FROM INNOVATION TO IMPACT:
FOUR YEARS OF THE BIG VENTURE CHALLENGE
Four years ago, UnLtd and the Big Lottery Fund co-developed an innovative solution to a profound challenge facing early stage social ventures. While many social entrepreneurs had sustainable businesses already beginning to make a difference, alongside the ideas and ambition to scale their impact, few had access to the right capital and support they needed to make this growth happen.

It was this insight that led UnLtd to create the Big Venture Challenge (BVC) programme and establish our Ventures team, thanks to funding from National Lottery players in 2013. Our aim was to find and support the most ambitious and impactful early stage social ventures, help them navigate their path to growth, and access investment of between £50,000 and £250,000 – often referred to as the ‘missing middle’ of finance.

Fast forward four years, and we have supported 120 ventures to grow, and in doing so, raise over £13 million in investment. They tell us that our support has helped them to build sustainable impact models which will continue to create positive change in the long-term. We have also attracted over 60 new social investors into the market. In 2016, over 1.24 million people benefited from the work of the BVC winners.

We worked with a number of partners along the way and our social entrepreneurs benefited greatly from their expertise. We’d like to thank ClearlySo, Intentionality, Shaftesbury Partnership, The Social Innovation Partnership, The Social Investment Business, and the Big Lottery Fund for making BVC possible.

Working with innovative, ambitious and inspiring social entrepreneurs, we have learned a lot about the needs of social ventures at this stage of growth. We realised that while big steps were being taken to develop the social investment market, there remains much to be done in making this capital accessible, affordable and appropriate. We also realised that the quality, depth and range of support sought by our strong pipeline of social ventures is much greater than the market has traditionally allowed.

In this booklet we’ve captured the achievements and impact of the 120 social ventures we have supported through the BVC programme. We hope you will join us in celebrating their remarkable efforts and in exploring how we can continue to support early stage social ventures to create big impact.

FOREWORD:
MARK NORBURY, UNLTD CEO

Four years ago, UnLtd and the Big Lottery Fund co-developed an innovative solution to a profound challenge facing early stage social ventures. While many social entrepreneurs had sustainable businesses already beginning to make a difference, alongside the ideas and ambition to scale their impact, few had access to the right capital and support they needed to make this growth happen.

It was this insight that led UnLtd to create the Big Venture Challenge (BVC) programme and establish our Ventures team, thanks to funding from National Lottery players in 2013. Our aim was to find and support the most ambitious and impactful early stage social ventures, help them navigate their path to growth, and access investment of between £50,000 and £250,000 – often referred to as the ‘missing middle’ of finance.

Fast forward four years, and we have supported 120 ventures to grow, and in doing so, raise over £13 million in investment. They tell us that our support has helped them to build sustainable impact models which will continue to create positive change in the long-term. We have also attracted over 60 new social investors into the market. In 2016, over 1.24 million people benefited from the work of the BVC winners.

We worked with a number of partners along the way and our social entrepreneurs benefited greatly from their expertise. We’d like to thank ClearlySo, Intentionality, Shaftesbury Partnership, The Social Innovation Partnership, The Social Investment Business, and the Big Lottery Fund for making BVC possible.

Working with innovative, ambitious and inspiring social entrepreneurs, we have learned a lot about the needs of social ventures at this stage of growth. We realised that while big steps were being taken to develop the social investment market, there remains much to be done in making this capital accessible, affordable and appropriate. We also realised that the quality, depth and range of support sought by our strong pipeline of social ventures is much greater than the market has traditionally allowed.

In this booklet we’ve captured the achievements and impact of the 120 social ventures we have supported through the BVC programme. We hope you will join us in celebrating their remarkable efforts and in exploring how we can continue to support early stage social ventures to create big impact.

“Helping social entrepreneurs take the leap to solve the missing middle

BVC has attracted new capital into the social investment market. Whilst this ‘missing middle’ of social investment is shrinking, it is still sizeable. Equally, the investment market has not paid enough attention to the depth, range and quality of support social entrepreneurs are seeking, and need, to really scale their impact. That support offer is the heart of BVC and we have captured our learning in our insights practice paper.

