

Strategy 2022-25



Our story

Our story begins in 2015, following a realisation that sustained efforts to grow the social investment market had not resulted in meeting the needs of many charities and social enterprises.

Typically, the type of finance that is suitable for most charities and social enterprises has not been readily available either because there was too much risk, or the size of investment was too small.

Equally, support for charities and social enterprises to grow their enterprise models and access investment was patchy, under resourced, under developed and uncoordinated.

And so, Access was created to grow the reach of social investment. Designed to 'disrupt' the existing social investment market and widen its reach into places and communities that were previously excluded.

We have focused on two strategic themes since our inception:

Demonstrating the value of blended finance - By combining grants with repayable finance into a blended package, we enable intermediaries to provide smaller scale, higher risk, more patient and flexible, and affordable finance that meets the needs of a broad range of charities and social enterprises, particularly smaller organisations or those working in disadvantaged areas.

Championing enterprise development - By supporting charities and social enterprises to develop enterprise models, we help organisations to find a more secure financial footing and build a more sustainable and resilient sector, better placed to meet the evolving needs of communities.



Our vision

We want to see **an investment eco-system that works for all** charities and social enterprises, helping to **create stronger communities.**



Our mission

We work to make sure that charities and social enterprises can **access the finance they need to sustain or grow their impact.**

We target those most in need of patient and flexible investment through:

- **Funding** enterprise development and blended finance programmes in England.
- **Sharing** knowledge and data and translating it into practical insight that others can use.
- **Mobilising** others who share our goal of making capital work for communities.



The problem Access exists to address

In Summary:

- Charities and social enterprises can struggle to find the finance they need to sustain or grow their impact.
- Too often it is the groups most in need of investment who find it hardest to access it.
- Access has been working to address these challenges, but our fixed life creates the risk of progress being lost.

In more detail:

The social investment ecosystem should offer charities and social enterprises who need capital the ability to access the type of finance they need when they need it. However, in too many communities, often the most disadvantaged, charities and social enterprises delivering valuable impact lack the resilience which could come from being more enterprising and accessing finance.

Access has been working with partners across the ecosystem to understand and meet some of that need, and through our programmes we will deliver more over the next few years. However the problem will return and grow in the absence of strategies to ensure the continued supply of blended finance and enterprise support.

There are a number of causes of this problem, including:

- There are few social investment intermediaries in a position to meet the demand for smaller scale, higher risk, more patient and flexible, and affordable finance. Those there are need more resilience.
- There is a constrained and time limited supply of subsidy to underpin a more widely available blended finance offer to intermediaries that would help them meet that market need.
- Philanthropic and investment institutions that could transform the supply of enterprise support and blended finance are insufficiently engaged with the need and opportunity.
- The national offer of support for charities and social enterprises to develop enterprise models (that support finance) is under-resourced patchy, uncoordinated and underdeveloped. It is also not sufficiently inclusive and leaves too many communities (of interest and geography) behind.
- There is insufficient understanding across the ecosystem of what works in a) helping impactful charities and social enterprises increase their resilience and impact through developing enterprise models; b) taking on social investment; and c) mobilising private capital into investing for impact through blended finance in UK.

Our solution

We will know if we are succeeding if we see the following changes in the ecosystem as a result of our programmes and advocacy

In Summary:

Through securing the long term supply of grant for blended finance, more investment flows to organisations who would not otherwise be able to access appropriate finance, helping to make them more resilient. A growing proportion of these organisations work in the most deprived communities or led by people from protected groups.

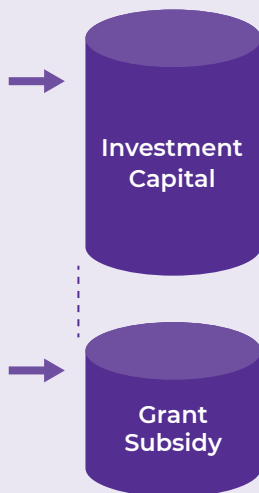
In more detail:

An investment eco-system that works for all charities and social enterprises needs to deliver...

Access to capital...

