Kindred

Investing in LIVED EXPERIENCE

2024 Impact Report

Credit: Andrea Ku

Contents

We are *the* Change

A letter to you from Liverpool City Region's social traders...

We are the social businesses of Liverpool City Region: a community of almost 1,500 organisations, changing our communities in the region for the better, creating fairer, more equitable and healthier places to live and work. We are sustainable, agile and resilient businesses that trade – but with social impact at our heart. We are responsible and transparent, which is why we know that, with three years of support from Kindred, we have more than doubled our impact, created almost 200 new jobs and leveraged £16.4m of new money into our local economy.

We are diverse and innovative; we run launderettes and mental health hubs, bike shops and bookshops; we are cooks, creatives and carers. Individually, we are the small changes that build our economy – and together we are mighty.

And we are the proof that, when social entrepreneurship is invested in and nurtured, we thrive – along with the communities around us. When money and support that we've struggled to access in the past is made available to us, this is what happens.

Right here, right now, social innovation clusters are forming in Birkenhead, St Helens and Knowsley and we look forward to supporting more of this work across the city region next year and beyond. These clusters support each other and inspire a new generation of entrepreneurs who know that we all need to do things differently.

Traditional 'investment' is too expensive for organisations that not only pay back returns, but create social impact at the same time. Organisations led by women are frequently under-invested in. Organisations run by Black entrepreneurs are ignored by investors, too. Small organisations are nervous about taking on debt and it is harder than ever for young people to get their ideas off the ground. There is a lack of money that works for those of us who didn't start with any.

An initial £300,000 kick-started the change, and bold support from Liverpool City Region Combined Authority increased that money to £6.5m. Now, we want to turn it into £50m, to increase our impact, boost our economy and create more social good. And we want to see this support for social businesses across the country, too, highlighting the value of local lived experience.

Imagine a future where money is more accessible; returns can be part-paid in social value and appraisals include organisations like us, rather than exclude us. Where the empty property of large organisations and institutions can be transferred to social businesses, supporting their resilience, keeping money local and helping communities thrive. Where more of what we consume is grown or made locally; less waste is created; what we build is maintained and prevention – not cure – is fundamental to our communities' health.

There is still much to do, but we are part of a movement, across Europe and beyond, of businesses that don't just look at the bottom line. Impact – on our communities, our environment and our young people – is vital to change, both for now and the future.

Vibrant communities require long term change and we need the time, resources, money and property to make that difference.

Help us keep the fire lit and drive that change.

Headline *Numbers*

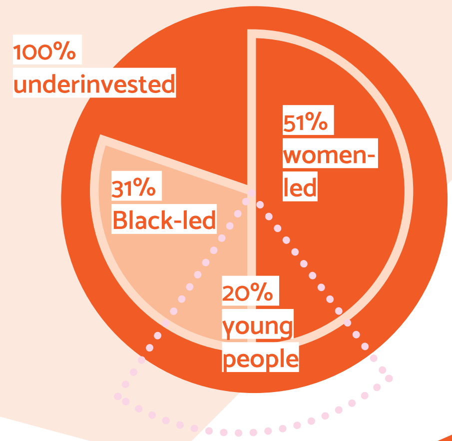
In 2024 we invested £616k in 13 organisations, including £432k in nine new STOs.

Since 2020, we've made 66 investments in 51 STOs, totalling £3m.

Collectively they have reached a total of

421,735 people*

Kindred's investees outperform national averages:



Total economic and social value created since 2020

= £35.9m

Since 2020, investees have levered a further £16.4m following investment

Investment portfolio now has a cumulative turnover of

£11.5m

*This is the first time we've included this metric. **'Reach'** means people supported by **STO impact activities**

The Story *so Far*

Kindred brings people together to make positive change. We provide the right money, support and access to property to help them increase their impact, with a collaborative movement that helps make the region a better, fairer place to live and work.

We have three strategic objectives:

- To increase the social impact of socially-trading organisations (STOs)
- To provide sustainable access to affordable finance
- To build a social movement

We do this through the impact Kindred generates, through the impact of STOs and by increasing economic impact. That's why Kindred provides support, a community network and money at 0% interest.

We are changing perceptions, demonstrating the strength, diversity and impact of the social economy in Liverpool City Region – and that Kindred's investments are not risky investments. STOs recognise they are not repaying Kindred; they are repaying each other – and the next generation of STOs. They are nurturing the communities they are part of.

We have a 96% repayment rate
(for STOs due to repay)

We believe our repayment success is attributable to the relationships we build with STOs. We work collaboratively to design patient money that works for them and is responsive to their needs and those of their communities. Our commitment to diverse investment, including BlaST, also helps address barriers to repayable finance highlighted in research by the British Business Bank*, on the barriers faced by Black and Global Majority-led businesses, by building trust and confidence in this form of investment.

While STOs invariably hit difficulties with cash flow, capacity and contracting, our evidence suggests that Hands on Help – from experienced peers who have faced similar challenges – coupled with repayment flexibilities, not only stabilises but returns them to growth.

