



# 3SC CAPITALISE



## Problem

There are more than three quarters of a million unemployed young people in the UK. Young people who have been excluded from school or have not achieved adequate GCSEs are more likely to fail to make the transition into work, training or further education.

## Solution

3SC Capitalise works with its partners "include" (a subsidiary of Catch 22) and Dyslexia Action to run a programme which supports vulnerable 14-15 year olds. Through one-to-one mentoring, group work and residential courses, the young people are given tailored support to help them make the transition from education to employment.

## Revenue Model

3SC Capitalise is funded via a Social Impact Bond (SIB). Repayment is under a "payment-by-results" contract with the Department for Work and Pensions, out of long-term savings to the public purse of reducing youth unemployment.

## Impact

Of the 172 young people who have graduated from the programme in the first two years of delivery, 88 have gone on to further education, 22 into training, 43 on to full time education and 7 have entered full-time or part-time employment.

 **Invested** £420,000

 **Cost of capital** Outcomes payment

 **Turnover** £1.94 million

 **Duration of investment** 3 years

## Organisational form

Public services contract manager

## Investors

3SC  
Big Society Capital

## Other supporters

Department for Work and Pensions

[www.3sc.org](http://www.3sc.org)

# 3SC

3SC is a partnership of seven charities and social enterprises who bid for large public service contracts on behalf of the sector. These seven organisations are the National Housing Federation, Well UK, London Learning Consortium, Eden Project, National Youth Agency, QED Foundation and Social Investment Business.

## Approach to investing

3SC focuses on social value over shareholder value and reinvests its profits back into charities and social enterprises. Investment is mainly used to support the capacity-building of charities and social enterprises delivering frontline services and building solutions to social problems in their communities. 3SC aims to enable the expertise of these organisations to reach their communities, ultimately bridging the gap between government commissioners and good quality service delivery.

The Capitalise programme will target vulnerable young people in secondary schools in South Wales based upon a set of criteria indicating both disadvantage and social disengagement.



## Why the investment was made into 3SC Capitalise

3SC Capitalise has enabled innovative interventions that have saved many young people in South Wales from becoming unemployed. It is a great example of how social investment can get projects off the ground and bring other ingredients that make consortia working a real success.

**Martyn Oliver, Chief Executive, 3SC**

## Key fund terms

 <b>Liquidity</b>	N/A	<b>Social issue</b>	Education and Employment
 <b>Duration</b>	3 years	<b>Investment from Big Society Capital</b>	£345,000
 <b>Size</b>	N/A	<b>Big Society Capital strategy element</b>	Innovation
 <b>Product type</b>	Social Impact Bond	<b>Other investors</b>	N/A

## Accessible to

Institutional investors	✓
Professional individual investors	✓
Retail investors/depositors	✗

[www.3sc.org](http://www.3sc.org)

The information set out above is included for information purposes only and is not an offer or an invitation to buy or sell or a solicitation of an offer or invitation to buy or sell or enter into any agreement with respect to any security, product, service or investment. Any opinions expressed do not constitute investment advice and independent advice should be sought where appropriate. All information is current as of June 2015, subject to change without notice, and may become outdated over time