BUILDING THE PIPELINE FOR THE GROWTH FUND

Final report for the Access Foundation

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February 2016

BACKGROUND AND BRIEF

Access - The Foundation for Social Investment was established to bridge the gap in the social investment market so that suitable finance and support is available to social enterprises and charities which are new to social investment.

The Growth Fund

- Access launched the Growth Fund in May 2015 to help fill a gap in the social investment market through enabling more supply of unsecured debt of under £150k for charities and social enterprises.
- The Growth Fund offers a blend of debt and grant for organisations who will on-lend to charities and social enterprises—these organisations are called Social Investment Finance Intermediaries (SIFIs).

The brief

- Access commissioned NPC to assess the potential pipeline for the Growth Fund to inform outreach and support work. The two key areas of focus were who might apply for the Growth Fund and what help and support they need to do so.

METHODOLOGY

Identify the universe of prospective providers

- Meet with Access to understand existing thinking on prospective providers.
- NPC desk research and conversations with experts to identify additional options.

We propose to approach this by breaking down the capabilities needed for a SIFI for the Fund—for instance into lending capability, ability to support the needs of investees, and reach into target segments of investees. Some organisation types may combine these, but to achieve greater reach, partnerships to combine capabilities may be needed. We should also consider where organisations might want to develop capability.

Filter and prioritise

- Define criteria to use for filtering options and prioritising.
- Working session with appropriate Access staff to filter and agree priorities.

Some prospective provider types may be filtered out either because there is a reason that they are unattractive, or because Access knows enough about/is likely to get applications from them. Others can be prioritised using agreed criteria, information collected by NPC, and knowledge from those in the room. Discussion about the make-up of potential partnerships will inform this discussion.

Research and support needs

- Interviews with experts and desk research to build understanding of the potential of the prioritised prospective provider types, and their likely support needs.

In discussion with Access, we will refine the list of questions to guide our research. We suggest structuring our research into four areas:

- Better understanding of the prospective provider type.
- Need for support in building awareness / interest in Growth Fund.
- Need for support in finding a partner.
- Need for support in making an application.

Outputs

- Discuss initial findings and recommendations with Access.
- Write up presentation and research charts.

Our findings will allow the types of prospective provider to be compared. We will identify those that the research suggests have high potential, and those that are less likely to be productive lines of enquiry, with our reasoning for each. For those that are high potential we will recommend how Access target and support them.

WHAT WE DID

Summary of project (Dec 2015–Feb 2016)

- Worked with Access to ensure the research is useful and builds on Access' existing knowledge.
- Identified the capabilities needed for a SIFI and mapped these against types of potential provider.
- Identified potential opportunities and plotted these against Access' applicants and pipeline.
- Carried out further research and interviews into prioritised areas.
- Developed prioritised recommendations for Access to take forward.

IDENTIFYING THE UNIVERSE OF PROSPECTIVE PROVIDERS

Capabilities of SIFIs

Mapping the landscape

Partnership options

IDENTIFYING THE UNIVERSE

Summary

- NPC identified the key capabilities required to be a SIFI:
  - Reach (sector or geographic).
  - Social investment decision making capability.
  - Credit decision making capability.
  - Loan administration.
- In addition, grant-making experience and the ability to offer business and other capacity building support are helpful. We recognise that all these do not need to be present in a single organisation.
- NPC then mapped these for a broad range of organisations across the public, private and third sector. However, based on direction from Access, we did not focus on capacity building support capability during the mapping process.
- We also included some potential partnership structures for consideration.

CAPABILITIES REQUIRED TO BE AN EFFECTIVE SIFI

These characteristics need not all be present in a single organisation, but could possibly be combined in partnership

Reach—geographic or sector	Grant-making experience	Support
Credit decision capacity	Loan administration	Social investment decision making capability

Essential

Nice to have

POTENTIAL PROVIDER LANDSCAPE

Organisations with identified capabilities

Reach: ability to access target organisations.

Public

Universities: Alumni networks, Community outreach, Incubator funds

Local government: Community Chests, commissioners, Local Sustainability Fund

National government : What Works centres

Private

Business: Local Chambers of Commerce / Business Forums, Banks, LEPs

Third Sector

Foundations: regional focus, growth focus

Charities: federated charities, faith networks, sector networks (eg, Clinks)

Social investment space: incubators, growth funds, What Works Centres

Financial: lending capability and track record, regulated.

Organisations with existing lending capacity

Existing SIFIs

Community banks

Credit unions

Building societies / regionally-focused banks

Organisations that could develop lending capacity

Universities

Social incubator growth funds

Housing associations

Grant-making trusts

Support: including business & investment skills.