* Unlocking the potential of Diverse Entrepreneurs: british-business-bank.co.uk/about/research-and-publications/unlocking-the-potential-of-diverse-entrepreneurs-factsheet

Economic *Impact*

In 2024, Kindred raised £2.38m to support STOs

Job creation

STOs unlock opportunities to develop skills and increase local wealth. The total number of jobs now safeguarded by Kindred investees is **323.2 FTE**, following the creation of 73.95 new jobs in 2024.

STOs have collectively increased the number of people they employ by **71.6%** since receiving investment.

So far, STOs have collectively created almost **200 jobs**. They've also enabled mobility and flexibility in the jobs they safeguard, by increasing existing staff's hours from part-time to full-time, leading to higher wages and greater stability.

Turnover

The turnover growth of investees shows that STOs are offering a pathfinder to a new economy. They fill gaps in supply chains and address market failures that traditional businesses do not respond to.

Across all cohorts, STOs have shown strong financial growth. **In 2024, year the combined turnover of all STOs in the portfolio was £11.5m – a 20%* increase of £1.89m.**

*year-on-year

Collectively, over the last three years

- STOs invested in 2021 have grown their turnover by 54.5% annually, increasing from £1.75m to £6.47m over three years – this **exceeds OECD (the Organisation for Economic Co-operation and Development's 20% threshold for 'high-growth'** businesses.
- STOs invested in 2022 saw an 11% annual turnover growth. This increased from £3.86m to £4.73m over two years.
- STOs invested in 2023 experienced a 37% turnover increase in their first year – from £201,600 to £276,900 in 2024.

STOs achieve an average 20% growth rate

Additional STO turnover since 2020 **= £5.7m**

Economic and social value **generated since 2020 = £13.8m****

** (Based on calculation of **£6** social value for every **£1** invested – calculated by an independent Liverpool City Region Combined Authority-appointed consultant at **£6.38 for £1 invested)**

Active *Minds*

For too long, dementia care has overlooked the cultural and social needs of the global majority. Families from Black, Asian and other minoritised ethnic backgrounds have found themselves navigating a system that often misunderstands them or excludes them entirely. One nurse, with over 35 years' experience and deep personal insight, set out to change this.

Michelle King began not as a business leader, but as someone driven by compassion and lived experience. "Having done some work in the Liverpool area, I heard, witnessed and was involved firsthand with the experiences that people shared with me – the feeling of being let down, the mistrust in services that are meant to protect them," she says.

With her first Active Minds dementia day centre already open in Crosby, she was determined to offer something complementary to the reputation she had established – and different from existing facilities in central Liverpool: care that recognised culture, respected lived experience and built trust. But bringing this vision to life required more than passion – it needed the right support, networks and investment.

Through her role as an advisory board member at Liverpool City Region's Race Equality Hub, Michelle connected with Innervision, joining its business support programme, led by BlaST director Joanne Anderson. "It's been absolutely amazing. Within a year – the networking, the coaching, the training sessions – there was no holding back," she smiles.

Through the programme, she was introduced to BlaST and Kindred and met Erika, Adele and Nicola. Initially, the idea of taking on investment was daunting. "I was very apprehensive about investment – I've never taken investment in my life. The fear, and apprehension. What if this goes wrong?" she says.

Kindred's mission is to increase the impact of the social economy across Liverpool City Region, and Michelle's work addresses a critical gap in dementia care, with clear impact. Nationally, nearly one million people are diagnosed with dementia, yet ethnic minority communities remain vastly under-diagnosed. "In Liverpool, there are about 42,620 people. The dementia register with the Memory Clinic has 4,000 people, but not one person is from an ethnic minority background," she explains. This is despite research showing that dementia rates in Black communities are 20% higher than in white communities.

Barriers range from communication gaps and cultural misunderstandings to a historic mistrust of healthcare systems. "They walk into a GP surgery and are often dismissed. Or they are told 'nothing is wrong with you'. People don't follow up. So this constant rejection has made the community withdraw."

Michelle's approach is holistic: providing therapy through interaction, cognitive stimulation and community connection rather than defaulting to medication. "Our communities don't want to be bombarded with anti-psychotics or dementia drugs that have never been tested on them.

"What they want is therapy: cognition, interaction, engagement," she says.

Through patient, transparent guidance from the Innervision, BlaST and Kindred teams, Michelle's confidence grew. "They instilled confidence in me, helped me understand what a cash flow is, how you put it together. Erika worked with me, and Ryan. The positive support was incredible. There was such a big trust that I developed with Kindred – I felt transparency, very honest. The wraparound support was still there. And there was no pressure.

"The bigger benefit from investment is 0% interest. They were very clear as to how the payments would be taken. Everything was explained in such a manner that it was a win-win situation. There was no way I was backing out."

But this was about more than finance. For Michelle, the partnerships gave her a network she could rely on – something that had been missing in her previous experiences of professional isolation and discrimination. "I was lonely, I was isolated," she says. "I found there is so much support, but communication is disjointed and it can be hard to identify it. Since I've started, there's no holding back."

