

**Our future.
Now**



Mid point fund report

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Get involved

“I am delighted to present this report which celebrates reaching the midpoint of Inspiring Scotland’s 10-year fund – Our Future Now (OFN) and looks forward to the remaining five years.”

Since launching in 2019, OFN has supported just under 25,000 young people aged 14 – 25 years old that are unfairly disadvantaged by their circumstances. I am grateful to our investors who share our view that all young people should be provided with the opportunity to thrive and be active and engaged members of their communities as they become adults.

Over the 15+ years that Inspiring Scotland has been active in supporting this group of young people, we have learned that whilst their individual circumstances are unique, they have one thing in common. They want to be successful.

When young people do not have access to adequate resources and supportive relationships, with limited financial means and lacking nurture they face more challenges to successfully progress to adulthood. OFN exists to bridge gaps and ensure that these young people are given the support and opportunities required to progress.

OFN delivers this by investing in 12 exceptional third sector ventures that comprise the portfolio.

As we embark on the second half of the fund, we have renewed determination to reach as many young people as possible, improving their lives and creating an immeasurable positive ripple effect on families, communities and the wider economy.

The unprecedented challenges and inequalities that the young people we support face are unlikely to diminish. However, we know that with the right support, we can be optimistic and hopeful for their future.

We have momentum and are well placed to continue the vital work of OFN over the next five years.

Celia Tennant
Chief Executive



Overview and fund model

Launched in 2019, Our Future Now is a 10 year fund which aims to transform the life chances of young people unfairly disadvantaged by their circumstances. Over the first five years, the fund value has totalled £45m making OFN the only third sector collaborative and long-term investment programme operating in Scotland at this scale.

Our Future Now invests in a portfolio of 12 third sector organisations which deliver programmes for young people across Scotland.



Young people supported by RUTS, Credit Leo Paredes

Our Future Now is built on 10 years of experience.



Young person supported by Calman Trust, Inverness

14:19 was Inspiring Scotland's flagship employability fund focused on young people, which ended in December 2018.

In line with the venture philanthropy¹ approach that characterised the 14:19 Fund, the 24 ventures that comprised the portfolio were well placed to exit successfully.

As the 14:19 Fund was drawing to a close, we saw no reduction in demand from young people, particularly among those living in the most complex, challenging circumstances. The youth unemployment rate in Scotland had fallen from a high of 23.4% in December 2011 to 8.4% in January 2019². This percentage still equated to circa 34,000 individual young people who could not succeed without the type of support that the 14:19 Fund had delivered. For Inspiring Scotland, this meant that support needed to continue.

We had built 10 years of experience and expertise. We had come to understand the multitude of interrelated reasons why this group of young people were not progressing. The reasons were mostly out of the control of the young people themselves and included generational worklessness, poverty, neglect, parental ill health or addiction

¹Venture Philanthropy is a high-engagement and long-term investment approach to maximise social impact. Ventures are the third sector organisations through which this model is delivered.

² Source: Scottish Rate of Youth Unemployment, www.statista.com

issues, trauma, learning challenges and caring responsibilities. Regardless of the opportunities that existed, they were unable to access them.

Following a period of research, it was clear that Inspiring Scotland's work in supporting this group of young people remained vital. And when we shared our rationale and presented the evidence, our investors agreed. We knew what makes a difference for this group and it would have been irresponsible to cease operating.

And so, Our Future Now was born. We designed the fund with the knowledge and experience acquired through the 14:19 Fund. Youth unemployment was no longer an

issue for many, but it was a worse problem for fewer. OFN would focus on a smaller cohort of young people that were facing the greatest challenges.

Despite youth unemployment falling to 8.4% in January 2019, this percentage still equated to circa 34,000 young people. For Inspiring Scotland this meant that support needed to continue.

It was clear that Inspiring Scotland's work in supporting this group of young people remained vital. And so, Our Future Now was born.

