Eastside People

WEBINAR

13th November 2025

What is social investment for charities & not-for-profits and how to get it?

OWN MERIT
STRONG FOUNDATIONS

Charity bank

BIG ISSUE INVEST

Good Finance

Bringing change together.

Eastside People is an award-winning consultancy & recruiter. For charities and other not-for-profits. With a difference...

We are proud to have:

- Delivered over 3,000 projects that drive change
- Supported 1,250 charities and not for profits with advice and expertise
- Successfully delivered more than 550 recruitment projects
- Achieved an outstanding 9.2 out of 10 rating for skills and know how.

Our community of brilliant, experienced professionals and consultants from diverse industries and backgrounds is focused solely on providing consultancy and recruitment services for the charity and wider not-for-profit sector.

Our goal is to help industry leaders build the capacity, sustainability and impact of their organisations and bring about social change.

Our track-record

Nearly 3,000 projects

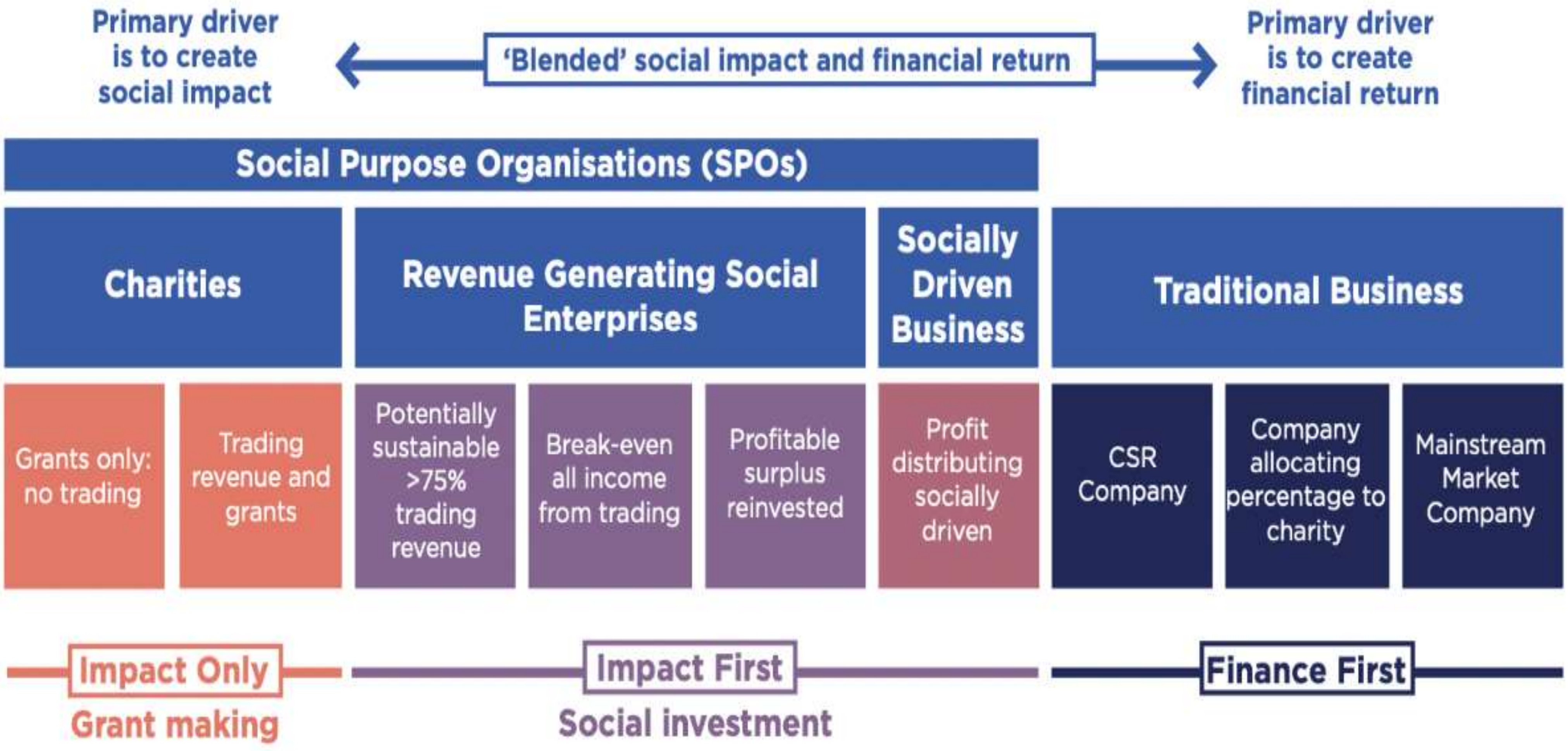
51 Reach Fund projects

Over £12.5 m investment/ donations raised

Today's Agenda

- Introductions
- The spectrum of capital
- An introduction to social investment:
  - Good Finance
  - Big Issue Invest
  - Charity Bank
- Own Merit – case study – our investment journey

Spectrum of capital (from Impact Europe)



Annie Constable, Senior Digital Content Manager at Good Finance

An introduction to social investment

An introduction to social investment

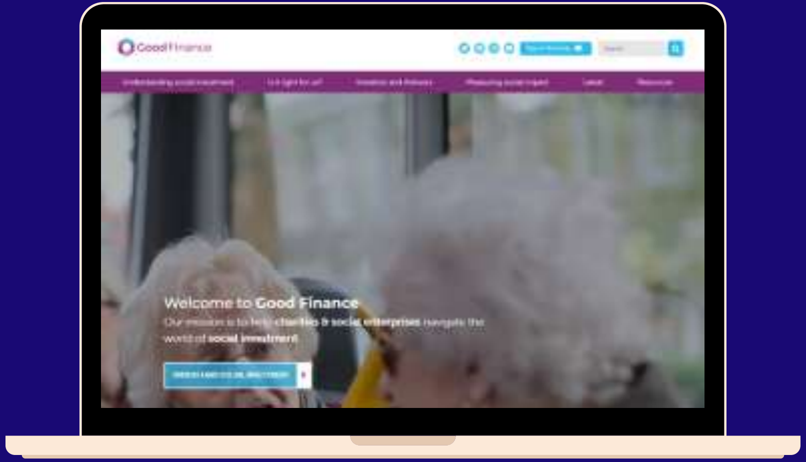
Good Finance

About

Our mission is to help charities and social enterprises navigate the world of social investment.