Beyond dementia care, the centres also provide respite for carers, addressing loneliness, burnout and social isolation. "It's about enhancing the quality of life for everybody concerned, no matter what community or background and allowing carers to have a life of their own," says Michelle. The first Active Minds Centre opened in 2018, proving the concept worked. Michelle had a model that communities trusted and valued. With the support of Innervision, Kindred and BlaST, she took the leap to expand her vision.

In May 2025, Michelle received social investment from Kindred to open the second Active Minds centre – and she has plans for seven more across Liverpool City Region: "Change is going to happen," says Michelle.

From *the Board*

Five years ago, our journey began with a simple yet powerful mission: to increase the impact of Liverpool City Region's social economy. And, as we look towards the next five years, we stand proud of all we've achieved – together. The past five years have been filled with passion, dedication and impact. We've seen the social economy grow in stature in the region as a result of the hard work of investee STOs, who are creating real change in the communities they serve.

As we look ahead to what the next five years will bring, our mission remains steadfast, but the world around us continues to evolve. To meet tomorrow's challenges and seize its opportunities, we're building a team and board that will help take us – and the Kindred community – further. This next phase is about sharpening our focus, strengthening our foundations and creating space for fresh ideas and new energy.

We are investing in the future. That means welcoming talented people who share our values and vision and making sure that we remain STO-led, responding to their needs. More STOs are joining the board and will continue to do so, to make sure that they lead the way in the decisions we make. People who bring diverse perspectives, lived experience, bold thinking and a collaborative spirit. Together, we will make sure that Kindred stays dynamic, relevant and resilient – fit to thrive in the next chapter of our story.

These are exciting times. With the energy of a startup and the wisdom of our first five years, we are filled with ambition and optimism. We know our work matters and we know there is still so much to do. We don't do this alone, and see our work as part of a bigger picture for us to collectively achieve the change we want to see.

Thank you to everyone who has helped shape Kindred so far. We invite you to be part of our future – as a supporter, partner, team member or friend. The best is yet to come. **Together we are mighty.**

"We are investing in the future"

Liverpool *City Region*

Kindred works across 'Communities of Interest', bringing people together who share a common interest or geographical location.

Place-based investment

Our evaluation shows how socially-trading organisations form social innovation clusters*, where learning is shared and impact growth is accelerated. By 2024, we had key social innovation clusters in Birkenhead, St Helens, Liverpool and Knowsley, with plans for 2025 based around Sefton and Halton.

- Among the 51 STOs we invested in by 2024, 53% are based in Liverpool, with the remaining 47% spread across Wirral, St Helens, Knowsley, Sefton, and Halton. More than half of Liverpool-based STOs serve the broader city region, ensuring their impact reaches communities beyond their immediate location.
- Over 50% of demand and activity is Liverpool-based and clusters are supported in North and South Liverpool, increasingly through STOs. STOs accelerate growth when they cluster in a place.

Read our Birkenhead case study on page 28

Communities *of Interest*

Street and a Half, St Helens

The Street and a Half building (SnA) in St Helens is the culmination of almost three years' work with St Helens Borough Council. The building runs along Haydock Street and Bickerstaffe Street in the town centre and will support and increase the growth of the already-vibrant social economy across the Borough, nurturing creative and social businesses.

Women in the Know, Knowsley

Women in the Know began in 2023, bringing together 40 local women to a series of sessions hosted by local STOs, exploring their ideas and aspirations for socially trading businesses and later giving Kindred development awards. Now, Kindred is working with partners to develop a Women in the Know Enterprise Incubator to support the women and a care pilot is being explored and delivered.

Green Social Prescribing

Supported by Kindred, Sefton-based Gateway Collective is working alongside Vauxhall Health Centre, a GP surgery in North Liverpool, to develop a community growing project on green space around the surgery. The project is designed to look at ways that STOs with green space can work in partnership with NHS services to deliver green social prescribing, alongside other STOs from across the city region.

Birkenhead

Birkenhead supports our earliest social cluster, following a pilot project in the town in 2017. STOs now lead the creative regeneration of the area – find out more in our case study on page 28.

Bootle

Our work in Sefton began during Covid, with the Bootle Festival of Ideas in 2020 supported by STOs including B4Biodiversity, Kingsley and Co, Make CIC, SAFE and The Gateway Collective, alongside Sefton Council and Sefton Borough of Culture 2020. Our work since then has focused on catalysing STOs like Gateway Collective and SAFE to lead in their communities.

Occupy

Occupy works with young people between the ages of 18 and 24: in 2024, the pop-up programme appeared in Liverpool's Baltic Triangle.

BlaST

The network of Black Social Traders (BlaST) is a conduit to opportunities and investment and advocates for equitable access to resources, addressing systemic disparities in funding allocation faced by Black-led STOs. Kindred commits 25% of its investment to Black-led organisations via BlaST.




Our work in St Helens and Knowsley is also supported by the Local Property Partnerships programme, facilitated by Platform Places and made possible by The National Lottery Community Fund.


Why Place *Work Matters*

Kindred's mission is to support the growth in impact of the social economy – supporting people in their places is key to unlocking potential and driving social change. Communities of place are vital to Kindred's work and play a vital role in the region's social economy.