The key principles of our high engagement funding model.

Long term, flexible investment	Shared learning
Collaboration across the portfolio avoiding duplication and ensuring efficiency	A set of clearly defined KPIs to enable portfolio level impact measurement.
Access to Inspiring Scotland's Specialist Volunteer Network comprising over 500 professional volunteers providing pro bono legal, marketing, communications, HR support and more.	Support from a dedicated Fund Manager who can challenge and be a critical friend, whilst monitoring organisational health and performance

Our Future Now invests in a portfolio of 12 third sector ventures

We provide what the ventures need to do their work as efficiently and effectively as possible. They are the experts in transforming the life chances of young people and the model allows them to respond and innovate as they learn and evolve their practice.

The relationship between the dedicated Inspiring Scotland Fund Manager and the venture leadership is crucial in ensuring that investment is agile, flexible and deployed for maximum impact.

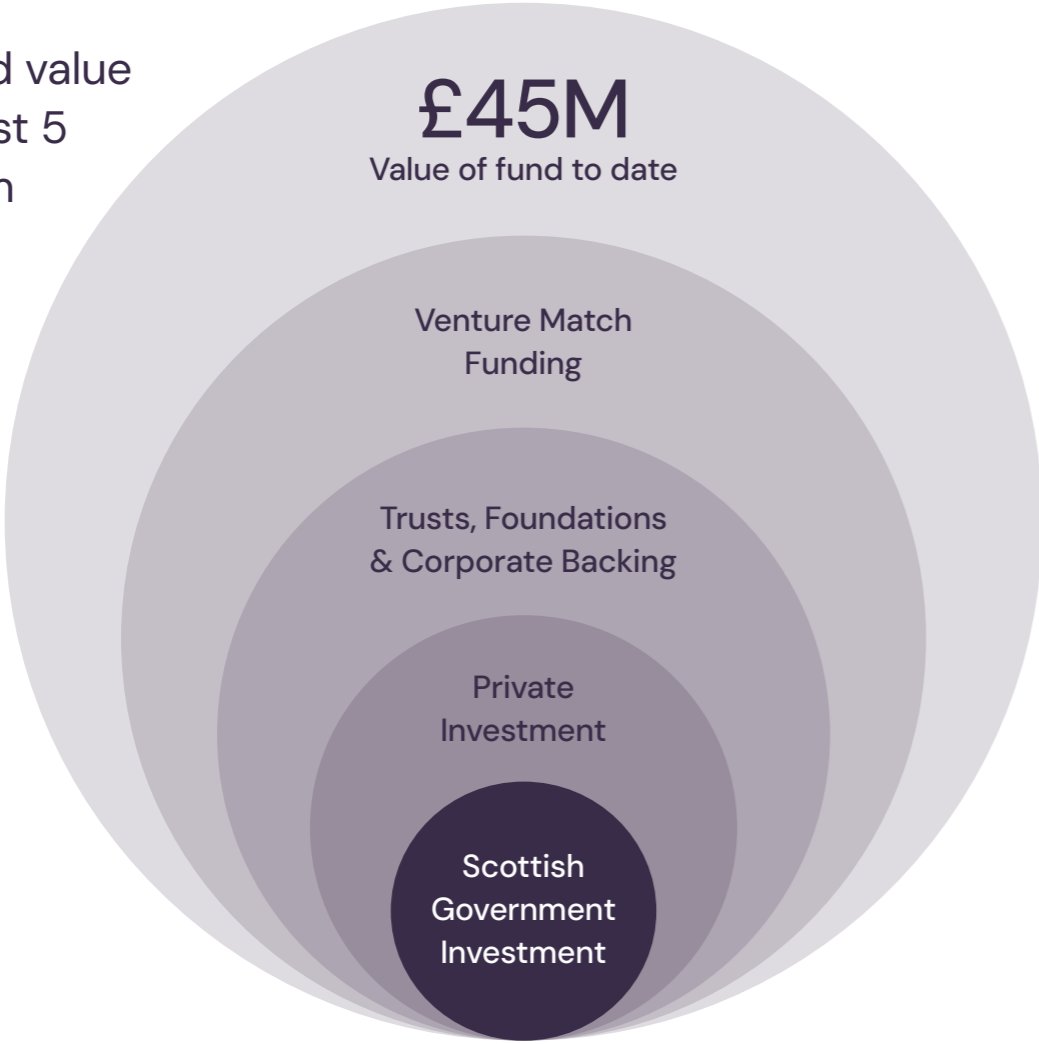


“OFN trusts the Ventures to provide quality services which will achieve the agreed impact. This means that Ventures are still accountable but are given space to flex things operationally.”

Venture Leader

An investment model that multiplies the value of every pound invested to improve the life chances of more young people.

The total fund value during the first 5 years is £45m



Funds from various sources are channelled strategically to multiply value and achieve impact at scale.



Young person at work in Calman Trust's Cafe Artysans

The model is scalable. Greater investment enables the fund to maximise support for the portfolio ventures, reach a greater number of young people and increase impact. With youth unemployment at 10.5% (Skills Development Scotland – Economy, People Skills Report May 2024) an increase of 3.2% over the same period in the previous year, there is no shortage of need or demand.