We are a collaborative project, jointly funded by **Better Society Capital** and **Access: The Foundation for Social Investment**.

Our goal is to **provide information**, tools and resources to better equip our users to **build knowledge,** make **informed decisions** and **establish connections** when exploring social investment.



Social investment is the use of repayable finance to help an organisation achieve its social purpose

- Social investment sits alongside grants, donations and other income streams
- Charities and social enterprises may generate a profit (surplus)
- This profit / surplus is then used to repay investors.

Your Financial Toolkit

Trading

Donations & fundraising

Contracts or payment by results

Banks

Social investment

Grants

Social investment sits alongside donations and grants as another tool that you can use to create impact

You may use a combination of these tools depending on your circumstances!

Key considerations

01 Purpose

What do you need investment for?

- Buy an asset
- Kickstart a new venture
- Grow and innovate
- Maintain cashflow

02 Repayment

Do you have a profitable income stream?

- Contracts
- Rental income
- Membership fees
- Donations / trading

03 Impact

What impact will you create?

- Activities & outcomes
- Who will benefit?
- Measuring & reporting
- Sustainability

85% of social investors are charities or social enterprises themselves!

There are 2 main kinds of social investment:

1. Debt

This is when an organisation borrows money and pays it back, usually with interest, over a period of time.

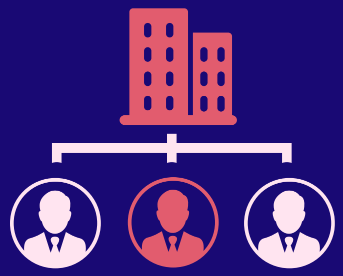
2. Equity

This is when an organisation sells shares to an investor, so they then own a percentage of the organisation.

