



This is Kindred



Welcome to the Kindred Toolkit



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Kindred
Spirits

Kindred Spirits

It only takes a baker's dozen to build a Kindred. You can do it in pretty much any order: repeat, go back to the beginning, jump to the middle, or start at the end.

This is what we did.





Kindred
Spirits

Kindred Spirits

1. What is Kindred?

Kindred is a member-led collaborative network of socially-trading organisations (STOs). Firmly rooted in our communities, we are driven by purpose and passion.

Kindred has a £6.5m social investment fund, with an ambition to become a sustainable £20m+ fund. We use it to invest in each other and grow a more inclusive, more social economy.

We have two key functions:

Membership – a collaborative, peer-to-peer support network to grow our collective impact. We are 700-strong, and growing.

Money – we support the region's STOs with money to help them multiply their impact. We have committed £2m so far. [Click here to watch a short film that gives you a flavour of our work...](#)

What's different about Kindred?

- Kindred is member-led, developed by and with over 150 socially-trading businesses across Liverpool City Region
- It has received money from LCR Combined Authority and Power to Change – but is independent
- It's designed to offer new kinds of money and support
- The money Kindred invests is used time and time again, as the businesses we invest in pay it forward
- Our collective value is measured by our social impacts – not just financial returns
- We loan money at 0% interest. Some investees repay money partly in social value, so money can be repaid by demonstrating the social impact we create.
- Each arrangement is bespoke, customised to the needs of each business



“Firmly rooted in our communities, we are driven by purpose and passion.”





Kindred
Spirits
Toolkit





Kindred
Spirits
Toolkit

2. Kindred Spirits Toolkit

We're sharing what we know, and invite you to share what you know. [Together, we are growing a movement of local and social trading organisations.](#)

We are pioneering community-led approaches to building and rebuilding our places, our communities and our national economy, so it better serves us all.
#TogetherWeAreMighty

[Our approach was designed by 150 social traders from our region and is now informed by the practice of over 700 STOs.](#)

We used our collective experience and said:

- Invite our action – not words
- Invest in us – the people who make things happen! We deliver great returns
- We need spaces to meet, start up, experiment, grow, expand, collaborate, create and cluster together
- We want peer-to-peer support and hands-on help, not consultants
- Invest incrementally in what works – that's risk managed
- Don't ask us to compete, we collaborate. We want winners, not losers, here.
- Trust us, don't judge us. We are experts in our own lives, passions, experiences and businesses.
- We are investing our lives and livelihoods. Match us.
- Let's take this risk together, as equal partners
- And party!

#WeAreTheEconomy

Kindred Spirits is open source so we can adapt versions of Kindred that suit communities – geographic, or communities of identity or interest – in the places we live.

[If you need help or inspiration to get started, or along the way, Kindred and its STO community may be able to help.](#)

This toolkit has been developed with the Inclusive Innovation Network.

CATAPULT
Connected Places





Ko-Design
a Kindred





Ko-Design
a Kindred

3. Ko-Design a Kindred

We commissioned social entrepreneurs – who’re embedded in the place they live, love or work – to act as a conduit. They’re people with a reputation for taking action and making things happen – the doers, not the talkers. They invited their networks to a round table discussion, bringing 150 people together.

We asked:

- What support do we have? And what kind of support do we want?
- What space do we occupy? And what do we need to grow?
- What kind of money do we have? And what kind of money would work better for us all?
- What kind of application process works for us?
- What repayment terms do we want?
- How much money do we collectively need?
- What sort of organisation or fund should we be?

[You can take a look at what was said here...](#)

The conversations developed into a vision for a very different economy. An economy where social trade is valued, multiplied and scaled; where social value is as important as financial value and purpose trumps profit.

At its core, it’s about building and rebuilding our own economies, instead of waiting for the heroes to save the day.

We paid embedded activists and entrepreneurs £300 per conversation – it was the BEST value – the return on our investment is Kindred.

[A year into Kindred, we asked some STOs how it’s panning out. You can listen to what they say here.](#)

“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”

Pat McCarthy, Better Lives

“An economy where social trade is valued, multiplied and scaled...”





