Responsible Finance

The industry in 2016

About Responsible Finance

We are the voice of the responsible finance industry. We support a strong network of responsible finance providers who are increasing access to fair finance across the UK. At our heart is the idea of bringing social and economic benefits to people, places and businesses.

Our members provide finance to customers not supported by other lenders. They offer a supportive service and treat people fairly. They are professional social enterprises that re-invest profits to help more people and businesses access finance.

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www.responsiblefinance.org.uk

Responsible Finance

About this publication

Responsible Finance: The industry in 2016 is based on a survey conducted by Responsible Finance, which was completed by 48 responsible finance providers. The reporting period is 1st April 2015 until 31st March 2016. The survey has been conducted annually since 2003 and was previously known as Inside Community Finance.

The report was written by Theodora Hadjimichael with John McLean.

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This publication is available for download and in infographic form from www.responsiblefinance.org.uk

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Introduction

Responsible Finance is the voice of the responsible finance industry. We represent a strong network of responsible finance providers who are increasing access to fair finance across the United Kingdom. Our members provide finance to customers not supported by other lenders. They offer a supportive service and treat people fairly. They are professional social enterprises that re-invest profits to help more people and business access finance.

This report compiles the achievements of our members over the course of 2016. Set against previous years, the picture it paints is of a growing sector having a tangible impact on local economies and livelihoods. The changing context of the United Kingdom over the coming years means that the ongoing commitment to ensuring access to fair finance makes the responsible finance industry more important than ever.

Sector overview

Responsible finance is building the financial resilience of Britain's businesses and consumers

In 2016, the responsible finance sector continued to extend access to affordable finance to more small businesses, social enterprises and consumers across the United Kingdom. This had a tangible impact on the real economy through its contribution to regenerating high streets, strengthening local supply chains, supporting the social enterprise sector and generating greater consumer surplus and savings. **At a time when lending decisions are increasingly made by algorithms, responsible finance providers offer a personalised service, reaching those who feel left behind and giving them the opportunity to achieve their goals.**

In 2016, responsible finance providers lent:

£242 million

to 47,500 customers

£103 million

to 9,600 small businesses, creating 8,200 new businesses and creating or saving 14,900 jobs

£116 million

to 555 social enterprises, creating or saving 5,600 jobs

£20 million

to 37,000 individuals, along with helping customers deposit £3 million in savings accounts

£3 million

to 389 homeowners, helping them make essential repairs and energy upgrades

SMEs, the engine of economic growth and employment, have a greater dependence on bank and building society sources of debt finance than larger companies, who can turn to capital markets for debt finance. **Since 2011 and despite recent lower interest rates, banks have squeezed SME lending by 18%, or £35 billion.**[1] The most affected are businesses at the smaller end of the scale, and the responsible finance sector stepped in to provide £103 million in credit to 9,600 micro and small businesses in 2016.

The responsible finance sector is also a crucial source of support for the social enterprise and charity sector that works to address the UK's most pressing social and environmental challenges.

6 million people, 10% of the population, either do not have or struggle to use their bank account.[2] They will frequently turn to alternative forms of finance to make ends meet. This often means high cost payday lenders or illegal loan sharks. Cuts to welfare and economic instability over the past decade have exacerbated the precarious position of many in the UK. The responsible finance industry is committed to supporting this segment of the market, often providing wraparound services to promote financial wellbeing and literacy, and encourage saving.

As the devolution and localism movements progressed in 2016, the responsible finance sector seized the opportunity to become the local delivery mechanism for access to finance. Reach into both urban and rural markets put responsible finance providers in an optimum position to access local funds through local enterprise partnerships (LEPs) and programmes such as the Northern Powerhouse Investment Fund and the Midlands Engine Investment Fund.

In 2016 the responsible finance sector raised £71 million in new funding to on-lend. Of this, commercial and social investment represented a larger portion – 36% overall – than in previous years. Access to long-term and sustainable capital to on-lend remains a limiting factor in the sector's growth trajectory.

2016 saw continued strides in the sector towards scale and sustainability and the need for this finance is more pronounced than ever. All responsible finance providers that applied became authorised by the Financial Conduct Authority (FCA) for consumer credit lending and the sector's £60 million Regional Growth Fund programme was fully lent out. These milestones signal the important role that the responsible finance sector has in providing fair and affordable finance to improve their customers' life chances.

