



Kindred



The story so far

Evaluation of Kindred programme 2019 – 2021



**‘What if we considered that the talent and creativity we need to create and maintain a vibrant place already exists locally, it just needs the conditions to grow and be nurtured?’**

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Kindred: The  
story so far  
Evaluation  
of Kindred  
programme  
2019 – 2021

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# Opening thoughts

It is with some awe and anticipation that I take up the Chair of Kindred's Board.

My association with Liverpool City Region (if I discount my football fan visits spanning 40 years following the Wolves) began eight years ago when I visited Baltic Creative and met its early adopters. It was apparent even then that the homegrown, entrepreneurial spirit within the region had a scale, ambition, and audacity I have rarely encountered in 15 years of social investment work across the UK and internationally.

The entrepreneurs of Liverpool City Region were about more than just making money, they were about changing the world for the better.

In taking up the role, I first want to give credit to Vidhya Alakeson, everyone at Power to Change and Kindred's founding team and Board members who have incubated the idea of a fund owned by, and for, socially-trading organisations, that could last forever by paying forward the value we create together.

They worked with that kernel of an idea, and you all, over the last two years to establish Kindred. An organisation with a following of more than 500 socially-trading organisations; the support of Metro Mayor Steve Rotheram and key stakeholders in each of the region's local authorities, universities and key institutions. We have a functioning Board and an initial £6.5 million to invest in a growing movement of entrepreneurs, capable of delivering an inclusive and more social regional economy.

A sincere thanks from me to all those who have helped set up this living, breathing adventure, exploring how we might re-organise our economies, so they serve us all a little better.

**Jas Bains,  
Chair**

Our region's socially trading sector is the hidden engine of the local economy, with over 1300 organisations generating £2.9 billion per year and employing over 50,000 people – more than 10% of the local workforce.

We were developing Kindred for a while but launched it with £5.5m worth of investment as the pandemic struck. I know that it's been a lifeline for a lot of social businesses. It's fantastic to see the impact it has already had, and the way it is encouraging businesses to work together. Over time, I'm sure we'll see the impact of this funding and the organisations to have benefited multiply in communities right across our region.

**Steve Rotheram,  
Metro Mayor, Liverpool City Region**

# 1. About Kindred

**What if ideas for our economy were prompted by a community of STOs, that value cooperation and collaboration? A community that shares resources, time, ideas and contacts with other socially-trading organisations? That supports peer-to-peer learning, and collective expertise?**

**We believe Kindred has created a compelling vision of how business can be done in the Liverpool City Region.**

## 1a. About Kindred

Kindred connects, supports and harnesses local entrepreneurialism for social good. It was created to grow the socially-trading economy in Liverpool City Region (LCR) and is owned locally and collectively, reinvesting money, space and our collective learning. Socially-trading organisations (STOs) are businesses that deliver social benefits AND trade commercially, with social purpose at their heart.

The idea for Kindred took shape in 2019, and was fast-tracked at the start of the Covid-19 pandemic to support LCR's STOs. As a result, we have engaged more than 500 STOs and would-be social entrepreneurs, and are currently finalising our first round of investment. Some 20+ STOs will receive money from Kindred to grow the impact of their work in the community. The delivery team and working group have worked alongside an interim board, with an interim Independent Chair. Together, they have successfully brought us this far since summer 2020, backed by Power to Change and the LCR Combined Authority. Kindred is now ready to appoint a full board and is finalising recruitment of a non-executive Independent Chair for our Board of Directors.

Kindred is community-owned, and everything we do is co-created by the STOs we work for and with. It is up to our members and Board of Directors to make sure that Kindred CIC delivers its priorities and promotes our vision and values.

## Kindred's values are:

- social impact
- collectivism
- co-creation and collaboration

## Our priorities are:

- To provide a combination of financial and non-financial support to socially-trading organisations (STOs), to enable them to grow their impact, creating greater social and economic impact across LCR
- To actively engage local individuals and communities who have ideas to generate community wealth. Some of these may not yet have established an STO – and may not consider themselves to be entrepreneurs – particularly in marginalised and isolated communities
- To support the long-term transfer of assets to STOs. For example, unused council buildings or land which can kick-start regeneration, contributing to LCR's spatial strategy



## 1. About Kindred

### 1a. What is an STO?

Socially-trading organisations (STOs) are businesses that deliver social benefits AND trade commercially. STOs are businesses with a social mission, who collaborate and increase their impact by working together to make a positive difference in their local communities.

Socially-trading organisations are not limited to any particular legal form. They may include community businesses, community land trusts, community interest companies, social enterprises, cooperatives and some mission-driven companies, family businesses and local ventures who demonstrate social purpose through their actions and behaviours.

### How do they work?

We know from both international research and local pilot activity that STOs work best, and seed wider economic activity, when they are part of a collaborating community. Collaborating communities can emerge in marginal and isolated communities and enable individuals and micro-businesses to overcome the limitations of their small size through mutual support and collaboration. Like industry clusters, they provide a growth-friendly ecology – but tend to be organised around a place, cause or community of interest, rather than an industry sector.

Kindred has set out to foster collaborating communities in order to provide an environment best

sued to STO growth. Unlike traditional business support, which encourages competitiveness, Kindred must find ways to encourage collaboration, cooperation, the sharing of ideas and a culture in which mutual benefit is understood and practised.

“I spent 25 years working in economic regeneration. I always thought it was a bit of a complicated process. I got the opportunity to invest in some ideas and people in Liverpool and we had some simple rules. Those ideas had to be good for a place and they had to be potentially viable.

“What happened there – and in five other areas – very quickly demonstrated to me that, when you trusted and invested in people’s ideas, they found ways of making them work. They found ways of impacting their communities that all the grant systems in the world and economic development models had not.”

**Erika Rushton, Kindred working group**

The money Kindred invests will be used time and time again, as the investee businesses pay it forward, and value will be measured by both financial returns and social impacts.



“When we apply for grant we apply for as much as we can get. When we borrow money we borrow as little as we can. Kindred offers grant and loan and the Money Panel process has helped us figure out just what we need.”

**Kirsten Little, Kindred Conversations attendee**



“You realise we have just run a non competitive bidding round? The process allowed STOs to opt in, or out, of the process, coming to their own conclusions about whether they needed money, and how much they needed.”

**Kindred delivery team member**



We have worked closely with the Kindred team to co-develop a financial solution for socially-trading organisations across the Liverpool City Region. Our approach exemplifies our commitment to working in partnership with the social economy to build back better. Throughout the covid pandemic, Kindred has demonstrated how quickly the social economy can come together to respond to the societal challenges our region faces.”

**Steve Rotheram, Metro Mayor, Liverpool City Region**



# 2. STO engagement

## 2a. The data – a baseline

When we began this work, what we now call the ‘socially-trading sector’ was a new way of identifying and grouping together a wide range of organisations, companies and businesses (see page 4: ‘What is an STO?’). In many ways, this is the beginning of the journey to capture, understand and interrogate the data. At this stage there are bound to be gaps, and we are aware of this.

For example, of the 110 representatives of socially-trading organisations that we engaged with through our co-creation sessions, we estimate that at least 65% did not describe or see themselves as an STO, and didn’t recognise that they were part of a socially-trading sector. As we began to try and develop an understanding of how many STOs there were in

Liverpool City Region, there was not enough detailed information available on STO financials. The work Seebohm Hill did at the start of the pandemic around its potential financial impact used a broader brushstroke, with the emerging STO sector as part of a wider piece of research on LCR’s registered charities.

In other words, we are only beginning to fully understand and analyse LCR’s STO sector because it is new – we hope to present more detailed information about jobs and property usage etc in the next period of Kindred development.

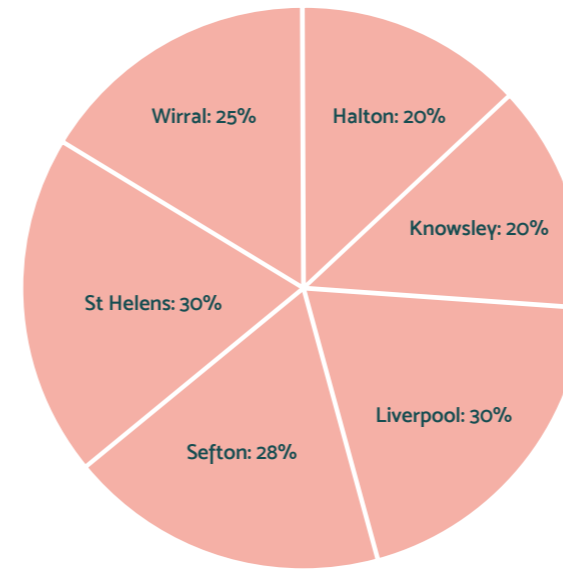
### Here’s what we do know...

