



The Connect Fund – Funding Guidelines

The Connect Fund has been set up to strengthen the social investment market in England to better meet the needs of charities and social enterprises.

The fund provides grants to develop shared infrastructure resources for a market that supports mission. The Connect Fund supports tools, partnerships and initiatives that advance a more open and accessible social investment market.

What is the Connect Fund?

The Connect Fund, previously known as the “Social Investment Infrastructure Fund” is a £1.5 million fund for grants and investments that The Barrow Cadbury Trust manages in partnership with [Access – the Foundation for Social Investment](#). The fund supports intermediaries and infrastructure organisations to make social investment work better for a wider, diverse range of charities and social enterprises.

The Connect Fund is engaging with the social investment market to address the funding realities that social organisations face. Social investment is one tool for charities and social enterprises to consider as they explore a pathway to becoming more financially resilient, by generating income through assets or trading.

The Connect Fund seeks to build a better social investment market by:

- improving the connection of social investment to charities and social enterprises
- connecting existing voluntary sector infrastructure organisations to the social investment market
- better connecting social investment intermediaries through shared data and resources

Shared infrastructure can build a more open and accessible social investment market focussed on social mission. Better sharing of tools, data and resources can lower transaction costs, promote diversity and innovation, and facilitate learning and feedback to move social investment forward. This initiative can bring new voices to social investment that represent the needs of the social sector.

What funding is available?

The Connect Fund will open for the next round of funding from **2 Oct to 5 Nov 2017**.

We expect most proposals to fall into the range of small grants (£5,000 to £15,000); medium grants (£20,000 to £40,000) or large grants (£45,000 to £60,000). This is an estimate. A proposed grant request should reflect budget needs in line with potential for social impact.

This expression of interest (EOI) will focus on feasibility grants for infrastructure organisations representing sectors or places to engage with social investment in England. The intent is to allow local CVS organisations, membership bodies, networks and other representative bodies to explore models of enterprise-driven funding solutions that support the financial resilience of their membership base.

A key objective is to extend the reach of social investment by geography, sector, and on an equalities basis to diversify and widen the scope of the market. This will take the form of grants to explore social investment capacity building, brokering, and advice or scoping of social investment funding programmes.

Underpinning the Connect Fund is the ambition to accelerate change by creating learning partnerships that can advance practical solutions to shared challenges. This could involve convening learning groups based on emerging issues that arise from expressions of interest from the sector.

Who can apply and Timescales

Grant funding from the Connect Fund is intended for organisations active in the social investment market in England. This might include local infrastructure organisations, networks, membership or representative bodies that are supporting places or sectors to engage with social investment.

The Connect Fund is not intended for frontline charities or social enterprises working directly with beneficiaries. If you would like more information about [social investment](#) go to [Good Finance](#). For programme [grant funding](#), please refer to the [Barrow Cadbury Trust](#).

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Funding available	EOI date	Target audience	IMC decision
1. Feasibility grants to test approaches for sectors or places to engage with social investment	2 Oct – 5 Nov 2017	Voluntary sector infrastructure orgs; membership bodies; community foundations; sector, place or equalities networks	Feb 2018 or May 2018 (depending on readiness)
2. Data gathering on demand for investment	Ongoing	Existing social investment intermediaries	
3. Grants to fill gaps in missing market architecture	Feb 2018	Social investment intermediaries; fund managers, advisors, related	May 2018

		sector organisations	
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What are the eligibility criteria?

Funding strand	Eligibility criteria
1. Feasibility grants for infrastructure organisations	<p>1. Your organisation is a voluntary sector infrastructure organisation; membership body; umbrella organisation; sector, place-based, or equalities network; or community foundation.</p> <p>2. Your organisation would like to explore new ways to connect, broker or build the capacity of VCSEs to access social investment, ideally in partnership with other organisations.</p> <p>3. You will test capacity building, brokering, advisory services, or other new approaches to social investment for charities and social enterprises.</p>

How to Apply?

The fund seeks grant proposals that will foster partnership, collaboration, and open source solutions for shared benefit in the social investment market in England.

Step 1: Complete a [short online enquiry form](#)

Step 2: We will review all of the EOIs and get back to applicants following the close of the funding period.

Step 3: Selected applicants will be invited to submit a full application form.

Step 4: We will assess the full grant applications, and may ask you for further information.

Step 5: Final decisions will take place at the next appropriate Barrow Cadbury Trust Investment Management Committee.

If, following submission of the initial enquiry form, you are invited to make a full application, the assessment and decision process may take up to four months.

What problem is the Connect Fund is trying to solve?

Charities and social enterprises require small amounts of affordable finance to allow them to create more social impact, particularly as they develop new ways to earn income. Despite having been set up for this purpose, many existing social investment intermediaries struggle to provide this type of finance.

Why is this? The social investment market is immature. The type or structure of finance on offer might make it too expensive. There are many information gaps and lack of shared data. Resources could be better shared to lower transaction costs. Social enterprises need capacity building to be investment ready. Brokers with strong connections to specific places or sectors may be required.

Some of these challenges can be addressed by catalysing shared resources and market infrastructure; and by testing new ways for existing voluntary sector infrastructure to engage with social investment.

Why Barrow Cadbury Trust?

The Access Foundation chose the Barrow Cadbury Trust to deliver the Connect Fund because of our experience in social investment, expertise in voluntary sector infrastructure, and our approach, which is to work in partnership with those we fund towards a common goal.

Our model of working is to focus on a small number of policy areas, where we have deep knowledge, and try to influence decision-makers and practitioners by building an evidence base, advocating for change and ensuring that people affected by social injustices are heard by those in positions of power.

As a social justice foundation with an interest in social investment, Barrow Cadbury Trust has long been aware that social investment products on offer do not serve large sections of the social sector. [Our values](#) – including collaboration, engagement, independence and learning -- inform the development and delivery of the Connect Fund.

What is infrastructure?

The Connect Fund supports a partnership-driven approach to social investment infrastructure. The fund explores how existing voluntary sector infrastructure, community foundations and membership bodies representing local, equality or sector perspectives, can engage with enterprise-driven funding solutions related to social investment.

By ‘market architecture’, we mean the social investment market intermediaries, fund managers, advisors and support organisations, plus the shared processes, tools, networks and partnerships that enable best practice.

Further information

If you would like to be kept in touch with updates and information about the Connect Fund please [email Sian Williams](#) to have your name added to the mailing list.

The Connect Fund Manager is [Jessica Brown](#). You can contact her directly with ideas or questions relating to your application or submission to the fund.

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You can also [follow The Connect Fund on Twitter](#).

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