“Opportunities and Challenges in Utilizing Social Finance Impact Investments to Support Social Innovations”

Corresponding Author: Michael B. Marks, Groundswell Research Associates, London, UK.

Co-Author: Gabriella Spinelli, Institute for the Environment, Health and Society, Brunel University London, London, UK,

“Opportunities and Challenges in Utilizing Social Finance Impact Investments to Support Social Innovations”

Michael B. Marks, Groundswell Research Associates, London, UK; Gabriella Spinelli, Institute for the Environment, Health and Society, Brunel University London, London, UK,

Correspondence
Dr Michael B. Marks
MBMSLING@GMAIL.COM

Abstract

Social Finance Impact Investments are innovative financial instruments that enable service providers or collaborations of service providers, to access flexible, reliable, up-front and multi-year funding to tackle critical social problems. Alternatively referenced as Social Impact Bonds (Europe), Pay for Success (US), Social Benefit Bonds (Australia) or Development Impact Bonds (poor nations or communities), these financial instruments bring together statutory and private sector actors and service providers in a contractual agreement to finance an initiative by which investors provide up-front funding and receive a return if agreed upon outcomes are reached. Since the first successful Social Impact Bond project was launched in the UK in 2010, over a dozen countries have developed social finance investment initiatives, with 78 projects in place or under development in the US alone. Over the next decade it is projected that over $1 trillion will be invested in social-finance-related projects worldwide.

This paper explores the opportunities and challenges in utilizing social finance impact investments to support community development and social innovations (SIs). We review current literature on impact investments clarifying definitional boundaries, identifying attributes underpinning their usage, attractiveness to dominant stakeholders and challenges/limitations to widespread adoption. Refinements of the dominant financing model are discussed including how new diversified approaches address financing gaps enabling social finance impact investments to expand usage within poor communities and under-resourced organizations. We introduce a model depicting dominate financial pathways employed by SI organizations and utilize this model in combination with other salient factors to assess the goodness of fit of recent social finance models and tools to support the development of social innovations and under what circumstances. The paper concludes with a call for using Living Lab methodology to understand how impact investment finance methods and tools can be utilized to support social innovations at launch and for ongoing sustainability.

Key words: social innovation, impact investment, social impact bond, pay for success, social finance, community currency, time banking

1. Introduction

Across post-industrial societies, statutory authorities, researchers and policy makers are increasingly advocating for new strategies and investments to develop a preventive infrastructure for communities. This impetus stems from a desire to make services more cost-effective in a public policy sphere that faces unprecedented financial challenges due to austerity cuts to social care budgets and increasing demands for services to support an ageing population and more poor families relying on a fraying social safety net (Spinelli et al., 2019). Increasingly statutory authorities are limited to intervening in the lives of individuals and families in advanced cases or emergency situations such as when the risk of abuse and neglect is so severe that a child has to be removed from their parents or when a senior can no longer be cared for by family and requires costly residential services. Determining ways to reach out upstream to prevent, plan and address social, educational and health related problems, to nip them in the bud early, has become a key priority.

A growing number of statutory authorities are embracing social finance models and tools to support the escalating demands for services in an environment of decreasing government funding. Alternatively referenced as Social Impact Bonds (Europe), Pay for Success (US), Social Benefit Bonds (Australia) or Development Impact Bonds (poor nations or communities), these financial instruments bring together statutory and private sector actors and service providers in a contractual agreement to finance an initiative by which investors provide up-front funding and receive a return if agreed outcomes are reached (Instiglio, 2017; Eldridge and TeKolste, 2016). Many of these tools are focused on enabling service providers or collaborations of service providers, including non-profits and charitable organizations, to access flexible, reliable, up-front and multi-year funding to tackle critical social problems including investments in upstream preventive interventions.

Communities and service providers are also experimenting with social innovations to address these community and individual needs. Social innovation is a process involving changes in social relations and systems (Avelino et al., 2015), using new solutions, products, services, models, markets, and processes to meet social needs and improve community capacities (Young Foundation, 2012). They represent proactive and upstream (primary or secondary prevention) efforts to enable community members to fulfil economic needs through more providing readily accessible goods and services; address social needs through social inclusion and skills development and exchanges, improve environmental conditions via upcycling and meet psychological needs by creating a sense of identity, belonging and recognition (Weaver et al., in press). Examples include alternative peer-to-peer transaction models, such as time-banks, circular economies, sharing economies and bartering systems. These initiatives are attracting increasing policy attention because they hold promise to address a range of societal challenges that are increasingly viewed as intractable using current approaches (Spinelli et al., 2019).

Governments are investing in social innovations. In the US, the Social Innovation Fund has invested in over US$295 million in federal grant and collected over US$627M in partner commitments between 2009 and 2016 (Corporation of National and Community Service, 2016). In Canada, governments and foundations allocate tens of millions of dollars to social innovation related projects (Government of Canada, 2014).

In this paper, we explore the extent to which social finance models and tools are addressing financing gaps, support social innovations and improve communities. We begin in section two by reviewing current literature on impact investments including clarifying definitional boundaries, attributes underpinning usage and attractiveness to dominant stakeholders and challenges/limitations to widespread adoption. In section three, we review refinement of the dominant financing model and how new diversified approaches address financing gaps, enabling social finance impact investments to expand usage within poor communities and under-resourced organizations. In section four, we review characteristics of social innovations relevant to impact investments. We introduce a model depicting dominate financial pathways employed by SI organizations and utilize this model in combination with other salient factors to assess the goodness of fit of recent social finance models and tools to support the development of social innovations and under what circumstances. The final sections review salient findings and implications including calling for learning and experimentation using Living Lab methods to best understand how social finance methods and tools and methods can provide resources to launch and foster fiscal sustainability for social innovations.

2. Social Finance Methods and Tools

2.1. Definitions and Core Features

Social Finance impact investments are innovative financial methods and tools that provide service providers access to reliable, up-front and multi-year funding to tackle critical social problems. These financial instruments include a variety of loans, investments, venture capital and microfinancing that strive to achieve a social, environmental or sustainability. Statutory and private sector actors and service providers are brought together in a contractual agreement to finance an initiative by which investors provide funding and receive a return if agreed outcomes are reached (also (Trotta et al., 2015). Since the first successful social finance project, a social impact bond, was launched in the UK in 2010, over a dozen countries have developed social finance investment initiatives, with 78 projects in place or under development in the US alone (Non-profit Finance Fund, 2017).

