Investment Policy

For the £87.5m Dormant Assets release 2025

DRAFT Version 1.1, August 2025

Background

About Access – The Foundation for Social Investment

Charities and social enterprises often struggle to access finance from mainstream lenders like banks. Social investment plays a vital role in ensuring these organisations have access to the capital they need to deliver long-lasting, tangible economic and social benefits in their communities.

Access targets those most in need of patient and flexible investment through:

- Funding enterprise development and ***blended finance*** 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

Access is a ***wholesaler*** of subsidy into social investment structures. This means that **we do not fund charities and social enterprises directly**, we fund the ***social investors*** and other intermediaries that do. We can only fund activity that supports charities and social enterprises which have an ***asset lock***, are based in **England** and deliver all (or the vast majority) of their impact in England.

About Dormant Assets

The Dormant Assets scheme sees unclaimed financial assets, dormant within financial institutions, repurposed for a range of uses, one of which is social investment.

Between 2018 and 2023 Access received several awards from the Dormant Assets scheme totalling £83m. We committed all of this to various social investor/ other intermediary partners by mid-2024, with those partners deploying that funding to charities and social enterprises over a number of years (with some still to be deployed due to the multi-year nature of social investment funds).

In June 2025 the Government's Dormant Assets Strategy was published, setting out an intention to commit a further £87.5m to Access from the Dormant Assets Scheme's 2024-28 release.

About our strategy for this new money

The next phase of our work will be guided by Access's 2025-28 Strategy, in particular our vision for the social investment ecosystem (see **Appendix 1**) and our Theory of Change (see **Appendix 2**). We strongly recommend that applicants familiarise themselves with these as they are guiding documents for the prioritises that we wish to pursue over the next few years. The strategy has been largely shaped by the development of the Community Enterprise Growth Plan (CEGP) which was produced following consultation with the social investment and social enterprise sector in 2023.

This £87.5m that Access received in 2025 will be used to support the delivery of the CEGP, with Access funding partners who can demonstrate how they will contribute to this strategy. The activity delivered overall is expected to make a strong contribution to the aspirations of the CEGP, but this money will not be enough to deliver everything which that plan calls for.

Specific targets that we have committed to in the Community Enterprise Growth Plan, which have been established through the Government's Dormant Assets Strategy, can be found in **Appendix 3**.

About this Investment Policy

This Investment Policy (IP) sets out how the £87.5m will be committed. The IP serves two purposes:

1. This document is a mandate for the Access Investment Committee, which has delegated authority from Access's Board of Trustees to commit the majority of this funding (minus carve-outs as detailed below) in line with the IP.
2. This document will be published to help aspiring applicants to understand what Access can and cannot fund and – alongside application guidance and support from the Access team – to guide them to and through the application process.

We are carving out £15.5m of the £87.5m as follows:

- We have allocated £12m to **Pathway Fund**, the new Black and Minoritised-led social investment wholesaler, as proposed by the Adebowale Commission and elsewhere. This £12m is 14% of the total pot, reflecting the proportion of UK social enterprises which are led by people from black and ethnically minoritised backgrounds. As discussed later in this document, this does not mean that

Access and its own delivery partners will cease targeting diverse-led organisations or let up on the progress that has been made in this area in recent years. Pathway Fund will publish their own strategy for how they intend to use this money and eligible intermediaries wishing to access some of that funding will be able to apply directly to Pathway Fund.

- £3.5m is being retained by Access to cover our own fund management costs - £875k (1.0% of total funds) p.a. for 4 years. We do not expect that this will quite cover all of our costs, but we do expect to generate some bank interest on funds held before deployment which should cover any difference. We will strive to continue to keep Access as small as practicable, and any excess interest that may be generated would be used to top up external deployment, adding to the £72m.

After these carve-outs, this leaves **£72m** for Access to disburse. The vast majority of the £72m will be allocated by the Access Investment Committee. However, there are a couple of interventions – the ***Reach Fund*** and Good Finance – which the Access Board has already made the decision to continue to fund (at c.£8m and c.£0.5m respectively). This document includes those things for completeness and transparency, but makes clear that resource has already been committed.

Organisations wishing to apply to Access for funding should read this Investment Policy alongside our Application Forms and Guidance (which will be published when we open to applications) and are strongly encouraged to reach out to the Access team for an early conversation before you start to apply.

Terms in ***purple italics*** throughout this document are defined in the Glossary in **Appendix 4**.

Investment Policy

Section 1: Overview of what we will resource

1.1 Single pot approach

We are treating the £72m (excluding carve-outs for Pathway Fund and for Access's operating costs, as detailed on page 2-3) as a 'single pot'. The aims and implications of this are as follows.

- Whilst we provide some approximate allocations in this document to show roughly how we anticipate splitting the money between several key spend areas (see Section 6), these are **indicative figures and not fixed budgets**.
- New entrants may find it easier to see where they can play a niche role, whilst experienced applicants may submit **comprehensive and unified proposals** which play to their own strengths, experience and strategy.
- We hope to be able to better join up the current silos of enterprise grants and ***blended finance*** and to enable new products to emerge where evidence shows that they are needed.
- We hope to avoid narrow programmatic silos of activity emerging which are difficult to join up.

In line with the Government's Dormant Assets Strategy, at least £10.8m (£12m in total, but with the remaining £1.2m being delivered by Pathway Fund) **must flow to charities and social enterprises supporting *youth* outcomes** (see Section 5.11).

Beyond this, whilst we welcome thematic proposals, Access does not intend to mandate specific themes. It is possible however that during the course of the four-year period that this funding will span, we may still need to pursue other themes. If we were to need to do so it would likely be for one of two reasons:

- In response to a direction or request from Government (akin to youth outcomes above)
- In response to a significant unforeseen macro event which the social investment and enterprise support sectors needed to respond to in order to support the charity and social enterprise sector (akin to the covid-91 pandemic in 2020 or steeply rising energy bills in 2022).

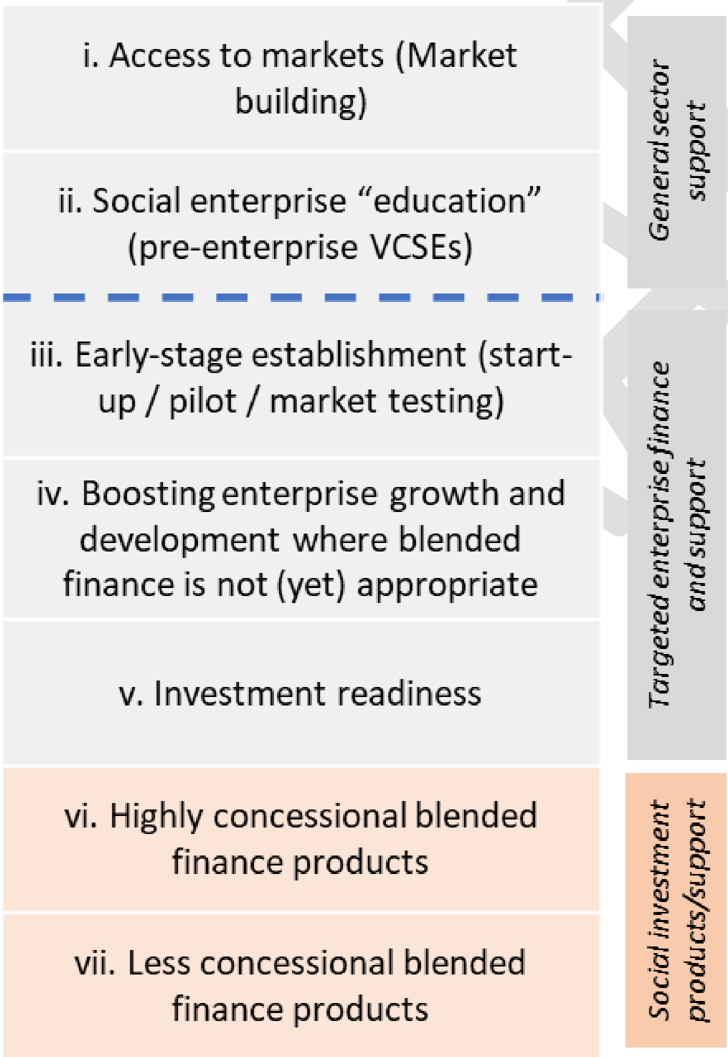
In either event we would look to work with partners to identify needs and opportunities to help. We would likely only issue a specific call for proposals (which might then have a specific timescale of amended application process) in the event that our existing portfolio were unable to flex to meet the defined challenge.

