

LONDON CREATIVE LABS

Letter to JP Morgan Philanthropy



How can we unleash the untapped potential of deprived communities to create their own jobs and enterprises? That is the question at the heart of London Creative Labs.

London Creative Labs (LCL) was started by Sofia Bustamante after an inspiring trip in June 2009 to Grameen's HQ in Dhaka, Bangladesh. It has been over 3 years since that initial inspiration, during which the co-founders pursued their vision on a full-time basis unpaid & virtually unfunded for years. Prior to 2012, Skills Camps and Social Startup Labs had been prototyped, but were otherwise unproven & undocumented social innovations. Thanks to the support of JP Morgan Philanthropy, they have now been successfully delivered in one of the most deprived neighbourhoods in Britain & written up in the accompanying Impact Assessment report independently produced by the Office for Public Management.

The quantitative data and case studies show that career coaching delivered & taught via Skills Camps can transform the outlook & behaviour of some of the hardest to reach people in society (specifically unemployed people living in social housing), enabling them to be more successful in their job search and long term

career development. Furthermore, the hypothesis that Skills Camps would empower those same people to step up their level of participation in Social Startup Labs has not only been proven but exceeded. Having been empowered, they went on to play outstanding roles in the Social Startup Labs, as well as participate much more in the Loughborough Junction community. The Labs were successful in generating new local startup ventures and enriching the sense of both possibility and community for the participants, the challenge is now to successfully incubate the Social Startups to become trading businesses providing jobs in the local economy.



Besides the startups emerging from the Labs, there have been a number of spinoff projects initiated by Skills Camps graduates, some of which have been detailed elsewhere. One of the most notable is the Next Steps coaching programme, which enables Skills Camps graduates to continue practicing their coaching skills in a controlled environment, gives them opportunities to be coached, and acclimatises them to professional standards of practice which has the side benefits of making them even more work-ready. The Next Steps participants as a result will be more ready to either coach on a professional, paid basis or offer their coaching skills for free to the Loughborough Junction community via the recently launched free LCL Coaching Service.

Besides incubating the Social Startups and expanding the Coaching Service, LCL over the next two years or so intends to scale up its local efforts to the point of reaching a critical mass of 20% or so of the Loughborough Junction workless population. Given the 5 to 1 multiplier effect propagating through the local network of people stuck in a cycle of un(der)employment, a tipping point that transforms the culture of worklessness and the local economy with it should be reached. Over that time, LCL will also have acquired critical longitudinal data

regarding the impact of its interventions on work creation. More resources will be directed towards putting sufficiently rigorous monitoring & evaluation in place to ensure both the quality & quantity of said data.



LCL is still an embryonic organisation that is a long way from having the sort of impact that Grameen has had, despite articles about its work being published in the Yunus-endorsed Journal of Social Business. It took 32 years for Muhammed Yunus to go from making his first microfinance loans to the poor out of his own pocket in 1974 to having over 7 million borrowers with Grameen Bank and winning the Nobel Peace Prize in 2006. LCL is developing a model of local economic development that could be just as revolutionary for developed countries with persistent structural poverty in urban neighbourhoods as Grameen's microfinance model is for developing countries with absolute poverty in rural villages. One that could accomplish the outcome of de-ghettoisation via true community-building and inclusive gentrification. LCL has a real aspiration to be a best in class social enterprise & fill a niche that is not being addressed by the likes of welfare-to-work provider A4E with its 150M GBP annual revenues or the plethora of existing organisations focusing on the needs of Britain's poorest people.

The aim is to be in a position where LCL is delivering its services in 64 of London's most deprived neighbourhoods by 2017. This entails not only becoming a more robust organisation with increased capacity, it means developing a business model for LCL based on selling better packaged offerings to social landlords or forming partnerships with them that successfully source social investment. It also means diversifying and becoming a learning provider funded by the Skills Funding Agency to deliver much needed continuing education in the neighbourhoods that LCL works

in, especially subjects in the Digital, Creative and Enterprise domains that are so critical to economic growth.