Different terms are used to describe social finance investment products. In Europe, these financial products are known as Social Impact Bonds; in the US, the term Pay-for-success (PFS) is used; in Australia, Social Benefit Bonds (SBBs) in Australia, Development Impact Bonds (DIBs) in developing countries. Though their varying meaning presents challenges to understanding this social phenomenon, all have similar features including (i) the participation of private and public actors in Public Private Partnership(s); ii) an initial monetary investment; iii) an action program (Trotta et al., 2015).

A number of organizational entities are involved in impact investment initiatives with distinct roles. Local commissioners of services often initiate initiatives and serve as the end-payer of funds to investors in the form of "success payments" should predetermined outcomes be reached. Service providers implement identified intervention to achieve outcomes. Intermediary organizations are selected to help develop and oversee the project including holding of project finances in a separate account. An evaluation/research organization is retained to conduct a research project to determine the impact of interventions. A validator reviews data to determine if success payments to investors are warranted; In many cases, roles are combined. For example, the Evaluation can serve as the Validator. Also, impact investment projects are lengthy to allow for sufficient time for planning, stakeholder recruitment and for selected impacts to be realized with projects running 5-8 years including defined phases (e.g., feasibility assessment, transaction structuring/contracting and implementation (Giantris & Pinakiewicz, 2013; Dermine, 2014).

Statutory authorities are identifying impact investments to fund preventative interventions to support local communities as they seek to cope with reduced social care budgets. Rebalancing fiscal expenditures towards preventative programs that achieve successful outcomes is especially challenging for statutory authorities alone because they are increasingly unlikely to take financial and reputational risks associated with funding innovation. Furthermore, investing in preventative interventions often requires a local infrastructure to support the planning, implementation, coordinating testing and supporting of innovations. These investments necessitate large capital outlays and multi-year funding that government entities do not have access to. Leveraging private funding or R&D capital to allow government to innovate and evaluate in times of fiscal constraint is a path selected by an increasing number of statutory jurisdictions within post-industrial Western societies (Von Glahn & Whistler, 2011)

2.2 Attributes Guiding Initiatives

Statutory authorities are moving forward with impact investment initiatives based on a number of attributes including the value of entering into public/private partnerships to address financing gaps. Based on a review of the literature, the following attributes have been gleaned:

Achieving cost savings: Although not a requirement for all projects, a major selling point of impact investment initiatives is the potential of achieving current and future fiscal savings including using savings to cover the administrative costs of the initiative. For example, an investment in crime prevention strategies would yield reduced justice system costs (e.g., reduction in bed days in detention facilities) that would cover both the costs of the new strategies and the administrative costs of the impact investment initiative (e.g., success payments to investors, funding to support the project intermediary and evaluator). The assumption that cashable savings will be achieved is an important motivator for many governments exploring social finance arrangements (Dorn, Milner & Eldridge, 2017).

Available supply of capable service providers: In embracing impact investments, statutory authorities assume a ready supply of capable service providers with the capacities to scale and expand evidence-based interventions. Authorities issue requests for proposals to seek out the most qualified providers or groups of providers for project inclusion (NFF, 2019).

Scaling of evidence-based interventions: Authorities assume that there will be a sufficient numbers of evidence-based interventions to address the challenges that are the focus of the investment initiative and that these interventions have shown sufficient success and have a blueprint for expansion into new jurisdictions to attract private investors willing to take financial risks (NFF, 2019, Dorn, Milner & Eldridge, 2017)

Outcomes/results-based financing: Many stakeholders including statutory authorities are attracted to tying payment for service delivery to documentation of measurable progress and outcome attainment. These “outcomes-based” or “results-based” funding arrangements are viewed as superior to existing traditional practices which focus too little on results. In turn, service providers will be granted flexibility in designing programs to fit context, empowering them to make changes in strategy during implementation, to use data to help make corrections and to be innovative in pursuit of outcomes and impacts. Through these methods, social finance arrangements would initiative a broader effort to achieve greater cost-effectiveness with social spending (Dorn, Milner & Eldridge, 2017; Instiglio, 2017, Trotta et al., 2005).

Focus on cross-system service delivery improvements: Statutory authorities seek to focus impact investment initiatives on addressing cross-system challenges such as better addressing the needs of adults experiencing homelessness by expanding and integrating mental health, financial, substance use, social support and housing specific services. Through the vehicle of impact investments, incentives are provided for diverse government stakeholders and cross sector service providers to work together and share resources to achieve mutually agreed upon outcomes (NFF, 2019, Dorn, Milner & Eldridge, 2017).

Maintaining project support long-term: Despite the long-term nature of impact investment initiatives, statutory authorities operate on the assumption that projects will continue to completion even with changes in the political environment due to the nature of new investments and its cost-saving potential (CDC, 2017, Norton et al., 2016).

Use of rigorous research models: Statutory authorities and other stakeholders see benefits in employing rigorous research methodologies to determine project outcomes because results further the evidence-base of priority interventions (Blum et al., 2015).

Attracting private capital investors: Statutory authorities' welcome private investors able to put up-front resources into initiatives and willing to take full financial risk in exchange for potential capital gains and believe that there is a sufficient supply of investors willing to take these risks (Dorn, Milner & Eldridge, 2017; Instiglio, 2017).

The attractiveness of impact investment initiatives led government entities to provide administrative support to fund demonstration initiatives. In the US, the Federal Department of Labor committed $20 million through the Workforce Innovation Fund to finance impact investment projects to help citizens struggling with employment to find work (Giantris & Pinakiewicz, 2013*).* In the UK, a national infrastructure building programme was funded by the Big Lottery Fund. Over £20M was allocated to build NGOs capacities to access new private funding including ways to generate their own income to buttress the severe statutory funding cuts facing social care service providers (Big Potential, 2016)

2.3. Challenges/Limitations

Evaluations of early social impact investment initiatives identified a number of challenges/limitations in moving forward with impact investing as initially conceived. Challenges/limitations gleaned from the literature are highlighted below.

High transaction costs: Due to the high number of stakeholders needed for each initiative, negotiating a multi-year complex legal contract aligning interests and incentives became a formidable and costly task. Agreeing upon evaluation metrics that generate success payments is especially challenging (CDC, 2017; Blum et al., 2015). One service provider in the US reported needing to raise over $1M in pro bono legal services in order to finalize the impact investment legal contract (Elkins, 2017). Other costs associated with impact investments which are outside the traditional philanthropic or government contract include developing and implementing a rigorous evaluation design and auditing/accounting of investment resources commonly housed with an intermediary. In kind resources in terms of time spent planning and developing initiatives are substantial. Projected project savings are compromised by the large transaction costs associated with impact investment initiatives (NFF, 2019).