Community focus

Local CVSs or infrastructure organisations

Community Foundations

CDFIs

Social investment skills

Incubators or social enterprise support programmes

CDFIs

Business skills

Government's Business Growth Service funds

CDFIs

UNIVERSE OF POTENTIAL PROVIDERS / PARTNERS

Identifying gaps in skills and partnership potential

ORGANISATIONS				REACH		CAPACITY AND EXPERTISE			
Sector	**Type**	**Sub-type**	**Example**	**Geog**	**Sector**	**Grant-making**	**SI decision**	**Credit decision**	**Loan admin**
THIRD SECTOR	Social Enterprise support	SE incubator / support		POSS	POSS	Y	Y	Y	Y
	Operational charities	Charity - enterprise focus		POSS	POSS	Y	N	N	N
		Charity - housing association		Y	Y	Y	N	N	N
		Charity - federated		Y	Y	N	N	N	N
		Charity - membership bodies		Y	Y	N	N	N	N
	Social investment providers	SI - provider		POSS	POSS	Y	Y	Y	Y
	Community foundation	Community foundation		Y	POSS	Y	Y	POSS	POSS
	CDFIs	CDFI - regional or sector focus		Y	y	POSS	Y	Y	Y
	Grant-making trusts	Foundation – grant-making trust		Y	POSS	Y	POSS	N	N
	Infrastructural bodies	Infrastructural body - local		Y	Y	POSS	N	N	N
		Infrastructural body - regional		Y	Y	POSS	N	N	N
		Infrastructural body - sector /natl		Y	Y	POSS	N	N	N
PUBLIC	University	University- business schools		Y	POSS	Y	N	N	N
	Central government	Govt - What works centres		Y	Y	Y	N	N	N
	Local government	Local government - Comm Chests		Y	POSS	Y	N	N	N
		Local government - commissioning		Y	Y	Y	N	N	N
PRIVATE	Business	Business - investment group		Y	POSS	POSS	POSS	Y	Y
		Business - LEPs		Y	POSS	Y	N	N	N
		Business - growth service funds		Y	POSS	Y	N	N	N
		Business - sector-specific network		Y	Y	N	N	N	N
		Business - national infra body		POSS	Y	N	N	N	N
		Business - high street bank		Y	N	N	N	Y	Y
		Business - CSR departments		POSS	N	Y	N	N	N
	Community enterprises	SE - community-focused network		Y	Y	Y	POSS	POSS	POSS
		SE- community asset acquisition		Y	Y	Y	POSS	POSS	POSS
	Corporate foundation	Corporate foundation		N	N	Y	N	N	N

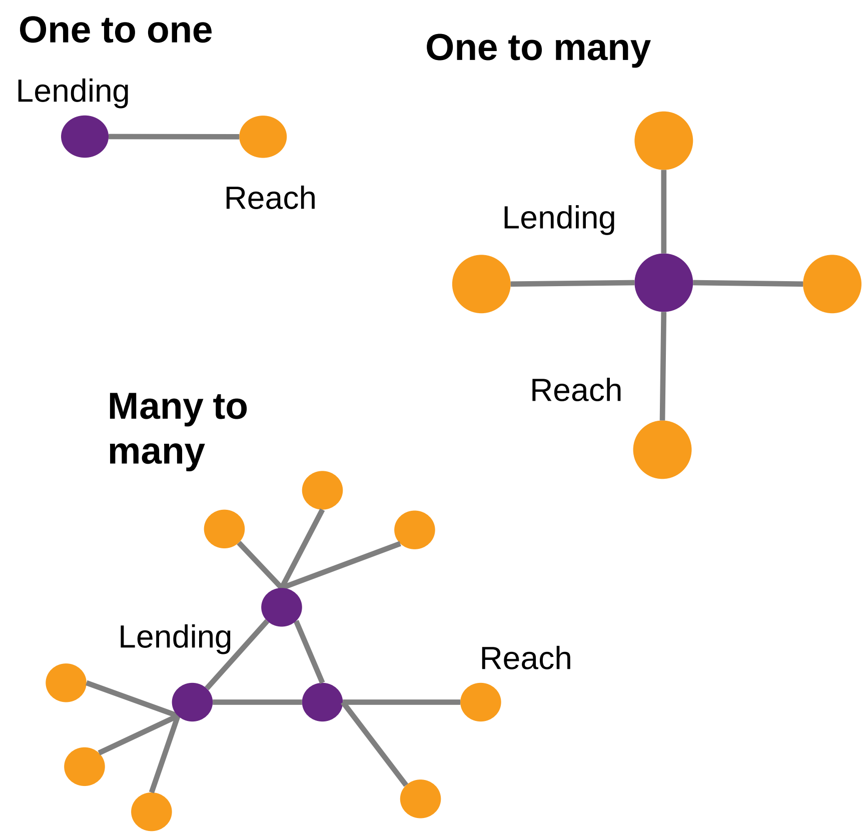
PARTNERSHIP STRUCTURES

What sorts of partnership structure are possible?