There are 2 main providers of social investment:

1. Organisation

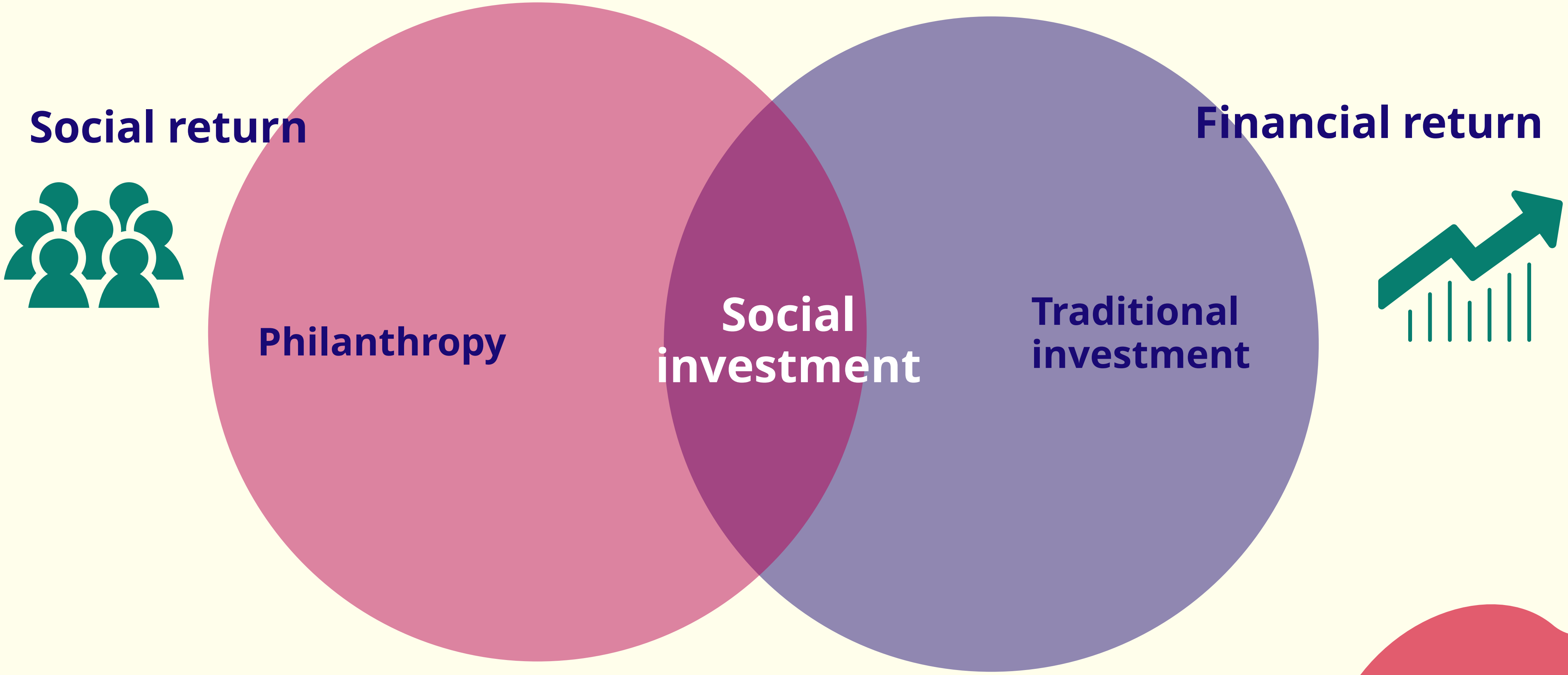
- Specialist social investment firms
- Social banks
- Trusts and foundations