Attracting private capital: Although initially enthused about the possibilities of return on investment, private sector investor's interest in impact investment initiatives did not meet expectations. Factors quelling interest include the expectation from government stakeholders that 100% financial risk would be placed on the private sector and insufficient data providing evidence that selected interventions would yield expected results. An increasing number of impact investment projects rely on philanthropic or government capital to fund initiatives. When private investors are engaged, a range of investors with different interests were often needed to complete the deal, adding to the complexity of structuring contracts (NFF, 2019; Raday & Chan, 2017).

Socio-Political Obstacles: The long duration of impact investment initiatives (5-7 years) means that projects span terms of new executive and legislative leadership. In many cases, changes in leadership led to discontinuation of initiatives. The risk of early project termination is an obstacle in recruiting key stakeholders including investors (CDC, 2017, Norton et al., 2016)

Preventative Infrastructure Challenges: The importance of securing cashable savings from impact investment initiatives necessitated focus on tertiary prevention interventions; interventions that could be directly linked to cost avoidance such as interventions targeted to the highest risk offenders to reduce incarceration costs. Few investments were targeted for up-stream community development addressing root causes of social challenges since these initiatives were more difficult to associate with cost savings (NFF, 2019, Dorn, Milner & Eldridge, 2017).

Service Provider Exclusion: Findings reveal that only a few organizations have the capacity to scale operations to serve high numbers of participants and successfully implement selected evidence-based interventions (NFF, 2019; Norton et al., 2016). Many service providers chose not to apply for consideration in impact investment initiatives due to high risk, low reward calculations taking into account financial and reputational risk of participation (Petras et al., 2019; Schaeffer, 2014). Those that decided to apply often lacked the capacity to succeed in traditional impact investment methods. The result is that too few service providers of lesser financial means and capacities, including most social innovation organizations, were able had access to badly needed private financing to support operations (NFF, 2019, Eldridge, 2017; Burgoyne, 2014). With limited access private financing, some policymakers expressed concern that service systems were in danger of perpetuating a “race-to-the-bottom,” furthering inequities in social care (NFF, 2019)

Emphases on Project-Based Initiatives: While some researchers and policy leaders argue that investments in project-based initiatives sparked broader system improvements, others note that the focus on high profile specific projects limit affecting system-wide service delivery improvements, especially in jurisdictions of underinvestment (NFF, 2019, Dorn, Milner & Eldridge, 2017). Others note that project success in one jurisdiction with hand-selected capable service providers limits generalizability of findings to other contexts with a different mix of service providers, curtailing scaling and expansion of gains made (Petras et al., 2019).

As a result of these challenges, the original model of impact investing, large projects with upfront money provided by private investors involving small well-established service providers focused on tertiary prevention activities with a cost-saving emphasis, has fallen in disfavor. Far fewer initiatives than anticipated were found to be investment-ready or investment-worthy, especially if private investors sought a return on investment. Data also showed very low conversion rates for projects both from feasibility to full implementation and implementation to conclusion. A rethinking of the standard model of impact investing emerged, including new diversified financial tools and methods that allow for a more user-friendly, inclusive, flexible and comprehensive approach to impact investing within the human services realm (NFF, 2019)

2.4. Diversification of Financial Tools and Methods

Diversified investment models and tools, shown in table one below, have been developed to address the gap that exists in project financing, to provide finance to innovative projects that might only just break even financially or maybe not even do that, but that allow for additionally delivered social/public benefits that mean they are worthwhile from a societal perspective even if they do not cover financial costs and make a financial return. These models better adapt impact investments to local contexts and needs, opening the marketplace of private investment to a broader range of service providers including social innovation organizations. Interestingly, these diversified approaches, drawn from work completed by the Urban Institute (Eldridge & TeKolste, 2016), Instiglio (2017) and Non-profit Finance Fund (Giantris & Pinakiewicz, 2013), include impact investment methods and tools used in developing countries, illustrating the relevance of these approaches to poor and undercapitalized communities and organizations in the US and Western Europe.

Partial Impact Investing: These types of models and tools differ from the traditional model of full project investments, allowing for impact investments to target only part of a funded project. These approaches allow jurisdictions to introduce impact investments to organizations along the continuum of readiness and to build larger service system capacity to participate in results-based contracting. With smaller projects, financial and reputational risks for all stakeholders are reduced. New impact investment tools are introduced in a low-stake environment (Instiglio, 2017). For example, performance linked bonus payments are an approach by which a portion of payment to providers is incentivized through attainment of specific outcomes. Another example are prize-based challenges. With prize-based challenges, an investor creates a competition between providers with a financial prize awarded to the winner. Prize-based challenges are especially useful for social innovation organizations just starting out, seeking to become known to potential investors (Instiglio, 2017). The use of rate cards also falls into this type of investment. Rate cards allow service providers to select off a menu of outcomes that governments seek to achieve and the prices they are willing to pay. This provides flexibility to organizations to focus on outcomes that are most applicable to their mission and vision (NFF, 2019). This incremental approach enables jurisdictions to pilot impact investments without having the need to significantly alter local procurement processes. Initiatives can be more easily implemented and also be time-limited.

Hybrid Risk Sharing: For those initiatives seeking larger amounts of up-front funding, sharing of financing risks among a number of stakeholders can provide a range of flexible options. For example, hybrid investments with private guarantees provide up-front funding to government or directly to service providers through private investors with a guarantor sharing financial risk should outcomes not be achieved. With performance-based loans, government entities or service providers receive a loan from a private funder or a fiscal intermediary organization with disbursements conditioned upon achieving results. Although involving additional financing organizations adds to complexity, these approaches enable local entities and social innovation service providers to mix and match investors, adjusting to local circumstances and specific project needs (Eldridge & TeKolste, 2016; Instiglio (2017)

New Investment Sources: New approaches are being developed that expand the number of investment sources, providing more flexibility to adapt methods to local contexts. For example, in the US, investment sources now include private and corporate foundations, commercial banks, community-development institutions (CDFIs) in the US and smaller mission-oriented funds such as family foundations. CDFIs are private financial institutions that deliver responsible, affordable lending to help low-income and other disadvantaged people and communities enhance economic growth (see https://www.cdfifund.gov/Pages/default.aspx). Loans as well as grants are offered enabling foundations to recover and recycle capital invested if targeted outcomes are achieved (NFF, 2019; Raday and Chan, 2017). Internationally, multi/bilateral