Build a
Business
Case





Build a
Business
Case

4. Build a Business Case

At the start of Kindred, we were eight STOs and social investors who came together to see what we could make happen. We have contributed all we know, which adds up to over 200 years of experience and expertise directly invested in Kindred.

These are some of the things we did before:

- [Baltic Creative](#)
- [Granby 4 Streets](#)
- [Wordscape/Ethos magazine](#)
- [The Beautiful Ideas Co](#)
- [Inner Vision](#)
- [Seebohm Hill](#)
- [Creative Economist Ltd](#)
- [Art-in](#)

A community reference group of 30 other STOs guided Kindred's evolution, keeping us on track and contributing their stories, evidence, impact reports and case studies. They demonstrate what is possible with modest investment.

[And this was backed by academic evidence: 2019 research by Seebohm Hill with the Heseltine Institute showed £11.3m investment in 42 STOs in the region, with projected demand from 740 organisations for £35m.](#)

[Next, we talked to 150 STOs from across the city region.](#)

[Power to Change](#) agreed to incubate Kindred, offering capacity, governance, policies, processes and financial management. Kindred got its own board a year on, including representatives from local social businesses.

[Liverpool City Region Combined Authority](#) agreed to be part of the co-design process, meeting us once a month, over 12 months. This meant that the team had all the evidence it would need, and Kindred could address the questions they had, harnessing the regional experience they could offer.

[In turn, Kindred now incubates BlaST. It is a vision for a Black-led and owned fund within a city region with a slaving history, a strong heritage of inward and outward migration and vibrant, but severely underinvested, diversity of Black, Brown and migration communities.](#)

#TogetherWeAreMighty





Hold an
Ideas Festival





Hold an
Ideas Festival

5. Hold an Ideas Festival

“I wish we had people like you around here” (P.S. – you do)

Kindred starts with an invitation; to come along, or have a go. When we feel unwelcome, or don't understand the rules of an economy, it takes a personal invitation to get us there.

We don't start with business plans or feasibility studies, because we aren't looking for the best bid writers or mathematicians. We are looking for people with purpose, passion, and the ability to make it – whatever it is – happen. **That's action led.**

We invite action, to try things out and show what's possible. Those who turn up might act alone or collaborate; those who keep turning up become local, homegrown, enterprises. **They are entrepreneurs.**

We encourage ideas to start small with one, or two. If two work, so might 22, or 2,000.
That's market testing.

We get people involved through events, roadshows, social media and local press. We ask people to invite their friends, families, neighbours and haters. We print newspapers, put on exhibitions, tell stories and sing songs. We hold conversations, walk around places, hang about in cafes, social clubs, boxing clubs, and pubs. **That's how to start a movement.**

And we share stories of local and social innovation. Stories from our pasts, and our futures. Stories from STOs across the river, and the world, to build our confidence and feed our imaginations. We dream together, imagine a different future together, then deliver it. Together. **That's co-creation.**

No need to select, or judge, or ask people in communities to compete against each other. Action is the best selection process you could wish for.
That's non-competitive.

And when we need money to grow we join a conversation, or two, with our peers. Together we decide if we are ready for growth and money. We come to our own, shared, conclusions on the risk we will take together. **That's match-funding.**

Then we invest incrementally, in what works, so it's low risk for Kindred and low risk for social traders. If things don't work, do less of it; if things do work, do more of it. **That's risk management.**

Where there are affordable spaces to gather and grow, STOs collaborate. That's how STOs, social clusters and whole economies, grow. **That's an inclusive economy.**

And the really smart folks make sure that space is community-owned. As value is generated it is captured, and reinvested, in the communities that created it. **That's levelling up.**

Here's how social trading started in St Helens.

We've invested in a variety of social traders in St Helens, from a **book shop** to a **cafe run by refugees**, and a **community café and local history hub**.

Meet some of our STOs:

- **Farm Urban**
- **Cycle of Life**
- **Better Lives**
- **Hype Merseyside**

Watch more about Kindred in this short film.





