



PRESS RELEASE – EMBARGOED UNTIL 00.01 ON FRIDAY 20 MARCH 2015

- Announcing the launch of “Access: The Foundation for Social Investment” with over £100m to support its mission to help early stage charities and social enterprises access social investment:
 - A £45m Growth Fund supported by up to a £22.5m grant from the Big Lottery Fund, matched by up to £22.5m in loan funds from Big Society Capital, dedicated to enabling social lenders to make investments of up to £150,000 to charities and social enterprises.
 - A £60m endowment over the next decade from Cabinet Office to support capacity building for charities and social enterprises.
- Seb Elsworth appointed as Access’ first Chief Executive.

Access: The Foundation for Social Investment (“Access”) was formally launched today at an event at South Oxfordshire Food and Education Academy (SOFEA) in Didcot. Its mission is to fill gaps in the emerging social investment market, which have prevented some voluntary organisations, charities and social enterprises from accessing finance to help them become more sustainable.

The UK’s social investment market is considered the most advanced in the world. At the same time, accessing social investment can be difficult for certain social enterprises and charities. This gap may arise because these organisations have not had enough support to take on investment for the first time or because they have not been offered the types of finance which meet their needs.

To address this gap, grant funding – often alongside repayable finance – can enable a wider range of organisations to access the investment they need. Sometimes organisations seeking funding also have gaps in the skills needed to attract and take on investment. Targeted business support can address these gaps and connect organisations with investors.

Access will initially develop two programmes, delivered through intermediaries, which will address these organisations’ needs. Access will:

- Manage the ‘Growth Fund’, which combines grants with loans for social lenders to offer investments of up to £150,000 to charities and social enterprises (either in the form of a loan or a mix of loan and grant funding)

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- Design and manage capacity-building support for these organisations to help them build their organisational strength, to take on social investment and become financially robust organisations over time.

The types of organisations expected to benefit from Access' programmes include early stage, smaller charities and social enterprises, as well as more established charities which are developing a new income stream, and social enterprises who are at 'post-incubator' stage and have been identified as having high potential to make social impact.

Access will act as an independent champion for organisations newer to social investment. In partnership with other charitable foundations and trusts, it will work collaboratively with organisations engaged in social investment to determine the best use of grants so as to make the most effective use of resources going forward.

Access is part of a package of support developed by Big Lottery Fund, Big Society Capital and Cabinet Office to stimulate the financing opportunities open to charities and social enterprises. It complements the creation of the Social Investment Tax Relief, the extension of investment readiness programmes such as Big Potential and the support offered by the Social Incubator Fund for the development of early stage social enterprises.

John Kingston, Chair of Access, said: "We are not seeking to build an empire with the establishment of Access. We will have a fixed life during which we want to make a real difference to more charities and social enterprises being able to access social investment. We will be a champion for the financing needs of this part of the sector, ensuring that the right mix of capital and support is in place long into the future."

Seb Elsworth, incoming Chief Executive of Access said: "We've got a big and exciting task ahead of us to make social investment more accessible for charities and social enterprises. I'm thrilled to be leading Access in this challenge. I hope that we will be seen as a real partner to the sector as we develop our work and share what we are learning about how mixing loans and grants can have the most impact."

Dawn Austwick, Chief Executive of Big Lottery Fund said: "Our £22.5m grant funding will enable the Access Foundation to plug a gap in the social investment market. The Big Lottery Fund is backing the Growth Fund because it will target a blend of grant and investment up to £150,000, opening up social investment to entrepreneurial charities and social enterprises who may have struggled to access it in the past. This is another important step forward for social investment and we look forward to playing our part, alongside Big Society Capital, as the Growth Fund supports those transforming lives for the better."

Nick O'Donohoe, Chief Executive of Big Society Capital said: "We are delighted to be partnering with Access so that charities and social enterprises can access smaller amounts of social investment than currently available. We hope that this will provide critical options for organisations looking to make the first steps towards sustainable social business models, and



for those at earlier stages of their growth. Better access to finance for smaller and medium-sized charities and social enterprises is a key part of Big Society Capital's strategy, and Access will have a unique ability to blend different types of capital in order to achieve this. As such we are really proud to have supported its creation in partnership with the Big Society Trust, the Government and the Big Lottery Fund."