Our commitment to long term funding for the portfolio is vital. It is one of the most highly valued elements of the model and we know that this improves outcomes. It also has a stabilising effect on the ventures by offering staff security, retaining vital skills and expertise and providing security that enables innovation, longer term planning and evaluation.

Some of our private investors have been with us for over 15 years through the 14:19 Fund and OFN. These founding investors have been the lifeblood of our work with young people.

Scottish Government has provided cornerstone investment in both the 14:19 Fund and OFN every year for the past 15 years. This commitment is rare and reflects the exceptional value that the model

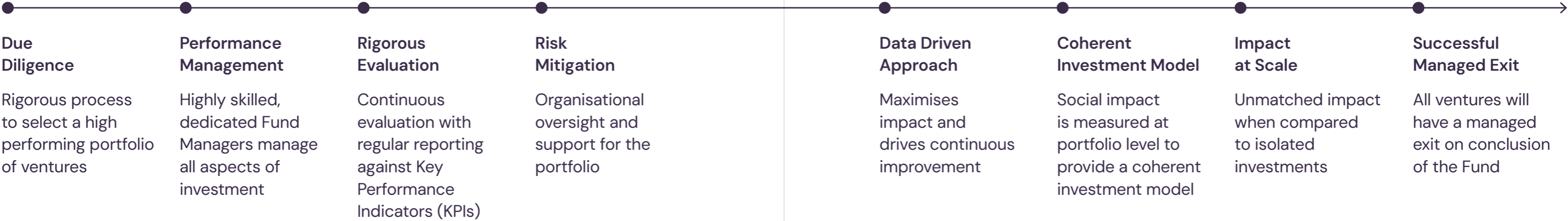
provides. For every pound of Scottish Government investment in OFN to date, a four times multiplier has been provided. This support has been key to unlocking investment from other private sources and has made it possible to achieve impact on a national scale.

To date, the Fund has supported young people in 27 local authorities across Scotland by investing in a portfolio of 12 third sector ventures.

In this regard, OFN is the envy of other similar social impact investors across Europe and internationally. It is unusual to have a long term, strategic commitment from both Government and private sources in a collective effort. This is something that Scotland should be proud of and continue to lead on as a means of achieving a better future for all.

Rigorous, end to end fund management for investors, to mitigate risk and ensure impact at scale.

The Fund offers a long-term commitment of financial and non-financial investment, alongside bespoke organisational development. Subject to performance, the portfolio will receive this support over the 10-year lifespan of the fund.



