The Financial Inclusion Centre 2015)

**Around 2 million adults (1.3 million households) are without access to a bank account –while a further 4 million use accounts infrequently.**

(Source: The Financial Inclusion Centre 2015)

**165,000 people use illegal loan sharks.**

(Source: The Financial Inclusion Centre 2014)

**The latest Government data on vacant dwellings shows over 610,000 empty homes in England with over 200,000 long-term vacant dwellings (that is homes unoccupied for over six months).**

(Source: Empty Homes Statistics 2015)

**9% of all 16-18 year olds in the borough of Stockton-on-Tees are classed as NEET, compared to the average for the North East being 7% of all 16-18 year olds are classed as NEET**

(Source: Department for Education, NEET data by local authority, December 2014)

**The unemployment rate in Great Britain was highest in the North East (7.5%) and lowest in the South East (4.2%).**

(Source: Office for National Statistics, May 2015)

**17.3% of all people living in London are in self-employment. The North East has the smallest self-employment rate in the country at 10.8%**

(Source: Office for National Statistics, August 2014)

- First-stage debt advice
- Signposting to bank accounts and credit union support
- Financial literacy and awareness programmes
- Intensive support for families with debt management problems
- Fair-cost personal and business loans
- Access to fair-cost credit
- Support for disadvantaged and vulnerable groups
  
- £1.3 million refurbishment programme for 49 empty properties
  
- ‘Youth Employment Support’ programme
- Information, advice and guidance
- Accredited and unaccredited learning
- Progression support into work and further training
  
- Routes into employment
- Skills support for the unemployed with multiple barriers preventing employment
- Targeted support for individuals and the whole family
  
- Wrap around assistance into self-employment including post start-up
- Personal loans to support business start-ups
- Business loans to encourage business growth

**2014-15 was a year of further change for the organisation.** Whilst we did not have the challenge of embedding new contracts to the same extent as the previous year, we continued to drive out substantial efficiencies in our operations as well as undertaking a widespread review of our personal lending service. This review was fuelled by the obvious impact on our customers of welfare reforms.

We invested in new online systems with automated decision making, utilising industry standard decision logic. This key piece of work saw us ease off on the promotion of our personal lending while we effected the change and prepared ourselves for three key initiatives which will all launch in early part of 2015/16. These are our role as the finance partner in **'Our House'**, an ethical household goods retail initiative launched by leading Liverpool-based social enterprise, FRC Group; as a lending partner in **Sheffield Money**, and affordable finance and financial inclusion initiative which came out of a Fairness Commission in the city, and as a community lender in a national **Affordable Lending Portal** to be established by a partnership of community lenders, Experian, Asda Money, The Cabinet Office and Barclays. These initiatives, which could create a combined increase in loan volumes of c20000 loans per annum, and have clear potential for further growth.

The continued change experienced during the year is further testament to the relevance of our work in the current economic climate and to the vision and ambition of our financial and business growth strategies. Our ambition to grow our balance sheet and to generate a greater proportion of revenue from our own assets is entirely correct, although the continued impact of the Government's welfare reforms on our core financial inclusion customer group has created a challenging operating environment for that service.

Following a successful bid back in September 2012, Five Lamps secured £1.276million from the Department of Communities & Local Government **'Empty Homes Community Grants Programme'**. The programme ended at the end of March 2015 and Five Lamps hit our revised target of 49 properties (121 bed spaces) refurbished across County Durham and Darlington. That outcome is fully compliant with the programme's value-for-money criteria. This was the first time that Five Lamps had undertaken a housing project of this nature and we retain an appetite for further work in this field but we would to see a greater focus on purchase and repair.

We commenced delivery of **Start-Up Loans**, a major Government initiative to support entrepreneurs, initially under the age of 30 but later to all ages, into self-employment, in early 2013. We have now loaned over £1.6million to 362 new businesses since January 2013. While the majority of our lending remains to North East customers we have supported customers from as far away as Kent.

We had supplemented our **personal lending** capacity by securing £1million from Unity Trust Bank in June 2012. This represented a landmark deal for Unity, being their first such investment in the personal lending arena and the largest single bank deal with a UK personal lending CDFI at the time. Having repaid half of the initial borrowing, we agreed to extend the loan facility back to its original level from August 2014. This will finance our planned growth in our personal lending activities on completion of our new on-line portal.

Five Lamps commenced lending from the £750k **Regional Growth Fund** (RGF) capital secured by Responsible Finance in July 2013. This capital completes a unique ladder of financial support to our enterprise customers which now spans New Enterprise Allowance; Start-Up Loans and RGF with loans available from £1k to £100k.