The Rt Hon Francis Maude MP, Minister for the Cabinet Office said:

"Since the 2010 Election, Britain has emerged as a world-leader in social investment. We now have more Social Impact Bonds than the rest of the world put together and social investment is helping charities and social enterprises do more by unlocking the finance they need. The launch of Access, as part of our long-term economic plan, will help smaller charities and social enterprises access the funds that they need."

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NOTES FOR EDITORS:

About the Growth Fund:

Developed as a collaboration between Big Lottery Fund, Big Society Capital and Access, the Growth Fund is focused on enabling the provision of the simple and affordable investment products that charities and social enterprises tell us they need. It will provide wholesale finance, made up of up to £22.5m of grant from the Big Lottery Fund and up to £22.5m of loan finance from Big Society Capital. Charities and social enterprises will access the Growth Fund through existing and new social lenders (also known as Social Investment Finance Intermediaries - SIFIs). The SIFIs will be able to apply to Access for a mix of grant and loan funding from the Growth Fund. The SIFIs will then blend this money to provide simple investments (particularly in the form of either a loan or a mix of loan and grant funding) to charities and social enterprises. The Growth Fund will be open for Expressions of Interest from SIFIs in May 2015 and will operate for up to seven years in total.

Commenting on the structure of the Growth Fund, John Kingston said: *"The wholesale model for the Growth Fund makes sense for Access. The existing social lenders already have a great understanding of what charities and social enterprises need, the issue is that they haven't always had access to the right mix of funds for them to be able to provide the smaller size deals or make loans where there is less of a track record. By providing intermediaries with this blend of grant and loan finance for them to lend on, we can start to unblock that."*

About Access' capacity-building programmes:

Cabinet Office is endowing Access with available capital from the Futurebuilders loan book, estimated to reach £60m over the next decade. Access has been granted £36m to date. This endowment will fund capacity-building programmes in the social sector over the next 10-15 years, which will address the changing support needs of charities and social enterprises in taking on social investment. In its first year, Access will be in 'listening mode' consulting widely to understand the specific needs for support, before launching its capacity-building initiatives in early 2016.

About Access' governance and board of Trustees:

Access has been created by Big Society Trust, as a sister organisation to Big Society Capital, the world's first social investment fund. Access announced its board of trustees in 2014. Access will be chaired by *John Kingston*, OBE who will lead a board comprised of *Arvinda Gohil* – Chief Executive of Emmaus UK; *Alastair Wilson* – Chief Executive of the School for Social Entrepreneurs; *David Curtis* – Chief Operating Officer of Wakelet; *Annika Small* – Chief Executive of Nominet Trust; *James Perry* – Chief Executive of Panahpur Foundation; *Victoria Hornby* – Director of Grants and Evaluation for the Royal Foundation of the Duke and Duchess of Cambridge and Prince Harry; *Steve Wylter* – former CEO of Locality.

About Seb Elsworth:

Seb is currently Deputy Chief Executive at the Social Investment Business where he has led on developing a range of programmes helping charities and social enterprises access social investment, and bringing new investors into the social investment market. Previously Seb was



Director of Strategy at ACEVO, and started his careers as a trustee as Leeds University Union. He will take up his role on 5 May.

On Seb's appointment John Kingston said: "*The Board of Trustees is delighted to have appointed Seb as Chief Executive. He is ideally placed to lead this organisation with his previous experience and his commitment and understanding of the sector's needs, and his personal and professional skills will enable Access to build partnerships across and beyond the sector.*"

About Access' staff:

Access will operate with five staff in total. Further appointments will be made in the coming months. In addition to the Chief Executive, Access has appointed Sarah Allwood as Finance Manager. Sarah has come from Royal Mail and has previously held roles at London South Bank University and PWC.

Further information available at: www.access-socialinvestment.org.uk

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