Mark Norbury, UnLtd CEO
MEET THE SOCIAL VENTURES SUPPORTED BY THE BIG VENTURE CHALLENGE

Through BVC, UnLtd found and supported 120 ambitious social ventures with clear potential to scale.

THE BIG VENTURE CHALLENGE’S FOCUS AREAS

To deliver more focused impact and to encourage peer-to-peer collaborations we focused our attention on working with social ventures addressing issues around Health, Education and Employment.

HEALTH & WELLBEING
29 social ventures

EMPLOYMENT
31 social ventures

EDUCATION
36 social ventures

We supported ventures with a range of barriers and challenges to their growth. Our support was one-to-one and tailored to the needs of each individual social venture. Our support included:

• Business planning, financial modelling and strategic advice
• Accessing routes to market (including connections to commissioners, clients and channel partners)
• Operational planning and delivery
• Governance (including connections to potential board members)
• Coaching, mentoring and leadership support
• Social impact measurement
• Investment raising (both debt and equity).

2016

CANVAS COFFEE
CHANGE PLEASE
CREATIVE OPTIMISTIC
VISIONS CYCLE SYSTEMS
ESSENTIAL SAFEGUARDING
GREEN REVOLUTIONS
GREEN SCENE
EDUCATION
HISBE FOOD
CIC
HIVE
MANCHESTER
INFUSED LEARNING
LEGACY
SPORT
PAPI’S PICKLES
PLAY PHYSIO
SCHOOL SPACE
SPECIAL IAPPS
TEXTOCRACY
THINK
FOR THE FUTURE
HERE
YES FUTURES

2015

ALL STREET
ANDIAMO
BLACKBULLION
BRIGHTER ENVIRONMENT
CAMPAIGN
BOOTCAMP
CLASS CAREERS
DEVELOPING YOUTH
PRACTICE
DIFFICULT CONVERSATIONS
DIGITAL MUMS
DOT DOT
DOT EAT
THAT
FROG
EDUKIT
EVOLVE
FAMILY CARERS
NET GAMES
FOR LIFE
GOLDFINGER
FACTORY
HARRY SPECTERS
HOME TURF
LETTINGS
LITTLE FOREST
FOLK
LONDON
FILM STUDIOS
MAKE WAVES
MACARON
NOUVEAU
WELLBEING
OLD MARKET
MANOR
OPEN JAM
JAR
OXFORD LEARNING SOLUTIONS
PARENTS FOR SPORT
POCKET EXPLORERS
SENIORS HELPING SENIORS
SEVERN PROJECT
SUNDAY ASSEMBLY
SUPERCARERS
THE DUSTY KNUCKLE
THE EAST DURHAM
EMPLOYABILITY
TRUST
THE SOCIAL
INNOVATION
PARTNERSHIP
THE WORK PEOPLE
THIRDBRIDGE
TREESHEPHERD
VIRTUALLY FREE

2014

ASPIRE4U
BRIDGES
SELF-MANAGEMENT
CHARITY
CHECKOUT
CITIZEN
COACHING
CIC
COMMONPLACE
GINGERSNAP
FIDLER MUSIC
FLUENCY
GOODGYM
HUMANUTOPIA
LINGOING
LOCAL FIRST
CIC
NOW>PRESS>PLAY
NUCLEOBASE
PARENTHUB
POLICY IN
PRACTICE
PROVENANCE
RUNACLUB
SPEAKSET
STUDENTFUNDER
TALENTINO!
THE ALTERNATIVE
SCHOOL
TUTORS
UNITED
UNIFROG
UPREACH
WELLBEING
ENTERPRISES
CIC
WORKING
KNOWLEDGE
WORTH-IT
PROJECTS