- One to one: lending organisation with single partner.
- One to many: lending organisation with consortium of partners with reach.
- Many to many: possibility of consortium of lenders.

Types of partnership:

- Geographical.
- National-federated.
- Sector based.



FILTERING AND PRIORITISING THE UNIVERSE

FILTERING AND PRIORITISING

Using the universe of potential providers

- The universe of potential providers was used to cross reference against Access' pipeline and meeting schedule to identify gaps for further research and interviews.
- Six gaps were identified (see table on slide 14):
  - Charity membership bodies.
  - Foundations/grant-making trusts.
  - Universities.
  - Central government—evidence/what works.
  - Business—high street bank/building societies.
  - Corporate foundations.
- We also interviewed:
  - Two CDFIs.
  - A community foundation.
  - A national infrastructure body.

In total, we conducted 19 interviews (see findings from slide 20).

GAPS IDENTIFIED IN THE UNIVERSE OF POTENTIAL PROVIDERS

ORGANISATIONS					REACH		CAPACITY AND EXPERTISE			
	Type	Sub-type	Applicants	Access Pipeline	Geog	Sector	Grant-making	SI decision	Credit decision	Loan admin
THIRD SECTOR	Social Enterprise support	SE incubator / support	2	3	POSS	POSS	Y	Y	Y	Y
	Operational charities	Charity - enterprise focus			POSS	POSS	Y	N	N	N
		Charity - housing association		2	Y	Y	Y	N	N	N
		Charity - federated			Y	Y	N	N	N	N
		Charity - membership bodies			Y	Y	N	N	N	N
	SI providers	SI - provider	6	1	POSS	POSS	Y	Y	Y	Y
	Comm foundations	Community foundation	4	3	Y	POSS	Y	Y	POSS	POSS
	CDFIs	CDFI - regional or sector focus			Y	Y	POSS	Y	Y	Y
	Grant-making trusts	Foundation – grant-making trust			Y	POSS	Y	POSS	N	N
	Infrastructural bodies	Infrastructural body - local (inc CVSs)	1	2	Y	Y	POSS	N	N	N
		Infrastructural body - regional			Y	Y	POSS	N	N	N
		Infrastructural body - sector / national			Y	Y	POSS	N	N	N
PUBLIC	University	University- business schools			Y	POSS	Y	N	N	N
	Central government	Govt - What works centres			Y	Y	Y	N	N	N
	Local government	Local government - Comm Chests			Y	POSS	Y	N	N	N
		Local government - commissioning			Y	Y	Y	N	N	N
PRIVATE	Business	Business - investment group	2	1	Y	POSS	POSS	POSS	Y	Y
		Business - LEPs			Y	POSS	Y	N	N	N
		Business - growth service funds			Y	POSS	Y	N	N	N
		Business - sector-specific network		1	Y	Y	N	N	N	N
		Business - national infra body	1		POSS	Y	N	N	N	N
		Business - high street bank			Y	N	N	N	Y	Y
		Business - CSR departments			POSS	N	Y	N	N	N
	Community enterprises	SE - community-focused network		1	Y	Y	Y	POSS	POSS	POSS
		SE- community asset acquisition		1	Y	Y	Y	POSS	POSS	POSS
	Corporate foundation	Corporate foundation			N	N	Y	N	N	N

REGIONAL AND SECTOR OVERLAY

REGIONAL ANALYSIS

Overview

Region	% of total SI, 2011/12 [1]	Total income of charities, 2012/13 (£m) [2]	Charities per 1,000 people [2]	Total no. charities [2]	% change total no. charities [3]	Total no. charities > £100,000	Need proxy: % claiming Income Support [4]
North East	1	823	1.8	4,405	-8	793	6.1
East Midlands	1	1,451	2.3	10,611	-7	1,167	4.2
South East	2	4,785	2.8	24,323	-4	3,648	3.0
East of England	6	2,338	2.7	16,371	-5	1,965	3.5
South West	9	3,128	3.2	17,153	-7	2,230	3.3
Yorks and Humber	10	1,587	1.9	10,078	-8	1,512	5.2
North West	11	2,484	1.8	13,050	-6	2,088	5.3
West Midlands	12	1,976	2.0	11,225	-11	1,684	5.1
London	19	16,570	2.8	23,559	3	6,832	5.3