We are
Socially-Trading
Organisations





We are
Socially-Trading
Organisations

6. We are Socially-Trading Organisations

What if the next big thing is 1,000 small things?

Socially-trading organisations are businesses that deliver social benefits AND trade commercially. They're 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 demonstrate social purpose through their actions and behaviour.

We exist everywhere.

Here are some of our stories...



iWomen Academy



Hype Merseyside



Foundation School of Martial Arts

“They’re businesses with a social mission...”





BlaST





BlaST

7. BlaST

BlaST is peer network of Black-led social traders across Liverpool City Region.

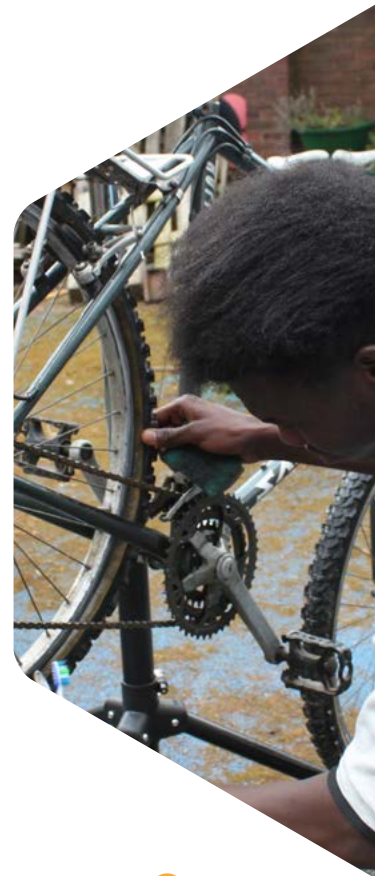
The growing network of 100+ business leaders promotes the work and communicates the positive social and environmental impact that BlaST-led businesses have on local communities and the regional economy.

The network developed from a piece of work called Black Social Traders conceived by Joanne Anderson – a founder member of Kindred, who became the first Black female mayor in the UK. She was supported by UnLtd during the pandemic.

As a result of the establishment of BlaST, 25% of STO investment from Kindred has consistently been offered to STOs led by entrepreneurs from Black and other diverse ethnic backgrounds.

Kindred's support of BlaST recognises the underinvestment and lack of reparation afforded to the city region's Black communities and the value of lived experience in the delivery of social impact and system change.

[Find out more about BlaST by reading our first evaluation.](#)



“Kindred’s support of BlaST recognises the underinvestment and lack of reparation afforded to the city region’s Black communities...”





Money-
Ready





Money-Ready

8. Money-Ready

We invite STOs to get 'money-ready'. We offer support and conversations with a panel of peers before Kindred and each STO jointly decides to work and invest together.

Our 5 star money-ready self-assessment is based on what social traders and their investors have told us about their use of investment to grow.

- **Tell our Stories** - Kindred invests in stories of change. We equip social traders with the words, pictures or film to tell their story. Stories attract customers, and are passed on by those who hear them.
- **Know our Social impact** - we need to know our social impact now so we know what it could be and when it's grown. Kindred encourages STOs to keep it simple and use what's familiar, or most appropriate. If some Kindred money is to be repaid in social returns, we agree costed social returns and include them in the contract.
- **Know our Money** - If we don't understand our money at the start, we can't know what more money can do for us. Some organisations are scared of borrowing money, or of asking for too much. Others ask for more than they need. We encourage STOs to get comfortable with money - what they have, where it comes from, and what they need more for.
- **Money to Grow** - We all want more money, but it's hard to figure out how to use money to grow. Together we figure out how money can help and how much is needed. Kindred views each investment as a partnership - we take the risk of growth together and it's in our mutual interest to make it work.

"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, COO and founder, Make CIC

- **Collaborate** - we encourage STOs to collaborate, because the evidence suggests that our money goes further and has more impact that way. We encourage partners to contribute space to facilitate clusters with the confidence **STOs will create value, employ local people, reinvest profits and offer a unique place identity.**

Some STOs take Kindred money to grow their social impact.

Some STOs go on to other social investors, better suited to their ambitions.

