



# Foreword



**It is with great pleasure that I introduce Unity Trust Bank's second social lending impact brochure.**

**I am pleased that in 2013 we have grown our impact, both in terms of the amount of finance which we have been able to lend, and the difference that we have enabled our customers to make. We will strive to do even more in 2014.**

We have made every effort to develop our social impact reporting. This year we provide an overview of the key achievements of our lending including the jobs created and the value of additional finance leveraged. In addition we share a number of case studies which provide more detail about how we have helped our customers achieve positive social change.

These lending and social impact achievements are made possible through the deposits made by our Trade Union and wider social economy customers. They enable us to focus on lending to social economy organisations in order to support job creation and retention; the provision of housing and support services; and community development.

This reflects the founding principles of the Bank, and the purposes for which it was established. We are proud that the principle of working for the common good is still at the heart of our organisation today, thirty years after our foundation.

The business practices we undertake to support this principle extend beyond our lending, and across the organisation. Page 14 demonstrates how we take a holistic approach to creating social impact and the activities which we carry out across the business. This approach helps to ensure positive impacts are delivered not just for our borrowing customers, but for our staff, the wider community and our society too.

**Richard Wilcox**

Chief Executive Officer, Unity Trust Bank

# Introduction

As a bank committed to creating social good, we take a sustainable and socially responsible approach to banking and finance. This sees us strive to deliver a 'double bottom line' strategy - one which sees the creation of social impacts as equally important as financial returns. As part of this approach, we seek to create social good through all of our business activity. We do this by lending only to

organisations who themselves are creating social good and positively changing lives and communities across the UK. The social impacts featured across this review of our 2013 lending and social investment reflect the commitment we have to our double bottom line approach. Our ambition is to lend £100m to social economy organisations over the three year period between 2013 and 2015, and we have already made real progress towards this target.

## How many social economy organisations did we invest in?

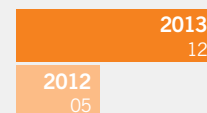
We expanded our lending and investment across four areas: Community Cohesion, Community Finance, Community Living and Community Investment. You can find out more about what this means in the sections to follow.



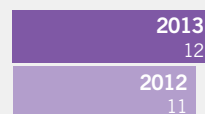
### Community Cohesion



### Community Finance



### Community Living



### Community Investment



## How much did we invest in social economy organisations?

We more than doubled our lending to social economy organisations in 2013. This is part of an overall commitment of £62m in 2013 (2012: £32m).



### Community Cohesion



### Community Finance



### Community Living



### Community Investment



## How were our investments distributed?

As well as social economy organisations, we also lend to other not-for-profit organisations, and invest in performance bonds and social investment bonds for our customers. This is how our lending was disbursed, by value, per sector.



\* This includes social economy lending, performance bonds and lending to other enterprises where social impacts are created.

# Overview of 2013 lending

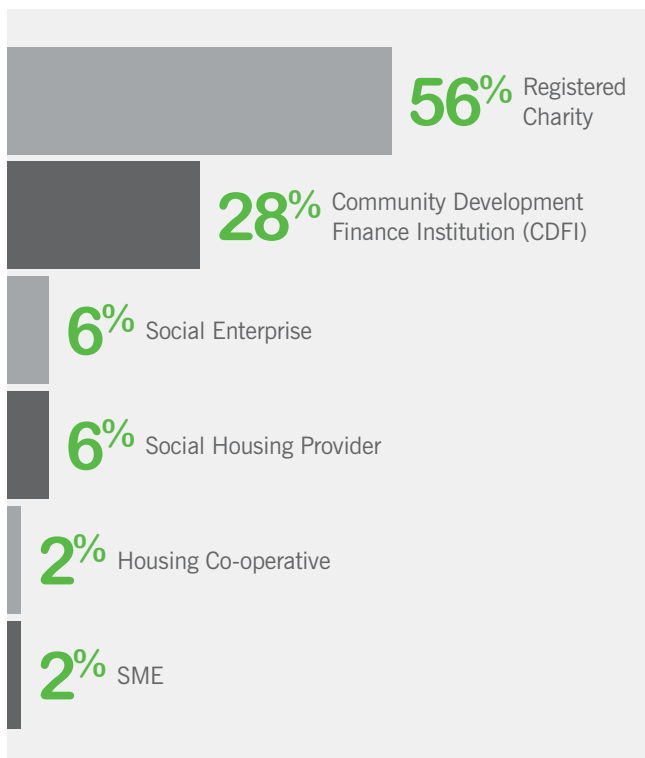
We deliver finance to a range of organisations across the social economy. This includes organisations who are at the forefront of delivering social change, those responding to critical issues facing individuals and communities who are marginalised and disadvantaged,

and organisations that are providing opportunities for people to improve their lives.

By lending to these organisations, we are giving our customers the potential to make their plans work in supporting positive transformation in lives and communities.

We are inspired to see how our customers are making a difference to those most in need by delivering services, accommodation and provisions to achieve stability, hope and prosperity for individuals and communities.