The future of the responsible finance sector

The responsible finance sector can continue building on its strengths to increase the provision of fair and affordable finance to the significant minority of businesses and individuals that cannot access it elsewhere. To do so it needs:

- **Access to sustainable sources of funding**. This can be stimulated through tools like tax reliefs, guarantees, and targeted, catalytic grant/equity schemes.
- **Proportionate regulation** that recognises financial inclusion as an objective alongside ensuring consumer benefit. New measures within the FCA around ensuring accountability within financial institutions must be designed and implemented proportionately, as to not place undue regulatory burden on small socially motivated organisations like responsible finance providers.
- **A policy environment that identifies financial exclusion as a key barrier to consumer wellbeing and economic growth**. The challenge of financial exclusion and access to banking is complex and requires a policy environment that recognises that complexity. The entire ecosystem should be supported through direct and indirect interventions to begin to realise the potential returns from financial inclusion.
- **Innovative new technology** can provide a way for the responsible finance industry to broaden its reach and efficiency, transforming the way ethical finance is delivered.

The responsible finance sector is the only industry committed to serving those who feel left behind. It is also the only financial sector driven to work with local authorities and other local stakeholders to support comprehensive growth, wellbeing and fairness.

In a post-EU referendum economy, there is an opportunity for the United Kingdom to re-shape how finance is delivered and create an inclusive financial services system that works for all businesses and consumers. This will involve policymakers, regulators and financial institutions adopting the recommendations above, which will have long-lasting impact on the country's prosperity.

Small business lending

In 2016 responsible finance providers lent £103.5 million to nearly 9,600 UK businesses

There are 30 responsible finance providers across the UK that lend to businesses that can otherwise not access finance from mainstream banks or other lenders. This finance enables them to start up, grow, create new jobs, save jobs that are at risk, and contribute to local economic growth. Small businesses like those the responsible finance sector supports, make a significant contribution to local employment, provide opportunities for apprenticeships, regenerate high streets, and are the building blocks of industrial sectors.

8,200
new businesses created

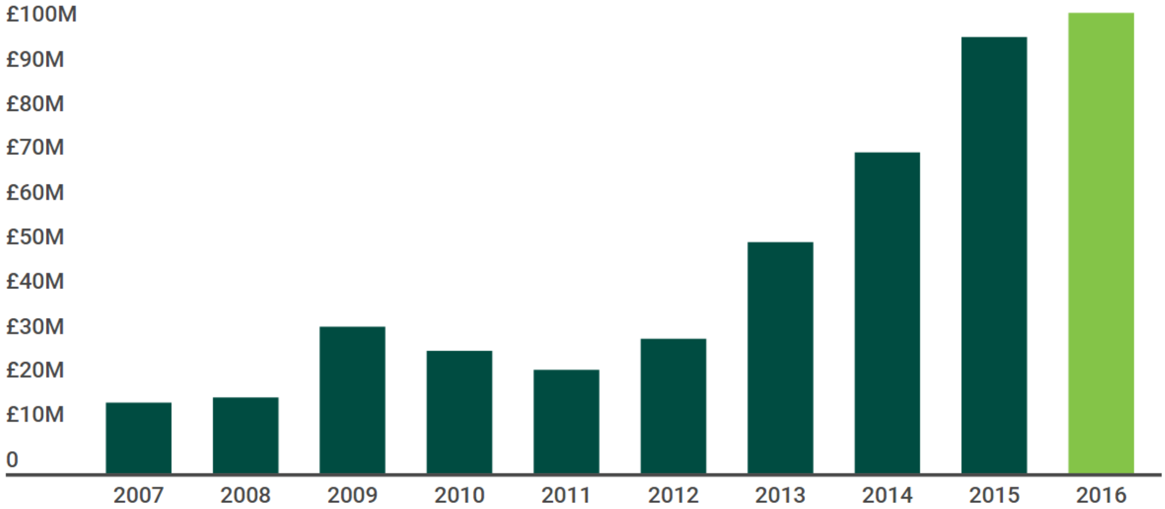
10,700
new jobs created

1,100
existing businesses safeguarded

4,200
at risk jobs safeguarded

That's **£0.428 billion**
added back to the economy in 2016 through lending to businesses

In the last 10 years, responsible finance providers lent nearly £0.5 billion to 55,400 businesses, creating and saving 73,300 new jobs and saving a further 36,600 jobs that were at risk. **This has contributed up to 5% to the UK's total jobs growth each year.**[3]



10 years of lending to small businesses

Responsible finance providers lend to both established businesses and new start-ups. The core market segment for responsible finance providers is the former: established micro and small businesses that play an important role in the regional supply chain but have been declined by other lenders because one or a combination of:

- the amount of finance needed too small to be profitable
- lack of adequate security
- temporary financial difficulties

These factors contribute to what is perceived as higher risk and lower profitability, and do not meet the minimum standards for banks and online lenders. The sector's approach of assessing viability, taking a flexible stance on security, and considering local economic impact, enables responsible finance providers to support businesses that other lenders could not.

