



Summary Annual Report July 2015- March 2016

We are Access – The Foundation for Social Investment.

Our role is to make it **easier for charities and social enterprises** in England to **access the capital they need** to grow and **increase their impact**.

You could say we work to **bridge the gap** between charities and social enterprises on one side and social investors on the other, to help make the **social investment easier to find and more relevant** for charities and social enterprises.

To do this, we need to **change** the way social investment is delivered, so that it can **reach** parts of the charity and social enterprise sector who are yet to benefit.

A change like this can't happen overnight, and we are spending **ten years** working on it. Over that time we hope to help hundreds of charities and social enterprises increase the impact they can make, through being fuelled by social investment. We also hope that their example will encourage more organisations both to seek and to benefit from effective social investment.

10
years

We do this by:

- 1 Funding organisations to run grant and support programmes for charities and social enterprises;
- 2 Funding organisations to make small loans to charities and social enterprises; and
- 3 Sharing the learning from how these programmes work.

All of our **programmes are delivered through and in partnership with other organisations**. These partners include existing social investors, other charitable foundations, sector support organisations and grant administrators. We do this because those partners are much better able to work with the breadth and diversity of the charity and social enterprise sector than we could on our own. We also believe that helping others to deliver social investment in a different way will have longer term and more sustainable impact than what our programmes themselves could achieve on their own.

Why was Access created?

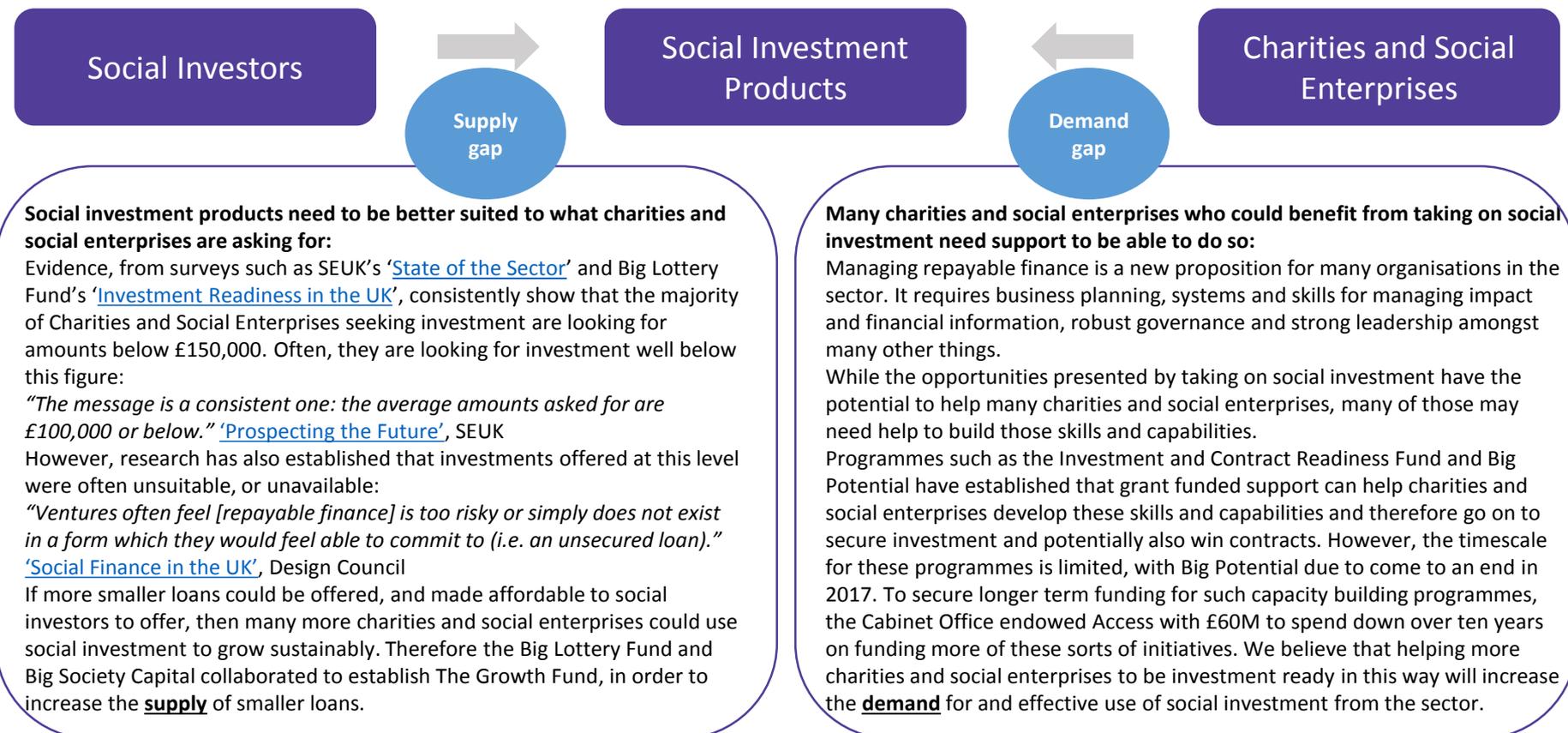
We were **launched in 2015** with the support of our partners the **Big Lottery Fund (BLF)**, **Big Society Capital (BSC)** and the **Cabinet Office (CO)** to address two specific gaps for charities and social enterprises trying to access social investment