Already LCL has registered as a centre with ASDAN in order to be able to deliver their educational programmes and qualifications. LCL also intends to pursue developing its own accredited career/life coaching certification programme based on Skills Camps using the PEARL (Personal Employability and Reflection for Learning) framework for accreditation. Also to introduce more rigour into measuring the increased employability and soft skills of Skills Camps participants, LCL aims to use the Employment Readiness Scale instrument before and after Skills Camp.

However LCL needs to acquire the capacity & investment needed to realise its vision. Including increasing headcount, creating new positions for the functions of fundraising, project management, financial controls, marketing & communication. Since September 2012, this has meant reaching out to organisations like Britain's Young Foundation and Ashoka UK for strategic advice and capacity building support in making the transition to being a revenue generating social enterprise. LCL intends to apply for the Young Foundation's 2013 Catalyst Investment Readiness Programme and then progress to its Accelerator programme to access social investment. LCL is also actively pursuing other sources of strategic advice and support, financial and non-financial. LCL thanks JP Morgan Philanthropy for being a key part of its journey so far.

"If you keep focused on what you are doing, in 5 years you could be the next big thing"
Lamiya Morshed, Chief of Staff, Yunus Centre, Grameen & PA to Muhammed Yunus



THIS IS YOUR **LIFE.**
DO WHAT YOU LOVE,
AND DO IT OFTEN.

IF YOU DON'T LIKE SOMETHING, CHANGE IT.
IF YOU DON'T LIKE YOUR JOB, QUIT.

IF YOU DON'T HAVE ENOUGH TIME, STOP WATCHING TV.
IF YOU ARE LOOKING FOR THE LOVE OF YOUR LIFE, STOP;

THEY WILL BE WAITING FOR YOU WHEN YOU
START DOING THINGS YOU LOVE.

STOP OVER ANALYZING, ALL EMOTIONS ARE BEAUTIFUL.
LIFE IS SIMPLE. WHEN YOU EAT, APPRECIATE
EVERY LAST BITE.

OPEN YOUR MIND, ARMS, AND HEART TO NEW THINGS
AND PEOPLE, WE ARE UNITED IN OUR DIFFERENCES.

ASK THE NEXT PERSON YOU SEE WHAT THEIR PASSION IS,
AND SHARE YOUR INSPIRING DREAM WITH THEM.

TRAVEL OFTEN; GETTING LOST WILL
HELP YOU FIND YOURSELF.
SOME OPPORTUNITIES ONLY COME ONCE, SEIZE THEM.

LIFE IS ABOUT THE PEOPLE YOU MEET, AND
THE THINGS YOU CREATE WITH THEM
SO GO OUT AND START CREATING.

LIFE IS LIVE YOUR DREAM
SHORT. AND SHARE
YOUR PASSION.

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J.P. Morgan Philanthropy: Final Report

This reporting form helps J.P. Morgan to measure the impact of our grants. It helps us to understand and evaluate what our funding has achieved through your organisation. Please be as open and candid as possible about the achievements of the project.

This form has three sections:

Section 1 asks questions about your organisation as a whole.

Section 2 asks questions about the project funded by J.P. Morgan.

Section 3 gives space for any other information you would like to provide.

Please include as much information as you think is relevant and useful for us to know, but try to answer the questions in a concise manner. Feel free to refer to pages in accompanying documents (such as external evaluation reports or budgets) to save repetition.

Please ensure you attach the financial report as an accompanying document.

1. Your organisation

Organisation name:	London Creative Labs Ltd	Organisation contact:	Mamading Ceesay
Annual income:	154,214	Total number of staff (full time equivalent):	5
Annual expenditure:	77,955		

Activities: Did your overall activities or focus for the organisation change during the grant period? If yes, please explain how.

During the grant period, the organisation's primary focus was on delivering the programme.

Management: Has your senior management team or trustee board changed since the last reporting period? If anyone has left, please explain why. If anyone has joined, please summarise their background.

No change.

Finances: Have you received any major grants or other sources of income in the last year? How has your income and expenditure matched projected budgets? Has there been any change in your financial risk?