2013

ACTIVE MINDS
APNEE SEHAT
CIC
ARC HUBS
BUDDY ENTERPRISES
CONNECTION CREW
CIC
COOL2CARE
CIC
CO-WHEELS
CAR CLUB
EAT PENNINES
AND EAGLE
AND CHILD
ECO
COMMUNITIES
ELAROS
24/7
EQUALEYES
SOLUTIONS
GOODWILL
SOLUTIONS
CIC
GUESST2GIVE
HUBBUB
LATIMER
GROUP
MAKERBLE
NIGHT
ZOOKEEPER
OOMPH!
PATCHWORK
PEOPLE
CIC
PICTURES TO SHARE
C.I.C.
RAPANUI
RIGHT TRACK
SOCIAL ENTERPRISE
ROOTS
HOMES
PARENTS
1ST
STUDENT
@HOME
THE READER
ORGANISATION
THIRD SPACE
TIMEWISE
UPTURN
ENTERPRISE
WORKHERO

ACTIVELY MANAGING CHALLENGES TO THEIR GROWTH
OUR IMPACT THROUGH THE BIG VENTURE CHALLENGE PROGRAMME

Since 2013 UnLtd has supported 120 social entrepreneurs to scale, 74 of whom went on to raise investment whilst on the programme.

As a result

In 2016, over...

1,240,000

people benefited thanks to the collective work of the Big Venture Challenge winners.

Encouraging diversity in entrepreneurship

41% of social entrepreneurs supported by the BVC programme were female, twice the national proportion of SMEs run by women.

17% were led by social entrepreneurs from BME backgrounds, compared with 6% of SMEs in the UK that are led by minority ethnic groups.

Supporting impact to scale

114
Avg no. of beneficiaries before UnLtd support

284
Avg no. of beneficiaries after UnLtd support

798
Avg no. of beneficiaries 12 months after UnLtd support

…..and creating employment

75% of social ventures on the BVC programme employed someone other than the owner, compared with 24% of SMEs in UK. In 2016, they directly employed over 584 people full time, which works out at an average of 7 employees per venture.

Supporting sustainability

Combined annual turnover (2016)

£23,142,766

We know that in 2016, a greater proportion of social ventures grew their turnover than mainstream SMEs.

BVC ventures = 49%
SMEs = 40%

93%
of our social ventures are still operating

£187,141
Avg turnover before UnLtd support

£246,064
Avg turnover after UnLtd support

£490,889
Avg turnover 12 months after UnLtd support

Investing in Impact

£13,107,377 was raised by 74 ventures over the four years of the Big Venture Challenge.

£4,844,377 equity

£3,825,500 debt

£4,437,500 match funding

Of our 74 ventures who raised investment, 42 were based outside of London and between them raised...

£6,498,143

176 investors engaged in the programme, attracting...

£4,718,877

of new social investment to the sector.

People and Investors benefitting from the Big Venture Challenge

1,240,000 people benefited thanks to the collective work of the Big Venture Challenge winners.

£4,437,500 match funding was raised by 74 ventures over the four years of the Big Venture Challenge.

176 investors engaged in the programme, attracting £4,718,877 of new social investment to the sector.
CREATING INNOVATIONS TO TACKLE A WIDE RANGE OF PROBLEMS IN HEALTH AND WELLBEING

We supported 29 social ventures to scale up innovative solutions that are improving the health of communities across England. Their work is wide-ranging, using technology and creative interventions to tackle some of the greatest challenges within health and wellbeing.

Their work ranged from Wellbeing CIC’s pioneering work using social prescriptions to improve health outcomes in the North West, to Play Physio’s tech innovation to improve the lives of Cystic Fibrosis patients by gamifying their chest physiotherapy treatment.

THE 29 SOCIAL VENTURES WORKING IN HEALTH AND WELLBEING HAVE SHOWN THAT INNOVATIVE SOLUTIONS CAN LEAD TO WIDE-RANGING IMPACT.

IMPACT STORY: SPEAKSET

Speakset is an accessible video calling system that allows care professionals to contact their patients and allows patients to contact friends, family and health professionals. It tackles social isolation among older people in particular, while offering savings to healthcare providers. Users can receive and make video calls using their TV set and a simple remote.

“It was just really clear that older people had this unmet need that we could do something about” (Ewan Marshall, founder of Speakset)

Speakset joined the Big Venture Challenge programme in 2014 and received 12 months of support to get the venture ready for investment and growth.