Our work takes place across the Liverpool City Region, but with a hyper-local approach. We work with people in communities who are already making a difference – or who want to, but often don't know where to start. Sometimes, it starts with a simple idea: a disused building that could be transformed into a community hub, a green space that could be repurposed, or a local business that just needs a place to grow. As an organisation we champion devolution of money and decision-making. Our role is to support lived experience in place – people who know best what their community needs – and help these ideas become reality.

Kindred actively seeks out new people and ideas – with a deliberate focus on Liverpool City Region's wider boroughs and neighbourhoods.

Social Innovation *Clusters*

Our evidence suggests STOs experience accelerated growth and impact, similar to industry clusters, when they cluster in a place. This tends to be in areas of low value and market failure as space for growth is both available and initially affordable.

- Our support, coupled with investment, has a catalytic effect attracting other STOs and businesses, providing confidence and identity.
- STOs in those areas are anecdotally generating social innovations at a higher rate, or with greater impact, than those operating independently.

Social innovation clusters are being established in partnership across the city region, exploring how local authorities can commission the social economy to drive inclusive growth.

This model delivers economic growth and community wealth in areas that have been unaffected by traditional trickle down or trickle out economics over the last 30 years. Indeed, there is some evidence that areas that have performed well economically have also seen an increase in relative child poverty and other poverty indicators, when compared to areas considered to have performed less well according to government economic indicators. The reasons for this are not singular but appear to include the strength of the social economy in an area.

> **“Being part of the money panel is a privilege. It’s rewarding to be able to offer support that’s grounded in experience, not just theory.”**

Ali Horton, Gateway Collective

Make *CIC*

Make CIC is home to over 130 makers across Liverpool City Region with spaces in Birkenhead, Liverpool's North Docks and Huyton Village. It provides a place for makers, creatives, independent businesses and social enterprises to 'turn their passion to prosperity', with flexible space alongside support.

The 'Made by Make' programme commissions work from local artists to create installations for clients nationwide. This supports Make and its community, creating jobs for a hyperlocal workforce, feeding social businesses in the supply chains of larger organisations, encouraging collaboration and reusing materials. Recently, Make purchased its first building, moving from a meanwhile space to a permanent home in Birkenhead in July 2024. The space strengthens Make's role in the town's regeneration as part of the Leftbank Collective (see page 28), with a particular focus on revitalising Argyle Street.

Make Hamilton's first two floors feature open-plan workspaces for artists, makers and creatives, alongside private studio spaces. A new reception area with a café welcomes visitors on the ground floor, plus rooms for workshops, meetings and events. By the end of 2024, the new space had reached full capacity.

Socially-trading organisations (STOs) operate in a financial landscape where property-related costs vastly outweigh revenue, making social investment crucial.

Make's priority is accessibility for residents, through affordability. Raising rent contradicts its social mission, so instead it leverages external funding to cover its annual deficit of approximately £100k. Nonetheless, demand for space is overwhelming, with three times more requests than availability. Owning property unlocks more favourable lending terms, but securing long-term finance is complex.

Ownership isn't just about stability for Make – it changes perceptions within financial markets. Kindred's interest-free, patient loan is an exception, as traditional lenders scrutinise organisations without assets, making borrowing more expensive and sustainability harder to achieve. A revolving credit facility with Key Fund has already improved Make's position, but greater asset ownership would make operations significantly cheaper – and create more impact.

Without ownership, ageing properties become liabilities rather than assets, draining revenue through maintenance costs. Long-term viability depends on securing structural investment, but without assets, STOs struggle to access it. This issue didn't matter five years ago, but as Make scales, it has become critical.

The goal is to replicate Make's Birkenhead model with new projects, including securing ownership of Make Huyton. Currently operating under a short-term peppercorn lease with the council, Make must now demonstrate demand to attract public funding and buy the property. The investment required – £3-£4m – is relatively small in government terms and could be acquired through grants and strategic financing.

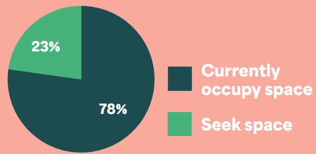
It plans to expand using the "wash, rinse, repeat" model Make has demonstrated in Birkenhead, moving from temporary to permanent spaces, demonstrating demand and using that data to secure funding.

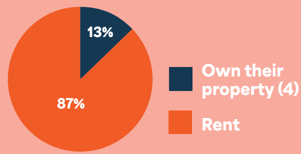
A key opportunity lies in the North Docks creative cluster, where Make can collaborate with similar organisations to optimise production, performance and experimentation spaces. By working with partners who have complementary strengths, Make can grow strategically rather than duplicating current facilities. A similar opportunity exists in Huyton, where it operates a temporary space. Make already has more financial security than most arts organisations, yet the sector is known for its short-termism and it plans to break this cycle by building a model that fosters long-term sustainability.

Make on the Corner, also in Huyton, has expanded workshop and exhibition space in the area, bringing communities together through engaging and inclusive creative activities.

Property

Kindred has supported STOs to secure c.£15m of property deals and has provided others with ad hoc support, advice and matching services.