## 2019: What we knew

- One in ten jobs feared at risk in the wider charity sector at start of pandemic
- £11.3m invested in 43 social organisations in LCR, with only half a million pounds of that in eight STOs
- Less than 35% of known STOs\* identified as such
- No identified STO sector

- \*\* Projected demand of 740 STOs would need £35m investment
- Of 110 STOs surveyed during engagement phase:
  - 25% wanted grant
  - 25% wanted loan
  - 50% wanted a mix of grant and loan
  - Demand exceeded £35 million
- Of 20+ STOs allocated investment: 100% have accepted a mix of loan/repayment on social value return

## 2b. Who Kindred talked and engaged with

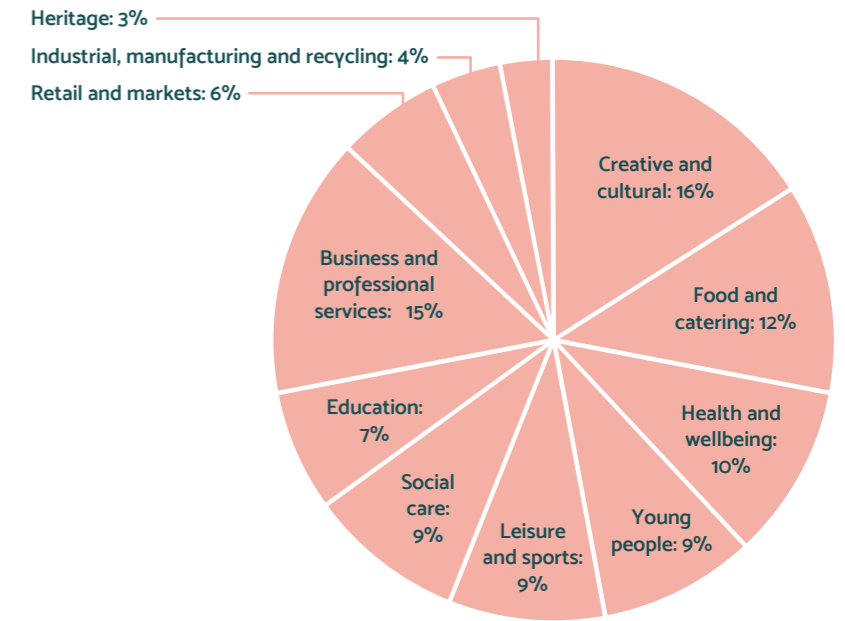


135 people from 110 STOs (plus 25 support providers) – a litmus test, not a representation

Embedded practitioners invited their networks to help us listen to existing STOs’ lived experience – not ideas

Kindred has played a key role in making change happen in places

## What sort of STOs turned up?



Inherent skills and specialisms emerged in each borough:

- Knowsley had a majority of wellbeing and social care STOs
- St Helens attendees included leisure and retail ventures
- Liverpool included a lot of cultural and creative ventures
- Wirral had a real live music focus

## 2021: What we know now

- Kindred engaged with 110 STOs – an increase of over 175% of STO activity
- 100% of STOs Kindred has worked with now identify as being an STO
- A strong and growing LCR STO sector now identified
- 65 of the 110 STOs we are working with are female-led (71%)
- Approx 52 of of the 110 STOs we are working with are Liverpool-based (56.2%)

- 25 of the STOs we are working with are Black-led
- Kindred worked with seven STOs in Halton/St Helens (7.7%)
- 10% of all firms set up during lockdown were CICs – a more social economy may already be mobilising.
- Kindred’s first cohort of STOs offers an illustration of what a more social, economy can look like. But they are just the pathfinders for a movement already 500+ strong.



## 2. STO engagement

### 2c. The consultation: what STOs said they wanted and needed at the start

Overwhelmingly, the STOs who came to our engagement sessions told us that what they wanted was practical – hands-on business support and capacity support (not advice) – like interim marketing, digital and fund-raising support, helpers with expertise and access to shared specialists within their networks, who can ‘help us out’ when needed.

During this phase of the programme we spoke to over 150 STOs and THEY shaped the project.

#### Key to what they wanted:

- 0% interest repayable loans
- to be measured via their social value

#### Relationships – what the STOs wanted:

- Access to influence when we need it
- Council interface improved – it’s ‘them and us’; we want to know who to go to for what, not advice; councils are not supportive; councils don’t understand this sector and the value we add
- Health-focused STOs wanted to negotiate outcomes in return for contracts and investment at more strategic level – all doing it ourselves and too time consuming
- The whole grants process improved – they don’t warrant the time spent applying and reporting – it’s not proportionate; funding criteria ‘outrageous’ – we can help to change them

- Peer networks: networks, a Community Chain, local networks – was a continuous theme
- Area forums, opportunities to meet, opportunities ‘like this’, increased collaboration, cultural enterprise peer networks, we feel isolated/pressured holding it all together, networks that break down territorialism (both within and across boroughs)
- Places where we can be collaborators not competitors (funders make us competitors)
- Meetings like this so we can meet, collaborate and exchange
- The support programme should be about ‘convening’ the community, facilitating shared learning and benefits, embedding expertise

#### Trust – what the STOs wanted:

- Greater security; somewhere to go when it’s going wrong – for example, bridging money and support, cashflow – help!
- Time released to find support and figure out how to grow – ‘give me time to grow my business’
- Support to be full time/ one person does everything, from strategic growth to bottle washing; time to grow the good stuff; sabbaticals/ a year focused on growth
- Business support people who know about CICs/ who can step into the sector; business support doesn’t understand collaboration of sector; coaching, appropriate support to sector; expert advice – professional specialists

who know this sector

- Bid writing support to know how to apply
- Investment readiness (digital, marketing, finance, management – fit for purpose stuff)

#### Investment readiness – what the STOs wanted:

- Support to know how to use investment to grow; when to use a loan to grow – not subsidise
- Support on how to use money to grow; property confident but capacity cautious – like the rest of the world!
- Help to structure the business to grow
- Trading beyond this area; across the city region; beyond the city region; internationally
- Help to expand the earned income side of our business
- Digital, marketing, finance, management – fit for purpose stuff
- Cultural support for locally-produced products and services; how do we share equipment, production, marketing and distribution?; can we collaborate for mutual gain?; collective promotions

#### Space, property and money

Research by Power to Change nationally shows that community businesses (a sub set of STOs) are more sustainable when they own assets.

#### Of those 110 STOs we asked:

- 65% currently occupied space, of which 33% own their property and 66% rent their property
- 46% have unmet property needs
- 50% want property support as property is affecting viability or growth

#### Property

- A place to start
- In limbo; no base; work at home; isolated; at home
- Some people are re-mortgaging their home to kick start their STO – it shouldn’t require that; use of our own money then becomes a problem for funders and investors

#### Shared space & community

- Incubator space – shared space where more experienced can help new; we expand and contract; needs to be flexible
- Need for social enterprise hub or gathering place

#### Tenure hampering growth

- More permanence and ownership, so can make longer term plans and invest
- Confidence and support to negotiate long term deals that recognise/evidence our value
- From invisible to visible space
- Help to find and secure good buildings and space to cluster; collaborate so growth environment suited to STOs
- Facility management expertise
- Asset transfers ; there are assets and opportunities across all sectors; they need us; how do we talk to them



“We all do everything from toilet cleaning to accountancy. We are practical problem solvers, who know the sector.”

STO co-creation session attendee



“Kindred’s primary objective is social purpose. We spoke to over 150 STOs and THEY shaped the project... They said they wanted 0% interest repayable loans; they wanted to be measured via their social value.”