Attracting investment was vital to Speakset, it allowed them to scale their business and reach more in-need older people. “We’d proved the concept and got the product made, at that point it was all about scaling up sales and that’s what the investment allowed us to do.”

Revenue grew astonishingly quickly, delivering the fastest growth of any UK startup in the space. This is due in part to the social investment allowing more time to be spent on spreading the service to new markets. In the last 18 months the number of customers, usually large care providers or CCGs (Clinical Commissioning Groups), grew from four to 22.

Speakset’s impact looks set to expand further. In 2017 they were acquired by a major player in the health sector, ensuring their innovation will reach a wider group of beneficiaries across the UK.

IMPACT STORY: ACTIVE MINDS

Founded by Ben Atkinson-Willes, Active Minds develops and manufactures evidence-based, activity products for people with dementia. Their range of products provide engaging activity that bridges the communication gap between people with dementia and their families and carers.

Active Minds were Big Venture Challenge winners in 2013. Through the programme they received financial support and mentoring, as well as introductions which helped them find several new board members. During the programme they raised investment of £200,000 from external investors and match funding from UnLtd.

“My mum loves the puzzles; she used to love doing jigsaw puzzles before she got dementia and became increasingly frustrated at not being able to do any of the things she used to do. Doing Active Mind puzzles has helped her overcome some of that frustration and often helps to calm her when she is agitated.” Ann Dearing.

Over 75% of family members felt the products helped to improve the quality of time spent with their loved ones. Most impressive of all, Active Minds had improved the quality of life of 100,000 people by 2017.

THE 29 SOCIAL VENTURES WORKING IN HEALTH AND WELLBEING HAVE SHOWN THAT INNOVATIVE SOLUTIONS CAN LEAD TO WIDE-RANGING IMPACT™.

During their year on the BVC programme:

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median no of beneficiaries supported</td>
<td>400</td>
</tr>
<tr>
<td>Mean no of beneficiaries supported</td>
<td>17,951</td>
</tr>
<tr>
<td>Mean turnover</td>
<td>£218,469</td>
</tr>
<tr>
<td>Average increase in turnover</td>
<td>43%</td>
</tr>
<tr>
<td>Total investment raised (including UnLtd match funding)</td>
<td>£3.78m</td>
</tr>
<tr>
<td>Total no of beneficiaries supported in 2015/16</td>
<td>641,952</td>
</tr>
</tbody>
</table>

Although on average health and wellbeing social ventures had the smallest turnover at the end of the programme, they reached the largest number of beneficiaries.

The big difference in the mean and median beneficiary figures highlights the wide-ranging impact that social ventures are creating through their health and wellbeing innovations. For example, Andiamo is dramatically improving the experience of orthotics patients through innovative 3D scanning and printing techniques, and over 530,000 individuals per year are benefitting from Oomph!’s training for care workers that enhances the mental, physical and emotional wellbeing of older adults.

On average, for every £1,000 of investment and 12-months of UnLtd support, each social venture improved the health and wellbeing of an additional 72 people.
TRANSFORMING LIVES FOR THOSE DISTANT FROM EMPLOYMENT

The social ventures tackling health-related issues are improving the lives of many people across England, while the ventures improving access to employment for people distant from the labour market, are working with fewer people, but seeing transformative results.

The 31 ventures operating in this space are transforming lives. Social ventures like Connection Crew CIC and Change Please are providing jobs and training to homeless people. The Severn Project and Canvas Coffee are helping those with drug and alcohol dependencies through training and into employment, while Latimer Group are providing employment opportunities for young people.

IMPACT STORY: GOODWILL SOLUTIONS CIC

Goodwill Solutions is a warehousing and logistics solutions company with a mission to put the community at the heart of all that it does. Founded by Mike Britton and Graham Swift, it increases the employability of ex-offenders and provides them with job opportunities. Alongside the employability programmes, Goodwill Solutions also supports a local community and skills centre and runs the Goodwill Solutions Learning Academy.