BIG SOCIETY CAPITAL



Cabinet Office



How are we funded and governed?

Access was created by Big Society Trust (BST), working in collaboration with BLF, BSC and CO, following extensive consultation with the sector. Each of these organisations shares the same vision to expand the reach of social investment, and each organisation brings its own resources and expertise to support Access in delivering on its mission. BST has a board made up of members with broad experience in the social and financial sectors. It is the sole member of Access and is the company which ensures BSC remains true to its social mission.

Our **Vision** describes
the world we want to see

In order to achieve greater impact, charities and social enterprises are more financially resilient and self-reliant.

Our **Mission**
summarises what we do to
make that happen

To build the capacity of charities and social enterprises to access social investment and to increase the supply of social investment appropriate to them.

What we said we would do this time last year

In 2015-16
we will

1 Deliver the first year of the **Growth Fund** to provide more of the right sort of finance for smaller charities and social enterprises, and capture initial learning about how to blend loans and grants

2 Consult on the design of our **capacity building programme** and identify obvious gaps in provision, tender for first programmes to be delivered in early 2016

3 Develop our role as a **market development champion**, provide clear information to Charities and Social Enterprises about our role, share data on our performance and impact, and build partnerships which will deliver value

While
building
strong
foundations

4 Share lessons and advice from adopting a 'Total Impact' approach across all our activities.

Recruit a great team and support the board and committees to perform and make the best decisions

Develop effective, efficient and proportionate systems, processes and infrastructure

Build our strategy for the future

Overview of the first year



The **priorities** for the first year of our work at Access have been to:

- 1 Promote the **Growth Fund**, develop the systems and processes which will underpin the programme, and make the first investments
- 2 Consult on the design of our **capacity building programmes** and begin the process of finding partners to deliver them
- 3 Begin to **share our learning** and **influence** our partners and the social investment market

We have also made **good progress in establishing the organisation** itself:

- a We completed **hiring the team of five people** by October
- b We **developed a range of systems and processes** around governance, data management, and finance
- c We focused on **developing our strategy** for the next two years

The Growth Fund



WHAT'S HAPPENED?