Over the past five years, access to property has repeatedly shown itself to be a barrier to growth for STOs. Our 2023 impact report revealed that 78% of Kindred investees were building-based. Of those, 62% were looking for larger premises to expand. 90% of STOs rented their premises and just three owned buildings, giving them collective buying power in excess of £350,000 per year. 2024's results show:

- **£470,664 spent on rent each year**
- **Costs have increased in the last year for those leasing or owning**
- **17 (43%) are looking for larger premises**
- **55% of STOs are seeking investment for premises and property – refurbishment, new premises, leasing land or installing infrastructure (e.g. electric vans, catering trailers)**

This aligns with trends on asset ownership in the region's social economy research, which reveals that 70% of STOs need property support and/or space to scale their operations.

As with follow-up investment, the data suggests that access to property follows traditional inequality patterns. Inequalities are compounded by the exclusion of STOs led by women and BlaST members. In turn, the services they provide are restricted.

Lack of access to support, investment and property compounds inequality, adding to dependency costs in communities and places impacted by market failure.

STOs need:

- Long-term tenure and security: secure, long-term leases or freeholds to enable investment, planning and organisational growth. Short-term or rolling leases, while helpful in the short term, do not provide stability for transformational development.
- Affordable and flexible tenure models: many STOs – especially smaller ones – lack significant reserves, so alternative models including peppercorn rents, phased leases, or rent-to-buy arrangements are more viable than outright purchase for early stage and smaller STOs.

"If £32m of additional assets were made available to Liverpool City Region's smaller social organisations it could generate between £30m to £100m of extra income and create up to 2,750 new jobs."
Heap & Southern, 2023

Research for the 'Hold Co', which forms one strand of the Pathfinder (see page 33) is complete. An implementation group, comprising STOs with experience of securing and managing property, has been established.

Occupy

In 2024, 'Occupy' encouraged questions around ideas and work, working with young people between 18 and 24+ and giving them time, space and the resources to try new ideas with a social agenda or benefit, in Liverpool's Baltic Triangle in September 2024. Future Occupy programmes will take place across the city region.

Occupy provided a place to experiment, to try out ideas and to collaborate, creating the ability to experiment and try things out without commitment or pressure.

"Space or money? Space. You can do things without money, but it's hard to invest out of your own money in a space."
Lewis

"The opportunity to make mistakes is really nice. It's about trust and this is huge."
Rosie

Young people need spaces that are flexible, open and not transactional and, for many, the cost of renting a dedicated space is out of reach. The idea of 'third space' has become more prevalent in the public narrative, particularly since lockdown and the rise of working from home – places that exist outside of work and home. While they are places to encounter 'regulars,' and make new connections, fewer 'third spaces' are now free to access, making them increasingly inaccessible for young people.

A number of Occupy's participants talked about the significance of time and the significance of money equalling time. "Was the money important?" asked Phoebe. "Yes. It allowed me to put more time into the work. A lot of projects I've done before I have had to squeeze around work shifts. This allowed me to say no; to have time to do the work."

Emma Rushton, who led Occupy, says: "Gen Z suffers from a preponderance of online and virtual communication with a lack of real life, physical places to come together, communicate, debate and socialise – as well as try things out with and for others. It was fascinating to see some of the ideas they were able to experiment with when given a space, and better understand the barriers to starting off."

The five main themes affecting young people who took part in Occupy, were:

- **Lack of access to space**
- **Age (with much funding reserved for the under-25s)**
- **Time**
- **Online versus physical communities**
- **Support – not just financial, but trust-based support, encouraging taking risks and trying new things.**

BlaST

Black Social Traders Network (BlaST) is a network of Black-led socially-trading organisations (STOs) in Liverpool City Region, recognising and amplifying the collective impact and contributions of social business leaders with Black and Ethnic Minority lived experience. It is vitally important in Kindred's aim of providing 25% of our investment to Black-led organisations.

BlaST
Black-led Social Traders

The BlaST network – of Black-led social traders – is incubated by Kindred. ONS statistics estimate that, nationwide, around 12% of UK self-employed business owners identify as being from a minority ethnic group.

BlaST investees make up 31% of Kindred's investments – yet have subsequently attracted just 6% of all grants and follow-on investment, and generated just 23% of the total portfolio turnover. The Small Business Finance Markets Report 2025 highlights these ongoing challenges for Ethnic Minority-led businesses in securing funding, with Black entrepreneurs facing particularly significant barriers.

This disparity reflects wider national trends identified in the Small Business Finance Markets Report 2025, which found that ethnic minority-led businesses continue to face significant challenges in accessing finance, with Black entrepreneurs facing the most substantial barriers. These insights highlight the persistent investment gap that BlaST, through Kindred, is actively working to address.

Nonetheless, with patient capital and investment readiness support, Blast investees have seen growth in their turnover in the last four years.

- STOs invested in 2021 have grown their turnover by 35.7% annually – £475,347 to £1.2m over three years*, making them high growth
- Investments made in 2022 saw 26% annual turnover growth – £849,792 to £1.35m over two years
- 2023 STOs saw a 70% turnover increase in their first year – from £108,139 to £183,450

Black-led STOs are less grant reliant and are growing trading income and offer good economic returns – they account for 27% (20.2) of jobs created this year and 23% (75.5) of jobs sustained.

