



CONDUIT

Lending Fairly: **Changing Lives**

Social Impact Report

April 2016 – March 2017

Five Lamps & Five Lamps Trading Limited



This is our seventh social impact report and covers the period April 2016 – March 2017.

2016/17 was another productive year for the organisation as our service portfolio grew further with the addition of a new domiciliary homecare service. It was also the year where we took a major step in strengthening our trading company, with over twenty staff formally transferring over at 1 April 2016.

Our work continues to have a real relevance in the ongoing economic climate, irrespective of the further constriction of public spending at national and local levels. We remain focused on building a stronger balance sheet and to generate a greater proportion of revenue from our own assets.

We still hope to see significant progress on the government's Life Chances agenda. This is founded on the work of the Centre for Social Justice's 'Five Pathways to Poverty' (family breakdown, educational failure, addiction, serious personal debt and worklessness) and we are aware of significant Cabinet Office interest in our work, not just in the financial inclusion space. We have also hosted a visit from the Inclusive Economy Unit during the year.

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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1. About Five Lamps

Since our organisation began over 30 years ago, Five Lamps has continually focused on social responsibility. We now deliver services to socially, economically and financially excluded customers and reach a staggering 23,000 customers per year on a national basis. 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.

Pivotal to our strategic focus on social responsibility has been our success in demonstrating the impact we have made to our customers lives and the communities we serve by the annual production and publication of our award winning social impact reports over the last seven years.

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; delivering a Home Care service to support the elderly in our local community to stay in their homes; providing affordable personal loans to individuals and homeowners who are unable to access mainstream support.

In recognition of the increased complexity of the organisation and the need to provide greater transparency in financial performance between the lending and charitable activities, a trading company, Five Lamps Trading Ltd which trades as 'Conduit' was established in 2012. It is a wholly-owned subsidiary which will gift aid relevant surpluses to the Charity. By the end of the financial year 2017-18 Five Lamps Trading is intended to house all lending activities and as a result will help the trading company raise capital to scale its impact.

1.2 Governance

Five Lamps Charity has a Board of Trustees and Five Lamps Trading Limited has a Board of Directors, who provide leadership, strategic direction, challenge and entrepreneurship, driving the business forward, keeping it under prudent control and acting responsibly towards employees, stakeholders and society as a whole. The Charity meets at least quarterly and comprise of 5 members and the Trading Boards meets monthly and is comprised of 5 members from a diverse range of professional backgrounds

Charity	Trading
Trustees: <ul style="list-style-type: none">• Philip Tucker, Chair (resigned 31 March 2016)• Patricia Chambers, Chair• Vivienne Holmes, Vice Chair• Ian Wright• Trevor Watson• Mike Poole	Board: <ul style="list-style-type: none">• Bill Erskine• Graeme Oram• Rod Jones, Non-Executive Director• Richard Poundford, Non-Executive Director• Trevor Watson, Non-Executive Director

1.3 Mission, Vision & Values

Our Mission: **To Transform Lives, Raise Aspirations and Remove Barriers to Social, Economic & Financial Inclusion**

Our Vision: **Creating Possibilities: Improving Lives**

Our Values

- To **make people matter**, by releasing their potential and encouraging self-worth
- **Performance matters**, by achieving targets and meeting quality standards
- **Quality matters**, by assuring quality and achieving contemporary quality standards
- To **make communities matter**, by understanding neighbourhoods and their needs including everyone
- **Measuring impact matters** by collecting social, performance and environmental data across the full range of our business and producing an annual Social Impact Report

1.4 Social, Economic and Financial Exclusion



1.5 million adults remain unbanked in Great Britain today.

(Source: Financial Inclusion Commission 2017)

It is estimated that between **3 million and 7 million** households use high cost credit.

(Source: Financial Inclusion Commission 2017)



The number of people aged 60 or above is likely to pass the **20 million** mark by 2030.

(Source: Age UK July 2017)

The **healthy life expectancy** of people living in England is 64 for women and 63.4 years for men.

(Source: Age UK July 2017)



Self-employment rates of 16-64 year olds in the Tees Valley is almost **6%** less than the UK national average.