Table One: Diversified Impact Investment Models

Diversified Models	Purpose	Examples	Features
1-Partial Impact Investing	Introduce jurisdictions to low-stakes impact investments	*Performance-linked bonus payments *Prize-based challenges *Rate cards	Breath: Partial incentive contracting Timing: Usually reimbursement Project lengths: short-term Investors: May not require private investors
2-Hybrid Risk Sharing	Provide substantial up-front investment to jurisdictions through risk sharing agreements among investors and government	*Hybrid with private guarantor *Performance-based loans	Breath: Full contracting Timing: Up-front resources Project length: Longer term Investors: Shared: Private, foundation, government, intermediaries
3-New investment sources	*Sources such as involving private foundations, new forms of philanthropy, banks, community-development organizations, individual small donors through crowd-funding	*Could include direct payment to service providers without statutory direct involvement *Re-purposed loans in additional to grants *Outcome and/or output focused	Breath: Full or partial Timing: Primarily up-front Project lengths: Long and short-term Investors: Many including private, foundation, intermediaries, high-wealth individuals; small donors

organizations, such as the World Bank, commit funds either to government entities or directly to service providers and receive money back only if certain outcomes are achieved. Opportunities for high net-worth individuals and ways to bundle investments by small investors such as using crowdfunding approaches, are expanding the breadth of investors financing local impact investment initiatives (NFF, 2019). Many of these local investors better understand local needs and assets as well as the capacity of service providers and local political environment (Raday and Chan, 2017). In addition, some funding sources provide resources directly to service providers without the direct involvement of statutory authorities. Being able to negotiate directly with private investors enables social innovation organizations to better maintain their autonomy, an important feature for many organizations (Weaver et al., in press).

These approaches broaden outcome attainment from an emphasis on cost savings to incentivizing the achievement of other kinds of outcomes. Included are metrics of social gain such as well-being benefits to individuals and communities. This public value approach, referred to as a “double bottom line” (social and economic benefits), opens the door to investments that can exceed project costs (Eldridge, 2017, Instiglio, 2017; Eldridge and TeKolste, 2016). Funding incentives can also be based on the attainment of outputs or milestones supporting larger businesses or social enterprises (Eldridge & TeKolste, 2016; Instiglio (2017). With these new approaches, funding can be provided when certain developmental milestones are reached such as securing matching funds to build a location for a social enterprise. Funding can also focus on building community and organizational capacities including fostering new preventative interventions. New hybrid funding can transpire. For example, statutory funding can be made accessible to build a social enterprise under the condition that a sustainable business model including potential private investors can be documented (see WWRA, 2019). In total, these diversified social finance approaches are designed to make impact investment more accessible to a greater range of organizations on behalf of communities including social innovation organizations.

3. Social Innovations

3.1 Characteristics Relevant to Impact Investments

Social innovations are attractive partners for inclusion in many of the newer diversified impact investment approaches, especially if the focus of change efforts is to invest in upstream preventative activities. Examples of social innovations include alternatives or complementary styles to mainstream ways of living (e.g., transition towns and urban gardens); and working (e.g., co-maker spaces; peer to peer production and service exchanges); practices of permaculture and slow food, and the creation of complementary economies using alternative currencies and means of credit that mobilize unused or underutilized local resources, building new forms of wealth in communities (Weaver et al., in press). Social innovations foster mutual aid providing opportunities and choices to individuals and groups overlooked or marginalized under mainstream economic arrangements including asylum seekers. New forms of welfare services are delivered through peer to peer exchanges, supporting healthier lifestyles, and participation in meaningful and satisfying activities (Weaver et al., in press; Weaver et al., 2016). Alternative currencies offer more inclusive opportunities to deliver local social security and wellbeing in ways that remain constant even in downturns in the formal economy (Weaver, 2016). The mission of most social innovations is to increase community capacities. It makes them an attractive partner in under-resourced disadvantaged communities seeking to identify new sources of wealth to address income inequality (see Weaver et al., in press; Svensson et al., 2018)

Contributing to their attractiveness, social innovations require comparably little money initially for start-up since they rely primarily on underutilized or wasted resources such as volunteer labor to run their operation. Also, although many social innovations enter into contracts with statutory bodies to provide needed services, some operate outside the statutory sector, providing much needed preventative support to families and communities with minimal cost to the social sector (Weaver and Marks, 2017).

Social innovations also face challenges in both start-up and securing sustainable funding for scaling and expansion. For example, while social innovation organizations may initially require relatively little money due to low labour costs, some funds are needed for day-to-day operations, to train and pay for some paid staff needed to leverage underutilized or unutilized community resources to productive use. Many policy makers overlook this need, incorrectly viewing social innovation organizations as providing “free” services outside of statutory obligations, which for some, is what initially attracted them to the innovation (Weaver et al., in press). Social innovations also need to grow to maximize impact. If an initiative can grow and attract more citizens to participate, it can then offer a wider set of asset-sharing opportunities to participants. If the rate of growth is low, then the number of participants, assets and opportunities may be too limited, reducing its attractiveness and increasing transaction costs, resulting in the initiative becoming less attractive to funders (Spinelli et al., 2019). Paradoxically, as social innovations mature, there is a pull to expand and scale operations requiring new investments in organizational, managerial and technology capacities. Also, since social innovations seek to help address pressing community challenges holistically, they often do not fit nicely into specific government funding silos instead spanning a number of service sectors. An inability to secure cross-agency financial support can damage their contribution to accomplishing longer-term societal and systems changes (Weaver et al., in press).

Policy, institutional and cultural barriers facing social innovations are also noted in the literature. Although social innovations often develop to address difficult challenges such as poverty, assimilation of political refugees or care of the ageing, they tend to frame these efforts in terms of transforming current institutions or creating new ones to replace existing ones (Haxeltine at al., 2017). These disruptive ambitions other leads to resistance if not hostility, from existing stakeholders and institutions. Many social innovations also face policies that thwart change efforts. For example, a faith-based innovation in the US seeking to assist returning citizens from prison in successful community re-entry is confronted with policies that curtail access to prisoners while they were behind the walls, placing obstacles to introducing the service and building trust with inmates prior to their release (Anonymous, 2017). Findings also reveal that social innovation leaders might not have the requisite relationships with key stakeholders to secure the changes needed in regulations and policies to be successful (Weaver et al., in press; Svensson et al., 2018). Social innovation organizations operate in a different cultural context than statutory authorities and other service organizations. In addition to a disruptive mission, organizational decision-making and operational procedures may be more informal, open and inclusive (Tennyson, 2011). In total, without a strategic vision at the systems level by key community stakeholders, social innovations face an uncertain and unpredictable road to sustainability with many potholes to navigate.

Social innovations also face internal capacity challenges. For example, inadequate leadership experience and training, including challenges in engaging key stakeholders and attracting fiscal sponsors, are prevalent. Prototype development to help guide current and future social innovations are lacking as are the development of effective management practices including methods of monitoring operations and performance (Chueri and Arajuo, 2018). These challenges constrain the development of an informal, local and mutual infrastructure needed by social innovations to effectively work alongside the statutory system to address pressing community challenges (Boyle, 2018).

