

Issue: #10

PIONEERS POST QUARTERLY

*Intelligent journalism for
social entrepreneurs, impact investors
and responsible business leaders*



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IN THE SOCIAL IMPACT GALAXY?

CHAIN REACTION: CHRISTCHURCH CALLING...

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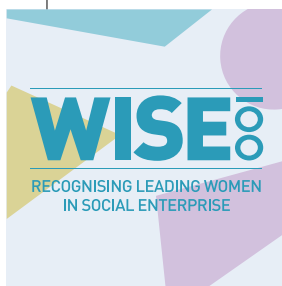
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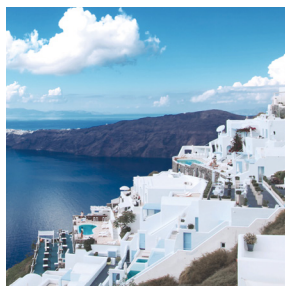
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Annual subscription:

Print + Digital £100
Digital only £48

Issue #10 Printed in July 2018

Printed by Hobbs the Printers Ltd,
Totton, Hampshire SO40 3WX

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THE EDITOR'S LETTER



“It's difficult to travel anywhere in the social enterprise universe at the moment without tripping over a blockchain.

Every social venture who's worth knowing seems to have a blockchain or two in their supply chain or stashed away in their business plan.

In a flurry of reports, podcasts and events, fortune tellers in the charity and impact investing sectors have been proclaiming that blockchain could 'revolutionise' the potential for social ventures to do good in a huge range of sectors – from finance to health to farming and much more.

An important study looking at the 'hype and reality' of blockchain (*Blockchain for Social Impact* by the RippleWorks Foundation and Stanford University business school's Center for Social Innovation) reveals that, of 193 blockchain initiatives they researched, 20% are providing a solution that would not otherwise have been possible without blockchain, and 86% are material improvements over existing solutions.

After adopting blockchain technology in 2008, a decade of development apparently now sees 99% of the Estonian government's services available as 'e-services' through 'e-Estonia'.

In a recent Bloomberg film interview, Cemal Ezel – founder of Change Please coffee social enterprise and recently crowned winner of the \$1m Chivas Venture award – revealed that blockchain was helping them to track the journey of coffee bean to cup, including everything from how much the farmer earns, to the cost of shipping and the carbon emissions.

One of Cemal's social investors, The Big Issue, is itself exploring blockchain as it develops The Big Exchange – 'a financial marketplace that works for everyone'.

More examples of blockchain for social good seem to appear in *Pioneers Post's* twitter feed and email inbox every week.

It's clear that something momentous is happening in terms of the flow of money, goods and services – who controls it, who gets a slice of the deal, and how the balance of power might shift in the future. Many commentators observe the 'democratisation of capital', and how blockchain is 'cutting out the middle man', making deals both cheaper and more transparent.

Some of our more finance-savvy readers will be completely up-to-date with blockchain and its potential value to the impact space. Many others would be forgiven for feeling a bit left out, not to mention somewhat confused.

That's why we've dedicated a good chunk of this edition to exploring this new force in the social impact galaxy. That it's a force for change we can be sure of. Whether it's wholly a positive force is something we cannot yet know.

But if blockchain truly is about trust and transparency, social entrepreneurs must work out not only the opportunities they can take but also the responsibilities they must take on as this new technology develops apace.

As always, *Pioneers Post* will be keeping a close watch...

TIM WEST, EDITOR

Cover: "A Heroine's Journey: Rey's Adventure Begins", 2010, Star Wars Insider 168

P7: Jimmy Carter receives the Skoll Foundation Global Treasure Award, Opening Plenary, Skoll/WF 2018 P38: Tracey Crouch, By HM Government (<https://www.gov.uk/government/people/tracey-crouch>) [OGL 3 (<http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/>)], via Wikimedia Commons P42: "Definition of insanity", Brandcamp, Tom Fishburne, 2010.

In case you missed them, we round up some of the news highlights from recent months...

GETTING PROXIMATE WITH PRESIDENT CARTER

When a 93-year-old warns that we are in a moment in history when we are facing the possibility of the end of all human beings, one might be inclined to take such remarks with a pinch of salt.

When that 93-year-old also happens to be perfectly sound of mind, a former president of the world's most powerful nation and a Nobel Peace Prize winner, the world ignores him at its peril.

President Jimmy Carter was addressing a gathering of 1,500 social entrepreneurs from across the globe at the opening session of the Skoll World Forum on Social Entrepreneurship, which took place in April in Oxford, UK.

Taking the event's theme of "proximity" as his lodestar, Carter observed that "in modern day society we are all proximate". Yet huge threats to human existence such as global warming

and tensions between superpowers showed that we needed to "take advantage of our proximity to see if we can live in peace on earth" alongside people with whom we disagree.

"It's a question I faced," he said. "It's a question President Trump faces now."

Asked by president and CEO of the Skoll Foundation Sally Osberg for some observations about the rise of nationalism and populist movements, Carter acknowledged that democracy, freedom and truth had been "shaken".

But he countered: "I still have faith... I think we will prevail."

Before catching forum founder Jeff Skoll's plane back to the US, Carter became the seventh recipient of the receive a Skoll Global Treasure Award.



President Jimmy Carter, Skoll Global Treasure Award-winner 2018



↑ *The Good Deals + Beyond Good Business conversation continues online at pioneerspost.com with more articles, films and podcasts*

ARE SOCIAL INVESTORS INVESTMENT-READY?

What would happen if social investors dropped their required rate of return to 3 per cent, the audience was asked at Good Deals + Beyond Good Business.

This was the question posed by Susan Aktemel, founder and director of Homes for Good, in a discussion entitled *The Inconvenient Truth About Social Investment* at the UK's leading social enterprise and impact investment event, held in London on 13 March.

Aktemel, whose social enterprise has received £9.5m in social investment, argued that the usual expected rates of return of around 7 per cent were too high for many social businesses.

She said: "We as the entrepreneurs have to adapt our business models to the social investors' rates of return. Who is setting the level of return? Entrepreneurs are put under quite a lot of pressure in the social investment space."

She went on: "Maybe it's the investors that aren't investment ready? What would happen if you dropped your level of return to 3 per cent? Maybe some of the enterprises would be investable. Maybe their business models would stack up."

The event was attended by 400 social entrepreneurs, social investors, policy makers and others from around the world. The day was delivered by Pioneers Post in partnership with Hatch and marked the tenth anniversary of Good Deals.

SOCIAL VALUE ACT SHOULD DELIVER ON "REVOLUTIONARY PROMISE"

The Social Value Act has not yet delivered on its "revolutionary" promise, according to the secretary of state for digital, culture, media and sport.

Speaking in May, Matt Hancock was referring to the Public Services (Social Value) Act 2012 which requires public sector commissioners to consider the social value as well as the financial value when awarding contracts. The act has been criticised for its lack of impact.

Hancock emphasised that he wanted to see more local services delivered by small, local organisations.

"Something is seriously amiss when in some markets 60 per cent of public procurement goes to just five huge companies," he said.

He added that the government was exploring how to ensure the Social Value Act could "deliver on its revolutionary promise, which has not nearly been met yet".

Peter Holbrook, CEO of Social Enterprise UK, dismissed Hancock's words as insignificant. He said it was "more of the same from a government that is increasingly looking bereft of good ideas".

He added: "Government needs to bring back this Cameronian era zeal for social enterprise and take civil society more seriously."

THE HAGUE: THE PLACE TO BE FOR SOCIAL ENTREPRENEURS?

Is The Hague the best place to be for European social entrepreneurs right now?

The city's mayor, Pauline Krikke, gave a persuasive argument. "The Hague connects many creative entrepreneurs, old and young – and they want to make a difference," she said. "They are dreamers and do-ers, hard workers and thinkers."

She added: "Economic success can go hand in hand with social impact, and it should go hand in hand with it."

Ms Krikke was speaking at the Euclid Summit 2018 in April which brought

together policy makers, support bodies, third sector representatives, academics and social entrepreneurs from countries across Europe to discuss the theme of “growing ecosystems for social impact”.

The Euclid Network itself, currently based in London, will be moving to The Hague later this year in order to “assure its European identity” following Brexit.

Pioneers Post was media partner to the Euclid Summit 2018.

BEN CARPENTER IS NEW CEO OF SOCIAL VALUE UK

Ben Carpenter is the new CEO of Social Value UK and Social Value International, taking over from Jeremy Nicholls.

Carpenter was previously operations manager at Social Value UK and has a background in homelessness and social housing.

Carpenter said: “I am delighted and honoured to lead SVUK at such a critical point. We have a fantastic opportunity to continue shaping the way social value is understood and embedded into the culture and decision-making of all organisations.”

UK RECRUITMENT GIANT BOSS DEMANDS CONTRACTS OVERHAUL

The boss of one of the UK’s biggest recruitment firms is campaigning for fundamental changes in company law and public sector contracting to force both big business and government to take social value seriously.

Phillip Ullmann, executive chair and ‘chief energiser’ of Cordant Group, which became a social enterprise last year, says British business needs to fundamentally change its approach in response to growing public distrust.

In a paper entitled *From Mission to Impact* published by the Social Market Foundation think tank in May, Ullmann says public sector contracts should no longer be given to the lowest bidder but awarded to ‘social business’ companies that agree to share profits with staff and employ local workers.

Company rules should also be overhauled to put executives under a legal duty to consider the interests of workers and local communities alongside those of shareholders, he argues.

Ullmann has capped his own pay and is setting up a ‘profit pool’ to share with his staff. ■

MY MEDIA



JOANNA HAMER
DIRECTOR, JUTA SHOES

SOCIAL MEDIA

I spend around 30 minutes a day on our company social media accounts, sharing content, having conversations with others, and learning more about what’s going on in social enterprise, ethical fashion and community activism. I didn’t have Instagram two years ago and I now run our company account, so it’s been a steep learning curve.

I’ve found the online community very supportive, and we’ve found some of our best stockists, customers and suppliers through the platform.

I also manage our Twitter account, Facebook page, and AirBnB Experience, all of which bring us so many benefits, the best of which is the ability to connect in real life with people from all over the world.

TV

I love shows about people designing, making and transforming things. Programmes like *The Great British Sewing Bee*, *Top of the Shop*, *Money for Nothing* and *George Clarke’s Amazing Spaces* highlight all kinds of hidden creative talents and inspire people to see value in their existing skills and resources.

MUSIC

My albums of the decade are *Lemonade* by Beyoncé, *A Seat at the Table* by Solange, and *Dirty Computer* by Janelle Monáe – all complex concept albums with detailed aesthetic references and outspoken political messages.

RADIO

I usually bike to work, but if I’m travelling on the train I’ll listen to WNYC podcasts like *Radiolab* for artistic science investigations, *2 Dope Queens* for hilarious stand-up comedy, or *Nancy* for stories about modern queer life.

Joanna is the co-founder and co-director of Juta Shoes, a social enterprise shoemaking company which supports marginalised women into work. Find out how she uses AirBnB Experiences to bring an extra income stream into her enterprise in our Business School feature online. Search ‘Selling authenticity’ at pioneerspost.com.

PIONEERS POST WENT INTERNATIONAL AND MET...

The Pioneers Post team members attend events all over the world. Here are just some of the inspiring social entrepreneurs that we've chatted with over the past few months



WHO: Nikki Linsell, Director

FROM: Public Practice

WHERE: Public Forum, Stratford, London

What does your social enterprise do?

Public Practice is a social enterprise that acts as a broker, selecting outstanding built environment practitioners and matching them to local authorities in need of planning and placemaking expertise. Our mission is to rebuild the public sector's design capacity by providing talented associates at half the cost of private agencies.

What's the most exciting thing Public Practice is working on right now?

We have just launched our first year-long placement programme within 17 local authorities around London and the wider south east of England. Alongside supporting our associates as they embark on their varied public placemaking roles, we have also been lucky enough this week to host a press briefing with the Mayor of London (pictured).

PUBLICPRACTICE.ORG.UK

WHO: Jolijn Creutzberg, Founder

FROM: Van Hulley

WHERE: Euclid Summit, The Hague

What does your social enterprise do?

Van Hulley turns people's favourite – but worn-out – dresses or shirts into boxer shorts. The shorts are made by women with neither work experience nor education. Every year 15 women leave us empowered, with diploma and a plan for their future. Social, sustainable and very personal!

What's the most exciting thing you're working on right now? Sending your

shirt to have it made into boxer shorts is nice,

but why not use all the fabric that would otherwise be thrown away? We are working on introducing the very first recycled off-the-shelf boxer shorts. They're still reusing fabric, but not necessarily the purchasers' own shirts. And of course they're still made by our women with lots and lots of love!

VANHULLEY.COM



WHO: Louisa Ziane, Chief Brand Officer

FROM: Toast Ale

WHERE: Good Deals + Beyond Good Business, London

What does your social enterprise do?

We brew award-winning craft beer with fresh surplus bread from bakeries and sandwich

makers. All our profits are poured into the charity Feedback to end food waste. It's the best thing since, well, you know...!

What was the most difficult thing about starting a social enterprise?

There is a challenge to communicate that we are a commercial business with a fantastic product AND a social enterprise. There can be a misconception that there is a trade-off between the two. We're proving that business can be a force for good and recently became the first UK beer company to become a certified B Corp.

TOASTALE.COM

WHO: Rutger van Weeren and Hylke van der Wal, Directors
FROM: So/Creatie
WHERE: Euclid Summit, The Hague

What does your social enterprise do? The mission of So/Creatie is to stimulate the growth of the social enterprise sector in the Netherlands. Our main focus is the development of So/magazine, the only online magazine for social entrepreneurship in the Netherlands. We noticed that social enterprise is relatively unknown to the wider audience. By producing this magazine we help stimulate the sharing of stories and knowledge throughout the sector and a wider range of (possible) stakeholders.

so/creatie

How do you generate income?

The business model of So/Creatie is based on sharing best practice for social entrepreneurship. Through the interviews, we gain many insights into how to optimise social enterprises in the aspects of impact, finance and communication. We share these insights by advising social entrepreneurs, organizing workshops on specific skills and through advising governments and companies on possible ways of collaborating with social entrepreneurs.

SOCREATIE.NL



WHO: Jan Petersen, Director
FROM: Smart Yields
WHERE: Euclid Summit, The Hague

What does your social enterprise do? We provide insights, advice and forecasts for small indoor and outdoor farmers through the use of Big Data in agricultural sensors. We take the deployment, the connectivity and the data clean-up in charge, and display our insights through an app, an SMS system and automated phone calls. We focus on small farmers because these have been traditionally excluded from the adoption of new technology. In each community where we work we focus on tackling a specific challenge. We use for this low-cost sensors and sometimes repurpose commercial sensors, and let larger organisations cover the costs for our deployment, rather than to trickle down the costs of the deployment on the farmers.

What has been your biggest success? Last year, we deployed a late frost alert system for a apple and pear farmer in Colorado. This saved the farmer's crops and resources, and the farmer introduced us to his local co-operative. We have now installed our late frost alert sensors on 16,000 hectares of farmland. The success of this led to an agreement with the third largest farmers' union in the USA for next year's growing season.