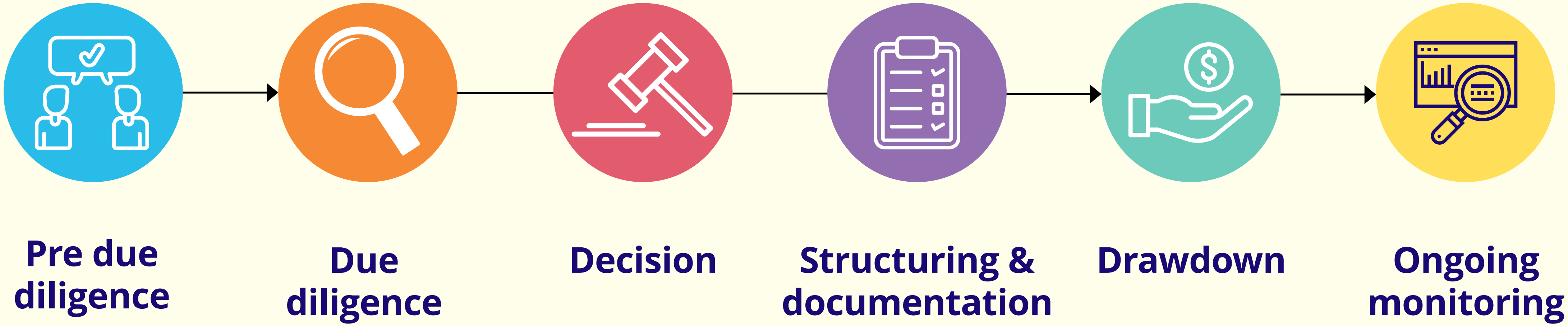
2. Individual

- Crowdfunding
- Community shares
- Angel investors

Social investors want to see the impact their money is making, not just a financial return



Following an expression of interest, the social investment journey tends to follow these stages:



Tools & resources

01

Is it Right For Us?

This diagnostic tool will help you to decide whether social investment is right for your organisation.

02

Investor Directory

Browse our list of social investors and funds across the UK.

03

Jargon Buster

Breaking down jargon to make social investment language easier to navigate.

04

Cost of Capital

Find out how much your loan could cost.

Case studies, blogs, podcasts, videos, events and more sharing 'Hear from a Peer' stories

Programmes

01

Social Investment Unpicked

A free online interactive course for anyone who wants to deepen their understanding on social investment.

02

Bitesize: Legal Structures

A bitesize programme that covers the various legal structures and what they mean for taking social investment.

03

Bitesize: Due Diligence

What does the due diligence process look like and how can you prepare for it?

04

Investment Committees of the Future

A programme of support that will lift the lid on all things to do with Investment Committees.

7 Lessons Learned

1. Social investment is not benevolent money
2. Impact matters
3. It's about much more than the money
4. Honesty is always the best policy
5. Why isn’t it cheaper if it’s social?
6. Due diligence isn’t fun but it does make your business better
7. It always takes longer than you think

Linda Wickstrom, Investment Manager

Big Issue Invest

INVESTING TO END POVERTY AND INEQUALITY IN THE UK

Our approach

IMPACT-FIRST

- We have 20 years of impact investing experience and have invested **over £100m** since then.
- We demonstrate our impact through innovative impact measurement and reporting.
- 56% of our investments are made into high deprivation areas.
- 94% of our investments address core solutions to poverty.
- We balance impact with financial returns.

TAILORED SUPPORT

- From day one, you'll be matched with a **dedicated investment manager** from our experienced team who will take the time to understand your needs. If required, we can help you access pre-investment readiness grants and assist with legal costs.
- We'll work with you to build a collaborative, financially sound, impact generating partnership.
- We offer **flexible repayment structures** and terms that really work to scale your social impact. Our investments are structured to meet the needs of your organisation.

PUSHING FOR SOCIAL EQUALITY

- We recognise that the best people to solve social problems are those who experience them directly.
- We have a benchmark of 50% of our support going to diverse-led ventures.
- We are implementing a range of equitable investment measures though our programmes of work.

Bringing investment together

In the 20 years since Big Issue Invest launched, we have raised over £100 million from a diverse range of investors who want their money to solve societal problems.

