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Emerging Trends in Social Finance

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“New Asset Class”

- G8 Prime Ministers Speech
- “Growing the Social Investment Market”
- Big society Capital Annual Report -£1bn by 2015
- Social Investment Tax Relief consultation
- Impact Investment \$50bn - \$500bn
- “Angels in the Architecture”

Influence of BSC

- Grow market: £600mn to invest
- Concern over demand/deal size
- Promote diversity/new money into Social investment space
- Emergence of intermediaries: sign of maturity?
- “Social business 50/50%”



Only 3 kinds of Money

- Development finance
- Capital
- Working capital

Development Finance Investment Readiness

- Investment and Contract Readiness Fund
:SIB/Cabinet Office
- Investment Readiness Fund Lottery
- Social Innovation Fund/Key Fund
- COMA grants Locality/SIB
- Big Venture Challenge Unltd
- NCVO Assist

Development Finance

Service redesign/procurement structure

- Better Outcomes Social Outcomes Fund /DWP Innovation Fund/D of H/NESTA
- Specialist design support –Social Finance, Clearly So, Locality
- SIB used generically for PBR/Outcomes contracts
- Early adopter advantage/transaction costs

Investor Perspective

- Clear line of sight to investable proposition
- Due diligence
- Track record
- Organisational competence
- Credible people
- Risks can be assessed

Working Capital

- Social Outcome Fund CO/BLF
- Social Venture Fund (German based)
- Bridges Social Ventures
- Esme Fairburn Barrow Cadbury Trust
Tudor Trust/Lankelly Chase
- Triodos/Ecology/Unity
- CAF/Venturesome/BII/SIB/

Capital

- Community Shares/Crowdfunding
- Grants--Enriching Places tba
- Heritage Enterprise Fund
- COMA
- CADF/Communitybuilders
- Charity/Triodos/Unity/ Ecology
- Commercial-Lloyds, Barclays, RBS, Handelsbank

Community Shares

Indicators

Progress in 2013

July to September 2013 – The Figures

42 registrations (*43 last quarter*)

10 share offers (*17 last quarter*)

£2.5m equity targeted (*£5.5m last quarter*)

July to September 2013 – The Stories

Peaks community victory over Admiral Taverns

Hastings Pier Share Offer nearing launch

'Archers' Farm on track to be community owned

131 registrations
Annual target:
120

16 share offers
completed
Annual target: 39

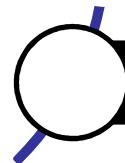
Share capital
targeted: £13.4m
Annual target:
£12.4m

Share capital
already raised:
£5.6m

Estimated new
members: 9,000
Annual target:
11,000



Two-thirds of all share offers are launched by community benefit societies."



"Over half of all those societies launching share offers in 2013, also registered this year. Compared to a third in 2012"

On the horizon



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