Erika Rushton, Kindred working group



## 2. STO engagement

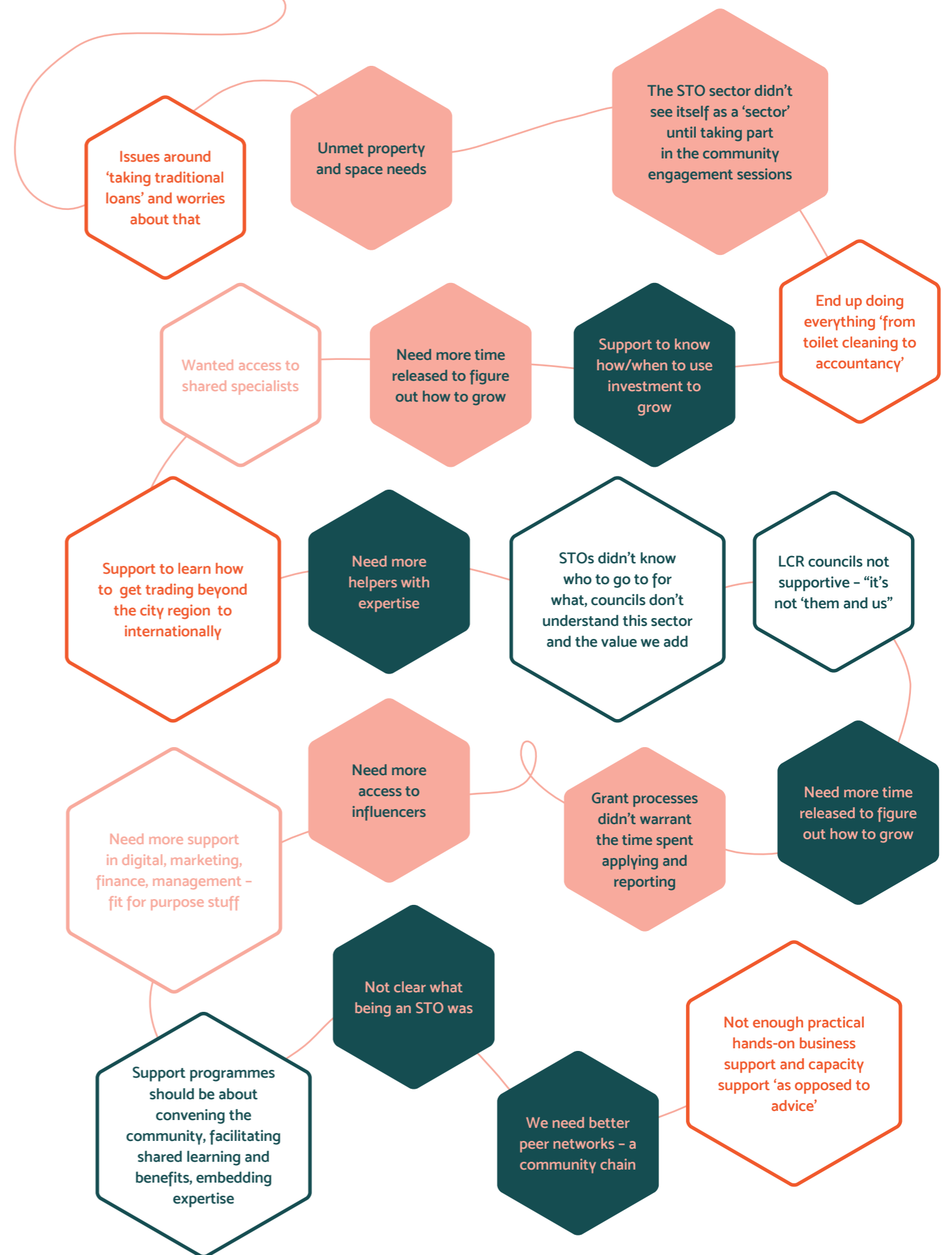
### Money

- 25% wanted grants, 25% wanted loans and 50% wanted a mix of grant and loan
- Demand exceeded £35 million
- Repayment periods estimated at between two and 25 years, with a range of innovative, but highly deliverable, funding models; suggestions to suit the sector included a student loan approach (paying back when earnings reached a level), underwriting risk, and shared risk between STOs and Kindred
- Attitudes to money evolved – “in the past we wouldn’t have taken a loan – but if it was from us, to us, and it was different we would”; we are confident in our ventures (just not in lenders)
- “We don’t want to just take, we want to give back for future generations of STOs”
- In respect of loans, STOs wanted their double dividend recognised: “we are paying money back and paying back in social returns – why should we do both, can’t we do one or the other? Or a mix?”; “we are saving the planet and saving lives, that should be recognised in our terms”
- The ideal fund was described as “I want to take money out of the pot, use it for as long as I need it, then pay it back for the next person”; the idea of pay back and pay forward was consistent
- As was the request to invest in systems “we need to invest in the whole ecosystem – not just individual ventures – we know that doesn’t work so well”

- Can we share risk and reward with the fund? We both agree to invest to grow and take that risk – if we make money we both win, if we don’t make money we lose our efforts, the fund loses its money, but it doesn’t close our business?
- And some red lines – that are being delivered – interest-free and payment and repayment holidays; no good from day one; be able to reuse/ reinvest if delivering outcomes; flexibility to pay back over time (five to 15 years)
- STOs were interested in Kindred holding equity/ working capital in our businesses
- Pay back based on affordability by the business, so pace can be changed if needed
- Would be good to have a range of ‘values’ as some people only need a small amount to start a great thing; a two-stage process – stage 1 for viability, testing the market, stage 2 for investment if trial works
- Can our existing turnover and time be valued as match investment – so shows we are also taking the risk?
- Recognition some social projects in ‘deprived areas’ need longer lead in times as building whole economy

We are low risk; we are professional; we are investing our time, savings and earnings, re-mortgaging our homes to get going; match us

### Key barriers for the sector



“The support programme should be about ‘convening’ the community, facilitating shared learning and benefits, embedding expertise.”  
**STO community engagement attendee**



## Case study: Café Laziz

ESOL teacher Debra Hill had a better idea for supporting her students to learn English, helping them move from basic questions to meaningful conversations with her fellow residents in St Helens.

Debra was working with refugees from Syria and Iraq at a St Helens-based adult learning provider. “There was so much bureaucracy around helping them integrate and it was almost impossible to help asylum seekers. I was teaching sessions for vulnerable adults, but prioritising learning English was often a struggle: some couldn’t read or write in their own language; some could be moved on with no advance notice and for others, when you’re living on £5 a day, a bus pass that costs £4.60 isn’t always high priority.

“Once they are given refugee status, they have 28 days to find somewhere to live, get a National Insurance number and find a job. I had to find some way of bridging that gap, and helping them develop employability skills.”

Debra settled on the idea of a café, to help them develop customer service and employability skills, and use their hospitality and cooking skills to build their confidence. Café Laziz opened in September 2019 and in 22 weeks, had served 620 paying customers, providing 51 children and 82 asylum seekers with free meals. “It was a question of looking at the skills we already had,” she says, “and how can we use them in this country.”

Taking on the café at a local children’s centre, she worked with learners to develop their customer service skills, and opened one afternoon a week, serving food for the local community. “Until recently, St Helens’ population was 97% white British. With refugees arriving in the town, I was concerned that they were being spread around different places, with no focal point to support them,” says Debra.

“At first, I really struggled to get volunteers to be the cashier and talk to customers about their food,” she says. “But in no time their confidence grew and they’re happy to chat and talk about themselves and their experiences.”

Hearing those stories resonated with local residents: “I knew we were on to something when people stopped buying the jacket potatoes, because they were eating Arabic food instead,” she smiles.

There are also cultural differences to overcome. The first time the café opened, the women brought their children to work; now the dads look after the children while the women are working and have had a taste of life in the kitchen too.

Debra has worked with Kindred since April 2020. “I’m so grateful to have found Kindred – they have been so helpful and supportive without even being asked,” she says. “They engage with and listen to socially-trading organisations through their ‘conversation’ sessions and work out ways to best help. The workshops offer really useful practical solutions to help socially-trading organisations improve their practices.”

Debra’s aim is to get her volunteers to gain more qualifications. Longer term, she plans to take on a venue where they can meet and train them up as managers, so that the café has more flexibility around its opening hours. “I want them to have something they can take ownership of,” she says.

One of the café’s first volunteers has already found full-time paid work in the food industry, and nine volunteers are engaged currently. One volunteer delivered an impromptu speech at a council grant launch event, whilst another has delivered Arabic drinks and snacks at a regional ESOL conference.

“For some of these women, it’s their dream,” says Debra. “Their education was disrupted in Syria or Iraq before the war, and they’ve had a lot of time since just waiting in Lebanon or Jordan, sometimes in refugee camps. Not having those skills or experience takes a hit on their confidence. This is a direct way we can change that.”





# 3. What was Kindred Accelerated and why it was needed?

## Kindred Accelerated: applying emergent strategy

Kindred Accelerated resulted from conversations between the Kindred working group (pre set-up of the Interim Board) and Liverpool City Region Combined Authority. The risk that 60% of STOs might fail during lockdown (from Analysis of the Free Reserves of Registered Charities in Liverpool City Region, Seebohm Hill, April 2020), and that one in ten jobs could be lost was recognised early in Liverpool City Region, but became the national Covid economic strategy. Data was shared with Liverpool City Region Combined Authority throughout on the health of the sector.

In March 2020 as the UK went into lockdown, Kindred Accelerated was commissioned to provide rapid support, over a four month period. The pandemic accelerated and exposed the fragility of the economy we all rely on and the importance of the foundations of that economy – the things that can't be closed down or done from home. And as the wider economy paused, STOs stepped up and stepped in. They came from the traditional social enterprise sector, from the creative and digital sector, but also from the local private sector, with corner shops and small-scale manufacturers who put people and PPE before profit.