Our performance on the DWP Prime contract to deliver the **New Enterprise Allowance Loan Service** throughout the North East and Yorkshire was among the best in the country across a wide variety of indicators. Nearly 4,000 new businesses have been established by people coming off benefits. The programme was initially extended and then transferred from DWP to the Start Up Loan Company. This is to align both NEA and Start Up Loan products. These are two distinct loan-types and we were concerned that alignment of eligibility and process, particularly credit policy, will see substantially reduced activity and markedly fewer loans. We were responsible for more than one in five of all NEA Loans in the country up to March 2014. The new contract saw our geographic coverage reduced to the North East, with a commensurate reduction in activity and, when the mentoring contract, with its revised operation, was re-tendered in late 2014, we saw a further reduction in activity. While all parties recognise the reduced levels of activity, no properly integrated solution has been found.

In March 2015 we won the CDFA Citi Micro-entrepreneurship 'New Horizon' Award for our work on '**Our House**' the ethical household goods initiative in partnership with FRC Group, for which we secured £2.6million from Unity Trust Bank. This follows our success in February 2014 when we were awarded the inaugural CDFA Citi Micro-entrepreneurship 'Impact' Award for our work in the CDFI arenas and the demonstrable impact that we make, building on our earlier recognition in winning the 2012 RBS SE100 'Impact Champion' award. The substantial prize money generously put forward by Citi has enabled us to invest in our online capability and to engage industry risk experts to build an automated decision-making process. This work is the cornerstone for our future delivery.

During 2014-15 our Employability service continued to deliver a **Work Programme** sub-contract and '**FamilyWise**' the ESF-funded family support service. The Work Programme activity remains low, reflecting our role as a sub-contractor in Stockton-on-Tees. 'FamilyWise' ends at 30 June 2015. The last six-months of the programme have seen an upturn in revenue generated but, right across the North East, and nationally, this has been a difficult programme to deliver, almost entirely due to DWP monitoring, a fundamental over-financing of the delivery model and the competition for a similar customer group from the Troubled Families initiative. Two government programmes with similar targets, different payment structures, payment by results etc is a recipe for major problems, and this was no exception. The government must realise that while social enterprises and community organisations are likely to play a key role in future service delivery to excluded and vulnerable groups, they cannot be expected to shoulder substantial revenue losses as a consequence of a lack of joined-up government. We communicated our disappointment to the Minister for Civil Society on a visit to Five Lamps in November 2014. Interestingly, he showcased a Five Lamps 'FamilyWise' case study in a keynote speech that he made a few months later!

The second year of delivering local **Welfare Assistance** programmes in Stockton-on-Tees, Northumberland and County Durham, proved extremely successful with consistent achievement of the very challenging performance targets. These contracts deliver the localised social fund, which replaced the national service in April 2013. The three delivery models had some differences but the common feature is our call handling and assessment which saw us create 15 new jobs in a new contact centre facility. Disappointingly the government announced that the funding is no longer ring-fenced from April 2015 and, in common with many local authorities who immediately looked to end their programmes of support or absorb them into existing similar call-centre based services, both Stockton and Durham informed us that they were reverting to in-house delivery from April 2015. The NETs service in Northumberland is continuing.

Our personal lending service made just under 7,000 loans in 2014/15. This is down by some 3,000 on the previous year and reflects the work we have been undertaking on our systems, the changing face of the personal lending market and the impact of welfare reforms on our customers and a general tightening of our lending policy in response to a climb in delinquency, largely arising from the welfare changes. We have an online application portal with automated credit checking and decision-making which is now ready for full implementation. This will enable paperless operation, driving our range of manual processes and information requests, utilising industry standard validation and verification systems. We have remodelled our delivery and substantially reduced our cost base, as well as piloting the use of social media in marketing. We are now able to target new geography and remove many of the postcode restrictions that had applied previously.

Our 'MyBnk' franchise, only the second outside London, continued to grow its reach during 2014-15, working with just short of 3,000 young people. Despite this growth the programme experiences a number of operating difficulties and we notified MyBnk of our decision to withdraw from the service in April 2015.

## Key Achievements

2014/15 another splendid year! Five Lamps have now been trading for 29 years and few social enterprises can match our resilience or the diversity of the 'unique' services that we offer. Our key achievements cover a vast spectrum of service delivery:

- In 2014-15 we delivered the large majority of our **strategic objectives**
- An opening surplus of **£673,404** after provisions and bad debt write-off.
- A **22.1%** increase in turnover, following the 59.4% achieved in 2013-14.
- Further progression towards **sustainable** operation for our lending activity, despite reduced personal lending activity pending system changes and new initiatives
- Over **£6.5million** of lending
- Achievement of **49** refurbished Empty Homes
- Geographic **growth**
- We now employ **69** people
- Over **23,000** people accessed our services and support in 2014/15

## Awards and Recognition

The hugely successful work carried out by Five Lamps has been recognised by awarding bodies. This year sees our work recognised not only by regional and national awarding bodies but also international awards. These awards recognise the impact we are making as a business to 'Make People Matter' and demonstrates to present and potential funders the difference we have generated to socially, economically and financially excluded customers in the increasing geography of the communities our services are delivered in.