We raise capital from organisations such as:

Social finance investors
- Better Society Capital
- Access

Combined Local Authorities
- North East Combined Authority
- Greater London Authority

Banks and other financial institutions
- Unity Trust Bank
- Bank of America
- HSBC
- Aspen
- Beazley

Charitable Trusts & Foundations
- Scope
- Esmee Fairbairn Foundation
- Charities Trust

Individuals

To design programmes and funds that:

Foster the social impact champions of tomorrow
Accelerators and grant funding for early-stage organisations and initiatives
- Power Up London
- Growth Impact Fund Technical Assistance Facility

Strengthen community changemakers
Social impact loans in organisations delivering solutions for their local communities
- Flexible Social Finance Fund
- Impact Loans England

Scale social business to the next level
Growth capital for revenue-generating organisations tackling inequality and providing crucial social infrastructure
- Social Impact Debt Fund IV
- Growth Impact Fund

And enable mission-led organisations to:

Innovate for new solutions

Improve financial sustainability

Scale up delivery and impact

How can we support you?

We offer different financing options to suit your organisation and help you grow

Affordable, flexible loans

What we offer: Secured and unsecured loans, with interest-only periods available. We fund deals that banks won't and often at lower rates.

Who we fund: We support a wide range of social impact initiatives within the UK - including health and social care, affordable housing, homelessness, skills & employment and community & social infrastructure

Loans from **£20,000** up to **£3.5 million**

Equity & Revenue Share Investments

What we offer: This structure aligns our returns with your commercial success, offering flexibility during periods of fluctuating income. We can invest in organisations with or without shares.

Who we fund: We support impact organisations with scalable models and predictable revenue streams, enabling them to grow sustainably.

Investment amounts from **£200,000** up to **£750,000**

BIG ISSUE INVEST

Our investment approach

Screening
Getting to know you

"We start with a chat about the organisation's aspirations, their impact and finances. By understanding these, we can direct them to the most suitable support."
Michael Burns,
Head of Lending

Due Diligence
Thorough and constructive

"The process is extremely thorough and has supported the charity to decide whether it has the financial ability to take on a large loan and comfortably afford the repayments in various downside situations."
Piera Jalan,
Business Manager,
Great Oaks College

"Throughout, there was a clear focus on impact. Our conversations went deeper into impact metrics and Theory of Change than with other investors."
Matt Pierri,
Founder,
Sociability

Pre-investment support
Bridging the gap

- We make referrals to the Reach Fund, which provides investment readiness grants of up to £15,000.
- For potential investees of our Growth Impact Fund, the built-in Technical Assistance facility provides up to £15,000 worth of support to become investment-ready.
- For organisations who are virtually investment-ready, our Investment Managers provide ad-hoc support as part of the Due Diligence process.

Post-investment
Support when it's needed

"Big Issue Group have supported us with helpful press coverage, awards and events – which we really appreciate!"
Ren Hooi, Founder & CEO,
Lightning Reach

"Whilst I don't think BII labels itself as a patient lender, it has certainly been understanding of difficult periods. [...] Its commitment to social business is more than lip service."
Eddie Bridgeman,
Director,
Meanwhile Space CIC

"Working with BII has been a breath of fresh air. Unlike a bank, which can feel very 'computer says no,' BII asked, 'how do we help?'"

Lucy Jenkins, Co-CEO, Ushaw Historic House

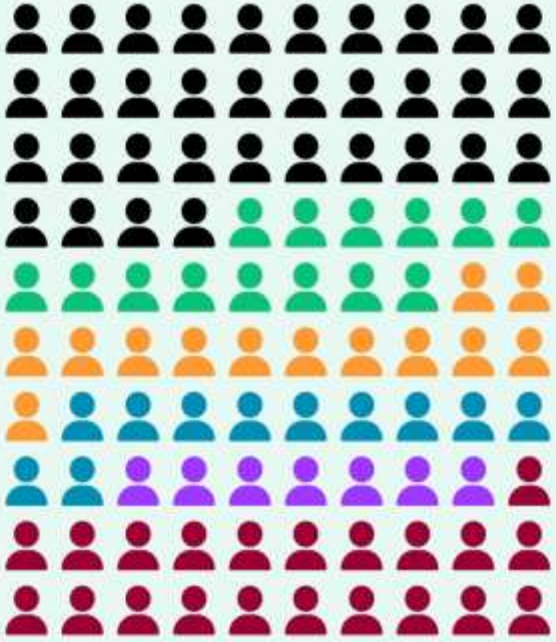
Impact of our investees

In 2024/25 we have worked with 139 social purpose organisations, who in turn have reached

1,881,000

people across the UK with their impact services or products.