Without the ability to attract long-term sustainable investments, social innovations can start and end quickly. Reviewing the history of one social innovation, time banking, illustrates this point. Over the past 20 years, 500-time banks have died in the UK after initial start-up, with relatively few surviving for more than a few years. Finding ways to sustain funding is important for social innovations if their potential is to be realized (Spinelli et al., 2019).

3.2 Emergent Business Models

Weaver and colleagues (in press) analysed information gathered from a four-site case study of social innovation organizations that sponsored and successfully sustained time banks, which was a key component of their operation (see Weaver et al., 2015; Cahn, 2004). These sites utilized time as a complementary currency for financial growth and sustainability. Three distinct financial pathways to sustainability were identified. Although these pathways were developed by analysing small case study data from a study of only one type of social innovation and more research is needed to substantiate this categorization, we chose to use this template as a conceptual frame for assessing social innovation compatibility with recent diversified impact investment methods.

The pathways include: (i) an external funding pathway that involves seeking investment or income from establishment actors, such as service commissioners who provide funding but set conditions on this; (ii) an autonomous funding pathway through which a social innovation organization develops its own income stream to self-finance its activities and fund continuity and growth, typically through related social enterprise activity. The social enterprise could take the form of a small business with revenue generated dedicated to supporting the innovation. Cooperatives would fit into this category. Another example is building a tech application that fosters community currencies to be used to pay for products and services within a defined geographic boundary (Diniz, Siqueira & van Heck, 2018) and (iii) an embedded pathway whereby the social innovation organization partners with an existing organization and receives financial support from the larger (host) organization in return for helping it deliver its mission. Findings from the study reveal that study sites embraced elements of all three pathways but one pathway stood out as dominant for the organization.

A number of factors drive the dominant financial pathway selected including comfort level of financial risk taking, acceptance of prevailing market/mainstream systems and the importance of maintaining organizational autonomy/integrity. Tradeoffs occur. For example, embracing the external funding pathway in outreaching and accepting statutory funding positions the social innovation organization to be an inside change agent assuming that social innovation leaders have the capacity to build solid relationships with service commissioners or their designees. However, accepting a role of a service contractor of statutory authorities creates situations where loss of autonomy can occur due to the importance of meeting contractual obligations and accountability requirements. Growing/expanding operations also become dependent upon local and national public policy priorities.

In contrast, organizations that embrace the autonomous pathway emphasize social enterprise development to support some or part of operations. This enables innovators to maintain identity and integrity of mission. This dominant pathway also necessitates organizing and embracing mainstream market beliefs and governance so as to be able to successfully compete for funding. Scaling/expansion is within the decision-making purview of innovational leaders as they seek to grow their enterprise within the marketplace.

The third pathway, embedded, involves social innovation entrepreneurs becoming part of a larger organization's mix of services and programs. This pathway provides initial financial security for start-up but has risks including being dependent upon the larger host partner for resources including risking cuts in budget or elimination if overall host funding diminishes. Innovators that follow the embedded pathway may also be constrained in making autonomous decisions and taking risks since they will likely have to involve host organizational leaders in future expansion/scaling. (Weaver et al., in press)

Whichever dominant pathway is pursued, it is important to note that each involves some degree of diversification of funding, commercialization and adaptation to conditions required for funding. For example, all sites over time embrace some aspects of autonomous funding in the form of business or social enterprises to buttress increasingly uncertain and unsustainable statutory. These enterprises enable an organization to maintain its identity and the integrity of its activities more readily than if finance is provided exclusively from external statutory sources or by other establishment actors. They can also provide long-term employment for disadvantaged populations while enabling these populations to contribute to enterprises that they gain benefits from (Weaver et al., in press; McKellogg and Javits, 2017). Those social innovations that support operations through funding diversification are in a better position for inclusion in social finance impact investment initiatives.

4.0 Goodness of Fit with Impact Investments

Emergent business models of social innovations and their potential goodness of fit with diversified impact investment models and tools are reviewed in this section of the paper. Table two introduces a four-part typology gleaned from the literature described earlier in this paper to help assess if and when social innovations are a good fit for impact investments. The typology includes (1) the dominant financial pathway employed by a social innovation organization; (2) levels of organizational capacity; (3) role of the social impact organization in an impact investment initiative and (4) the types of impact investment models and tools available to finance an initiative. Using this typology, propositions are developed identifying goodness of fit for specific diversified financial models and tools and under what circumstances.

Social innovations that follow the autonomous business model as the key pathway to financial sustainability, are likely to seek new sources of funding from a range of private and philanthropic actors to support businesses or social enterprises in various stages of development. In some cases, a business model is so paramount to the success of an impact investment that the innovation itself may be the primary focus of an investment strategy. For example, new technological innovations such as developing and implementing digital platforms for community currencies may be the primary focus of an investment, requiring significant resources using sophisticated technologies such as distributed ledger or bitcoin (Diniz, Siqueira & van Heck, 2018). An organization seeking to buy property in support of a profit-generating business may need tens of thousands of euros. Up-front funding including a mix of loans and/or grants to support these kinds of enterprises is needed. Funding may go directly to the SI organization without direct involvement of government stakeholders. With this pathway, service outputs (e.g., meeting timeframes for implementation, milestones for user engagement) could serve as the product tied to impact investments with outcomes being a focus after the enterprise has reached a certain level of maturity. Hybrid risk sharing arrangements can also be considered if the size of the project is large and there is a need for multiple investors to share financial risk for the funding to be secured. *Successfully attracting investments from private investors or a mix of private investors and foundations requires a certain level of organizational readiness and capacity as well as an established track record of success by the SI organization. If these factors are not present, then partial investment models and tools ought to be*

Table Two: Diversified Funding Approach Features by SI Business Model

SI Business Model	**Level of org. readiness**	**Role in Impact Investing Initiative**	**Impact Investor(s)**	**Recipient of Impact Investment**	**Timing of Investment**	**Full or Partial**
External	Low	A service Provider in a multi-agency initiative	Foundation or gov't	Gov't	Upfront or reimbursement	Partial
Autonomous	Medium-high	Significant partner or primary focus of investment strategy	Foundation or intermediary	Service Provider	Upfront	Full
Embedded	Medium-high	A primary service provider in a multi-agency initiative or lead agency in a solo effort	Private, Foundation or Gov't	Gov't or Service Provider	Upfront or Reimbursement	Partial or Full

initially pursued. For example, prize-based challenges provide an organization with entrée into the investment world. This and other *partial investment models* can pave the way for higher stakes opportunities for those social impact organizations that require significant funding in support of a social enterprise.