### Kindred Accelerated was put in place to:

- Urgently address business continuity and the future sustainability of STOs in LCR, enabling STOs to sustain their goods, service and workforce in LCR communities and in their supply chain
- Bring in proactive risk management and accelerated support for STOs during Covid-19, to exist in the future for LCR communities

- Maximise Kindred's direct contact with a network of approx. 150 STOs, including community businesses
- Support STOs to make difficult decisions in a volatile situation
- An Interim Board was established
- MVP product set up in tandem to full set up

Ongoing online one-to-ones and small group conversations helped secure funds and peer support. This two-way questioning continues to be at the root of the Kindred approach, encouraging self-sustainability and responsibility and embedding peer-to-peer support – a core element of the Kindred model. This work also became a test of the 'Collaborating Communities' approach, which continues to be a key component of the Kindred vehicle.

### We also ran seven Kindred Conversations, alongside four workshops

#### Conversations includes:

- Together we are mighty
- Unconvention
- Pioneers of the new economy
- Build back better
- WTF is an STO?
- Follow the money
- What do we mean by 'growth'?

#### Workshops are:

- Moving on
- What's your social value (x2)
- Storytelling

**A total of 345 people signed up to attend.**

STOs were asked to specify the risks they faced. Kindred then commissioned or allocated peer time to facilitate the following in communities in LCR:

Kindred also helped to negotiate with funders and contractors to ask them to bring contracts forward, flex, waive or change outputs. It linked people together in order that experiences and learning could be shared, as each local authority put together its own resilience fund. By engaging with STOs, Kindred was equipped with the data to ask for what was needed, over and above any government assistance. This enabled a swift and effective allocation of resources to deliver social and financial benefit for the communities in which STOs operate.

### As calls to individual STOs were complimented by online conversations, common support needs emerged:

- Many 'slipped through the net' of initial government support, although this reduced as national and local government and other charitable and public support agencies slowly mobilised. Kindred circulated funds available and supported STOs to apply.
- Those who consistently received no support included individual freelancers, particularly those whose business activity involved personal contact, such as therapists or live performers. Some larger partners pre-purchased/ ordered goods and services (some did the opposite) which was invaluable. Kindred sourced emergency aid for a very small number of freelancers and later connected them to work opportunities where possible. They make up as much as 50% of the sector's ecology and at present also fall outside Kindred's remit.
- Almost everyone within a 'collaborating community' appeared to be functioning better than those who were not. Some used the connections they made at the consultation events and Kindred began to actively connect people into virtual collaborating communities.
- Many didn't know that contracts could be repurposed and Kindred encouraged STOs to talk to their contractors.
- It emerged that loans were not an option for many in the sector within this highly uncertain operating environment, particularly where profits were used to deliver social returns. Kindred switched from an 80/20% loan/grant model to a 50/50 loan/grant model for its pilot round under lockdown.
- There was an emerging focus on the opportunities presenting.
- There was an increased interest in not being 'evicted' from economic spaces and opportunities where STOs were creating value, but there was a risk bigger profit-driven players could squeeze them out as the economy evolved. Kindred advocated protection for STOs post-pandemic within economic strategies and opportunities to expand community ownership of both physical and economic space. Kindred advocated the approach – the LCR Recovery Plan names Kindred and reflects the approach. A listing of asset asks and offers was compiled and shared with LCR place directors

(response pending); Kindred sat on the LCR Land and Property Commission; Kindred is now part of national round tables and campaigns including the Community Business Patchwork, which took its name from Kindred's understanding of local economies.

- A number are looking for premises and want help to provide compelling recovery activity in spaces vacated. Kindred has advocated a community owned Community Land and Property Accelerator as part of the LCR Property and Land Commission, but will need additional capacity to take it forward.

### BlaST

In September 2020, Kindred issued a business brief following the death of George Floyd, which highlighted the persistence of race inequalities internationally, nationally and locally. Kindred benefited from a team member with lived experience of race inequality – this resulted in almost 25% of STOs engaged not identifying as White British. Kindred recognised it could play a better part in increasing social impact and accelerating changes to address inequalities.

### The brief resulted in a series of films – Black Social Traders – that:

- Raised the profile of socially-trading organisations from Black and diverse ethnic backgrounds in Liverpool City Region
- Helped them promote their work and communicate the positive social or environmental impact their businesses have on their local communities
- Encouraged businesses from Black and diverse ethnic backgrounds – and those thinking of starting a business – to self-identify as STOs and feel confident the benefits of Kindred and linked networks are available to them
- Promote businesses from Black and diverse ethnic backgrounds as good growth and investment opportunities to Kindred and other funders, and investors that align with and deliver regional and national recovery plans

### This initial work was supported through national evidence that shows:

- 35% of people from Black and diverse ethnic backgrounds aspire to set up a local or social enterprise, compared to 10% of white counterparts – yet conversion to start up remains extremely low. Race Disparity Audit, 2017
- Enterprises led by people from Black and diverse ethnic backgrounds are growing faster than average, yet attract under 1% all investment
- Social Metrics Commission shows households from Black and diverse ethnic backgrounds in the UK are over twice as likely to live in poverty as their white counterparts, leaving them disproportionately exposed to job losses and pay cuts resulting from the pandemic. One in ten young people from Black and diverse ethnic backgrounds are unemployed, compared to one in 25 young white people. Runnymede



Trust found Liverpool the third worst place in UK to get a job for African or Arab men. 15% of the UK population are from Black and diverse ethnic backgrounds, and are more likely to go to university than prison – yet 25% of the prison population and 40% of people in youth custody are from Black and diverse ethnic backgrounds. Muslims account for 15% prisoners – a 50% increase in ten years – despite making up under 5% of the population.

- Social enterprise is found to address entrenched social problems caused by income inequality. World Economic Forum, British Council and Social Enterprise UK

The work by Kindred has found communities from Black and diverse ethnic backgrounds are least likely to identify as social enterprises, despite delivering social impact. Leaders from Black and diverse ethnic backgrounds find social investment inaccessible or have not heard of it; are most likely to use their own personal funds to establish STOs, or inherit indebted STOs; successive STOs established by communities from Black and diverse ethnic backgrounds have been systematically closed down and had assets stripped from them by large public and charitable organisations; this asset stripping continues.

Kevin Osborne, writing for *The Voice* online, suggests a Black-led investment fund can deliver fundamentally different outcomes because autonomy for people of Black and diverse ethnic backgrounds delivers better.

Kindred has drawn on the compelling evidence that outcomes for STOs from Black and diverse ethnic backgrounds will result from ‘someone who looks like us’. As a result of work to date, 25% of STO investment so far has been offered to STOs led by entrepreneurs from Black and other diverse ethnic backgrounds.

The resulting community that emerged from this first commission, and the research undertaken to support them, provided a foundation for a successful lived experience application to UnLtd in November 2020, led by Joanne Anderson (as Kindred had not been trading for long enough to enable a direct application).

Between January and March 2021 BlaST (Black Social Traders) network was initiated and £50,000 has now been granted in the form of small awards to 23 Black-led STOs. Equally significant is that the BlaST

network has continued meeting as a collaborating community and a commission from Kindred will allow this Black-led network to steer its own work and showcase itself as part of Black History Month in October. Although the network envisages eventual autonomy, it has requested it develops under the Kindred umbrella at the outset.

**A full evaluation of BlaST has yet to be undertaken as the project only concluded in April 2021, but will form an annex to and inform this report when completed.**

#### Power in numbers

Kindred worked with other local agencies, including The Women’s Organisation, LCR Combined Authority and GMCA to address some of the bigger issues:

- Kindred provided four case studies of STOs in serviced accommodation and co-work spaces, as part of the successful lobby to access business relief. It then publicised and supported STOs to apply when support became available.
- Kindred worked with STOs and public sector bodies to advocate they didn’t cancel contracts and brought contracts forward where possible.
- Kindred directly supported individuals left worse off, or in some cases with no income at all, as a result of registering for Universal Credit. It worked with other agencies, including LCR Combined Authority and The Women’s Organisation, to advise people to get advice prior to presenting to DWP.
- Kindred continued to work with businesses with company directors who took no salary that emerged as the Forgotten UK campaign, of which some remain unsupported other than through company loans.

We also provided opportunities for peer-to-peer conversations and for Mayor Steve Rotherham to speak to and hear directly from the sector about the part they could play. Used to inform discussion with government about role of STOs and community activism in resilient economies by spreading risk and responding quickly.

In delivering these activities, Kindred was also able to gather useful information about STOs in LCR which informed decisions.

#### The outcomes

Across March and April of 2020 the team made contact with 188 STOs and 56 responded to our offers of support. Some 56 STOs received in the region of £275,000 worth of direct financial and in-kind support as a result of the Kindred delivery team’s support. The ability of the sector to pivot and respond to the challenges thrown up via the pandemic were significant. 10% of all firms set up during lockdown were CICs. A more social economy may already be mobilising.