As articulated in our 2023 impact report, other investors still need to follow-up, committing money to Black-led STOs that are demonstrating growth.

** OECD's threshold for high-growth enterprises is 20%*

Diverse *Investment*

We're investing in wealth creation, not drip feeding poverty

At Kindred, we invite social traders and those with ideas who are excluded from money to redesign it, make decisions about it and get their hands on it. We are not just mitigating the impacts of inequality, we are investing in those things that can change who gets and owns resources and who, in turn, transform the places and communities they are part of.

51% of our investment and support goes to women-led STOs, 31% to Black-led STOs, 20% to younger people and 47% of our investees are outside the urban centre of Liverpool, from places termed 'deprived'. Because that's where leadership, social innovation and economic development that works for more of us is coming from.

Kindred invests differently because our decision-making is peer-led and our team and Board are diverse and include people who have lived experience of exclusion and experience of what it takes to run an STO.

Kindred's investees outperform national averages:

- **51% are women-led**
- **31% are Black-led**
- **20% include young people in governance or leadership**
- **100% of investment to underinvested people and place**

Nationally, the picture is different:

- Women account for just 19.1% of the UK's active companies and receive only 5.8% of all investment. (The Gender Index and Investing in Women Code Annual Report 2025)
- The 2019 Alison Rose Review estimated that nearly £250bn could be added to the UK economy if women were able to start and scale businesses at the same rate as men.
- Despite this, access to finance for women-led businesses remains challenging. In 2024, only 14.2% of women-led businesses accessed secured debt, compared to 61.1% of male-led businesses (The Gender Index)
- These barriers are similarly reflected for ethnic minority-led businesses, with Black-led businesses facing the most significant challenges. According to the Small Business Finance Markets 2024/25, ethnic minority-led businesses applying for bank loans were significantly more likely to be turned down – 49% compared to 32% of White-led businesses.

We expected social investors and grant funders nationally, who often are the next step for those we invest in, to do better. But of £16.4m follow-on investment and grant secured by Kindred investees, just 17% was attracted by women and 6% attracted by Black-led STOs.

The system isn't broken – it was built this way. We are demonstrating another system is not just possible, it works well. When it doesn't, we take action:

- A clear commitment: 50% of Kindred's money ring-fenced for women-led STOs
- Women in the Know – a peer-led incubator growing businesses from the ground up in Knowsley
- BlaST peer programme – a network of Black founders supporting each other and raising their collective ambition

Our investment portfolio shows this isn't about capability. It's about who is trusted, and backed.

Kindred is now working with other local and national investors and funders to move towards trust-based, evidence-based and equity-first investing. We're campaigning for the devolution of funds so that both excluded places – and people – can be the leaders of community transformation, not its dependents.

The Birkenhead *Boom*

Wirral-based STOs cluster to secure £11.8m additional investment

The pre-Kindred pilot, Wirral's Festival of Beautiful Ideas, created a vital early spotlight on Birkenhead and its potential as a creative-led, socially-trading cluster. Wirral Council and Wirral Chamber of Commerce commissioned the programme, creating an investment pot of £12,000.

The programme, in April 2017, brought people together to share ideas for making Birkenhead a better place to live and work.

Craig Pennington, founder of community music venue Future Yard, took part in the Festival of Ideas as a facilitator, before the Wirral New Music Collective was one of the ideas funded. He explains how it began: "It was simple, really. We asked who were the protagonists? Who really, really believed that Birkenhead could use music and the story it tells about itself to change what Birkenhead means in the world? It was pulling those people together – some who still lived here, some who'd moved away – and having a conversation."

The pre-Kindred pilot created a space to bring people together and imagine something better, using microgrants as a catalyst for those ideas. From that, the New Music Collective shared £3,000 to run a series of shows. "The New Music Collective was very much, 'let's do a run of shows' – I'm still a strong advocate of microgrants to get something started," says Craig. The Collective tested the water with Future Now Festival before, just three and a half years later, Future Yard, the product of Wirral New Music Collective's vision, opened on Argyle Street.

Early recognition from the council of the power of cultural organisations in the town was vital. Craig says: "It wasn't a conversation with the council about culture for culture's sake. It was about how music could drive regeneration and the economy. That was the change." As the industry talked about 'Music Cities', and the power of culture to shape places, Birkenhead built its own grassroots version. "If you anchor your regeneration framework in a permanent asset like a music venue, you can change the narrative about your town. You can tell a different story about who you are," he adds.

Make CIC, which gained a meanwhile space in the council's former Treasury Building as part of the Beautiful Ideas Festival programme, has now moved into its forever home, too. It bought a building next door to Future Yard in 2024, with money from Birkenhead's £29m Town Fund allocation. Open Door Charity is opening Make's former home as its Joy building.

Eleven Birkenhead-based STOs have collectively-received more than £700,000 investment from Kindred across three cohorts and a £29m investment in Birkenhead from the Towns Fund has been spearheaded by the social traders.