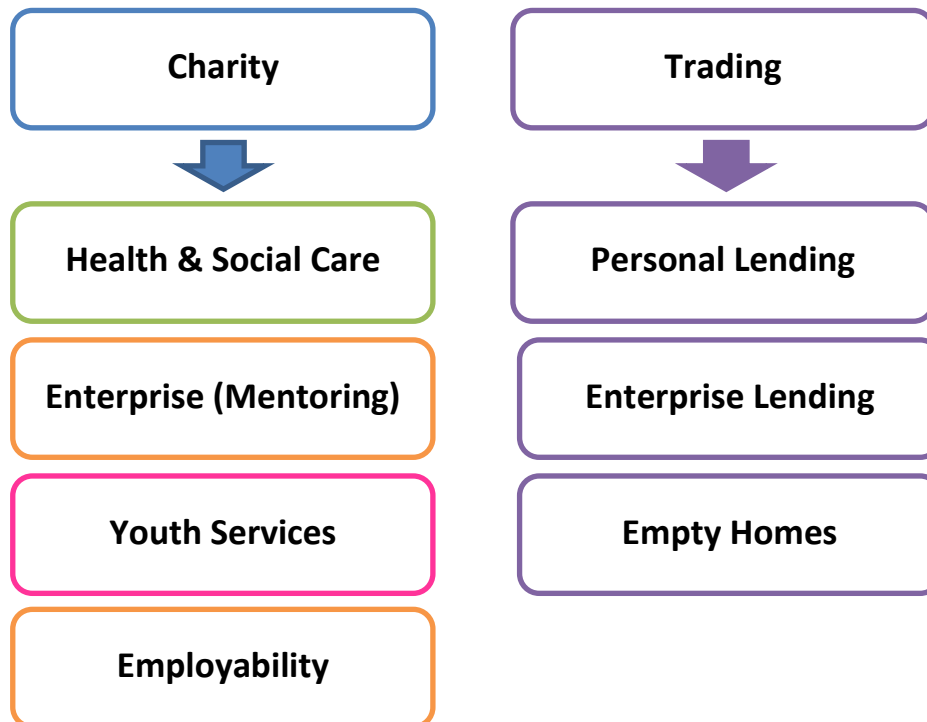
(Source: Tees Valley Unlimited December 2015)

The percentage of people of working age in the North East who are unemployed is **5.8%** compared to the national average of **4.3%** unemployment.

(Source: Nomis official labour market statistics August 2017)

1.5 Structure

In trying to address social, economic and financial exclusion, we have 7 business divisions within our Charity and Trading company.



1.6 Key Achievements

- Completed Business Case (with Community Lenders and Private Sector Partners) for 'Affordable Loans', the Affordable Lending Portal
- Secured 'Big Potential' grant to progress work with our advisers, Social Finance, through to publication of an investment memorandum/prospectus for social investment
- Commenced lending via Affordable Lending Portal in pilot phase
- Implementation of on-line portal and automated decision engine
- Equity investment in 'Ask-If' Responsible Enterprise Lending Platform

- Re-purposed £1m of secured bank borrowing as capital for on-lending
- Full national coverage via Affordable Lending Portal
- Secured contract to expand personal lending activity into Scotland
- Issued Investment Memorandum to raise £3-5million for on-lending
- Launch of 'Ask-If' Lending Platform pilot
- The introduction of our Home Care service

1.7 Awards & Recognition

Customer First



Five Lamps' Enterprise Team successfully achieved the Customer First standard for the fourth time since 2010 and were thrilled to be re-accredited with the standard during their assessment in July 2016.

The assessment includes three key milestones which are evaluated over 30 statements, the milestones are- customer relationship, market awareness and developing your people. The overall assessment enables the Assessor to identify the team's strengths and any areas for continuous improvement. From the assessment, Five Lamps were compliant with all 30 of the statements and there were no areas of development needed throughout the milestones.

Mike Wildey who undertook the assessment on behalf of Customer First UK Limited said “**Five Lamps continues to be an organisation that genuinely embraces the Customer First approach and deserves to be highlighted as an ‘exemplar’ for the Customer First standard**”

Investors in People Gold



Five Lamps hits gold after investing in its staff! In October 2017, we celebrated after successfully being reaccredited with the prestigious business improvement award - Investors in People's Gold – for the third time!

Following a rigorous assessment that included lengthy interviews with a large number of staff from right across the organisation, this standard is only given to organisations which can demonstrate a commitment to the learning and development of their employees and achieve best practice in people management.

Less than 2% of all Investors in People organisations in the UK achieve the Investors in People Gold Standard highlighting the achievement of Five Lamps who first secured the Investors in People Gold Accreditation back in 2010.

The gold standard award highlights the good practices that operate throughout the organisation and the excellent staff that we have working at Five Lamps, particularly reinforcing the value of our long-standing focus on service quality and continuous improvement

2. Enterprise Mentoring & Employability

2.1 Activities and Outputs

Our Enterprise and Employability services comprises of:

- Employability - supporting hard to reach individuals into employment, DWP 'Youth Employment Initiative' (YEI), Warburtons 'Job Clubs'; 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; DWP 'YEI'

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

The stages of support our Economic Development team deliver to ensure sustained employment and self-employment are below:

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

In May 2016, Five Lamps received a donation from Warburtons Bakery to deliver a Ready for work project in Stockton-On-Tees.