Sources; [1]: City of London (2013) Growing the Social Investment Market; [2]: NCVO Almanac, 2012/13; [3]: NCVO Almanac, change 2006/7 to 2012/13; [4]: August 2012, DWP; [5]: NCVO Almanac, 2012/13

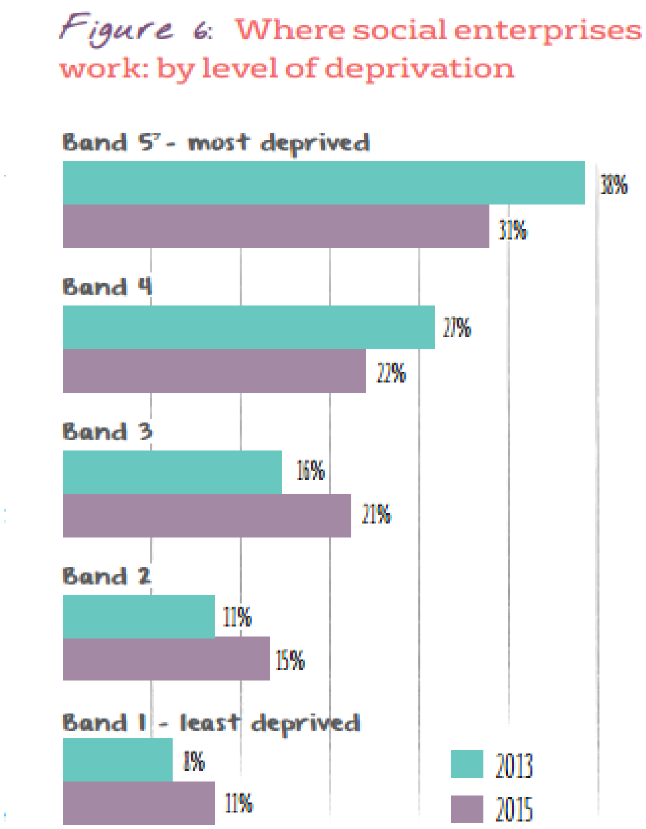
REGIONAL DIFFERENCES IN SOCIAL INVESTMENT, CHARITIES AND NEED

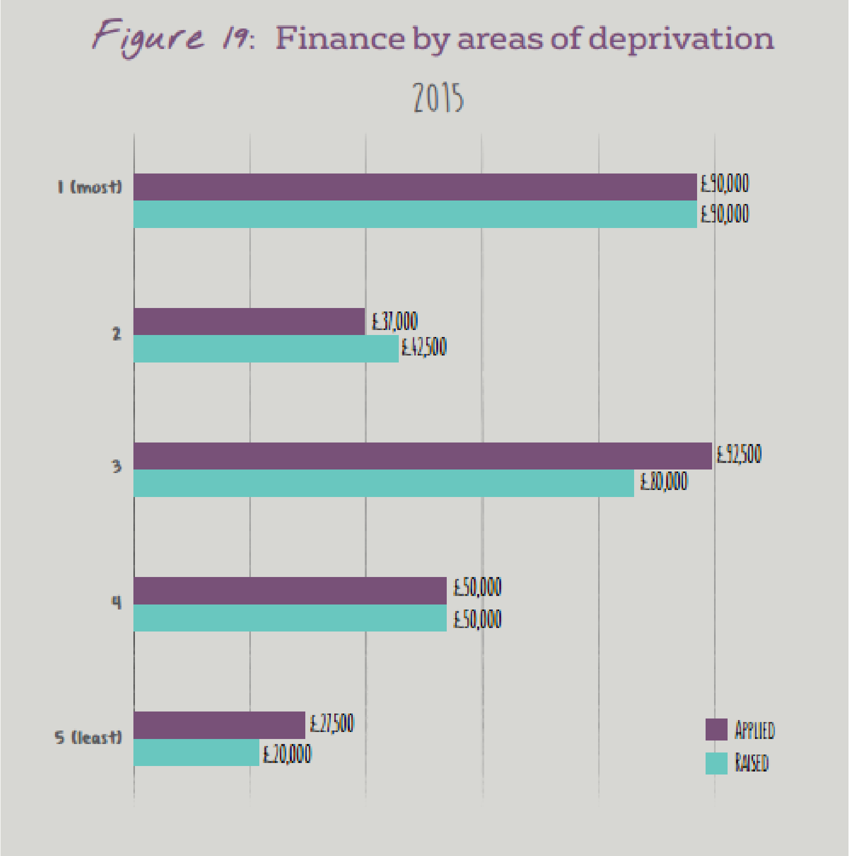
Summary

- The most recent data shows the lowest percentage of social investment is in the North East, East Midland and the South East. However we would caution that this data is 2011/2012.
- We have included a range of statistics to understand the regional picture for charities. Regions can be prioritised according to income of third sector, or change in income and also if they have a low, or decreasing, number of charities.
- We have included a simple and objective measure of need—percentage of the population claiming Income Support, but the Indices of Multiple Deprivation or Free School Meals could also be used as a quick way of prioritising regions by need.
- There is some inter-consistency with the North East and Yorks & Humber in the lowest third for four out of five measures and therefore a high priority area.
- We have included the number of charities with incomes above £100,000 to give an indication of the size of the target population of VCSEs (voluntary and community organisations and social enterprises).

