



The Social Investment Consultancy

Our Social Investment Readiness
services

Prepared by

The Social Investment Consultancy

www.tsiconsultancy.com

What is social investment?

Social investment is finance provided to the voluntary, charity and social enterprise (VCSEs) sector by investors. Social investors expect to get their money back, with interest, and want to see evidence of positive social change as a result of their investment. Social investors include social banks, social investment funds and private individuals.

Many charities and social enterprises would benefit from social investment to help them realise their ambitions to scale, to generate more unrestricted income and to become less reliant on grants and donations. However, getting ready for social investment can sometimes seem like a daunting process, and something that is outside of the management team and trustees' comfort zone and experience.

How we can help

The Social Investment Consultancy is committed to bridging the gap between the VCSEs and social investors and to supporting the sector as a whole to evolve and develop its approach to delivering social change. We can support you on your investment readiness journey in a number of ways:

1. **Helping you to think more holistically about your long-term organisational strategy**
2. **Equipping you with the skills, knowledge and mind-set to take on social investment**
3. **Lending our expertise to the more technical aspects of social investment readiness**
4. **Supporting you to develop your pitch to social investors and helping you to make connections with them**
5. **Helping social investors to understand the profile of your organisation and why it would be appropriate for social investment**

Our experience

We have supported dozens of clients to explore whether social investment is right for them, helping them to build a case for social investment and supporting a number of them through the process towards a specific investment deal.

Our experience has demonstrated to us that there is a wealth of opportunity for investment in the VCSE sector, and a growing appetite in the investment sector to release finance to ambitious social organisations who are making a real difference in their communities.

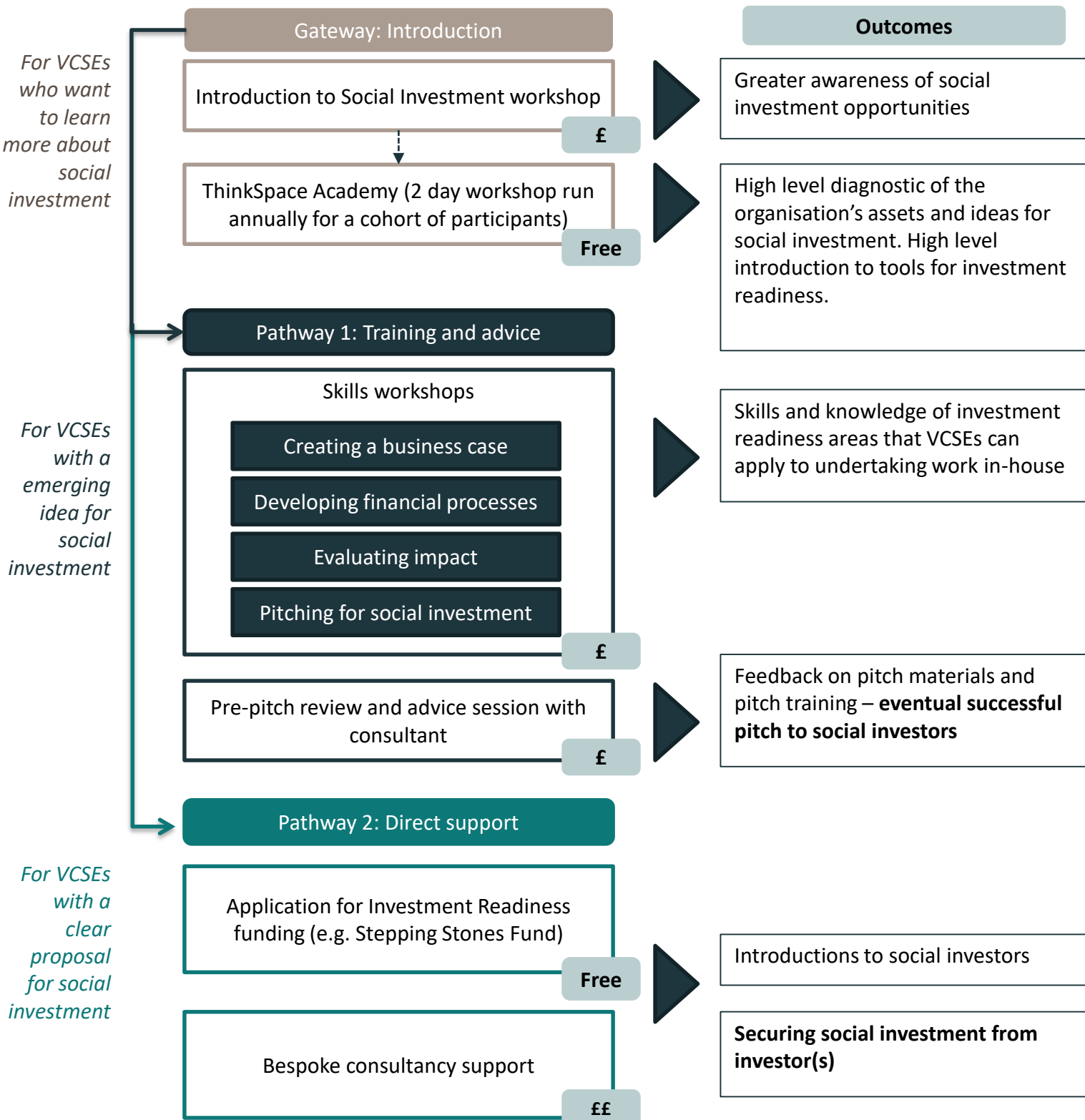
What next?