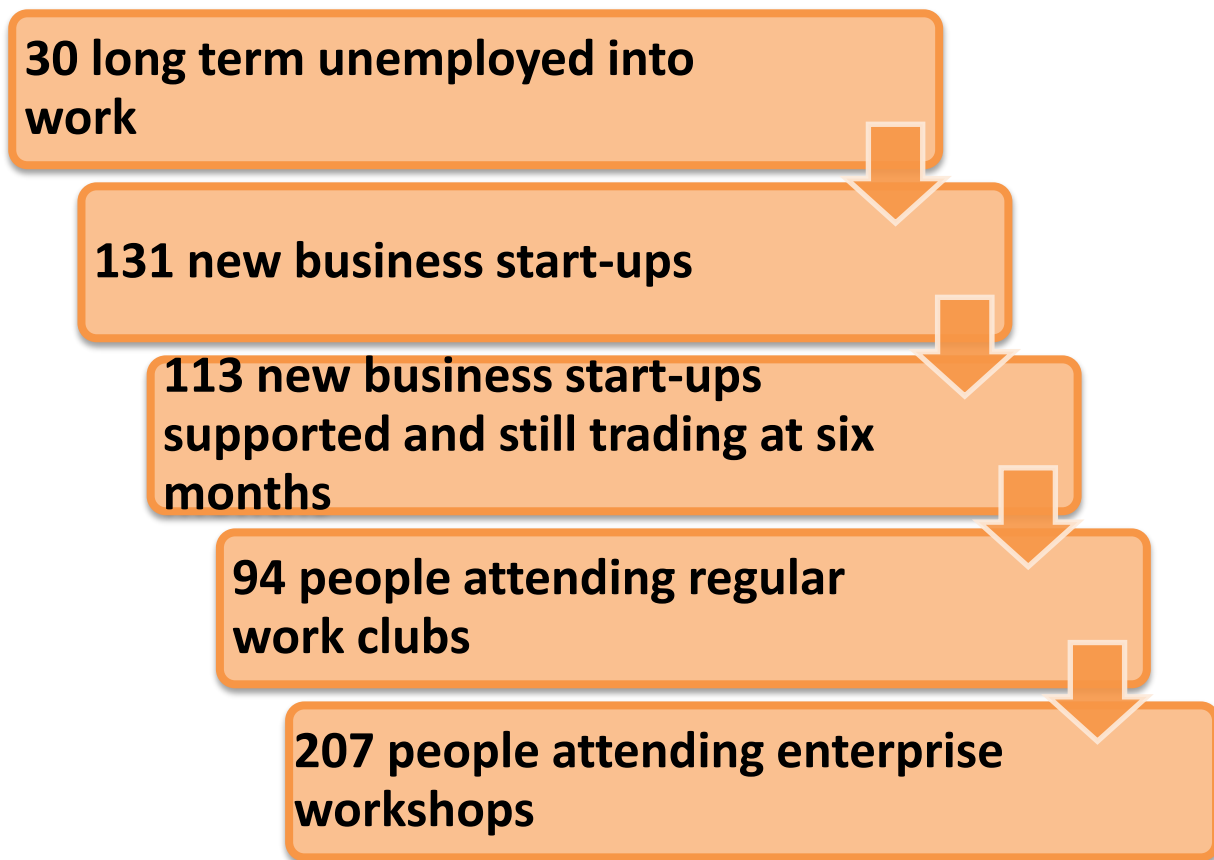
Five Lamps commenced lending from the £750k of Regional Growth Fund capital secured by the CDFA in July 2013. The initial funding cycle ran to March 2016 at which point it was envisaged that the non-bank element would transfer to Five Lamps' balance sheet. It appears that BIS are looking to rewrite the initial agreement to see one further cycle of the funding and put in place a reporting requirement until 2021. That capital completed a unique ladder of financial support to our enterprise customers with New Enterprise Allowance; Start-Up loans and RGF with loans available from £1k - £100k. We are still awaiting confirmation of the required match funding to enable us to lend the recycled RGF capital. We would like to see our offer more strongly linked to the Tees Valley Business Compass, the local enterprise growth hub, and to the Northern Powerhouse Investment Fund (NPIF), which was launched earlier this year and includes a micro-finance element. We are strongly of the view that our proposed Tees Valley Enterprise Fund addresses continued market failure and supports new and early life businesses which would not be eligible for NPIF.

We continued to deliver New Enterprise Allowance mentoring and access to finance. The mentoring service was retendered during the year, being retained by Gateshead Council. The operation of the contract remains problematic with inconsistent and falling referrals alongside a sub-optimal payment profile. We no longer make NEA loans directly. The national service transferred to Newable from April 2017.

During 2016/17 our Employability service continued to deliver a Work Programme sub-contract for People First, formerly Avanta. The levels of activity continued to fall, in common with the national experience. The subcontract came to an end at the end of June 2017 and our two remaining advisers transferred to the prime contractor. We will continue to derive income from job sustainability payments until April 2018. Employability work has been a cornerstone of Five Lamps' service offer for the whole life of the organisation, so it is

disappointing that, in common with an increasing number of third sector deliverers, we are not going to be engaged in the next iteration of the national programme. We remain keen to support customers into employment via the Youth Employment Initiative and smaller targeted initiatives. During the year we successfully delivered two local projects, one funded by Warburton's Foundation and the other by Trans Pennine Express.