SEUK DATA

The good news is that social enterprises are setting up and getting funded in areas of deprivation





http://socialenterprise.org.uk/uploads/editor/files/Publications/FINALVERSIONStateofSocialEnterpriseReport2015.pdf

http://socialenterprise.org.uk/uploads/editor/files/Publications/SEUK_ProspectingtheFuturereport2016_V5.pdf

SECTOR ANALYSIS

Limited conclusions can be drawn—out of date and recording consistency

Outcome	% of total SI, by outcome, 2011/12 [1]	% of total SI, by value, 2011/12 [2]
Transport		
Hospitality		
Refugees		
Substance abuse		
Older people		
Criminal justice and public safety	1	
Physical health	2	
Retail		3
Healthy living and lifestyle	1	2
Childcare		4
Business support		6
Politics, influence, and participation	6	

Outcome	% of total SI, by outcome, 2011/12 [1]	% of total SI, by value, 2011/12 [2]
Mental health	7	
Culture, sport, and heritage	7	2
Finance and legal matters	3	8
Housing and property	8	6
Climate change and conservation	6	9
Personal and social well-being	10	11
Learning and skills	14	10
Employment and training	14	12
Don't Know	10	
Other (not specified)	11	

[1]: City of London (2013) Growing the Social Investment Market: The Landscape and Economic Market

SECTOR ANALYSIS

Limited by lack of agreed framework and age of data

- Identification of priority sectors more difficult than regions due to absence of standardised sector framework / consistency of terms of reference.
- Nevertheless, we know that social care, education, and employment have received high levels of SI.
- The following sectors have received less than 5% of total SI by most recent estimate, and so could be suitable candidates for prioritisation:
  - Transport, hospitality, refugees, substance abuse, older people, criminal justice, physical health, retail, healthy living, childcare and business support.
- There does not currently exist a method through which to establish comparative need across sectors.
- There appears only to be one application from a sector-specific intermediary. The pipeline also contains few sector-specific intermediaries, suggesting that this could be an opportunity.

KEY FINDINGS AND RECOMMENDATIONS FROM INTERVIEWS

TOPIC GUIDE USED IN INTERVIEWS

Issues concerning Social Investment market

- Assess their own experience of social investment to date.
- Understand the issues facing the social investment market within their field.
- Suggestions for Access and the role it could play.

Building a better understanding of prospective provider types

- Assess likely interest in being a provider for the Growth Fund.
- Defining the incentives that would make it worthwhile for an organisation to apply/form a partnership (eg, financial, mission, development).
- Understanding the barriers to becoming a provider.

Need for support in:

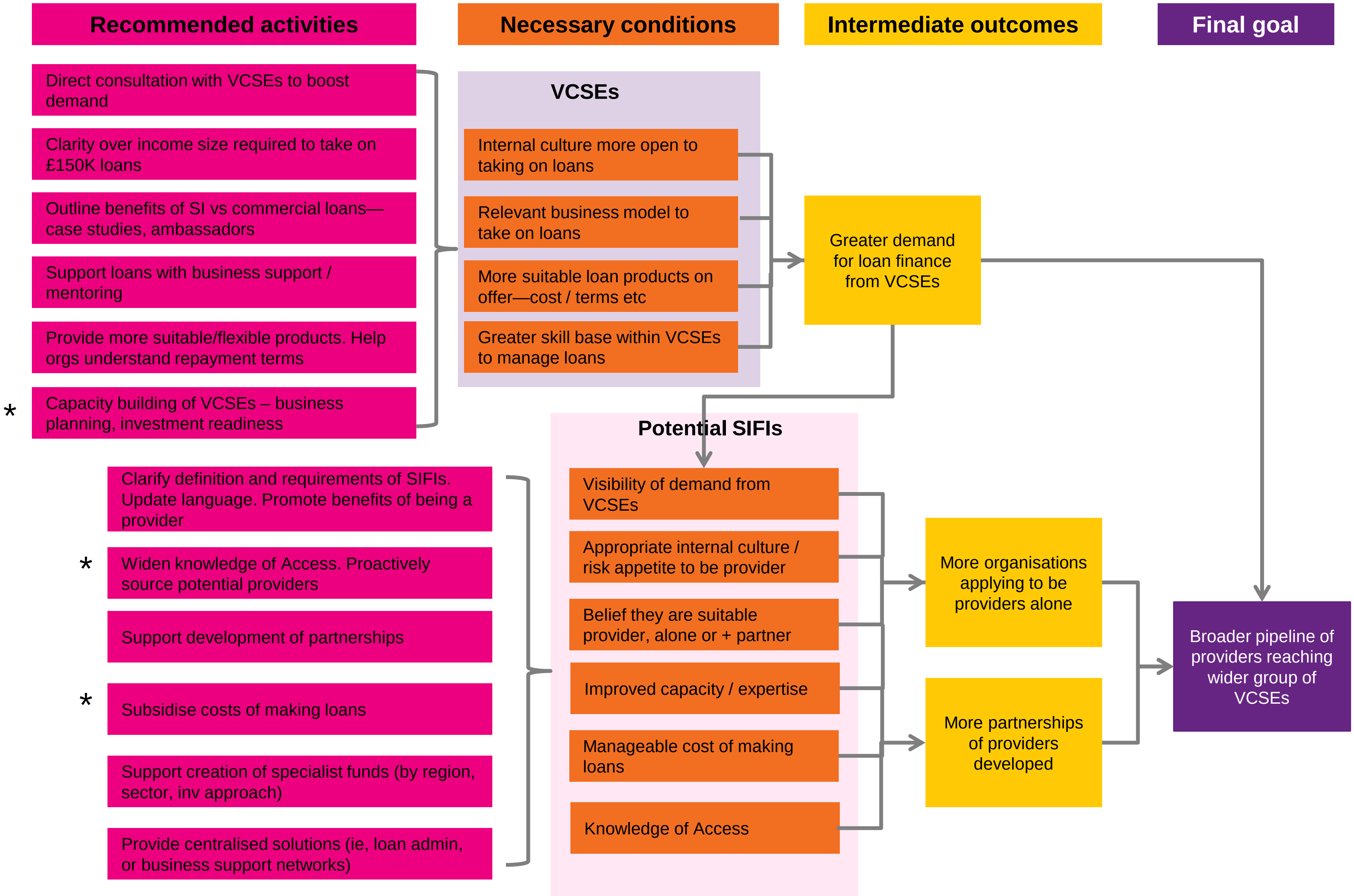
Building awareness and interest in the Growth Fund

- Are prospective provider types aware of Access?
- How could Access reach them?
- Would they be interested enough to pursue an application? What could stimulate this?

Finding a partner and forming a partnership

- Do prospective providers understand what they bring, and what else is needed?
- Could they form a partnership?
- How could Access support this?
- Are some organisation types better placed to initiate partnerships?

SUMMARY: HOW TO BROADEN THE PIPELINE



* *Activity already underway or planned by Access*

BARRIERS / ISSUES FACING POTENTIAL LOAN PROVIDERS

- **Potential providers not clear about appetite for demand within VCSEs**.
  - See the previous pages on how Access can work with VCSEs and their membership bodies to stimulate demand.
- **Appetite to become a provider hampered by culture / lack of risk appetite.**
  - The lack of an appropriate culture is an issue facing both VCSEs and potential providers. It was raised by a number of interviewees who said that even if becoming a provider made sense given their reach / expertise, they wouldn't get it past their board. Some felt that they didn't have the capacity to expand from current activities (some of the grant-makers in particular). Some felt that there would need to be changes to their constitution to allow them to make loans, and this was just too difficult. One interviewee suggested that grant-makers wouldn't want to on-lend other people's money.
- **Lack of clarity over definition of SIFIs.**
  - Interviewees weren't clear about what it takes to become a provider, what kind of legal structure they'd need to be. Even the term 'SIFI' is off-putting. Many liked the idea of partnership approaches to loan provision, although would welcome support to establish partnerships.
- **Lack of expertise / capacity.**
  - Organisations that are not directly set up as SIFIs may not have the right skill set or capacity. Many felt that it was a big jump from making grants to making loans. Becoming a provider would need to be relatively easy to implement and not too distracting from other strands of activity. It was also suggested that the best SIFIs are specialist, so they really understand the sector or region in which they work—but that on the whole SIFIs are too generalist. VCSEs need to trust their providers, so local / sector knowledge is key.
- **High costs of becoming loan provider.**
  - The grant-makers in particular felt that it would be much more expensive to conduct due diligence and monitor loans compared to grants even if they had the capacity / expertise.
- **Low knowledge of Access Foundation**.