Whether you are wondering about social investment as a potential option for the future or whether you have a specific proposal for social investment in mind, we can support you to get closer to your goals. This document lays out a number of different pathways of support, and if they are of interest we would love to start a conversation with you!

The Investment Readiness Journey

Based on our experience of working with charities and social enterprises to get them investment ready, the diagram below shows a number of ways in which we can support you depending on where you are in the investment readiness journey.

Key	
Free	provided free of charge by TSIC as pro-bono activity
£	Fee covers attendance at workshops for multiple organisations
££	Fee covers dedicated one-to-one consultancy support



For VCSEs who want to learn more about social investment

Gateway: Introduction

Introduction to Social Investment workshop **£**

ThinkSpace Academy (2 day workshop run annually for a cohort of participants) **Free**

For VCSEs with a emerging idea for social investment

Pathway 1: Training and advice

Skills workshops

- Creating a business case
- Developing financial processes
- Evaluating impact
- Pitching for social investment

£

Pre-pitch review and advice session with consultant **£**

For VCSEs with a clear proposal for social investment

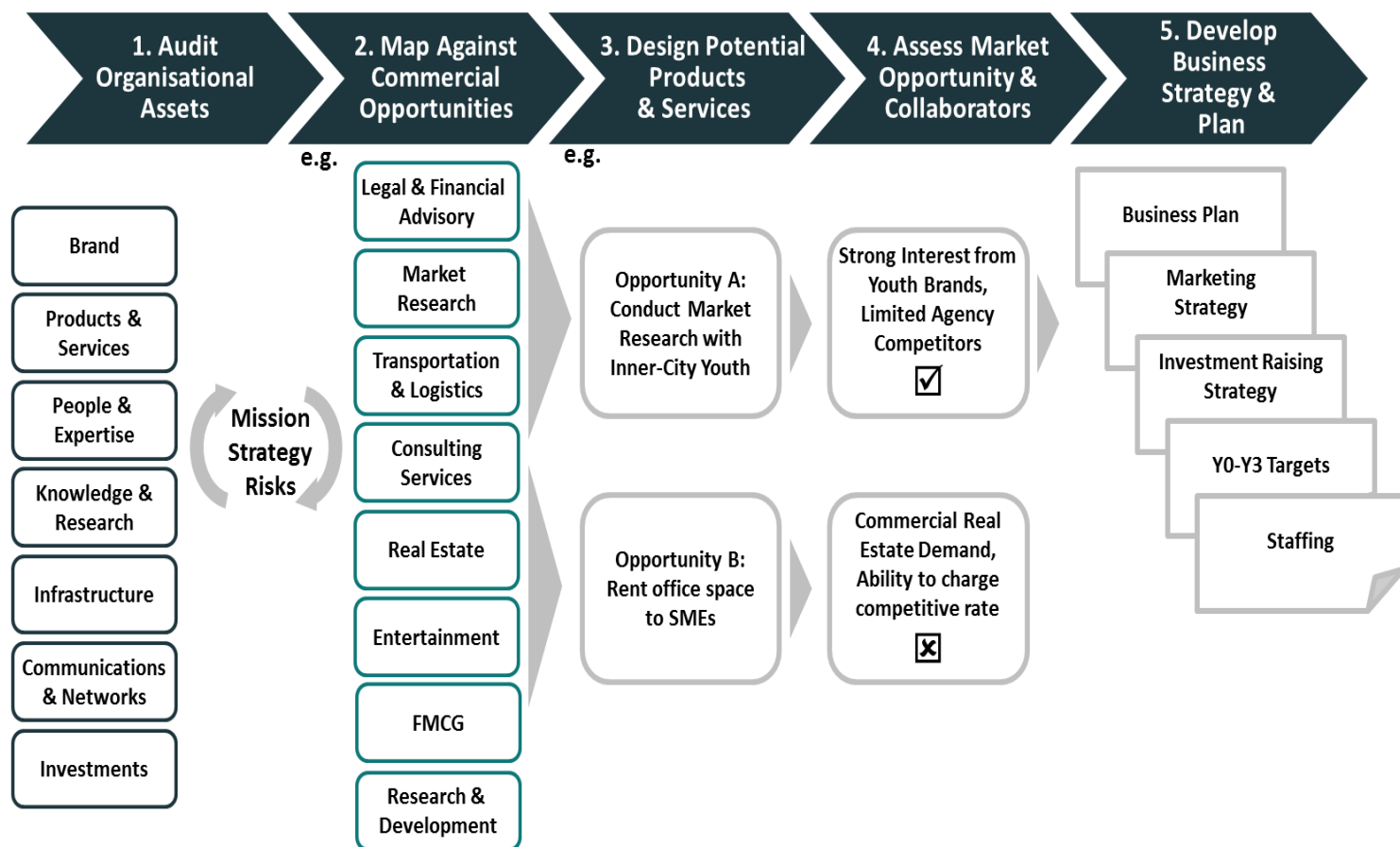
Pathway 2: Direct support

Application for Investment Readiness funding (e.g. Stepping Stones Fund) **Free**

Bespoke consultancy support **££**

TSIC Charities Unlocked: Overview

The diagram below illustrates TSIC’s approach to identifying unique opportunities for charity-led trading enterprises to harness and utilise their existing assets where possible in the pursuit of generating sustainable income:



	1. Audit Organisational Assets	2. Map Against Commercial Opportunities	3. Design Potential Products & Services	4. Assess Market Opportunity & Collaborators	5. Develop Business Strategy & Plan