Given the limited resource available, we know that we will not be able to do everything, to address every gap and need for subsidy, or to support all sectors/ geographies etc.

Section 2: Area One: Provision of Finance to charities & social enterprises

2.1 Provision of finance

We wish to ensure that Dormant Asset finance can be used to facilitate a broader spectrum of enterprise growth needs for charities and social enterprises than it has in the past (whilst Access has funded enterprise development work in the past, it was funded by our prior endowment rather than Dormant Assets, which we have only used to fund blended finance activity previously). The different points of intervention that we are open to supporting are reflected in the diagram below, and the vast majority of such interventions will involve the provision of different types of finance to charities and social enterprises, as opposed to associated ***capacity building*** support, which is set out in a later section.



We do not imagine allowing subsidy to be used for non-finance interventions above the dotted blue line, except perhaps where it is essential to the delivery of unified market development proposals (e.g. sector, place)

We do not see a clear line of division between highly/ less concessional products, and it may be unhelpful to get hung up on definitions between the two. Rather this is intended to illustrate that there will be a spectrum of degrees of concessionally.

This diagram is not intended to assume a linear enterprise journey and it is not assumed that organisations will need to be on a particular trajectory to receive support.

Rather it is simply intended to ensure that more charities and social enterprises have access to the right finance for their needs at the right time for them

Access has an established track record of using Dormant Assets to support blended social investment solutions, and we have a strong evidence base to show that this has been working well. It also remains Access' core mission. Therefore, despite the broader spread of enterprise finance referenced in the diagram above, and as imagined in the Community Enterprise Growth Plan (CEGP), funds will still flow disproportionately to the bottom two categories (vi-vii).

2.2 Enterprise grants

We define ***enterprise grants*** as Finance provided to charities and social enterprises to help establish, grow, or sustain trading activities, with the aim of increasing their income from enterprise.

Key features:

- Intended for organisations whose business models are *too emergent, risky, or uncertain* to attract repayable finance.
- Grants are not unrestricted core funding—they are often linked to enterprise development milestones or ***incentivised*** (e.g. MatchTrading).
- Should be assessed with an ***investment mindset***, including scrutiny of (planned) business models, revenue potential, and capacity of leadership teams. Enterprise grants should: aim to increase earned income, be based on credible trading plan or enterprise model; show potential for financial resilience or reduced grant dependency.
- Targeted at early (iii) and later (iv) stage development. We expect the vast majority of enterprise grant spend will be applied to the latter of these two stages
- Often accompanied by enterprise ***capacity building*** to strengthen impact

Examples of the uses to which enterprise grants might be put would be expected to be similar to the uses that repayable investment would contribute to , and so might include (not exhaustive or restrictive):
- activities that help design, test or strengthen a trading model
- direct costs needed to run or scale up trading activity
- sales, marketing, customer development activities
- building systems and capabilities that underpin enterprise growth e.g. IT/finance/HR systems
- purchase of equipment or stock etc

Access will extend the amount of ***enterprise grant-making*** in England, to complement the provision of repayable social investment. This is because we recognise that the business models of many organisations are too emergent, too uncertain or too risky to make strong repayable investment propositions. Providing investment in the form of non-repayable finance may be the answer in many such cases, and may also boost future investibility, although that outcome will not always be expected to be an explicit aim.

We would assume that any financial support for early-stage establishment (point iii in the diagram in section 2.1 above) and slightly later stage enterprise grant-making (iv) will be at the smaller end (perhaps £30k max per enterprise grant). We also imagine that, due to resource limitations, we will be able to fund much less of the former (early-stage establishment) than the latter (later stage enterprise grant-making). For some purposes (e.g. testing a brand-new enterprise idea) we might generally expect smaller still.

Any non-repayable or extremely ***concessional finance*** provided at these two stages (iii and iv) should still be seen as "investment" by the funder/investor providing the finance. Awards should be assessed and approved with that in mind. Finance can still be speculative and may be expected to be so, but the financial projections and the potential to grow revenues, build resilience and sustain impact should be clearly planned for, and should be assessed with rigour.

Furthermore we do not expect to facilitate many, if any, enterprise grant products at stage (iv) if they are simple unrestricted revenue grants. Rather we would expect most to be in some way incentivised (this can include incentivised grant tools such as Match Trading) or directly linked to enterprise growth and performance.

We will support a plurality of provision of enterprise grants (unlike ***investment readiness*** which will continue to be managed predominantly through the ***Reach Fund*** – see Section 3.2). This decentralised approach will enable partners to tailor support to the specific needs of different charities and social enterprises, particularly those from ***underserved*** or minoritised communities.

2.3 Enterprise grants co-financing

Access has committed to ensuring that the full £72m of grant that we commit to partners ***leverages*** at least a further £87.5m of ***co-funding***. Whilst blended finance is expected to contribute the higher leverage ratios than enterprise grants, we will need to achieve reasonable leverage on enterprise grants money in order to achieve our strategic ambitions and those of the Community Enterprise Growth Plan. Our ambition, which is reflected in the mandate that we have been given through the Government's

Dormant Assets Strategy, is to quadruple the size of the enterprise grants movement as a whole, reaching £10m per year[1].

There are different ways in which the necessary co-funding here could be achieved. Access expects to facilitate most of the co-funding at our level. We very much welcome applicants who can bring leverage themselves, however this will not be a requirement for applicants proposing enterprise grants.

2.4 Blended finance fund investments

The key technical principles through which we will assess applications for subsidy for blended finance funds (in addition to contribution to our strategy and justification for the amount of grant and ***leverage***) are that it:

- Must be solving for a particular problem which would otherwise prevent the flow of investment (usually investee risk, product affordability or fund viability)
- Should be structured to be the amount needed to solve that problem(s) and to support fund manager viability (see Section 5.7), but not be significantly in excess of what is needed to achieve those things
- Must sit alongside other ***co-investment*** in fund construction, where that co-investment would not otherwise be able to serve charities and social enterprises without the presence of the subsidy

We will continue to deliver the majority of our blended finance subsidy into specifically modelled fund propositions (the alternative being set out in the 'Balance sheet investments' section below).

In these cases we will continue to use the typology of Access grant (A-C) which existing partners will be familiar with. The table below outlines the main fund viability problems which subsidy typically solves. This list of potential fund problems to be addressed is not exhaustive, but subsidy solutions will usually still fall into one of these categories/types:

[1] See Enterprise Grants Taskforce report May 2023
https://drive.google.com/file/d/1f2dCYQqvYn6GG0dMPXWaRUf2vg2OBCMi/view

Problem	Subsidy solution	Type
Fund model will generate insufficient income to cover delivery fees, whether for the lead partner or any associated delivery partners	Grant to directly cover part of the scheduled operating costs (fund management fees or associated delivery costs*) of a fund. Access will continue to need to balance our desire to ensure that partners are building their businesses by being recompensed properly for their delivery, with our need to ensure fair and competitive fee structuring and compliance with ***Subsidy Control*** requirements (see 8.14)	A
Level of expected fund losses are too great or too uncertain to allow co-investors to invest ***capital*** in the expectation of capital preservation and a target return**	Grant to be drawn and invested as repayable finance (usually blended together with other ***co-investment*** and invested collectively). The grant element will usually act as first loss coverage, so that fund defaults erode that element, ensuring that the fund accumulation which does occur is sufficient to meet repayments to other investors	B (i)
	Grant to fund a guarantee against investments made with capital from other sources. Fulfilling broadly the same risk mitigation function as Grant type B(i) (loss coverage) but where grant is not directly blended and invested, but (for example) is drawn on wherever fund default levels will prevent the fund from being able to meet repayments to other investors	B (ii)
Products to charities and social enterprises will be unaffordable given their projected income growth and ability to repay	As per B(i) above, grant to be drawn and invested as repayable finance alongside other commercial capital but (given the zero cost of capital into a fund from the grant element, and the impact of reducing the risk to a co-investor) interest/ expected return rates can be kept lower than would otherwise need to be the case	B (i)
	Grant to be drawn and on-deployed to charities and social enterprises as the direct grant element of a blended product or alongside it in some way – usually to solve a gap between the organisation's need for capital, and its ability to repay.	C

** Requests for coverage of associated fund costs (e.g.* ***technical assistance****, other infrastructure costs) would be considered to be a request for "Grant A" but would be assessed against the allocations and terms set out in different Areas (see Areas Two and Three below)*

*** We equally welcome grant being used as a first-loss layer (Bi), a guarantee (Bii) or a combination of the two. We believe that there is currently no proven best approach, but we encourage partners to design fund structures which deliver efficiency and value for money and to consider the different possible ways of doing so.*

We are open to proposals which request an ability to automatically apply an award flexibly across grant types depending on developing circumstances. For example, where an initial fund model predicts what amounts of different grant types will be needed, but where delivery over time proves that more of one type is actually needed and less of another. However, we expect to see strong processes, controls and track record of delivery in order to be able to support such requests. Any proposal which requests an ability to flex upwards the amount of subsidy that could be applied as Grant A is likely to lead to significant ***Subsidy Control*** scrutiny. Note that proposals which have fixed rather than variable grant pots can still seek a variation of terms along these lines if circumstances require it, the difference being that Access would need to scrutinise and formally agree to any change at the time.