SI organizations that follow the external funding pathway that rely primarily on statutory funding are likely to embrace a different mix of impact investment opportunities. These organizations receive most of their funding from statutory authorities and therefore align outcomes associated with public policy goals. Government entities will likely be key stakeholders in an impact investment initiative with investment money going directly to the government department and then to service providers through contracting arrangements. Assuming insufficient organizational capacities, innovations in a start-up phase and a lack of evidence-base supporting products and services, organizations that follow this financial pathway are likely to be part of larger impact investment initiative, perhaps as one of many service providers filing a specific niche. These organizations are not likely to be in a position to take significant financial risk nor agree to impact investment schemes that cover a significant part of their organization's budget and programming. In addition, growth plans will often be determined in concert with government partners. *In this pathway, low-stakes, partial impact investment methods could provide funding to test out innovations and build an evidence-base (Instiglio, 2017). These include rate card or* performance-based bonus approaches. More mature social innovations could attract traditional impact investments with private funders under the direction of their statutory partners, to scale innovations with a proven track record.

Social innovation organizations that are embedded in larger organizations may be uniquely positioned to benefit from traditional impact investment initiatives and hybrid funding methods. By virtue of being embedded, these organizations may benefit from the host organization's infrastructure and historic positive reputation in the community. If sufficiently resourced and having high administrative capacities, the host organization could be a lead agency in an impact investment initiative. If this occurs, the social innovation could be showcased as adding value. In these circumstances, the host organization could consider taking on some level of financial and reputational risk, attracting a diverse group of impact investors including in best scenarios, issuing their own debt security featuring returns on investment contingent upon predetermined outcome or output metrics, perhaps with partial or full backing from a philanthropy or a multi-lateral organization (see Beck, Schwab & Pinedo, 2017). If the host organization is unable to take on that kind of role due to insufficient funding or infrastructure capacities, and the social innovation itself has an insufficient tract record of achievement, partial incentive reimbursement schemes could be developed by which incentives for performance (outcome or output) are built into a contractual relationship with government entities. Developing a track record of success through involvement in partial low stakes investment initiatives could also pave the way for interest by larger and more diverse impact investors at a later date.

5.0 Summary and Discussion

This paper explores the opportunities and challenges in utilizing social finance impact investments to support community development and Social Innovations (SIs). We highlighted refinements in the dominant financing model used to support impact investment initiatives which included a description of new diversified approaches designed to address financing gaps and expand private investment options for usage within poor communities and under-resourced organizations. We explored the relevance of social innovations to the changing environment of social care in Western

Democracies and found features of the environment that may facilitate consideration and investment of social innovations to fill funding and service gaps including supporting a preventative infrastructure in communities. Using a four-part typology including the dominant financial pathway employed by a social innovation organization, levels of organizational capacity, role of the social impact organization in an impact investment initiative and the types of impact investment models and tools available to finance an initiative, we identify goodness of fit of impact investments by social innovations and under what circumstances. This typology provides a framework for experimentation, testing the propositions offered.

Recent developments are focusing on how impact investments can support systemic and structured improvements in larger service delivery systems, presenting new opportunities for social innovations. First, interagency partnerships are being developed including the creation of new organizational and program design models, to better address complex social needs. Collaborations between the business community, statutory partners, cross-sector service providers and perhaps most important, utilizing community members as co-producers are occurring. A social innovation organization that might not be considered a primary service provider in a traditional impact investment initiative due to capacity limitations, could add value to a broad-based interagency initiative by leveraging unique strengths and capacities, including being able to catalyze unused or underused community assets to help address team-oriented goals (Spinelli et al., 2019; NFF, 2019). For example, introducing an organization that is developing a time-based community currency to incentivize community participation in addressing food insecurity could be part of a larger local effort to bring healthy food options to food deserts in urban areas. Investors interested in promoting food security could provide performance-based payments to traditional food banks in tandem with the social innovation organization as identified outcomes are achieved. (InvolveMINT, 2019).

Similarly, impact investing targeted to the achievement of specific service system delivery improvements can provide opportunities for social innovations. In the King County, Washington (Seattle, US) Outpatient Treatment on Demand Initiative, performance incentives are used to increase access to timely behavioral health care. 23 provider agencies are involved in this initiative with 2% bonus incentives to their case rate payment available contingent upon meeting agreed upon timeliness outcomes. Interestingly, historic baseline levels for timeliness are determined so that each of the agencies has individually tailored performance goals to meet. This enables the project to focus on both systemic and well as agency specific improvements through the identification of promising practices and innovations (NFF, 2019). This “vertical scaling” initiative (see Svensson et al., 2018) could attract social innovations piloting new ways of engaging individuals in treatment including, for example, tapping into underutilized community assets to help transport people to treatment or enhancing peer-based services to help motivate participation.

Philanthropies, especially those locally or regionally focused, are increasingly interested in funding local capacity building efforts, to buttress their placed-based investments (NFF, 2019). One example, Equity with a Twist (EQT), supports innovative, cross sector approaches to tackling wicked cross sector challenges such as addressing poverty. EQT, supported by the Low-Income Investment Fund and JP Morgan Chase &

Company in the US, combines various types of social investments to change life trajectories. It provides enterprise-level capital in contrast to project-specific capital to support a local organizational partner with “community quarterbacks’ to coordinate a comprehensive cross sector anti-poverty initiative over a ten-year period. It is a riskier investment since the investment relies on the strength of the organization for repayment with payback uncertain. This kind of investment approach is also likely to attract social innovations because of its flexibility, user-friendliness, low financial risk, community emphases and promise of long-term funding (Andrews & Bowdler, 2017).

In many areas, new community intermediary organizations are needed to support local impact investment initiatives. These organizations would coordinate grassroots local projects, co-designed by community members to meet local needs. One of their goals would be to bring together disparate mixes of social innovations that at times operate in their own silo, to determine the best mix needed for local communities. They would also facilitate inter-departmental and inter-organizational synergies in tackling complex societal challenges and to be able to assist communities and organizations to be investment ready for impact investment opportunities (Spinelli et al., 2019). It is hoped that local foundations and other investment funders would be attracted to investing in these new local structures.

Social innovations supported by diversified funding and are less reliant on statutory sponsorship, may be in positions where their relationships with government stakeholders change. Opportunities for reciprocity can emerge. For example, social innovation organizations may ask government partners to provide introductions to private funders. Conversely, SI organizations may learn about funding opportunities from other government entities or private sources, and share notice of this opportunity. Because SI organizations are nimble, they may be approached by statutory partners to contribute to addressing a difficult challenge with or without a direct offer of funding (Weaver et al., in press). There will also be instances when statutory entities are not directly involved in a specific impact investment initiative but nonetheless, remain as an important stakeholder in the project. These changed relationships will need to be negotiated starting with education as to the nature of social innovations, their anticipated benefits and role in helping develop a preventative infrastructure in communities.