Activities	<ul style="list-style-type: none"> Conduct audit of organisational assets in seven key areas Understand charity’s mission, strategy and potential risks 	<ul style="list-style-type: none"> Identify potential commercial opportunities using key assets Conduct research into existing services and competitors 	<ul style="list-style-type: none"> Brainstorm new products or services with leadership 	<ul style="list-style-type: none"> Identify additional resources and investments required (e.g. staff, infrastructure) Conduct market and competitor analysis 	<ul style="list-style-type: none"> Develop business strategy, timeline and route to market Design marketing strategy Develop investment raising strategy Develop plan for staff recruitment
Outputs	Complete assessment of core strengths, capacities and strategy	Identification of 5-7 potential commercial opportunities	Outline of 5-7 potential products or services	Prioritised list of most lucrative opportunities, risks and unique selling points	Detailed business plan and strategy for taking 2-3 new products or services to market

Potential Approaches

The TSIC team has a wealth of experience from multiple sectors and can provide direct support to help you move towards your social investment goals. We work with clients on a case-by-case basis to establish what specific support would be most beneficial, and have a strong focus on building capacity and knowledge within our clients' teams. Key areas that organisations often need support in in order to reach investment readiness include:

- **Governance & Leadership**
- **Market Potential**
- **Financial Performance**
- **Financial Systems**
- **Impact Measurement**

Support we can provide to develop your organisation across these areas include:

- Facilitating an organisation-wide **ideas generation exercise** to unlock the great ideas of your team
- Carrying out **market research**, including market potential and competitor analysis
- Developing **business plans** and **board proposals**
- Developing **marketing strategy** and **marketing plans**
- Carrying out **financial modelling and planning**
- Preparing **itches** for social investment and facilitating **introductions** to social investors
- Delivering **skills workshops** for staff, trustees and key stakeholders to build internal capacity and expertise

Below is an overview of the types of social investment projects we can provide, the activities involved, and indicative project days required.