“The OFN model is the only funding model within the Scottish employability landscape that allows organisations to properly grow and add social value over the long term.”

Venture Leader

Fund management model

The end-to-end fund management is delivered by a small team of Inspiring Scotland Fund Managers who performance manage the portfolio, support venture leaders, manage investment levels and represent the interests of investors.

The fund management service includes a rigorous process for selecting organisations based on their track record in working with the young people that OFN supports and their ability to fit with our ambitious, collaborative way of working.

We drive impact through a common set of Fund KPIs and have developed a bespoke management information system – The Matrix to capture data and information about each young person supported by the portfolio. The data from this system is analysed and enables us to report

impact and insights accurately at portfolio level. This evidence is used to monitor performance, improve practice, share learning, and inform policy.

The organisational health of each of the ventures is monitored and support is provided to ensure strong governance and financial health.

Support is pro-active as well as reactive and is focused on risk mitigation and management. Fund Managers can draw on over 500 professionals via Inspiring Scotland’s Specialist Volunteer Network who offer specific support on a pro bono basis.

Our Future Now ensures that the value of every pound invested is maximised and the impact is more than the sum of the parts.

Young people Our Future Now supports

There is a bedrock of young people in Scotland that struggle to succeed even when the economy is thriving, and job opportunities are plentiful.



Young people supported by RUTS, Credit Leo Paredes

Many of the young people that Our Future Now supports are born into families facing adversity, including multigenerational cycles of poverty and disadvantage.

Others encounter challenges in their upbringing. All have a profound impact on a young person's ability to function and succeed in life.

When we are growing up, to succeed we all need access to support systems. Safe communities, stable homes, positive relationships and financial resources all provide the building blocks that makes our pathway to success relatively smooth and easier to navigate.

For the young people supported through Our Future Now, some of these blocks will be missing. This can be for a range of reasons – experience of the care system, bereavement, caring responsibilities, poor mental health, neglect, trauma or because of a learning challenge. Of the young people supported through OFN last year that shared their personal stories,

63% disclosed that they had Adverse Childhood Experiences (ACEs). Poverty is particularly prevalent with 64% of young people supported through OFN living in the top 30% most deprived areas in Scotland, as categorised by the Scottish Index of Multiple Deprivation (SIMD) in 2023/2024. In these areas there is a 24 year age gap in time spent in good health compared to the least deprived 10% of SIMD in Scotland¹. Poverty has an impact on life chances. It decreases the chances of living in good health, getting a decent education, a secure home and it reduces life expectancy.

These challenges can make their pathway to success uneven – life can be more demanding. At times it can feel hopeless, and they can give up. And when they fall, the damage is likely to be significant as they typically have no safety net.

“She believed me and listened to what I was saying. I can make mistakes without feeling bad. I have a layer of protection, someone who is there no matter what I am struggling with.”

Young Person

64%

of young people supported through OFN live in the top 30% most deprived areas in Scotland.

¹ Leave no one behind
The state of health and health inequalities in Scotland (October 2023)
<https://tinyurl.com/bdehu4yu>



Young person supported by Street League

Many young people supported through Our Future Now talk about wanting to live, not just survive.

Of those young people that have engaged with Our Future Now in 2023/24 and have disclosed their challenges:

48%

Reported Mental Health Challenges

32%

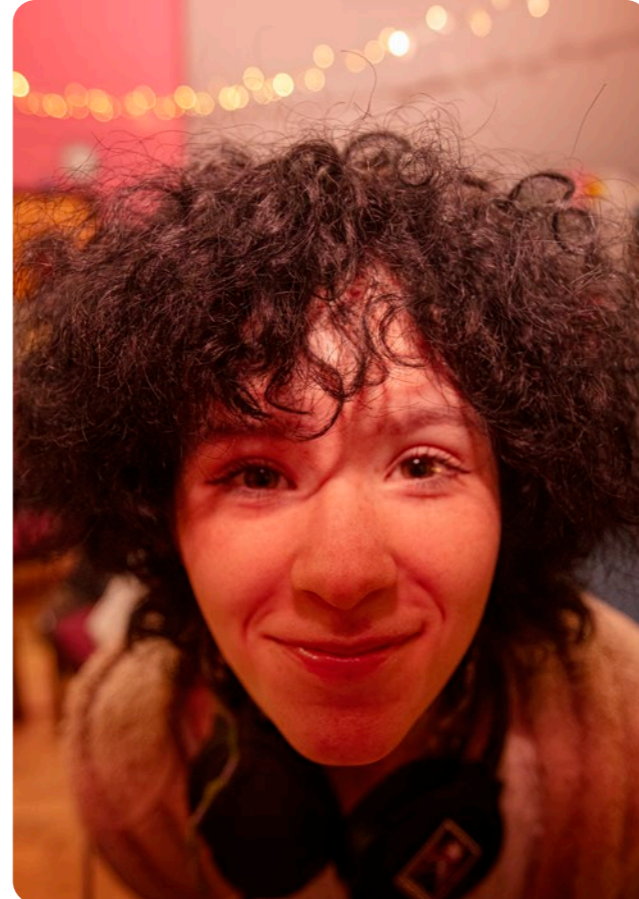
Reported Literacy and Numeracy Challenges

37%

Reported Learning Challenges

24%

Reported Family Issues



Young person supported by Hot Chocolate Trust, Dundee

We cannot change the circumstances that create limitations for the young people that OFN supports. But we can help them to bridge gaps, to develop resilience and skills to navigate the challenges, and foster the self-belief that they can succeed.

“My mum has addiction issues and I need to be at home to help and look after her. People around me talk about jobs and college. I don’t see how that is possible for me.”

Young Person at the point of engagement

“With my Key Worker I peeled away the layers of stuff that was holding me back. I felt lighter, and more confident that I could cope. Life is still hard but it’s better. Much better. My Key Worker helped me get a care package for Mum so I can start college without worrying.”

Young Person after support

How it works

The Our Future Now portfolio of ventures comprises some of the best organisations in the country that specialise in supporting young people to succeed, often against the odds.



Young person at work in Calman Trust's Cafe Artysans

Practical and emotional support, tailored to each young person.

01 Engagement

Young people supported through OFN can feel excluded from society and can be unlikely to engage with mainstream services, making them hard to find.

Skilled professionals directly engage young people. Convincing a young person to engage with support can take days, weeks, or months.

02 Building trust

The reasons why a young person is struggling to succeed are often deeply personal and can feel stigmatising. The priority for Key Workers is to build trust. This requires patience and consistency as it can take a long time to build a relationship.

03 Support

The support provided is diverse and tailored to the individual circumstances of each young person. The ventures carefully design their programmes to maintain progress and motivation, on the young person's terms and ensure that it is fun.

As part of this, young people develop new skills, and each is counted as a 'Soft Outcome' and one of the Fund KPIs.

- Self belief
- Motivation
- Resilience
- Aspiration
- Increased personal responsibility
- Ability to improve their health and wellbeing

04 Progression

Young people become ready to develop skills that make them more employable. These are counted as 'Progression Milestones' and one of the Fund KPIs.

- Gaining academic and/or vocational qualifications
- Job tasters and work placements
- Improving literacy and numeracy
- Mentoring
- Financial management

This is a key phase in the support model where young people begin to believe in themselves and their ability through their achievements which has a transformational impact on their confidence.

05 Achieving an Employability Outcome

A job is not the only employability outcome for young people. This can include moving into college or an industry linked training course. For a small number of people who have caring responsibilities or health conditions it will be structured volunteering. There is a common set of 'Employability Outcomes' which form part of the Fund KPIs:

- Employment
- Education
- Training
- Structured Volunteering

06 Aftercare

The crucial relationship between the Key Worker often continues beyond achieving an employability outcome although contact becomes less frequent as dependency reduces.