In 2013, while on the Big Venture Challenge programme Goodwill Solutions was supported to raise investment of £350,000, including match funding from UnLtd. By 2017 they had supported more than 400 individuals through their programmes, of these more than 300 have transformed their lives through meaningful, paid employment:

“I lost everything, not only emotionally, I lost my family. There’s one point that you lose hope. To have made that error and then lost everything is just overwhelming so you cannot imagine how [Goodwill Solutions] has given me a big boost and impact on starting a new beginning, a new life for me.” (Full-time employed, Ex-offender, 2016)

Today, Goodwill Solutions are recognised as one of the fastest growing businesses in Europe and have a revenue of over £7.5 million.

IMPACT STORY: HARRY SPECTERS

Harry Specters is an award-winning chocolatier driven by a social purpose – to provide employment opportunities, training and work experience for young people with autism. Founder Mona Shah, whose son, Ash, has autism, was inspired by her experience to start Harry Specters.

In 2015, Harry Specters received support from UnLtd through the BVC programme.

“We worked with this really great Venture Manager who guided us through the whole process of getting our finances right, our forecasting right, our budgeting right”, says Mona, “Through that we raised investment which helped us to move into new premises”

Since 2013, 62 people with autism have been offered work placements or paid employment, and 100 individuals have completed work projects to improve their employability and confidence. Their commercial growth has been similarly strong. There was a 100% growth in sales in 2015, and its commercial success is linked to its social mission - 60p of every £1 profit funds social activities and personal development opportunities for employees.

THESE 31 SOCIAL VENTURES ARE INCREASING THE EMPLOYABILITY OF PEOPLE LEFT BEHIND BY TRADITIONAL EMPLOYMENT, WITH TRANSFORMATIONAL RESULTS.

During their year on the BVC programme:

- Median no of beneficiaries supported: 96
- Mean no of beneficiaries supported: 354
- Mean turnover: £427,029
- Average increase in turnover: 55%
- Total investment raised = £3.38m (including UnLtd match funding)
- Total no of beneficiaries supported in 2015/16: 37,575

Data from employment social ventures shows that they are growing their businesses so that more people can gain meaningful employment. On average for every £1,000 of investment received and 12 months of UnLtd support, these ventures were able to transform the lives of an additional 2 people, supporting them towards employment.

For many of these individuals, such as the at-risk young people supported by The Dusty Knuckle and Miss Macaroon, the impact of the training and employment opportunities provided by social ventures is transformational, as one beneficiary described:

“Working with Rose (Founder of Miss Macaroon) has changed my life, I’ve got a job, education and skills that I never had before. It’s helped my confidence, as in having someone believe in you and give you that chance.” (Beneficiary, 2015)

Total investment raised = £3.38m (including UnLtd match funding)
COLLABORATING TO SUPPORT IMPROVEMENTS IN EDUCATION

Our work to support those focused on improving the education sector has resulted in supporting 36 inequality-fighting interventions to enhance the confidence and attainment of young people. These ventures have seen the value of peer-to-peer collaborations through our Education Exchange events; 48 impactful connections between ventures, schools and supporters were made at our last event alone.

Ventures like Humanutopia are supporting the development of soft skills, confidence and hope in schools. Year Here are running postgraduate courses focused on building the next generation of social leaders. Class Careers are helping connect school leavers with employers, transforming careers education in the process.

IMPACT STORY: EVOLVE

John Bishop founded Evolve in 2003, a social enterprise on a mission to improve children’s health, wellbeing and educational attainment. They recruit Health Mentors from local communities to work in schools. The Health Mentors build a rapport with children and use that rapport to run a range of different activities from mentoring workshops to physical activity sessions.

“The biggest driver to start Evolve was that I could see numerous issues with the education system and felt that I had good solutions” (John Bishop, social entrepreneur)

In 2015, Evolve took part in Big Venture Challenge. They gained significant support to strengthen their internal structures, including the addition of an advisory board and senior managers. They also introduced an online evaluation tool to better assess their impact and developed additional revenue streams to improve their sustainability. They expect these new structures and systems to be transformative as they look to grow.