In addition to this market segment, responsible finance providers also lend to microentrepreneurs through public policy programmes such as the Start Up Loans scheme (SUL) and the New Enterprise Allowance programme (NEA), both of which help people become self-employed by creating the capacity and confidence to manage a business alongside the provision of finance.

The product range that responsible finance providers offer is tailored to the type of business supported, as detailed in the table below.

	Start up	Micro business	SME
Average loan size	£7,239	£10,536	£42,341
Average term	3.6 years	3.7 years	3.7 years
Average interest rate	6%	13%	13%
Secured loans (#/£)	0% / 0%	8% / 22%	8% / 22%

Small business lending loan characteristics

Developments in the sector

Regional Growth Fund

The Responsible Finance Regional Growth Fund (RGF) programme reached a milestone in 2016, fully lending out the entire £60 million. The fund was a public-private match fund between the Department for Business, Energy, and Industrial Strategy (BEIS) and the Co-operative and Unity Trust Banks. The catalytic 50% grant from BEIS provides first loss cover and leverage for the 50% match investment from the banks. Through the RGF programme, responsible finance providers supported 2,000 businesses, creating and saving 7,800 jobs across England. This added an estimated £313 million to local economies across the country. With good value for money, the cost per job to the government is £3,800, only 10% of the average cost per job for the entire RGF programme.[4]

Case study: Estrella Bikes gets moving with SWIG Finance

Estrella Bikes of Verwood in Dorset, owned by childhood friends - highly decorated Paralympic cyclist Darren Kenny OBE and engineer Rob Ellis - started as a hobby in 2009 when Darren started making one-off bikes. Last year, both partners decided the time was right to expand Estrella Bikes into a business manufacturing carbon fibre bikes on a built-to-order basis. They secured a loan from SWIG Finance, a responsible finance provider, worth nearly £20,000 to get underway, following founding principles of quality, affordability, classic style, mutual trust and five-star customer service.

Darren says: “My background is in cycling and Rob is an incredible engineer but neither of us knows much about business! Accessing that support and guidance from SWIG Finance during the application process and the ongoing mentoring support has been beyond valuable. The funding from SWIG Finance will also enable us to approach factories directly to access componentry which means we will be able to sell the bikes through specialist shops rather than only online and built to order.”

Customer demographics

One of the effects of building products and services for underserved market segments is that responsible finance providers have both a diverse customer base and outsized impact on job and business creation.

42%

of clients were women-owned businesses

36%

of clients were BAME-owned businesses

53%

of clients were previously unemployed

91%

of clients were previously turned down by a bank

For every £1 million lent to businesses by responsible finance providers, there are 80 businesses and 104 jobs created as a result. Looking at the available UK-wide statistics on employment, business-creation and overall lending to non-financial businesses,[5] it suggests the responsible finance sector is particularly effective at generating new economic activity.

Social enterprise lending

In 2016 responsible finance providers lent £116.2 million to 555 social enterprises

Responsible finance providers lending to social enterprises support a variety of sectors including community development, employment support, and housing and homelessness.