The 5 primary groups of people supported by our funding include (by portfolio value):



Living in precarious housing or homeless
34%

Learning difficulties and other neurodivergence
14%

Experiencing unemployment
13%

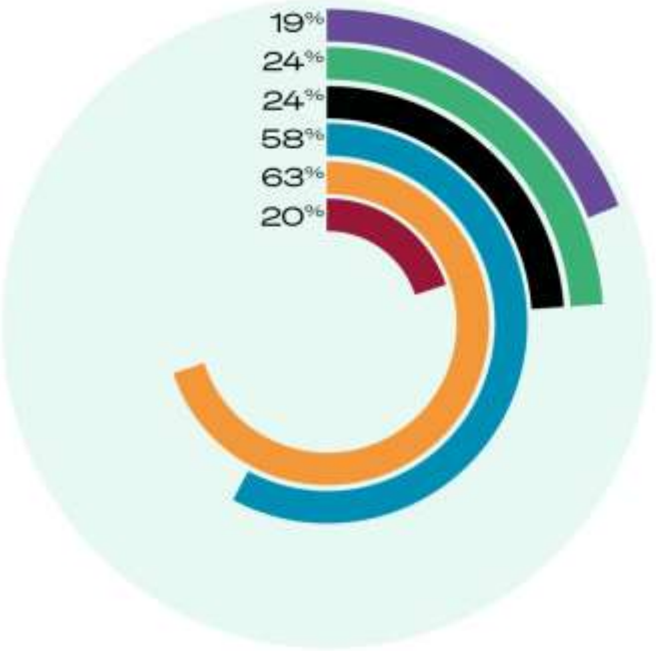
Living in communities directly impacted by climate change or environmental degradation
11%

Living in poverty and/or financial exclusion
7%

Other user groups
21%

What our investees do (% of investees)

The way our investees engage with people and communities ranges from digital information services which reach an audience of many but are lighter touch, through to group therapy and highly impactful, intensive services such as individual care and housing.



Key
- Consumer goods
- Information, signposting and guides
- Providing facilities to people or businesses
- One-off or group support
- Intensive support (including housing)
- Employment opportunities

Top 5 UN Sustainable Development Goals contributed to by our investees are:

35% 15% 14% 12% 11%

CONTACT ME

Linda Wickström
Investment Manager

Email: linda.wickstrom@bigissueinvest.com

Carolyn Sims, Director of Impact Lending

Charity Bank

Charity bank

Your bank **for good.**

November 2025

Carolyn Sims, Charity Bank's Director of Impact Lending

About Charity Bank

We exist to support, strengthen and grow social sector organisations

The loans and savings bank for charities, social enterprises and people who want to make the world a better place

Our vision is for a society that fosters vibrant communities and a healthy planet, giving every individual the opportunity to thrive

Over 1,400 loans worth £594 million since our inception in 2002

100% owned by charities and social purpose investors

Charity bank

An Impact First Social Investor

Charity Bank is a regulated bank and a registered charity. We lend to charities and social enterprises using our savers' deposits.

We use retail and institutional deposits to provide loans. Savers know their money is being used to support social good.

We offer straightforward loans to charities and social enterprises, often for property purchases, service expansion, or refinancing.

Charity Bank focuses on enabling charities and social enterprises to grow sustainably, with a strong emphasis on ethical banking.

Charity bank

Why use loan finance?

Some of the many reasons our borrowers use loan finance.

- To develop, buy or refurbish a building
- To refinance other borrowing
- To bridge receipt of delayed funds
- To support working capital
- To invest in new activities and develop new income streams
- To form part of a match funding package
- To supplement grants and donations

Charity bank

What we look for

- Evidence of demand for your services
- Well-developed plans
- Timely and accurate financial accounts
- Evidence of affordability

- Good governance
- Security as secondary source of repayment
- Internal risk assessment/register
- Significant tangible Social Impact

Charity bank

Questions to ask your lender

- **Interest** – rate, type & term
- **Fees** – any additional costs?
- **Security** – what is required?
- **Commitment** – when do you become obligated?
- **Default** – what happens if things go wrong?
- **Covenants** – are they overly onerous?