With over 100 full-time employees they are now able to provide intensive, holistic and preventative support to pupils. Currently, they work across the UK in over 120 schools, directly supporting 6,000 pupils.

 IMPACT STORT: BLACKBULLION

After a career in wealth management, Vivi Friedgut set up Blackbullion in 2014. Blackbullion aims to bring high quality online financial education to students at school and university. Their innovative teaching methods marry independent content with pedagogical excellence and can be accessed across multiple digital platforms to help young people make more informed financial decisions.

In 2015, Vivi received support from UnLtd through the BVC programme to get Blackbullion ready for investment. They went on to find external investment and match-funding totalling £120,000.

In 2016, more than 3,000 students accessed Blackbullion’s learning tools, a thousand more than had done so the previous year. Their impact goes beyond reaching thousands, 89% of students reported that they felt more comfortable about their financial future after using Blackbullion and 71% would consider themselves more financially resilient.

IMPACT STORY: BLACKBULLION

Education social ventures raised the highest amount of investment overall to grow businesses that support more pupils, teachers and parents to develop skills, increase confidence and improve academic performance.

On average for every £1,000 of investment received plus UnLtd support, these ventures were able to reach an additional 13 people, supporting them to develop skills, increase confidence and academic improvement.

 THESE 36 ORGANISATIONS WERE SUPPORTED TO BECOME MORE SUSTAINABLE AND GROWTH-READY SOCIAL VENTURES®.

<table>
<thead>
<tr>
<th>During their year on the BVC programme:</th>
<th>Total investment raised = £3.94m (including UnLtd match funding)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median no of beneficiaries supported: 825</td>
<td>Total no of beneficiaries supported in 2015/16: 283,672</td>
</tr>
<tr>
<td>Mean no of beneficiaries supported: 8,159</td>
<td>Mean turnover: £232,852</td>
</tr>
<tr>
<td>Mean turnover: £232,852</td>
<td>Average increase in turnover: 46%</td>
</tr>
</tbody>
</table>

During their year on the BVC programme:
UNLTD VENTURES: CONTINUING TO ACCELERATE IMPACT AND SUPPORT GROWTH

Big Venture Challenge was the first step to opening up the social investment market and creating opportunities for early stage social ventures to get the support and funding they need. We will continue to support early stage social ventures.

UnLtd Ventures – historically through our flagship BVC programme - works to find, support and invest in social ventures looking to scale. Our model is focused on supporting the growth of the social venture. This sustainable growth leads to greater, long-term social impact, so that social ventures can tackle some of societies greatest challenges.

WHO WE SUPPORT?

We work with ambitious social ventures through a consultant-led accelerator programme. The social ventures we work with are early stage, and usually have evidence of impact and commercial revenues. We help these ventures to expand their impact and build sustainable commercial models.

We blend this one-to-one support with access to finance that is suited to the stage and growth plans of the business.

ONE-TO-ONE, TAILORED SUPPORT

At this stage of growth, tailored one-to-one support is essential. A classroom based approach doesn’t always meet the bespoke needs of the ambitious social ventures we support. By developing a programme of support around the needs of the venture we deliver support that actively addresses the challenges and barriers to growth they are facing.

Each social venture has access to a dedicated UnLtd Venture Manager. Venture Managers are there to provide business support, powerful connections and facilitate valuable peer-to-peer learning.

ACCESS TO FINANCE

We support social ventures to raise appropriate growth capital suited to their stage of development and ambitions for growth. We work with both institutional and angel investors in doing so. Where applicable, we provide match finance to help reduce the risk associated with investment and support this under developed part of the social investment market.

ENDNOTES

i. Data based on 112 social ventures, unless otherwise stated (correct as of 1st April 2017)


iv. Based on available data for 92 ventures


vii. Data is based on 27 health-related social ventures unless otherwise stated (correct as of 1st April 2017)

viii. Data is based on 26 employment-related social ventures unless otherwise stated (correct as of 1st April 2017)

ix. This data is based on 26 education social ventures unless otherwise stated (correct as of 1st April 2017)