48

social enterprises started up

1,200

new jobs created

over 500

existing social enterprises safeguarded

4,400

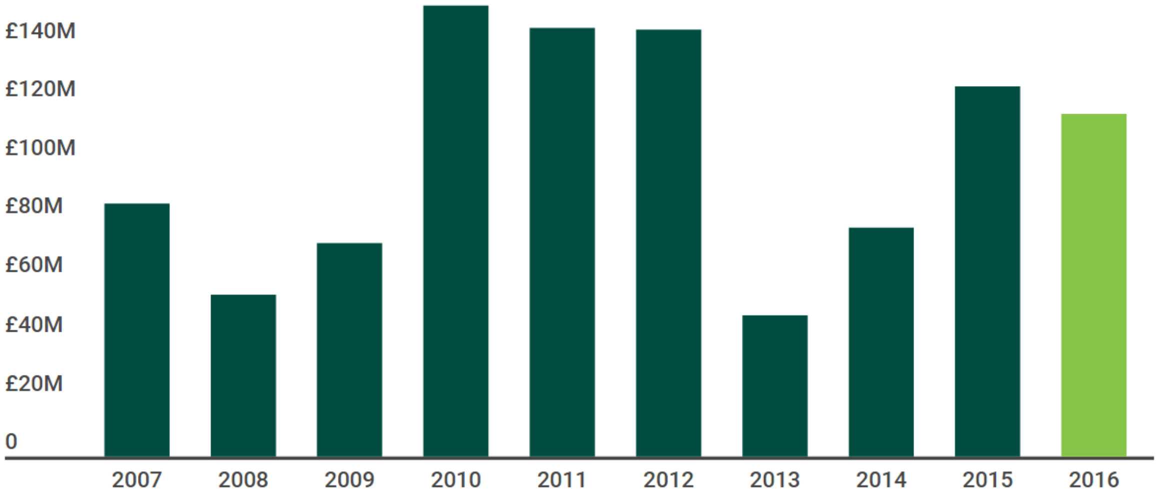
at risk jobs safeguarded

The conscience of the social enterprise sector is well-known. With a focus on communities, the environment and health, the social sector is central to maintaining the wellbeing of our society. The sector in the UK is dynamic and entrepreneurial, with a higher proportion of young businesses than the for-profit SME sector and a higher proportion of businesses increasing revenue year-on-year, creating jobs and delivering services in more innovative ways. Social enterprises disproportionately hire those disadvantaged in the labour market, have more equal pay scales and more diverse leadership.[6] More and more, social enterprise is crucial to the UK's economic and social wellbeing.

Three quarters of social enterprises...

... earn more than three quarters of their income from trade [6]

10 responsible finance providers specialise in supporting social enterprises. **In the last 10 years, they lent £1.1 billion to 3,900 ventures, reaching almost 6% of the UK's total social enterprise population.**[6] This finance enabled social ventures to start up, grow and create the organisational capacity to tackle some of the UK's biggest social and ecological challenges, creating or saving 15,200 jobs along the way.



10 years of lending to the social sector

The social sector is undergoing a transformation in how it operates, reports and is funded. Accessing investment is a key challenge for smaller social enterprises and charities.[7] Flexible finance and investment readiness support from the responsible finance industry is central to helping the sector along on this journey.

Adequate capitalisation of the responsible finance sector is crucial to achieving this goal. 65% of social enterprises still cite difficulty in accessing affordable finance or cash flow problems as their number 1 barrier to scaling, with an estimated funding gap of £300 million – £1 billion.[8] Just 5% of SMEs cite access to finance as a similar barrier.[6] It is important that the responsible finance sector is well-positioned to meet this demand.

The Responsible Finance membership captures 2 categories of responsible lending to social enterprises. The product range of these two categories of responsible finance providers is detailed in the table below:

- **Social banks**, which are also responsible finance providers but serve a different segment of the market – that of larger and established social enterprises and charities typically seeking over £250,000 and with security
- **Traditional responsible finance providers** that lend to social enterprises that are seeking less than £250,000, have limited track record or adequate security, and are unlikely to secure finance from mainstream sources

	Responsible finance provider	Social bank
Average loan size	£78,515	£484,122
Average term	5.8 years	N/A
Average interest rate	9%	N/A
Secured loans (#/£)	38% / 37%	100% / 100%

Social enterprise lending loan characteristics

Developments in the sector

Asda partnership

In 2016, Asda announced the Social Enterprise Supplier Development Academy, developed in partnership with Social Investment Scotland. The initiative provides social enterprises with intensive support, mentoring and the opportunity to scale up their operations. The entire profits from the 5p fee for Asda's plastic carrier bags will go to the scheme. The social enterprise community was further bolstered by the continuation of the availability of small, lower cost loans through the Asda Community Capital Fund. The fund is particularly targeted at social enterprises earlier in their journey and has been specifically developed based on feedback from social enterprises themselves. The success of this model has driven its expansion into Wales through the responsible finance provider WCVA.

Case study: Key Fund helped Direct Help & Advice when nobody else would

Direct Help & Advice (DHA) is a Derby-based charity that provides free legal advice around housing and debt to help prevent homelessness. After 18 years of charitable work, DHA hit the ropes. Reforms to Legal Aid saw their historic reliance on it as a source of funding turned on its head. Worse, after being mis-sold an interest rate hedging product, the charity was being charged £3,000 a month, killing their cash flow, and their bank refused to increase DHA's overdraft limit. Key Fund, a responsible finance provider, rescued the charity with a critical £45,000 loan that allowed DHA to reflect on their business model, adapt and survive.

With Key Fund's support, DHA has diversified from being a charity reliant on funds to a sustainable 'one-stop shop' business. Today, the charity has £1 million turnover and employs 35 people, including qualified solicitors and case workers. As well as its core service of free legal advice, it looks at the bigger picture around housing and debt, such as mental health and unemployment, keeping at-risk families in their homes and improving their futures. DHA assists 4,000 families through a nation-wide helpline, along with 1,000 Derbyshire families assisted face-to-face. Direct Help estimates if the service had folded in 2013 those 1,000 families would have struggled to find the legal support to enable them to remain in their homes.

Personal lending

In 2016 responsible finance providers lent £19.8 million to 36,957 individuals, and £2.8 million to 389 homeowners for home repairs

In a year when it was uncovered that 4 in 10 people in the UK have savings of less than £500,[8] responsible finance providers helped their clients deposit £3 million into personal savings accounts, an average of £158 per client.

