



Cabinet Office

# Background analysis on the UK social investment market

July 2013

# Social investment

We are building an evidence base to support the Cabinet Office's agenda to grow the social investment market; equipping policy makers with data, insights and impact analysis.

The following pages highlight key analysis undertaken on social investment.

- Growing the social investment market: the landscape and economic impact, 2013  
Research Report
- Social enterprise: market trends, 2013  
Research report using the Small Business Survey, 2012

Annex A contains a map of the social investment marketplace.

# Publishing the first robust analysis of the economic impact of UK social investment

The social investment market has grown by almost a quarter over the last financial year...



The social investment market size in England was £165m in 2010/11.

A year on, the market grew by almost a quarter to reach £202m in the UK.

In total, 765 deals were made by 29 Social Investment Financial Intermediaries (SIFIs), with an average investment size of £264k.

SIFI type	Investment value	% of total investment value	Average investment size
Social Bank	£166m	82%	£723,000
Large SIFI	£30m	15%	£71,000
Small SIFI	£5m	3%	£56,000
All	£202m	100%	£264k

We have set up a Market Stewardship Research Group (Big Society Capital, Big Lottery Fund, City of London and HMG) to coordinate research on social investment. It's first report has looked at the social investment market and its economic impact:

- The UK social investment market grew by up to a quarter to £202 million per annum in 2011-12 through 765 deals.
- These 765 social investments led to the creation/safeguarding of 210 UK social ventures, 3,550 UK FTE jobs and £23 million in GVA contribution to the UK economy in net regional terms.

...and for the first time, a robust analysis of its economic impact has been undertaken...

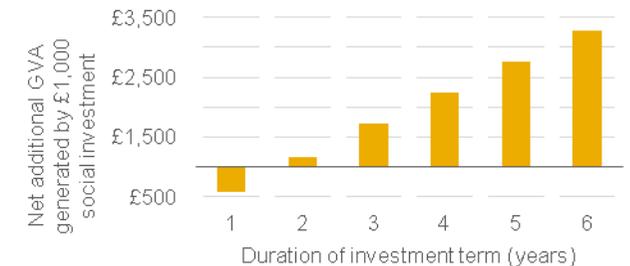
Analysis on social ventures receiving social investment showed that the 765 deals done in 2011/12 at a regional economy level had an estimated net additional impact of:



The full report can be accessed here: <https://www.gov.uk/government/publications/growing-the-social-investment-market-the-landscape-and-economic-impact>

...demonstrating that social investment derives economic as well as social benefits.

£1,000 of social investment is estimated to generate more than twice as much net additional GVA nationally (£2,250) on a 4 year loan.



The report also estimated the social investment needed to generate an additional business, FTE job and additional £1 of annual GVA at the region level:





# Annex A: Mapping the social investment market