Other proposed uses of grant which for some reason do not fit neatly into the categorisations outlined in the table above will be considered but as with all proposals will need a strong explanation and justification.

In addition to using grant in different ways, we welcome – and actively encourage – the use of other tools alongside these where possible/ appropriate. Including the British Business Bank's Growth Guarantee Scheme (GGS) and Community Investment Tax Relief (CITR).

2.5 Blended finance balance sheet investments

We are also open to considering more flexible and long-term investments into an organisation's overall social investment activity, rather than into a specific fund proposition. This might involve a larger single award to cover a range of uses directly onto the balance sheet of a partner rather than into a fund structure directly. However, we expect to do this in an extremely limited number of cases.

As with Fund Investments, the primary purpose of Balance Sheet Investments will be to support a social investor's social investment activity. It is hoped that investing in this way will enable social investors to raise co-investment more effectively, recycle funds more efficiently and offer a range of social investment products and/ or pivot their product offers more easily. It is also hoped that, by their nature, such investments will build the balance sheet, and therefore the resilience, of the social investor in the long term. However this type of investment is not simply about covering core costs.

Intended outcomes, parameters and co-investment would still be agreed at outset, but these might be less constrained by pre-existing fund structures and with more expectation of flexibility. In turn, Access might expect the opportunity – from time to time - to discuss with such partners how such flexibility might be used to meet any new needs or priorities that Access (or the wider market) might identify.

Whilst each case will be judged on its merits when this more flexible supply of subsidy is requested, we expect that those supported will strongly meet most or all of the following criteria:

- Significant experience as a social investor
- Close alignment with Access' mission in all areas of the business to be invested in
- Strong track record of delivering in accordance with original projections and agreed mandates
- Strong track record of responsive communication and provision of management information

Although such investments would seek to maximise flexibility and longevity, as a registered charity and in utilising public funds, Access will operate within the principles of both charity law and ***Subsidy Control*** regulations. Entirely unrestricted grants are unlikely to be an option for the method of supplying such funding.

2.6 Blended finance co-financing

Access will not expect to be the only provider of funding. Co-financing will be expected in all cases.

We imagine that the majority of our blended finance partners will need to source repayable capital for their co-financing. However for the avoidance of doubt, applicants are permitted to use their own capital as co-financing if they wish to. Applicants are also welcome (but not expected) to source other grant to use alongside Access grant. Any additional grant will count towards co-financing requirements. However, applicants will need to demonstrate why Access grant is needed and why it is needed at the proposed level/ ratio, and we will take into account the nature and source of all co-financing when making these assessments.

Applicants are not expected to have secured co-financing prior to applying to Access. We will expect Stage 1 applicants, in most cases, to have started to consider possible sources/ types of co-financing but we will not require specific investors to have been identified. We will expect Stage 2 applicants, in most cases, to have identified specific co-investors that they hope to partner with. Ideally Stage 2 applicants will also be able to indicate the approximate terms on which any co-investment might be provided, and to incorporate that into their financial modelling. However, we will not require any firm commitment from those co-investors at this point. We recognise that having an indication of co-investment terms, or even all co-investment sources, will not be possible in all cases by this stage and we can be flexible on this in discussion with applicants. If we provisionally approve Stage 2 proposals before co-investment sources or terms have been confirmed, there may be a need for the proposal/ final model to return to our IC for final approval once these details are all in place.

Access has committed to ensuring that the full £72m of grant that we commit to partners leverages at least £87.5m of co-funding. Due to the scale of need across the sector, we hope to achieve more. Whilst grant that we spend on enterprise grants will need to achieve leverage in some form, we will be looking to our blended finance partners to achieve the largest leverage ratios.

In previous Blended Finance programmes leverage on any individual fund supported has ranged widely from £0.65 to £6.33 of additional financing for every £ of Access grant, with an overall average of £1.42. These provide us with some historic benchmarks against which proposed co-financing in proposals will be viewed, and we are targeting for at least £1.00 for every £ of Access grant in almost all proposals, and at least £1.50 for every £ overall across blended finance funds, but we will remain mindful of the range of different factors that dictate what is possible in any individual case.

2.7 Blended finance residual funds

Residual funds, or 'residual grant' as we have sometimes referred to it on past programmes, refers to money left over at the end of a blended finance fund once the social investor has repaid their co-investor/s, paid their own operating costs and received all money that they expect to receive in charity/ social enterprise repayments. There will not always be residual funds, as it is always unpredictable how investment funds will perform. Sometimes a fund will return insufficient income to repay investors what they are expecting in full. If a fund overperforms it may cover all of its costs and repay all of its investors their maximum return, and still have fund income left over. We refer to this as "residual funds" and sometimes as "residual grant".

As a key role of Access is to provide investment into funds or activities with no expectation of return to us (our grant is often to cover risk of losses), there is usually some potential for excess returns to build up in blended finance funds, which become residual funds.

We expect and accept this, though the potential for this to occur will be discussed with partners and assessed. Where there is high potential for very significant funds to recycle or be residual, we will expect to be clear what the benefit of this will be and what the justification is for the amount of Access grant.

In most if not all cases we expect to provide for partners to be allowed to retain and repurpose any residual funds, with some limited restrictions as follows.

All retained funds will remain with a requirement to utilise them in accordance with Access's (broad) charitable objects. For partners which are not-for-profit and with a mission very closely aligned to Access this may be the only restriction.

Partners which are for-profit will have further restrictions to avoid more than incidental private benefit from accruing from the further use of residual funds.

Partners which have broader missions which are not in all aspects fully aligned with Access's mission will be required to further restrict residual funds for further relevant social investment activity (usually broadly defined).

2.8 Expectations for ALL types of finance provision (Enterprise Grants and Blended Finance investments)

Regardless of the type of provision, we expect applicants to demonstrate how they will be integrated into the social investment ecosystem as a whole. This is not just about demonstrating an ability to provide finance with an "***investment mindset***", but also about demonstrating a strong understanding of the rest of the social investment sector and how applicants' own plans connect within it. This might (for example) be demonstrated through partnership proposals/delivery methods, endorsement of a proposal from others in the market, or historic evidence of delivery.

Section 3: Area Two: Provision of Support to charities & social enterprises

3.1 Provision of support

We define support, specifically ***Capacity Building***, as ***Technical Assistance***, training, mentoring, or consultancy, provided to improve an organisation's ability to develop enterprise activity and take on investment. It might either be provided directly, or via a grant to the organisation for them to purchase the support themselves.

Key features:

- Helps build financial literacy, business planning capacity, and peer networks.
- Includes pre- and post-investment support.
- Can also include leadership resilience support, particularly for marginalised leaders or burnout mitigation.

The Community Enterprise Growth Plan included an aspiration to boost the availability and coordination of non-finance activity which can support enterprise understanding and growth. Our understanding of the breadth of stages at which such activity can be applied is reflected by the diagram in Section 2.1 above (set out as stages a-g). As such we see the value of such support both pre- and post-investment.

However the limited resource available at this time means that this is an area which we will be able to support to a proportionally lesser extent than set out as the full aspiration for the CEGP.