4 in 10 people

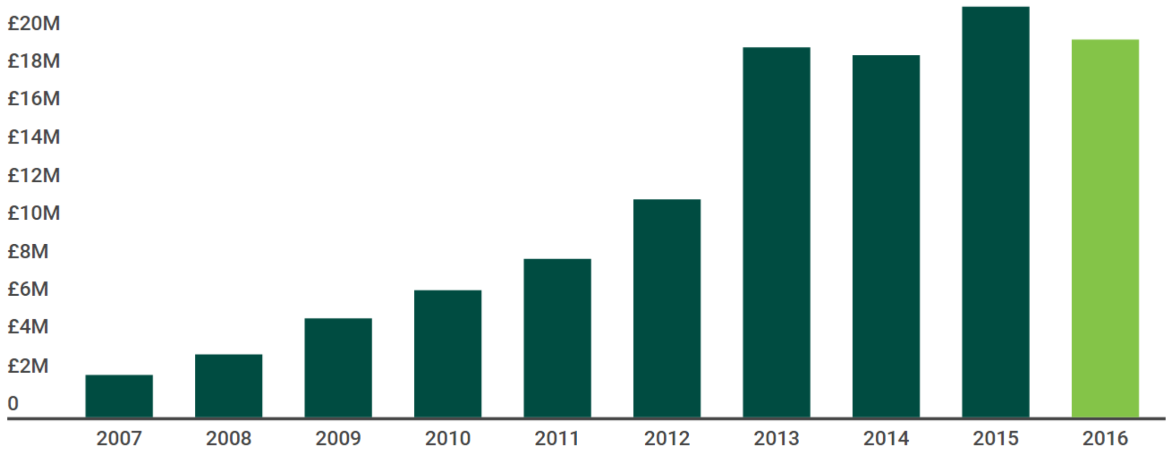
have less than £500 in savings

£3 million

the amount responsible finance providers helped customers deposit in savings accounts in 2016

10 responsible finance providers specialise in providing affordable credit and financial capability support to individuals, and 6 provide finance to homeowners to make urgent repairs to their homes or energy efficiency upgrades. For people on low incomes and without a savings buffer, access to affordable credit and ancillary services such as current and savings accounts, and money and energy advice can not only help them avoid taking on unmanageable debt from high cost lenders, but also empowers them to take control of their financial health. In this way, responsible finance providers are an alternative to high cost credit, and help to build financial capability and resilience.

In the last decade, responsible finance providers lent £156 million to 253,000 people and homeowners, **helping consumers save £23 million in repayments to high cost lenders.**



10 years of lending to consumers

Responsible finance providers that lend to consumers provide loan products that are short term and low in value for unexpected events such as car repairs or seasonal events such as Christmas shopping or school supplies. 56% of loans helped to pay for special events like birthdays and Christmas gifts.

Loan products for home repairs are typically higher in value and have longer terms. For home improvement loans, responsible finance providers typically work with local authorities, in which case the subsidy brings down the cost of the loan.

	Alternative to high cost credit	Home improvement
Average loan size	£535	£7,269
Average term	8 months	3.3 years
Average interest rate	129%	4.47%
Secured loans (#/£)	0 / 0%	58% / 84%

Personal lending loan characteristics

Developments in the sector

Affordable Lending Portal

With initial support from the Cabinet Office, Responsible Finance contributed to the development of the Affordable Lending Portal, a website enabling consumers to search across multiple responsible finance providers and credit unions based on their postcode and borrowing needs. Launched in 2016, the portal presents an unprecedented opportunity for responsible finance providers focused on personal lending to access a new marketing channel and opportunity for collaboration with leading high street retail chains. Asda and credit reference agency Experian are partners in the initiative which is expanding access to affordable finance for consumers that typically do not have as much choice.