For a number of years now our Enterprise workshops have proved hugely popular with people considering self-employment. Our 'Is it for me?' workshop allows individuals to explore over one day the different aspects of working for yourself, covering, ideas generation, marketing, finance and business planning. This workshop is integrated with our other enterprise projects namely New Enterprise Allowance (NEA) Mentoring and Youth Employment Initiative. Even with this referral route the number of referrals onto these project has been disappointing. Which in turn has impacted on the overall performance in particular on the YEI contract which has seen low referrals resulting in under target numbers for start-ups and sustained trading outputs.



2.2 Social and Economic Impact

Our organisation wide good news stories and our customer surveys help us to celebrate the impact we make on our customers journey and to identify ways of how we can be even better!

Excellent service!
Carol is superb at her job and really knowledgeable.

To be friendly and understanding is important. Five Lamps promises all of this.

The process in which loans are approved is very fast and efficient.

We regularly hear very positive quotes like these from our customers who value the work we do. Later on in this report we will showcase our customer feedback in more depth.

In 2014 the Community Development Finance Associations (CDFA) as was known at the time launched an Economic Impact Tool to calculate the economic and social value of enterprise and lending activities. The CDFA rebranded and is now known as Responsible Finance. Responsible Finance will review the metrics within the impact tool once every 5 years and will apply for funding to do this.

This impact tool enables Five Lamps Trading to calculate the value of the economic and social impacts of our activities. The Economic Impact Tool is underpinned by a relevant and robust evidence base, which has undergone a peer review process. 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.

Outcome	Outcome Indicator	No of outcomes	Unit Value of Benefit	Total Value of Benefit
Skills: Individual skills upgraded	Number of individuals who received business advice	207	£290	£60,030

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 data will be reviewed and updated on a regular basis by New Economy as new research and analysis is published. The current version was produced in March 2015 to incorporate updates to a number of documents from which the estimates are sourced.

Outcome category	Cost/ saving detail	No of outcomes	Economic Value	Total Value of Benefit
Employment & Economy	Job Seeker's Allowance Fiscal benefit from a workless claimant entering work	161	£14,719	£2,369,759

Focusing on the CDFA Impact Tool results this demonstrates a substantial cost benefit of our services delivering business workshops to customers interested in self-employment.

The Governments Unit Cost Database demonstrates that by supporting 161 customers off benefits and into employment/self-employment this has brought a total value benefit of £2,369,759 which is a substantial benefit to the wider community.

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 is a huge amount of debate in attributing monetary values to outcomes and impacts. Our approach is to continue to research impact tools and to utilise best practice which is backed up by sector led and government endorsement. 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.

2.3 Case Studies

Anthony Andrew opens Ultimate Grooming in Eaglescliffe



Anthony Andrew has over 14 years' experience as a barber. He has previously worked in Ibiza, across the North East of England and owned his own salon in Newquay. When he returned back to the North East, he was offered the opportunity to open a salon on Yarm Road, Eaglescliffe.

To brush up on his business knowledge and explore the funding options available to him, Anthony attended Five Lamps' European Development Funded (ERDF) 'Switch into business' workshop, designed to help anyone wanting to go into business and write a

business plan.

After attending the workshop, Anthony decided to sign onto DWP's New Enterprise Allowance (NEA) scheme which provides weekly payments of £65 per week for 13 weeks followed by £35 per week for 13 weeks when they commence trading. This scheme also provides one to one support from a Five Lamps business advisor. Anthony worked closely with Five Lamps Business Advisor, Simon Coe to research his idea and produce a business plan. Anthony's business is a resounding success and he now has three members of staff, two of whom are family members. Ultimate Grooming specialises in all aspects of male grooming and also sells quality hair care products such as Reuzel.

Anthony said "I've been very happy with all the help I've had from Five Lamps. I'd recommend them to anyone!"

January 2017

Baking up the skills to get ready for Work



In May 2016, Five Lamps were awarded a £10,000 donation from Warburtons to deliver “Ready to Work clubs” in Stockton-On-Tees.

The aim of the clubs are; to provide unemployed people within Stockton- on-Tees with a place to; meet, exchange skills, share experiences, find opportunities, make contacts and get support to help them in their return to work.

The first “Ready to work club” was delivered in Tilery Primary School and included six sessions held over a six week period. Each session focused on a different topic such as; self-employment, volunteering, debt management, help with CVs and interview techniques and a visit to the Warburtons factory.

The Warburtons Bakery visit, gave attendees a taste of being an employee with Warburtons; as they received a tour of the factory by the Warburtons Quality Manager who talked them through the quality processes and the job roles of each member of staff on the factory floor.

They then got to meet with the HR team who discussed the Warburtons recruitment processes and the behaviours they look for when recruiting employees. As well as receiving a goody bag of Warburtons food products, the visit to the Bakery was an overall success with each attendee believing the visit had increased their ability of securing employment.