Next, attention turns to the streets outside the venue. With new cycle lanes, pedestrian crossings and lighting on the way, the Argyle Independent Quarter is taking shape as a creative, independent part of town. "In ten years' time, it'll be a completely different place," admits Craig. "And it's really important that it stays a designated area for arts and culture in the local plan."

Future Yard has been joined by Make, Joy, Make It Happen and Start Yard to work with Wirral Council, create a manifesto and encourage food vendors, creative spaces and community businesses to cluster in what it calls an 'urban village of creativity'. Their links with Kindred were vital, says Craig: "All but one or two of us have been on that Kindred journey together. We're all cut from the same cloth. We're there to deliver on social outcomes as well as provide financial stability and sustainability and working collaboratively has been there from the start. It's placemaking and regeneration as much as it's cultural development."

Social investment from Kindred was critical in taking Future Yard from dream to reality. "Kindred's been absolutely transformational in every sense," says Craig. "The money was important – at the right moments it made the difference – but it's more than that. It's a view of the world. There's a real confidence from being surrounded by peers who are trying to achieve similar kinds of things as you, within their own discipline. It's painting a picture of the possible," he says.

The emergence of the **Argyle Independent Quarter** demonstrates the maturity of Birkenhead's STOs, which have taken a lead in supporting other social businesses. The significance of their collective impact over the last five years points to this – Wirral STOs are responsible for collective turnover growth from collective £912,584 to £2,556,558 – around **45%** of all turnover growth across the portfolio, alongside **38%** of all of the jobs created. They're also responsible for **72%** of additional investment or grant attracted following Kindred investment (both capital and revenue) – £11.8m of a total £16.4m. Most significantly, given the place-based nature of the Birkenhead cluster, of the STOs supported to secure land or property essential to their growth, 73% are Wirral-based.

Movement *and Membership*

Membership grew from 150 socially-trading organisations in 2021 to 1462 in 2024.

Social Economy Club

Kindred hosts the peer-to-peer Social Economy Club alongside partners School for Social Entrepreneurs, Capacity and LJMU. Its name reflects the growing, thriving social economy ecosystem in Liverpool City Region and our collective role in its strength and development. A bi-monthly get-together, it's a chance for STOs to meet to share ideas, stories and solutions, ask for and offer help and support and collaborate.

Peer support beyond the money panel

Our peer-led approach is woven through everything Kindred does. Peer decision making is integral to investment decisions (see opposite) and many STOs continue to receive support from panel members well beyond the event, sharing tools, offering advice and opening up opportunities.

Examples of peer-to-peer support after investment decisions:

- Introductions to other STOs to collaborate on joint contracts or increase trading opportunities
- Hands-on support to tackle live issues – like pricing, staffing, or operations
- Sharing tools, templates and personal experiences to address challenges
- Guidance on navigating public sector procurement and supply chains
- Support with measuring and communicating social impact more effectively
- Continued contact and informal mentoring from peer investors
- Encouragement and perspective during difficult growth phases or strategic pivots

Money *Panels*

At the core of our investment strategy is a commitment to putting decision-making power in the hands of those who understand what it means to grow a business: fellow STO leaders. We believe the best investment decisions are made in conversation with people who have faced similar challenges and seized equivalent opportunities.

That's why we've built a pool of ten peer investors with authority from Kindred's board – STO leaders with diverse, lived experience – who bring empathy, rigour and honesty to every decision. They ask the right questions, spot potential pitfalls and offer practical support that only peers can give.

First, potential investees join an initial peer panel conversation – a supportive, open discussion to explore their plans for growth, in both trade and social impact. Feedback from this conversation becomes part of the support we offer, helping STOs refine their thinking and strengthen their approach.

This is followed by a final panel where the investment decision is made, drawing on the same principles of peer-led insight, challenge and encouragement.

The risk associated with this approach – and the investments we make – is remarkably low. These are not speculative ventures. They are businesses born from need, lived experience and passion. Many exist because traditional systems have failed the people they serve – they are mission-driven and inherently more accountable to their communities.
We also actively identify and manage conflicts of interest to maintain the integrity of our process – peer investors understand the responsibility that comes with their role.

This doesn't just distribute power more fairly – it leads to more thoughtful, grounded and, ultimately, more effective investments and demonstrates our belief in knowledge, credibility and leadership in our communities. We hope this model inspires others to rethink traditional hierarchies in finance and to place greater trust in those who have walked the path themselves.

"The panel's questions were insightful but never confrontational. It was clear they understood the real-world pressures we face – the kinds of challenges that don't always make it into a pitch deck. Since then, I've stayed in contact with some of the panelists, who have been incredibly informative and supportive throughout my journey. They've continued to share practical advice on pricing, scaling, and strategy. Overall, my experience has been incredible, and I wouldn't have been able to achieve my goals without Kindred."

Karl Newsam, Melt Dance CIC

Partnerships

Partnership has always been central to what we do but, over the past year, we've begun to recognise that Kindred cannot – and should not – do this work alone. Real change only happens when people, organisations and places come together with intent. That's why we've started to formalise relationships that were once more ad hoc. From convening regular Pathfinder working groups to subcontracting some of those partners for the first time, we're finding new ways of collaborating and building capacity.