SMARTYIELDS.COM



We love meeting new social entrepreneurs from all over the world. Do come and say hello if you see us at an event!

The Out and About feature is compiled by our partnerships and social impact manager Simone van Klaveren, simone@pioneerspost.com



WHO: Madie Sturgess, Program Manager
FROM: EarthSpark International
WHERE: Skoll World Forum, Oxford

What does your social enterprise do? With 1.2 billion people still lacking energy access, EarthSpark incubates clean energy solutions solving energy poverty. We then spin-off and scale these solutions into sustainable enterprises. To date we have spun-off smart metering company SparkMeter Inc, and Haitian clean energy retailer and social enterprise Enèji Pwòp SA. EarthSpark also develops solar microgrids in rural Haiti.

What's the most exciting thing you're working on right now? A year before Hurricane Maria hit Haiti in the autumn of 2017, EarthSpark's inaugural solar microgrid was devastated by Hurricane Matthew. Currently, our field team is reconnecting households to the grid for the first time, breaking ground on our second grid, and in pre-development for additional grids. We're excited by the opportunities for growth.

EARTHSPARKINTERNATIONAL.ORG

ONLINE NEWS, COMMENT AND FEATURES

Get new ideas for running your enterprise effectively – and ethically – in the Pioneers Post Business School. Keep up to date with key news and be challenged by the sector's thought-leaders in the News and Views section. Check out our Collections, such as 'Global Perspectives on Social Enterprise', where we explore social enterprise across the world in partnership with the British Council.



"Through using ethically focused agencies, Hey Girls has ensured that the money that we spend contributes to social change, rather than lining the pockets of shareholders."

Celia Hodson, founder of period poverty social enterprise Hey Girls, writes for *Pioneers Post* about her journey to create an ethical supply chain



VIDEOS & PODCASTS



'Has social investment lived up to its promise?' We handed the microphone to visitors at Good Deals + Beyond Good Business to share their thoughts in our new 'In the Spotlight' series. Our extensive archive of videos and podcasts is well worth a visit. All available on the website.



"How many social entrepreneurs does it take to change a light bulb? One. And a committee of 12 to hand over the 'You're So Awesome' award."

Liam Black says social entrepreneurs should be their own fiercest critics in *The Social Entrepreneur's A to Z* podcast



SOCIAL MEDIA

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EVENTS

We recently celebrated the tenth anniversary of the most important social enterprise and social investment conference of the year, Good Deals + Beyond Good Business. Our popular Good Stories marketing and comms conference will return soon. We also partner with many other events to ensure that our readers keep abreast of what's happening around the world – in the next few months we will be at the Social Enterprise World Forum in Edinburgh, NPC Ignites in London and 3S Manage for Impact in Barcelona.



PIONEERS POST QUARTERLY MAGAZINE

Our beautifully designed, thoughtfully written, printed magazine brings you a selection of tools, knowledge and insight to build a better world through good business.



AWARDS AND LEADERSHIP

Our SE100 awards, delivered with NatWest, highlight the most dynamic social enterprises and entrepreneurs in the UK. Last year we launched our WISE100 Index of inspiring and influential women in social enterprise, impact investment and social innovation. We aim to celebrate excellence and inspire others to succeed.

WISE100
RECOGNISING LEADING WOMEN
IN SOCIAL ENTERPRISE

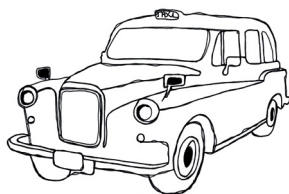
“When we build publicity for women in the way we are doing tonight, when we challenge the inequalities that we face as women, that also opens up space to challenge other inequalities around sexuality, race, class and all the rest.”

Belinda Bell, programme director of Cambridge Social Ventures, speaks at the launch of the WISE100 in autumn 2017

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THE BLACK CAB INTERVIEW: JUNE O'SULLIVAN



Did you know that the Houses of Parliament has a social enterprise nursery? We explore London in the rain with the CEO of the UK's largest childcare organisation

Interview by **CAROLINE HAILSTONE** Film by **HATTY BELL**

At first meeting June O'Sullivan may seem warm and fluffy. And she is. As we journey through four of the 38 London nurseries run by her organisation, O'Sullivan welcomes each and every staff member with a hug and witty recollection, remembering details of their last exchange, how their family were or how their child was doing.

However, O'Sullivan is tough when it comes to children's futures, and prides herself on keeping the government and policymakers on their toes.

She says: "I am renowned for being quite outspoken. I'm not into ranting or getting on your high horse... But I'm often disappointed by the establishment's inclination to surround itself with advisors who say what they want them to say. To me, that's not the point of advice. I see our job as to advise objectively and to be prepared to say the unsayable, even if it means that we won't be invited back." ■

"Disruptive influencer – that's what I want my epitaph to be"

"Good businesses are gender balanced: it's good for women to have men around and good for men to have women around. And for children, it is very important for them to see men in a caring role"

NAME JUNE O'SULLIVAN

ROLE CEO, London Early Years Foundation (LEYF). It's a social enterprise which currently runs 38 nurseries across 11 London boroughs.

BACKGROUND A qualified psychiatric nurse, social worker and adult tutor with an MA in primary and early education, June now champions the improvement of community-based, multi-generational education as the basis for long-term social impact.

#SOCENTGOALS June influenced the transition of London Early Years Foundation to becoming a social enterprise in 2006, though she was unaware that it fell under the term "social enterprise" for quite some time.



WRITER'S TOUCH June has published two books, one which assesses the benefits of hiring more males in early years education. And if you head to June's blog on the LEYF website, you will find honest, informed and entertaining updates on the sector.

“In London, where you have gentrification and poverty side by side, the social enterprise model works”



THE BLACK CAB INTERVIEW

BLACK CAB PIT STOPS

01. London Early Years Foundation
02. House of Commons Community Nursery

03. Carlton Hill Community Nursery
04. Brixton Community Nursery

Thanks to driver Spencer Kurash, who has done his fair share of social enterprise pit stops for us over the years.



Watch June O'Sullivan's Black Cab Interview online plus others with Sir Ronald Cohen, Lord Victor Adebawale and many more at www.pioneerspost.com/videos-podcasts



“CHRISTCHURCH CALLING...”

Do social entrepreneurs in the UK and New Zealand share the same reserve about celebrating their impact? Two leaders from opposite ends of the world, who will meet at this year’s Social Enterprise World Forum, explore their similarities and differences

As we look forward to the 2018 Social Enterprise World Forum (SEWF), which takes place in Scotland in September, *Pioneers Post* is playing host to a special series of interviews. Social entrepreneurs from around the world are taking on the role of journalist and interviewing one of their peers to uncover their biggest challenges, proudest moments and best advice.

First in the hot seat is Chris Martin, managing director of the Callander Youth Project, who is interviewed by Louise Aitken, CEO of Ākina Foundation, New Zealand’s intermediary for social enterprise and the organiser of last year’s SEWF in Christchurch.

Overcoming a distance of 18,000km, 11 hours’ time difference and some occasional connection issues, the pair chatted over Skype. Here’s what they discussed.

Louise Aitken: First things first, introduce yourself.

Chris Martin: I’m the managing director at Callander Youth Project. We are a small, rural youth work project in the beautiful Callander, central Scotland.

Young people here find it hard to access recreational activities and employment opportunities, so we decided to create our own jobs for them. Callander is a tourist location, so we set up a hostel. We bought an old premises and turned it into five-star



↑ Louise Aitken: “I’m pretty obsessed with telling the impact story”

luxury visitor accommodation and we train young people to work in the hostel.

I thoroughly enjoy my job. I’ve been here for seven years and we’ve taken it from a small charity that was grant-reliant to a credible national organisation.

LA: What brought you into the world of social enterprise?

CM: I fell into the world of social enterprise, really. I went straight from school to university – and then aimed to go straight into the police. And they said go and get some life experience for a year and try again. So I worked with a charity based around young people and outdoor recreation – horse riding, canoeing, etc – and loved it.

Then I went to work for a youth work organisation...it was a time when government policy was pushing for inclusion, but schools were still expelling young people [that were deemed ‘difficult’]. I wasn’t comfortable with that and I wrote

a paper about reengaging with pupils. That led to funding to work with young people who needed additional support in schools.

I started my own business delivering youth support in schools. This was in 2006. I’m sure people were using the term social enterprise then, but I wasn’t aware of it.

LA: What has been your proudest achievement at Callander Youth Project?

CM: The young people we work with sometimes have tragic stories. I can think of someone who didn’t come out of her house for two years. She had agoraphobia and was literally told she wouldn’t receive her benefits if she didn’t engage with something. She’s now heading up one of our admin departments and she’s got a business administration degree.

I’ve always said you can’t empower young people, you can only give them the tools and the environment so that they can empower themselves. It’s awesome to see and awesome to witness.

LA: What’s the best advice you’ve ever been given?

CM: A book I read in 2006 changed my life in terms of looking at assets and liabilities and what we spend our money on. It’s called *Rich Dad, Poor Dad*. It presents two different philosophies about how we spend our money and it really encouraged me to invest.



Chris Martin (second from right): “You can’t empower young people, you can only give them the tools to empower themselves”

This is something that as a community we’ve been doing as well. We’ve started a community-owned hydro-project in Callander, which generates £200,000 a year. There are a lot of empty shops and business rates are high, so I have been suggesting that we use a proportion of the revenue to buy out some of these shops and then rent them out – using that income to pass on to beneficiaries. It is essential to plan ahead and make investments now in order to secure long-term sustainability.

LA: Our region in New Zealand is very similar to Scotland – we face a lot of the same social issues, the same removal of jobs and the challenges of urbanisation. We’re starting to discuss community-based assets and particularly what can be learnt from Scotland. It will be an interesting trip for us to see 10 years into the future when we visit for this year’s SEWF. Next up, what advice would you give to a young entrepreneur from New Zealand who is thinking about social enterprise for the first time?

CM: I would say surround yourself with like-minded people with similar values. You can teach skills, but values are pretty ingrained. Oh, and check your own values too – and make sure they are aligned with the sector!

LA: What has been the biggest challenge you’ve faced recently?

CM: I’m not a hotel manager, I’m a humble community development officer. You feel like a bit of a charlatan sometimes in a sector where you’re only as good as your last

TripAdvisor report and where you’re working with young people who sometimes lack the confidence to look a customer in the eye. I had to learn very quickly.

LA: How do you balance the pressure of commercial demands whilst offering the necessary support to the young people?

CM: From the beginning, we were encouraged to get our price point and our product right – and tell our social story afterwards. We’ve done that and developed credibility. However, early on we had to re-think our whole business plan. The initial plan was very much, ‘let’s take young people who are excluded and let’s give them all the jobs’. We’ve now got the right staff in place, so the young people have someone to look up to.

LA: I’m pretty obsessed with telling the impact story. How do we enable social enterprises in New Zealand to understand their impact and how to value that impact? How do you tell your impact story?

CM: Honestly, we probably don’t do it well enough. As British people, perhaps it is because we are quite reserved.

LA: New Zealand is very much the same.

CM: The good thing is that funders are asking for social return on investment figures. We’ve also been nominated for a number of awards; I think we’ve won 10 in the past four years, which helps to raise awareness about our work.

LA: What are you looking forward to at SEWF in September?

CM: I’m looking forward to showing off Scotland! Delegates can come to Callander on the study tour. One of our local social enterprises provides all the extras for *Outlander* [the television series based on the film *Braveheart*] and is going to put on an *Outlander* experience alongside the castle featured in the series. We’ve also got a steam ship lined up to take people over the loch and there will be visits to the hydro project. At the conference itself, it’s the networking. I’ve made some fantastic international contacts. Soon we’re taking some of our young people to DC Central Kitchens in the USA. That wouldn’t have happened if I hadn’t met Mike Curtin at SEWF. ■



Interview facilitated by Ellie Ward. Look out for the next link in this interview chain when Chris Martin interviews Mike Curtin from DC Central Kitchen – coming soon online.

CHAIN REACTION

The 10th Social Enterprise World Forum will take place from 12-14 September 2018 in Edinburgh. Pioneers Post is media partner to the event. See our Social Enterprise World Forum collection at pioneerspost.com/collections/social-enterprise-world-forum for more.

INTERVIEW

IMPACT INVESTMENT STRENGTHENS IN ASIA-PACIFIC



Impact investment is an evolution in thought and revolution in means, Sir Ronald Cohen tells David Floyd. He's delighted nations like Korea are joining in

Impact investment is gaining momentum across the Asia-Pacific. In February, the Republic of Korea joined the movement by becoming the 17th member country of the Global Social Impact Investment Steering Group (GSG).

The steering group's chair and "godfather of social investment" Sir Ronald Cohen was at the launch of Korea's new National Advisory Board on

Impact Investing. At the event, Sir Ronald highlighted that the launch, which was convened with the British Council and the United Nations Economic and Social Commission for Asia and the Pacific, was important for the future of impact investing in Asia.

Sir Ronald said: "Korea is among the pioneers in the region to recognise the opportunity of impact investment as a

central approach to harness the power of entrepreneurship and innovation to solve social and environmental issues.

"This movement is truly an evolution in thought and a revolution in means. I am delighted that Korea has joined the revolution."

Pioneers Post spoke to Sir Ronald about his perspective on impact investment across the Asia-Pacific.

Pioneers Post: We understand that the wider Asia-Pacific region is a priority area for the Global Steering Group, could you tell us more about steering group's activities in the region?

Sir Ronald: Broadly speaking, we are interested in helping any country which is interested in pursuing impact investment. There is a lot of interest in the Asia-Pacific region and across the whole of Asia. In the meeting we had in Korea, there were people from 13 countries.

Pioneers Post: You went to the Republic of Korea for the launch of a new National Advisory Board (NAB) for Impact Finance, how has this come about?

Sir Ronald: Korea is the 17th NAB and it has come about as a result of [the chair and impact finance expert] Professor Chul Woo Moon working to set up the board over the past couple of years. The reason for this is that Korea is becoming increasingly interested in using impact investment to tackle social issues. The aim of the board is to bring together all of the interested parties in achieving this.

Pioneers Post: The Korea NAB is going to focus on establishing on a wholesale impact fund. What will this aim to achieve?

Sir Ronald: The provider of wholesale impact finance will aim to fund a lot of organisations and initiatives which address a range of social issues in an outcomes-based way. The framework for this is just beginning, but the government has made \$50 million available, which needs to be matched with equal amounts from the private sector.

Pioneers Post: What can Korea learn from other countries' experiences in setting up wholesale funds, including the experiences of Big Society Capital in the UK?

Sir Ronald: In terms of learning from other countries' experiences, Big Society Capital is now five years old, and it has funded more than 40 impact organisations, many with very significant amounts of money. This experience is very relevant to Korea. We expect there will be continued exchange of information with Big Society Capital.

Pioneers Post: Beyond the launch of the Korea NAB, what other big developments can we expect to see in impact investing in 2018?

Sir Ronald: It is very difficult to scale social impact bonds without having independently managed, outcome payment funds so we are endeavouring to catalyse a billion-dollar outcomes payment fund for education in India and a billion-dollar outcomes payment fund in Africa and the Middle East.

This would aim to attract \$700 million of investment into development impact bonds and social impact bond funds, which would seek out entrepreneurs with innovative ideas about improving attainment levels at every level of education. The reason I think this is important for the field as a whole is that its emphasis on measurement of outcomes is crucial to the achievement of significant impact. And these outcome funds would bring home much more widely the shift to optimising three dimensions instead of the traditional two dimensions of risk and return. Optimising instead risk, return and impact. ■



Sir Ronald Cohen speaks at the launch of Korea's National Advisory Board earlier this year



This article is part of the Pioneers Post Global Perspectives on Social Enterprise collection produced in partnership with the British Council. The GSG and the British Council are committed to working together to foster greater social impact by strengthening social enterprise and investment ecosystems and engaging people through arts and culture.

NEW KID ON THE BLOCK(CHAIN)

Decreasing trust levels, lack of transparency, costly financial models – could blockchain provide the answers to some of the biggest challenges faced in the social impact sector right now? Or are we letting the hype cloud the reality of what this early stage innovation can offer?

Written by **ELLIE WARD**

Over the past year, blockchain has gone from being a nerdy kid brother circling the periphery of the social impact space, to the golden child with the weight of expectation on its shoulders.

Since the start of 2018, a number of reports have been published by the likes of Social Tech Trust and the Rippleworks Foundation, analysing the potential of blockchain within the philanthropy, social enterprise, aid and charity sectors.

But what does blockchain technology offer that has not been within reach before?

Does blockchain have the potential to ‘revolutionise the charity sector’, as another recent report, from Charity Futures, proclaims? And what are the risks involved in using blockchain technology to facilitate transactions that aim to deliver positive social impact?

Before we can consider these questions, however, it might be helpful to ask the most obvious question first: just what is ‘blockchain’, and how does it work?

When people hear the word ‘blockchain’, often what flashes to mind is the cryptocurrency Bitcoin; the promises of fast cash surrounding it, its recent market

crash or perhaps its associations with the dark web (individuals using Bitcoins to make illegal transactions anonymously online). Bitcoin was created eight years ago and there are many more cryptocurrencies making their way through cyberspace right now, including Ethereum and Litecoin.

Blockchain technology is the digital infrastructure that makes the existence of these new cryptocurrencies possible. In an episode of the podcast *Our Lives + Tech*, the CEO of blockchain platform Alice, Raphaël Mazet, says: “It is a bit of a mysterious technology. It almost has a cult-like devotion.”

Mazet goes on to explain how blockchain technology works in layman’s terms: “Everybody’s familiar with the Excel spreadsheet and the blockchain kind of works like that. Imagine a spreadsheet where everybody has an entry in it, which is basically their wallet, and everybody has a certain amount of funds that corresponds to their line. If I want to send you one Bitcoin or one Ether, then I can just do that automatically and all that it will do is change the entry in the spreadsheet.”

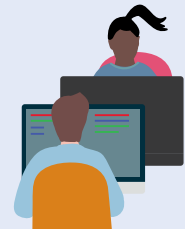
Blockchain technology carries out the tasks traditionally undertaken by a

centralised bank. It offers a digital database of information about who owns what, and who is transferring what to who and when. The key difference between a blockchain and a conventional bank is that no central authority, neither governmental nor corporate, runs or regulates the database. This also means that no one user, bank or government can force a fee on payments being made or control the flow of payments in transaction.

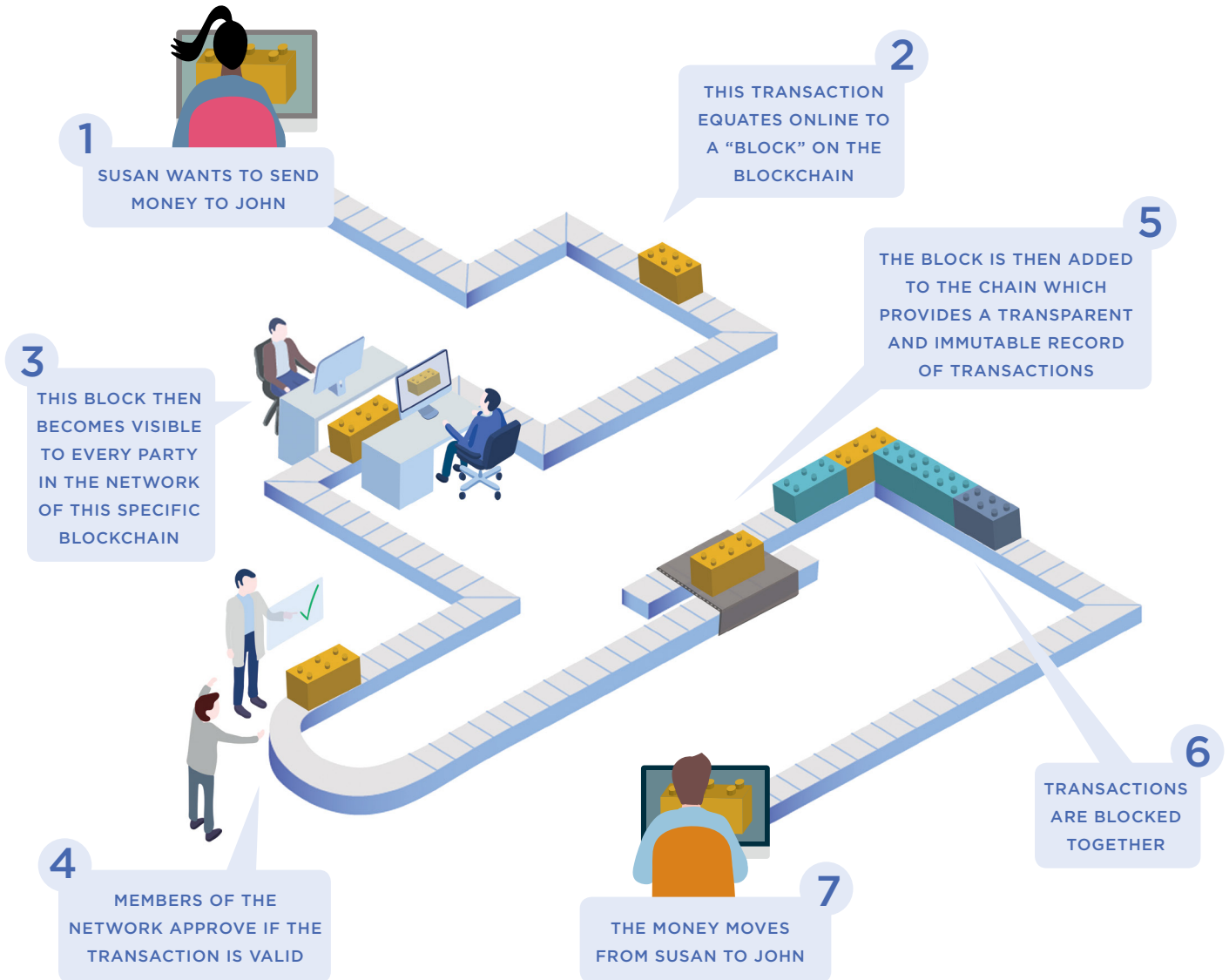


↑ Mysterious technology: Raphaël Mazet

THE BLOCKCHAIN JOURNEY



SUSAN AND JOHN BOTH
HAVE VIRTUAL WALLETS



THE DEAL IS DONE

BLOCKCHAIN: THE SOCIAL IMPACT SECRET WEAPON?

In a report published by Charity Futures in May 2018, author Asheem Singh concludes that the charity sector “urgently needs to engage with the [blockchain] technology, given that it is revolutionising sectors – like banking – that charities already rely on”.

In another report, also published this year, the Rippleworks Foundation asks: “The promise – and potential – of blockchain to drive social impact is massive, but how much of it is hype and how much is reality?”

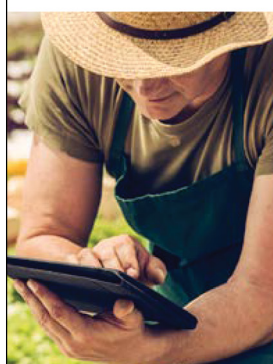
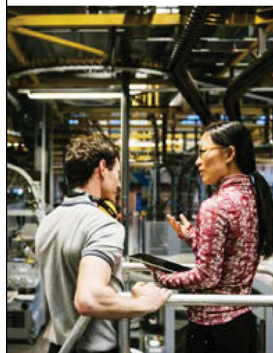
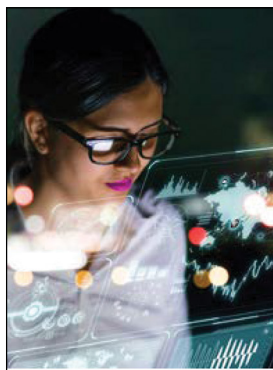
Lyndsey Boucherle, co-author of the Rippleworks’ *Blockchain for Social Impact* report, tells *Pioneers Post* that the most surprising finding of her research was discovering “the number of overall initiatives and projects happening already” and “realising the scope at which they were operating”.

The *Blockchain for Social Impact* report identifies 193 initiatives all using this innovative technology to deliver positive social and environmental impact. Of these 193 initiatives, 25% were operating in the health sector, while the next leading sector was financial inclusion, followed by philanthropy and aid and democracy and governance, which each made up 11% of the initiatives studied.

Vicki Hearn, director of Social Tech Trust (formerly Nominet Trust), explains to *Pioneers Post*: “One of the social tech trends highlighted in our recent report *Transforming Lives with Tech: A Global Conversation*, is blockchain’s potential to bring inclusion to billions of people worldwide.

“For example, Aid:Tech is using blockchain technology to provide a secure platform for aid distribution, while BanQu is giving refugees secure, verified ID enabling them to plug into economic and civic systems. Our podcast series *Our Lives + Tech* builds on these report trends, with industry experts discussing how blockchain could actually be a new ‘secret weapon’ for the charity and social impact sector.”

Hull Coin is a new crypto-currency for



BLOCKCHAIN FOR SOCIAL IMPACT

MOVING BEYOND THE HYPE

STANFORD BUSINESS | Center for Social Innovation | in collaboration with RippleWorks

the city of Hull that rewards people making a positive impact in their community with discounts on local businesses and services. David Shepherdson, co-founder of Hull Coin, explains that blockchain technology offers “efficiency, transparency and trust” in a way that traditional financial models are not able to.

This reflects the findings in the 2018 Rippleworks report, which concludes that the main incentives for using blockchain were to verify records and facilitate payments. The most popular benefits of blockchain were cited as reducing risk and fraud, and increasing efficiency.

Shepherdson says: “Blockchain is

potentially a transformational tool within a social and civic context. The vast majority of that isn’t in a way that everyone’s suddenly going to go: ‘Wow – we’re using blockchain’. I think it’s akin to the creation of ATM cashpoints years ago. It revolutionised the way people banked but people don’t necessarily have to have an understanding of a chip and pin machine to trust the new system – it’s all based around trust.

“Trust is embedded into any agreement that people are transacting. If somebody generates a Hull Coin and that is issued by a charity to an individual, that transaction and the information of that transaction



↑ Hull Coin hair cut (33% off!)



↑ Dave Shepherdson, co-founder of Hull Coin

taking place is logged onto the blockchain as an immutable record signed by those two parties that that transaction happened at that time for this reason. And nobody can go back and change that.”

Any set of rules which can be automated can be written into the underlying code of a blockchain. The technology will behave to those rules and will never deviate from them. “So those rules could be the governing arrangements for anything really,” continues Shepherdson.

“The key part is that once those rules are in place, a blockchain will never deviate. So the regulation is built in at the point of inception... If you have a person, the variable is the person, so the blockchain takes that away.”

Amanda Feldman is a director at Bridges Fund Management and an advisor at Alice, which is a platform built on the Ethereum blockchain. Alice’s mission is to bring transparency to social funding and ensure that small but effective projects, which often struggle to scale, are given an equal footing to much bigger projects which are more visible to funders.

Alice incentivises charities, NGOs and social enterprises to run their projects

transparently through a “payment-by-results” model – they get paid more when they achieve their goals. The performance of each project run by an organisation is made publically available, which helps funders identify and help scale the most effective ideas.

Feldman tells *Pioneers Post*: “Within the impact world – especially within impact management and measurement, as well as in terms of accountability between funders, charities, entrepreneurs and the people they serve – we could absolutely use some of the best of blockchain to categorise and process information transparently and then use it as an accountability mechanism over time.

“What Alice is trying to do is use blockchain to make sure that funders know what they’re funding and they can choose the outcomes... They can be aware of

what their money is going towards and organisations can attract more capital... or at least justify the capital they’ve received. I think that currently that conversation is so broken that I’m happy to try blockchain.”

But does this approach put too much emphasis on the needs and wants of those holding the wallets? Will smaller, more informal (yet still very effective) community organisations lose out on much needed cash because they do not know or have the capacity to speak the funders’ language, to understand how to communicate the impact they have in figures that can be analysed in an Excel sheet?

Boucherle says: “I don’t think that this blockchain model will eliminate the need for other funding sources and certainly won’t be suitable for every type of project.

If you think of an informal project, it may use something like crowdfunding. Those will continue to exist and there is still a need for that.

“With Alice, the value that blockchain brings is for the projects and initiatives that have the capability to be elevated to the next level. I think you need a certain amount of resource in place to cross that threshold should you receive funding... It’s more useful to look at it on a spectrum, and blockchain



COULD BLOCKCHAIN SPREAD THE VIRUS OF SOCIAL GOOD WORLDWIDE?



really helps a part of that spectrum, and certain types of projects and investors, but it is not by any means the be all and end all method.”

Examples such as Alice have led some to suggest that blockchain technology could be used to administer other relatively recent innovations such as Social Impact Bonds and Development Impact Bonds. Shepherdson says: “You could send a token, within that token is X amount of grant aid, which has rules and outcomes to be delivered against... Payments could be issued by the blockchain upon evidence that those things have taken place. The grant maker has a record of where that aid distribution is and because it is on a public network, anyone with access to the network can see where that money is.”

In addition to the added transparency

offered by blockchain, another benefit is its cost-saving potential. Shepherdson says: “At scale, the efficiency savings particularly in a governmental context are huge.”

He cites a recent simulation exercise, which aimed to assess how much it would cost if the Department for Work and Pensions used blockchain to administer benefits, tax credits or pensions. The administrative cost of using blockchain to conduct the same amount of transactions as the department is currently doing was reportedly found to be less than 10p, in comparison with the more than £3m being spent currently.

In addition, he claims that the whole infrastructure of democracy through voting could be transformed: “Blockchain technology takes away the requirement for any third party to verify that something’s

happened, because it’s automated.

Essentially, you can code in the rules of any vote... I could then vote on that issue by sending my cryptocurrency to a central wallet and the blockchain will effectively make a decision when a majority decision has been reached, without anybody having to decide that, and will then correspond the outcome of that to everybody who voted. Any vote rigging is transparent, everyone can see it.”

EXPECTATION VERSUS REALITY

Amidst all the excitement and hyperbole, a number of experts working in the field of blockchain are calling for expectations to be managed wisely. Alice’s Mazet tells *Pioneers Post*: “I do see some great potential for democratising capital, but the way things

ONES TO WATCH



Hull Coin

In the city of Hull, residents can carry out a positive social action and in return receive a Hull Coin, which is a digital currency unit – administered via blockchain technology – that equates to discounts at local businesses. It is described as the world's first Community Loyalty Point – simultaneously boosting the local economy, promoting civic action and supporting those on lower incomes. Local charities can also give Hull Coins to individuals requiring the types of discounts offered.



Aid:Tech

Aid:Tech uses blockchain technology to instantly send resources to anybody in the world with complete traceability. It was the first company in the world to successfully deliver aid to Syrian refugees completely transparently using Blockchain technology.



Alice.si

Founded in May 2017, Alice uses the open-source blockchain platform Ethereum to administer social impact funding, introducing greater transparency between funders and recipients. Every time a charity reaches a milestone, the donor receives a notification and the charity receives the relevant part of the donation.



BanQu

BanQu is a blockchain platform that gives the so-called 'unbanked' a secure, verified ID, which includes a transaction history and educational qualifications. There are an estimated 2.5 billion unbanked people worldwide, including refugees and forced migrants, who are denied access to governmental and financial services because they cannot prove their identity. BanQu is working with several thousand of these to help build them a record of transactions and verified data that enables them to take part in economic and civic systems.

are going at the moment it is an extremely hyped sector.

"There are a lot of projects and ideas being launched but some of them are just scams, and some of them are scams even if they're coming from the right place but don't take into account the operational realities of the impact sector. And a few of them are trying to do really interesting things."

The Rippleworks report identified that of the 193 blockchain initiatives analysed, 34% were started in 2017 or later, and 74% are still in the pilot or idea stage. Boucherle says: "There needs to be a lot more time and a lot more work done around proving out a lot of those pilots being run."

Manet concludes with a sobering warning: "In some ways the hype helps a lot – it's a difficult technology to work with and

will probably need a lot more capital than other industries because of the challenges there are with building on the blockchain, but at the same time there's probably too much money going into projects that are never going to go anywhere and people are probably going to lose a lot of money."

RISKY BUSINESS?

When talking to blockchain enthusiasts, it can be difficult to avoid getting swept up in the excitement of this new technology that promises to disrupt and better the social impact world. But what, if any, are the risks involved in trusting a digital 'Excel sheet' to transfer desperately needed finances to beneficiaries or to allocate food and medical supplies to individuals thousands of miles away? If the key difference between traditional banking

institutions and blockchain technology is the removal of a centralised, people-led regulatory body, how can we be sure that the technology is being used as intended?

In theory, this idea of eliminating costly administrative procedures to regulate transactions sounds promising. But what are the risks?

Firstly, it is important to remember that the technology is only as good as the coder. If, as Shepherdson explains, the regulation functions of transactions cannot be deviated from because they are embedded into the coding of the blockchain, the original coding must not allow for any loopholes. For example, there cannot be any ways of people being able to upload inaccurate data in order to receive a payment for an inaccurate outcome.

Boucherle provides some clarity

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over this concern: “One of the misconceptions of where that technology is currently, is that in some cases there is still an intermediary step involved.

“For example, Disperse is utilising Blockchain for money transfers. But initially, especially given how important trust is and the fact they are working with charities, they actually have a due diligence step before those parties are on-boarded, so they’re still doing checks and balances of who is giving and who is receiving, and then the actual transaction can be more automatic.”

Disperse is a fund management platform which distributes aid funding globally. In 2017, its first pilot distributed and tracked funds from the UK into a girls’ education project in Swaziland. Money was transferred from a UK NGO to a Swazi NGO, and then distributed onto four schools to support vulnerable girls who became orphaned as a result of HIV/AIDS. As a result of using blockchain, the funder was able to track the capital and save 2.5% on transfer fees – enabling them to fund an additional three girls to go to school for a year.

Boucherle continues: “Although in a general, broader blockchain scenario, there are a lot of transfers happening fully without intermediaries, in the ‘for good’ space it’s not there yet and for good reason. If you talk more broadly about whether there is a risk in anyone trying to transfer money, my personal opinion would be there’s certainly risk involved in it, there’s still questions around the level of security as far as wallets being hacked and things of that nature.

“In the context of philanthropic donations and working with

charities, I think that money-saving can have a huge impact but they still need that step in between, so there’s still the light touch of an intermediary, it’s just more efficient and introduces cost savings to the process. In this sector I don’t think it’s at that point yet. If there was a way to provide that verification, I think it could get there.

“The challenge is without that, you’re working in potentially still corrupt environments, so it is difficult to rule out bad actors if there isn’t still some intermediation. Especially with regard to philanthropic donation or foreign aid, that’s pretty critical to be aware of.”

THE WHOLE PICTURE

The appetite for blockchain within the social sector is increasing. As pilots progress to fully-fledged projects, it is fundamental that conversations about this new and exciting technology do not alienate any of the stakeholders in a project.

Boucherle acknowledges: “We spoke mainly to those leading these projects and initiatives. In order to get the full picture, it would be important to understand in more detail, what’s the view of a charity or recipient in a project, or an individual, to see how they would engage with this.”

While it is important not to get swept up in the hype and lose sight of what is being evidenced, it is also okay to get excited about the potential this new technology can bring. There is no single silver bullet that is going to solve all of the issues of the social sector, but some individual innovations do have the power to make a significant difference. Blockchain has the potential to be just such an innovation. ■

BLOCKCHAIN: TEMPERING HYPE WITH REALITY

Social investment is no stranger to hype and inflated expectations. Let's not make the same mistake with blockchain technology, writes Rhodri Davies

Blockchain technology is something many of you will have heard of by this point. That may have been in the context of Bitcoin and cryptocurrency – which remains the technology's best-known use case by far – or it may have been as a result of attending one of the many sessions on blockchain that seemed to have replaced Social Impact Bond discussions as a de rigueur part of social finance conferences.

Having spent more than four years thinking about the potential impact of blockchain tech on philanthropy and civil society, it's been fascinating to track the arc of interest and debate within the charity and social finance sectors. To my mind, we currently stand close to the peak of hype and inflated expectations; and if we don't temper these with a bit of reality, there is a real danger of cynicism taking hold before we have given the technology time to mature and explored some of the genuinely fascinating possibilities.

That's why it's worth taking stock of what is actually happening on the ground at the moment, and identifying where the key opportunities and challenges lie when it comes to social investment.

It's important to say up front that no-one should get the idea that this space is highly developed. There is certainly a growing amount of interest, research and rhetoric; but there are far fewer live projects, and those that do exist are pretty much universally at pilot or Minimum Viable Product stage, rather than being ready to scale up or go to market. In part this is a reflection of the fact that this technology is still very new, so the projects that are

exploring it in a responsible and measured way have been honest about the pragmatic challenges, and have limited their scope accordingly.

When it comes to social investment, blockchain technology offers some reasonably pragmatic possibilities for making existing approaches more effective and efficient, but also some tantalising glimpses of far more radical ways in which we could transform the landscape for social finance as a means of supporting civil society.

In terms of the former, the decentralised nature of blockchain combined with the use of smart contracts is key. (Smart contracts are self-executing computer protocols that perform defined functions when set criteria are met.) This could disrupt some of the existing structures within social finance that are currently costly and bureaucratic. For example, it may be possible to take the elements of a social impact bond - or other payment by results models - and replicate them in a much more streamlined way using smart contracts, so that you avoid the need for setting up a special purpose vehicle and many of the associated legal and admin costs that come with it.

In terms of the wider impact on social finance, this is where things become both more speculative and more exciting. One of the most powerful aspects of blockchain technology is that it can be used to record value of all kinds: be that financial, non-financial, physical or intangible. And that power has been harnessed in a variety of ways so far, such as exploring the application to intellectual property rights

in the creative industries, or to voting rights in a government context. And this applies equally to social value.

Whilst it's true that blockchain tech doesn't automatically solve many of the well-known challenges of measuring social value consistently and accurately; it does still open up some fascinating possibilities in these areas. For instance, the integration with the burgeoning Internet of Things – comprised of the network of sensor and processor-enabled 'smart objects' that now populate our world – opens up the possibility of directly recording objective data that can be factored into wider measurements of social good. And even beyond that, the use of blockchain tech to create 'prediction markets' in which users are rewarded for coming up with good ideas, opens up the possibility of 'social impact prediction markets', in which individuals and organisations are recognised and rewarded for coming up with the best ideas to deliver outcomes.

None of this is going to happen automatically or even particularly quickly, which is why it's important that any individuals and organisation are willing to play a slightly longer game. If that means missing out on some of the short-term action, then so be it, on the basis that the bigger prize on offer (potentially) is huge. ■



Rhodri Davies is head of policy at the Charities Aid Foundation

DO WE HAVE A DIVERSITY PROBLEM?

Leading women in social enterprise, impact investment and social innovation talk to us about diversity, their deepest convictions and what advice they'd give their younger selves



BONNIE CHIU

FOUNDER, LENSATIONAL AND MANAGING DIRECTOR,
THE SOCIAL INVESTMENT CONSULTANCY

SHOULD THE SOCIAL ENTERPRISE AND IMPACT INVESTMENT WORLD FOCUS ON HIRING MORE DIVERSE TALENT?

There is a definite shift in social ventures having women at the helm, and 41% of the UK's social enterprises are now led by women. An INSEAD study published in March 2018 shows that "the strictly commercial venture was perceived to be more viable when pitched by the man, but the gender penalty vanished when the pitch also included its social mission". Social enterprises seem to be a more level playing field for both genders.

But what about the investors? Research recently commissioned by my firm showed that among 83% of the social investors surveyed, women are making less than 25% of the investment decisions. There is, however, some promise of change. An article in *The Economist* earlier this month predicted that women are expected to hold \$72trn by 2020, which is 32% of total private wealth.

WHAT ONE ISSUE WOULD YOU CHAIN YOURSELF TO THE RAILINGS OF PARLIAMENT FOR?

I think we definitely need to focus on hiring more diverse talent, particularly women from under-represented communities. Achieving a truly inclusive economy would be one issue that I would chain myself to the railings of Parliament for. We stand on shoulders of giants – the suffragettes who fought for the right of women to vote 100 years ago.

IF YOU COULD GIVE ADVICE TO YOUR 21-YEAR-OLD SELF, WHAT WOULD IT BE?

Being young should not limit you to achieve your ambitions – don't wait.

We stand on shoulders of giants – the suffragettes who fought for the right of women to vote 100 years ago



ESTHER FOREMAN

DIRECTOR, THE SOCIAL CHANGE AGENCY

SHOULD THE SOCIAL ENTERPRISE AND IMPACT INVESTMENT WORLD FOCUS ON HIRING MORE DIVERSE TALENT?

Yes. And diversity related to all strands of the Equalities Act, not just gender. We run an incredibly diverse team, a mixture of gender, disabilities, ethnicity, religion and more and love it. We bring different perspectives together and our work for clients is richer as a result.

WHAT ONE ISSUE WOULD YOU CHAIN YOURSELF TO THE RAILINGS OF PARLIAMENT FOR?

Sadly, it would still be woman's rights. We've come so far, and yet sometimes I see things happen that make my heart sink. Some stuff just shouldn't be happening: Yarl's Wood immigration centre? The tampon tax? Can we just get it sorted out please?

IF YOU COULD GIVE ADVICE TO YOUR 21-YEAR-OLD SELF, WHAT WOULD IT BE?

I was diagnosed with MS at a really young age and when I was 21 I wasn't sure I would make 30 – so I would tell my younger self not to worry too much about it and just keep going. When you live with MS, people think it is ok to offer all kinds of advice, even when it has nothing to do with the illness. I was told many times that I need to slow down, be softer, less audacious, conserve energy, but actually all those things that everyone criticised me for are the things that have enabled me to be where I am today, so I think I would also tell myself not to take people's advice to heart. (I think I might also tell myself to keep my final salary pension I had from my first proper job and not cash it in *biggestregret*.)

All the things that everyone criticised me for are the things that have enabled me to be where I am today



REN KAPUR

CEO, X-FORCES

SHOULD THE SOCIAL ENTERPRISE AND IMPACT INVESTMENT WORLD FOCUS ON HIRING MORE DIVERSE TALENT?

I think we have seen a lot of progress globally that reflects enormous impact, value and sustainability through social enterprises and alternative financing. There is no doubt sustainability and alternative funding are the future of doing business, however, we still need to ensure diversity continues to flourish across the board. Research suggests women are more likely to consider social enterprise models and we are seeing a number of these coming through the armed forces community. However, these should not be led by gender alone. To get true progression we should support more people from BAME and LGBT communities.

WHAT ONE ISSUE WOULD YOU CHAIN YOURSELF TO THE RAILINGS OF PARLIAMENT FOR?

The UK needs new businesses as they are the future employers for our children and their children – we are, after all, a nation of shopkeepers and innovators. The government has delivered profuse support to enable micro-financing over these last few years by backing seed-funding for entrepreneurs, this is the riskiest part of the start-up phase. If this policy changed or the funding wasn't available I would absolutely challenge this situation.

IF YOU COULD GIVE ADVICE TO YOUR 21-YEAR-OLD SELF, WHAT WOULD IT BE?

The same advice I give myself now, which is listen to wisdom, read well and take time to reflect... I wish I knew the power of this earlier, but it's never too late!

Listen to wisdom, read well and take time to reflect



I think equality is the biggest issue of the modern world

SOPHI TRANCHELL

MANAGING DIRECTOR, DIVINE CHOCOLATE

SHOULD THE SOCIAL ENTERPRISE AND IMPACT INVESTMENT WORLD FOCUS ON HIRING MORE DIVERSE TALENT?

Yes, in every respect. From a gender perspective, but also a race and class perspective. There's a lot of evidence to suggest that more diverse groups of people make better decisions. What we've had up to now is a world where business is all about maximising profits, but if we want a new outcome we need a different set of people, with a new outlook and life experiences.

It's also about changing the framework. People are still asking "is it growing and is it making profit?" and these are the wrong questions. We should be asking "is it delivering impact?" and "is it sustainable?" There's still a focus on measuring success in a very conventional way. I'd recommend a book by economist Kate Raworth on the topic called *Doughnut Economics*. She argues that our approach of the last 50 years is not working, and that we need to reshape the world's narrative about what success looks like if we want fairer economics.

There's a growing number of women in economics who are approaching the subject differently, from the starting point that economics should work for everyone. Sensibly, one of their approaches is to challenge the way economics is being taught in universities, and starting to change the framework there.

WHAT ONE ISSUE WOULD YOU CHAIN YOURSELF TO THE RAILINGS OF PARLIAMENT FOR?

I think equality is the biggest issue of the modern world. Evidence shows that the prevailing system of inequality does not work. We have societies with high levels of suicide, drug taking and violence, and we end up spending our money on security rather than education. In the end, everyone is unhappy.

I come from a background in campaigning, so I know that if I were to chain myself to the railings of Parliament I would need a clear objective – one clear demand. The single thing I would ask for would be requiring companies to annually report their pay ratio between the highest and lowest paid employees. This would immediately impact the dialogue around equality and could catalyse a change to a system in which those who receive the top pay become more responsible for those at the bottom.

IF YOU COULD GIVE ADVICE TO YOUR 21-YEAR-OLD SELF, WHAT WOULD IT BE?

If it were to apply to running a social enterprise, I would say clearly articulating the mission is really important – be single-minded about it. From a broader perspective, I would say pick your partners carefully – who you are collaborating with and who your investors are. If you pick the wrong ones, they could be your downfall, so choose partners that really share your values. Collaboration is more fulfilling than competition, but they can be the people who make you compromise your mission. We've done a good job on finding long-term partners and long-term investors at Divine. On a personal level my husband has been a massive support too.

WISE

RECOGNISING LEADING WOMEN
IN SOCIAL ENTERPRISE

The WISE100 Index recognises inspiring and influential women in social enterprise, impact investment and social innovation. Our selection of the leading 100 women from 250 nominations was launched in October 2017 by the NatWest SE100 Index in partnership with Pioneers Post.

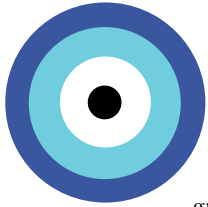
REPORTING TEAM: CAROLINE HAILSTONE AND SIMONE VAN KLAVEREN

GLOBAL FOCUS

Greece

The Greek people have fought to overcome their economic crisis in many ways — some took to the streets in violent protests, others kickstarted a new wave of alternative businesses, co-operatives and solidarity initiatives

Written by JULIE PYBUS with support from the British Council team in Greece



In May 2010, cities in Greece became battlegrounds between furious anti-austerity demonstrators and riot police. Flames from petrol bombs lit up the streets, tourists were stranded as flights were grounded and the Acropolis was stormed by thousands of protestors.

After several years of harsh government cuts which were attempting to stabilise the Greek economy after a fudged eurozone entry, the country was teetering on the edge of bankruptcy. Public sector workers' pay was frozen, taxes rose, public services were cut back and pensions were threatened.

The crisis continued for eight more years, becoming the most severe economic depression faced by a developed country – worse even than the US Great Depression of 1929-39. Youth unemployment hit a peak of nearly 50% in 2013, wages fell by 35% and, at one point, more than one-third of the population was considered to be at risk of poverty or social exclusion.

While the violent protests hit the headlines around the world, another type of resistance was more quietly taking place. People started talking about solidarity, about new ways to trade and about the concept of a social economy. Some of them founded timebanks – systems to exchange voluntary actions for other resources, some bartered fruit and vegetables, others developed clinics staffed by volunteers and funded by donations.

This movement, which was particularly active between 2008 and 2011, led to what is today a young, optimistic and developing group of social enterprises, cooperatives and other similar organisations; in Greece these are collectively known as the social and solidarity economy.

And this movement is backed by the government. Antonis Vorloou, the Greek social and solidarity economy special secretary, tells *Pioneers Post* that development of the social economy is a government priority “as it contributes to inclusive economic development while combatting unemployment and social exclusion and advancing the democratisation of work and production”.



↑ Antonis Vorloou, social and solidarity economy special secretary

A NEW ANALYSIS

In May, the British Council published the *Greece Social and Solidarity Report*. It gives the fullest picture to date of the growing movement of organisations in this sector and highlights the challenges they face as well as the current support on offer.

The report, written by Greek non-profit European Village and Social Enterprise UK for the British Council, points out that the sector in Greece is currently significantly underdeveloped in relation to other European countries. The majority of organisations are recently established, still small and facing challenges to their sustainability and growth.

However, the organisations are beginning to help to tackle some of the country's most significant social challenges, especially poverty and unemployment, while also promoting alternative business models that incorporate social benefit alongside their economic activity.

The researchers found that the current challenging economic and social landscape in Greece is viewed by these organisations as a reason why a stronger sector is needed “in order to create new opportunities, address unemployment and establish new economic and entrepreneurial models in areas where mainstream paradigms have failed”.

KEY FINDINGS

The researchers analysed data from official sources, examined other pieces of research and reached out to 1,265 organisations via an online survey, focus groups and interviews. The key findings are as follows:

- There are approximately 1,500 social and solidarity economy organisations in Greece.

This group is made up of:

- Around 600 active social and solidarity economy organisations, according to the official government registry (which is currently undergoing a transition).
- Hundreds more organisations with different legal forms and informally constituted organisations.

Of the survey respondents:

- 68% were established in the last five years.
- 74% have an annual turnover of less than €50,000.
- Most operate at local and regional levels.
- 78% focus on addressing unemployment.
- 68% expect to increase their turnover in the next 12 months.
- More than 90% believe that the sector has the potential to grow in their industry and in their geographical area.
- Access to appropriate finance is the biggest barrier to sustainability and growth.
- 35% are led by women.
- 41% of leaders have a postgraduate or doctoral level of education.

MOST SOCIAL AND SOLIDARITY ECONOMY ORGANISATIONS HAVE BEEN ESTABLISHED IN THE LAST FIVE YEARS



A handful of organisations existed before the economic crisis. Co-operatives have existed for a long time, particularly in farming, and some enterprises employed people from vulnerable social groups. One of the most well-known of these is the Social

KEY RECOMMENDATIONS

- Establishing a national centre to support the social and solidarity economy in Greece.
- Creating a communication and awareness-raising strategy to promote the movement.
- Providing start-up seed capital as grants or loans to emerging enterprises.
- Convening a social finance task force to identify alternative forms of finance.
- Importing and adapting proven specialist learning programme models.
- Providing training in social impact measurement.

AN ECONOMIC TURNAROUND?

After eight years of crippling recession, Greece is perhaps now beginning to turn the corner. On 30 April 2018, OECD secretary general, Angel Gurría launched the 2018 OECD Economic Survey of Greece. He pointed out that the Greek economy was growing (GDP expanded by 1.3% in 2017 GDP is expected to grow to 2% in 2018 and 2.3% in 2019) and unemployment was declining.

However, Gurría went on to emphasise that huge challenges remained. The OECD report points out that although poverty has stabilised, it remains at an all-time high in households with children. What's more, even though more people are in work, low wages mean that many of them remain in poverty. The spectre of unemployment has not disappeared: in 2017 remained at 21% and youth unemployment was 45%.

At the conclusion of his speech about the survey, Gurría said that reforms still needed to be made in Greece. He added: "It is also fundamental to focus these reforms on a new type of growth, one focused on people; a more resilient type of growth, focused on social wellbeing; a more sustainable type of growth, focused on human progress."

AN ALTERNATIVE APPROACH

When speaking about a new type of economic growth, Gurría probably didn't have Greece's social and solidarity economy organisations in mind, yet they are beginning to demonstrate a new approach to doing business.

Cooperative of Dodecanese which in the 1990s transformed an asylum on the island of Leros into a business that employs people with mental health issues to work in farming, making sweets and pastries, and honey production.

However, the research shows that the economic crisis catalysed a sudden growth in the movement. Numerous new organisations appeared – mostly informal entities that operated outside the conventional market economy, such as timebanks, social centres, food redistribution schemes and urban community vegetable gardens.

Alongside these, co-operative enterprises multiplied as people sought alternative models of labour, working together to take control of their conditions and pay. Kastri restaurant on the island of Syros, for example, was formed in 2000 by a co-operative of unemployed local women and prides itself on serving high quality, traditional food.

There is also enthusiasm for tech-focused social innovation projects. At the end of March this year, CommonsFest was held in Heraklion, Crete. The event brought together digital-focused co-operative ventures from all over the country. After three days of working together, they agreed to continue to collaborate in a network to strengthen their contribution to Greek society.

The research shows, however, that there are not yet many organisations operating according to the "Anglo-American model" of social enterprise where money is earned through trade, outside of a co-operative system, and profits are channelled into social goals.

One example though is The Shediart Upcycling Project which transforms unsold copies of the Greek version of *The Big Issue*, Shedia, into decorative items such as lampshades and clocks. The project aims to create education, training and employment for people who are homeless or who are suffering poverty as well as encouraging their social integration. The first group of participants were Shedia vendors over the age of 50.

GOVERNMENT SUPPORT

The Greek constitution of 1864 gives citizens freedom of association, and several laws relating to co-operatives have been passed since then, including a clutch of sometimes confusing regulations during the 1980s and 1990s. However, the most

significant laws relating to the social economy were passed in 2011 and 2016.

In 2011, law 4019/2011 defined social economy and social co-operative enterprise in Greece for the first time as well as introducing a government registry for these organisations.

In 2016, a new law (4430/2016) superseded the 2011 legislation, offering a new framework which included a wider range of organisations and enterprises. So today, the definition is an organisation that adheres to the following principles:

- Takes part in economic and/or entrepreneurial activity.
- Has a clear social purpose.
- Is independent and democratic in governance.
- Reinvests profits, distributes part of them to employees and/or channels them to social goals rather than distributes them to stakeholders.
- Is based on collective action.

Perhaps an unintended consequence of the 2011 law was that the sector suddenly mushroomed with many organisations registering simply to access new state subsidies associated with these new legal structures or to test out with the new system while taking little financial risk.

Ionnis Nasioulas, founder and director of Greece's Social Economy Institute, wrote recently that the 2011 law created a "social business sector is nothing but words, with no social impact created or employment generated in a setting that is desperate for social innovation that delivers".

The research, however, recognises that many organisations that were set up in the first wave of excitement surrounding the new law have now ceased their activity, or were never active in the first place. The final estimate of there being around 1,500 social and solidarity economy organisations endeavours to filter out those that are inactive or irrelevant.

CHALLENGES AND SUPPORT

Although recent years have also seen a rise in support bodies for the movement, including branches of Ashoka and Impact Hub, there are still significant challenges.

In spite of the fact that many survey respondents were optimistic about their future growth, the researchers noted big hurdles to overcome, including bureaucracy, a lack of awareness



↑ The Greek prime minister attends the Social Economy Expo in Athens

about the sector's work, poor commissioning and procurement from the public sector and a lack of appropriate finance.

The Greek government is keen to offer support and Antonis Vorloou highlights to *Pioneers Post* that he has introduced an action plan to support the development of the social and solidarity ecosystem running from 2017 to 2023 with a budget of €170m. The money will be used to establish up to 100 support centres across the country, as well as providing grants, different types of loans and loan guarantees.

Vorloou also points out that a national exhibition, the Social Economy Expo was held in Athens in November 2017 to raise the profile of the sector and that it is something that the government is keen to repeat every year at a local and national level.



"GREAT HOPE FOR THE FUTURE"

The British Council runs a programme called *Life Skills: Developing Social Entrepreneurs* for students in Greece.

This year's programme concluded with a competition for students to submit their ideas for social enterprises that solve social, environmental or cultural problems in their communities. In May, 70 students in the ten best teams pitched their ideas in front of a jury and audience.

Maria Nomikou, the British Council's society lead in the EU region, says the event was full of "excitement, fun and brilliant, innovative ideas".

First prize went to an idea for a social enterprise that aims to raise the awareness of the medical use of herbs and healing plants on the mountain of Olympus. Second place went to a social enterprise that would introduce the general public to the Roma culture through tourism with the aim of combating racism. And the third prize was awarded to a plan to rebuild an abandoned municipal swimming pool and cafeteria to provide access to sport and entertainment in an isolated area as well as providing jobs for the most vulnerable members of the community.

"The students really understand the idea of social enterprise," says Nomikou. "This gives us great hope for the future."

The British Council too is supporting the sector in partnership with local authorities and other organisations, offering investment readiness support for social enterprises as well as training and opportunities for networking. It has also launched a social enterprise schools programme with HSBC called LifeSkills: Developing Social Entrepreneurs (see left) that will provide training to 20,000 young people by 2020.

In addition, the British Council has partnered with the Ministry of Labour Affairs and the EU to deliver a technical assistance programme (of which the survey is an element) designed to support Greek policymakers to implement the government's national strategy for the social and solidarity economy in Greece. This includes the design of training schemes for ministry officials and support centres staff that will ensure the implementation of the new national strategy and the development of a social impact measurement self-assessment tool in partnership with Social Value UK.

In spite of these initiatives, the special secretary emphasises that a big cultural shift is still needed in Greece. He points out that the sector is at an early stage of development with regional disparities between urban and rural areas, and adds: "Creating a supporting environment for the development of the social and solidarity economy is a necessary but not a sufficient condition in itself. Perhaps the key element for the sector to develop is that underlying culture of solidarity and giving to the community, as opposed to the pursuit and securing of individual benefits.

"Unfortunately, this philosophy has not gained mainstream status and much work is required on our part, but also by the sector itself in order to promote it."

He is ambitious that the movement will deliver better things for the Greek people. He concludes: "Obviously, the goal is ambitious but the benefits of achieving it are many, both for the sector and Greek society." ■



The *Greece Social and Solidarity Economy Report* published by the British Council is one of a collection of reports which map social enterprise around the world.

See: britishcouncil.org/society/social-enterprise/reports



MYRTILLO CAFÉ, ATHENS

Myrtillo is a café and arts centre which opened in autumn 2013. It's a co-operative, and 90% of the people who work there have disabilities. We spoke to board member George Apostolidis about the journey so far.

Why did you open Myrtillo café?

Myrtillo was created by the need to provide jobs for people with disabilities to live with independence and dignity as equal citizens in society. We took one step further and included our employees in the cooperative as full members in order for them to feel responsible co-owners.

What was it inspired by?

The founder, Georgia Rafan, was inspired by the Engine Shed café and bakery in Edinburgh where her son was trained [which has now closed]. However, that company operated under different terms and had a large state grant. In Greece, when Myrtillo was founded, there was no similar example from which to gain information and knowledge, which meant that the team had to improvise a lot.

How does Myrtillo earn its money?

We aim to be self-reliant and self-sustaining. We have received no grants other than the standard grant for social security contributions of people with disabilities for the first three years. We have also had a free four-year allocation of buildings by the municipality of Athens.

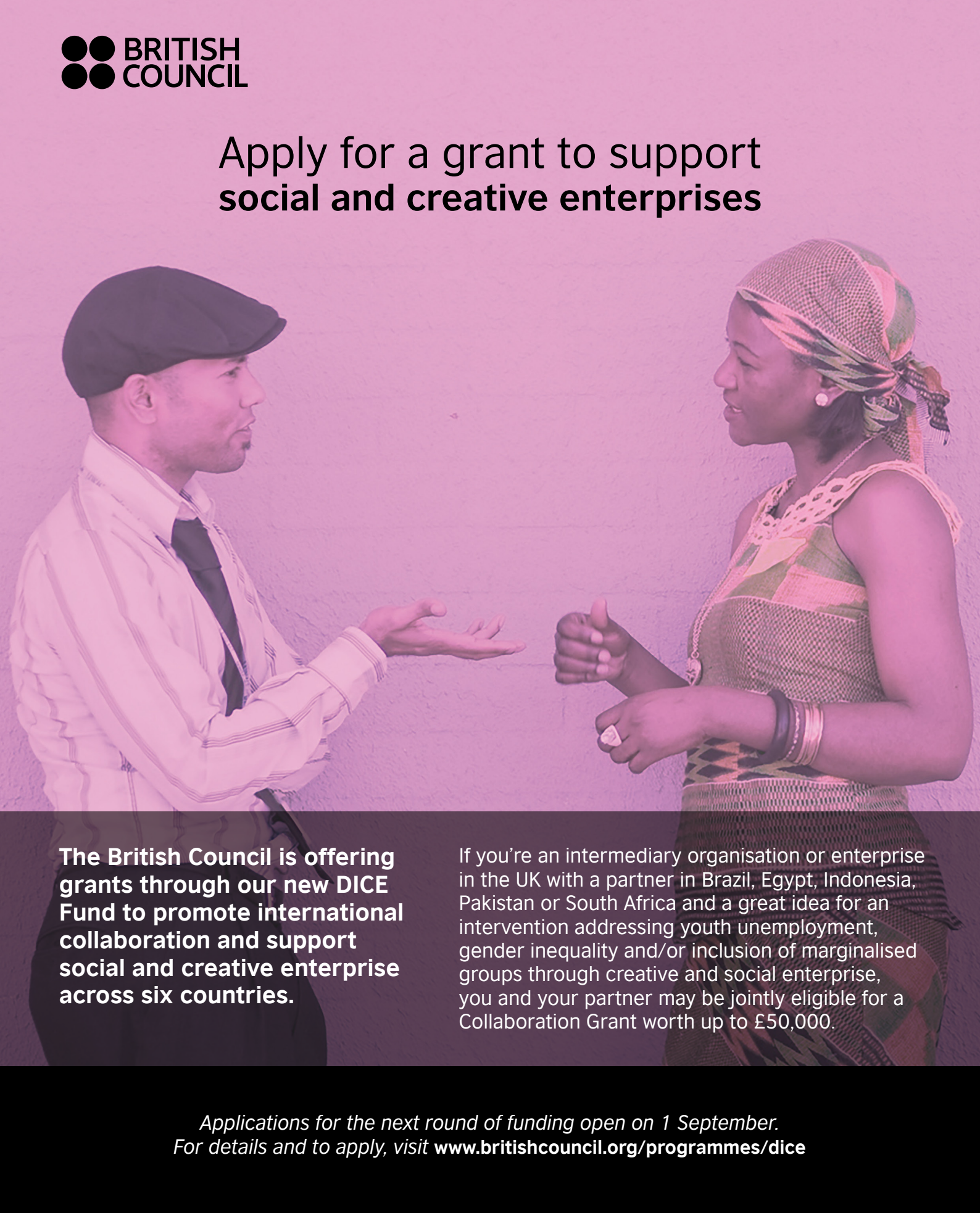
Are you earning enough to survive as a business?

No, but there is continuous improvement, especially since 2016 when we moved into buildings which are provided to us for free by the municipality of Athens.

Would you like to see more organisations develop in the social and solidarity economy in Greece? Do you think that organisations like this can help to make Greece a better place?

Yes, of course, that's why we have joined Dynamic Union, which is a joint venture of social cooperative enterprises in our region of Attica.

Apply for a grant to support social and creative enterprises

A man and a woman are shown in profile, facing each other and engaged in conversation. The man, on the left, is wearing a dark flat cap, a light-colored long-sleeved shirt, and a dark tie. The woman, on the right, is wearing a colorful patterned headscarf, a matching patterned sleeveless top, and several bangles on her right wrist. They are standing against a light-colored, textured wall. The entire image is overlaid with a semi-transparent purple filter.

The British Council is offering grants through our new DICE Fund to promote international collaboration and support social and creative enterprise across six countries.

If you're an intermediary organisation or enterprise in the UK with a partner in Brazil, Egypt, Indonesia, Pakistan or South Africa and a great idea for an intervention addressing youth unemployment, gender inequality and/or inclusion of marginalised groups through creative and social enterprise, you and your partner may be jointly eligible for a Collaboration Grant worth up to £50,000.

*Applications for the next round of funding open on 1 September.
For details and to apply, visit www.britishcouncil.org/programmes/dice*

THE BUSINESS SCHOOL

You've read about the 'What'. This is all about the 'How'.

The *Pioneers Post* Business School offers intelligent analysis and advice, explores the latest theories and research, and shares practical case studies, honest lessons and top tips from the leaders, investors and entrepreneurs doing the (social) business on the frontline.

We cover everything from leadership and culture, to effective PR and how to build a great brand. We will explore impact investment and dealflow, profile social ventures of all shapes and sizes, and review the products and services on offer from and for the market. We look at practical, legal and operational issues around structure, deal-making, contracts and impact measurement – backed up by videos and podcasts on the digital platform at pioneerspost.com.

*If you've got an issue you want us to cover –
or a great example you want to share, get in touch at
news@pioneerspost.com*

IN PARTNERSHIP WITH



What's going on in social impact investment around the world

“INVESTING SHOULD BE A FORCE FOR GOOD,” SAYS UK GOVERNMENT

Social investment should become “business as usual” for individual and institutional investors, believes the UK government.

In June, the UK government said it was committed to opening up social investment to a greater variety of investors in its response to a financial services industry-led report.

In November 2017, an advisory group led by Elizabeth Corley, vice chair of Allianz Global Investors, published *Growing a Culture of Social Impact Investing in the UK*, which had been commissioned by the government.

The report highlighted that the social investment market in the UK was underdeveloped and listed a series of recommendations.

The government’s response, published on 12 June 2018, welcomed the report and said that departments across Whitehall would work with the financial services industry to make it easier for the general public to invest their money in the issues they care about.

The foreword to the response stated: “We are ambitious that delivering social impact should be a widely held concern

– that social impact investment should become ‘business as usual’ for individual and institutional investors.”

Civil society minister Tracey Crouch said: “People increasingly want to see their savings and investments have a positive impact on society as well as bringing financial returns...Even if you have a small amount of savings or a pension pot, you should be able to invest in the issues you care about.”

She added: “By utilising the wealth of experience within the financial services industry, we can expand social impact investing to help build a society that works for everyone.”

Economic secretary to the Treasury John Glen said: “Investing can and should be a force for good...Social impact investing is brimming with potential and we are encouraging firms to develop products to meet the rising demand while championing the industry’s potential to make a real difference to people’s lives.

The following week – on 18 June – the government published its response to the Law Commission’s report on pension funds and social investment. In 2017, the Law Commission concluded

that provided social investments did not significantly sacrifice financial returns, there were no regulatory barriers to pension funds investing in them. The government’s response said it welcomed the Law Commission’s recommendations and that it would take action to clarify some causes of confusion for pension fund trustees about this.

The government has also committed to reviewing Social Investment Tax Relief in 2019. ■



↑ Tracey Crouch: “People should be able to invest in the issues they care about”

GIIN IDENTIFIES \$228bn IN GLOBAL IMPACT INVESTMENTS

Impact investment is growing around the world and currently stands at nearly US\$230bn, according to the latest survey from the Global Impact Investing Network (GIIN) which was published in June.

GIIN's eighth *Annual Impact Investor Survey* identifies \$228bn in impact investment assets managed by 229 respondents. This figure, GIIN claims, is the best available 'floor' for the size of the global impact investment market.

The research emphasises that the industry is growing, as more than half

of the investors surveyed made their first impact investment in the last ten years. The total amount invested has nearly doubled compared with the \$114bn identified in the last survey.

Amit Bouri, CEO of GIIN, hopes that the momentum will continue. "To realise the GIIN's vision for the future of financial markets, where impact is integrated into all investment decisions, impact investing must continue to grow and build on its success of the past decade," he said.

The investors reported performance which met their expectations in terms of both financial and impact returns.

Around 70% of respondents said they applied a gender lens to their investment process and nearly three-quarters seek to address climate change through their investments.

Many, however, are concerned about the risks of "impact washing", as the social investment industry becomes more mainstream.

thehiin.org

Credit: Flash Bulb Wales



Welsh community energy project YnNi Teg has been offering a pair of ethical 'powered by wind' pants to all new investors this summer.

The community benefit society aims to raise £1.8m through a share offer which opened in October 2017. The aim is to raise capital to re-finance a 42-metre high wind turbine in West Carmarthenshire which was initially funded by short-term loans.

Investors are predicted to earn a target annual rate of return of 5% on their investment over 20 years with a minimum investment of £100.

ynniteg.cymru



BII invests £11m during 2017-18

Big Issue Invest published its Impact Report 2018 in May. The social investment arm of The Big Issue Group invested £10.7m across 81 investments into 68 mission-led organisations during 2017-18. The largest proportion of investments were dedicated to organisations supporting people living in poverty.

Name change for Social Enterprise Loan Fund

The Social Enterprise Loan Fund has been renamed the Big Issue Invest Trust. This is the charitable wing of Big Issue Invest.

Historic foundation commits £40m to impact investments

Guy's and St Thomas's Charity has pledged to commit up to 5% of its endowment to impact investments. The 500-year-old health foundation, which focuses on the London boroughs of Lambeth and Southwark, has £800m of assets. Anita Bhatia, a non-executive director of Resonance and former product development specialist at Barclays Wealth Management, has been appointed to lead the foundation's impact investments.

Bank for Londoners takes shape



Greater London Mutual aims to be a bank that is controlled by and answerable to Londoners. The mutual society is currently developing its service with the aim of being owned by its customers and aligning its work with the needs of society. It plans to open in late 2019.

glmbnk.co.uk

Devon SIB-funded programme targets diabetes

Healthier Devon is a new programme to support people most at risk of developing type 2 diabetes. It is funded by a social impact bond commissioned and developed by Devon County Council, Bridges Fund Management and the Big Lottery Fund. Exminster charity Westbank will deliver the programme on a payment by results basis, so the council will only pay it if people enrolled on the programme show sustained weight loss, a drop in their waist size and lower blood sugar readings.

New CEO of Charity Bank

Ed Siegel takes over as CEO of Charity Bank after Patrick Crawford retires after six years.

Search is on for more dormant assets

The UK government has appointed four industry champions to identify dormant assets in the banking, securities, pensions, insurance and investment sectors which can then be released for good causes. Earlier this year, £135m was made available for social investment from forgotten bank and building society accounts. This was part of the second tranche of funding from the Reclaim Fund, which was established in 2011 to manage money from accounts that had been untouched for 15 years.

New Zealand pushes forward with impact investment

New Zealand launched its National Advisory Board on Impact Investing in April. Board members include Louise Aitken from the Akina Foundation, which organised 2017's Social Enterprise World Forum, and the launch event was attended by Peeni Henare, New Zealand's minister for community and voluntary sector. The National Advisory Board is aiming to join the Global Steering Group on Impact Investment later in 2018.

impactinvestingnetwork.nz

Investors could be part of 'ground-breaking' £5m fund

SIS Ventures, part of the Social Investment Scotland group, is raising capital for a £5m fund to support social enterprises and mission-driven businesses. The Impact First fund benefits from Enterprise Investment Scheme relief and Social Investment Tax relief and will offer debt and equity to entrepreneurs, particularly those operating early-stage ventures that may struggle to access investment from existing sources.

Sir Harvey McGrath takes helm at UK NAB

Sir Harvey McGrath is the new chair of the UK National Advisory Board on Impact Investing (UK NAB). Michele Giddens, co-founder of Bridges Fund Management, who has chaired the UK NAB since its inception in 2016, has stepped down to head up a new G8 working group on evidence-based policymaking.

Michele Giddens received an OBE in the Queen's Birthday Honours in June for services to international development and social finance.



THE GUV’NOR

TIME TO RIP UP THE GOVERNANCE RULEBOOK

We’re all guilty. Funders, commissioners, umbrella bodies and influencers continue to perpetuate boards who are shackling rather than liberating our social missions. In the first instalment of his new governance column, Bob Thust calls on us to step back and apply some sanity.

THE GUV’NOR

“**T**he proposal was signed off, but it was a hollow victory. This was the third time I’d had to bring this back to the board, and it was basically the same as it had started out. If anything, it was worse. Less ambitious and less meaningful. Less connected to what our key stakeholders had said they wanted. I could have used the days we spent discussing it making progress instead.”

Many of the most inspiring examples of social change come from places that don’t have traditional boards

I’ve been here all too often, as I’m sure most of you reading have. But governance doesn’t need to be frustrating, constraining and unhealthy. It can be exciting, liberating, and progressive. And it needs to be.

There is an increasing acknowledgment that tackling important social issues is (and always has been) complex. An endeavour that can’t easily be distilled into a linear and contained process of cause and effect. To have any impact requires us to be bold, to change strategy in response to what we learn, to act fast because the problems we face are urgent. It requires that we represent, champion and promote the voices that so often go unheard. It requires us to look beyond our own organisations and their continued existence and stay true to our missions, whilst recognising our inability to achieve any of them alone.

Yet, for organisations with a social purpose the predominant model of

governance is command and control that relies primarily on systems of risk management to ensure survival and achieve predictable outputs, rather than stay true to a collective purpose. A model that too often creates bottlenecks and inefficiencies, and places ill-equipped, distant boards that suffer from a huge lack of diversity in an ultimate position of power.

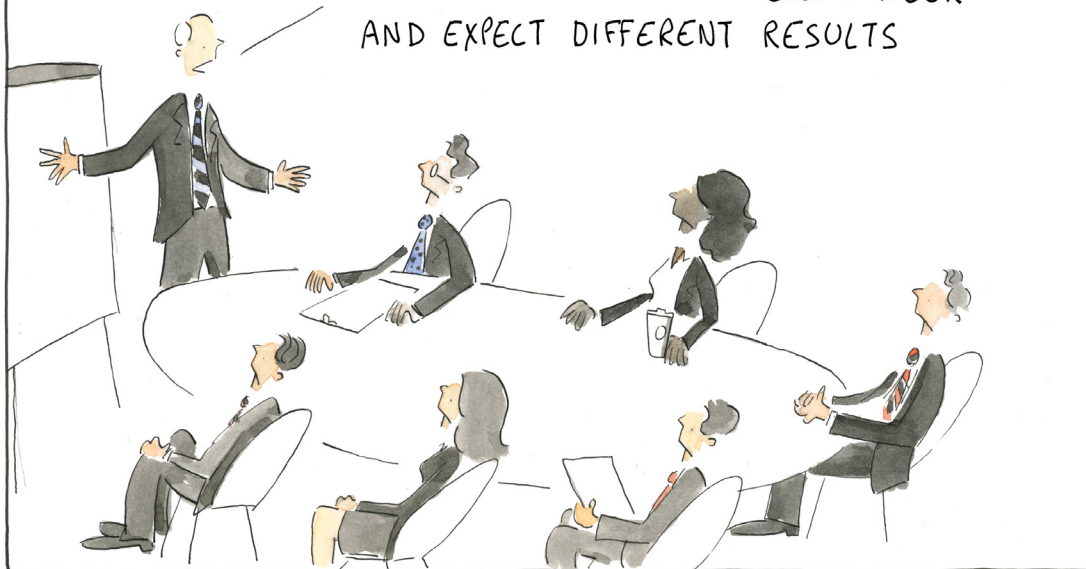
Given the challenges we face, we can’t let this status quo continue.