July 2016

3. Personal Lending, Enterprise Lending & Empty Homes

3.1 Activities and Outputs

Five Lamps' supports communities through Five Lamps Trading:

- 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
- Sheffield Money – providing low cost affordable finance
- Helping Hand – To support home owners with information and advice and a potential loan to make home improvements
- Empty Homes – Refurbishment of empty properties; tenancy management
- Start-Up Loan Service – Start-Up Loans are government-backed and charge a fixed interest rate of 6% per year to provide responsible loans to business start-up and 12 months of business support mentoring
- NEA Loans – To provide loans to unemployed customers to help them start their own business.

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 team delivering loan activities recognises the key stages of our customer's journey to financial inclusion:

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

Five Lamps commenced the delivery of unsecured personal loans back in 2007 seeking to increase access to affordable credit. Since then we have taken a leading role in the UK Community Finance sector and have grown from a restricted geography in Teesside to enabling applications from all of the country.

Five Lamps' personal lending customers are looking to break out of the high cost debt cycle. These customers often live in council housing, have credit scores of c.550, and many are single parents with children. Five Lamps' services to this demographic and others served by the charities activities have resulted in awards and recognition such as the CDFA New Horizon Award, Citi Microentrepreneurship 'Impact' Award and RBS SE100 Impact Award.

Our personal lending service made just under 6,000 loans in 2016/17, maintaining similar volumes to the last three years. We are in the final stages of implementing our new decision engine following a considerable investment over the last two and a half years. We are now seeing geographic growth in service provision and an increasing demand. We are expecting to see closer to 13, 000 loans made in the next year and have issued an Investment Memorandum to raise the capital needed to enable that growth. We have now passed 70, 000 loans totalling nearly £30million since making our first loan 10 years ago.

The Investment Memorandum issued in April 2017 is seeking to raise c£5million of new capital from a broad range of foundations and social investors. The proposition has been well received by investors with an initial draw down of at least £1.5million followed by two further tranches at a similar level. The production of the

Investment Memorandum was led by our colleagues at Social Finance, the leading consultancy in the social investment space, and funded via a grant from the Big Lottery Fund initiative 'Big Potential'.

Our lending activity in 2017/18 will be driven by planned growth of at least 50% in our core lending activity; 500 loans via our Conduit Scotland brand delivering the new service in Fife, Falkirk and West Lothian and an additional 2,500 loans funded from the new capital investment. This is a challenging target which would be a 120% growth on last year.

We were delighted to secure the contract to deliver the new service in Fife, Falkirk and West Lothian, following a tender process. The contract saw us open four shops in Falkirk, Bathgate, Dunfermline and Kirkcaldy, during July and August 2017. We will also be developing a range of pop-up locations and have launched a separately branded online service 'Conduit Scotland'. The Dunfermline shop will operate as our head office in Scotland. Community development is a key element of our work in Scotland and we have recruited a leading-edge community development professional as our Contract Manager.

The work in Scotland is rooted in the game-changing report produced by the Carnegie Trust in 2015 'Gateway to Affordable Credit'. We are delighted that Carnegie are a positive partner in the new service.

We have been a lending partner in Sheffield Money since its launch in September 2015 once it had secured an FCA Brokerage Licence. The local delivery vehicle, Finance for Sheffield IPS Ltd, had come about through a fairness commission in the city. A town centre shop had been open for enquiries and advice since March 2015. Since opening the levels of lending had been disappointing, representing a small fraction of the numbers envisaged when the programme was being developed following the 'Fairness Review'. In early 2017 we were advised by Finance For Sheffield Limited that they were in a difficult financial position and we agreed to look at ways of helping them sustain their business. In May 2017 we concluded that there was no short term remedy and at a point the Directors of the Company agreed to its liquidation. There are no residual liabilities for Five Lamps. Our role was simple to make loans to customers, brokered by the Company. We are working on ensuring that a service is still available to residents of Sheffield in the future, engaging positively with the City Council and Key Fund.

The Affordable Lending Portal project which came out of a Cabinet Office/CDFI review was launched as a pilot in September 2016. The company Affordable Lending Limited has been formed and our partners Experian have designed an industry-standard front end. The project takes referrals directly from the Asda Money website and identifies community lenders able to lend to the customer. The referral will progress through our loan portal as an online application. Five Lamps has, since February 2017, provided full national coverage, having originally been limited to Newcastle and Sunderland activity as well as Greater Manchester and London. Activity has been below expectations but the landing page is on target to receive 60,000 hits in its first year. This has the potential to be an exciting new national vehicle. The engagement of Experian and Asda Money in the pilot creates major added value. Discussion is ongoing with both of these companies to grow lending volumes particularly in the light of the launch of the new Asda Money lending platform.