- Agreed the structure and process for blending capital from Big Society Capital and the Big Lottery Fund and embedded in the programme's funding agreements
- Produced a range of guidance to support applicants and help facilitate partnerships
- Promoted the Growth Fund through a wide variety of networks including Responsible Finance, UK Community Foundations, ABCUL, NAVCA, Social Investment Forum
- To date 40 Expressions of Interest received, the vast majority of which were eligible
- We published research undertaken by NPC on our pipeline ([available here](#)), highlighting opportunities for further marketing and support for applicants

WHAT WE ARE PLEASED ABOUT

- Wide and diverse range of applicants:
 - including existing social lenders, sector support bodies, membership organisations, community foundations, front-line charities;
 - across our three strategic themes of Efficiency, New Approaches and Reach;
 - England-wide, regional and local in focus
- Approximately a quarter of the fund committed
- Joint investment committee is effectively bringing together the interests of the three different organisations

WHAT WE ARE LEARNING

- The complexity of reflecting the desired structure in simple legal documents which can be examples for others to follow
- How our terms and conditions cascade through to VCSEs accessing the funds
- What constitutes value for money in terms of operating costs for social lenders

Capacity Building

WHAT'S HAPPENED?

- Undertaken a major consultation on the design of our capacity building programmes, taking in views from more than 90 organisations online and in person, as well as reviewing the lessons from other existing programmes
- Developed key principles and priorities for our programmes and tested these with key stakeholders.
- Gathered feedback on how we should prioritise which charities and social enterprises our programmes should support.
- Theory of change for our programmes developed
- Invitations to tender issued for our first two programmes, The Reach Fund and Impact Management programme
- Our consultation continues on how we will design our investments into infrastructure organisations

WHAT WE ARE PLEASED ABOUT

- Our consultation provided us with valuable insight to inform our work, and our open approach was received positively
- Clear plans are in place with buy-in from key stakeholders and partners
- Our plans allow us to build on and test variations in the design of capacity building programmes to see how we can further maximise the impact of funding in this area, including with charities and social enterprises seeking to access smaller scale investments
- Lots of interest from potential providers in supporting the delivery of our programmes

WHAT WE ARE LEARNING

- The very wide range of interest in our programmes and how to get the maximum value out of consultation exercises
- The importance of building in feedback mechanisms within our programmes, so we support our partners to refine them as they go
- The need to place the funding we have available within the context of likely overall demand for capacity building

Market Championing

WHAT'S HAPPENED?

- Co-funded the development of GoodFinance.org.uk, an information source for charities and social enterprises interested in social investment
- Sharing the learning from our work through blogs and other media
- SEUK 'Prospecting the future' research published
- IVAR, Flip Finance and Datakind research commissioned
- Contributed to discussions at a wide range of conferences and workshops, with sector representatives including UKCF, NAVCA, Locality, NPC, Good Deals, EVPA, ACF and Power to Change

WHAT WE ARE PLEASED ABOUT

- Our collaboration with a range of sector partners on the Good Finance project is gaining momentum
- Positive feedback on our engaged and transparent approach, especially during the consultation



Nick Booth
@podnosh

both [@Mel_BigSocCap](#) and [@karlwilding](#) compliment [@ejanderton](#) for his blogging at [@si_access](#) #wmf15



Christina Katara @Christina... 198d
Full house at 'call for clarity'
[@ClearlySo](#) [@CAFVenturesome](#)
[@si_access](#) [@BigSocietyCap](#)
pic.twitter.com/7Ir8WYGsch



- Access funded research is already contributing to the sector's evidence base, and informing our work

WHAT WE ARE LEARNING

- How to gather data from our programmes to maximise the learning and value
- Clear communication is key, and to achieve it we need to keep asking for and responding to feedback
- How we can best support our delivery partners across all of our programmes to be market champions themselves

Seeking Total Impact



WHAT'S HAPPENED?

- Identified the cash flow requirements of our endowment and opportunities to seek impact through different asset classes
- Shortlisted asset managers through a comprehensive process
- Begun to engage with other foundations to share our process
- Bought from social enterprises wherever possible (eg catering, web development)

WHAT WE ARE PLEASED ABOUT

- Shared our process for developing our impact goals through a range of blogs
- Meaningfully engaged with a wide range of asset managers and saw how our requests were part of the market evolving

WHAT WE ARE LEARNING

- What it takes to motivate mainstream asset managers to engage with social investment
- How our spend-down model is a relevant example for other foundations