Sheffield Money

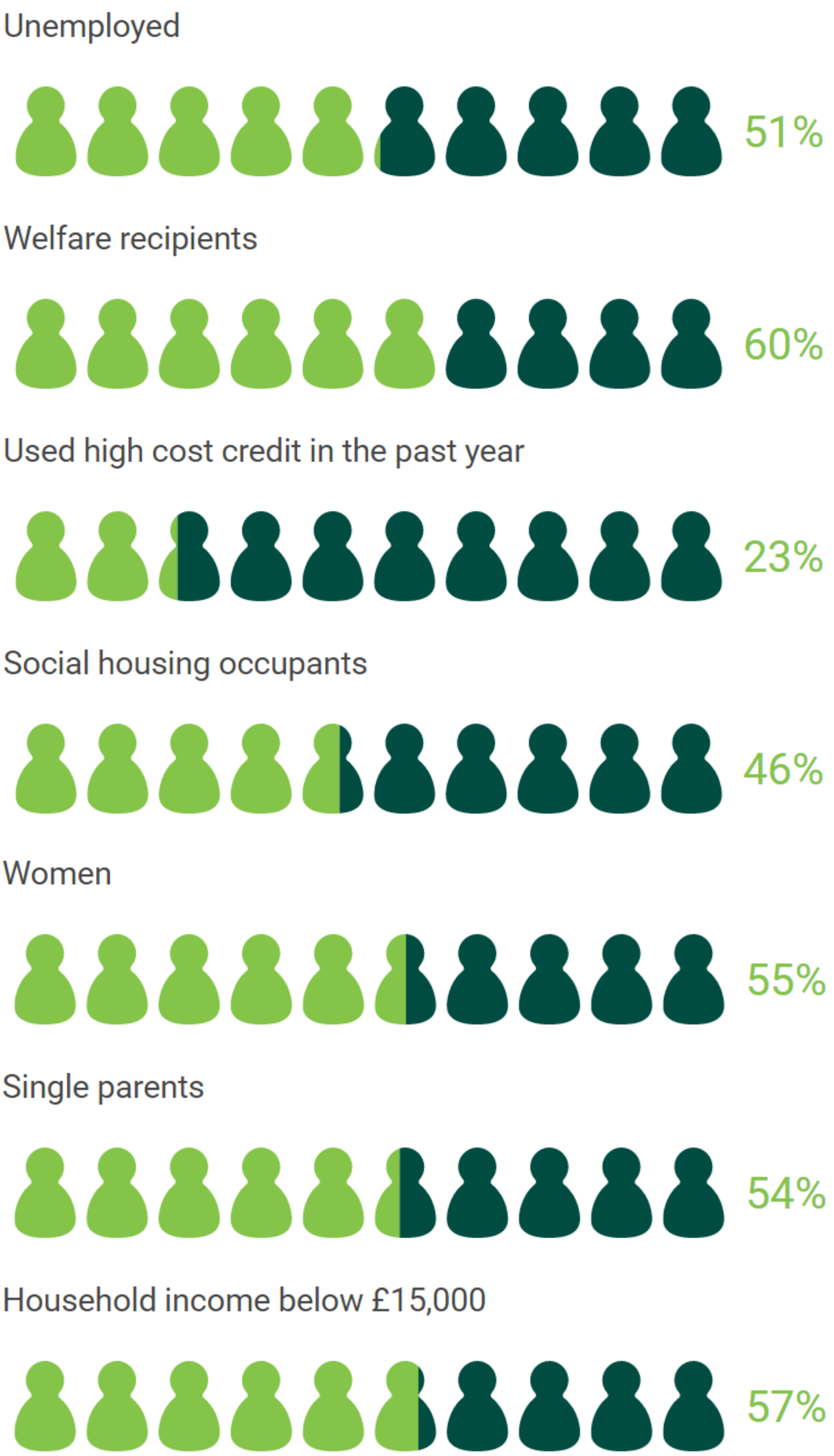
Sheffield Money is a pioneering not for profit partnership model which operates as a broker service bringing together a range of responsible companies. Partners include: Sheffield City Council, Sheffield Executive Board, Sheffield Cathedral, South Yorkshire Housing Association, Sheffield Credit Union, TransaveUK, Ffrees, responsible finance provider Five Lamps, Money Advice Service, Yorkshire and the Humber TUC. In its first year of operation it has explored the benefits of sharing resources and products to achieve the common goal of a fairer financial system for the people of Sheffield.

Case study: David receives assistance from Moneyline

David took out his first loan with responsible finance provider, Moneyline, of £350 for car repairs in early 2016. He set an affordable weekly repayment of £11.90 for 32 weeks and decided to round up his repayment to £16.00 per week with Moneyline's 'Round it up' savings plan where the customer's additional balance is deposited into a savings account. Several months later David requested another loan due to a broken down fridge freezer. He still had a few repayments left on the original loan but accumulated savings from 'Round it up' plan allowed him to purchase a fridge freezer outright. Subsequently, he increased the weekly savings deposit to help cover the cost of Christmas.

Customer demographics

In 2016, responsible finance providers lent to customers unable to access mainstream finance and who were likely facing others forms of disadvantage.