#### Demand and innovation

During the pandemic:

- Income has been affected for 63% of socially-trading organisations but they have proved resilient and agile
- 63% of STOs we’re working with have developed a new service or product as a result of Covid-19
- 42% of socially-trading businesses in the Kindred community have radically changed or ‘pivoted’ what they do to meet a need or sustain their business
- 67% of the STOs have formed a new collaboration or supply chain partnership as a result of work with Kindred

#### Kindred pilot

The Combined Authority commissioned the work, which was not the usual way the partners normally operated. It is important to say that the pilot programme focused specifically on those in growth (not new ideas, etc) – because it was being set up in the middle of a pandemic:

- Kindred connected with over 200 people during this period
- 190+ attendees join Kindred conversations online
- One-to-ones with 100 STOs
- 53 expressions of interest

#### The pilot was designed to take people through a non-competitive process:

- 30 STOs self-selected out of the pilot, for a wide range of reasons
- Three said ‘no’ to continuing and there was one complaint
- 23 STOs are now in process
- 13 STOs have accepted to date
- It took three months to get from expressions of interest to 23 investees

The time and process to get cash out of the door was 5+ months. We were urged by the Combined Authority to get cash ‘out the door fast’ – in some cases STOs lost faith in the process and went elsewhere for money, as they felt things were moving too slowly. As of September 2021, 17 STOs have received money.



A community wealth fund growing the region’s community of socially-trading organisations in scale and number, increasing their social impact and reducing economic inactivity. Money, assets and support are available, in a form and on terms designed by members, for members, for as long as they are required and then returned for future use.



Kindred: The  
story so far  
Evaluation  
of Kindred  
programme  
2019 – 2021



## Case study: Future Yard

We need to think about music differently; as a transformative opportunity,” says Future Yard founder Craig Pennington. “There’s not a single music venue dedicated to celebrating new music in Wirral. For a place with music in its DNA, this is a saddening truth and a missed opportunity. Our town is scarred from decades of economic decay. The latest Index of Multiple Deprivation (IMD) ranked Birkenhead in the bottom 0.3% of electoral wards in England. We need to think about music differently. Birkenhead needs it.”

Its 2019 Future Yard Festival piloted the team’s plan, testing the idea with a weekend-long festival which created a financial impact of £282,191, about which 97% of visitors expressed a wish to attend more events like Future Yard. It’s now following up with a community music venue and skills hub, that will create a permanent home to realise its vision, focusing not just on live music, but industry skills and artistic development.

A new space at 75 Argyle Street in Birkenhead will become a community music venue run by the CIC, providing industry-led training pathways into the live sector for local young people. 10,000 sq ft of space will create a 350 capacity live venue, 11 music studios, a workspace and café/bar.

For Birkenhead, it’s an opportunity to showcase internationally-significant artists, diversify the town’s night-time economy, create sustainable, high quality careers for local people and incubate and accelerate new music industry start-ups.

For young people in the area, its training programmes are accredited with Arts Award (Ofqual, Trinity College); an apprenticeships and FE offer is being developed with partners and undergraduate and post-graduate placements with the University of Liverpool will begin in January 2021.

“It’s a real pleasure to be part of the Kindred family and its innovative, community-led approach to growth,” Craig says. “The process is encouraging us to really look to understand and measure the social value of our work and we’re looking forward to going on that journey as part of a supportive community of socially-trading organisations.”

The venue has already become hugely important to Wirral’s eco-system and the renaissance in and around Birkenhead and Hamilton Square. Its emergence has created an opportunity to showcase internationally-significant artists, diversify the night-time economy, create sustainable, high quality careers for local people and incubate and accelerate new music industry start-ups. It will also be the first carbon-neutral grassroots music venue in the UK.





# 4: Monitoring and evaluating Kindred's progress

Bloom Café,  
Birkenhead



## Learning from, understanding and sharing the learning

Kindred has been working with STOs to create a common set of intended outcomes and will use the monitoring and evaluation framework to evaluate the progress made against them.

At the Kindred Conversation *What do we mean by growth?*, STOs told us that, for them, the definition of growth began with people – NOT profit. Three main themes emerged:

- Growth of impact – by growing the number of people impacted/ new customers, or by growing diversity of services
- Growth of diversity – extend or diversify services to meet new or different needs or opportunities that result in community benefit – both new and existing STOs with diversity in who runs them
- Growth of collaboration – with each other, customers or across industry sectors addressing shared challenges or opportunity; taking a home-based business into a building or community; and at the other end of the scale working with many others to impact a whole place

## The outcomes we will ask our STOs to consider include:

- Growth of STO/ sector's social impact
- Growth in no. of STOs: extending diversity and reach of people setting up and running them; diversity of purpose that results in increased community benefit
- Growth of those collaborating with purpose including place, social innovation or community challenge which is responding to a new community need or opportunity

We will ask STOs to choose a range of intended outcomes – at least one of which needs to be a social impact outcome – from their planned work. Outcomes are the changes in skills, knowledge, or behaviour that are predicted will happen as a result of the activities delivered.

They are the specific positive changes that STOs will aim to achieve for their organisation, workforce, target client and customer groups, the wider sector, communities and stakeholders.

Using words that indicates the direction of change, e.g. 'improve', 'increase', 'enhance', 'raise', 'strengthen', that address a single, specific change, rather than a group of related changes or a large, complex change, will help STOs to track their progress with clarity. It will also help Kindred to bring together the evidence it needs to gather.

Each STO needs to choose the social impact outcome, plus two other main outcomes from any combination of the three main themes. For example, an STO might choose:

### Social impact

- Outcome 1: Increase the number of local people employed in our STO
- Indicator: The number of local people employed has increased
- Evidence: Paperwork to show increase in number of local people employed

## Kindred Monitoring and Evaluation Framework

Socially-trading organisations (STOs) are businesses that deliver social benefits AND trade commercially, with social purpose at their heart

**Key Contracted Outcomes** – greater labour market participation contributing to social inclusion, social innovation, community wealth, economic growth & community ownership?

### Evidence-based

#### Outcome (not output) approach to include:

- Evaluation – distance travelled
- Social impact
- Learning

#### Benefits for

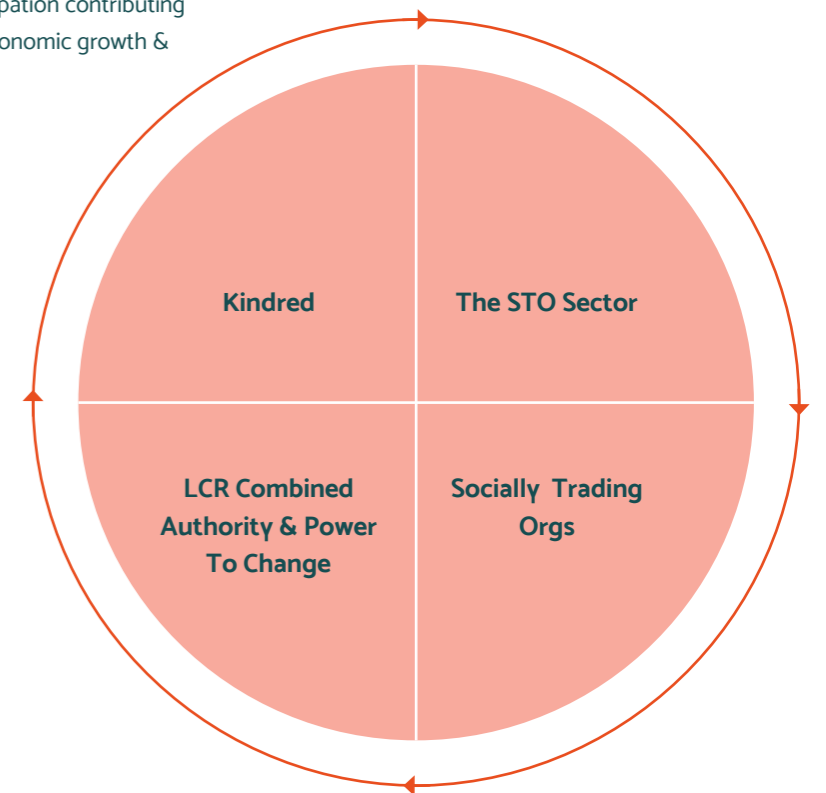
- STOs
- Sector
- Kindred
- Power to Change and LCR Combined Authority
- Communities & stakeholders

#### Drawing on

- Social Investment Bank
- Local multiplier 3
- HACT Social Value Bank
- Traditional quantitative & qualitative measures

“I love the idea that this is the start of an ongoing relationship”

Lee Pennington, Director, Open Door Project in Birkenhead: Shaping change for young people dealing with mental health