Project type	Activities	Outputs	Indicative Days Breakdown	Total
Introductory workshop	<ul style="list-style-type: none"> • Workshop planning • Workshop facilitation • Workshop write up 	<ul style="list-style-type: none"> • Workshop write up 	<ul style="list-style-type: none"> • 0.5 days planning • 1 day facilitation x 2 people • 1 day write up 	3.5
Feasibility Study	<ul style="list-style-type: none"> • Desk based market research • Competitive analysis • Operational analysis • Risk analysis • Financial analysis 	<ul style="list-style-type: none"> • Market research report • Feasibility study report 	<ul style="list-style-type: none"> • 5 days research • 5 days reporting • 0.5 days project management 	10.5
Business Planning	<ul style="list-style-type: none"> • Market research • Competitive analysis • Operational analysis • Risk analysis • Financial modelling • Carry out evaluation audit • Theory of Change and Evaluation design • Liaise with social investors • Trustee and staff training 	<ul style="list-style-type: none"> • Market research report • Business Plan • Financial Model • Evaluation Framework • Pitch deck 	<ul style="list-style-type: none"> • 5 days research • 1 day client workshop • 5 days business plan • 3 days financial model • 3 days evaluation audit • 1 day client workshop • 3 days evaluation framework • 1 day liaise with investors and create pitch deck • 1 day training delivery • 1 day project management 	23

Relevant Past Projects

TSIC has completed several research projects in the UK focused on scoping social enterprise activity and identifying income generation opportunities.

In-House Research – Charity Enterprises

As part of our in-house research programme, in April 2013 TSIC published 'Charities Unlocked', the first report examining social enterprise activity in the UK charity sector. As part of the research, TSIC conducted structured telephone interviews with a sample of 50 UK registered charities exploring their current income streams and interest in pursuing revenue-generating activities. This information was used to develop a forecast of where the charity sector is headed and to inform practical recommendations for charities interested in exploring social enterprise approaches.



Download link:
<http://www.tsiconsultancy.com/wp-content/uploads/2013/04/TSIC-Report-Charities-Unlocked1.pdf>

In-House Research – Finance for Social Enterprises and Social Investment Market

In late 2013, TSIC and London Economics were commissioned by The Social Investment Research Council to produce a report scoping potential new sources of capital for the UK social investment market from institutional investors. The research for the report involved conducting desk research and identifying key players across eight distinct investor groups and undertaking semi-structured interviews with chief investment officers and advisers across 30+ organisations to map their knowledge, motivations, and barriers to making social investments. The resulting report identified charities as a priority investor group for raising the next £500m in risk finance capital to consider social investment as part of their investment portfolio, given their preferences to be impact-driven not only in programming but also in their investments.



Download links:
New Specialist Sources of Capital for the Social Investment Market:
<http://www.cityoflondon.gov.uk/business/economic-research-and-information/research-publications/Documents/Research-2014/new-specialist-sources-of-capital-for-the-social-investment-market.pdf>

In 2011, TSIC published a research briefing looking into the sources and types of finance available to social enterprises in the UK, and gaps in the market. The market research found that many social enterprises were stuck in start-up stage due to a lack of investors offering growth finance after seed capital but before enterprises are able to demonstrate a multi-year track record. The briefing suggested ways for investors and entrepreneurs to work together to drive the growth of individual enterprises, both financially and with experienced investors contributing their own expertise.

Financing Social Enterprises:
<http://www.tsiconsultancy.com/wp-content/uploads/2012/04/Financing-Social-Enterprises-Mar-2011.pdf>

Based on our research and expertise, TSIC regularly conducts training on social investment for foundations, corporates and in national and international conferences.



In-House Social Enterprise – Incubating a New Education Social Enterprise

Private schools and universities have leveraged alumni as volunteers, mentors, and donors for generations, but until Future First was launched by TSIC the system was completely absent from UK state schools. TSIC designed, co-funded and incubated a completely new social enterprise that now works in over 10% of all UK state schools and colleges. With TSIC's strategic advice, Future First now operates as a social enterprise, not only selling its alumni services directly to schools, but also securing sponsorships from corporates.