Although the key stages are described in sequence, the journey is not linear. All young people experience setbacks and for those supported through OFN life is particularly unpredictable and their setbacks can be significant. The relationship with the Key Worker provides stability and consistency throughout the different stages.

The voices of young people

We are committed to hearing from young people directly and young person participation is a key part of each ventures' operational model. At two key points during the life of the fund (year three and five), we have invited young people to provide their views on what prevents them from progressing and the type of support that they require to address these barriers.

In year five the experiences and voices of young people and staff involved in OFN were surveyed with the results analysed by independent researchers at Research Scotland.

Read the Research
Scotland 'Voices of
Young People' Report



"I'm doing a training programme. It made me more happy that I'm getting help to get back into work."

Young person

"I feel a lot more confident and secure. I feel I now have a future to look forward to."

Young person

"It's made me feel comfortable to truly be myself and that I'm worth more than I realise."

Young person

"The support made me more confident in myself and made me feel as if I can do things that I thought I couldn't."

Young person

"I am back at school full time now and made friends. I go to all my classes and enjoy going to school again."

Young person



Young people supported by Hot Chocolate Trust, Dundee



Young person supported by Street League

Five year impact

The past five years have been challenging for everyone and the young people supported through OFN have been some of the worst affected. Facing unprecedented circumstances, OFN ventures have been driven by their unfaltering commitment to the young people that they support.



Young people supported by Hot Chocolate Trust, Dundee

In the first five years, 24,338 young people received support, with 15,110 of them securing an Employability Outcome.

24,338

Young People Supported

106,108

Soft Outcomes

28,925

Progression Milestones



Young person supported by Calman Trust, Inverness

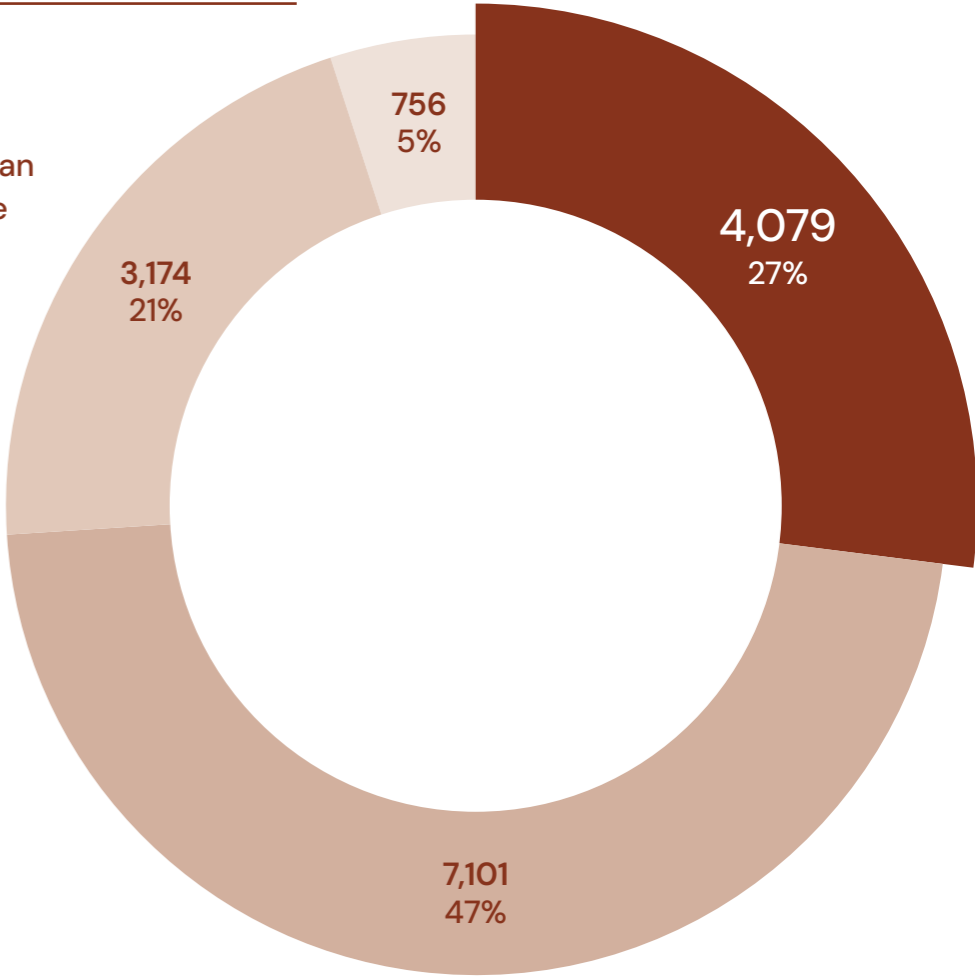
“The support helped me gain confidence, skills and qualifications. This made it easier to apply for jobs.”