As such we expect any activity in this area to be strongly integrated into the social investment sector as a whole and for any successful delivery partner to have a strong understanding of that market. This might be demonstrated by the direct integration of elements of ***capacity building*** into a broader proposal (i.e. activity also in Areas One and/or Three), or otherwise by strong practical links to other providers of finance and/or support elsewhere. At this point we would expect at most a small proportion of the resource in this Area to support activity which is entirely standalone, and not integrated into a broader proposal covering another Area or Areas of activity.

Experience and feedback has confirmed to us that two key facets of impactful capacity building are (a) the building of financial literacy and stronger understanding of business models, and (b) opportunities for charities and social enterprises to connect and learn directly from their peers. Where a proposal includes a request for grant for capacity building work, we will therefore be particularly interested in proposals that will deliver either or both of these elements.

Some partners have recently reported a need to support some charity and social enterprise leaders with personal support at critical points in the development of their organisations, whether related to personal circumstances restricting their ability to engage with business development, or related to personal strain and danger of burn-out. Such spend could be considered eligible under this strand, particularly for otherwise under-served individuals, although if approved it might be expected to be on the basis of being very selectively applied rather than made widely available.

Also, we do not expect to support much "pre-enterprise start-up" activity (i.e. stages (i) and (ii) in the diagram in Section 2.1.

Additionally, we imagine that any activity supported in this Area (whether integrated or standalone) is likely to be strongly targeted in order to deliver clear value for money in terms of either its efficiency, its support for ***underserved*** or underdeveloped parts of the market, or both. A successful proposal is likely to have demonstrated a clear gap, track record and an understanding of what works.

As with Provision of Finance activity, we expect in most if not all cases to see co-financing of activity in this Area, ideally at least £ for £ of any Access award. This may be another reason why it is more likely that such activity is likely to be part of an integrated solution rather than being standalone.

Where activity is funded in this Area we will also be keen to see how it can be applied in such a way that it helps to sustain and further build the market of social investment support providers. It is felt by many that this market is still patchy, underdeveloped and lacking in diversity, and whilst activity in this Area may be more modest than might have been originally imagined in the CEGP, it would be preferable to ensure that spend in this Area is designed in a way which can make some contribution to these issues (e.g. building stronger technical knowledge of social investment amongst advisors, improving connections between the network of social investors and advisors).

3.2 Investment Readiness

Investment Readiness will continue to be facilitated through a standalone fund (***Reach Fund***) and therefore we do not expect to fund much such activity outside of that (justification would need to be strong. The Access Board has committed £10m to the Reach Fund for the four years between 2025 and 2029, of which £8m comes from this Dormant Assets allocation and £2m comes from pre-existing Access funding. This averages at £2.5m per year for the Reach Fund.

With a new 'Phase' of the Reach Fund due to start in 2026, Access will be tendering in for a programme manager (or multiple managers) to deliver the programme over the next four years.

Section 4: Area Three: Social Investment Infrastructure and Ecosystem Development

Access has always recognised the importance of a healthy ecosystem and infrastructure as a precondition of the delivery of our aspirations. In the first years of our life we funded the Connect Fund (delivered by Barrow Cadbury Trust) from our endowment, which supported a large number of local, regional and national projects which aimed to improve the connectivity or effectiveness of organisations and partnerships which acted to support the social investment sector in some way. Voluntary and community sector infrastructure is undervalued and underfunded, at both a local and national level, and Access was keen to support some of this vital work. However, the scale of need and possibility far outweighed the resource we were able to make available. Therefore in the future the resource we put into such work will need to be even more targeted, funding the most strategically important interventions.

The CEGP identified that an element of Dormant Asset finance should now flow to activity which boosts the collective strength of the social investment ecosystem, and we will be open to supporting a (relatively small) number of key projects in the areas of:

- Data quality and standardisation
- Systems and Tools
- Learning and dissemination
- Equity, Diversity and Inclusion (EDI) activity
- Policy work
- Partnerships and Collaboration
- Research and Development

We have ringfenced a modest amount of funding for the valued Good Finance website and its associated activity.

Beyond this ringfencing the remainder of finance in this Area will be available to support other key developments in the ecosystem.

We will consider both integrated projects (combined proposals also covering another Area or Areas of activity) and standalone projects. We imagine that integrated projects may be most appropriate where new capacity and infrastructure is needed to be built in order to deliver new approaches or reach.

We will consider both individual projects (which may primarily support the development and/or resilience of an individual partner) and collective projects (which may provide shared solutions intended to benefit multiple partners or the entire ecosystem). In both cases the justification for how activity will be in some way transformational and will contribute to our vision of the future ecosystem will need to be strong, but particularly so in the case of individual projects.

Projects claiming to provide benefits for multiple partners or the entire ecosystem will be expected to be able to demonstrate wider endorsement. We are considering the most appropriate mechanisms to support inclusive and meaningful market participation in decision-making in this Area.

Unlike with other Areas of spend we might not expect co-financing to be possible in all cases in this Area, however we will not wish to be the only funder in every situation and depending on the nature of a proposal this may be a consideration.

Section 5: Parameters & areas of interest

Key parameters and requirements

5.1 Charity and social enterprise eligibility criteria

Given our mandate and strategic priorities, we encourage applicants to focus on organisations with a clear ***asset lock***: charities of any form, ***Community Interest Companies*** (CICs) or any type of ***Community Benefit Societies*** (CBSs).

We also recognise that many companies limited by guarantee are established without charitable status but may have clearly established social aims which are themselves charitable, and solid asset locks written into their governing documents. In general, we would consider these organisations eligible.

Similarly, we do consider that in the main co-operatives are part of civil society, and many may be able to be interpreted as meeting the asset-locked eligibility criteria. We will commission specific advice on this from expert partners who can help advise our delivery partners on how to interpret our eligibility in this area.

Companies limited by shares that are not CICs will continue to be ineligible in most cases: these are not the organisations which Access was set up to support. However, we do understand that in exceptional circumstances you may come across CLSs which are in practice established like a CIC and have a mission which you firmly believe is in itself charitable. In such cases (which we imagine would be few) we will work with you to agree a process for assessing eligibility. As a minimum they would need to have equivalent full asset and mission locks as well as dividend caps as a CIC or non-profit CLG.

We also understand that some organisations may be on a journey towards adopting an asset locked legal form, transitioning from a for-profit form. In those cases you can indicate your willingness to invest if such a transition is completed, and support for this can be provided through capacity building or investment readiness support including the ***Reach Fund***. However, this transition must be in the organisation's best interests, and there should be no pressure to change legal form solely to access investment.

5.2 Equity, Diversity and Inclusion (EDI)

Any application for an award under any Area will be required to explain how EDI (equity, diversity and inclusion) principles and issues of reach into ***underserved*** markets have been considered in design and planned delivery.

Where specific solutions are proposed we will expect to see genuine action and progress, not just lip service, and this will lead to specific requirements or KPIs in some but not all cases. Access may wish to stay more closely up to date with partners on this than we have in the past, and we are committed to providing help and support wherever we can.

5.3 Additionality

Any application will be required to demonstrate that it meets a principle of Additionality. This requirement is placed on Access and all other distributors of Dormant Assets and is intended to ensure that the flow of this precious source of finance does not displace funding that either was previously, or should be, provided by any other public body. Awards made with resources from the Dormant Assets scheme should be additional to statutory funding. This does not preclude Dormant Assets money from being used alongside public sector money, but if cannot be a replacement for it. We accept that this can be a difficult thing to demonstrate a counterfactual for, and we will work with partners to ensure a pragmatic joint understanding is reached about how this important principle is met.

5.4 Operating costs and development grant

A partners' operating costs for delivering a fund will be a key assessment point, particularly in reference to our assessment of ***Subsidy Control***, and cost coverage will need to be justifiable whilst fully compensating the partner for delivery.

In the past we have agreed cost structures based both on a **fixed schedule** of cost recovery, and on a **percentage** of Funds Under Management (Blended Finance) or Funds Disbursed (Enterprise Grants), and we would assume that we will continue to receive and support proposals using both methods in the future.