RECOMMENDATIONS CONCERNING POTENTIAL LOAN PROVIDERS

- **Improve the culture within potential providers of being more open to providing loans.**
  - The risk appetite of potential providers is being addressed in part by the provision of grants alongside loans by Access. However just as case studies of VCSEs would be helpful to increase demand for social finance within VCSEs, marketing material stating the benefits of becoming a provider might also encourage more applications. Likewise, some organisations which have successfully broadened out from making grants to also making loans could become ambassadors for their own sectors.
- **Provide more clarity around the characteristics of a SIFI.**
  - It would be helpful if Access could clearly define who can become a potential provider, either alone or in partnership, outlining the legal requirements and changing the terminology around the use of 'SIFI'.
  - Access could also play a role in supporting the development of partnerships between different types of organisations.
- **Address the lack of capacity / expertise within potential providers.**
  - Access could support the creation of specialist funds (by region, sector or investment approach) which draw on their expertise. This could be done by proactively sourcing suitable potential providers.
  - Access could provide specialist expertise and functions as centralised solutions, such as a loan administration facility or a network of business support / mentors. This, alongside partnership development, would help address the skills / capacity gap.
- **Reduce the costs of becoming loan provider.**
  - This is already being addressed by the provision of grants alongside loans for potential providers.
- **Widen knowledge about the Access Foundation.**
  - Already happening to some extent but could be improved.

PRIORITISING THE RECOMMENDATIONS: AROUND PROSPECTIVE PROVIDERS

Issues to address	Recommendation	Who to implement	Length of time to impleme nt	Likely impact on final goal	Priority
Challenge culture within potential providers	Produce marketing material stating benefits of becoming a provider, using case studies	Access	Short-term	Medium	Secondary
Provide clarity around SIFI characteristics	Define SIFIs—who can become providers, any legal requirements, new terminology	Access	Short-term	High	Top
	Support development of partnerships between different types of providers using a strategic approach either at the regional or sector level.	Access	Medium-term	High	Top
Address lack of capacity / expertise within potential providers	Support creation of specialist funds	Access	Long-term	High	Secondary
	Develop centralised solutions, such as loan admin or business support	Access	Long-term	High	Secondary
Reduce cost of becoming loan provider	Provide grants alongside loans	Access	Short-term	High	Top (already happening)
Widen knowledge of Access	Ensure more potential providers know about the Growth Fund. Proactively source new providers with high potential identified in this research	Access	Short-term	High	Top (already happening)

PROSPECTIVE PROVIDER TYPES AND THEIR POTENTIAL FOR ACCESS

	Type of provider	Sub-type	Potential	Explanation
THIRD SECTOR	Operational charities	Charity—membership bodies	High	Very good reach, particularly into sectors not yet accessing SI. Would need to partner
	CDFIs	CDFI—regional or sector focus	High	Ideally placed, with loan capability + reach. But they need to be sure of demand from VCSEs
	Grant-making trusts	Foundation—grant-making trust	Low	Reluctance to lend other people's money. Big culture change required. Lack of capacity to add loan function
	Infrastructural bodies	Infrastructural body—sector / national	High	Good reach, although indirect. Would need to partner for loan making expertise.
PUBLIC	University	University—business schools	High	Have pipeline and support. Lack loan making expertise. Could partner or develop expertise
	Central government	Govt—What Works centres	Low	Good reach in specific sectors but not operationally focussed.
PRIVATE	Business	Business—growth service funds	High	Expertise in lending and support and have pipeline. Social mission and SI decision making capability absent.
		Business—high street bank	High	Expertise in lending and support and have pipeline. Social mission and SI decision making capability absent in main business but found in community focussed units.
	Corp foundation	Corporate foundation	Medium	Grant-making expertise but variable reach and little loan making expertise. Support and mentoring often available.

BARRIERS / ISSUES FACING VCSEs

- **Appetite for loans unclear**.
  - Most interviewees questioned the uptake of loans. Some felt that there were not enough small VCSEs with suitable business models. Many VCSEs are scared / nervous of taking on debt. Many have conservative trustee boards not prepared to take on risk. Some linked reticent culture to age of trustees—organisations might have young dynamic leadership who understand SI, but an older board that is less willing to look at new financing models. A few questioned whether the frontline VCSEs have actually been consulted on this subject. Some interviewees felt that charities were an unlikely source of demand, but that for-profit social businesses were a better bet. There were questions about the optimum size of VCSEs that could take on <£150K loans. A key requirement noted was that loans are offered by local providers who are known and trusted by the VCSEs.
- **Insufficient skill set.**
  - It was broadly felt that not many VCSEs have the relevant skills to take on loans. One membership body saw better survival of community organisations that owned some of their assets, but many don't know how to go about acquiring assets.
- **Products need to be affordable / bespoke.**
  - Many argued that existing SI products are unsuitable for VCSEs, especially smaller organisations. Felt that interest rates too high (VCSEs don't understand why SI rates sometimes higher than commercial loans), repayment terms not flexible enough, although one interviewee felt the cost of capital didn't matter so much when such small loans—the difference between 6 and 8% might only widen out repayment length by a few months. One interviewee raised concern over the level of control that investors wanted.