## What type of organisations have we supported?



## What sectors do our customers work in?



Social lending is an increasingly important source of finance for individuals, businesses and voluntary organisations across the country. The best way to ensure its continued growth is for lenders to be able to demonstrate the impact that their investments are making on the ground in our communities. Unity Trust Bank's social lending impact brochure is a model which I hope other social lenders will follow and is an example of the approach that has made Unity a pioneer in the social economy over the past thirty years."

Sir Stuart Etherington  
Chief Executive, National Council for  
Voluntary Organisations (NCVO)



Foundation East is a value and mission driven organisation. It is really important to us that our stakeholders, including our bankers, share in our values of honesty, integrity and fairness. Unity Trust Bank meets this criteria through the supportive banking services they offer us."

Katy Ford,  
Chief Executive, Foundation East



We appreciate the support and encouragement of the Unity team in helping us to build and develop our community healthcare business."

Marilyn Hughes,  
Managing Director, Carfax Health Enterprises CIC

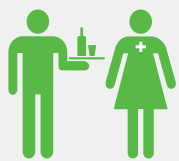
## How was our lending distributed across the UK?

The case studies throughout this brochure show how over the last year we helped our customers achieve more. As part of our commitment to lend £100m over three years, our lending in 2013 spanned across the UK and was distributed across a range of organisations from well-known charities and housing associations focussing on very specific needs, to small organisations working for the benefit of their community. The diversity of our customers has allowed us to help create some strong impacts for organisations and people across the UK by creating jobs, giving organisations the capacity to expand, and creating areas to bring communities together. We are actively seeking to expand our lending activity throughout all regions of the UK into 2014 and beyond.

Region	Value of loans made	Number of loans made
London	£14,583,521	9
West Midlands	£5,672,444	5
South East	£4,046,668	2
Scotland	£2,782,000	4
Yorkshire	£1,396,384	9
Wales	£990,000	3
East of England	£675,000	2
North West	£604,215	5
North East	£327,500	5
South West	£306,000	2
East Midlands	£250,000	1



## What did our lending achieve?



**2,143**  
jobs created  
and retained  
in the UK

By helping our customers invest in the future of their organisation, we have helped support employment for people in their local communities. This is a key outcome delivered through our social lending owing to our heritage as a Trade Unions bank.



**£26,073,841**  
additional finance  
leveraged

Our loans help some of our customers access other sources of finance including grants, contracts and other bank loans. Our loans can indirectly help our customers to generate extra income too by giving them the space, scale and capacity to do more. This excludes the amount of finance leveraged through CDFI lending.



**Living Wage**  
accredited customers

We did not have the opportunity to lend to any Living Wage accredited organisations in 2013, but already have some in the pipeline for 2014. We actively seek to encourage other organisations to become Living Wage Accredited and have launched an offer whereby accredited organisations receive a discount on their lending fee.

These figures, except for the lending value and number of organisations, refer to 47 of 53 borrowing customers. Data is not provided for the remaining six as these loans were taken partially in 2012. Therefore, the data reflecting those loans is captured in the previous edition of this publication. This brochure shows case studies of just some of our loans and investments - those where we have received expressed permission from our customers to publish this information.

# Community Living

**Giving individuals the opportunity to have a home of their own brings a wealth of benefits. Our customers create homes for individuals that are safe, suitable and affordable for the people who need them.**

For individuals and families, having a home of their own is a starting point that brings stability, improves health and wellbeing and their overall prospects. Our customers lead the way in providing specialist living spaces, properties and communities for people with a range of needs. From tailored facilities to supported services, they are helping people live securely, independently and comfortably – instilling positive change across their lives.



27

Number of bed spaces renovated



**This is a great opportunity for Bangla Housing Association. We have managed the properties on behalf of partners for a number of years and know the residents well. The transfer of stock to Bangla means we are the sole housing managers and can really push our customer satisfaction levels for our new residents. In addition, the financial support from Unity means we have developed our asset base, are financially secure and have more long-term control over our operations.”**

Bashir Uddin,  
Director, Bangla Housing Association

## Case Studies

<b>Bangla Housing Association</b>	£4,800,000
<a href="http://www.banglaha.org.uk">www.banglaha.org.uk</a>	London

To purchase 70 properties from other housing associations providing housing for over 300 people from the Bangladeshi and other ethnic minority communities in the London Borough of Hackney.

<b>BEN</b>	£8,000,000
<a href="http://www.ben.org.uk">www.ben.org.uk</a>	Ascot

To build a state-of-the-art retirement community incorporating a new 93 bed care centre plus a range of apartments and cottages, available to anyone over the age of 65. It also has amenities to meet residents health, wellbeing, leisure and social needs.

<b>Castlehill Housing Association</b>	£1,290,000
<a href="http://www.castlehillha.co.uk">www.castlehillha.co.uk</a>	Aberdeen

To construct 18 new properties in Aberdeenshire, meeting the needs of the local community by providing additional and affordable housing. 12 properties will be occupied by social housing tenants, with the remainder used as mid-market rentals.

<b>Coatham House</b>	£87,500
<a href="http://www.coathamhouseprojects.org.uk">www.coathamhouseprojects.org.uk</a>	Redcar

To purchase a five room hostel to provide housing for young homeless people in the local area, and providing associated support services.

<b>Eldon Housing</b>	£1,800,000
<a href="http://www.eldonhousing.co.uk">www.eldonhousing.co.uk</a>	Surrey

To finance a development programme to provide supported accommodation in Croydon.

<b>Empower Housing Association</b>	£500,000
<a href="http://www.empowerhousing.org.uk">www.empowerhousing.org.uk</a>	Chorley

To purchase three properties to provide quality supported housing to people with disabilities across the North West.

<b>Sandwell Community Caring Trust</b>	£3,525,000
<a href="http://www.sandwellcct.org.uk">www.sandwellcct.org.uk</a>	Sandwell

To enable the purchase of a 62 bed care home for older people with dementia. This purchase was 100% loan financed through a partnership with Big Issue Invest.

<b>The Springfield Project</b>	£350,000
<a href="http://www.springfieldproject.org.uk">www.springfieldproject.org.uk</a>	Birmingham

To renovate six empty homes across Birmingham to provide affordable and suitable rental property for families with at least one child under the age of 5.



## A closer look

### Sandwell Community Caring Trust

£3,525,000

Having taken responsibility for three run down and unsustainable care homes for older people in April 2012, Sandwell Community Caring Trust (SCCT) was determined to deliver a solution that ensured the needs of older people were suitably met. The charity, which provides housing and care services for elderly and disabled people in the West Midlands, has a vision of providing living environments where individuals can develop or maintain their independence and live as part of their community.



01.



02.



03.

Across the local area, there is a high demand for dementia care places and the Sandwell borough is currently unable to meet this demand. With demand expected to increase over the next few years, it is vital that SCCT have the facilities to meet the needs of local people. In order to provide accommodation to fulfil their vision and to meet this demand, SCCT sought to purchase the newly built Hall Green residential care home in West Bromwich. This residential home has 62 beds, and enables SCCT to provide specialist extra support for residents with dementia.

For SCCT, being able to achieve this vision relied on a lender being prepared to work in an innovative way to fund all of the costs. Many banks insist that the borrower provides a deposit and therefore will only lend a proportion of the overall cost of the purchase; however Unity worked together with Big Issue Invest to provide 100% of the cost of this development.

With a £3.5m loan from Unity and a £725k deposit from Big Issue Invest, SCCT were able to purchase the care home without using their own cash reserves. Geoff Walker, CEO of SCCT says "It's important because most social enterprises like us aren't capital rich, but can develop revenues to pay back loans. We need this rare type of flexibility."

Nigel Kershaw, CEO of Big Issue Invest worked with Unity and SCCT on the deal. Nigel said "Putting people first came over so powerfully when we first met Geoff Walker in 1996 when he was setting up Sandwell Community Caring Trust. This respect for people and staff now runs right through the organisation and makes it such a success and a proud investment for us." He continued, "Big Issue Invest puts mission first and so financing Sandwell with Unity Trust Bank was a great match with their history and commitment to social enterprise."

As well as offering SCCT a flexible finance package to achieve their goals, the project will also enable SCCT to create and protect over 90 jobs in the care profession, along with investing in a number of apprentices to develop their long term careers.

01 Sandwell Community & Caring Trust provide specialist care homes, allowing residents to maintain their independence.

03. Hall Green, the residential home which was purchased with support from Unity.



With government funding and the availability of grants under pressure in the current economic climate, many housing associations are looking for fair and cost effective banking services. Unity Trust Bank's social values stood out. They are a great fit for us and the loan has helped balance our finances through the life of the development."

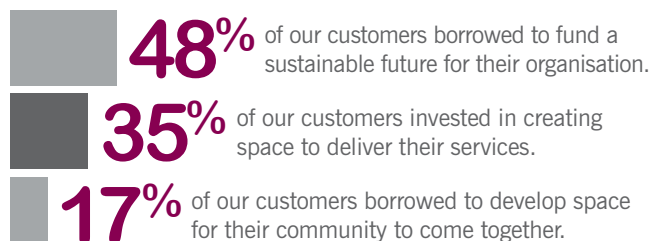
Geoff Helme,  
Director of Finance & Corporate Services, Castlehill Housing Association

# Community Cohesion

Investing in assets and spaces to make organisations sustainable builds the foundations for the future of every community. By providing much needed finance to charities, social enterprises and Community Interest Companies we are helping to open up and redevelop community spaces, service spaces and head offices across the UK.

These developments allow organisations to scale up to reach more individuals, deliver a wider and better range of services that support individuals in their day-to-day lives, and provide a stepping stone to the future.

## How have we helped our customers to develop their communities?



## Case Studies

<b>Age Concern Birmingham</b>	£630,000
<a href="http://www.ageconcernbirmingham.org.uk">www.ageconcernbirmingham.org.uk</a>	Birmingham

To purchase a new head office - saving on rent and bringing their services together under one roof. This new facility also provides additional space for conferences and the potential to develop community assets and increase contract delivery.

<b>Age UK Leicester Shire &amp; Rutland</b>	£250,000
<a href="http://www.ageuk.org.uk/leics">www.ageuk.org.uk/leics</a>	Leicester

Refinancing of an existing facility which was used to purchase two head office buildings.

<b>Basics Plus</b>	£50,000
<a href="http://www.basicsplus.org">www.basicsplus.org</a>	East Ayton

To help this social enterprise, which employs people with learning difficulties, invest in a new electricity generator for their popular tea rooms and visitor shop, to meet increased demand.

<b>Care Plus Group (NE Lincolnshire)</b>	£375,000
<a href="http://www.careplusgroup.org">www.careplusgroup.org</a>	Grimsby

To acquire a new head office which also provides space for other local and community services and charities.

<b>Carfax Health Enterprises</b>	£206,000
<a href="http://www.carfaxhealthcare.co.uk">www.carfaxhealthcare.co.uk</a>	Swindon

Purchasing a GP surgery building for a recently won contract to provide health services, along with renovating and upgrading the premises, equipment, and facilities.

<b>Cymdeithas Gofal The Care Society</b>	£345,000
<a href="http://www.ceredigioncaresociety.org.uk">www.ceredigioncaresociety.org.uk</a>	Aberystwyth

To purchase a new premises to house their newly expanded social lettings agency, making services more accessible to vulnerably housed and homeless people.

<b>Church of God (UK) Croydon</b>	£367,000
<a href="http://www.croydon.cog7.org.uk">www.croydon.cog7.org.uk</a>	Croydon

Purchasing a new place of worship and a community hall to allow for growth in the congregation and the ability to provide community services.

<b>Community Transport Glasgow</b>	£25,000
<a href="http://www.ctglasgow.org.uk">www.ctglasgow.org.uk</a>	Glasgow

Part of a larger reinvestment package, including a relocation and investment in tools to enable the organisation to carry out their own mechanic work, creating local jobs and two apprenticeships.

<b>Diamond Way Teachings &amp; Centres</b>	£1,050,000
<a href="http://www.buddhism.org.uk">www.buddhism.org.uk</a>	London

Purchasing and restoring an empty building to provide residential, educational and recreational space for the worldwide Buddhist community.

<b>Fetal Medicine Foundation</b>	£8,000,000
<a href="http://www.fetalmedicine.com">www.fetalmedicine.com</a>	London

Development of a research centre of excellence for fetal medicine, also housing training facilities, lecture and conference facilities and retail areas.

<b>Forth Sector</b>	£575,000
<a href="http://www.forthsector.org.uk">www.forthsector.org.uk</a>	Edinburgh

To invest in a new enterprise and employment centre to house current social enterprise businesses.

<b>Heeley Development Trust</b>	£20,000
<a href="http://www.heeleydevtrust.com">www.heeleydevtrust.com</a>	Sheffield

Refurbishing part of its building to become a digital media centre, providing facilities for use by a local charity to train young people.

<b>Marie Stopes International</b>	£4,000,000
<a href="http://www.mariestopes.org.uk">www.mariestopes.org.uk</a>	London

To fund ongoing refurbishment costs at clinics worldwide.

<b>Mind in Barnet</b>	£150,000
<a href="http://www.mindinbarnet.org.uk">www.mindinbarnet.org.uk</a>	Barnet

Developing a recently purchased property, where the charity brings its services under one roof, in order to better meet the needs of service users.

<b>NoFit State Circus</b>	£250,000
<a href="http://www.nofitstate.org">www.nofitstate.org</a>	Cardiff

To assist in the redevelopment of a listed property which will become the new home of the organisation.



**Penrith Parish Centre** £10,000  
 www.theroomspenrith.org.uk Penrith  
 To build additional facilities at the centre to increase comfort for users and make it an attractive venue for events.

**Power Vision** £125,000  
 www.powervisionoptical.com Crewe  
 As part of the Enterprise Ventures loan fund, supporting this SME in creating seven new jobs as it expands its operations and scales up its business.

**Scottish Association for Mental Health** £992,000  
 www.samh.org.uk Glasgow  
 Supporting the purchase of an Edinburgh property to allow the charity to have an Edinburgh base from which to develop existing and invest in new business relationships and services in the capital.

**Single Parent Action Network** £100,000  
 www.spanuk.org.uk Bristol  
 Buying a property to house all of their operations, and providing space for other local social organisations.

**Skills 4 Communities** £60,000  
 www.skills4communities.co.uk Hull  
 To purchase a property which will be renovated into a hub including office space and a cafe to increase income for the charity.

**St Giles-in-the-Fields and William Shelton Educational Charity** £1,500,000  
 www.stgilescharities.org.uk London  
 To refurbish an existing property to increase rental income to be used for the furtherance of the Charity's objectives.

**Valleys Kids** £395,000  
 www.valleyskids.org Penygraig  
 To refinance the purchase of a disused building, creating a hub for disadvantaged young people to train in media and music enterprises.

**West Rainton & Leamside Community Association** £50,000  
 www.westraintonjubileehall.org.uk West Rainton  
 Renovating a historic village hall to provide improved space and services for the local community.

## A closer look

### Forth Sector £475,000

**Scottish social firm Forth Sector strives to achieve social change by offering training, support and employment to those most distant from the workforce. By providing a route into employment, Forth Sector is able to improve the wellbeing of individuals and wider communities across Edinburgh.**

With a vision to increase its impact by doubling the amount of people it is able to support, and also increasing its own workforce by 50%, Forth Sector was supported by a £475k loan and £100k overdraft from Unity. This allowed the firm to invest in a new eco-complex providing both financial and environmental sustainability. The new 23,000 square feet space allows Forth Sector to bring its series of social micro-businesses together to operate under one roof.

With a collective turnover of over £2million, the firm which started out in 1981 is a leading example of the success of a business which combines social goals with a sustainable business model and well respected services. Amongst the social businesses run by Forth Sector are a commercial laundry with a Royal Warrant; a soap-making business and a commercial embroidery company.



01 Part of Forth Sector's & portfolio of successful social businesses - The Scottish Soapworks.

The new site also provides the space to grow the businesses and train and support large numbers of people. Each of these businesses and the training space provides opportunities for disadvantaged and unemployed people to gain work experience, vocational training and access support in the workplace, preparing them for a job at Forth Sector or elsewhere.

Enabled by new purpose built facilities, Forth Sector has already made progress in reaching its target of providing over 1000 people with work opportunities over the coming decade. Since October 2013, Forth Sector has already created 51 jobs for its service users at the social firm itself, with a further 85 people going on to obtain employment elsewhere. A large proportion of its service users face barriers to employment – with over 60% suffering from health issues or physical and mental disabilities. By providing

them with the opportunity to gain experience, service users are rewarded by an increase in their self-confidence and their self-esteem – something which brings further benefits such as social inclusion, improved health and wellbeing and respite for families and carers.

Mike Finlayson, CEO of Forth Sector, was impressed with the support given by Unity Trust Bank. "They were different because they wanted a proper, supportive relationship and took a real interest in what we are doing. And, their rates were competitive." He continued, "We give hundreds of people training and support each year and this facility will mean we can do even more."

# Community Finance

We are proud to be the leading provider of wholesale finance to Community Development Finance Institutions (CDFIs) in the UK. Since 2001, we have lent almost £15m to CDFIs, with a further £7m committed.

We lend to CDFIs as indirectly they enable us to reach financially excluded businesses, civil society organisations and individuals most in need of finance. 93% of businesses who borrow from CDFIs have

previously been rejected finance from a bank\*, and we want to support more of these organisations by providing the capital the CDFIs require to help these businesses. We believe that supporting local economies with accessible loan finance is key to unlocking potential. This means jobs are created and retained; money is recycled between local businesses and individuals; and the overall prospects for communities and individuals alike grows.

We support CDFIs as part of the Regional Growth Fund (RGF) match-funding programme, whereby usually our loan leverages an extra three times the amount through a grant from the Department of Business, Innovation and Skills and a loan from The Co-operative Bank. We also support CDFIs outside of this scheme.

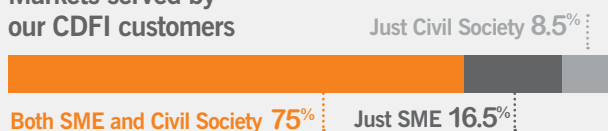
\*Data period from April 2012 to March 2013: Inside Community Finance by the Community Development Finance Association, February 2014.



Number of jobs created and retained

1,608

Markets served by our CDFI customers



£4,000 -  
£42,000

Range of loan values

622

loans delivered through CDFI on-lending

£13,673,625

Additional finance leveraged



£7,628,800

Amount of finance recycled as loan repayments are lent out again



## Case Studies

**ART (Aston Reinvestment Trust)** £1,000,000

www.reinvest.co.uk Birmingham

Part of the RGF programme, providing loans and support for growing businesses and civil society organisations across the West Midlands.

**BCRS** £1,643,875

www.bcrs.org.uk Wolverhampton

Part of the RGF programme, to lend on to businesses and civil society organisations throughout the West Midlands to create growth and prosperity.

**Business Enterprise Fund** £400,000

www.befund.org Bradford

Part of the RGF programme, supporting businesses and civil society organisations across Yorkshire with loan finance and business mentoring.

**DonBac** £125,000

www.donbac.co.uk Doncaster

Part of the RGF programme, to provide loans and advice to help local businesses and civil society organisations grow across South Yorkshire and the wider Sheffield city region.

**Enterprise Answers** £126,000

www.enterpriseanswers.co.uk Cumbria

Part of the RGF programme, to support the development of businesses and civil society organisations in Cumbria through loan finance.

**Foundation East** £425,000

www.foundationeast.org Bury St Edmunds

Part of the RGF programme, supporting businesses and civil society organisations in the East of England with loan finance.

**Key Fund Investments** £1,250,000

www.thekeyfund.co.uk Sheffield

Focussing solely on lending to civil society organisations, we supported Key Fund with finance both as part of the RGF programme and outside of this.

**Let's Do Business Finance** £125,000

www.letsdobusinessgroup.co.uk Hastings

Part of the RGF programme, to provide loans to growing businesses and social enterprises across Sussex, Kent, Surrey and Hampshire.

**Northern Pinetree Trust** £50,000

www.northernpinetreetrust.co.uk Chester-le-Street

Part of the RGF programme, for on-lending to disabled or disadvantaged individuals to support integration into society through the establishment of micro-businesses in the North East.

**Small Business Loans Fund** £225,000

www.msif.co.uk Liverpool

Part of the RGF programme for on-lending to SME's based in the Merseyside region.

**The Five Lamps Organisation** £65,000

www.fivelamps.org.uk Stockton on Tees

Part of the RGF programme, to lend on to businesses and civil society organisations in disadvantaged communities across the North East and Yorkshire.

## A closer look

### Key Fund Investments

£1,250,000

**When local communities and economies rely on financial investment to grow, having access to affordable and fair funding is crucial. With many high street banks being increasingly cautious about lending to smaller organisations, accessing the money needed to turn visions into reality can be difficult.**

CDFIs such as Key Fund are often able to help where banks cannot. By providing loan finance at a lower rate of interest than other typical alternative lenders, they can support local organisations in making a difference in their local communities.

Unlike many other CDFIs who also lend to SME and microenterprises, Key Fund concentrates its lending solely on civil society organisations including charities and social enterprises based across the North of England and the North Midlands.

During 2013, Key Fund received investments totalling £1.25m from Unity, with £250k of RGF programme funding and £1m outside of this. A social enterprise itself, Key Fund is committed to breaking down barriers to accessing finance to enable positive change in the lives of the most disadvantaged in society. This has enabled them to make investments in a number of growing organisations across civil society to help them develop their community, economic and environmental impacts.

Sam Tarff, CEO of Key Fund says of the investment “the money that Unity provided under the RGF programme in conjunction with the CDFA allowed Key Fund to continue to invest throughout the North of England, strengthening communities and supporting local economies.”



01. Staff from Aspiro Opportunities, who benefitted from investment through Key Fund.

Key Fund is also proud of the holistic support which it provides for its borrowers. As well as making loans, Key Fund also educate, advise and train individuals and businesses to understand the financial support they are receiving and the ways in which they can develop strategically.

Tarff adds, “We work in the gap where there is a cost to doing nothing - a cost to society, the Treasury, tax payer, but more importantly, a cost to our communities. We’re committed to helping enterprises that generate social impact become the transformational movement of our age”.

One customer which benefitted from this relationship-based loan support was Aspiro Opportunities Ltd. Having grown quickly over the last three years, this organisation now operates across Leicestershire and delivers employment advice and support to adults with learning disabilities or mental health problems.

“We faced a cash flow crisis as we were stuck between two contracts for our core services” says Peter Smith, Managing Director at Aspiro Opportunities. He continues, “Aspiro may not be around today had we not been able to secure a bridging loan from the Key Fund”.

The funding from Unity will allow Key Fund to make over 50 loans, each of around £35,000, to civil society organisations across the region. A key outcome of CDFI lending is the creation and safeguarding of jobs in a local area. Through this lending, Key Fund hopes to protect over 140 jobs, bringing extended benefits for individuals and the communities in which they live.



**The purchase of our Boldmere office has meant a place where we can deliver joined up, holistic working that benefits our clients and improves our ability to fund our charitable work through greater commercial activity.”**

Richard Shaw,  
Director of Development, Age Concern Birmingham



**The loan helped us to manage risk and cashflow whilst we developed a our new Digital Media Centre. The centre is now used everyday to support learning and inclusion of young people, to support developing new businesses and entrepreneurs.”**

Andrew Jackson,  
Trust Manager, Heeley Development Trust



**Without the continued assistance of Unity we would not be able to strive to help those individuals who need our assistance the most in today's ever changing environment.”**

Neil Armstrong,  
Finance Manager, Northern Pinetree Trust



# Community Investment

As well as traditional lending to customers, we invest in social economy organisations in innovative ways. Over the course of the year we have invested in social investment bonds and performance bonds to enable our customers to scale-up and deliver vital opportunities and services for communities across the UK.

Each of the projects we have supported has enabled our customers to solve social problems faced by individuals across our society. From creating jobs to supporting wellbeing, by providing finance and assurance for our customers, we are helping them to make a difference in the lives and communities in which they work.

## Case Studies

<b>Big Issue Invest Corporate Social Venturing</b>	<b>£50,000</b>
<a href="http://www.bigissueinvest.com">www.bigissueinvest.com</a>	London

We invested £50,000, alongside other corporates, in an initiative led by Big Issue Invest in partnership with the Nominet Trust - the Tech for Good challenge. This challenge seeks to support early stage ventures which use digital technology in an innovative way to address the social problems of the moment and to transform the lives of young people. After an application and mentoring stage, eleven enterprises were chosen to receive the investment as well as ongoing support.

The successful ventures were those deemed to have the most profound effect on the futures of young people, and which engage with young people to solve social issues they face. The majority of the winning applications were those addressing issues of employment and training for those Not in Education, Employment, or Training (NEETs), as well as the wider wellbeing problems this causes.

Additionally, the challenge addressed the problem of a lack of funding for early stage ventures in their growth stage. Our funding supports one of the successful enterprises in its growth stages.

<b>Northorpe Hall Child &amp; Family Trust</b>	<b>£44,000</b>
<a href="http://www.northorpehall.co.uk">www.northorpehall.co.uk</a>	Kirklees

Providing a performance bond to guarantee fulfilment of a contract to deliver services to children which will support their emotional, mental health and wellbeing.

<b>Midlands Together CIC</b>	<b>£50,000</b>
<a href="http://www.midlandstogether.co.uk">www.midlandstogether.co.uk</a>	Worcester

We have invested in a five year social investment bond launched by Midlands Together CIC. The social investment bond, worth an overall £3m, will enable Midlands Together to purchase, refurbish and sell around 70 properties across the West Midlands, which are currently empty or substandard, over the lifetime of the bond.

These properties will then be repaired and redeveloped by ex-offenders in order to provide them with vital skills and experience in the construction industry, which will contribute towards securing sustained jobs in the industry in the future. Midlands Together will also provide mentoring to enable the employees to succeed in their work experience. The project will be delivered with the support of West Midlands based social enterprises, some of which are also Unity customers. Once a redevelopment of a property is complete, the property will then be sold with all monies being returned into the organisation to invest in more properties and further training for ex-offenders. Over the five years of the bond, Midlands Together CIC hope to support up to 150 ex-offenders, and with it reduce reoffending and its wider effects.

The overall aims of the project are to break down barriers to employment faced by ex-offenders, and bring currently uninhabited properties into good use.

<b>St Anne's Community Services</b>	<b>£171,084</b>
<a href="http://www.st-annes.org.uk">www.st-annes.org.uk</a>	Leeds

Providing a performance bond to guarantee fulfilment of a contract to deliver supported living services to vulnerable people living in their own homes.

## Overdrafts

We have also supported our customers with over £550,000 of agreed overdrafts in 2013.

These overdrafts support the ongoing cash flow and business expenses of our customers, enabling them to continue with their day-to-day work, without being held back by temporary gaps in funding.

Common reasons for supporting our customers with overdrafts are to bridge gaps between payments for contracts, to support organisations in anticipation of grant funding, and to pay suppliers.

Just some of the customers we have supported are:

<b>Accommodation Furniture Solutions</b>	<b>£30,000</b>
<a href="http://www.afs-wales.com">www.afs-wales.com</a>	Swansea

Supporting a worker co-operative at a former Remploy site, where seven employees have invested in the venture to manufacture and assemble furniture.

<b>Monwel Signs and Services</b>	<b>£100,000</b>
<a href="http://www.monwel.com">www.monwel.com</a>	Ebbw Vale

A working capital overdraft to support this social enterprise, whilst it separated from the local authority. This helped secure 26 jobs, and create an additional 11, where the majority of employees have a disability.

# Summary

Over the course of 2013, we supported a diverse range of social economy organisations in achieving their goals of delivering positive social change. We have provided affordable finance to support a range of projects including social housing, community and operational space and on-lending through CDFIs. Each of these projects

benefits individuals and communities by bringing economic security, stability and wellbeing.

Over the coming years, we aim to produce a social impact report which looks at the impacts made by the Bank in a number of areas. This includes the difference we make to our staff, our customers and our communities.

We also intend to explore the opportunity to undertake a social audit of future reports.

Throughout 2014 we hope to increase and expand the innovative ways in which we support our social economy customers, and to continue to help deliver social benefit for people across the UK.



As the bank founded by and for trade unions, I am proud to see that today Unity continues to create change for the common good by supporting employment, community development and accessible finance across the wider civil society. It achieves this primarily by lending the deposits made by trade union and social economy customers back to customers within the same sectors. It is rewarding to see the Trade Union and Social Economy Movements coming together to work towards shared goals of positive social benefit."

Dave Prentis,  
General Secretary, Unison; President, Unity Trust Bank



It's high time we start to celebrate the people that could give banking a good name. Unity Trust Bank has an outstanding track record of social banking. It finances domestic enterprises, co-operatives and voluntary sector projects that have significant social benefits, all without a single millionaire or bank bonus in sight."

Ed Mayo  
Secretary General, Co-operatives UK



01.

01. Pictured here is Stella, with BEN staff member Anne.



02.

02. Walsall Community Transport is just one of the projects receiving support from BCRS.



03.

03. Age Concern Birmingham supports the needs of older people across the area.



# Making an Impact

As a business with social responsibility at our heart, we have sought to adopt a leadership position in a number of key areas that go beyond our core lending and demonstrate a commitment to responsible business practices.

The following demonstrates other ways in which we strive to be a socially responsible business:

## Unity in the Community

Our volunteering and fundraising scheme gives staff the opportunity to make a difference to the causes that they support. Every member of staff gets five paid volunteering days a year to provide their time to charities of their choice. In 2013, over 50 staff volunteered a total of 113.5 days to local charities and raised almost £1,800 through dress down days and other fundraising events. Volunteer days included transforming a children's play area at Birmingham YMCA; preparing for a Christmas Fair at Sutton Coldfield Donkey Sanctuary which provides activities for children with additional needs; and spending an afternoon with a Big Issue vendor to understand the challenges they face.



## Supporting our Staff

We are a Living Wage Accredited employer – the first bank in the UK to achieve this award. Being a Living Wage employer means that we pay each of our employees a rate on or above the National Living Wage. The Living Wage is set on an annual basis and is significantly above the National Minimum Wage. The amount reflects the calculated cost of an acceptable standard of living. Our commitment to paying the Living Wage stretches beyond our staff, to include subcontractors such as our cleaners.

In addition, we were accredited the Investors in People (IIP) Silver status in recognition of the value we place on our staff and their training and development.

In May 2013, we launched our Employee Share Ownership Scheme through which staff receive shares in the Bank. This encourages a common goal of creating a successful future for the Bank and its customers.



01. Apprentices Ben and Ayannah joined the Bank in October 2013, on a 12 month programme.

## Apprenticeship Scheme

We run a successful apprenticeship scheme which has seen five apprentices taken on since its launch in 2012. Our apprentices are all at different stages of their career journey with Unity, with some just joining the bank and others now in full time permanent positions. Four of our apprentices are working across the bank, with two of those apprentices now in full time roles. Investing in young people gives them the potential to develop essential skills and workplace experience in an increasingly tough employment market.



02.



05.



03.



06.



04.



07.

02. Peter Kelly, Director of Business Development and Marketing, visited the Big Issue.

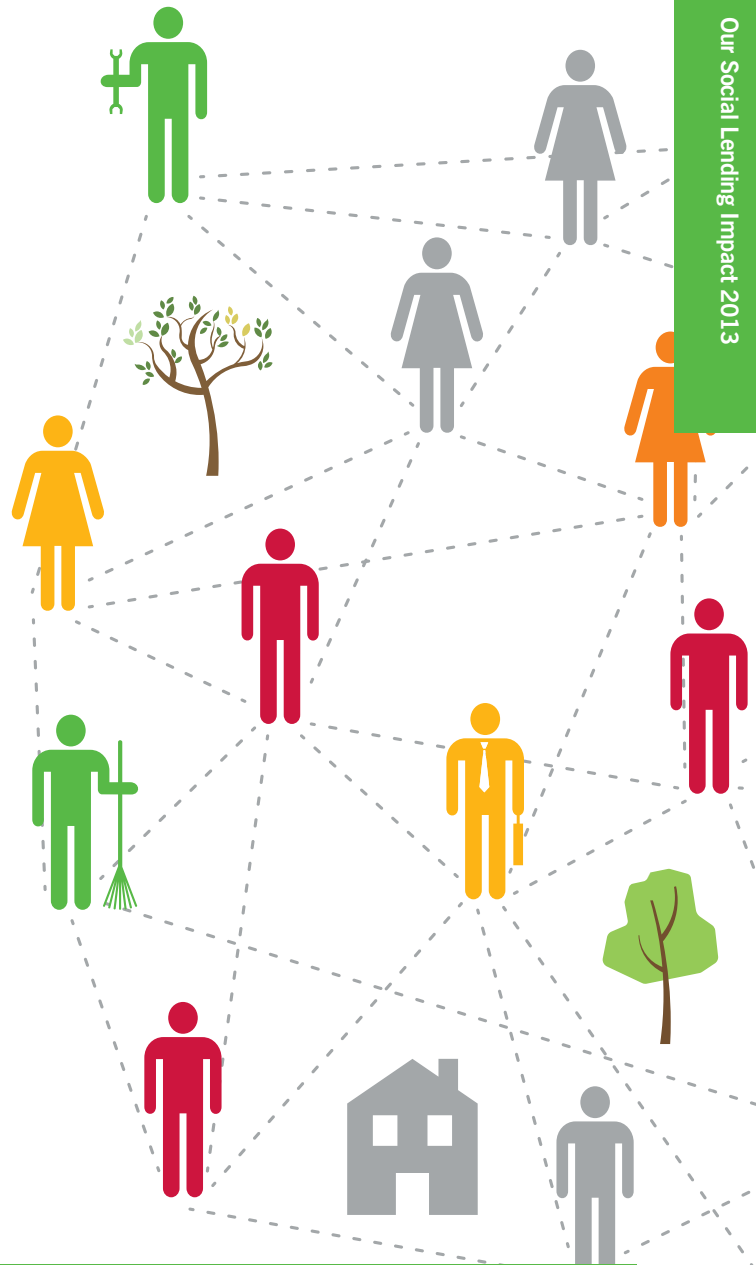
03. Donations of gift vouchers were made to Barnardo's to support their Christmas appeal.

04. Unity staff baked lots of treats to raise funds in aid of Breast Cancer Care.

05. A children's play area was transformed at Birmingham YMCA to give children a safe place to play.

06. A team took part in the Wyre Forest Run to support the British Heart Foundation.

07. Gardens were given a makeover by Unity staff at Cannon Hill House, Birmingham, which supports those with neurological disorders.



To find out how we can help your organisation achieve more with a loan from us, call us on 0345 140 1000.

[us@unity.co.uk](mailto:us@unity.co.uk) [www.unity.co.uk](http://www.unity.co.uk) [@unitytrustbank](https://twitter.com/unitytrustbank)



Sunday Times  
Best Companies  
to work for 2009-2014



Awarded Silver by  
Investors in People 2013



Accredited UK Living  
Wage Employer in 2013



Pioneer of the Fair Tax  
Mark in 2014