Having successfully re-tendered to deliver 'Helping Hand', the North East Regional Private Housing Financial Assistance Service on behalf of ten NE Local Authorities, through to April 2019, demand continues to fall below expectations. The service has now made over 850 loans totalling over £7million. There continues to be a strong level of satisfaction with service delivery and a number of authorities continue to put additional capital into the programme.

It was unfortunate to note that with NEA loans, one national partner was brought in to administer the loans resulting in no contract renewal for Five Lamps Trading. On Start-Up Loans there was a substantial drop in loan referrals from partner organisations and staff have since actively promoted the service to potential customers.

5,762 responsible fair-cost personal and homeowner loans

130 people receiving personal loans to be used for their business

3.2 Social and Economic Impact

Our robust impact capturing methods have enabled us to demonstrate what our trading arm has delivered to our customers and how this had contributed to a change in their lives.

Kaylee, a personal loans customer said, “In between jobs I needed funds to support my family and the service they provided was fast and efficient I would recommend five lamps to anyone who need short term financial help.”

Renne, a personal loans customer said, “Five Lamps service has had a positive impact on my life as it allows me to borrow money for home improvements and new appliances in a budget as to what I can afford. It is a much better service and has a lower interest rate than high street loan companies.”

We have again used the Community Development Finance Associations (CDFA) Economic Impact Tool to calculate the economic and social value of our services delivered by Five Lamps Trading.

Outcome	Outcome Indicator	No of outcomes	Unit Value of Benefit	Total Value of Benefit
Financial: Like-for-like loan savings	Number of personal loans made	5,892	£91	£536,172
Entrepreneurship: Business created by unemployed person on benefits	Number of loans made to unemployed individuals who created a business	52	£24,253	£1,261,156
Entrepreneurship: Business created by an employed person	Number of loans made to employed individuals who created a business	78	£10,619	£828,282

We note that the CDFA's economic impact calculator for financial outcome is based only on the economic impact in terms of savings and is based on an evaluation of London Mutual Credit Union which determined an average consumer savings per loan of £91. 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.

We have therefore calculated the impact in terms of savings using a local unsecured alternative lender as a comparator:

- Total value of personal loans made = £4,456,200
- Interest charged @ 89.9% APR over 12 months = £1,617,000
- Local unsecured alternative lender @ 360% APR over 12 months = £4,357,600

Total economic impact of £2,740,400

We believe the above is a more realistic as it is based on the value of loans rather than the number and uses a local comparator.

3.3 Case Studies

Debbie brushes off huge personal setback



Debbie Ross who is also known as Holly Holder has been an artist for the last 30 years, working on film and TV sets around the world as a make-up artist. In 2000, however, Holly's life was transformed when she was diagnosed with Retinitis Pigmentosa - a degenerative eye condition that would ultimately result in her losing her sight and being registered blind. As Holly's eyesight began to deteriorate she realised she needed to re-think her career and find another outlet for her creativity.

Having been visually orientated from an early age - Holly was always sketching and painting as a child and initially trained as a graphic designer - the conversion to canvas was a natural progression, giving her a way of expressing her thoughts and feelings and reflecting her new view of the world around her.

She developed a Business Plan with support from her network of industry contacts, and approached Five Lamps to help fund the venture. Approval for Start Up Loan support was quickly agreed and she moved into her business premises shortly afterwards.

October 2016 saw the launch of Holly's first exhibition of her work as a painter at Art in the Mill, Knaresborough. Entitled Out of the Dark, the largely landscape works draw inspiration from the many places Holly has lived and travelled to, including her Yorkshire home in Harrogate. The Spanish coastal towns around Valencia in Spain - where Holly once lived and where her paternal grandmother was from - and Skye and Fife in Scotland, some of Holly's favourite places due to their rich source of colour and light, are a particular source of inspiration. Working from her studio in Knaresborough, North Yorkshire, Holly's work reflects both her experiences from her fully sighted days as well as her take on the world now. Being freed from detail, she now has a bigger perspective, seeing in colour and form - a metaphor for how she feels about life as a visually impaired artist - creating paintings filled with energy, colour and movement.

Debbie said of the service received from Five Lamps “The application process was quite straight forward and I appreciated the help Five Lamps provided to develop my Business Plan & Sales forecasts. The support received has changed my life completely, as I would not have been able to go ahead with the project without this”

August 2016

4. Health & Social Care

4.1 Activities and Outputs

In November 2016 we commenced delivery of a new Domiciliary Home Care Service via contract to Stockton-on-Tees Borough Council. The new service is designed to utilise a social enterprise model which provides considerable added value. Having received the go-ahead by the Council Cabinet in late May 2016, we recruited a Registered Manager in August and secured our Care Quality Commission approval two months later. The team is based at South Thornaby Community Centre and took its first referrals in late November.

The new Home Care service has seen us create 25 new jobs. The large majority of these jobs have been filled by local people, with many being recruited through a new sector-based work academy which we have established with local partners, including Stockton Riverside College.