## 4. Monitoring and evaluating Kindred's progress

### What are the indicators?

The team suggests Kindred will need to monitor and measure:

- Social Return (HACT)
- Financial Return (including growth and multiplication)
- Local Economic Impact (LM3)
- Place impact (including property)
- Levered investment
- Collaboration
- Diversity & Inclusion
- Geographic spread
- Membership (values and criteria)
- Media reach

And in respect of social Impact suggest the key data points should include:

- Mental health and wellbeing
- Jobs, education, training, and volunteering
- Specific social groups
- Local environment
- Financial inclusion
- Physical activity
- Place-based impact (would attract others to the place)
- Homelessness
- Environmental impact
- Other activities

### What evidence?

- **Agreed purpose** – (place, social impact, people etc)
- **Baseline** – impact & projected change or increased impact
- **Case sStudies** – (self evaluation)
- **Pictures** – images and videos – that tell the story
- **Quotes** – from beneficiaries, commissioners and stakeholders
- **Data** – to illustrate the change taking place
- **Money** – showing the ups, downs, forecasts, accounts and returns
- **Social impact**
- **Evaluation** – to include analysis & learning
- **Promotion**



“We are going on a journey together. It needs to be and feel like that...”  
**Kindred Community Engagement,**  
February 2020, Erika Rushton

## Case study: Cycle of Life

Over the next ten years it's inevitable that cities will change drastically. We'll no longer be able to rely on cars and public transport to travel - cycling and walking will be the new norm. Cycle of Life's Ibe Hayter realises a radical new approach is required to tackle the social inequalities in mobility, health, emissions and socio economic status in the city/region – as well as the other barriers that prevent people from confidently choosing to cycle. As the world we live in changes, it's vital that people aren't left behind.

“I enjoyed cycling with my father as a child – it was all about roaming freely and going where you want to go. I tried to pass this on to my own children,” he says. “But I found that they didn't enjoy it as much, as there wasn't a cycling culture in my diverse neighbourhood.

“I trained up and worked as a cycle instructor, running cycling projects. I remember one of the instructors I worked alongside at a school telling a young Somali student that she would have to take her headscarf off to put on a helmet or she would not be allowed to ride. I felt she was being forced to choose between her identity and riding a bike, which was unfair.

“Many of the children we trained at schools lived in my area, although none of the instructors did,” Ibe continues. “After completing the training I noticed many children stopped riding. When I asked why, they informed me that their families did not encourage them, as they felt riding bikes on the road was dangerous. Parents listed many barriers to cycling and why they did not encourage their children.”

After completing an Active Citizen course at Kuumba Imani, Ibe decided the time was right to change the culture, removing some of those barriers. Starting in early April 2020, the Covid-19 pandemic meant that his first project was to provide bikes to NHS and key workers, enabling them to travel to work safely.

But Ibe realised a radical new approach would be required to tackle the social inequalities in mobility, health, emissions and socio economic status in the city/region and create new attitudes to active travel and alter behaviour in city life.

A year later, Cycle of Life has delivered 90 community cycle rides, 45 hours of cycle repair workshops a week, repaired over 180 bikes and provided another 50 to NHS and key workers.

Its focus is on communities that have been traditionally overlooked or less represented in cycling and it has 150 members. It's trained twelve cycle leaders – eight of whom are female, and six from BAME backgrounds – and established new cycling groups at Unity, Asylum Link, Liverpool mosque and a women's group at Calderstones Park. Cycle of Life's social value

added has been calculated at over £400,000 in its first year. “Collaboration is key to effective social change,” says Ibe. “Working with the public, private and voluntary sector means we can all achieve goals with limited resources.” He's signed agreements with organisations as diverse as Liverpool City Council and Back on Track, providing a huge variety of services. Cycle UK has trained its volunteers, providing insurance and policies for them to become cycle leaders. In turn, they're delivering led rides to local community groups like Asylum Link, and making plans to deliver balanceability classes, start a cargo bike delivery service with a young person's cycle sports club with British cycling. “We're also developing a 12-week targeted social prescribing pilot with Alder Hey Children's hospital to tackle increasing health concerns in young people. And we're negotiating a contract with a national provider to deliver a revamped model of instruction in schools with local instructors who reflect the communities they serve – not only will they teach children to ride, but will take their parents on led rides to give them the confidence.”

Cycle of Life will start bike buses with families cycling to school and create a big change in travel choices in Liverpool. Not only does the STO aim to increase active travel in Merseyside and remove barriers to cycling, but it'll build skills in local communities by delivering cycle maintenance workshops, a cycle repair centre and develop an instructor and mechanic training centre, creating employment opportunities for local people.

The plans also support Liverpool's ambition to become a zero-carbon city by 2030. A cycle hub will provide a repair station, café and showers for commuters, become Liverpool City Region's first training centre of excellence for cycle mechanics and instructors and house an Active Travel consortium. Cycle of Life has created an L8 Active Travel Forum, made up of local residents, businesses and community organisations, to amplify L8's voice with decision makers, consult and listen closely to its community and enable the area to be chosen for larger investments such as Liveable Neighbourhoods and Low Traffic Neighbourhoods. It will also develop an effective tool to enable schools and other organisations to facilitate an effective active travel model within their communities, and help develop local 'business on wheels' entrepreneurs.

“I cycle for a few reasons,” says Ibe. “Keeping fit is one of them. It also relaxes my mind, whereas when I drive I feel stressed. Cycling gives me a chance to think about the wider picture. How we want our city to look in the future for our children. Now, for me, it's about creating an inclusive culture with long term economic, environmental and health benefits. Cycling is a force for good. It creates an environment which can solve a lot of social ills.”



# 5: The story so far – voices of STOs in LCR

“We got our planning permission granted and the final draft of our lease, so all the elements are in place now. It was a difficult process but I’m so pleased we managed to address the obstacles. We’re really excited to finally be in the implementation period, and putting into action all the hopes and dreams that have been nurtured for the last four years. Thanks so much for your offer of support, I was personally at rock bottom with it all when we spoke and needed the words of encouragement.”

“To work with like-minded people really inspires you and gives you confidence”

“Sometimes things haven’t been as clear as we would have liked.”

“Why do I need due diligence?”

“If Kindred wants to add in conditions (to our loan agreement), we want to add them in too!”

“I felt nurtured... felt like a bit of time was being taken... felt like I was being listened to..”

“When are we getting the money?!”

“What Kindred brings that is completely different is vision – long term vision. That was a revelation and a pleasure to go ‘oh, at last, somebody’s talking the same language as me.’ That really energised me to say ‘we can do this!’”

“It was a bit nerve wracking to do [a pitch] in that way – it felt a little bit less like I was being involved. The whole of the conversation with Kindred had been about ‘we’re all doing this together’, but doing those pitches and what came after that did feel a bit like ‘you sit over there in silence now and we’ll get back to you when we’re ready’. That didn’t feel the best, I’ve got to be honest...”

“Sometimes it has felt like me banging on this virtual door which doesn’t open very often!”

“In the past, the local Chamber of Commerce has said ‘we’ll send someone to mentor you’, but to be honest our organisation turns over five times what theirs does!”

“For us, it was good. As a charity a lot of people think ‘ah, bucket shakers – the cute and cuddly charity’ But we’re not like that – we think like a business does, so the phrase ‘socially-trading sector’ is a good fit for us.”

“It’s really good that Kindred recognises the importance of social value. Not just ‘ahh, isn’t that lovely’ – but it’s also saving money for the exchequer and creating employment.”

“Kindred is coming from the angle of loaning money out because it wants great things to happen locally. They want people to be supported and people to be invested in and communities to thrive. With conventional loans, they’re investing to make money off you!”



Kindred: The story so far  
Evaluation of Kindred programme  
2019 – 2021

5: The story so far – voices of STOs in LCR

# What they are saying, one year on... STOs, Kindred Board, team, investors/stakeholders

“We have a blissfully optimistic idea that you can change a place through music – through enabling and encouraging music communities.” **Craig Pennington – Future Yard, Birkenhead on the power of STOs within place-based change**

“Over the past 12 months we have learnt that we take our brief from the STOs and act on their voices and experience – we thought we had to know it all, be experts, but it’s the STOs who are on the front line of delivery who know what they, and their communities, collectively need. We are commissioned by them, the Community of Interest that we serve.”  
**Vidhya Alakeson CEO Power to Change, and former Interim Chair – Kindred**

**Lee Pennington** from **The Open Door** young people’s project in Birkenhead hadn’t come across terms like ‘socially-trading sector’ or patient capital before getting involved with Kindred. He said at the first community engagement session that his organisation would never consider taking a loan: “That’s true – why have I changed my view? We’ve never had a loan as an organisation – grants always felt like the more attractive option. But with this it’s given us the chance to realise that it’s all about being confident about our cash flow, which we are!”