We are open to providing contributions to the costs of putting a proposal together for applicants who are invited to submit a **Stage 2** proposal in some cases. Any contributions to development costs will not usually exceed £25k or 1% of the total anticipated award, whichever is the higher. Some examples of what we imagine this grant could be used to contribute to development costs include:

- Financial modelling of complex investment funds
- Legal advice related to fund structures and unusual or innovative instruments
- Additional market research where products would be breaking new ground
- Costs relating to the raising of co-investment (where this is clear and targeted, rather than speculative)

In very selective cases it may be possible for applicants to see earlier-stage development costs from Area 3 (Social Investment Infrastructure and Ecosystem

Support) monies, but there will be significant demand for that money for a range of other uses too.

5.5 Product investment sizes

Access mandate to grow reach and access to social investment means that our limited resource is likely to continue to be best applied in large part towards finance at the smaller end of the social investment market, and towards smaller charities and social enterprises. Our various programmes to date have supported charities and social enterprises with a **median** turnover of around £200k, with finance provided to them ranging in **median sizes** between around £70k on our unsecured debt programmes to between £150k and £250k on other mixed programmes. We expect these **median** metrics to remain broadly similar overall in the future, before taking inflation into account.

However we understand that investments of all types and sizes can face viability issues and need subsidy, most notably Community Asset projects, and we therefore do not intend to set any specific upper limit on what partners can propose to us to use an award to offer in terms of products. This is not to say that awards will be agreed that have unlimited product ranges - any application will still need to be clear about its own proposed range, median and maximum investment size.

Nevertheless we would not expect overall investment packages/products of £1m or more to make up more than a very small proportion of the overall portfolio of the deals that our finance has facilitated across the whole of our Dormant Asset spend.

5.6 Deployment timelines

As set in Section 6.2, Access will commit this funding to partners over a period of four years, although we expect to commit proportionally more in the earlier years.

Given that we only intend to commit some of the funding as late as year four, we do not expect all of it to be deployed/ utilised by the end of year four. In many cases we hope that awards can be broader, more unified and longer lasting that previous programme-by-programme disbursements (which typically supported fixed deployment periods of 2-3 years). Furthermore, in the case of blended finance structures, we want to encourage fund structures which make efficient use of grant via recycling which often necessitates longer timelines.

However, we also recognise that there is significant pent-up demand for this money, both amongst social investors/ intermediaries and the charities/ social enterprises that they support. Therefore, given the pressures on the pot, it will be difficult for us to justify funding funds where the money will not all be (at least initially, prior to any recycling) spent until significantly after the four-year period. All proposals will be considered on a case-by-case basis, taking fund structure into account.

Priorities & areas of interest

5.7 Partner resilience

In all of the awards we make to delivery partners we will be interested not only in the flow of finance or support that is being provided to charities and social enterprises but also in how the award is helping to support the development and resilience of the partner(s) themselves. We see our finance as "building", not just "buying".

5.8 Products & innovation

We are open to supporting any type of financial product being provided for charities and social enterprises, and in all cases will expect to see clear market demand-based justification for whatever is proposed. However we remain particularly interested in products which have some of the following features:

- Small scale finance, including ***micro finance***
- High risk but unsecured finance
- Finance which is patient and flexible, reflecting equity-like features
- Products which bridge the wide divide which persists between entirely non-repayable (grant) products and those that are fully (or almost fully) repayable.

Access feels that the social investment market needs to continue to evolve and we hope that this next flow of Dormant Asset finance will support new innovations, and address persistent gaps and new opportunities alike. However the social investment sector is also already delivering much that is efficient and of high quality, and proposals to continue provision which is demonstrably essential and working well will not be penalised for a relative lack of innovation.

5.9 Equity, Diversity and Inclusion (EDI)

We remain committed to continually pushing ourselves and the social investment sector on reaching ***underserved*** communities and organisations. Although the breadth of different approaches needed means that we would not to have blanket targets or requirements, all proposals will be reviewed on the contribution they will make to this aspiration.

Furthermore we remain interested in supporting initiatives which can demonstrate that they can go beyond surface issues of equalities and inclusion (representational) and tackle these issues at a more systemic level. This could include, for example, investing in organisations which aim to tackle the root causes of inequality (***equality transformative***, not just equality mitigating), and structures exploring and delivering ***participatory investing***.

Specifically in the case of racial equity, the existence of Pathway and potential new intermediaries does not mean that Access and its partners will cease striving for reach and diversity through our own flows of resources.

This section is subject to potential further update and re-publication following ongoing consultation with equalities sector representatives.

5.10 Reach & IMD

To ensure this funding supports organisations and communities of greatest need, and lives up to the ambitions of the CEGP, we have identified some specific targets.

The following reach targets will apply to our £72m as a whole (these can also be found in **Appendix 3**). Access will ask all applicants to identify the extent to which their proposal would contribute towards these overall goals:

- **At least 50% of total investment targeted to the most deprived 30% of neighbourhoods (IMD 1-3)**
- **At least 25% of total investment targeted to the most deprived 10% of neighbourhoods (IMD 1)**
- **1,700 organisations to be supported through enterprise grants and support (inclusive of Reach Fund grantees)**
- **1,000 organisations to be supported through blended finance**

Indices of Multiple Deprivation (IMD) will continue to be a key data point of interest for us, however we recognise its limitations. Alongside IMD we will track reach into rural vs urban-based charities and social enterprises and will encourage some partners to set themselves targets in that area too.

Access intends to also continually improve our own understanding and evidence of where cold spots are, and our approach to assessing success in overall reach, to ensure that we are considering a broad range of indicators (e.g. rurality, cold spots in geographic or sectoral terms, alternative measures of deprivation, socio-economic background of leaders, intersectionality) alongside the metrics that partners will be familiar with Access mostly focusing on to date (diversity of leadership, Index of Multiple Deprivation).

5.11 Youth outcomes

As outlined in the government's Dormant Assets Strategy, Access will ensure that at least £12.5m of grant is used to support charities and social enterprises that support youth outcomes.

For the purpose of this requirement, "***youth***" is defined as people aged 10-19 years, or those up to 25 years of age with Special Educational Needs and Disabilities (SEND). We are not prioritising specific "youth outcomes" over others but will focus on the development of enterprise models within organisations that work to achieve youth outcomes, although applicants are welcome to propose specific outcome focusses if they wish.

At least £10.8m of this £12.5m must be delivered through the £72m that Access will distribute (with Pathway Fund contributing £1.2m of their £12m to make up the remainder).

Furthermore, the £12.5m of overall grant must be leveraged at least 1:1 (overall), with that total of £25m (inclusive of leverage) being used to support 400 organisations achieving youth outcomes.

Access will ask all applicants to identify the extent to which they expect to contribute towards these outcomes, and will closely monitor this over time, to ensure that we meet that requirement.

5.12 Other thematic and place-based proposals

We remain welcoming of other thematic and/or sectoral initiatives where these are proposed as we understand the value of social investment activity delivered by specialists who understand impact and business models in particular areas. However, we do not generally intend to solicit proposals in any particular area, and in general Access remains focused on ensuring the supply of finance and support wherever it is needed, rather than having specific impact aspirations.

We welcome proposals relating to green or nature-based finance and those contributing to broader ***Just Transition*** outcomes, which Access feels are important areas and those currently ***underserved*** by subsidy. Applicants considering submitting proposals in this area are encouraged to reach out to us for early exploratory conversations.

Access recognises the benefits that more localised social investment solutions can bring, having supported such solutions through both our general blended finance programmes and our Local Access programme. We therefore remain very open to supporting new ***place-based approaches*** which build such local systemic capacity. However, with the limited resources available to us we would not expect to support a large number of such initiatives, and it should be acknowledged that there is not yet sufficient capital available in the market to sustain a widespread network. Any activity supported of this type is therefore likely to be limited and will expect some or all of the following features:

- Significant momentum and previous groundwork
- Strong multi-sector partnerships in place
- Availability of matching resource, ideally with local public sector buy-in
- Ability to impact in a localised setting on gaps and underserved elements of the market (geographic cold spots, diverse communities, areas of high deprivation etc)
- Ability to deliver "end to end" solutions, drawing together local skills, access to markets and growth opportunities, and investment solutions

Any place-based, green/ nature-based finance or other thematic interventions that we fund will be funded through the 'single-pot'. We do not have separate budgets or target allocations for any one area.

Section 6: How we will allocate the available resource

6.1 Allocations between areas

As outlined in Section 1, we intend to operate a 'single-pot' approach. Therefore we will treat the £72m as one flexible pot and there are no fixed allocations or budgets for different spend areas.