£10,000 of grant income was obtained from the Mayor of London's Team London Small Grants fund.

2. The funded project

Project title:	Loughborough Junction Enterprise & Work Creation Programme	Total project budget:
Country:		Total grant amount:
Start date:		Grant amount spent:
Grant period:	Aug 2011 to Aug 2012	Other funders of the project:
J.P. Morgan Philanthropy representative:	Hang Ho	Total number of beneficiaries:

Progress against milestones

Please set out the progress you have made against each milestone that was agreed on receiving J.P. Morgan's funding, either as part of this document or in a separate document. Let us know what action you have taken to address milestones that were not met.

Milestone:	60 individuals trained through three Skills Camps
Progress:	67 individuals trained through four Skills Camps.
Notes:	Additional Skills Camp capacity partially supported via Mayor of London's Team London grant funding.

Milestone:	30 Skills Camps participants will go on to work placement
Progress:	32 applied for jobs & 23 got interviews. 2 of them joined LCL team and others have volunteered with LCL. 2 of them took on roles at the London 2012 Olympics.
Notes:	A number of Skills Camps graduates are now actively organising and/or volunteering on local projects such as teaching IT to older people, mentoring young people, teaching money management. LCL is seeking to develop local routes to market for Skills Camps graduates through engagement with local organisations.

Milestone:	150-200 different individuals participating in four Social Startup Labs
Progress:	Over 80 individuals participated in two Social Startup Labs (Unfortunately only 54 had their monitoring data captured & the Lab registration process was insufficiently robust on the day.)
Notes:	

Milestone:	250-300 people receiving Business Skills training sessions
Progress:	Business Skills training will be delivered as part of the upcoming Incubator.
Notes:	

Milestone:	12-15 new ventures emerging from Social Startup Labs to go on to Social Startup Incubator
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Progress: 19 new ventures emerged from the Social Startup Labs.
Notes: The usage of a local crowdsourcing platform has been secured to help raise local funding and support for the new ventures.

Milestone: 20/60 individuals from Skills Camp filling existing job vacancies through greater confidence and ability to better market their USP. Skills Camps participants will also be better able to reach the labour market.
Progress: Skills Camp graduates went on to take a variety of jobs including most notably teaching and charity work. A few are actively pursuing jobs & livelihoods as coaches and/or counsellors after participating in Skills Camps.
Notes:

Milestone: 25/60 Skills Camps participants will obtain testimonials to develop their labour reputation in the local economy
Progress: LCL has started running a Next Steps programme and is launching a Coaching in the Community service which will facilitate participating Skills Camp graduates to obtain testimonials.
Notes:

Milestone: Official partnership with UnLtd to incorporate UnLtd's package of support for community entrepreneurs into the Incubator
Progress: Work is underway to progress the Incubator. We are exploring partnerships & EU funding to develop it further and deliver it.
Notes: The previously mentioned crowdsourcing platform will be helpful as part of the Incubator.

Other information

Activities: What were the project activities over the grant period as outlined against the project objectives? Did these activities deviate from the implementation plan? If so, why? What were the main challenges the project faced, and how did you overcome them?

Thanks in part to backing from the Mayor of London's Team London Small Grants, an extra Skills Camp was run in addition to the three that had originally been planned. Two less Social Startup Labs were run than planned but still had 19 startups emerge. Social Startup Incubator is in development & will be launched in 2013 with appropriate partners on board. Project management & capacity were the main challenges. Recruitment and/or partnering are the keys to resolving them.

Results: Did the project have outcomes other than the results outlined in the milestones? Was there any negative impact or unintended consequences?

Participants became much more involved in the community, both by taking part in local projects and initiating their own ones. Notably, a money management course and a Silver Surfer introduction to computing course for older people both based at the Loughborough Centre & backed by the London Community Foundation. Also a mentoring project for young people to be run at the Marcus Lipton Youth Centre backed by a philanthropist who was engaged by London Creative Labs. Those projects were all initiated by Skills Camp graduates and staffed with volunteers who are also Skills Camp graduates.

Staff: Were there any major changes to the project team? Were there any issues with staff retention or recruitment?