Young Person

15,110

Young People Secured an Employability Outcome

- Work
- Education
- Training
- Volunteering



“I am a lot more settled now because of the support I received. I didn’t think it would change my life, but it has. I can provide for my family, and they won’t ever feel like I did growing up in care.”

Young Person

The first five years

Year 1 (2019/2020)

Mobilisation – Selected 12 ventures to build on momentum of 14:19 fund.

Delivering solid results – Could not have been achieved from a standing start.

Pandemic emerged – Inspiring Scotland provided intensive support as portfolio braced itself for significant disruption. Regular online gatherings ensuring collaboration across the portfolio, frequent contact between Fund Managers and Venture Leaders. This was bolstered by the Specialist Volunteer Network.

Year 2 (2020/21)

Covid-19 restrictions – two national lockdowns in March 2020 and January 2021.

OFN ventures innovated – As other mainstream services closed, the OFN portfolio adapted quickly, moving services online to ensure continued support.

Demand for support increased – The focus was on reaching as many young people as possible, maintaining contact and engagement. Many young people felt stuck and were living in unstable home environments.

A focus on supporting young people with resilience – The number of soft outcomes increased with a focus on developing life skills like resilience. Progression milestones achieved by young people also increased but employability outcomes reduced due to economic uncertainty caused by the pandemic.

Impact of furlough – 44% of employees aged 18–24 years old were furloughed, lost their job, or lost hours, compared to less than a quarter of employees in their 40s. One third of under 25s were working in shutdown sectors, compared to only 1 in 8 people aged 25 and over.

Unprecedented disruption to young people's education – Including the cancellation of Scottish National Exams for the first time in their history.

Year 3 (2021/22)

Restrictions eased – Roll out of the Covid-19 vaccination programme allowed in-person support to return.

Devastating impact of pandemic & restrictions emerge – The group of young people supported by OFN had been adversely affected by restrictions. There was a sense of hopelessness – the need for support was significant and demand was high.

Inspiring Scotland increased investment – Re-doubled efforts to assist Covid recovery – thanks to the generosity of investors.

Changing economic landscape – Conflict in Ukraine, rising fuel costs and food insecurity. Cost-of-living increased sharply – inflation rising to 11.1% in October 2022, a 41-year high.

Portfolio recovery – Increased investment in year three had a scaling effect. The fund delivered the best annual results to date and more young people were reached and achieved their goals as a result.

Year 4 (2022/23)

No pandemic restrictions – The World Health Organisation declared Covid-19 no longer a public health emergency of international concern.

The impact of Covid-19 continued to be felt – The deep and long-lasting effects of Covid-19 were acknowledged. Young people needed support for longer, reducing the number of new young people that could be taken onto programmes.