Charity bank

What else should you look for from your lender?

- A fast and efficient process
- Process and costs set out at the outset
- Social sector expertise
- Supportive approach
- More than money: ethics, values and ethos

Charity bank

What makes Charity Bank different?

With over 20 years' experience, supporting hundreds of charities and social enterprises, we are more than just an ethical bank.

- A committed partner
- A social sector specialist
- Patient and supportive
- Loans tailored to you

Charity bank

Our loan terms

- £150,000 up to £10 million+ (larger loans delivered in partnership)
- We provide bespoke debt structures
- Terms up to 25 years
- We provide development finance
- No early repayment penalty on variable rate loans unless re-financed with another lender in the first five years

Charity bank

Owned by the social sector, for the social sector

Access The Foundation for Social Investment
Alternative Bank Schweiz
Bank Workers Charity
The Baring Foundation
Barrow Cadbury Trust
Better Society Capital
CAF Charities Aid Foundation
The Church of England The Archbishops' Council

The Clothworkers' Foundation
The Community Foundation Northern Ireland
Cumbria Community Foundation
The Drapers' Company
Frederick Mulder Foundation
Esmée Fairbairn Foundation
Garfield Weston Foundation
THE HELP FOR ALL TRUST

THE HELP FOR ALL TRUST
IGEN TRUST
Lankelly Chase
The Linbury Trust
The Mercers' Company
NCVO
Nuffield Foundation

Places for People
RBS SOCIAL & COMMUNITY CAPITAL
Samworth Foundation
the Tudortrust
THE PHILIPS FUND
Vodafone Foundation
wates foundation

Our mission is your mission

We have made over 1,400 loans worth over £594 million across a wide range of sectors and causes

Arts
92 loans
£17.5m

Community
212 loans
£53.6m

Education & Training
124 loans
£50.7m

Social Housing
421 loans
£258.7m

Environment
65 loans
£17.3m

Faith
198 loans
£106m

Health & Social Care
219 loans
£76.4m

Sport
83 loans
£14m

The impact of a loan

Loans help our borrowers improve their financial position, the quality and reach of their services, and their ability to deliver their mission.

% of borrowers that agree that their loan has helped in the following ways

57%

Project would not have gone ahead without the loan

72%

Loan led to growth in services offered

96%

Loan positively supported mission

78%

Loan improved the quality of their services of facilities

82%

Strengthened their organisation, increasing their likelihood of growth

83%

Led to growth in their assets of facilities

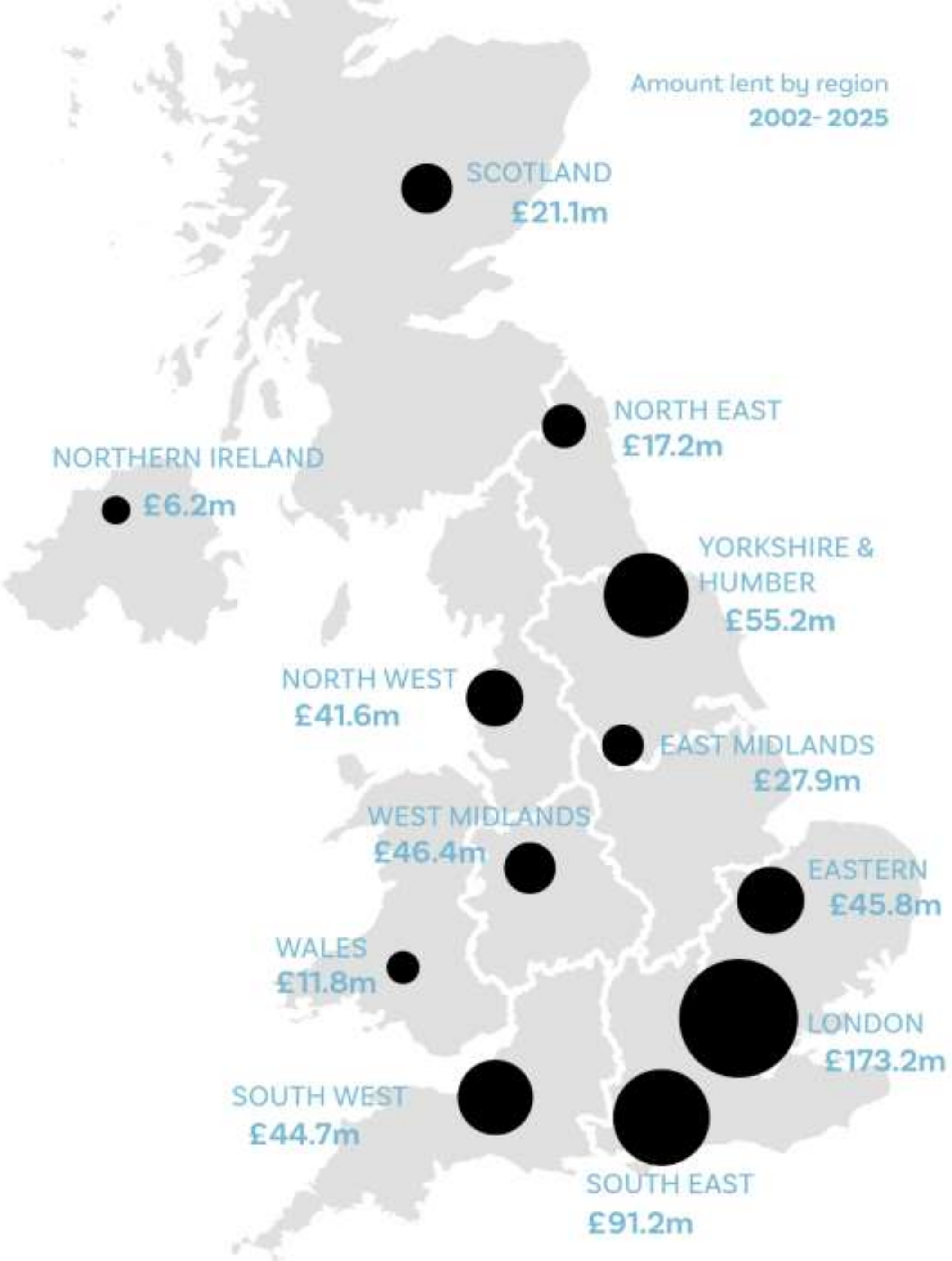
66%

resilience during economic crises

Charity bank

Source: Charity Bank Borrower Survey 2024

Our regional managers are located across the UK



Charity bank

Savings that support your mission

- Save in a way that supports your mission and values
- Eligible deposits covered by the Financial Services Compensation Scheme (FSCS)

Apply online at:
www.charitybank.org

Charity bank

Your bank for good.

Carolyn Sims

Director of Impact Lending

07795 485541

csims@charitybank.org

Scan the QR code to save me as a contact

Your bank for good.

ANY QUESTIONS?

Darryn Frost, Founder, Own Merit

Case Study: The Own Merit story

Q & A

Resources

- General resources on social investment goodfinance.org.uk and Social Investment for Boards resources goodfinance.org.uk/partner-portal#BoardsAndTrustees
- For information on the Reach Fund reachfund.org.uk includes a list of “access points” (contact jo@eastsidepeople.org for advice on how to access Reach Fund grants for social investment planning).
- For Eastside People social investment support Charity Social Investment Services | Eastside People
- For Access- the Foundation for Social Investment Access - The Foundation for Social Investment | Looking for…
- For Social Investment Business sibgroup.org.uk

Contacts

Good Finance: aconstable@goodfinance.org.uk

Big Issue Invest: linda.wickstrom@bigissueinvest.com

Charity Bank: csims@charitybank.org

Eastside People: jo@eastsidepeople.org

Eastside People

Jo Simpson

jo@eastsidepeople.org

https://eastsidepeople.org

Your feedback and requests for help are always welcome!

Thank You.