Some STOs discover that money wasn't needed and grow their social impact anyway.





Collaborating
Communities





Collaborating
Communities

9. Collaborating Communities

Our work is organised around ‘collaborating communities’. These usually emerge in marginal and isolated communities and enable people 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.

International research and local pilot activity suggested to us that STOs work best, and seed wider economic activity, when they are part of a collaborating community. In our evaluation, we found that STOs that are part of a collaborating community perform better than those working in isolation.

Kindred encourages collaboration, cooperation, the sharing of ideas and a culture in which mutual benefit is understood and practised. Collaboration and cooperation support a non-competitive culture where we don’t have winners or losers – **everybody wins.**

Our data shows that, even STOs who weren’t part of a collaborating community when they first approached Kindred, used the connections they made at early events. Kindred now actively connects people into virtual or geographical collaborating communities. It has facilitated practical hands-on business support and capacity from peers, including interims, helpers with expertise and access to shared specialists.

We support STOs to occupy and, where possible, own property as their activity invariably raises property and land values, so the value created by a community is captured and reinvested in it. And we encourage partners to contribute space to facilitate social clusters with the confidence STOs will give it value, employ local people, and offer a unique place identity.

Read more about the social traders cluster in Birkenhead.



“Kindred encourages collaboration, cooperation, the sharing of ideas...”





What
Difference
Do We
Make?





What
Difference
Do We

10. What Difference Do We Make?

Kindred set up in 2020 and is already a movement of over 700 STOs based in Liverpool City Region. So far, 50 STOs have used money to grow social impact.

The evaluation of our pilot round suggests that money invested in socially-trading businesses offers significantly better financial returns than traditional regeneration investments, plus the additional value of social impact.

This work directly addresses the government's levelling up agenda and #BuildBackBetter commitment, including:

- STOs fill gaps in supply chains and address market failures that traditional business do not respond to, offering a pathfinder to a new economy
- STOs offer speed and agility to the our local economy and its communities and should be grown to increase resilience
- 'Collaborating communities' appear to perform better than those working in isolation. Opportunities for STOs to support each other should be developed and the impact measured to provide better evidence

Of our first group, around 50% were well-established STOs and 50% were start-ups.

In that first year, 50 20 STOs who had a share of the first £750,000 have collectively:

- Doubled employees from 81 to 158
- Doubled turnover from £1,879,073 to £3,764,014
- Levered £10,519,001 of inward investment
- Delivered 56 community led innovations – in social care, mental health, music, maker spaces,

cycling and food growing

- 80% are based in the places and communities where jobs are needed and other business are leaving or have already left.
- Some call us 'left behind', but we think we're ahead of the game!

If Kindred only maintains this scale and pace of investment over ten years, and each round of social traders only replicate this growth (ignoring any continued or cumulative growth) the city region's STOs will collectively deliver a minimum of:

- 500 growing socially-trading organisations – 250 start ups and 250 high growth
- At least 1,580 employees, including 770 new additional jobs
- Of which 80% – 400 – are growing STOs and 1,264 jobs will be in 'left behind' communities
- They will have a collective turnover of £37.5m
- Deliver 560 innovations, designed from the bottom up
- A local multiplier 3 (impact value) of £66,000,000 per year – 400% more than the same investment in nationally or internationally-owned business
- Bring 3,007,000 sq ft of underused land and buildings into use
- And lever £100,000,000 – a hundred million – into the regional economy
- As part of a 3,500 strong socially trading

But we have bigger ambitions, as do those STOs already growing who plan to continue. We haven't attempted to project our collective ambition, but we think it might be big!





Social
Impact





Social
Impact

11. Social Impact

Social impact reporting offers a diverse range of tools that give social outputs and outcomes a financial value. Some think this helps give value to things that are often undervalued. Others believe it reduces those things that are more important than money to a commodity.