### Customer First Standard

Five Lamps was reaccredited to the Customer First standard for the third time. The standard recognises that our organisation has met essential criteria across 30 indicators covering; customer relationships; market awareness; and people management.



### **Shortlisted for the Investors in People International Awards**

Five Lamps has been named as a leader in people management practice globally, having been shortlisted in the excellence in the third sector award in the second annual Investors in People Awards. The Awards, which received over 400 entries internationally, celebrates the best people management practices amongst Investors in People accredited businesses.

### **CDFI New Horizon Award**

Five Lamps were successful in winning this award which shows creativity, adaptability and innovation in meeting new market needs. The award recognises how our sector is growing through dynamic ventures, fresh approaches and new relationships. A prize of £15,000 was awarded to Five Lamps.

### **Enterprise Communicator of the Year National Enterprise Network (NEN) Awards**

Member organisations of NEN were nominated for their outstanding communications with both the Network and beyond; highlighting the range and types of work the enterprise support sector undertakes. Five Lamps staff were extremely proud to win this award on an evening which also included our Enterprise Team being recognised for their exemplary practice within their team as they were shortlisted for the Enterprise Team of the Year Award.

# ECONOMIC DEVELOPMENT

## ACTIVITIES AND OUTPUTS

Our Economic Development comprises of:

- **Employability** - supporting hard to reach individuals and individuals from families with complex needs into employment, 'FamilyWise'; delivery of the DWP 'Work Programme'
- **Enterprise** - delivering 'business start-up' training, coaching and one-to-one support to progress Five Lamps' customers into self-employment; New Enterprise Allowance mentoring; a tiered business loan offer which spans NEA Loans, typically up to £2.5k; Start-Up Loans up to £25k, although potentially higher with the dual authority of the Start-Up Loan Company; and RGF Loans of up to £100k, again potentially higher with appropriate authority

**Aim: To have a positive impact and increase employment figures in the North East & Yorkshire, by supporting people to access training, sustainable job opportunities and by supporting them to start their own businesses**

Our Economic Development teams recognise the key stages of our customers' journey to self/employment:

**Engagement – Intensive Support – Skills Development – Tackling Barriers to Success – Aftercare**

2014/15 continued to be a challenging year for our Economic Development division as we continue to provide services based on the requirements of local and national government eligibility criteria.

**Enterprise** has been at the heart of Five Lamps' service delivery for nearly 30 years, but never previously at the kind of scale and impact that it enjoyed in 2014/15. We have built a particularly comprehensive range of support, expanded our offer from local to sub-regional and for some of our services, to a regional level.

We have competed successfully for large-scale contracts; contributed productively to consortia and true to our social enterprise ethos, re-distributed surpluses into self-funded enterprise workshops and community-facing activities.

We pride ourselves on being able to offer 'end to end' support to a wide spectrum of business covering everything from micro-business start-ups, to early life SMEs and up to businesses with significant growth opportunities. We have built strong relationships with trusted referrers, who in turn trust us to deliver.

Our model of delivery focuses on engaging both unemployed and employed customers through our extensive local and regional networks and community outreaches and is resourced to support customers at each stage of their enterprise journey.

Our financial offer remains unique within the NEN and CDFI sectors, due to the range of contracts we have been successful in delivering, including New Enterprise Allowance (NEA) Loan Service, Start-up Loan Fund and Regional Growth Fund (RGF) Loans, as well as being able to signpost customers to our personal lending service.

**Start-Up Loans**  
**Work Programme**  
**Regional Growth Fund**  
**Enterprise Workshops**  
**FamilyWise**  
**MyBnk**  
**New Enterprise Allowance**

**86** long-term unemployed into work

**765** business start-ups

**573** people attending enterprise workshops

**794** business loans to support self-employment

Supporting customers to overcome their barriers to employment remains at the heart of our **Employability** offer. Our two main programmes FamilyWise (ends at 30 June 2015) and Work Programme have tested us as an organisation in terms of operating within payment by results contracts.

We continue to provide individualised support to referred customers who typically have been unemployed for more than 5 years and as a result have multiple barriers to returning to work including lack of skills and qualifications, confidence, physical and mental health issues, care and childcare needs and financial worries. Our customers often live chaotic and complex lives and we recognise that the longer they are out of work, the more entrenched the barriers they face can become.

We are seeing successes in our information, advice and guidance approach which identifies the right services to address each customer's specific needs and as a result we are seeing an increase in the number of progress measures and actions achieved by our customers, which in turn has led to a number of them progressing into employment.

We have a good success rate at ensuring our customers sustain their employment at 26 weeks and beyond and we pride ourselves on securing long term sustainable employment for our customers rather than seasonal or short-term opportunities.

## SOCIAL AND ECONOMIC IMPACT

Our published good news stories and our generic customer surveys inform us of improvements and impact we have had on our customers' lives.