This shift is more than a tweak: it's a different way of working altogether. Through our Platform Places relationship in St Helens and Knowsley, we've seen the power of partnerships not just at a local level, but nationally too. Our contracts this year have created fresh opportunities, proving that Kindred is only one piece of a much bigger puzzle to support and develop our regional social economy. To create genuine system change, we need the whole ecosystem pulling together.

That means recognising the contributions of others. The University of Liverpool has supported our property work with both money and research, while socially-trading organisations like SAFE and Make have become part of this partnership too, helping shape how places evolve.

Our collaborations are both internal and external – our team has worked with a coach to support us to build an internal culture strong enough to engage meaningfully with the wider region.

This has given us a chance to step back and look outwards – the regional picture is increasingly influenced by national policy and our networks now reach beyond the UK. Connections with organisations like Impact Europe are embedding us in a broader, global movement for change.

Partnership is not an add-on for us – it is the way forward. By working collectively, across boundaries and sectors, we can accelerate impact, build resilience and create the conditions for real, lasting transformation.

Social Investment *Pathfinder*

The Liverpool City Region Social Investment Pathfinder was introduced publicly in March 2024, and has continued to build strong momentum both regionally and nationally. As the UK's first place-based Social Investment Pathfinder, it aims to meet the evidenced and growing demand for investment, property and support from LCR STOs, harness the inherent entrepreneurialism of the region to transform its services and economy, and bring to life the recommendations of the Adebowale Commission to widen access to social investment and growth for STOs – particularly those led by women, Black founders, and communities historically excluded from mainstream investment.

Over the past year, Pathfinder partners – including Kindred, Livv Investment, Fusion 21, Capacity, BlaST, Liverpool City Region Combined Authority, Power to Change and The Heseltine Institute – have secured significant traction. The Pathfinder Investor Proposal will launch formally in Autumn 2025, starting with founder funders – the Guardians of the Mission – as we work to secure the investment neceesary to establish the fund. At full scale, the Pathfinder will mobilise £50 million over seven years: £10 million for early-stage blended finance, £10 million for scale-up investment, and £30 million for land and property acquisition.

The projected impact is significant:

- **£50m social investment into LCR**
- **1,500 STOs supported**
- **4,500 jobs created**
- **3,000 social innovations generated**
- **100 commercial properties brought back into use**
- **£725 million in social impact and community wealth created**

At its heart, the Pathfinder is about transforming the local economy through social value, equity, and innovation. With Lord Adebowale as patron, it is positioned as a national "proof of concept" for inclusive, place-based investment.

For Kindred, the Pathfinder demonstrates the power of collaboration and reinforces our role as an anchor in the region's social economy ecology with a mandate from STOs to redesign money so it works better for everyone.

The *Future*

In less than four years, investment from Kindred has more than doubled impact, safeguarded hundreds of jobs and brought millions into Liverpool City Region's economy. Now, the ambition is greater: to grow a £6.5m fund into £50m, fuelling a wave of social innovation, thousands more jobs and embedding social value into the fabric of our economy.

This is about building an economy that doesn't trickle down, but roots itself in people and places, ensuring wealth stays local and benefits are felt by all. Across our boroughs, socially-trading organisations (STOs) are proving that business can look different: rooted in fairness, powered by creativity and lived experience and dedicated to community.

The movement has grown from just 150 members in 2021 to nearly 1,500 in 2024 – proof that, when social entrepreneurs are nurtured, they flourish. Beyond the numbers, they have transformed lives: from launderettes and bookshops to gardens and creative spaces, they're building healthier, more resilient places to live and work.

The stories in this impact report show sparks of transformation: women coming together to create new enterprises, young people shaping ideas for a fairer world and makers breathing new life into disused buildings. These clusters are not isolated projects – they are the seeds of a new economic system, grown from collaboration, trust and vision. They safeguard jobs, create new opportunities and reimagine what local wealth can look like. But what feels most exciting is not what has been achieved, but what lies ahead.

This vision is not a dream, but a direction. Liverpool City Region has the energy, experience and imagination to lead a wider shift – part of a global movement proving that, when social entrepreneurs are trusted and resourced, they deliver. With bold, long-term investment, the social economy here is thriving. The next chapter is about scaling this success, reshaping finance and embedding social value into the DNA of our economy.

The future will be shaped by those who dare to believe in this new economy – one that is fairer, healthier and bursting with possibility. Because **together, we are mighty.**

"This is about building an economy that doesn't trickle down, but roots itself in people and places..."

Thank you

Thanks to the socially-trading organisations of Liverpool City Region and to our founding funders Liverpool City Region Combined Authority and Power to Change.

Thank you to the six local authorities in our region – Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral.

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Our membership partners are Social Enterprise UK, Impact Europe and Responsible Finance and we are proud to be accredited as a CDFI (Community Development Finance Institution), CITR (Community Investment Tax Relief), recognised by the Department for Business and Trade.

Thanks to Emma Case and Andrea Ku for our photography and STOs for sharing their own images.

We wouldn't have had the impact shown here without your support, and we're looking forward to seeing what comes next.

LIVERPOOL CITY REGION COMBINED AUTHORITY

Power to Change