RECOMMENDATIONS CONCERNING VCSES

Access has mainly been focusing to date on the providers and the supply of finance, but we recommend that Access (and others) also addresses the issues facing VCSEs, in order to stimulate demand for loan finance, particularly amongst smaller VCSEs.

- **Improve the culture within VCSEs of being more open to taking on loans.**
  - We recommend that direct consultations with frontline VCSEs are conducted to canvas their opinions and get them onside so they don't feel SI is being foisted upon them. Various membership bodies / umbrella groups are well placed to facilitate, and supportive of this approach.
  - The benefits of loan finance need to be made clearer to VCSEs. This could be done through developing a series of case studies on how loan finance has worked in practice and the benefits that it has provided. The advantages of SI vs commercial loans needs to be made clearer—ie, that SI brings with it expertise / support / flexibility / risk appetite. Another way would be to identify some ambassadors within particular sectors / regions that could help spread the word to other organisations.
  - It would be useful to scope out the optimal characteristics of VCSEs that could take on sub £150K loans via the Access Growth Fund (in terms of turnover, business model, skills etc).
- **Ensure loan products are suitable for smaller VCSEs.**
  - This is partly being addressed by combination of loan + grant finance to VCSEs. It wasn't always clearly understood that grants would be offered alongside loans to VCSEs or whether the SIFI would use the grant itself.
  - Encourage providers to be more flexible with finance options—could there be products with a sub 5% interest rate or 'pay as you earn' repayment terms?
  - Encourage providers to help VCSEs understand loan repayment terms—see the Key Fund's repayment calculator.
- **Provide support to VCSEs.**
  - Partly being addressed via the Capacity Building programme to help VCSEs become investment ready. But there's also a requirement to support VCSEs to manage loans once in place. We recommend that all loans are accompanied by access to mentoring, coaching, support around financial management, business skills, governance, influencing commissioners, peer to peer learning.

PRIORITISING THE RECOMMENDATIONS: AROUND VCSEs

Issues to address	Recommendation	Who to implement	Length of time to impleme nt	Likely impact on final goal	Priority
Improve culture within VCSEs	Direct consultation with VCSEs	Access + membership bodies	Medium-term	Medium	Secondary
	Clarify benefits of loan finance – SI vs commercial loans, via case studies and/or ambassadors	Access	Short-term	High	Top
	Scope out optimal characteristics of VCSEs that could take on <£150K loans	Access	Short-term	Medium	Top
Ensure loan products are suitable	Encourage providers to be more flexible with finance options	Access + providers	Medium-term	High	Secondary
	Encourage providers to help VCSEs understand loan repayment terms	Access + providers	Medium-term	Medium	Secondary
Provide support to VCSEs	Ensure all loans are accompanied by access to mentors / business support—this could be through a centralised function where providers don't have capacity / expertise	Access	Long-term	High	Top

ABOUT NPC

NPC is a charity think tank and consultancy which occupies a unique position at the nexus between charities and funders, helping them achieve the greatest impact. We are driven by the values and mission of the charity sector, to which we bring the rigour, clarity and analysis needed to better achieve the outcomes we all seek. We also share the motivations and passion of funders, to which we bring our expertise, experience and track record of success.

- **Increasing the impact of charities:** NPC exists to make charities and social enterprises more successful in achieving their missions. Through rigorous analysis, practical advice and innovative thinking, we make charities' money and energy go further, and help them to achieve the greatest impact.
- **Increasing the impact of funders:** NPC's role is to make funders more successful too. We share the passion funders have for helping charities and changing people's lives. We understand their motivations and their objectives, and we know that giving is more rewarding if it achieves the greatest impact it can.
- **Strengthening the partnership between charities and funders:** NPC's mission is also to bring the two sides of the funding equation together, improving understanding and enhancing their combined impact. We can help funders and those they fund to connect and transform the way they work together to achieve their vision.

For questions about this report, or about our work and services, please get in touch via info@thinkNPC.org.

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TRANSFORMING THE CHARITY SECTOR