"My confidence and opportunities to progress to work"

"My self-motivation, confidence and self-esteem have vastly improved"

"My understanding of the financial elements of being self-employed"

"Everything has improved. Ideas, solving problems and building up my idea."

"Helped me improve my business plan"

"Confidence and financial planning ability."

"No longer subjected to oppressive and anxiety provoking appointments and job search at Job Centre plus"

"An element of freedom to do things and accept that I make mistakes but know that I have NEA as security in the early part of the business"

Quotes like this are common place here at Five Lamps, where we value all customer feedback to drive forward service improvements.

We have used the Community Development Finance Associations (CDFA) Economic Impact Tool to calculate the economic and social value of our enterprise activities. It enables community finance providers to calculate the value of the economic and social impacts of their activities. The Economic Impact Tool is underpinned by a relevant and robust evidence base, which has undergone a peer review process. It is designed to be a living document, and expected that the range of outcomes will be expanded and the values updated as the evidence base for the impact of community finance grows. The calculator defines the value of a small set of core outcomes based on existing evidence and using data already collected by most CDFIs. It is underpinned by a relevant and robust evidence base. Full details of the evidence used and the impact model (the base for the value calculator) can be found in An Economic Impact Tool for the Community Finance Industry, available from [www.cdfa.org.uk](http://www.cdfa.org.uk).

Outcome	Outcome Indicator	No of outcomes	Unit Value of Benefit	Total Value of Benefit
<b>Entrepreneurship:</b> Business created by unemployed person on benefits	Number of loans made to unemployed individuals who created a business	647	£24,253.00	£15,691,691

<b>Entrepreneurship:</b> Business created by an employed person	Number of loans made to employed individuals who created a business	147	£10,619.00	£1,560,993
<b>Skills: Individual skills upgraded</b>	Number of individuals who received business advice	963	£290.00	£279,270

We have used the Governments Unit Cost Database (v.1.4) to calculate the economic and social value of our employability activities. This unit cost database brings together more than 600 cost estimates in a single place, most of which are national costs derived from government reports and academic studies. The costs cover crime, education & skills, employment & economy, fire, health, housing and social services. The derivation of the costs and the calculations underpinning them have been quality assured by New Economy in co-operation with HM Government.

The Unit Cost Database was funded by the Department for Communities and Local Government's (DCLG) Troubled Families Unit, and delivered by Greater Manchester and Birmingham City Council. Work is still on-going between these lead partners to update the database to ensure that it remains current.

Outcome category	Cost/ saving detail	No of outcomes	Fiscal Cost	Total Value of Benefit
<b>Employment &amp; Economy</b>	<b>Job Seeker's Allowance</b> Fiscal benefit from a workless claimant entering work	86	£10,321	£887,606

The results of our impact using the CDFA Impact Tool demonstrate a substantial cost benefit of our services with the main outcome of supporting these customers into employment/self-employment.

The most significant benefit relates to the 647 previously unemployed people that we supported with a business loan to start their own business through the New Enterprise Allowance Mentoring and Loan contracts. The economic benefit has been calculated at £15,691,691 – a significant benefit to the wider economy in terms of welfare benefits savings but also to the individual in terms of the lifestyle changes required to start their own business.

Previously we have undertaken a social return on investment type calculation, however we have moved away from this type of analysis within this report due to the assumptions and proxy measurements that need to be made to input the data to create a £ for £ value calculation.

There are obvious challenges in attributing monetary values to outcomes and impacts, particularly around putting a value on quality of life. We will continue to develop our approach to economic impact reporting, however for the purposes of this report, we have purely focussed on the 'hard' economic outputs. We recognise though that this limits our ability to provide a full economic analysis of our work.

## Case Study: Crocodile on Yarm High Street!



Callum Murray, 25, came to Five Lamps in 2013 for help and advice to set up a Butchers shop in Yarm. Callum was an experienced Butcher and was now looking to start up on his own. He knew it was a big step but had seen an opportunity in Yarm, as a long standing Butcher had recently closed and he had been the only one in the town.

Callum met with Ian Garforth and Deborah Shanley from Five Lamps' Enterprise team who gave him advice and guidance regarding market research, operational preparation and compilation of a business plan. Callum had other challenges like arranging the preparation of the premises, organising suppliers and marketing and staffing issues to arrange. He then applied for a Start-up Loan via Five Lamps which was approved.

He started trading as Yarm Butchers on Yarm High Street in March 2014. After a strong start, Callum was awarded Best Business in the prestigious and ultra-competitive Tees Valley Best New Business awards in February 2015.