Despite these opportunities, important challenges remain for social innovations. Although many come with a vision and a plan for start-up and scaling, they are often faced with limited organizational capacity and resistance from key community stakeholders. Without a systemic recognition of their promise and fit within community change efforts, implementation is likely to be constrained and unpredictable, as social innovators are faced with responding to disparate stakeholder demands and adjusting to changes in political climate. Perhaps a larger role for private and philanthropic leaders can create new champions for social innovations, building organizational and system capacity in a planful way, enabling social innovations to pilot new initiatives and obtain sustainable funding.

6.0 Conclusion

The news is awash with harrowing stories of cash strapped governments facing seemingly untenable choices in providing social care to its citizens. A recent review of senior care in Cumbria County, a rural county in England, illustrates these challenges

(Yeginsu, 2019). The Cumbria County Council experienced a 91% reduction in national government funding from 2012 to 2019. A growing ageing population is faced with the closing of its local hospital and funding cuts for senior transport services hampering access medical services. Findings reveal an increasingly socially isolated and fragile senior population. Governments are looking for new models for delivering economic, medical and social security to its citizens in line with the realities of these kinds of financial disruptions (Weaver et al, 2016).

Social innovations work to fill these voids. For the ageing population, social innovations mobilize unutilized or underutilized alternative assets, including seniors themselves, to co-create and co-deliver valuable goods and services for seniors to “age-in-place” (see Spinelli et al., 2019). Recent diversified approaches to social finance impact investments can become a core resource to catalyze and sustain these innovations.

As this paper illustrates, a number of factors need to be assessed to determine the right mix of impact investment strategies to explore. Experimentation is also needed, to uncover best practices and contributing facilitators required to best understand how to achieve successes in social innovation implementation within specific contexts (Spinelli et al, 2019). A living lab approach (see Almirall, Wareham and eJov, 2008). has been suggested, to document and experiment with novel solutions, allowing for reorientation, refining and dissolving of implementation strategies in real time (Spinelli et al., 2019). The use of diversified impact investment approaches ought to be a key part of this approach with an emphasis on experimentation in sites with high levels of economic, social and health need. Investments will need to include resources for organizational and community capacity building as well as new supportive intermediary structures, so that gains made can be sustainable and scaled, to help address inequities in other poor and under-resourced communities.

References

Almirall, M., Wareham, E., and eJov, J. (2008). Living labs and open innovation: Roles and applicability. *The Electronic Journal for Virtual Organizations and Networks*, 10 (3), p 21-46. Available at: http://www.esadeknowledge.com/view/living-labs-and-open-innovation-roles-and-applicability-151918. (Accessed 24 July 2019).

Andrews, N., and Bowdler, J. (2017). 'Equity with a Twist: Getting to Outcomes with flexible capital' in *What matters: Investing in results to build strong, vibrant communities*. San Francisco: Federal Reserve Bank of San Francisco and The Nonprofit Finance Fund, pp. 258-266.

Anonymous (2017). *Interview by Michael Marks as part of evaluation study of the Open Table faith-based services model*. Unavailable for public access.

Avelino, F.; Dumitru, A.; Longhurst, N.; Wittmayer, J.; Hielscher, S.; Weaver, P.; Cipolla, C.; Afonso, R.; Kunze, I.; Dorland, J.; Elle, M.; Pel, B.; Strasser, T.; Kemp, R.; and Haxeltine, A. (2015) Transitions towards new economies? A transformative social innovation perspective TRANSIT working paper 3. (Accessed 15 Nov 2018)

Beck, L.; Scjhwab. C.; and Pinedo, A. (2017). '*The Impact Security: Reimaging the Nonprofit Capital Market' in What Matters: Investing in results to build strong, vibrant communities*. San Francisco: Federal Reserve Bank of San Francisco and The Nonprofit Finance Fund, pp. 252-258.

Big Potential: Grants to help win investment or challenge for contracts. Available at https://www.sibgroup.org.uk/big-potential. (Accessed 6 June 2017).

Blum, J., Ciurea, M., Levin, M., Moazed, T., Porowski, A., and Sparks, A. (2015*). 'State of the Pay for Success Field: Opportunities, Trends, and Recommendations'.* Corporation for National & Community Service, April 2015. Available at URL https://www.nationalservice.gov/sites/default/files/documents/CNCS%20PFS%20State%20of%20the%20Field%20Document%20Final%208-7-15%20sxf.pdf. (Accessed 23 April 2019).

Boyle, D. (2018). *Towards a preventive infrastructure: A joint proposal for a policy investigation.* Unpublished document.

Burgoyne, A. (2014). Diversifying Pay for Success Providers (Blog). Available at https://www.nccdglobal.org/blog/diversifying-pay-success-providers. Accessed 27 May 2014.

Cahn, E. S. (2004). *No more throw-away people: The co-production imperative.* Washington, DC: Essential Books.

CDFI: Community Development Financial Institutions. Website. {Accessed 29 July 2019. Available at https://www.cdfifund.gov/Pages/default.aspx.

Centers for Disease Control and Prevention (2017). Pay for Success: A How-to Guide for Local Government Focused on Lead-Safe Homes. Washington, DC: *Centers for Disease Control and Prevention*, April 2017, Accessed 24 April 2019. Available at URL https://www.cdc.gov/nceh/lead/docs/pay_for_success_guide.pdf.

Chueri, L., and Arajuo, R. (2018). 'How social nnovation projects are managed? Answers from a literature review'. In Unceta, A., and Luna, A (eds). European Public & Social Innovation Review. San Sebastian: Sinnergiak Social Innovation, pp. 22-37.

Corporation for National and Community Service (2016). *About the social innovation fund.* Available at http://www.nationalservicegov/programs/social-innovation-fund/about-sif. (Accessed: 10 April 2019)

Dermine, T. (2014). *Establishing social impact bonds in Continental Europe*. Cambridge, MA: Harvard Kennedy School. April.

Diniz, E., Siqueira, S., and van Heck, E. (2018). 'Taxonomy of digital community currency platforms', Information Technology for Development DOI: 10.1080/02681102.2018.1485005. [online]. Available at: https://doi.org/10.1080/02681102.2018.1485005 (Accessed 19 May 2019).

Dorn, S., Milner, J., and Eldridge, M. (2017). *More than Cost Savings: A new framework for valuing Pay for Success projects*. Washington, DC: Urban Institute.

