



Kindred

Kindred is owned locally and collectively, reinvesting money, space and our collective learning, over and over again. We are a collaborative network of socially-trading organisations (STO's) – firmly rooted in our communities – with ambition for our city region. We offer each other hands on, peer-to-peer support and learning. Our support is tailored to grow our individual and collective social impact.

Introductions!

Who are you?

What do you do?

Where do you do it?

Who do you work with?

Kindred is not just about money



What support do
Socially Trading
Organisations want
and how do we know?

What sort of Support do STOs want?

Relationships

- Access to influence when we need it
- Council interface improved, its them and us, we want to know who to go to for what- not advice, councils are not supportive, councils don't understand this sector and the value we add
- Health – negotiate outcomes in return for contracts and investment at more strategic level – all doing it ourselves and too time consuming
- Grants – don't warrant time spent applying / reporting – not proportionate – funding criteria 'outrageous' – help to change them
- **Peer & Collaborative**
- Peer networks, networks, we used to have a Community Chain, local networks – was a continuous theme
- Area forums, opportunities to meet, opportunities like this, increased collaboration, cultural enterprise peer networks, we feel isolated/pressured holding it all together, networks that break down territorialism (within and across boroughs)
- Places where we can be collaborators not competitors (funders make us competitors)
- Meetings like this so we can meet, collaborate, exchange
- The support programme should be about 'convening' the community, facilitating shared learning and benefits, embedding expertise
- Strong message sector doesn't know itself as a sector, some hadn't identified this is a sector until this meeting, but clearly from events it is (and different to mainstream Social Enterprise or Voluntary but not just businesses) - we are missing the opportunities to be a sector and collaborate.
- In all cases gathered said they found the session useful in itself, some 'deals' were done at the sessions,, or recognised they delivered social returns etc and calls to repeat - suggest this is built into / focus of support programme.

Trust

- Greater security, somewhere to go when it's going wrong for example bridging money and support, cashflow – help!
- End to stereotyping, used by others to secure cash or tick boxes – use our good names, creativity to improve value, our goodwill – how to pay back?
- We are low risk, we are professional, we are investing our time, savings and earnings, re-mortgaging our homes to get going – match us

Capacity

- Practical – hands on – business support / capacity (not advice) like interims, helpers with expertise, we all do everything – access to shared specialists within network to help us out (toilet cleaners to accountants – practical problem solvers who know sector)
- Time released to find support and figure out how to grow, 'give me time to grow my business'
- Support to be full time / one person does everything from strategic growth to bottle washing – time to grow the good stuff - sabbaticals / a year on growth
- Bus Support who know about CIC's / can step in sector, bus support doesn't understand collaboration of sector – coaching, appropriate support to sector, Expert Advice – professional specialists who know this sector, bid writing support to know how to apply

Investment readiness

- digital, marketing, finance, management – fit for purpose stuff
- Support to know how to use investment to grow, when to use a loan to grow – not subsidise, Support on how to use money to grow – property confident but capacity cautious – like the rest of the world!
- Help to structure the business to grow
- Trading beyond this area, across the city region, beyond the city region, internationally
- Help to expand the earned income side of our business
- Cultural support for locally produced products and services – how do we share equipment, production, marketing and distribution – can we collaborate to mutual gain, collective promotions

What is a Socially Trading Organisation?

Designed from within

People who are causing/contributing to a “Shift”

Deliver social Value

Not predatory

Pro social organisations with pro social values



Are you an STO or do you want to become one?

Perhaps a good way to answer this question is if you think about the things you or others might value about the work you do or your business or organisation. Does it offer things that can't be measured largely in monetary or financial terms? Socially trading organisations are businesses that deliver social benefits AND trade commercially with social purpose at heart.

They're businesses that behave in a pro-social way, with a social mission. They're driven by social entrepreneurs, who know that our economy flourishes when we collaborate. They're not specifically grant-reliant charities, or organisations that take profits out of the areas they work in. They include everyone from community businesses, community land trusts, CICs and social enterprises to cooperatives and some mission-driven companies and family businesses.

Are you an STO or do you want to become one?

Questions!

Are you already an STO?

Do you want to be? - What steps do you need to take for this to happen?

Do you work with STOs? - How does your work contribute to what they deliver?

Co-Designing Money

Monitoring costs more than the money we get

I've no time to develop earned income

Don't waste out time – tell us at the start

They fund us to deliver their objectives – not ours

I have put my heart and soul into this

Where do I find money?

It takes bravery to start a STO

Demand exceeds supply

Bigger grants are time limited, then you fall off the cliff

A Loan? Not for me

I'm scared to employ staff

You want us to compete with each other? We're mates.

