

CO-OPERATIVES UK

COMMUNITY ASSETS AND COMMUNITY SHARES

john.dawson@uk.coop

www.communityshares.org.uk





What do you know about community shares?

Have you bought community shares or seen a share offer in your area?

Delivered in partnership:

CO-OPERATIVES UK



Funded by:



10 years of the Community Shares Unit

- Promoting community shares
- Technical guidance, standards and advice
- Growing the network of practitioners
- Investing alongside communities

In partnership with

CO-OPERATIVES UK

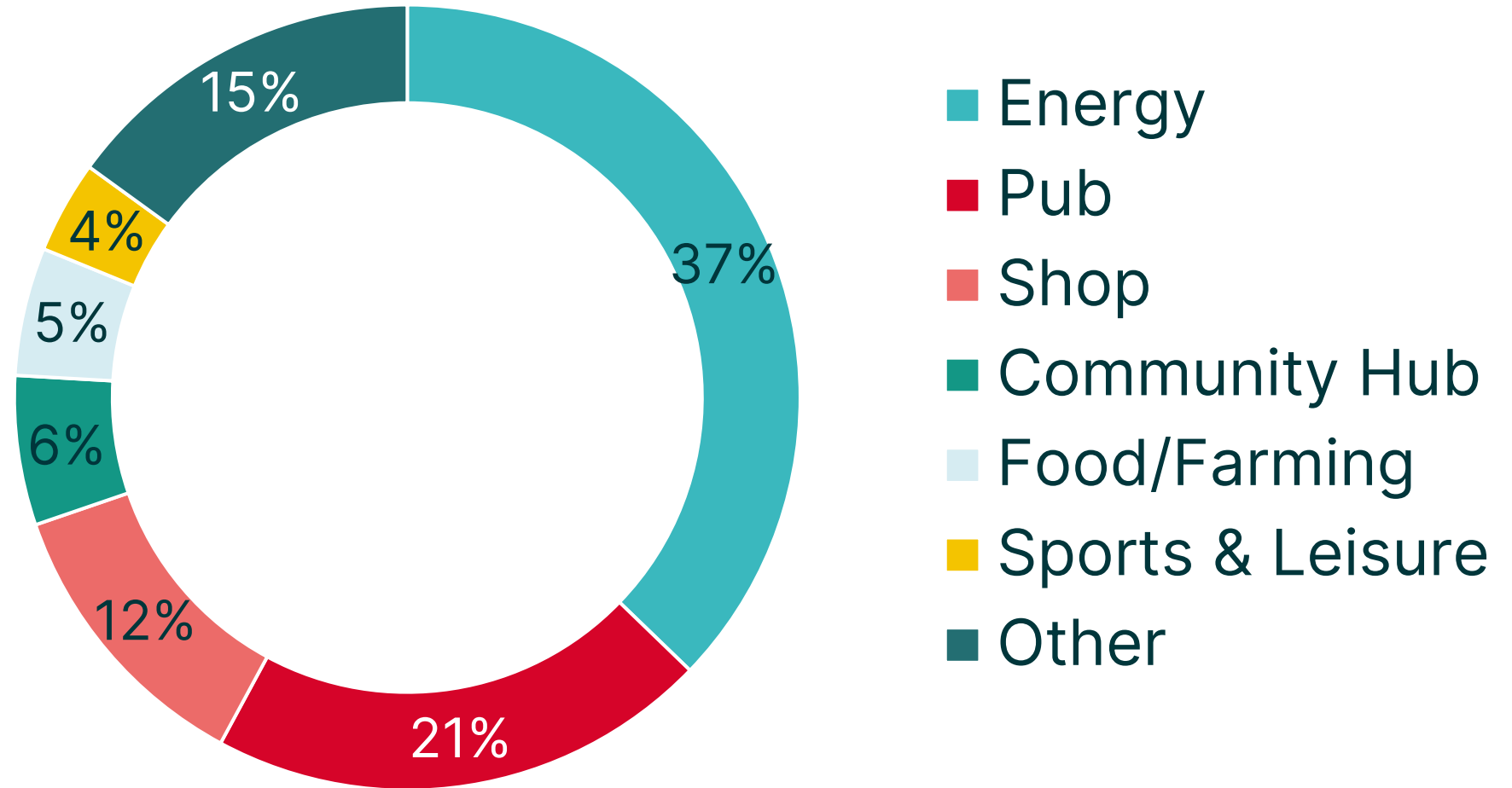


Since 2012:

£200m+ raised through
community shares by
128,000 investors
backing projects they
care about



Share offers by sector, since 2012



What are community shares?

- A flexible form of **raising equity investment & building a membership** unique to co-operative and community benefit societies
- Withdrawable, not transferable share capital
- Democratic, patient and flexible, you set the terms



Who can offer community shares?

The following society forms, registered with the FCA.

- Co-operative society – member benefit
- Community Benefit Society (CBS) – community benefit
- Charitable CBS – public benefit

Share interest, dividends & plan to gradually return capital



Why use them?

- A resilient business model
 - 92% still trading
- Attracts other investment
 - An additional £1.18 for £1 invested
- Compelling stories
 - 80% of people invest because of the wider social or environmental benefits

<https://www.uk.coop/blog/understanding-maturing-community-shares-market-report-2020>



How do they work?