Blended finance is the tool we use to increase access to capital. We aim to grow the field of blended finance. In doing that we will see:

- More investors committing their capital into blended finance structures
- In particular more foundations are investing their assets for impact than in 2020
- And crucially sufficient sources of subsidy for blended finance are secured for the foreseeable future



- **More investment flows, particularly to organisations who would not otherwise be able to access appropriate finance**

Overall through our work to build a social investment eco-system that works for all charities and social enterprises:

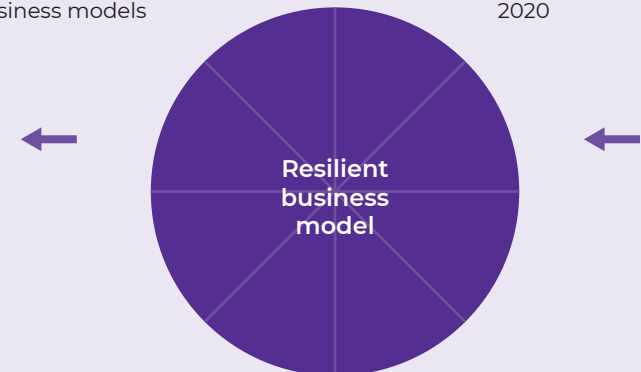
- **The organisations supported by our programmes will be more resilient than they were before / or would otherwise be**
- **Proportionally more of our money is flowing to deprived places and to protected groups**
- The intermediaries who drive the ecosystem report that they are more resilient than they were in 2020

...and support for resilient enterprising business models

Through delivering effective enterprise development programmes and building the field of enterprise grant making we will see:

- Charities and social enterprises feeling more confident in describing their business models

- More foundations engaging with and supporting enterprise development than in 2020



Theory of change

The problem

The social investment ecosystem should offer charities and social enterprises who need capital the ability to access the type of finance they need when they need it. However, in too many communities, often the most disadvantaged, charities and social enterprises delivering valuable impact lack the resilience which could come from being more enterprising and accessing finance.

Access has been working with partners across the ecosystem to understand and meet some of that need, and through our programmes we will deliver more over the next few years. However the problem will return and grow in the absence of strategies to ensure the continued supply of blended finance and enterprise support.

Caused by

There are few social investment intermediaries in a position to meet the demand for smaller scale, higher risk, more patient and flexible, and affordable finance. Those there are lack resilience.

There is a constrained and time limited supply of subsidy to underpin a more widely available blended finance offer to intermediaries that would help them meet that market need

Philanthropic and investment institutions that could transform the supply of enterprise support and blended finance are insufficiently engaged with the need and opportunity

The national offer of support for charities and social enterprises to develop enterprise models (that support finance) is under-resourced patchy, uncoordinated and underdeveloped. It is also not sufficiently inclusive and leaves too many communities (of interest and geography) behind

There is insufficient understanding across the ecosystem of what works in a) helping impactful charities and social enterprises increase their resilience and impact through enterprise models; b) taking on social investment; and c) mobilising private capital into investing for impact through blended finance in UK

Access seeks to provide a solution through our programmes...

Provide grant funding enabling the development of blended funds and fund pre-investment support.

Support the capacity and resilience of key partners, including their capacity to innovate. Stimulate partnerships to grow and be increasingly independent of Access

Support Local Access places to champion the role of the social economy through delivering enterprise support and blended finance, and build the case for more support

Develop and disseminate deeper and wider understanding of revenue models in different sectors. Build understanding of and make the case for enterprise grant-making and support.

Access's goals for the organisations we support

Organisations who have been supported through our programmes are more financially resilient than they were before / would otherwise be

Proportionally more of our money is flowing to deprived places and to protected groups

...And through our advocacy

Make the case for the provision of long-term subsidy for blended finance

Support the development of the blended finance ecosystem and the flow of capital into blended structures

Working with others to encourage and persuade foundations and other asset owners to align management of their assets with their impact and mission

With key partners help build the movement of enterprise grants and help foundations value the role of enterprise in supporting resilience

Access's goals for the ecosystem

Sufficient sources of subsidy for blended finance are secured for the foreseeable future

More investment flows to charities and social enterprises who would not otherwise be able to access appropriate finance

There are a greater number of co-investors in blended finance structures

Intermediaries we work with report that they are more resilient than they were in 2020

ACF data shows that more foundation assets are invested for impact than in 2020

More foundations are engaging with the enterprise taskforce and actively supporting enterprise activity than in 2020

Charities and social enterprises feel more confident in describing their business models

Resulting in our vision being realised

The ecosystem delivers access to finance

An investment eco-system that works for all charities and social enterprises, helping to create stronger communities