Eldridge, M. (2017) Exploring criticisms of Pay for Success (Blog). Available at https://pfs.urban.org/pay-success/pfs-perspectives/exploring-criticisms-pay-success. (Accessed 14 January 2017)

Eldridge, M., and TeKolste, R. (2016). *Results-Based Financing Approaches: Observations from PFS from International Experiences*. Washington, DC: Urban Institute.

Elkins, L. (2017) Interview by Michael Marks for Kresge Foundation Grant Initiative. Unavailable for public access.

Giantris, K., and Pinakiewicz, B. (2013*). '*Pay for success: Understanding the risk-tradeoffs' in *Community Development Investment Review-Pay for Success Financing, 9 (1).* San Francisco, CA: Federal Reserve Bank of San Francisco, pp 79-85.

Government of Canada (2014). *Budget 2014*. Available at URL http://www.budget.gc.ca/2014/docs/plan/ch3-2-eng.html. (Accessed: 5-10-2018).

Haxeltine, A., Kemp, R., Cozan, S., Ruijsink, S., Backhaus, J., Avelino, F. and Dumitru, A. (2017) *How social innovation leads to transformative change : towards a theory of transformative social innovation (TRANSIT Brief ; 3)*, TRANSIT: EU SSH.2013.3.2-1 Grant agreement no: 613169. (Accessed 20 August 2018).

Instiglio (2017). *A Practitioners guide to results-based financing: Getting to impact.* Washington, DC: Instiglio.

InvolveMINT (2019). *Overview of Hillman Grant: Building a changemaker network*. Unpublished document.

McKellogg, C., and Javits, C. (2017) 'Toward the North Star: Re-orienting workforce development to improve long-term outcomes' in *What Matters: Investing in results to build strong, vibrant communities*. San Francisco: Federal Reserve Bank of San Francisco & Nonprofit Finance Fund, pp 320-332.

Nonprofit Finance Fund (2019). *Pay for success: The First 25: A comparative analysis of the first 25 Pay for Success projects in the United States*. May 2019

Norton, R.A., McKnight, M., Olson, A., Van Alfen, T.; Chan, K., and Brown, B. (2016). *Green and Healthy Home Initiative: Determining the feasibility of Pay for Success projects: An objective algorithmic approach to analysis*. Washington, DC: Corporation for National and Community Service.

Petras, H., Marks, M., Katz, J. and Sokolsky, J. (2019: Capacity Building for Pay for Success Investments in Disadvantaged Communities: Final Report, Prepared for the Kresge Foundation, March 2019. Unpublished document.

Raday, S., and Chan, A. (2017). *Pay for success scorecard: Lessons from the vanguard of the outcomes movement.* Non-Profit Finance Fund. Available at URL http://www.payforsuccess.org/activity/?facets [0]=activity type: project & sort=recent (Accessed 31 October 31 2017).

Schaeffer, S. (2014). 'Assessing non-profit risk in PFS Deals: A framework to guide non-profits in effectively assessing risk and opportunity in pay for success contracts'. In *Stanford Social Innovation Review,* July 31, 2014, pp. 23-28.

Spinelli, G., Weaver, P., Marks, M., and Victor, C., (2019). *Making a case for creating living labs for aging-in-place: Enabling socially innovative models for experimentation and complementary economies.* Front. Sociol., 02 April 2019 | https://doi.org/10.3389/fsoc.2019.00019.

Svensson, K., Szijarto, B., Milley, P., & Cousins, J. B. (2018) Evaluating social innovations: Implications for evaluation design. American Journal of Evaluation, Vol. 39, Number 4, December 2018, p. 459-782.

Tennyson, R. (2011). *The partnering toolbook: An essential guide to cross-sector partnering*. Partnerships International Business Leaders Forum (IBLF). Available at https://thepartneringinitiative.org/wp-content/uploads/2014/08/Partnering-Toolbook-en-20113.pdf. (Accessed 7 July 2018).

Trotta, A., Care, R., Severino, R., Migliazza, M.C., & Rizzello, A., (2005). 'Mobilizing private finance for public good: Challenges and opportunities.' *European Scientific Journal*, volume 1; Social Finance-Mobilizing Investment Capital to Drive Social Programs.

Von Glahn, D. & Whistler, C. (2011). 'Pay for Success Programs: An Introduction.' *Policy & Practice, June 2011.*

Weaver, P. (2016). 'Sustainable development strategies: what roles for informal economy initiatives in the Post-2015 SDGs?' in R. Cörvers, J.de Kraker, R. Kemp, P. Martens, and N. van Lente, H. (eds). *Sustainable Development Research at ICIS: Taking Stock and Looking Ahead. Maastricht, NL:* Maastricht University, Chapter 12, pp. 133-144.

Weaver, P., Dumitru, A., Lema-Blanco, I. and Garcia-Mira, R. (2015) *Transformative social innovation narrative: Timebanking.* TRANSIT: EU SSH.2013.3.2-1 Grant agreement no: 613169, 31 March 2015.

Weaver, P., Kemp, R., Strasser, T, Backhaus, J, and Pel, B. (2016), *Transformative change for an inclusive society: Insights from social innovations and implications for policy innovation and innovation policy*. Paper presented at SPRU50, Brighton, UK, September 2016. Available at www.transitsocialinnovation.eu/resource-hub/transformative-change-for-an-inclusive-society-insights-from-social-innovations-and-implications-for-policy-innovation-and-innovation-policy-transit-working-paper-8. (Accessed 2 February 2017).

Weaver, P., Marks, M., Scropke, C. and Hogan, L. (in press) 'Social innovations and enterprises as integrative resources, strategies, and models' in B. Ramos, P. Miesing and K Briar-Lawson, K., (eds) *Social and Economic Development in Transitioning and Market-Based Economies: Social Enterprises, Entrepreneurship, and Microenterprise as Integrating Institutions. Publisher in progress.*

Weaver, P. and Marks, M. (2017) *Social innovation resourcing strategies and transformation pathways: a first-cut typology* Paper prepared for a TRANSIT Resourcing and Monitoring Workshop, University of Maastricht, February 2017.

WWRA (West Windsor Resident Association (2019). (Blog) Available at https://www.wwra.org.uk/clewer-dedworth/your-ideas-for-a-community-cafe-in-dedworth-please/7038. (Accessed 20 July 2019).

Yeginsu, C. (2019). 'This is all we can afford: Shrinking lives in the English countryside.' *New York Times,* 13 May 2019. Available at https://www.nytimes.com/2019/05/13/world/europe/cumbria-uk-austerity-cuts.html. (Accessed on 14 May 2019).

Young Foundation (2012). ‘The theoretical, empirical and policy foundations for building social innovations in Europe’ (TEPSIE). Brussels, Belgium: DG Research, Summary of work packages: A deliverable of the project: European Commission-7th framework programme.