Of the service he had received from Five Lamps, Callum said **“When I first approached Ian and Five Lamps in 2013, I didn’t understand the background of starting your own business, but Five Lamps and the team put together workshops and meetings for people like me to attend. This helped me understand the fundamentals of running your own business. I have a huge amount of respect for the staff at Five Lamps as they are very dedicated to helping people like me. Ian and Deborah showed a lot of interest in my business idea which keeps me motivated. If it wasn’t for Five Lamps I wouldn’t have this business”**

*May 2015*

# FINANCIAL INCLUSION & HOUSING



## ACTIVITIES AND OUTPUTS

Five Lamps' supports communities through two business divisions:

Financial Inclusion & Housing

- **Personal Lending** - providing affordable and responsible fair-cost loans to customers who are financially excluded from mainstream financial services and cannot access affordable credit and who may have had to resort to using high-cost lenders
- **Empty Homes** – Refurbishment of empty properties; tenancy management

**Aim: To provide affordable credit and financial support to financially excluded individuals, enabling them to move away from their reliance on unaffordable or illegal credit. To bring back into use long term empty properties**

Our Financial Inclusion Team recognises the key stages of our customer's journey to financial inclusion:

**Engagement – Personal Financial Healthcheck – Loan Decision – Signposting – Aftercare and Support**

2014/15 saw a focus on operational improvements within our **Financial Inclusion &**

**Housing** division. We made 3,000 less loans than in 2013/14 which reflects the work we undertook to improve systems, the changing face of the personal lending market, the impact of welfare reforms and a general tightening of our lending policy. We now have an online application portal with automated credit checking and decision making, improving the application process for our customers and enabling us to operate largely paperless. The driving out of a range of manual process has enabled us to substantially reduce our cost base.

Our work within the empty homes arena continued in 2014/15 and we hit our revised target to refurbish 49 properties. The programme ends in March 2015 and has been a challenging programme to deliver given the scale of the refurbishment works required within each of the properties which have typically been empty for six or more years.

2014/15 also saw the third year of delivering local Welfare Assistance programmes in Stockton-on-Tees, Northumberland and County Durham. On all three contracts we are delighted with our achievement of the challenging quality standards and timescales but disappointed with the Government's announced that the funding would no longer be ring-fenced from April 2015.

We continued to deliver 'Helping Hand' the regional Private Housing Financial Assistance Service. We initially delivered this service under contract to all 12 North East Local Authorities for four years, with an additional year contract extension. The service was re-tendered in 2015 and we were successful in our bid to continue in the role of loan fund administrator until April 2019. We were notified by the Helping Hand Partnership Board that two local authorities, County Durham and Middlesbrough, are to withdraw from the service. The remaining ten authorities are continuing and seven of these are putting further funding into the programme for 2015-16.

**Energy Debt Advice**  
**Empty Homes**  
**Fair- cost personal loans**  
**Welfare Assistance**

**Helping Hand**  
**Repossession Fund**  
**Refurnish**  
**Middlesbrough**

**6,794** fair-cost personal and homeowner loans

**93** customers supported with energy efficiency advice and fuel switching advice

**3,078** approved welfare assistance applications

**37** long term empty properties fully refurbished

## SOCIAL AND ECONOMIC IMPACT

Our improved consultation and impact capturing methods have enabled us to demonstrate what our Financial Inclusion and Housing services have delivered to our customers and how this had contributed to a change in their lives.

Charlie said, **“My family and I would like to thank Vince, John and the Five Lamps’ team for their assistance. The support we received was second to none – it just takes a few nice people to take a chance on a family like mine, and you can change lives. Please keep up the good work!!”**

Gemma said **“I would like to thank Amy and John for all their help and support through what has been a very difficult year for me. Today my energy supplier has confirmed the payment of £797.07 has now been received from the British Gas Trust. This could not have been done without Amy and John, so thank you so much for all your hard work and efforts. I can now move supplier and hopefully afford some heating”**

Hayley an Empty homes customer said **“The house is absolutely beautiful; top to bottom everything is perfect. I’m really, really pleased with it, and it’s so much better than the flats, I wouldn’t be able to manage the stairs with a pushchair and the two little ones, It’s also came at the right time after just giving birth to a baby and Christmas coming up”**

Five Lamps is successful in meeting contractual targets and these quotes prove too, that we can deliver huge impact on our customers’ lives.

## Case Study: A New Financial Start

Louise 34 is a single parent from Middlesbrough who had suffered from domestic violence. The violence had also led to Louise accruing a large amount of debt as her ex-partner had cancelled all of the payments for the household bills and had also taken out creditors in her name. After the relationship had finally broken down she moved into another property with her children and decided to take control of her finances again.

The outstanding sum was a significant figure, however Louise spoke to all of her creditors and arranged to make regular affordable repayments to bring her finances back under control and reduce the balances.

Due to her previous credit issues and with her income being reliant on benefits she was unable to access mainstream finance so Louise approached Five Lamps in June 2014. She applied for a fair cost personal loan and John Hird, Senior Loans Officer at Five Lamps arranged to meet Louise face to face to discuss her suitability for a personal loan. Louise spoke about how she had got into financial difficulties but was now much happier that her finances were finally under control.