The ecosystem delivers support for developing resilient enterprise models

KPIs and measuring success

Goal	Measured by	Target	Timescale
Primary goals			
More investment flows to charities and social enterprises who would not otherwise be able to access appropriate finance	Access programme MI vs Deal Level Data, SEUK biennial state of the sector survey, showing amounts invested through blended finance and wider market, and highlighting differing characteristics in organisational size	Year on year increase in total being invested through blended finance while clear gap remains between the market being served through blended finance and rest of social investment (in terms of turnover and assets)	Annual assessment when DLD is published
Organisations who have been supported through our programmes are more financially resilient than they were before / would otherwise be	Established process in place to monitor resilience via a number of financial indicators over time. Data gathered from MI and published accounts	75%* are more financially resilient or maintain their resilience	Assessed through regular programme evaluations
Proportionally more of our money is flowing to deprived places and to protected groups	Postcode analysis of beneficiary organisations from MI against IMD data. MI on demographic data on board/SMT of beneficiary organisations	50% of our money into top 3 deciles by IMD, with IMD decile 1 receiving the most Proportion of our money going to BAME led, women led, LGBTQI+ led, and disability led organisations is increasing year on year (excluding early programmes where we don't have this data)	Annual reporting of MI to the board Targets on reach to protected groups to be revised after one year
Sufficient sources of subsidy for blended finance are secured for the foreseeable future	Market assessment, information from key stakeholders	Subsidies committed from government/foundations/others worth at least £10m per year for a 5 year time horizon	Annual assessment via legacy assessment sheet (see appendix)
Secondary goals			
More foundations are engaging with the enterprise taskforce and actively supporting enterprise activity than in 2020	Market assessment from key stakeholders and potential surveying of foundations	More than previous year each year, compared to 2020 baseline	Annual assessment via legacy assessment
Charities and social enterprises feel more confident in describing their business models	Perception survey – methodology TBC	Baseline established and follow on survey 2 or 3 years later	TBC
There are a greater number of co-investors in blended finance structures	Market assessment, information from key stakeholders	Number growing year on year	Annual assessment via legacy assessment sheet (see appendix)
Intermediaries we work with report that they are more resilient than they were in 2020	Analysis of the finances of intermediaries, balance sheet and AUM	Baseline established for 2020, annual increase in balance sheet strength and AUM	Annual when annual reports are published
More foundation assets are invested for impact than in 2020	ACF annual survey data of members	Annual growth from 2020 baseline	Annual

Mapping our work on the ecosystem

COMMUNITY FUND

Government and dormant assets

Department for Digital, Culture Media & Sport

Reclaim Fund Ltd

Triodos Bank

unity trust bank

Capital Providers

impact investing institute

BIG SOCIETY CAPITAL

school for social entrepreneurs

Match Trading

Good Finance

Enterprise support organisations

Eastside Primetimers

UnLtd

Social Investment Business

Charities and social enterprises

GMCVO

Social Enterprise

GM Social Investment

resonance

Social Investment Fund Managers

BIG ISSUE INVEST

Key Fund

Social Investment Business

LARCH

CityFunds

Place based investors and partners

GMCA GREATER MANCHESTER COMBINED AUTHORITY

Association of Mental Health Providers

Homeless Link

navca

Equally Ours

THE UBELE Initiative

THE CENTRE FOR YOUTH IMPACT

NCHO

Social Enterprise UK

LLOYDS BANK FOUNDATION

ACF

Esmée Fairbairn FOUNDATION

Foundations and their networks

Barrow Cadbury Trust

COMIC RELIEF

UK COMMUNITY FOUNDATIONS

Mapping our work on the ecosystem



Support the development of the blended finance ecosystem and the flow of capital into blended structures

With key partners help build the movement of enterprise grants and help foundations value the role of enterprise in supporting resilience

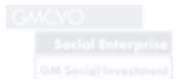
Triodos Bank



Make the case for the provision of long-term subsidy for blended finance



Working with others to encourage and persuade foundations and other asset owners to align management of their assets with their impact and mission



Provide grant funding enabling the development of blended funds and fund pre-investment support.

Support Local Access places to champion the role of the social economy and build the case for more support

Develop and disseminate deeper and wider understanding of revenue models in different sectors. Build understanding of and make the case enterprise-grant making and support.



Support the capacity and resilience of key partners, including their capacity to innovate. Stimulate partnerships to grow and be increasingly independent of Access.