Based on a 9-country research report funded by the Open Society Foundations, TSIC helped to establish Future First Global in 2014, which is working in 95 schools in Kenya and set to expand into Liberia this year.

Relevant Past Projects



External Client – Exploring Income Generation



Relate is the UK's largest provider of relationship support, working with upwards of 150,000 people a year. The services they offer include family and relationship counselling, counselling for young people and children and sex therapy. TSIC was appointed by Relate to support the charity in generating and testing new income generation ideas. Working closely with Relate's leadership team, TSIC helped Relate move from a long-list of over 20 ideas to preparing to pursue two which present the most viable commercial opportunities.

Results: TSIC has delivered a full business plan for the two ideas, one which involves a kitemark leveraging the charity's brand, and legal assessment of how to structure the activity.

External Client – Exploring Income Generation



Age UK Horsham District is a local Age UK charity operating in Horsham District. TSIC led the charity to generate new commercial ideas, and shortlisted these against pre-agreed criteria, including strategic alignment; an external assessment of the size of the market and price points; potential competitors and unique selling points; as well as an internal assessment of set-up costs and on-going direct and indirect costs. As a result of this analysis, TSIC recommended 4 priority opportunities concerning Help at Home services and retail operations, and created business cases to argue for the potential value of each.

Results: TSIC provided the charity with a detailed analysis of 4 opportunities, including primary market research, implementation considerations and costs. The charity has decided to pursue Help at Home services and has secured in-house consultancy support from Age UK (the umbrella organisation) to work on a business plan.

External Client – Raising Social Investment



Student@Home is an award-winning social enterprise which employs university IT students to provide affordable tech support and training to housing association residents and other individuals struggling with technology. In search of social investment to finance a national expansion, Student@Home approached TSIC in 2013 to develop a system for measuring its impact to present to social investors. TSIC supported Student@Home in developing its theory of change, and designed data collection tools and processes to capture quantitative and qualitative evidence of impact across both its student employees and customers. TSIC then undertook data analysis and produced a summary presentation outlining impact to date and key messages to take to investors.

Results: Student@Home used the results to successfully secure investment of over £100k through UnLtd's Big Venture Challenge match funds and from other angel investors.

External Client – Raising Social Investment (Big Potential)



Student Hubs is a national charity that works with universities and students to help them get involved in volunteering and the social sector. In 2015 TSIC was appointed by Big Potential to support the growing social enterprise as they looked at their next stage of growth. TSIC conducted a feasibility study to establish key areas of expansion to include the profile of universities, departments and individuals who were most likely to commission their services. The study also looked at price points, time of year budgets are decided and current brand-awareness of the organisation.

Results: The subsequent feasibility report helped inform their five year business plan that will take them to national coverage. Student Hubs also managed to raise just under £100k in Q1 2016 in order for the charity to transition to a trading-based income model.



Bonnie Chiu, Managing Director

Bonnie joined TSIC in 2014 after completing her MSc in International Relations at the London School of Economics. At TSIC, she leads on charity revenue generation and investment readiness, and impact measurement is a key component of her work. She has an ILM Development Award in Social Return on Investment (SROI), and she specialises in participatory action research given her experience setting up Lensational, a social enterprise which trains marginalised women in participatory photography. Lensational was shortlisted as an 'Inspiring Youth Enterprise' by Social Enterprise UK. She is also the Coordinator of Women in Social Finance, a London-based private community of mid- and senior-level women working in the fields of social finance and impact investing.

Bonnie has in-depth experience supporting social enterprises. She is a Trustee of Student Hubs, a national charity that works with universities and students to help them get involved in volunteering and the social sector. She was recently awarded the Young Achiever of the Asian Women of Achievement Awards.



Alex Britten, Consultant

Alex joined TSIC as a Consultant in 2017. Her background is in youth and international development, having previously led UK youth engagement programmatic activities for Restless Development. Prior to TSIC, she worked at millennial focused think tank Common Vision, and she has much experience in qualitative and quantitative research methods, as well as a First Class degree in Mathematics from the University of Nottingham. She has led programmes funded by DfID, The Gates Foundation, Erasmus+, Power To Change, and many others. She has extensive experience in workshop design and facilitation, in particular utilising immersive, participatory and inclusive techniques. She is also an experienced campaigner, having led advocacy, public engagement and political campaigns both professionally and personally. She recently established and leads a successful FoodCycle franchise in East London.