“I’m so grateful to have found Kindred – they have been so helpful and supportive without even being asked.”  
**Debra Hill, Café Laziz**

**Pat McCarthy** from **KPAIS/SHOP** said “Low, slow repayments... it made sense. That’s what made it possible. That’s what changed our thinking as an organisation to say ‘we can look at this.’ We didn’t ever think we could, but it’s been explained to us properly, saying ‘this is something that you can be part of. Using the term ‘social investment’ was very new to us as an organisation and quite frightening! A few years ago I don’t think we’d have looked at it. We’d have thought ‘that’s not for us... that’s not in our world.’ Through the conversations I’ve had with Kindred I’ve realised and been helped to understand that it can be for us.”

“I think the reason that organisations like ours wouldn’t want to take on loans is because it’s very frightening to feel that you might be in debt, and taking that responsibility on as a small organisation. The conversations with Kindred changed that. I think that’s really important to understand. It was about taking the time to help us understand what could be possible.”



## 5: The story so far - voices of STOs in LCR

# The pitch: money conversations

### STOs on the 'pitch':

Pat said: "It was a bit nerve wracking to do it in that way - it felt a little bit less like I was being involved. The whole of the conversation with Kindred had been about 'we're all doing this together', but doing those pitches and what came after that did feel a bit like 'you sit over there in silence now and we'll get back to you when we're ready'. That didn't feel the best, I've got to be honest. "Initially, I did feel a bit daunted.

Pitching was new to me, but I had a bit of intensive training which enabled me to step up. And there was honest feedback, which was excellent. I really want to get across that talking to Kindred was so completely different than any conversation I've had in the past with any grant funder or statutory body, because what Kindred brings is vision - long term vision. That was a revelation and a pleasure to go 'oh, at last somebody's talking the same language as me. That really energised me to say 'we can do this!'"

### What happens next?

After today:

You'll be asked to confirm if you'd like to proceed with the process

- Be able to tell your story (words/pictures/talk)
- Understand financial position and due diligence
- Know your social impact
- Know what you need investment for and how investment will grow your social impact
- Collaborate in Kindred/community/place

### Totals - Test and Invest Cohort 1

Total funds requested by 33 money-ready STOs:

# £2,638,000

Balance funds requested 2020/21

# £1,313,000

Balance funds requested 2021/22

# £1,285,000

Ideas fund 50% match

# £40,000

At this stage 50% of funds preferred as grant and 50% patient loan, but cohort will co-design terms/products 6 November 2020

Listings limited to those who have engaged with Kindred to date. Demand likely to increase.

By November 2020 the 'pipeline' had reduced itself from 53 to 33. The 'panels' process reduced it further, by self-selection (except in two cases where panels felt STOs were not ready or were seeking a purely capital development, which was excluded from the criteria on the basis that other funds are available, and not the core purpose of Kindred at this stage). The cohort reduced from 33 to the eventual 22, of which 14 are contracted to date.

### Board-approved money conversation

- Money-ready STOs meet Money Panel share plans and explore terms - 5 steps - story, accounts, impact, collaboration, ask
- Money Panel agrees it; STO joins cohort if objectives shared and identify gaps to be addressed through collaboration and fieldwork
- STOs join cohort 1 with no commitment to money, support in fieldwork and collaborating
- Delivery team supports and advocates, but no presence or role in dialogue
- Money Panel evaluates emerging Kindred money products

### Money conversation 2 - December 2020 - Agreeing to Invest Together

- Money-ready STOs present plans, fieldwork and terms sought to Money Panel
- Money Panel agrees to commit money, how much, at what pace and on what terms (or not)
- Board recommendation for approval
- Money agreement customised for January 2021
- Money Panel evaluates emerging Kindred money products
- STOs invited to evaluate Kindred process

### Board-approved money conversations governance - what and who will a pilot phase Money Panel look like?

- Draws on Community Reference Group and Working Group (pending membership)
- 50/50 women/men and 50% Black and Minority
- 2 non-competitive conversations
- 75% Collaborative Community participation
- Excludes Board, who will take recommendations for approval
- Excludes delivery team, who remain advocates
- Conflicts of interest recorded and expected (it's a community of interest)





# 6: Key findings

- A shared vision
- Team's collective drive and determination
- Unity of purpose across Kindred teams
- Genuine commitment to involving excluded communities
- Challenging issues around diversity and gender
- Diversity of first cohort
- Sense of real expertise being shared
- The sector now knows itself as a sector – a vibrant, growing sector of the LCR economy and different to mainstream social enterprise or the voluntary sector
- It recognises itself to be a sector that can grow successfully, can collaborate and attract more to join the movement
- An element of 'thought leadership' and new thinking is beginning to emerge, which questions the purpose of growth and the necessity to trade, alongside leveraging grant funding, etc.



**So has Kindred proven to be different? Have its initial aims, including the following, been achieved?**

Goal	Achieved?
Kindred is owned by its community, for the benefit of its community	No, not yet, but that is still very much the plan
It's been developed by and with over 150 socially-trading businesses across LCR	Yes – over 500 STOs across LCR have contributed in a range of ways to Kindred's development
It has received money from LCR Combined Authority and Power to Change – but is independent of them	Yes
It's designed to offer new kinds of money and support, not currently available in the region	Yes
The money Kindred invests will be used time and time again, as the businesses we invest in pay it forward	No, not yet but that is still very much the plan
Our collective value will be measured by our social impacts – not just our financial returns	Yes this is happening and will be need to be built on as we look ahead

**We spoke to over 150 STOs and THEY shaped the project... They wanted:**

STOs wanted	Delivered?
0% repayable loans	Yes
To be measured via their social value	Yes
Practical, hands on business support and capacity from problem solvers who know the sector	Some of this – more to come via Collaborating Communities and next phases of Kindred
Peer networks	Yes and more to come - re-engage with local Communities of Engagement /use approach in next phases of Kindred / the 23 will be coming together to share practise, support etc
An improved interface with the council	Some - ongoing dialogue and sharing the learning, best practise etc
Help to structure the business to grow	Yes and more to come in next phases of Kindred
Places to collaborate, rather than compete	Yes and more to come - re-engage with local Communities of Engagement /use approach in next phases of Kindred / the 23 will be coming together to share practise, support etc
Cultural support for locally-produced products and services – collaboration for mutual gain	Some of this - more to come vial Collaborating Communities and next phases of Kindred



# 7: What's next?

## 7a. Looking ahead

Everything we have done since we began has been about applying an emergent strategy based on the lived experience of the emerging LCR STO sector. Together these STOs and their networks offer LCR a live and growing demonstration of what a new, more socially responsible, economy can look like. We recommend that we continue to learn and grow from the work of the STO sector itself as we look ahead to the next 10 – 15 years of challenges, change and creative potential.

Kindred's first cohort of STOs offers an illustration of what a new, more social, economy can look like. But they are just the pathfinders for a movement already 500+ strong.

- We need to learn lessons from the pilot phase of the Kindred start-up and implement effective change where needed. More work is needed on developing appropriate data sets to enable us to track both Kindred's and the LCR STO sector's progress effectively. It is recommended that one of the first things we do next is work with the Combined Authority and possibly the universities on a piece of work that can track all of this over a ten year period.
- We need to continue to learn from what happened during lockdown, in terms of what became an emerging focus on the opportunities presenting – in particular to this sector.
- We need to continue to ensure that opportunities are provided for peer-to-peer conversations and for the LCR Metro Mayor to get the chance to speak to and hear directly from the sector. They have played a part and can contribute more in the future creation of a new, environmentally savvy, more social and fair economy.
- Our co-creation sessions also left the delivery team with a strong message that the sector didn't, at that stage, see itself as a sector; some hadn't identified this as a sector at all, until taking part in the co-creation sessions. Clearly this is a vibrant growing sector of the LCR economy and different to mainstream social enterprise or the voluntary sector. We need to recognise and reinforce this learning so that the sector that can grow successfully, can collaborate and attract more to join.

- Kindred recommends and continues to advocate for a community owned Community Land and Property Accelerator as part of the LCR Property and Land Commission, but will need additional capacity to take it forward.