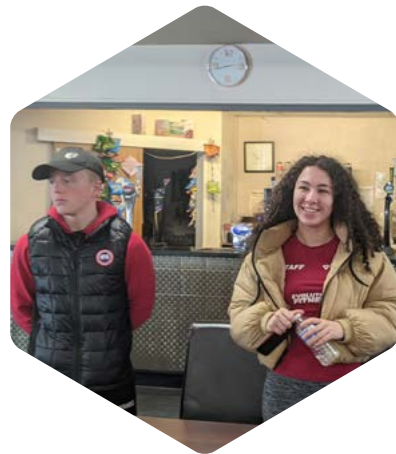
Here is an introduction to social value.

We measure social impact in three ways:

- Individual STOs continue to measure their own social impact. That is the basis of costed social impacts that form part of their repayment.
- Our partnership with Liverpool John Moores University measures the social impact of clustered activity in a place. It will provide a longitudinal study in a place.

- Social Finance worked with LCR CA to establish the business case for Kindred. Based on the pilots run pre-Kindred, it calculated that Kindred could generate £6 of social value for every £1 invested in STOs. We will continue to use this social value calculation pending a wider evidence base from Kindred's early investments. This value will then be re-tested.

There is no commonly recognised measure of social value and some calculations, once aggregated, do not offer Kindred a credible suite of measures at all levels as the numbers get so big.



“Social impact reporting offers a diverse range of tools that give social outputs and outcomes a financial value.”





Be a
Kindred
Spirit





Be a
Kindred
Spirit

12. Be a Kindred Spirit

“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?”

Umberto Crenca

Kindred is an economic movement. We got tired of waiting for the next inward investor, the next government competition, the next policy initiative, political party or heroic entrepreneur who might ride into town with their money and jobs. We have set out to build and rebuild our own economy, as is our heritage.

[#WeAreTheEconomy](#)

If you are growing and clustering socially-trading organisations, community businesses, social purpose organisations, social enterprises, family businesses – whatever you call the organisations who trade with good purpose and reinvest profit – we would love to hear from you.

It doesn't matter what we call ourselves; it's not about our governance structures or who controls the resources – it's about having common purpose and taking action. Let's create economies that are kinder and fairer in which we all have a valued and valuable role to play.

We host stories and links to websites of people, [like us](#), who are taking action, levelling from the bottom up, collaborating to build or rebuild our own DIY economies.

Find out more about cities, place leadership and innovation on the [Connected Places Catapult website](#). Here are some places that already inspire us:

- **Nudge Community Builders**
- **Joseph Rowntree network**
- **Platform Places network**
- **Esmée Fairburn Partners In Place network**
- **Power to Change network**
- **Enterprise Boost Fund places**
- **Social Enterprise Places**

Kindred Spirits is open source, so we can learn from each other and adapt versions of Kindred that suit our communities – geographic, or communities of identity or interest, in the places we live.

[If you need help or inspiration to get started, or along the way, Kindred and its community may be able to help.](#)

Please feel free to put a link to our website on yours. **[#TogetherWeAreMighty](#)**