WHAT VALUE DOES THE TRADITIONAL STRUCTURE BRING?

Our problems start with a widely held assumption that legal structures which include non-executive boards equate to stronger governance than those which don’t. I can’t see any good evidence for this. Indeed I tend to see more evidence to the contrary.

DEFINITION OF INSANITY

WE'RE GOING TO HOLD THE SAME MEETING
WITH THE SAME PEOPLE EVERY WEEK
AND EXPECT DIFFERENT RESULTS



© 2010

TOM FISHBURNES.COM

The role of a board is not as constrained or as elevated in importance by its legal responsibilities as many assume

Trust in civil society institutions continues to fall, the recent civil society futures interim report highlighted an increasing frustration from those in the social sector (and the people they support) feeling they lack control and are not listened to, and we regularly complain of a tendency towards risk aversion rather than bold collaboration. Recent Charity Commission research found only 40% of all trustees felt their board contained sufficient governance skills to effectively meet the needs of their organisation. Despite it not being clear what these 'governance skills' are, from boards themselves this demonstrates an encouraging self-awareness yet a worrying lack of capacity.

Many of the most inspiring examples of social change continue to come from

places that don't have traditional boards at all. Buurtzorg builds on a foundation of small, self-managed teams linked to neighbourhoods that provide a range of services for older people. Chayn is not a traditional organisation at all but a distributed, volunteer run network supporting women suffering from domestic violence around the world.

The predominant approach to governance we have now seems to be resulting in exactly the opposite of what we need. And we're making it worse.

WE NEED TO RIP UP THE RULEBOOK

As a sector we exacerbate the problem. We focus too much of our time, research, support, funding, recruitment and

expectations on governance at board level. Successive corporate and charity governance codes have emphasised the critical role of organisational culture, and yet we too often respond to challenges by first tightening controls or getting more professional expertise on the board, rather than helping organisations build stronger relationships of trust internally and with their partners and wider stakeholders.

We too easily make the assumption that because it's usually a board that carries the ultimate legal *responsibility* for the stewardship of an organisation, this also means boards necessarily carry the ultimate *accountability* for everything that the organisation does, including giving them the key role in setting strategy, in taking all the important decisions, and scrutinising the plans of the staff team.

All of this means that we are placing non-executive boards on a pedestal: setting unrealistic demands and thereby setting them up to fail, scaring them into a narrow focus on operations and risk management, or else inflating their egos to the point where many overstep their experience or

lack the humility to see themselves as just part of a much bigger ecosystem, rather than those looking down on it. If you add to that a reliance on unpaid non-exec boards that seriously limits the scope for genuine diversity you have a potent and problematic mix.

So what do we do about it?

QUESTION AND EXPERIMENT

Whilst this could be the starting point for a radical proposal for getting rid of boards altogether and ditching the usual systems and controls for risk management, that's not quite what I'm arguing. There is real experience and value to be had from non-executives. There are many social purpose organisations I know that actually might benefit from creating a non-executive board. There is no point either in denying the high stakes involved in getting governance, accountability and legal compliance right and the need for controls in key areas.

But it's time we understood that board roles aren't any more important for good governance than the staff team, partners or the communities these organisations exist to support. It's time we stopped scaring those leading social purpose organisations and helped them realise that the role of a board is not as constrained or as elevated in importance by its legal responsibilities as many assume, whatever your organisational structure. Instead of warm words on the importance of user voice, lived experience and organisational culture, let's actively encourage and provide the space to those leaders to look beyond the traditional and consider the multiple formal and informal ways they might develop mutually accountable relationships with stakeholders, rather than force them to rely too heavily on internally facing process and hierarchy.

I admire many of the organisations and boards I've been working with recently, such as Lankelly Chase Foundation who have been carefully reviewing their own governance



as part of their ongoing inquiry into working with complexity, or the Association of Camerados CIC (AoC) who feel that legally responsible non-execs often have too much skin in the game to put mission before self-preservation (witness recent accusations of a culture of cover-up in the humanitarian sector, for example). Instead they're scoping an idea to set up an independent panel appointed by those involved in the Camerados movement and with a remit to hold AoC accountable by publicly publishing the result of an annual 'mission audit', whilst retaining the ability to be nimble and rapidly responsive.

I'm not presenting these or any of the previous examples as solutions. None of these organisations have 'cracked it'. They wouldn't say they have, and in any case what works for one situation will probably not suit another.

But I do think it's important that more people leading social purpose organisations are willing to meaningfully question the role, influence and power of all stakeholders, try different approaches, adapt and learn. That they are willing to question whether preconceived management structures and governance models work for them. Or even question whether a governance 'model' is the answer, as opposed to starting by building and nurturing a set of shared behaviours.

So for funders, commissioners, umbrella bodies and those with influence across the social sector please let's stop reinforcing the role of the board as the primary or even sole driver of leadership and governance. Let's stop equating the term governance with just a narrow focus on vaguely conceived notions of stewardship or ill-fitting risk management.

Funders, stop forcing those you support into pre-determined approaches as a condition of funding, but instead fund them

The approach we have now seems to be resulting in the opposite of what we need.

to explore what might be meaningful for them. The Listening Fund from Blagrave Trust, which is giving youth focussed social purpose organisations the space to figure out for themselves how best to ensure the voice of young people is heard and acted upon, is just one example of how we might start to rebalance this.

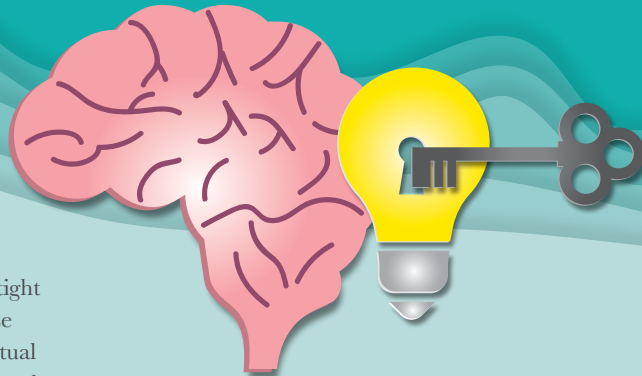
More importantly, if you're out there feeling frustrated or unnecessarily constrained by your board and governance arrangements, I'd urge you to take a step back and allow yourself the freedom to consider with others what might work best for you rather than consider yourself stuck with what you have. Hold onto the fact that governance needn't be a millstone around your neck, but a positive force for change. Talk to others that have trodden different paths before. Get yourself to some events like Losing Control (newsflash, we'll be repeating this alongside the Social Change Agency in the near future). And if you want to just have a chat, get in touch – we've as much to learn as we have to give.

Ultimately, we can't continue to predominately promote or accept a one-size-fits-all, command and control model and hope that adding a few more diverse board roles will have any fundamental impact any time soon. As Einstein said, the definition of insanity is doing the same thing repeatedly and expecting a different result. It's gone too far for tinkering around the edges, we need to rip up the governance rule book and start again. ■

Bob Thurst is co-founder of Practical Governance, trustee of Local Trust and treasurer at the Benvy community-led pub in East Brighton. Over the coming columns he'll be exploring the issues raised here in more depth and looking to highlight some 'warts-and-all' examples from those that have tried to do things differently to the norm. If you've got anything you'd like to share, or any other comments you'd like to make – positive or otherwise – he'd like to hear from you. Email bob@practicalgov.co.uk or tweet at [@practigov](https://twitter.com/practigov) [@BobThurst](https://twitter.com/BobThurst) #theguvnor

PROTECT WHAT'S YOURS

Starting up a social enterprise is a busy time and budgets are often tight, but don't skip looking after your intellectual property, warns Rob White



Budgets are understandably tight for any new social enterprise and this means that intellectual property (IP) considerations can often be overlooked. However, as a key part of a business identity and the way in which the public will remember you, IP is an area that deserves attention.

For example, investors or those seeking to fund a social enterprise may well want to know what IP protection is in place. This article, focussing mainly on trade marks, sets out the types of IP and ten top tips for any social enterprise or business to consider.

So firstly, what is IP? Put simply, it is any intangible property that results from a person or businesses' creativity. This might be a new brand name, a logo, a new graphic or an invention. It can arise and be protected through different means.

TYPES OF INTELLECTUAL PROPERTY

● **Trade marks** The classic example of a trade mark is usually the company brand name and/or a product name. However, logos, slogans and even sounds or colour combinations can also be trade marks if they have come to represent only one company. Think of the colour purple for Cadbury's chocolate or the Intel Inside jingle. A trade mark right can be registered or unregistered. The key benefits of a registration are discussed in the top tips but, for example, unregistered trade mark rights can be limited

to a particular locality. For example, if you are only using it in Plymouth, you would struggle to prevent someone using the same name in Manchester.

● **Copyright** This protects literary, artistic, musical and dramatic works as well as sound recordings and broadcasts. Copyright exists automatically when the work is created. There is no process to register copyright, at least in the UK or EU. The most common elements relevant to a social enterprise that attract copyright are likely to be, for example, a logo as an artistic work and the text on your brochures or websites as a literary work

● **Domain names** The virtual equivalent of a brand name, this is a website address to promote a business or product. An online presence is essential in today's digital world.

● **Designs** A design can be registered or unregistered and generally protects the shape or appearance of a product, its pattern or decoration. It must be different to what is already out there and must be new. Think a new chair shape or phone handset.

● **Patents** A patent protects the way something works. It must be new and inventive. A patent usually has a technical or scientific advantage to solving a problem, like a new folding step to improve wheelchair access or a new drug.

TIPS FOR SOCIAL ENTERPRISES

There are many things to consider when starting a business. When it comes to your brand name and IP, these ten top tips provide an essential checklist for any entrepreneur.

1. Make it strong Choose a good, memorable brand. A trade mark that describes what you do or sell won't make you stand out. It would also be much harder to register as a trade mark. The more distinctive and striking a brand, the better. Be inventive!

2. Do your homework Conduct searches and checks to ensure your brand is available BEFORE you use it and get wedded to it. This can avoid possible future disputes with other brand owners. There may be an existing trade mark registration for the same/similar name in your field or even someone who has years of use but may not have a registration. I have seen real-world examples of smaller businesses adopting a brand without searches only to later discover there is an identical mark registered. This can result in receiving a cease and desist letter and potentially, a costly (not to mention upsetting) re-brand.

3. It's not just about company names Many new companies believe that on securing their company name, they have their name rights locked down. This is not the case. If you want to prevent someone from using the same or similar name, a company name alone will not do it. Any new business should also look to check and secure domain names, social media account names and consider registering a trade mark, all matching the chosen brand name.

4. Consider registration If the brand name is available, consider registering it as a trade mark, even just in the UK. Relying on unregistered use rights means proving you have used your name and have established a reputation in it. Remember, these can also be geographically limited. The hurdles are therefore much more onerous. A UK-registered trade mark obviously covers the entire UK, even if your main customer base is in Coventry, for example. This gives you scope to expand the enterprise and brand in the future. A registration is a statutory right and evidence of your ownership of the brand. A registration can be used to prevent others from both using and registering the same or similar mark. Your registration will also appear in any third party's search, thus acting as a deterrent. A registration lasts forever if renewed every ten years. A registration can be licensed and monetised.



5. Don't limit yourself When registering your trade mark, don't just consider the goods/services you currently offer. Think about future revenue streams and your 'five-year plan'. What might you be selling or providing in the coming years?

6. Go digital Secure key domain names (such as co.uk, .com, .org for charitable organisations and/or org.uk) and social media account names to match your brand name. Consistent branding across different platforms is important.

7. Tell everyone Use 'TM' next to your trade mark and any logo, but not ® unless and until it is registered. It is an offence in the UK to do so. You can also use the © logo to refer to copyright in any logo or image if owned by you. Also include reference to the IP rights you own in your website terms and conditions.

8. Own everything Ensure you own the copyright in any logos/graphics, your website, and so on. If these were created by external designers, they will hold the copyright unless there is an agreement saying otherwise. Get any copyright assigned to your organisation. Have all the IP under one roof.

9. Police your rights Periodically monitor for any unauthorised use or copying of your IP, including domain names. If required, seek advice as to sending an appropriate letter to the copycat.

10. Monetise your IP IP is an intangible asset that can be licensed. Think about your business model and your goods/services. How could you licence others to use the trade mark or copyright? This can create revenue for your social enterprise. Also, if you were to sell the business, it will have greater value with proven IP rights in place. Investors will see you have protected the business and will consider this a plus-point.

Overall, as a social enterprise, future-proofing any key IP rights will strengthen your position with investors and you will be better placed to grow as a business.

Both new and existing social enterprises should therefore consider reviewing their IP rights and assessing what, if any, steps may be required. ■



Rob White is senior associate at Lane IP



REBELLION, REVOLUTION AND RUM

Mission-led businesses are direct descendants of pirates, contends social entrepreneur Sam Conniff Allende. His new book urges us all to ‘be more pirate’. Caroline Hailstone meets him

Known for their brutal violence and rum-drinking habits, 15th and 16th century pirates are not often remembered as exemplary role models.

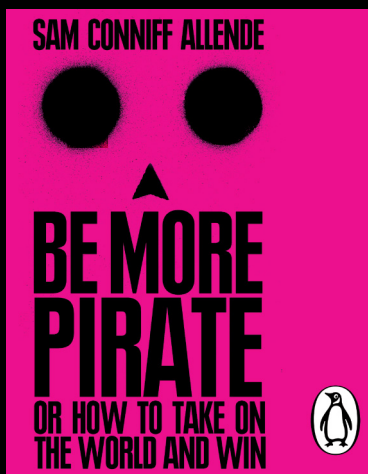
Sam Conniff Allende, however, believes there is a lot to be learned from the skull and crossbones flag-flyers. At the start of 2018, he left the social enterprise **Livity**, the youth-led creative network which he co-founded, and sailed off solo with one mission: to make the world a bit more pirate.

According to the book that he’s just published, *Be More Pirate*, the pirate codes drawn up by sailors who were sick of the poor treatment they received while serving in the Royal Navy were in many ways revolutionary and utopian. These guidelines addressed issues which many societies still struggle with today: from gender equality and universal suffrage, to transparent pay and improved working conditions.

Be More Pirate contends that elements of the pirate code have been echoed by change-makers down the centuries, starting

with the birth of cooperatives in the late 1700s, and followed by more current pirates such as Elon Musk and Malala, as well as social entrepreneurs like ethical fashion brand Elvis & Kresse’s founder Kresse Wesling and Divine Chocolate’s managing director Sophi Tranchell.

Like the Golden Age pirates, Sam says these figures have broken some rules imposed as by society as the “norm” and made newer, better, fairer ones: codes so good that they often become the new mainstream.