However, we have provided some **indicative** figures to indicate **roughly** what we assume the eventual split of resource **could** end up looking like.

Our initial assumption is that we might allocate **approximately**:

- £63m into Provision of Finance (Area One)
- £4m into ***Technical Assistance***, Demand Development and Capacity Building (Area Two)
- £5m into Social Investment Infrastructure and Ecosystem Development (Area Three)

Although we heard during our consultation that there is significant demand for capacity building in particular, so we will take this into consideration when we are making ***commitments***.

We might expect the £63m into Provision of Finance (Area One) to end up being allocated broadly as follows:

- c.£26m into specific blended finance funds and solutions delivering social investment products
- c.£15m into longer term and more flexible blended finance organisational investments
- c.£14m into non-blended finance (different types of Enterprise grants etc)
- c.£8m into Investment Readiness funding (NB budget in total to be £10m over four years, but £2m is already pre-funded by Access existing funds). A reminder here that this funding will largely be distributed differently and programmatically (see 'Reach Fund')

We expect the £5m into Social Investment Infrastructure and Ecosystem Development to be allocated broadly as follows:

- c.£0.5m into Good Finance (already committed)
- c.£2.0m into new and existing EDI initiatives
- The balance of up to £2.5m into a range of other uses in this Area

Across these various strands, Access will need to ensure that a minimum of £10.8m/15% of the £72m is used to support youth outcomes, as outlined in Section 5.11.

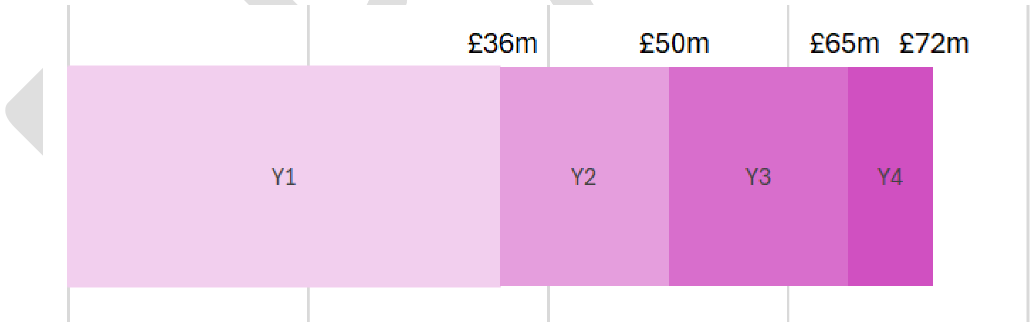
6.2 Allocations over time

Resource will need to be available throughout the four-year period to avoid an inability to support or extend initiatives that might be identified later on. Resource will therefore be staggered and allocations held back for each year in the period.

We do expect a greater level of demand early on, given the pent-up demand that we know has generated by the delay in the confirmation of an allocation, and given also that slightly different uses of Dormant Asset finance are being proposed/allowed. However, at the same time some of our partners have received awards of finance from the previous Dormant Assets scheme which are still live, and may not intend to apply until later years. Furthermore, applicants may wish to take time to carefully develop proposals, and we would strongly encourage them to do so rather than to rush to submit applications quickly.

In order to help us manage demand and expectations in this regard, we encourage aspiring applicants to **let us know that you intend (or may intend) to apply**, even if you do not intend to do so until much later in the four-year period. This will enable us to give our Investment Committee sight of the scale of potential future pipeline in order to help inform their early decision making.

An approximate gradual commitment of resource that Access expects to make over the four years is therefore as follows. Note these are indications of roughly what we might expect to commit **up to** in each year – they are **not** minimum amounts that we will aim for.



- **Anticipated up to** 50% (£36m) committed by the end of the first year following launch
- Cumulative **up to** 70% (£50m) anticipated to be committed by the end of the second year
- Cumulative **up to** 90% (£65m) anticipated committed by the end of the third year
- Full allocation (£72m) committed by the end of the fourth year

[Once the Investment Policy is finalised and we can open to applications, we will include a definition of 'Year 1' here]

Note that figures quoted would reflect the approvals and firm commitments made into funds or proposals, and do not therefore usually reflect when finance will actually be drawn and then deployed by partners (see Section 5.6).

This spread across years will also be (more loosely) applied in conjunction with the proposed allocation of resource by spend Area – e.g. an anticipated amount of **up to** 50% of the indicative allocation into each individual spend Area committed by the end of the first year.

6.3 Allocations between partners

We have no upper or lower limits on what is possible for any individual award. However this section provides some rough indications/ initial assumptions in order to help guide applicants on what may or may not be feasible.

We might not expect to make any awards under £250k (except in Area Three), nor any (in total to any one partner) over £10m. To give some further indication of typical sizes, in terms of awards that Access has made to date into specific fund activity, very few have been agreed at over £4m and thus far these have been considered very significant in our terms. Our average award in the period 2018-2023 was £1.8m, with a median of £1.5m. Whilst we are not fixed on any particular numbers at this point these historical figures may provide some helpful insight, although it should also be noted that we are aware that many of our previous award sizes have not been sufficient to build resilience in our partners, so these should not be considered benchmarks as such.

We are conscious of the potential for our limited resource to drive the social investment sector towards sub-scale initiatives, particularly in terms of fund viability. We will aim to balance achieving the correct scale in each case with a need for plurality of provision and equitable resourcing. In this context we would welcome and be encouraging of partnership proposals wherever these can achieve economies of delivery and avoid duplicating infrastructure whilst being beneficial to all partners involved

We do not have indicative allocations in relation to generic vs sectoral vs place-based solutions or any aspects, with the exception of Youth Outcomes (see Section 5.11).

Section 7: Who we will fund

7.1 Types of organisations

We are open to working with delivery partners of any legal form. Those with a not-for-profit structure, particularly those with a mission which clearly relates to Access' own mission, may find it easier to demonstrate natural alignment with our aspirations, and may be more likely to receive awards with elements of flexibility built in. However, our assessment processes will not disadvantage for-profit providers. This does not represent any change from the way in which Access has operated to date.

We want and expect to see the social investment sector grow further, and we retain an aspiration to support the sector to keep filling gaps and developing new types of provision. We will therefore remain open to new entrants (whether new to social investment entirely, or just new as a partner to Access specifically) and we fully expect to support some further diversification of supply in the coming years.

However, this needs to be balanced against the fact that the social investment sector currently has a reasonable diversity of suppliers but a lack of available capital (both concessional and commercial), and many existing providers are sub-scale and/or not yet fully resilient. Over time, growth in the supplier base will need to be matched by a growth in capital supply (and also some growth in demand).

We therefore do expect the majority of our resource to flow to organisations already with substantial track record in the wider social investment sector.

Those without substantial prior track record in social investment should be aware that the limited amount of Dormant Asset funds flowing to Access, coupled with the relatively open and "single pot" approach we are hoping to take, leads us to expect that we may have significant competition for available resources. Those new entrants who are successful will generally be those who can demonstrate that they understand and can occupy an important niche (perhaps targeting a still ***underserved*** market) in the existing social investment ecosystem.

7.2 Partnerships

We will be happy to receive either singular or collaborative/ partnership proposals. We do see an increasingly important role for partnership proposals. Where proposals are submitted in partnership, the lead partner should be aware that we will expect to have direct contact (before and after any approval) with all partners involved.

Whist, as outlined above, we will require most applicants to be able to demonstrate a strong track record, we see significant opportunities for newer/ smaller/ more specialist organisations to consider playing supporting roles through partnership approaches, which allow all individual partners to play to their strengths.

Expectations of partners and proposals

7.3 Living up to mandates

Given the expected high competition for resources, applicants should understand that, if approved, they will be held to key aspects of their proposed solution/ approach. Access wishes to remain a flexible and understanding funder, particularly during times of ongoing uncertainty, and with regard to certain elements partners can expect some flexibility. However, to be fair to all applicants, fundamental changes to mandate, approach or financials may not be possible post-approval. We therefore expect that proposals should be evidence-based and realistic, and should contain key deliverables that partners will be happy to be held to.

We will agree targets and KPIs with any successful applicants and track progress against these through the fund life.

