

Big Society Capital Market Sizing Data 2021

The social impact investment market has grown by £1.4 billion to £7.9 billion in 2021. Around £1.6 billion was committed across approximately 1,300 investments, an increase of 20% from 2020.

Social and Affordable Housing

Aims to increase the supply of safe, affordable homes across the UK - often for people who struggle to access the mainstream housing market such as rough sleepers, those experiencing domestic abuse or those with disabilities.

- £3.795 billion across 1,580 investments in 2021
- Investors including Gresham, Resonance and Man Group
- Outstanding investment in social property funds increased 30% since 2020
- New property funds launched in 2021 account for 9% of outstanding investment as at the end of 2021

Resonance Real Lettings

A partnership established in 2013 between homelessness charity St Mungo's Real Lettings and impact property fund manager Resonance - through Resonance's three homelessness property funds - has so far seen 823 homes house over 2,700 people. Between them, these three funds raised £198.5m from a range of impact investors. Resonance launched four additional homelessness property funds in 2020/21, partnering with 18 new housing partners.

Impact Venture

Investment in innovative solutions to tackling issues such as financial inclusion, education and health and wellbeing. Big Society Capital has invested in over 200 impact-targeting startups alone.

- £751 million across 374 investments
- Investors including Octopus Ventures, Bridges and Mustard Seed
- Estimated increase of 30% since 2020
- This market is fast-growing and our estimate is likely conservative
 - Deal flow increase of 128% (£63 million to £144 million)

Wagestream

Wagestream is an app which enables workers to manage their budgeting, choose their own pay cycle, and access fair deals on financial products. Built with a founding investment from the Fair By Design Fund, it has helped improve financial wellbeing for more than two million workers and outperforms global benchmarks on financial inclusion.

Social Outcomes Contracts

Public service delivery through contracts which harness local expertise at a reduced taxpayer cost by paying out only once pre-set delivery targets have been reached.

- £73 million across 70 investments
- A small but significant part of the market, roughly unchanged since 2020
- Two new commitments of approximately £3 million across the UK in policy areas of employment, health and social care

West London Zone

West London Zone works with schools, local authorities and philanthropists to provide a community-driven solution to help children who need support in aspects of life such as wellbeing, confidence, relationships and academic achievement. As an outcomes contract, the commissioner only pays when pre-arranged results are achieved, and West London Zone currently work with 732 children in schools in Kensington and Chelsea, with a measurable wellbeing improvement for at least 80% of participants.

Social Lending

Often social enterprises, charities or small businesses struggle to access traditional finance. Social lending allows them to access capital and make a difference through several investment opportunities.

Social Lending: Bank Lending

- £2.289 billion across 2,512 investments
- Investors including Triodos Bank, Unity Trust Bank and the Charity Bank
- Increase of 13% outstanding investment from 2020

Social Lending: Non-bank

- £582 million across 2,914 investments
- Investors including Community Shares, Abundance and Social Investment Scotland
- A more modest 7% increase

Social Lending: Charity Bonds

- £440 million across 42 investments
- Investors including Allia and Triodos Bank
- Increase of 19% outstanding investment from 2020

Agility Eco

AgilityEco helps low-income households manage their energy bills through providing practical help with energy efficiency and household finances. Between 2021/22, 45,557 customers benefitted from the services of AgilityEco, with £169 million of lifetime bill savings across all customers. It took on investment from Bridges Evergreen Holdings to help scale.

Big Society Capital exists to improve the lives of people in the UK through social impact investing. We unite ideas, expertise and capital to create investment solutions for the UK's social challenges, supporting organisations that deliver both positive social impact and sustainable financial returns. So far, we have helped channel £2.7 billion* into investments tackling a wide range of problems such as homelessness, mental ill health and childhood obesity. To widen access to social impact investing, we have partnered with Schroders, a global asset and wealth manager, to launch the listed Schroder BSC Social Impact Trust plc. As the portfolio manager, we provide investors with high impact investments that contribute to solutions to social challenges alongside targeting long-term capital growth and income.

*as at end June 2022

figures as at end of
June 2022