Objective and actions

Programme Objectives	Priority Actions
<p>1. Provide grant funding enabling the development of blended funds and fund pre-investment support. Increasingly seek to build the resilience of key fund managers directly.</p>	<ul style="list-style-type: none"> a. Prevent the emergence of a gap in the availability of appropriate small-scale finance after the closure of the Growth Fund, through launching a successor programme. b. Consolidate lessons from Growth Fund and other blended initiatives, enabling us to take forward its successful elements into Enterprise Growth For Communities whilst improving upon some of the more challenging aspects. c. Ensure that Flexible Finance both supports the sector to recover from COVID-19 whilst also continuing to deepen our knowledge of the most effective ways to deploy subsidy to attract more capital and address market gaps d. Continuing to deliver ever greater effectiveness of Reach Fund, whilst also exploring other ways to deliver investment readiness directly through blended finance subsidy e. Build social investor strength in addition to securing supply of finance to the frontline
<p>2. Support Local Access places to champion the role of the social economy and build the case for more support</p>	<ul style="list-style-type: none"> a. Support places to improve infrastructure support, skills, capabilities & provision of finance b. Support places to advocate themselves locally around the role of the social economy, and the integration of their work and partnerships into the broader governance of the place c. Build evidence about the value of blended funding and enterprise development at a place level
<p>3. Develop and disseminate deeper and wider understanding of revenue models in different sectors. Build understanding of and make the case for enterprise grant-making and support.</p>	<ul style="list-style-type: none"> a. Extract and develop a better shared knowledge base on EDP revenue models across all existing EDP sectors b. Support sector partners to drive forward legacy of our funding of EDP and ensure further support for enterprise grant making. c. Better understanding the enterprise journey that Access programmes are supporting, and how EDP specifically dovetails with other programmes d. Support EDP sector partners to improve understanding and provision of finance in their respective sectors
<p>4. Support the capacity and resilience of key partners, including their capacity to innovate. Stimulate partnerships to grow and be increasingly independent of Access.</p>	<ul style="list-style-type: none"> a. Ensure that Access plays its role in supporting key partners to survive and recover strongly from any financial difficulties caused by Covid b. Through all subsidy and programme spend support key partners to innovate, grow and strengthen their balance sheets, according to their own strategies and not just our own requirements c. Secure the legacy of EDP, whether through continuation of the partnership or just a mix of connections/ influence, resourcing of activities, or sector infrastructure d. Through data analysis, programme design and specific initiatives, ensure that all partners are persuaded and supported to continually improve efforts to reach underserved groups and improve internal ED&I practice e. Explore what role Access should have in ensuring environmental justice (both carbon reduction and consequence mitigation) is routinely reviewed in all our programme and partnership work, bringing recommendations and a plan back to the Board later in 2022

Objective and actions

Advocacy Objectives	Priority Actions
<p>1. Make the case for the provision of long-term subsidy for blended finance</p>	<ul style="list-style-type: none"> a. Supporting DCMS in the distribution of DA funds in 2021 b. Support DCMS future of blended finance project c. Engagement with key stakeholders around passage of DA legislation and the subsequent DCMS consultation on DA money d. Engagement with TNLCF on social economy strategy e. Amplifying asks from Adebowale Commission f. Engagement with BBB/HMT on tax breaks/guarantees g. Ensure coordination with Community Wealth Fund campaign
<p>2. Support the development of the blended finance ecosystem and the flow of capital into blended structures</p>	<ul style="list-style-type: none"> a. Dedicated engagement strategy with foundations that are aligned/potentially aligned and devise strategy to engage and support b. Pushing forward work on Catalytic Capital with Access/BSC/ACF c. Development of knowledge hub around blended finance, with dedicated engagement strategy d. Working closely with BSC to build links and share evidence, and overcome barriers with other capital providers e. More explicitly give voice to our key delivery partners and help them make the case for their offer to policy makers
<p>3. With key partners help build the movement of enterprise grants and help foundations value the role of enterprise in supporting resilience</p>	<ul style="list-style-type: none"> a. Identify foundations that are aligned/potentially aligned and devise strategy to engage and support, in particular via the Enterprise Grants taskforce b. Supporting the growth of enterprise grants through showcasing impact of EDP to date c. Identify ways to effectively communicate and share insight into the business models operating in EDP sectors, including those focused on under-served groups d. Engagement with cross cutting sector initiatives to highlight the importance of enterprise and resilience
<p>4. Working with others to encourage and persuade foundations and other asset owners to align management of their assets with their impact and mission</p>	<ul style="list-style-type: none"> a. Scope a programme to work with a small cohort of foundations who are aligned/potentially aligned and devise strategy to engage and support b. Develop clearer case study material along with Rathbones on our work to date and a dedicated communications strategy to position Access as a through leader in this area c. Finding and supporting existing advocates, amplifying the voices of those championing broader behavioural change
<p>5. Lay the groundwork for and develop the partnerships and advocacy function in Access</p>	<ul style="list-style-type: none"> a. Development of more detailed stakeholder maps for all advocacy themes, develop internal processes to ensure effective stakeholder management across the team, and use them to help assess progress towards the achievement of our vision b. In turn develop clearer influencing strategies and key messages for each theme, including how Access can support and amplify the voices of others (particularly underrepresented groups and those with lived experience) c. Undertake audit of Access's communications output (to include analysis of current communications channels, key messages, key communications milestones and language testing) d. Identify routes, with key infrastructure bodies, for capturing insight directly from charities and social enterprises e. Review how we share regular performance data through our dashboard, and enhance transparency around all programme costs in the context of Access's delivery model



Access – The Foundation for Social Investment
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