In addition to the original core team of three, four others were recruited in various roles to support delivery of the Skills Camps and Social Startup Labs. Two of them were graduates from the first round of Skills Camps in Loughborough Junction, with no prior connection to London Creative Labs. Another was a local community activist who had been raised in the Loughborough Junction area and has family still living there, his role was largely funded using a grant from the Mayor of London's Team London Small Grants Fund.

Finances: Was there any significant overspend or underspend of the grant against particular budget lines (10% variance either way)? If so, what was the reason, and what did you do to address this?

We put more resources into the Skills Camps than originally intended, due to the sheer depth of need that we found in the process of running them. The additional investment in the Skills Camps meant scaling back on other aspects of the programme. This emphasis on the capacity-building Skills Camps paid off when we ran the Social Startup Labs. Skills Camps participants are recruited from those hard to reach people who tend not to show up for events like Social Startup Labs, let alone fully participate in them. However, those Skills Camps graduates who took part in the Labs did a lot more than show up and participate. They took peer leadership roles,

and they were able to do so because they had been so enthused and empowered from the Skills Camps. This no doubt contributed to 19 startups emerging from just two Social Startup Labs.

Sustainability: If this project is going to continue after the end of the grant from J.P. Morgan, please explain how this will happen and highlight any income you have received. If the project is not going to continue, please explain why.

London Creative Labs with assistance from local stakeholders including Lambeth Council will initiate the Coldharbour Employment & Enterprise Partnership (working title). This will implement a unique place-based partnership model LCL is developing with key partners being composed of social investors and social landlords, both of which will reap social and financial returns on investment by supporting a thriving local economy. This will be enabled by an ecosystem of employment and enterprise support facilitated by London Creative Labs that reduces the incidence of unemployment, rent arrears & empty shops while it increases the number of thriving businesses (both startups and existing businesses) and jobs within a locality. It will not just sustain the programme, it will scale it up considerably within the area. While doing so, the development of the programme's elements will be continued with (particular emphasis on the Social Startup Incubator) into robust, documented, repeatable, well-managed processes, backed by longitudinal evidence gathered over that time. Brokering apprenticeships with local small businesses will be added into the mix to provide vocational training & employment opportunities for younger people.

Scalability: If this project is going to be scaled up after the end of the grant from J.P. Morgan, please explain how this will happen.

Key to scaling up the programme will be getting local social landlords such as Lambeth Living, Metropolitan Housing, London + Quadrant on board. They have local assets and purchasing power (via procurement) that can be used to boost the local economy via the programme as well as a vested financial interest in supporting their residents into employment and enterprise given the Coalition Government's welfare reform plans. As mentioned previously, discussions are underway with Lambeth Council to use their convening power to bring those social landlords to the table and discuss the possibility of forming a local partnership around employment and enterprise.

3. Further information

Wider impact: Other than the impact of the project, which has been outlined above, did J.P. Morgan's funding have any wider impact? For example, did it influence any other funding? Did it have any other effect on your organisation?

Before the funding, there was no real evidence to show that our innovative approach could work. The basic feasibility of it has now been proven. The challenge is to make it repeatable, sustainable & scalable.

The organisational impact has been manifold. London Creative Labs has gone from being an unincorporated body to a Charitable Company Limited by Guarantee. It has built or acquired key pieces of organisational infrastructure that it did not previously have. It has increased the number of people playing active roles in London Creative Labs on an ongoing basis from three to seven (excluding trustees).

Feedback: How have you found working with the J.P. Morgan philanthropy team? Is there any way that J.P. Morgan could have supported your project more effectively?

In retrospect, it would have been really helpful if the philanthropy team had had sufficient resource to take a proactive capacity building role in engaging with us as a young, still embryonic organisation throughout the grant period.

Any other information: Is there anything else you would like us to know about, which has not been captured elsewhere?

Documentation

If you have produced any other documentation over the grant period that might be useful for us to see, such as an external evaluation or case studies of the project's impact, please send them along with this form. Please also ensure you also submit the financial report with this document.