Increasing challenges were emerging for young people:

- Cost-of-living crisis
- Food insecurity
- Mental health – increases in risk-taking behavior, social anxiety and confidence
- Increasing school absenteeism

Year 5 (2023/24)

A new normal of heightened challenges – The portfolio adapted to supporting young people in unprecedented levels of challenge.

School absence levels – Rising levels were a major concern as young people missed even a basic education.

Families under acute financial pressure – Young people's home lives remain unstable and fragile.

Public sector austerity – Impacted young people's access to vital services – GPs, mental health support, addiction and homelessness services, etc.

Hopelessness – Is prevalent with little sign of recovery for the young people that are most disadvantaged by their circumstances.

Looking ahead

For young people who were struggling prior to the pandemic, their lives have got much worse, and their circumstances will make recovery longer and more difficult than the general population.



Young people supported by Hot Chocolate Trust, Dundee

For young people supported through Our Future Now, poverty, school non-attendance and poor mental health are the three issues of most concern.

70%

Child poverty rate in areas OFN operates

The national average child poverty rate is unacceptably high at 24%¹. In the most deprived areas of Glasgow where OFN operates, the rate is as high as 70%². Poverty harms young people's physical and mental health, emotional wellbeing, and education. And the cost-of-living crisis has pushed more young people and their families below the poverty line and an increasing number into deep poverty.

80,000+

Children and young people miss a day of school every week

For young people who were struggling prior to the pandemic, their lives have got much worse, and their circumstances will make recovery longer and more difficult than the general population. Covid-19 restrictions included school closures, and this has resulted in attendance rates now reaching crisis point. Nearly 80,000 children and young people are missing a day every week. The problem is worse in high schools with 40% of young people missing a day per fortnight, at a crucial time in their lives.³

83%

Of young people with mental health needs agreed that the pandemic had made their mental health worse

¹ Scottish Government (June 2023) Tackling child poverty priority families overview

² Understanding Glasgow – The Indicators Project (2021-22)

³ Reform Scotland (October 2023) Absent Minds: Attendance and Absence in Scotland's Schools

⁴ YoungMinds (summer 2020) Coronavirus: Impact on young people with mental health needs

Many of the young people supported by OFN did not return to education at all following the pandemic. And of those who did, and shared their experience, 65% said that it was 'mostly bad'.

Of those that did return more than half reported that they had 'switched off from school' before the end of S4 when national examinations begin.

The prevalence of mental health issues among young people has also reached

crisis point. One in six children in the UK were identified as having a probable mental health problem in July 2021. 83% of young people with mental health needs agreed that the pandemic had made their mental health worse⁴. The OFN model of holistic support, which has a strong focus on wellbeing, can avoid the need for specialist, clinical support with young people reporting a reduction in anxiety and feeling better equipped to manage it.



Young people supported by RUTS, Penicuik

The next five years of the fund will be equally as challenging as the first five years. It is vital that Our Future Now continues to deliver support to young people that need it most.

We'll help improve lives and create an immeasurable positive ripple effect on families, communities and the wider economy.

It is a tried and tested model which achieves impact that would not be possible through investment in individual organisations.

The power is in the collective and this allows for greater reach and depth across Scotland. It provides a coherent way of meaningfully investing in a complex issue with a guarantee that the value of every pound is maximised. Our experience in fund management also ensures that investors can see the impact that is being achieved.

Working together we know we can make a difference. Within the OFN Fund and portfolio we have the skills, experience, and collective determination to help more young people make a success of their lives. This work is only possible because of the support of investors who share this commitment. Thank you for being with us.



Young person supported by Action for Children

“I don't need everything to be ‘fixed’, that could never happen. I just need to know that someone is there who I can trust and talk with, who understands and who can help me work out how to manage the crises in my life when they happen.”

Young person

The fund is open to new investors on a rolling basis for contributions at all levels and this is vital to our continued success. If you would like to get involved, please get in touch with Inspiring Scotland to find out more.

OFN@inspiringscotland.org.uk



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