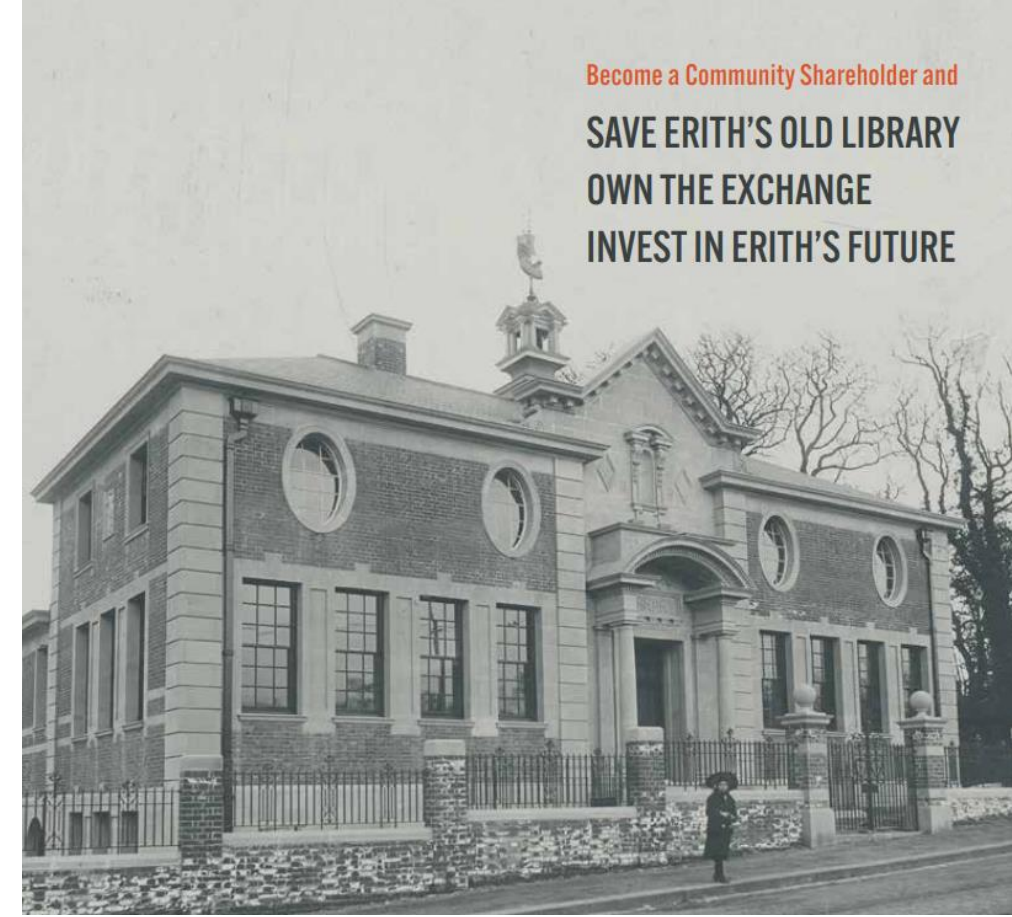
- Understand your finance need
 - Start-up investment
 - Capital projects
 - Recovery and growth
- Engage your community and understand the potential
- Prepare a business plan, share offer document and campaign



Exchange Erith

- Grade II listed Carnegie library in Erith, Bexley
- Transferred from council on 50 yr lease
- 464 shareholder members raised £150k
- £3.5m refurbishment into a community of makers

<https://www.uk.coop/case-studies/derelict-library-thriving-community-hub>



Projekts Mcr

- Skate park in central Manchester
- Community asset transfer, long term lease
- 70 shareholder members raised £130k
- Further investment to expand site, for social inclusion activities, homework club, female skating sessions

<https://www.uk.coop/case-studies/supporting-local-community-projekts-mcr>



East Marsh United, Grimsby

- History of grass roots activism
- Close work with council & housing departments to buy, transfer, refurb and let houses. Initially started with round 1 community led housing money
- Formed a new community benefit society
- Raised £500k from 162 investors

<https://www.uk.coop/case-studies/building-better-community-and-creating-quality-homes>

Community
Shares



East Marsh United

Kingsley Holt Centre
Raised £140k from
125 investors



Friends of the Joiners Arms
Raised £128k from
2,260 investors



East Marsh United
Raised £500k from
162 investors



Enabling communities

- How do communities access land and buildings?
- Accessing other support & investment
- Asset transfer policies
- Assets of community value and right to bid
- Community Ownership Fund
 - £150m fund
 - £250k capital grants
 - <https://www.gov.uk/government/publications/community-ownership-fund-prospectus>

Community Ownership Fund & community shares

Save the Silks	£237,500	England
The George Community Hub	£247,500	England
Fontmell Magna CLT	£204,800	England
Newtown St Martin Pub	£240,000	England
The Bell Inn Frisby Community Group	£150,000	England
The George Community	£250,000	England
The Rising Sun Woodcroft Community Pub Project	£175,000	England
Westhall Racehorse Community Pub	£96,600	England
Countryman's Inn	£230,000	England
Ballymacash Sports	£300,000	Northern Ireland
The Old Forge Community Benefit Society	£219,096	Scotland
Achub Tyn Llan Save Tyn Llan	£250,000	Wales

Discussion

Could community shares be useful for your communities?

How could cooperative councils and Co-operatives UK work together to enable more community based cooperatives and community shares?