Responsible finance participants

Acorn Fund
ART Business Loans
BCRS Business Loans
Big Issue Invest
Business Enterprise Fund
Business Finance Solutions
Community Land and Finance CIC
Co-operative and Community Finance
Coventry & Warwickshire Reinvestment Trust
DSL Business Finance Ltd
Enterprise Answers
Enterprise Loans East Midlands
Enterprise Northern Ireland Ltd
Entrust
Fair Finance
Finance For Enterprise
Financing Enterprise Ltd
Five Lamps
Foundation East Ltd
Fredericks Foundation
Goole Development Trust
HBV Enterprise
Impetus
Isle of Wight Opportunity Society
Key Fund
Lancashire Community Finance
Let's Do Business Finance
London Small Business Centre
MCF Loans
Merseyside Special Investment Fund Ltd
Moneyline
Newable
Ninety Four Finance Limited
Northern Pinetree Trust
Purple Shoots
RBS Social & Community Capital
Robert Owen Community Banking Fund Ltd
Scotcash
Sirius
Social Engine Finance
Social Investment Cymru (WCVA)
Social Investment Scotland
South West Investment Group
Street UK
The Charity Bank Ltd
Triodos Bank NV
Ulster Community Investment Trust
Wessex Home Improvement Loans

Endnotes

[1] Bank of England, *Bankstats (Monetary & Financial Statistics)*
[2] Financial Inclusion Commission (2015), *Financial Inclusion: Improving the Financial Health of the Nation*
[3] Eurostat, *Employment by sex, age and citizenship*
[4] House of Commons Library (2016), *Regional Growth Fund*
[5] Analysis of the lending market' derived from Bank of England's statistics on monetary financial institutions' loans to non-financial businesses (*Bankstats (Monetary & Financial Statistics) - December 2016*) and Eurostat's figures on employment (*Employment by sex, age and citizenship*)
[6] Social Enterprise UK (2015), *The State of the Social Enterprise Sector 2015*
[7] National Council for Voluntary Organisations (2016), *Social Investment: Who's got it, who wants it and what's next?*
[8] Big Society Capital (2014), *Social Investment Compendium, 2014 edition*

Appendix – Responsible Finance data

Loan disbursals, by number and value

Total lending, 2012-2016

	2012	2013	2014	2015	2016
Total number of loans disbursed	33,400	50,700	56,200	57,800	47,500
Total value of loans disbursed	£200m	£123m	£173m	£251m	£242m

Loans to businesses: microbusinesses and SMEs, 2012-2016

	2012	2013	2014	2015	2016
Total number of start-up/micro loans disbursed	2,318	8,992	12,791	10,280	9,150
Total number of SME loans disbursed	290	311	430	1,160	433
Total number of loans disbursed	**2,608**	**9,303**	**13,230**	**11,440**	**9,583**
Total value of start-up/micro loans disbursed	£17m	£38m	£52m	£64m	£85m
Total value of SME loans disbursed	£13m	£14m	£20m	£34m	£18m
Total value of loans disbursed	**£30m**	**£52m**	**£72m**	**£98m**	**£103m**

Loans to social enterprises, 2012-2016

	2012	2013	2014	2015	2016
Total number of loans disbursed by responsible finance providers	177	204	261	325	376
Total value of loans disbursed by responsible finance providers	£10m	£13m	£12m	£21m	£30m
Total number of loans disbursed by social banks	170	102	109	129	179
Total value of loans disbursed by social banks	£135m	£35m	£66m	£106m	£87m
Total number of loans disbursed to social enterprises	**347**	**306**	**370**	**454**	**555**
Total value of loans disbursed to social enterprises	**£145m**	**£48m**	**£78m**	**£126m**	**£116m**

Loans to individuals, 2012-2016

	2012	2013	2014	2015	2016
Total number of loans disbursed	28,992	40,562	41,938	45,185	36,957
Total value of loans disbursed	£11.4m	£19.4m	£18.9m	£21.5m	£19.8m

Loans to homeowners, 2012-2016

	2012	2013	2014	2015	2016
Total number of loans disbursed	1,420	541	584	677	389
Total value of loans disbursed	£13m	£4m	£4.3m	£5.3m	£2.8m

Loan characteristics

Loan size, interest rate and term

	Average Loan Size	Average Term	Average Interest Rate (APR)
Business	£10,800	3.5 years	10.8%
Existing Micro	£15,200	3.5 years	12.6%
Existing SME	£41,500	3.5 years	12.6%
SUL	£9,200	3.5 years	6.0%
NEA	£1,700	4.5 years	6.0%
Social Enterprise	£277,700	5 years	9.0%
Responsible finance provider	£78,500	6 years	9.0%
Social Bank	£484,100	N/A	N/A
Personal	£530	9 months	129%
Home Improvement	£7,300	7.5 years	4.5%

Security (secured against property or assets, or using a loan guarantee scheme such as EFG or EIF)

