

MAKE SOCIAL INVESTMENT WORK FOR YOUR COMMUNITY

NATWEST SOCIAL & COMMUNITY CAPITAL

13 November 2025



View these
slides online



WELCOME INTRODUCTION



VICTORIA PAPWORTH
CEO,
NATWEST SOCIAL & COMMUNITY CAPITAL



TYPES OF SOCIAL INVESTMENT

DEBT INVESTMENTS

- SECURED LOANS
- UNSECURED LOANS
- BRIDGING LOANS/WORKING CAPITAL
- CHARITY BONDS

EQUITY INVESTMENTS

- COMMUNITY SHARES
- ANGEL INVESTMENT

HYBRID AND SPECIALISED INSTRUMENTS

- BLENDED FINANCE
- QUASI-EQUITY
- SOCIAL IMPACT BONDS (SIBs)
- SOCIAL PROPERTY FUNDS

A red, hand-drawn oval stamp with the words "MYTH" and "BUSTING" stacked in a bold, sans-serif font. The stamp has a slightly distressed, ink-like appearance with some irregular edges.

**MYTH
BUSTING**

WHAT DOES "SECURITY" MEAN IN SOCIAL INVESTMENT?

- **DO YOU TAKE A PERSONAL GUARANTEE?**
- **ARE THE TRUSTEES PERSONALLY LIABLE FOR THE DEBT?**
- **WHAT DOES A LEGAL CHARGE MEAN?**
- **WHAT IS LOAN TO VALUE (LTV)?**
- **WILL YOU REPOSSESS THE PROPERTY IF WE DEFAULT ON OUR LOAN?**
- **WHAT IS A DEBENTURE?**



WHAT DO INVESTORS ACTUALLY LOOK FOR?



- You have a clear mission statement & social purpose
- Know your figures, explain your assumptions
- How much do you want to borrow and what will it be used for?
- You can demonstrate you are financially sustainable and have income sources other than grants.
- You have a strong senior management team tailored to your business model
- You have at least four non-related directors or trustees on your board who bring a diverse range of skills– legal, finance, business trading, HR, lived experience.



WHAT DOES THE LOAN PROCESS LOOK LIKE

- **Initial Enquiry**
- **Application pack sent out**
- **Lender will conduct a deep dive into:**
 - **Need for investment / Funding Gap**
 - **Social Impact / How do you Measure Your Impact**
 - **Income Streams – current & future – Affordability**
 - **Senior Leadership Team / Skills Analysis**
- **Lender will work with you to find the best structure for the loan**
- **Together we will complete the application to submit it to our Funding Panel**
- **Loans Officer presents the application to our Funding Panel**
- **Once Approved, we then focus on getting the KYC and Security**
- **Once all conditions of sanction are satisfied the funds are released**



WHAT HAPPENS ONCE A LOAN IS PROVIDED

- **Quarterly Management Information (MI)**
- **Ongoing Support When Needed**
- **Annual review**
- **Annual Survey on Social Impact**
- **Critical Friend**
- **Non-Financial Support**



The right product can support:

- **New income stream**
- **Bridge a funding gap until the investment returns are realised**
- **Expansion of current income stream**
- **Working capital to support payment terms**
- **Purchase a new asset – machinery / property**

Property Purchase Loan

Funding to renovate or purchase a property

- Apply for £30k to £500k.
- 4% to 7% (1% deduction where fixed charge is in place).
- Repayment term up to 15 years.
- Approval & arrangement fees apply.

Flexible Growth Funding

Looking to grow and increase your impact

- Apply for £30k to £350k.
- 4% to 7% fixed interest rate.
- Repayment term up to 10 years.
- Approval & arrangement fees apply.

Working Capital Loan

Flexible finance to cover overheads and smooth out cashflow

- Apply for £30k to £250k.
- 5% to 7% fixed interest rate.
- Repayment term up to 1 year.
- Approval & arrangement fees apply.

Bridging Loan

Pay VAT or cover overheads before grant funding arrives

- Apply for £30k to £250k.
- 5% to 8% fixed interest rate.
- Repayment term up to 2 years.
- Approval, arrangement & commitment fees apply.

OUR PRODUCTS



2024 at a glance

Our portfolio

£1,876,377 Total loans approved or restructured.

19 organisations supported: 10 new and 9 existing.

£830,177

Loans approved and disbursed to existing organisations.

£1,046,200

Loans approved and disbursed to new organisations.

In 2024 **£842,500** disbursed to **9 existing organisations**.

We restructured or extended terms for 7 existing organisations to the value of **£793,177**.

The high proportion of loans made to **existing investees** reflects the strength of our ongoing relationships.

Approved loans represent those sanctioned by our Funding Panel during 2024. These loans may not have been disbursed within the same calendar year but reflect our commitment to supporting organisations as their funding.



£2,891,773

Total loan portfolio



6.17%

Weighted average interest rate



£6,193,048

Year End 2024 Tribe fund

Our investees' impact



590

jobs created or maintained

This has **more than doubled** this year.



62,183

people impacted

That's equivalent to **170 people** every day!



52%

of investees work or are based in the top 30% most deprived areas.



96%

of our investees would recommend us, of which 91% are extremely likely to.

FIRESIDE CHAT



TEES VALLEY COMMUNITY ASSET PRESERVATION TRUST



**MARTIN LANDERS,
LYNN PAYLEY**

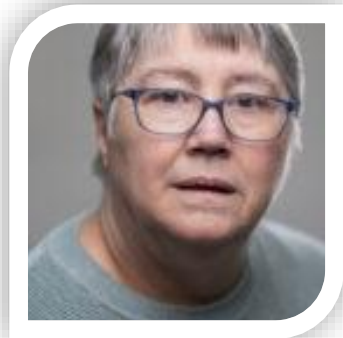
PANEL Q&A



MELANIE MILLS



BRENDAN HEGARTY



DEBBIE LAMB



**TEES VALLEY
COMMUNITY
ASSET
PRESERVATION
TRUST**

**MARTIN LANDERS,
LYNN PAYLEY**

CLOSING MESSAGE

RESOURCES



PHONE: 020767 21411

EMAIL: NATWESTSCC@NATWEST.COM



[HTTPS://WWW.GOODFINANCE.ORG.UK/](https://www.goodfinance.org.uk/)



[HTTPS://LOCALITY.ORG.UK/](https://locality.org.uk/)