They only support innovation and don't even recognise care innovation

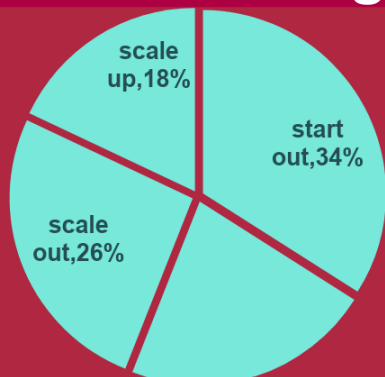
50% of our time is spent bidding

Traditional loans are like a noose round my neck



Kindred

we talked to 153 people from 110 STO's & 25 support providers



16 Creative & Cultural

12 Food & Catering

10 Health & Wellbeing

9 Young People

9 Leisure & Sports

9 Social Care

7 Educational

6 Business & Professional Services

5 Retail & Markets

4 Industrial, Manufacturing & Recycling

3 Heritage



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Socially Trading Organisations

What sort of support do they want?

Relationships

Peer support

To collaborative

Trust

Capacity

Investment readiness

“We are low risk, we are professional, we are investing our time, savings and earnings, re-mortgaging our homes to get going – match us”



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The kind of money we want

- A transformational relationship not a transactional one- what are we going to achieve together, not what are we going to repay
- Owned by us – repaying us
- Thematic challenges – so we can collaborate on solutions others just wouldn't think of
- support to understand and figure out what we need to invest in to grow our impact
- Equip us with our impact so we can collectively sell ourselves
- Cant we have some loan and some grant?
- A low or no interest loan because we offer social returns
- Patient money that allows us slow and steady growth

£13,850,000

"I want to take money out of the pot, use it for as long as I need it, then pay it back so someone else can have a go"





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Repayment terms

Risk:

Share risk & reward with fund – we both agree to invest to grow, take that risk, if we make money we both win, if we don't make money we lose our efforts, the fund loses its money, but it doesn't close our business

Need to invest in the whole ecosystem or place – not just individual ventures – we know that doesn't work

Size & length of loan proportionate to level of investment and scale of impact

OK to 'fail'

Existing turnover and time to be valued as match investment – so shows we are also taking the risk

Repayment terms

Must be unsecured – shouldn't be people risking their homes or even their existing business

Take the risk together, if works pay it back, if not don't.



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Repayment terms

- Repayment holidays – no good from day 1
- Stepping stones to repayment
- Interest rates need to recognise the sectors worth – social investment is extortionate at 10%
- Interest free / low interest
- Some repaid in 'priced' social return
- Flexibility needed – case by case agreements
- Flexibility to pay back over time (5 to 15 years or patient)
- Pay back based on affordability by the business – so pace can be changed if needed
- Be able to reuse/reinvest if delivering outcomes

Investment Readiness

- ★ Be able to tell your story (words/pictures/speaking) What do you do? Why? Where?
- ★ Understand and describe your organisations' financial position and its governance .
- ★ Know and describe the social impact your STO delivers
- ★ Know what you need money for (and how much) & how that money will grow your social impact
- ★ Describe how you collaborate in Kindred / community / place



Investment Readiness

We ask:

Can they demonstrate how their STO meets the 5 tests

Is this the right Money for their organisation?

Are they ready to use that money soon after that?

Does the process suit the pace their growth plans?

Could they use Kindred money to GROW THEIR SOCIAL IMPACT?



Social Impact

How do you demonstrate the Social Value you deliver?

We live in a time where in the public realm we are pretty fixated on measuring everything and doing this in economic terms. We measure profit and loss, dividends and markets in financial terms, and labour and works hours in productivity – products produced.

Measuring things financially remains relatively unquestioned as being the correct way for countries and governments, businesses and councils, public and private sector, to measure everything we do, however, many of these forms of measurement are tired and outdated – questions are being raised and alternatives proposed.



Social Impact

How do you demonstrate the Social Value you deliver?

To give value to values over value enables a certain shift in where we place the focus. To measure this social value enables a separate set of values to operate and count within the current system. Translating the measurement into amounts of money gives us a value that can be used in ways that government and councils, funders and businesses can understand.

The theory of social Impact is:

How much was spent?

How many people have you helped?

What was the value of these achievements?



Social Impact

How do you demonstrate the Social Value you deliver?

A number of organisations have devised social value calculators. These provide a monetary value so those social impacts you want to measure can be transferred or translated into pounds

Things that are considered important within social value banks include: health, exercise, employment, housing, community life (including connections), safety; training; education; internet access; social prescribing (such as gardening); freedom from debt; volunteering; neighbourhood. Some of the things that are viewed as detrimental include: drink, smoking and drug problems, and crime.



Social Impact

If you want to know more, some good resources can be found via;

HACT and

www.globalvalueexchange.org

The important thing to remember about these value calculations

They do not represent actual financial returns

They do not represent savings to the state

They are not money in the pocket of the participant

They represent the wellbeing uplift to the individual – using money as a common metric.



Get involved

Become a Kindred Member

Sign up on our Website

www.Kindred-lcr.co.uk

THANK YOU !