	Loans secured by number	Loans secured by value
Business		
Existing micro/SME	4%	32%
SUL/NEA	0%	0%
Social Enterprise		
Responsible finance provider	56%	85%
Social Bank	100%	100%
Personal	0%	0%
Home Improvement	69%	84%

Services other than lending

One-to-one business mentoring	42%
Business training	16%
Money management & budgeting advice	12%
Letting business space	12%
Personal accounts	7%
Commercial accounts	2%
Bill payments services	2%
Money transfer	2%
Islamic shari'a finance	9%
Commercial mortgages	8%
Online application	21%
Back office services for other organisations	14%
Wholesale lending to other responsible finance providers	5%

Referrals

Top sources of referrals for responsible finance providers

Own marketing activities	60%
Word of mouth/informal referrals	51%
Start Up Loans Company	30%
Banks	28%
Local authorities	14%
Jobcentre	12%
Online referral platforms	12%
Social enterprise support agencies	12%
Brokers	9%
Voluntary and community groups	9%
Accountants	7%
Enterprise agencies	7%
Housing associations	5%
Social investors	5%
Community foundations	2%

Funding and portfolio performance

Sources of funding, 2012-2016

Source	2012	2013	2014	2015	2016
Central government	7%	26%	44%	48%	41%
Banks	10%	10%	20%	26%	27%
Other (including individual investors)	16%	20%	14%	2%	6%
European Union	38%	11%	13%	11%	10%
Local government	24%	14%	7%	8%	4%
Trusts/foundations	6%	1%	1%	<1%	3%
Social investors	0%	11%	1%	4%	9%
Housing associations	0%	7%	0%	<1%	<1%
Total received in the year	£15.8m	£42.3m	£59.4m	£83.8m	£71.0m

Earned and other income, 2012-2016

	Earned income – Interest and fees from lending	Earned income – Income and fees from managing funds	Earned income – Other	Other income (revenue and capital grants, donations)
2012	£13m	£2m	£17m	£8m
2013	£15m	£5m	£7m	£7m
2014	£17m	£7m	£8m	£7m
2015	£19m	£6m	£7m	£6m
2016	£21m	£6m	£13m	£9m

Portfolio performance by market, 2013-2016

	2013	2014	2015	2016
Micro & SME				
PAR	20.4%	7.7%	15.8%	10.5%
Write-offs/provisions	7.6%	4.7%	12.6%	6.2%
Social enterprise				
PAR	1.4%	2.8%	2.7%	1.9%
Write-offs/provisions	0.6%	2.6%	2.5%	5.8%
Personal				
Write-offs/provisions	7.7%	11.2%	13.6%	8.5%
Home improvement				
PAR	0.2%	0.6%	0.2%	0.5%
Write-offs/provisions	<0%	0.1%	0.2%	0.5%

Client demographics

Business demographics

Previously turned down by high street bank	91%
Previously unemployed	53%
Women owned businesses	42%
BAME (Black, Asian or Minority Ethnic)	36%
Under 30 years old	22%
Located in the UK's 35% most disadvantaged areas	18%

Social enterprise demographics

Previously turned down by high street bank	81%
Women owned businesses	38%
BAME (Black, Asian or Minority Ethnic)	17%
Under 30 years old	33%
Disabled	21%
Located in the UK's 35% most disadvantaged areas	15%

Individual demographics

Unemployed	51%
Social housing occupant	46%
Woman	55%
Living in a household with dependents under the age of 18	45%
Single parent	54%
BAME (Black, Asian or Minority Ethnic)	6%
Under 30 years old	40%
Located in the UK's 35% most disadvantaged areas	36%
On household incomes of less than £15,000	57%

Homeowner demographics

Unemployed	18%
Woman	52%
Over 65 years old	70%
BAME (Black, Asian or Minority Ethnic)	12%
Disabled	24%
Located in the UK's 35% most disadvantaged areas	7%
On household incomes of less than £15,000	24%

Lending outcomes

Business lending outcomes

Number of businesses created	8,240
Number of businesses safeguarded	1,086
Jobs created (FTE)	10,731
Jobs safeguarded (FTE)	4,201
Business clients mentored	5,490
Business clients trained	4,030

Social enterprise lending outcomes

Social enterprises created	48
Social enterprises safeguarded	507
Jobs created (FTE)	1,198
Jobs safeguarded (FTE)	44,504

Individual lending outcomes

Value helped clients deposit into savings accounts	£3m
Number of clients helped pay bills	2,710
Number of clients helped to pay down existing debt	3,860
Number of clients helped pay for emergencies	3,033
Number of clients helped pay for special/unexpected events	20,743

Homeowner lending outcomes

Homes brought up to a decent standard	223
Number of clients able to stay in their homes	238