## 7b. Membership and building a movement

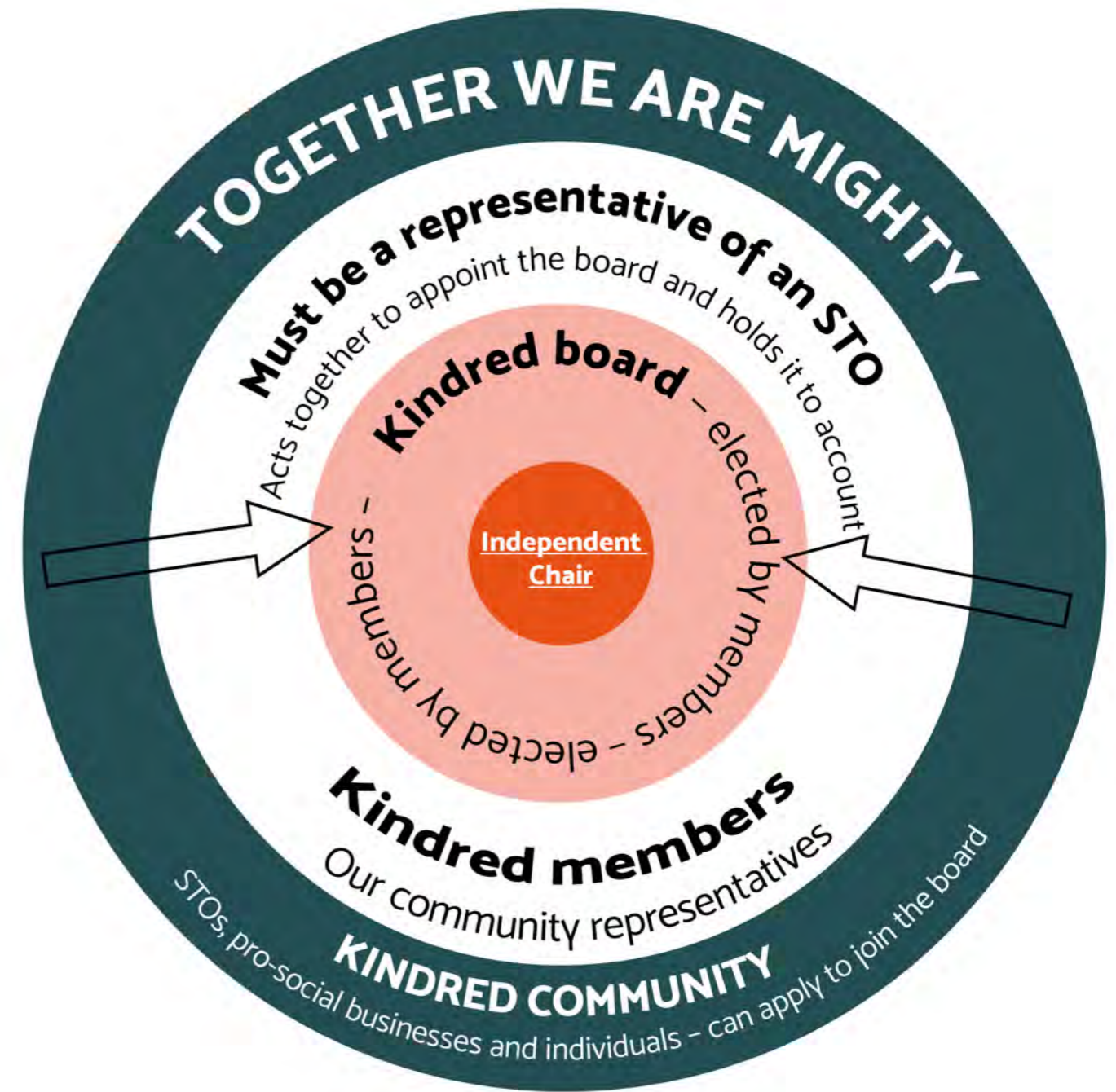
Our aim for Kindred has always been to create a powerful supportive movement, owned by its community, for the benefit of its community. Within the first six months of operation in 2020, a group of early 'members' had self-identified with Kindred. They attended a series of talks and workshops, followed and engaged on social media and signed up to find out more; for support and to connect with the delivery team.

Using a new term – socially-trading organisations – has inevitably brought both complications and learnings. Explaining its meaning to our sector and stakeholders has seen it evolve as a result of their input, and it will continue to be a focus of our communications. While some have been confused by the differentiation between the socially-trading sector and the charitable and voluntary sector, we've found a community of people which has been keen to self-identify and coalesce around Kindred activity.

During the Kindred Accelerated phase, that support focused on mutual peer-to-peer support and conversations. As attention turned increasingly to money, the focus moved away from membership and the 'movement' to the first round of investments. Within the timescales we were working in, it proved difficult to provide both support to the first investment cohort, alongside wider community events.

We have focused throughout 2021 on membership requirements, benefits and processes. November 2021 will see us officially launch our membership offer, at which point we plan to invite c.500 early adopters as members, alongside representatives of the region's wider STO community.

Our challenge is to create something that identifies as 'Kindred' – inclusive, accessible, fair, and peer-led. This dovetails with our aim to build a movement and a wider community which contributes to our goal of a fairer, kinder local economy.





## 7: What's next?

As a result, we have stressed the importance of the movement, and that individuals from across the movement may apply to join the Board. Our legal members, in turn, play a role in holding the Board to account to ensure that it truly represents LCR's STO community; they are intertwined and mutually-dependent, to avoid conventional hierarchical structures. But we recognise that it could take some time for Kindred to truly be owned by its community.

Future considerations for the support and development of the movement include:

- Movement v money – how do we support both?
- Money panel – listen to what the first group of STOs said and look at what needs to change
- Diversity – encouraging women, those from diverse ethnic backgrounds, young people, working class communities and people living in boroughs outside of Liverpool city centre, where take up has been lower
- Re-engage with people who came to the first community engagement sessions
- Social impact – have we used every tool at our disposal?

**For more information, you'll find a link to our membership proposition in the appendix..**

We need to focus on the help and support that STOs gave each other – so much happened other than the money that has been earmarked.

### What's next?

<b>Small Acts of Rebellion – St Helens</b>	<b>Current</b>	First of a series of STO-led events across the region to encourage a pipeline of new STOs in St Helens. Opportunity for up to four young people to run their own small acts of rebellion in LCR
<b>BlaST @ Black History Month</b>	<b>October 2021</b>	Supporting the Black Social Traders network to showcase its members during Black History Month
<b>Membership launch</b>	<b>November 2021</b>	Connecting the 500 strong STO movement – our pathfinders for a new economy in LCR
<b>First Annual General Meeting</b>	<b>November 2021</b>	Kindred's Annual General Meeting and first in-person event since its launch, celebrating STO membership
<b>Money review</b>	<b>January 2022</b>	Review of investment model to ensure Kindred is designed to support STO recovery and growth post pandemic
<b>Homeland accelerator</b>	<b>February 2022</b>	Working with partners on the LCR Land and Property Commission to realise the support STOs want to access and own land and property

### Appendices

[Kindred engagement sessions – what do STOs want?](#)

[Kindred membership proposition](#)

[Kindred investment process](#)

### Evidence of sector potential

**'Baltic Creative – 10 Years On' found that the return on £4,000,000 investment delivered:**

- 130,000 sqft community-owned asset £15,000,000
- 8.35M GVA per annum
- 200 companies and 500 jobs
- 8% average co turnover & employment growth
- £500,000 surplus per annum reinvested

### Social or place impact

- 3,000 people employed in Baltic Triangle
- British Council exemplar; 1,000 visitors p.a.
- Supporting Wirral, Liverpool, Sefton areas
- 75% exporting and collaborating

### Latent demand?

- Demand study projected five years to full occupancy
- Full occupancy in six months
- Suggests latent demand 10:1

### Pipeline?

- 40 jobs per annum based on real growth on site
- 240 jobs area wide
- Creative sector 26% growth = 33,800 sqft pa
- Digital sector 42% growth = 54,600 sqft pa
- Accounts for one in 11 jobs
- Fastest growing sector in UK

Cost per direct job circa £8,000; cost per venture supported £20,000 (indirect £1,333)

### Methodology

Series of open conversations with a wide range of people from diverse backgrounds.

# Rebels wanted!

**We are Kindred, and so are you.**

**We are a collaborative community and we work best when we work together.**

**Peer to peer support is the bedrock on which Kindred is built...**

**Watch this space....**



**"Thank you Kindred for your ongoing support, and helping me take my little CIC to a whole new level."**  
**Michelle O'Dwyer, Bay Tree Cookery**



**Kindred: The  
story so far**  
Evaluation  
of Kindred  
programme  
2019 – 2021

Thanks to all of our STOs,  
who've given us their time,  
expertise and trust. You've  
told us what you need and  
we hope we're able to reflect  
that.

More than 500 STOs  
have now joined us for a  
conversation or workshop,  
one of our co-creation  
sessions or have signed up  
for more info. We'd never  
have got this far without you.

Thank you too to our funders  
at Liverpool City Region  
Combined Authority, and  
Power to Change.

Everyone who joined one of  
our money panels has made  
a huge difference to this  
community of STOs. Thank  
you for your time, questions  
and support.

And to our team: the delivery  
team, the working group and  
Kindred's interim Board. Your  
collective expertise have  
brought us this far.