Extract from *Be More Pirate* by Sam Conniff Allende, published by Portfolio Penguin, bemorepirate.com

The original purpose-driven business model was the cooperative movement, and before there was the cooperative movement, there were pirates.

Most people are aware of the cooperative principle, whereby the employees of a company are also its owners. Most people are not aware of is the extent to which their founding principles are borrowed from the Golden Age pirates.

The founding father of the movement was Robert Owens, a Welsh textile manufacturer who dedicated his life to improving the conditions of his factory workers and promoting utopian socialism. Owens was born just a few miles away from pirate legends including Henry Morgan, Henry Avery and Bartholomew Roberts, whose stories and success would have been well known throughout such a small and close-knit country.

At the end of the Golden Age, when many pirates returned home to England, they found the

Industrial Revolution in full swing with England’s ‘dark satanic mills’ offering the same sort of working conditions they’d suffered in the Royal Navy a generation before. The ideas of workers defending their rights or attempting any form of shared ownership were considered revolutionary by those in power and carried the threat of punishment. The returning swashbucklers were met once again with a broken and abusive Establishment, but this time they had stories to share with local workers about an inspiring, authentic and credible alternative.

Given the extreme similarity in principles – including democratic member control, member economic participation and concern for community – and the proximity of location between Owen’s and Morgan’s birthplaces, I don’t think it’s any coincidence that the cooperative’s code is so closely aligned with those of the Golden Age pirates, and clearly inspired by them.



PIONEERS POST: YOU KNOW A LOT ABOUT PIRATES. WHERE DID THIS FASCINATION COME FROM?

Sam Conniff Allende: It was only a year or two after I set up Livity that I realised that there were others like us. I was delighted to be embraced by my social enterprise brethren when I did find out, and I realised I had found a bunch of pirates. I have always seen similarities between social enterprise and the pirates of the Golden Age: just like them we fight for fairer ways of doing things, and our business model is slowly being adapted into the mainstream.

PP: YOUR BOOK CLAIMS THAT SOCIAL ENTERPRISES ARE DESCENDANTS OF GOLDEN AGE PIRATES. HOW?

SCA: When I went to the National Maritime Museum and the British Library for research, I came to realise that the relationship between pirates and social enterprise is not just a metaphor: mission-led businesses are actually direct descendants of pirates. (See opposite.)

PP: WHAT HAPPENS WHEN PIRATES ARE NO LONGER REBELS AND THEIR IDEAS BECOME MAINSTREAM. DON'T THEY LOSE THEIR PIRATE IDENTITY?

SCA: This is the hard-to-swallow truth. If you really want to change the world, your number one success metric has to be your own redundancy.

If you are not looking to ultimately put yourself out of business, then you are at risk of having an ambition to perpetuate your existence. The Golden Age pirates put themselves out of business because their principles – everything from transparent pay to increasingly equal gender rights – were eventually adopted elsewhere and became the mainstream.

PP: YOU ENCOURAGE READERS TO BREAK RULES TO CREATE CHANGE. WHAT'S THE BIGGEST RULE YOU'VE EVER BROKEN?

SCA: One that comes to mind is a stunt we did for the book launch. I realised there was an enormous unused window at the Penguin Random House building near Victoria in London. From my days of setting up creative agency Don't Panic I know a bit about fly posting, so I decided to take it old school.

We covered the whole window with a fluorescent pink fly-poster of the cover. I bought a couple of high-vis vests, hard hats and a clipboard. I even faked a letter from Tom Weldon [the Penguin House CEO]. It is extraordinary what you can get away with in a high-vis jacket. No one even questioned it and we ran away laughing.

It got more and more traction on social media, and eventually Richard Branson tweeted saying: "This reminds me of the good old days." It broke into the top 100 books, and hit bestseller in three different categories.

PP: DO YOU THINK SOME PEOPLE ARE TOO BUSY WORKING HARD TO HAVE TIME TO BE PIRATES AND CHANGE THE RULES OF SOCIETY?

SCA: I don't quite buy that we don't have enough time for change because we're working too hard, I think it's that we let technology be in charge of our time. Technology has increased the length of our working day by 20%, but productivity levels have remained the same. The average person on Instagram scrolls the distance of the Eiffel tower every single day.

Here's a place to rebel: rebel against emailing in the evenings and on the weekends, rebel against Instagram. Take back control of your time.

PP: THE BOOK IS VERY CRITICAL OF OUR CURRENT POLITICAL SYSTEM. HAVE YOU EVER THOUGHT ABOUT GOING INTO POLITICS?

SCA: Yes, but my wife won't let me!

We know change is not impossible. I talk about Thai digital minister Audrey Tang in the book. She became notorious from making a highly undemocratic situation democratic through mass online participative budget setting, and a representative proportion of the country is now deciding how money gets spent. Thailand is now most transparent democracies to date built on change effected by pirates.

Another example is Pedro Kumamoto in Mexican politics. He is challenging the most corrupt system on earth by capping any donations to his campaign to \$250 via Facebook. Amazing. An incorruptible young voice.

PP: HOW DID IT FEEL TO LEAVE LIVITY?

SCA: It spurs back to the issue of understanding your own redundancy. If you have been in a position for a certain amount of time, you have to ask yourself if your organisation might benefit from a new generation coming through.



FILM: THE INVISIBLE HEART

Who would have thought that social impact bonds could be the theme of a tear-jerking feature-length film? *The Invisible Heart* premiered this spring in Canada and will soon launch in the UK. It includes insights from social investment pioneer Sir Ronald Cohen, the Esmée Fairbairn Foundation's Caroline Mason and various academics and commentators. But the real star of the film is four-year-old Reginald (pictured) from Chicago. His older brother Jaylin was shot dead outside his flat and Reginald is taking part in a social impact bond-funded educational programme for pre-schoolers. Will this support help him overcome his tough start in life?

theinvisibleheart.ca



BOOK: IN OUR HANDS: A HISTORY OF COMMUNITY BUSINESS

Former CEO of Locality and chair of east London's Community Links, Steve Wyler, looks at the roots of today's community businesses. He points out that while today's community entrepreneurs might like to think of themselves as pioneers, the truth is that for generation after generation, people have harnessed the entrepreneurial instinct as a force for public good, not just private benefit.

Published by Common Vision UK

historyofcommunitybusiness.co.uk



BOOK: THE ETHICAL CAPITALIST: HOW TO MAKE BUSINESS WORK BETTER FOR SOCIETY

Julian Richer, the founder of Richer Sounds, says in this book, "the pursuit of high ethical standards serves to make a business stronger and more competitive... It should be the central core of the enterprise, the motivating force that will help pull it through when times are bad." His business turns over £200m a year and has been lauded not only for its phenomenal success (its London Bridge store holds a Guinness World Record for achieving the highest sales per square foot of any retail outlet in the world) but also its commitment to treating its staff and customers fairly. In this book, Richer argues for a new sense of moral purpose in business.

Published by Random House Business

penguin.co.uk

I'd heard about 'founder-syndrome' several times and I didn't want it to happen to me. The business had plateaued a little bit – and my business partner and I could tell we had a different energy. There was a new generation that were challenging us more and more and I didn't always believe my arguments back. It's hard, but if you are too comfortable and repeatedly doing the same things, the chances are it's time to make a shift.

I had a bit of an existential crisis in the process of leaving but I'm sure it was the right thing to do.

PP: YOUR BOOK PUTS HOPE IN MILLENNIALS TO BE MODERN-DAY PIRATES. WHAT MAKES YOU THINK THEY HAVE THE POTENTIAL TO CHANGE THE SYSTEM?

SCA: In many ways, young people are a marginalised group for how routinely and systematically f*cked over they are. If I were a millennial I would be furious – 70% of parliamentarians are landlords which is why house prices are continuing to rise. The major institutions are failing, and in history every time that has happened pirates have emerged on the horizon.

Speaking to millennials: I want to encourage you not to follow the same patterns my generation set out just because "that's the way it should be done". If I was you inheriting the world I would want a refund, because we've done it really badly.

For 17 years I have been surrounded by young people. I share my offices with them every day, and it has made my business the success it really is. I don't want to be the enthusiastic uncle saying "well done, young people", but they have always given me great cause for optimism.

So, I am encouraging them to look back at the pirates rather than the crumbling institutions that have already failed. Don't look to the global leadership that exists now, it's an amalgamation of self-invested leadership having an imagination crisis.

PP: HAVE YOU GOT ANY EXAMPLES OF MILLENNIALS WHO HAVE MADE CHANGE AFTER READING THE BOOK?

SCA: A young woman reached out to inform me that a friend of hers was being held at Yarl's Wood immigration detention centre, even though she had lived in the UK more than half her life. Natalie used the pirate framework as the backbone of her strategy, fought against the clumsiness of the Home Office, and eventually helped get her friend released. That is a big fight to win. I feel immensely proud of it.

Another lovely guy got in touch who was frustrated about working hours. He's a writer and often has to work through the night, so has begun to rebel against the 9-5 required office time. Inspired by the book, he has started going in whenever he pleases. Eventually, with a few other people joining him, they have changed their official working hours.

Take on culture, take on the Home Office... take on everyone! ■

HOW WE RESHAPED SOCIAL INVESTMENT TO MEET INVESTEE NEEDS

BEN RICK

While the social investment market is steadily gaining momentum, relatively speaking, it is still in its infancy. However, the sector is continuing to evolve as the needs and desires of social investees are better understood.

Like others developing social investment funds, we had theorised what would work well. However, we soon realised we had made an obvious mistake – we hadn't asked potential investees what they wanted.

For this reason, last year we undertook a consultation with investees before relaunching our £30m Third Sector Investment Fund (TSIF) to offer UK charities and social enterprises secured and unsecured loans, finance for payment by result (PBR) contracts, and quasi-equity investments from £150,000 to £3m.

The fund was originally launched in 2014. By 2017, it was clear some fine-tuning was needed after uptake was slower than expected. We found that many investees weren't interested in what they saw as expensive commercial-style loans.

We commissioned Social Enterprise UK to undertake an in-depth consultation with potential investees to determine the true demand for social investment, uncover any potential investment barriers and obtain insight to inform the fund redesign.

Three major barriers to social investment came to light – the lack of product flexibility, the need for greater risk-sharing and the often slow and unclear

investment due diligence process.

We are not the only ones to undertake such a review. A report from The Social Investment Intelligence Network also analysed the demand for social investment and echoes some of our findings.

ATTITUDE TO RISK

For instance, the SIIN report describes how investors' biggest concern appears to be risk – they simply don't like risk. It also highlights that the market for investment is still messy and difficult to navigate and that race, gender and age can be potential barriers to obtaining investment.

The key learning from both these pieces of research is that charities and social enterprises need more than just money – they need to be able to share risk; they need help before taking on investment and they need ongoing support on their social investment journey.

The insight from our research allowed us to make several key changes to the TSIF to better meet investees' expectations. These included longer investment periods of up to 15 years, more flexible repayment terms and higher levels of support from the SASC team throughout the entire investment process.

We also needed to address risk. We now offer greater risk-sharing, which is helping investees gain confidence in taking on social investment. Now when we make loans to social enterprises delivering contracts to commissioners, such as

councils, we write in risk-sharing.

Another example of this is our 'Whole Property Finance' which aims to give housing organisations access to good quality housing for their beneficiaries. SASC finances 100% of the cost of the property purchase and renovation, all the professional fees, and the costs of hiring a member of staff to oversee the project.

For ten years we take on the risks that concern the borrower, (the amount of rent received, voids, bad debts, repairs and maintenance) while the borrower retains an element of the rent for managing the portfolio.

At the end of the ten years the borrower has the option, but not the obligation, to purchase the properties for the original purchase price. If they don't want to we accept the transfer of the properties to us as full and final settlement of the loan.

This kind of risk-sharing is making social investment more attractive to organisations and to date, the relaunch of the Third Sector Investment Fund has been a success. Higher levels of investment suggest that it better meets the needs of the sector and we hope more organisations will want to access social investment in the future. ■



Ben Rick is co-founder and managing director of Social and Sustainable Capital

NATHANAËL MOLLE

The co-founder of Waya, a social enterprise which improves uses AI to improve access to information and services for refugees, and Singa, which connects refugees with their host societies, is up at dawn with his baby son



It's 5am, my five-month-old son is up and ready to start his day. Apparently, he feels like I should to do the same. And he's right...

I rush and grab him in his cradle and take him to the living room so that he doesn't wake up his three-year-old sister and mother. I put him in his chair, and it's time for a speed clean of the apartment that lasts around 40 minutes.

After that, I know I have an hour and a half before the rest of the family wakes up, and so my day of work begins. I do my emails, work on presentations, and start my daily scan of various groups of what we call "newcomers" (immigrants who have arrived during the past five years) on social networks to see what questions are being asked and what type of information and opportunities they are looking for.

Did you know, for example, that the Syrian community living in Europe miss the combined toilet-bidets that they used to have in their country and that they can't find them at an affordable price here? That information will be very useful for the first meeting of the day after I've dropped the kids to daycare.

Every Monday morning, my team and

I invite three newcomers for a breakfast/brainstorm session and listen to their experiences and tips to move forwards.

I spend most of my day at the Pôle Réalis, a pretty cool social business incubator in Montpellier, where I live in the south of France. Here, we have a self-service bakery for breakfast and a different food truck every day for healthy and quality food for lunch, as well as a chill-out room where you can take a nap after lunch (20 minutes maximum or you're dead tired for the rest of the day).

A QUEST FOR BALANCE

One of the things that convinced me to have my office there is the fact that on Wednesdays other entrepreneurs often take their kids to work and then the chill-out room becomes a playground. Moving to Montpellier from Paris was part of a recent quest for balance in my life. The beauty of impact-driven social ventures is that your passion and your soul are some of your most efficient tools. But if you are not careful this can, unfortunately, take a toll on your personal life and even your health as the boundaries between your work and the rest of your life are quite thin.

I'm fuelled by the fact that what we are doing can have an incredible impact

I leave the Pôle Réalis at around 3pm and spend the rest of my day meeting other newcomers, plus organisations and state agencies which are working to improve the way newcomers are currently being welcomed in France.

There is a clear understanding that things need to change if we want to be able to deal with the upcoming challenges related to migration and turn them into opportunities for all.

Every day, I'm fuelled by the fact that what we are doing can have an incredible impact, not only on the lives of newcomers all around the world, but also on the host societies themselves.

I usually get home at around 7.30pm to give the kids a bath, dinner and a bedtime story. I try not to work when I get home but it's easier said than done. ■



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Social Enterprise World Forum 2018 is the global platform to share stories, learn from others and celebrate progress together with colleagues from value driven businesses around the world. After a decade that has seen the social enterprise movement experience exponential growth, our forum in Edinburgh will look at progress over the last ten years, while establishing a vision for the future.



Confirmed Keynote Speaker

Michael Sheen is a highly accomplished, award-winning actor and social champion. Widely recognised for his activism in roles including UNICEF Ambassador, Patron of Social Enterprise UK, President of the Wales Centre for Voluntary Action, Michael is now branching out to start his own social movements. Register for SEWF 2018 to hear more on Michael's work.

✉ eventmanagement@sewf2018.org

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