7.4 Ecosystem support

Partners will be strongly encouraged to contribute to the overall health of the ecosystem in a variety of ways, engaging in peer activity such as the Social Investment Forum or Access's own Partner Network Meetings, participating in relevant evaluation and learning activity (Access aims to co-design and co-manage this with partners), and also committing to transparency and open-source sharing wherever possible.

7.5 Equity, Diversity & Inclusion

All applicants to Access will need to demonstrate a commitment to Equality, Diversity and Inclusion (EDI) within their own organisations. If an applicant is not already a signatory to the Diversity Forum Manifesto at the point of application, signing up will be a condition of approval and will need to be actioned before any Grant Agreement (or similar) is signed. We also expect that the commitment is a commitment to evidencing ongoing action and progress, not just to being a signatory.

Similarly, all applicants will need to set out their approach to ensuring that provision is as inclusive as possible and, wherever appropriate, that it will achieve reach into ***underserved*** parts of the market. In most cases we would expect to agree an approach which includes at least some targets/KPIs in this area.

For more detail on our EDI requirements sections 5.2 and 5.9.

7.6 Subsidy control

All applicants will need to demonstrate an ability to comply with the ***Subsidy Control*** Act 2022.

7.7 Data collection

All partners will need to support Access in its collection of high-quality beneficiary data. Access relies on its partners to provide timely and accurate reporting data in a standardised form which we can then aggregate and transparently publish. This data submission cycle happens quarterly, with partners having a month following the end of a quarter to make a monitoring submission. Applicants should be aware of this requirement.

7.8 Bullying, harassment & safeguarding

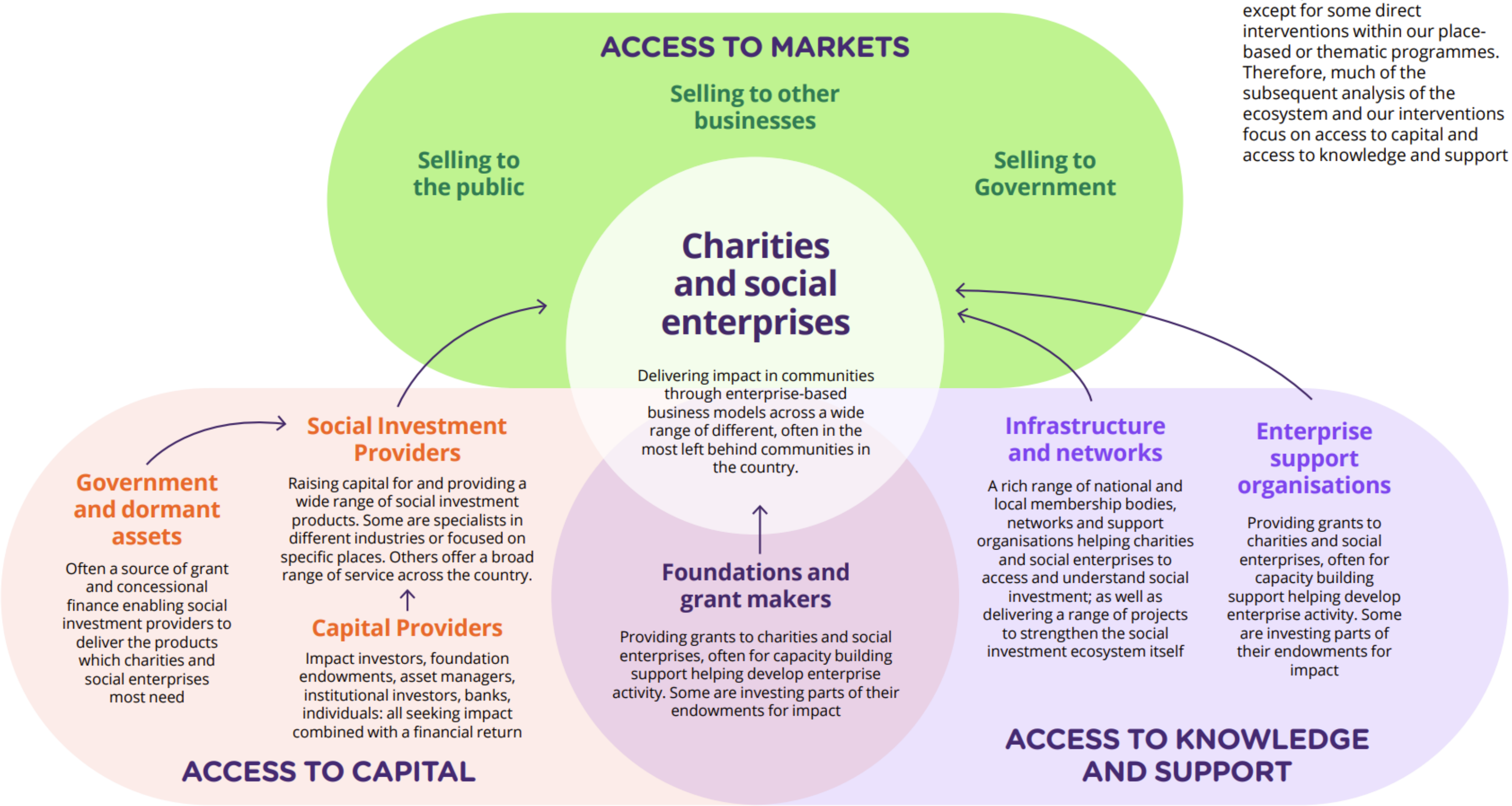
All applicants will need to demonstrate (through policies and practice) high standards in relation to bullying, harassment and safeguarding protections, both internally and in their scrutiny of beneficiaries.

For information on our application process, decision making process and how we will work with applicants (including our offer of co-design and other support) please see our Application Process Guidance document. This will be available once we are open to applications.

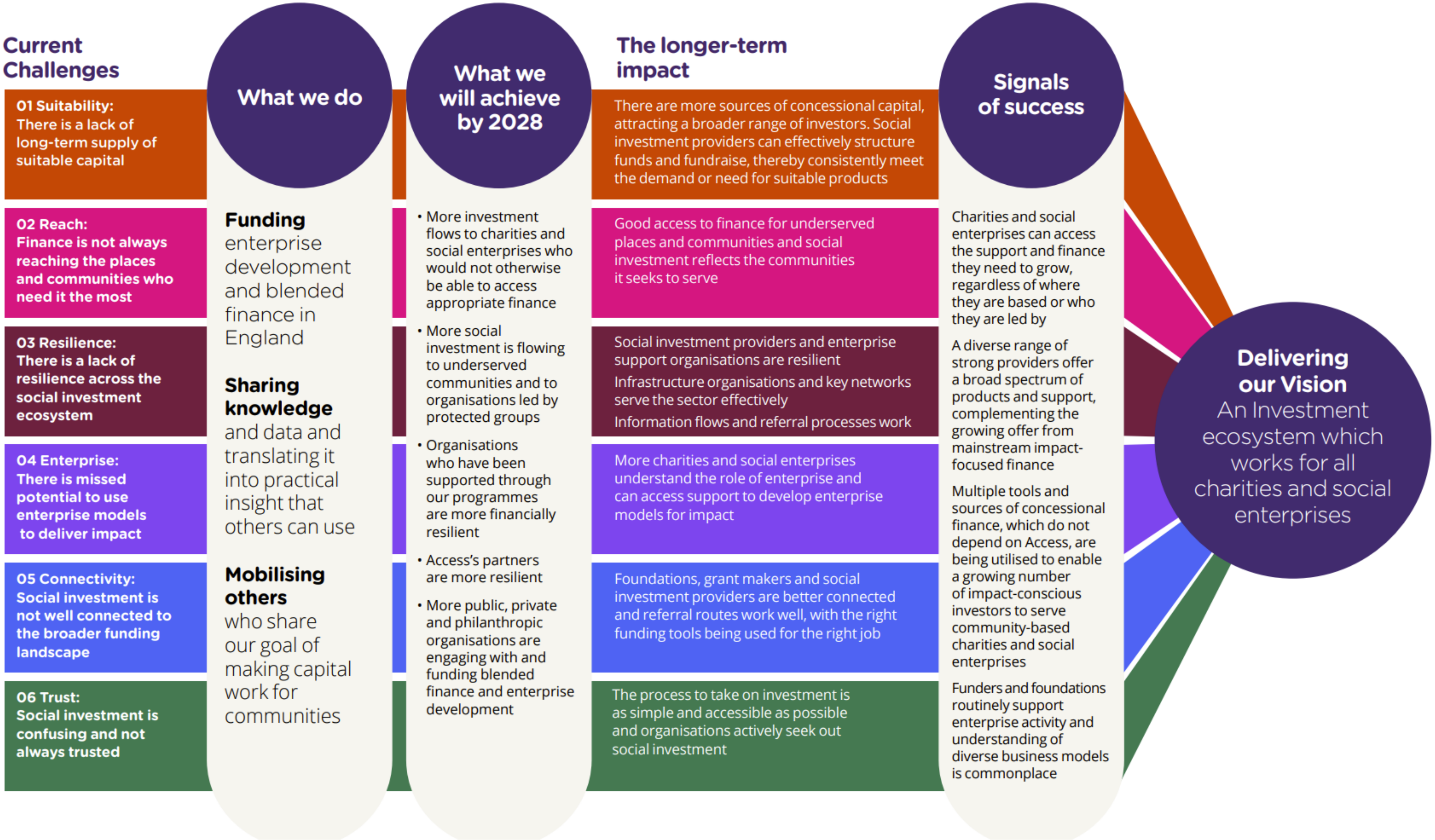
Appendix 1: Our Vision for the Ecosystem from our 2025-28 Strategy

