

# Twelve universities join forces to launch impact investment fund

With mission-driven companies increasingly out-performing more traditional business models, twelve universities have come together to meet the demand for early-stage finance among university social ventures.

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Twelve leading universities have joined forces to create an impact investment fund in order to support mission-led university ventures.

Impact 12, the ten-year multi-million pound fund, will support social ventures established within the participating universities across the UK, motivated by beneficial social or environmental impact, rather than by profit.

The fund has been developed by impact investor and finance provider, Social Investment Scotland (SIS), in partnership with the University of Oxford, the University of Cambridge, Northampton, Coventry and eight universities of the MICRA Project, including Birmingham, Leicester, Loughborough, Nottingham and Warwick.

The aim is to bring positive change to people and places, by facilitating and accelerating the development of impact-led social ventures spun out of universities.

# How will the fund work?

Impact 12 will support mission-led social ventures across the universities with innovative finance tailored to their needs, including equity investment.

It will be managed by subsidiary of SIS, SIS Ventures, which will provide the investment tools necessary to help early-stage mission-driven businesses grow and deliver social impact innovations.

Alastair Davis, CEO of SIS said, “At a time when global economies are still suffering the impacts of the pandemic, Impact 12 provides a new and exciting vehicle for helping to support and fund some of the very best mission-driven businesses spinning out of universities’ research labs and accelerators.”

*“Through our collaboration with these twelve universities, we believe we can create considerable impact by supporting mission-aligned businesses which have the potential to be the cornerstone of our economy in years to come.”*

The fund will launch later this year with an initial fundraising target of £8M. The capital raised will be used to support up to fifteen social ventures from across the partner universities, with both seed and follow-on funding to come next.

## A growing trend

As well as fundraising among alumni networks, Impact 12 will also tap into the growing interest in impact investing and the rise of social enterprise strategies within universities.

Figures from the annual CASE-Ross Support for Education Survey have shown that new philanthropic funds secured by UK and Irish higher education institutions between 2019 and 2020 reached £1.3B. 2020 represents the third year running that new funds secured from philanthropic sources have remained higher than £1B since 2000.

Professor Louise Richardson, Vice-Chancellor of the University of Oxford said she was “delighted to see the growing emphasis on social ventures.”

Professor Stephen Toope of the University of Cambridge admitted, “the social ventures supported by our 12 universities will be at the forefront of creating change and finding solutions to support the UN’s Sustainable Development Goals.”

With mission-driven companies increasingly out-performing more traditional business models, funding from Impact 12 will meet the demand for early-stage finance among university social ventures, which often lack the financial support of traditional university spinouts or startups.

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