In October 2017 we will commence a new Home from Hospital service, supporting people on discharge from the local general hospital back into their own home. This is funded via the Health Initiatives Fund and will run initially for 12 months. We are also establishing a range of lunch clubs and other activities to add value to our service, working with partners including Age UK and Stockton Riverside College.

19 service users supported to live independently in their homes



178 average hours of weekly care

4.2 Social and Economic Impact

As we are only 5 months into delivery of our home care service, we will assess the social and economic impact in the next Social Impact Report.

5. Youth Services

5.1 Activities and Outputs

Our Youth Services division comprises of the work of our team at the Youthy who deliver evening and weekend activities for young people from ages seven to nineteen. This also includes our VIBE nights for young people who have disabilities.

Aim: To provide a range of evening and weekend activities for young people to raise their confidence and aspiration

Our Youthy has now passed its 15th birthday and remains the focal point for open access youth work locally. We engaged over 1,500 young people engaging with the service throughout 2016/17. We have various youth club activities being delivered at our Youthy catering for ages from 7 to 19 years. We hold our VIBE nights for 7 to 18 year olds with physical and learning disabilities. The young people attend with their parents and carers and as well as the young people enjoying the youth activities their parents/carers can socialise with each other making it a fun evening for all!

In April 2016 Five Lamps in partnership with Stockton Borough Council and other youth providers within this local authority launched Youth United Stockton (YUS). YUS is the Open Access Youth Provision for Stockton-On-Tees. YUS delivers free youth sessions across the local authority for young people aged 10-19 years old. The sessions will allow young people to take part in a range of planned activities that develop opportunities in educational, personal and social development. It's fantastic to see that within one year new members to YUS nights have reached just over 100.

234 new members to our
VIBE youth evening

101 new members to our
Youth United Stockton
night

5.2 Social and Economic Impact

Our inspiring range of activities delivered at our purpose built 'Youthy' are valued both by the young people and their parents/carers.

We are unable to calculate the economic benefit of our youth work activities as there is no tested and respected impact measurement tool in the UK. We know we have a positive impact on the young people who participate in our sessions due to the feedback we receive. We will ensure that going forward if a fully tested and approved

economic impact measurement tool for Youth Work is launched we will use this in our future social impact reporting.

5.3 Case Studies

Oh the Youthy do like to be beside the Seaside



August at the Vibe saw the Youthy transformed into the seaside. There were activities galore from beach huts to a barbecue and karaoke to cooking. The young people participated in many of the activities and the evening went swimmingly.

Shanie (aged 15) said; “I enjoyed

making a peacock mosaic and also making a beach hut, it was fun.”

Whilst Ben (aged 15) said; “I enjoyed painting a turtle and watching it come to life, it looked amazing in the end.”

Nicholas (pictured to the right, aged 17) said “I enjoyed making a beach hut and all the activities to do with the beach party”

Young people could also take part in a variety of beach party themed games including; beach volley ball and limbo dancing. All in all of all the young people did like being by the seaside and had a fantastic time whilst learning and having fun.

(October 2016)