After completing an in depth income and expenditure assessment John agreed that Louise could afford to repay a personal loan of £300.00 over a 7 month term. John also explained to Louise that Five Lamps offer ongoing support which would be available if she had any issues making repayments outlined in her repayment schedule.

Five Lamps contacted Louise eight months later for an update on her circumstances. Louise had used the personal loan to purchase essential baby items as she was pregnant at the time of making her application for a personal loan.

Louise has also cleared the balance on her original loan and has applied and been accepted for an additional loan which she is currently paying back with no missed payments.

Louise said **“The personal loan from Five Lamps has helped me out a lot, I would not have been able to afford to pay for some of the items I needed for the new baby. The repayments are affordable and easy to manage as the payments come straight from my bank account on the day I get paid, Thanks to John for all of his help.”**

*January 2015*

We have again used the Community Development Finance Associations (CDFA) Economic Impact Tool to calculate the economic and social value of our Financial Inclusion and Housing Services.

Outcome	Outcome Indicator	No of outcomes	Unit Value of Benefit	Total Value of Benefit
<b>Financial:</b> Like-for-like loan savings	Number of personal loans made	6,529	£91.43	£596,946.47

<b>Housing:</b> Improved housing stock - economic, social and environmental benefits	Number of homes brought up to a Decent Homes Standard	224	£6,685.00	£1,497,440
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We note that the CDFA’s economic impact calculator for financial outcome is based only on the economic impact in terms of savings and does not include a social impact valuation, therefore we believe this is a conservative estimate of our impact in terms of providing an alternative fair- cost personal lending service to financially excluded individuals.

The economic impact of our personal lending service has been calculated at £596,946.47. This calculation is based purely on the cost saving in terms of interest and does not account for the full social impact that our financial inclusion service provides.

## Case Study: Helping to stay warm and well

Nora from Stockton on Tees was referred to Five Lamps by the Tees Credit Union, when she informed them that she was finding it difficult to afford her utility costs. Gill from Tees Credit Union explained that Five Lamps might be able to help as they were working with Stockton Council on the Warm Homes Healthy People project to help people who may be at risk of cold related illnesses.

Amy Baker, Executive Support Assistant at Five Lamps arranged an appointment to meet with Nora the same week.

Nora explained that she had been managing to live on the bare minimum income as her DLA (Disability Living Allowance) had been stopped a few months before and she was currently in the process of appealing this decision. However, now that the weather was getting colder she was finding it difficult to heat her home and once the credit on her meter had ran out she had no other option than to self-disconnect her supply.

Suffering from numerous health conditions which are impacted by the cold weather it is important that Nora keeps her home heated and that she is not exposed to the cold. Amy provided Nora with some energy efficiency advice and also informed her of a scheme called the Teesside Emergency Relief fund who also works in partnership on the Warm Homes Healthy People project.

Amy's application to the Teesside Emergency Relief was a success and Nora was awarded £200.00. £150.00 was to be spent on gas and electricity and £50.00 for a month's supply of food.

Amy also referred Nora to; Citizens Advice, who are supporting Nora with her appeal, Broadacres who provided a draft proof check on Nora's property, Cleveland Fire Brigade who completed a home fire safety visit and provided Nora with a thermal blanket and mattress topper. Nora said **"Don't sit alone and vulnerable, go to the Five Lamps and if they can help they will, I received help from them which made a big impact to me I was able to enjoy Christmas knowing I would be warm. Thank you again for all of your help"**

Five Lamps are currently working with Stockton Council on the Warm Homes Healthy People project helping people in Stockton on Tees who are suffering from fuel poverty.

*February 2015*

# YOUTH SERVICES

## ACTIVITIES AND OUTPUTS

Our services for young people are managed within our Corporate Services division and currently include work with NEET young people, via the YES project; evening and weekend activities for young people from ages seven to 18 years including VIBE and our special needs provision funded by BBC Children in Need

**Aim: To provide NEET young people with skills and qualifications to prepare them for employment. To provide a range of evening and weekend activities for young people to raise their confidence and aspiration**

Our programmes recognise the key stages of NEET young people's journey to training, qualifications and employment:

**Engagement – Personal and Social Development – Positive Progressions – Aftercare and Support**

2014/15 was a fantastic year for our Youth Services division. The Youth Employment Service project engages with young people who are NEET and also 19 – 25 year olds who have special needs or are statemented. Each young person is placed onto individualised learning activities, before progressing into either further education, employment or an apprenticeship.

Our youth club activities 'All Stars' and 'Seniors' attracted 144 new members. These clubs are a valued resource for local young people aged between 7 to 18 years.

Our VIBE Youth Club for young people aged 7 to 18 years with physical and learning disabilities continues to be a focal point for young people as well as providing a respite service for their parents and carers. An additional 89 new members were registered in 2014/15.

All of our evening and youth clubs provide a range of activities and workshops aimed at teaching young people new skills whilst having a great time.

Five Lamps was provided with funding for 3 years from the Miss W E Lawrence 1973 Settlement to provide training opportunities for young people to support their progression into employment.

**VIBE Youth Club**

**Get On In Life**

**Youth Employment Support**

**Senior Youth Club**

**All Stars Youth Club**  
**Miss W E Lawrence 1973 Settlement**

**26** NEET young people engaged

**18** young people engaged on accredited learning

**147** new youth club members

## SOCIAL AND ECONOMIC IMPACT

Our impressive range of services to young people are valued both by the young people and their parents/carers. They tell us that,

Peter Currie, one of the young people who attend the Youthy on the VIBE session quoted; **“The party was very good with having a circus theme and the entertainment was very fun. My favourite game was musical statues. The decorations that the Youthy create every year are always fantastic”**

Julie Maleary, a parent of one of our young people quoted; **“The Halloween party was an excellent event, very well organised. The decorations were brilliant; they’ve definitely outdone themselves again this year. The food was lovely and well-presented and Rachel enjoyed the party games and food”**

**“The YES project helped me find work. I also go to college one day a week (Customer Service Apprenticeship). Without Five Lamps this wouldn't have happened.”**

Without this service provided by Five Lamps there would be a gap in the provision of services for young people in the Thornaby area, leaving our customers and their parents/carers unsupported with a lack of activities to engage in that would make a difference to their lives and futures.



## Case Study: Kerrienne stops over at the Youthy!



In August 2014, Kerrienne Covell auditioned for the X Factor television Series 2014. Successfully along with five other contestants she made it through to one of the judge's houses; Cheryl Fernandez – Versini over in the South of France.

Unfortunately Kerrienne did not make it to the Live Shows, but that was not the end of Miss Covells career. Over the next few months Kerrienne started performing all over the country, and in December 2014 made a visit to the VIBE night at Five Lamps the Youthy.

The VIBE night at the Youthy is for young people aged 7 to 25 years with physical and learning disabilities. The night has activities for the young people which includes; a climbing wall, arts and crafts, games consoles, trips out and discos.

The Young people and carers enjoyed the visit from Kerrienne who after having a tour of the building – which she thought was amazing! Went upstairs, and greeted everybody one to one.

The young people had their photos taken with Kerrienne and also received signed personal notes. After all of the autographs, Kerrienne was able to enjoy the Vibe night, where she had fun dancing with the young people, having a chat and even had a certain young man sing to her.

Kerrienne told the Youthy team she had had so much fun during her visit and that she would love to return in the future.

Kerrienne's Mother, Pam commented on the Youthy Facebook Page – [www.facebook.com/fivelampsyouthy](http://www.facebook.com/fivelampsyouthy)

"Kerrienne loved every minute of it!"

The Youthy Staff and Young People "Thank you so much for popping along to see us Kerrienne, you made all of us smile that day, and we are all truly grateful."

March 2015

Again we have used the New Economy (Greater Manchester) and Department for Communities and Local Governments Unit Cost Database (v.1.4) to calculate the economic and social value of our youth work activities.

Outcome category	Cost/ saving detail	No of outcomes	Fiscal Cost	Total Value of Benefit
Employment & Economy	<b>Not in Employment Education or Training</b> Average cost per 18-24 year old not in education, employment or training	26	£4,637	£120,562

The economic benefit of supporting 26 NEET young people has been calculated at £120,562. Being NEET is associated with negative outcomes later on in life: by the age of 21, young people who have been NEET for six months or more are more likely than their peers to be unemployed, earn less, receive no training, have a criminal record and suffer from poor health and depression. There is also a strong correlation with being NEET and early parenthood.

This analysis though is limited to our youth work with NEET young people and as such does not include the positive impact that our youth club activities have on the young people who participate. We will continue to improve our collection of soft outcomes in order to be able to fully report in our next Social Impact Report the positive economic impact our full range of youth work has on our young people.

## Case Study: Callum has a new career



After leaving school in 2011, Callum took the decision to attend Stockton Riverside College where he completed a Level 2 qualification in Uniformed Services.

Callum wanted to secure a career in the army and unsure of where to turn for advice and guidance, he came to Five Lamps.

It was identified that Callum was eligible for one to one support from Anne Rookes who works on the Yes Project alongside Stockton Borough Council. (Youth Engagement Support), offering support to young people who are living in the Stockton Borough who are currently NEET (not in Education, Employment or Training).

After lengthy discussion and soul searching with Callum, he took the decision against a career in the army. Callum said he “**needed to find employment**” and waiting for steps to enable him to move forward towards the army was a lengthy process; he really wanted an income.

Callum applied for an apprenticeship opportunity with Dobson’s Glass Company in Stockton, the interview was a success and Callum began his employment in January 2015.