The investment ecosystem for charities and social enterprises

It does not make sense to picture the investment ecosystem without the markets in which charities and social enterprises operate. However directly influencing the dynamics on these markets is mostly out of the scope of Access's work, except for some direct interventions within our place-based or thematic programmes. Therefore, much of the subsequent analysis of the ecosystem and our interventions focus on access to capital and access to knowledge and support



Appendix 2: Our Theory of Change from our 2025-28 Strategy



Appendix 3: Summary of key targets

The following specific targets appear throughout the Investment Policy but are pulled together here for completeness. We have other goals and aspirations, as detailed throughout the policy, however those below are the specific targets which we have committed to in the Community Enterprise Growth Plan and have been established through the Government's Dormant Assets Strategy.

All applicants will be asked to identify the extent to which their proposal will contribute towards some or all of these targets, which must be achieved across the overall £72m:

- Achieve overall leverage from the £72m of at least £87.5m of co-funding, resulting in a total pot of at least £159.5m
- At least 50% of total investment targeted to the most deprived 30% of neighbourhoods (IMD 1-3)
- At least 25% of total investment targeted to the most deprived 10% of neighbourhoods (IMD 1)
- 1,700 organisations to be supported through enterprise support (inclusive of Reach Fund grantees)
- 1,000 organisations to be supported through blended finance
- At least £10.8m of the grant to be used to support charities and social enterprises supporting Youth Outcomes
- The £10.8m of grant for Youth Outcomes to be leveraged at least 1:1 and used to support at least 400 organisations
- To quadruple the size of the enterprise grants movement as a whole, reaching £10m per year.

Appendix 4: Glossary of key terms

This is a glossary of key terms used throughout the document.

Asset lock	A legal mechanism whereby the assets of an organisation are restricted for a particular purpose and cannot be applied for private gain
Blended Finance/ Blended Social Investment	Refers to where different sources of capital combine together in a single fund, usually a mix of ***concessional capital*** and private (commercial) capital
Capacity building	***Technical Assistance***, training, mentoring, or consultancy, provided to improve an organisation's ability to develop enterprise activity and take on investment, usually at the "pre-investment" stage. It might either be provided directly, or via a grant to the organisation for them to purchase the support themselves.
Capital	Money that is invested into a fund, usually with an expectation of that money coming back along with a financial return
Community Interest Company (CIC)	Community Interest Company. A legal structure option for a social enterprise. Comes with an asset lock restriction
Co-investment/ Co-financing/ Co-funding	Access usually requires that its grant awards into funds will be matched with finance from other funders/capital investors. We might variously refer to this as co-investment or co-funding, and the matching money that our funding is helping to secure we will often refer to as ***leverage***.
Commitment	Used to refer to where Access has fully approved a grant to a partner/fund manager
Community Benefit Society (CBS)	A not-for-profit legal structure based on cooperative principles of one-member-one-vote. Is the structure usually used for raising money through community shares
Concessional capital	A type of capital invested into a fund where the provider is not necessarily expecting a market return. Sometimes may not be repayable at all
Concessional finance	Financial products for VCSEs which are repayable, at least in part, but are on less than full market terms in some way. When we refer to "extremely" concessional, we would mean where there is highly patient and/or contingent repayment (e.g. "repayable grant") or where the amount repaid would be much less than the original amount of finance (e.g. a 50/50 grant/loan product)
Enterprise Grants	Finance provided to charities and social enterprises to help establish, grow, or sustain trading activities, with the aim of increasing their income from enterprise.
Equality transformative	The Equality Impact Investing Project published a typology of equality impact investing aims (see p.32 of that document) in 2019. It draws a distinction between organisations which aim to address and ameliorate some of the effects of inequality (mitigating) with those who are actively trying to dismantle that inequality at a structural or policy level (transformative).
Incentivised (Grants)	A type of enterprise grant which positively incentivises the organisation receiving it to work hard to grow the proposed income streams. An example of this type of grant making is Match Trading

Investment mindset	Our intention is not to require rigid investment-style due diligence, but to use this lens as a way of targeting limited resources to the early stages of enterprise establishment and growth-especially in cases where blended finance is not yet appropriate. Suggested guidance for the assessment of this might include consideration of: • the potential for growth in both income streams and social impact • the extent to which the business model proposed is likely to sustain genuine profitability • the extent to which the plans for growth are believable • the extent to which the team behind the plan have the capacity and capability to deliver business growth
Investment Readiness	Being ready with a credible plan and structure to take on social investment. Can apply both to an investment proposal and the organisation behind it.
Just Transition	A transition to a sustainable economy which is fair to all communities and workers
Leverage	The amount of co-investment secured by a fund or scheme alongside each £ of Access grant
Micro Finance	Very small scale finance, usually in the form of loans, and typically used to start up new small businesses. In Access' terms we would consider investment of less than £20,000 to be micro finance
Participatory Investing	A process whereby those likely to be affected by investment (organisations seeking finance and the communities served) are involved in decisions about who is approved for investment and who isn't
Place-based approaches	Access is conscious that this is a phrase that can mean different things in different contexts. Where we use this phrase we refer to activity that is focused on the variety and specificity of needs in a particular locality, and which is driven by and mainly led by people of that place. In terms of footprint, for our purposes a locality will be defined as a local authority area (or smaller), or at its widest as a combined authority area.
Reach Fund	The Reach Fund was Access's first grant fund, for investment readiness activity, launched in 2016. It has been managed for Access since inception by Social Investment Business, with an average grant size of £13k. Whilst applications for grants come in directly from charities and social enterprises, they can only apply in partnership with a social investor, registered as an "Access Point", which has declared a potential interest in investing in them
Residual funds	Residual funds, or 'residual grant' as we have sometimes referred to it on past programmes, refers to money left over at the end of a blended finance fund once the social investor has repaid their co-investor/s, paid their own operating costs and received all money that they expect to receive in charity/ social enterprise repayments. There will not always be residual funds, as it is always unpredictable how investment funds will perform. Sometimes a fund will return insufficient income to repay investors what they are expecting in full. If a fund overperforms, it may cover all of its costs and repay all of its investors their maximum return and still have fund income left over. We refer to this as "residual funds" and sometimes as "residual grant".
Social Investor	An organisation which provides repayable investment to charities and social enterprises
Subsidy control	Refers to the law (Subsidy Control Act 2022) which controls when, and to what extent, public money can be used to provide subsidy to a company

	or organisation to support the development of their business. Finance flowing from the Dormant Asset scheme is considered public money for this purpose.
Technical Assistance (TA)	Non-financial support (such as consultancy, legal or technical advice) which helps an organisation to be stronger and better placed to take on investment and/or pay it back. Might be provided at different stages, pre-investment, during the investment process, or post-investment
Underserved	Organisations or communities which have traditionally not received a proportionate share of the social investment that has been delivered
Wholesaler	A funder who doesn't provide money directly to charities and social enterprises, but provides finance into funds that do
Youth	People aged 10-19 years, or those up to 25 years of age with Special Educational Needs and Disabilities (SEND)