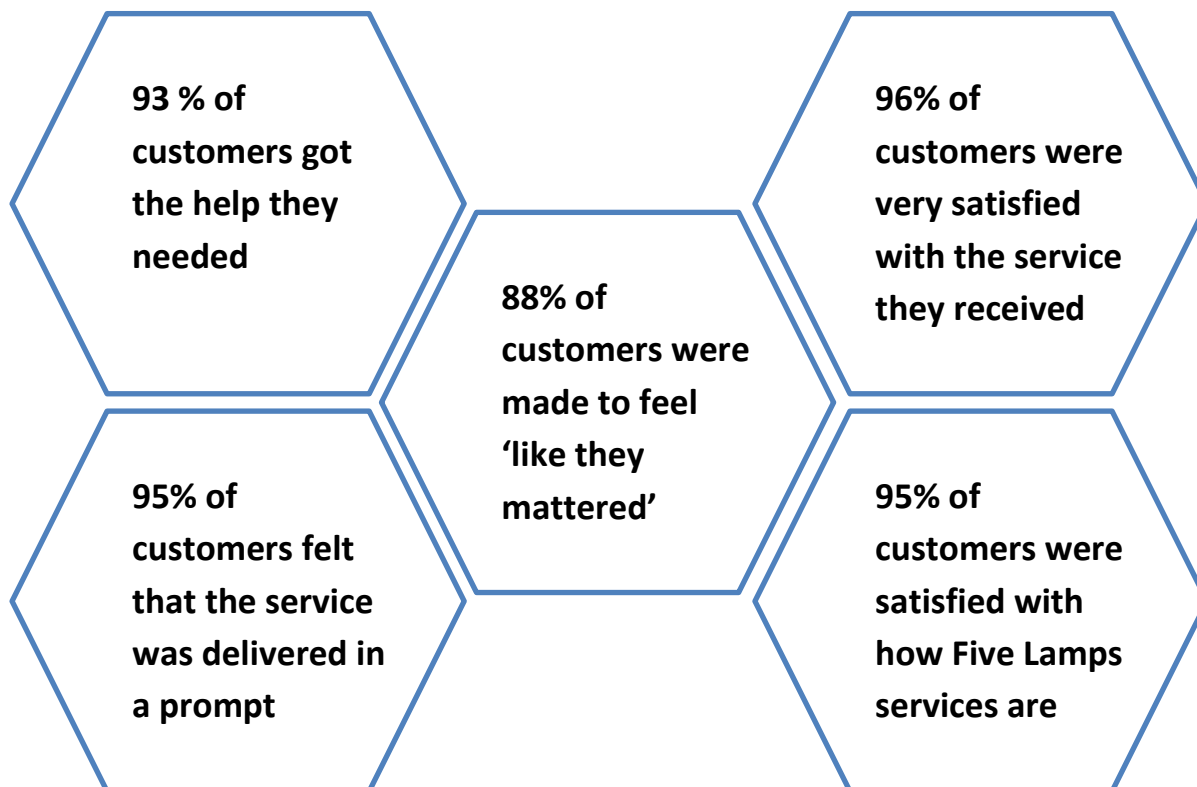
6. What our customers say

Our customer surveys cover all projects across Five Lamps and Five Lamps trading. All surveys are generic to allow us to compare the measurement of soft outcomes and customer satisfaction around themes.


A total of 456 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.

Customer satisfaction has remained particularly high with some exceptionally high scores for impact measures. Please see the results overleaf:


6.1 Key Statistics and Soft Outcomes




62% of customers have noted an improvement in their confidence since accessing our service.



54% of customers have seen an improvement in their financial circumstances since receiving support from our services



37% of customers have felt that their employment/self-employment prospects have improved by accessing our services



58% of customers now feel happier since using Five Lamps/Five Lamps Trading services



7. Future Plans

Five Lamps has ambitious plans for the future:

Building on our strengths in the Financial Inclusion field as a leading responsible lender, creating new routes to market and enabling greater access to fair-cost finance

Securing large-scale investment/ social investment from specialist sources, notably Unity Trust Bank; Big Society Capital/North East Social Investment Fund and issuing an investment prospectus in mid-2017.

Growing our enterprise agency credentials to build a broad range of access to finance, supplemented by coaching, mentoring and specialist, intensive start-up support, and development of managed workspace

Measuring the social, economic and financial impact of our business and publishing annual Social Impact Reports

Evaluating the expansion of our Empty Homes work, following review of best practice, and focusing on a purchase & repair model

Securing growth through strategically appropriate mergers and acquisitions, particularly in the community finance sector

Securing substantial scale asset transfer to open up further opportunities for asset-backed investment

Continuing to invest in our people and our infrastructure — functionally suitable premises; contemporary IT; social media; building new models of public services

Five Lamps has continued to position itself at the leading-edge of its sector and to plan strategically for long-term growth across a number of fronts. Events during the past year continue to remind us of the challenges faced by our sector particular in accessing investment at the point of growth, the continuation of austerity agenda and the uncertainty over European funding following the referendum. In addition we have seen at first hand the impact of changes to contracts, where new prime contractors or changes to eligibility criteria can cause considerable change to delivery models. There are also fewer opportunities for organisations like us to tender for contracts at local or sub-regional levels and, where these do present themselves, we find the need for match funding or a requirement to cash flow the new work for often up to six months, to be unsustainable.

It is also the case that in many of the programmes that we deliver, we don't control the referrals in and have little ability to market the service. NEA (Loans and Mentoring) and 'Helping Hand' are obvious examples. All of the above serve to remind us of the need to build the respective balance sheets of the trading company and the Charity, continuing the move away from reliance on contracts to take control of our own future.

The production of the Investment Memorandum and the high levels of interest in it from social investors and foundations remind us of the prominent position that we hold within the UK Responsible Finance marketplace. We are powerfully placed with a substantial platform for growth on to a national footing. The new contract to move into Scotland for the first time is a major step forward. Our involvement in the national Affordable Lending Portal initiative, a partnership with Experian, Asda Money and four other responsible finance providers is exciting, if we can increase the lending volumes through greater web visibility.

The greatest challenge for us in the strategic window is to secure the capital of up to £10million which will take us to a position of long-term financial sustainability with a capacity to make upwards of 25000 loans per annum.

The Investment Memorandum targeting the first £5million of that capital pot was launched in April 2017 and will close in September 2017. It was developed with the support of sector experts Social Finance, with funding from Big Potential Advanced. The excellent relationship that we have with Unity Trust Bank will continue to be a cornerstone of our funding-base but we recognise the need to diversify as we grow. Five Lamps is now positioned as a multi-regional organisation, with a clearly differentiated service offer, increasingly building a national reputation, and able to influence policy at local regional and national levels.