Anne Rookes has kept in contact with Callum on a regular basis due to the roller-coaster ride Callum found himself on trying to find the right path. Anne said “I have visited Callum at his new workplace and I was delighted to see how much he had settled into his new role and how well he was getting on with the other colleagues”.

Callum said “I am grateful for the one to one support I received from the YES Project and Five Lamps, things are really good for me right now, thanks to Five Lamps”.

May 2015

## WHAT OUR CUSTOMERS SAY

To ensure that as well as measuring customer satisfaction rates across all of our services we reviewed our customer survey to capture the impact that our work has on our customers. We ensured that the new surveys were generic across the organisation, so we could compare the measurement of soft outcomes and customer satisfaction around a theme across our divisions.

The new survey format was launched in April 2014 to coincide with our 2014/15 social impact reporting period. A total of 326 customers completed surveys on the service they have received and responses were collected using paper surveys and online using Survey Monkey. Customer satisfaction is monitored on a monthly basis through our robust set of Key Performance Indicators. Throughout the year customer satisfaction has been consistently high at over 90% each month with the following headline results:

- **100% of our customers would recommend Five Lamps to other people**
- **94% of customer agreed that they were very satisfied with the service they have received**
- **94% of customers agreed that they were 'made to feel that they mattered'**
- **97% of customers were satisfied with how Five Lamps services are managed**

- **62% reported improved confidence**
- **58% reported improved education and training**
- **65% reported improved employment/self-employment prospects**
- **49% reported improved financial circumstances**
- **69% reported their happiness had improved**
- **27% reported their health had improved**

Customers were also asked "In what ways has Five Lamps impacted on your life?" Responses were impressive, with a snapshot of comments comprising of:

"I am now able to look for an orthopaedic bed for my partner who has severe back problems, he will be able to sleep better and so will I thanks to the loan"

"I am able to provide a better life for my children"

"My confidence has grown in the past year which has helped a lot"

"I am ready to take on self-employment"

"The business loan fund has allowed me to start a business thus preventing me from not having to sign on again"

"Provides people with real opportunity"

“I can meet all of my financial needs and I am fully responsible for paying back my loan”

“I received lots of support from Anne Rookes. I could call into the community centre anytime for advice”

Our customers tell us what they think that we do well:

“They provide a helpful unbiased training programme without pressure”

“Make you feel you can achieve your goals and gives you the confidence to start a business”

“Knowledgeable, approachable, professional”

“I have two boys who have ADHD the money helps with holidays and eases the pressure thank you”

## WHAT NEXT?

Five Lamps has ambitious plans for the future. The following table sets out in greater detail the significant targets, actions and milestones for the delivery of our strategic direction through to 2018.

<b>Financial Inclusion</b>	Secure additional capital for on lending	Unity Trust Bank by September 2014 (personal lending) and December 2014 (Our House) - £1m and £2.6m achieved
	Full implementation of online portal	June 2015
	Successful application to FCA for full permissions authorisation	Submitted November 2014 (approval granted August 2015)
	Lending partner to FRC Homemaker pilot phase	First store opened June 2015
	Successful re-tender for Helping Hand service	December 2014 (commenced April 2015)
	CDFI partner – Sheffield Money	June 2015
	Sheffield Money – capital raising (with partners)	June - September 2015
	Business case to NESIF for up to £2million capital for on-lending	August 2015
	Participation in Affordable Lending Portal pilot	October 2015
	Consideration of Homemaker expansion (4 – 20 stores)	April 2016

	Further capital raising for portfolio growth	2015-2017
<b>Economic Development</b>	Successful re-tender for NEA Mentoring (Gateshead Council/NEEAL)	December 2014
	Additional Capital ex CDFA RGF (c£500k)	December 2014
	Bid to TV ESIFS 2014-2020 – SME Competitiveness Business Compass Start Up	May 2015
	Tender to deliver CDFA SULCo Back Office	May 2015
	Secure role in TV Business Growth Hub ‘Business Compass’	Mid-2015
<b>Empty Homes</b>	Evaluation of Business Case for Bid to Big Issue Invest/NESIF/HCA for Capital to Expand Empty Homes Activity – 20 properties per annum – 2015-2017	Mid-2015
<b>Social Investment</b>	Evaluation of bonds, crowdfunding and other social finance vehicles	June 2015
<b>Social Impact</b>	Annual publication of Social Impact Report	2014- 2018
<b>Mergers &amp; Acquisitions#</b>	Market analysis and identification of targets	December 2014
	Agreed Plan for Growth	August 2015
<b>People &amp; Infrastructure</b>	Completion of buildings review	July 2015
	Agree asset transfer of Eldon Street	February 2015 (Cabinet approval secured)
	Publish buildings strategy	September 2015
<b>Governance</b>	De-charitise and become Community Interest Company	April 2016