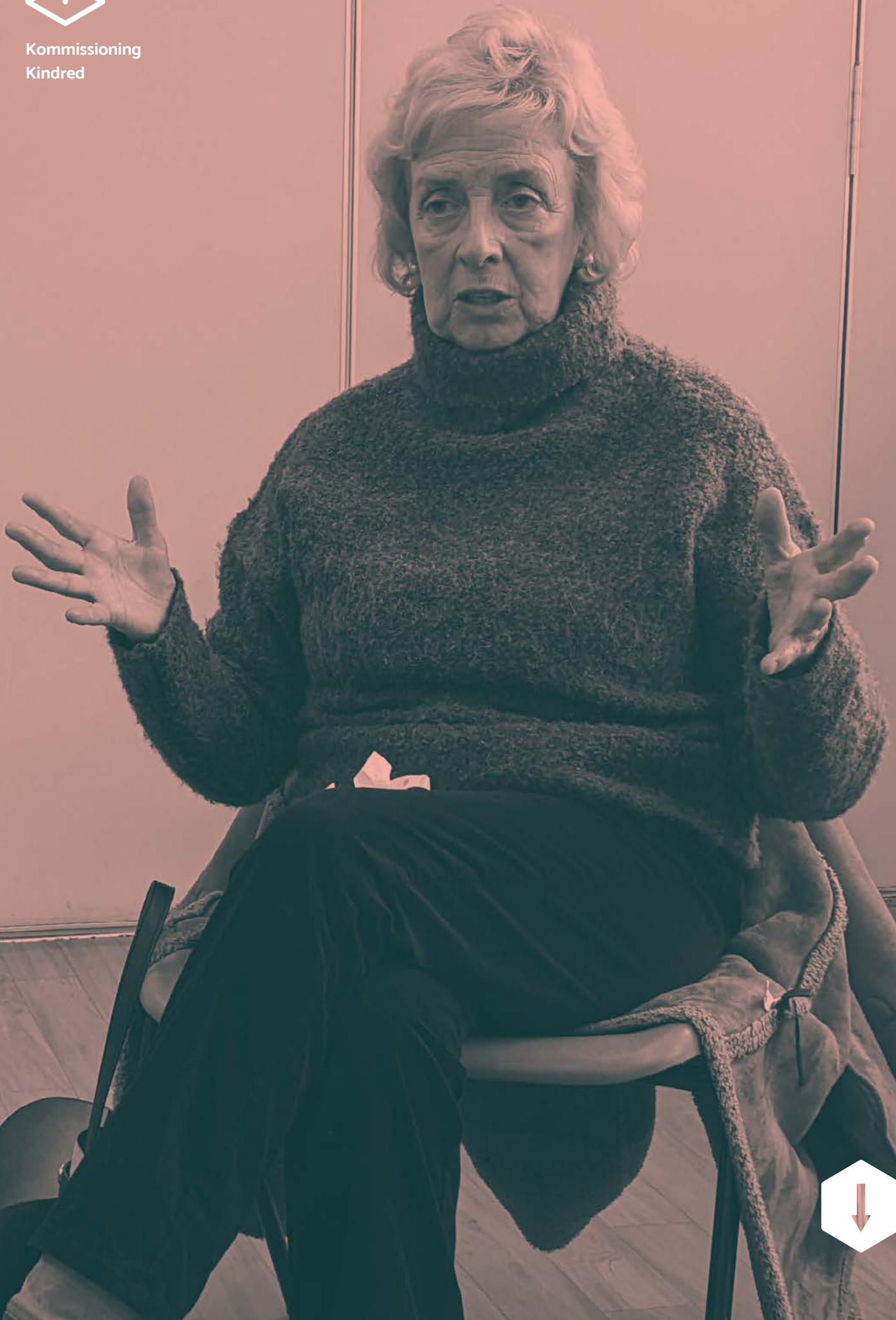
Kindred members get regular socials to support our peer-to-peer network, a monthly newsletter, packed with news, opportunities and events and regular connections into other activity that's happening locally and nationally. **[If you want to join our membership click here.](#)**

Better still, ko-design your own membership offer and let us join you.





Kommissioning
Kindred





Kommissioning
Kindred

13. Kommissioning Kindred

Kindred Community Package

- If you want an introduction to this toolkit, or to inspire you and your community with the story of how Kindred came about.

Introductory workshop online (£1,000)

In person Workshop (£3,000)

Kindred Connect Package

- If you want to tour Kindred and some of the STOs who make up the Kindred story and membership we can design a tour to suit you and be your hosts.

Tour of LCR STOs (£5,000)

Tour with Workshop (£7,000)

Kindred Collaborate Package

- If you want Kindred's help to get started, equipping you, your community, or your team with the tools and training to invite ideas, find your local and latent entrepreneurs and unlock the potential movement of social traders and entrepreneurs in your community, we can work with you over an intensive week, or periodically

Consultancy up to 5 days (£10,000)

Bespoke Package on quotation

- If you want to partner with or Kommission Kindred for customised work we would love to hear from you. We are proud of the economy we are creating here.

All surplus is reinvested in Kindred-LCR CIC to grow social trade.

It only takes a baker's dozen to build a Kindred. You can do it in pretty much any order, repeat, repeat again, go back to the beginning, or start at the end. This is what we did.

Get in touch by emailing us at:

info@kindred-lcr.co.uk