Kalm Paul-Christian, Analyst

Kalm joined TSIC from Rothschild & Co. investment bank, having worked in their Global Financial Advisory division. He currently serves as an Independent Advisor to the University of Oxford to improve their diversity and access and outreach strategy and as an Independent Consultant to diversity focused charity SEO London, developing chargeable programmes for their for-profit subsidiary to diversify revenue streams. He is also Governor of Finance for Leytonstone Business and Enterprise Specialist School. He volunteered as a consultant for the Resource Centre for disabled people in Ghana, advising on how to extend their reach to underrepresented communities. For this project he devised and carried out a culturally sensitive questionnaire across the entire region of Tamale, Ghana, reaching over 100 communities in less than 60 days, and utilised these data results to devise a growth strategy for the instructing centre. This strategy has since been implemented and has doubled their reach.

We work with a wide range of Associate specialists to deliver work across specialisms and sectors. Please see our website for further details of our Associate Team.

➤ UK social enterprise expertise

With the UK as a hub for innovation in social finance, growth in social enterprise approaches, and the home base of many of the world's leading social investors, TSIC's London team is well placed to draw on the best practice in the UK. Our team have advised organisations at both ends of the social finance spectrum, both investors looking to deploy capital for social change as well as entrepreneurs and early-stage enterprises looking to prove a model and attract investment. We understand the support needs of social enterprises and the information and relationship-building needs of social investors required to grow markets locally.

➤ Hands-on experience

TSIC's team have worked in-house at some of the world's leading charities and social businesses. Prior to joining TSIC, they have been youth workers, community health trainers, human rights activists, fundraisers and organisation founders. We understand the complexities of development projects as well as of starting new social enterprises, and see an opportunity to transform the social enterprise sector globally not only through research, but also through bringing our own delivery experience and networks to the table.

➤ Social commitment

As part of our own corporate social responsibility, in 2008 TSIC provided seed funding and helped incubate Future First, an innovative social enterprise that works in over 500 UK schools to raise aspirations using alumni as role models. Since then, we have helped the organisation expand into the US and Kenya, working with local partners to replicate and adapt the programme. We are now incubating a new charity, Future First Global which is looking to expand into Liberia. We are passionate about finding and helping grow great ideas for social change, and this commitment underpins all the work we do.

➤ Connections to social investors

We have been working in the social investment sector since 2007, advising a diverse range of foundations, high-net worth individuals, and investors on how to achieve social impact through deploying wealth. We have developed connections to individuals who are both passionate about the space and know how to leverage the influence and resources of others. We are able to draw on this network to help our clients understand which prospective investors they should be speaking with and how.

➤ Expertise in qualitative evaluation

Our team of consultants have been recruited from top-tier universities and research institutes across the world. They have experience gathering insights from a wide spectrum of stakeholders, ranging from rural entrepreneurs in Tanzania to community-based project officers working to involve women and girls in political processes. At TSIC, we have worked with organisations such as UNICEF, Amnesty International and Standard Chartered Bank to interview staff, potential funders, volunteers and programme beneficiaries to gather a wide-range of views and to distil these into insights for the leadership team.

About Us

The Social Investment Consultancy (TSIC) operates at the intersection of the for- and non-profit worlds, dedicated to helping charities and businesses maximise their social impact. The latest models of social enterprise, revenue generation and social investment, and the integration of skills and expertise from across the public, private and third sector form the basis for our work.

In 2015, TSIC became one of the 62 founding [B Corps in the UK](#), certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency.



TSIC is also a member of [Social Value UK](#), and forms part of a wider international movement of over 1000 members in more than 40 countries, through Social Value International.

TSIC has received global media coverage including [Financial Times](#), [Fast Company](#) and [The Guardian](#).

Our services to **charities & social enterprises** include:

- Exploring revenue-generating opportunities and incubating new business ideas
- Preparing for successful investment and fundraising through strategy and communications planning
- Evaluating and communicating the impact of charitable programmes

Our services to **businesses** include:

- Building flagship corporate community engagement programmes through the TSIC Fuse process
- Identifying high-impact cause areas and partners, performing due diligence
- Developing external marketing campaigns and reporting on impact



We also work with **philanthropists & foundations** through our partner brand, [Ten Years Time](#).



Our current and past clients include:

