



power to  
change

business in  
community  
hands



# Raising investment for a community business

21 April 2020, 11.00am



# The Panel & Agenda



**Ged Devlin, Power to Change:** context and why community businesses are important



**Chris Buckham, Plunkett Foundation:** support communities need and how Plunkett Foundation can help



**Naomi Sampson, Power to Change:** support programmes for community businesses



**Jason Nuttall, Crowdfunder UK:** raising finance from a crowd



**Melanie Mills, GET SITR:** the differences between community shares and loans plus how SITR works and the support available

Questions



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## About Power to Change



**Our aim:**  
To create better places  
through  
community business

 @peoplesbiz

[powertochange.org.uk](http://powertochange.org.uk)





# Community business: A business run by local people with profits going back into the local community





# Key features of a community business

## Locally rooted

They are rooted in a particular geographical place and respond to the areas aspirations and needs, for example high levels of urban deprivation or rural isolation.

## Accountable to local community

They are accountable to local people. This can be demonstrated in many ways (e.g. membership structure, ownership, broad range of local trustees) but you must have evidence of regular and ongoing community influence on your business.

## Trading for benefit of local Community

They are businesses with a clear trading model which sell services and products in and around their local area. The way the business is run and the profits it makes are used to deliver local benefit.

## Broad community impact

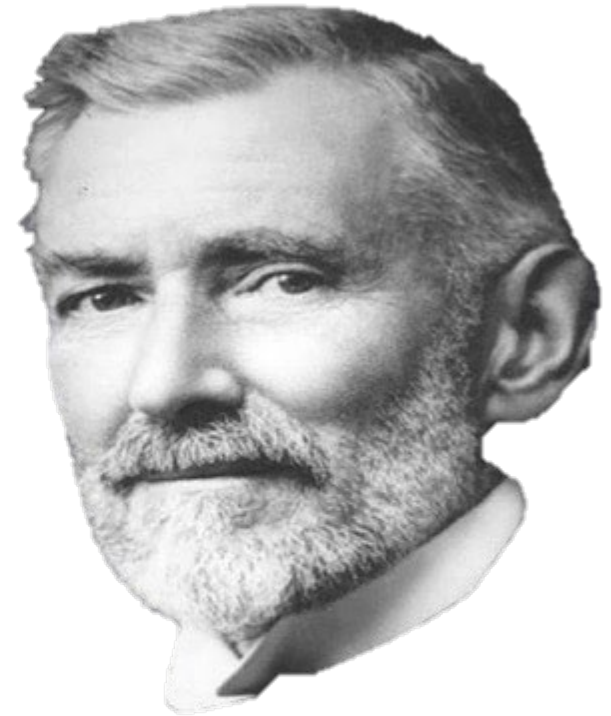
They engage with a variety of different groups in their community and are able to demonstrate how they benefit the local community as a whole.



# Who are the Plunkett Foundation?



- National Charity working across United Kingdom
- The Plunkett Foundation helps primarily rural communities UK-wide to tackle the challenges they face, through promoting and supporting community business.



Founded in 1919 by the great Irish co-operative pioneer, Sir Horace Plunkett

# Our Strategic Objectives

- **Grow the Sector**
- **Extending our relevance and reach**
- **Increasing social impact**
- **Creating an enabling environment**





# How We Deliver on our Objectives

- Information and Innovation hub
- Events to share knowledge and extend best practice
- Online membership forums for community businesses
- Administer grant funds & programmes – such as More than a Pub
- Tailored support to community groups and businesses via a national network of over 50 specialist advisers
- Central team in Woodstock, Oxon.





# Comprehensive Support for Community Businesses



We provide tailored & expert advice for the following & more:

- Legal structures
- Governance
- Community engagement
- Funding
- Share issues and SITR/EIS
- Membership strategy
- Business planning
- Achieving & measuring social impact
- Use of volunteers & staff employment
- Ongoing business management
- Network support for Plunkett members (eg Facebook groups)



Delivering comprehensive support during Covid-19

# Supporting community businesses during Covid-19

- Lobbying government on rural supply chain issues
- knowledge sharing across our networks
- Working with partner organisations to support community businesses throughout the UK
- Supporting community business with webinars and tailored support



Delivering comprehensive support during Covid-19

# For Example – Community Pubs

- Over 100 Community Pubs in UK, with more than 150 in ‘the pipeline’
- Fastest growing sector - grown by 30% since 2016
- Over 2,000 pubs have been registered as Assets of Community Value (ACV) since Localism Act of 2011
- 80% Owned and 20% Leased
- 65% managed, 35% tenanted
- Rural pubs create regular paid employment opportunities
- 28% also use volunteers



# More Than a Pub Support

# A Comprehensive end-to-end support initiative



**Suspended to new applicants  
due to Covid-19**

# More Than a Pub Support

## Learning Events and Peer Networking

- The opportunity to learn from existing community pub businesses and sector specialists through visits, events and webinars.



# More Than a Pub Support

## Bursary Funding of up to £2,500

- Pre-feasibility funding of up to £2,500 (inclusive of VAT) payable to groups retrospectively. This funding can be used to fund development costs at the pre-feasibility stage of your project and could include: consultation with your community, incorporation fees, valuation and survey fees, professional services, printing and marketing and [Plunkett Community Pubs Network](#) membership.



# More Than a Pub Support

## Business Development Advice

Up to three days' business development support with one of our specialist advisers. The advice can include:

- Incorporation, legal structure and governance
- Business planning and financial modelling
- Raising finance and community shares
- Determining and measuring your chosen 'More than a Pub' community benefit activities
- Preparing your group's application to the Loan and Grant Panel



# More Than a Pub Support

## Loan and Grant Funding

- Combined loan and grant funding up to £100,000 is available via the programme and we work closely with social loan providers Co-operative & Community Finance (CCF) and Key Fund.





# Case Study: The Craufurd Arms Maidenhead

- Listed as Asset of Community Value (ACV) 2015
- Pub put of the market 2016
- Community Benefit Society formed 2016, and group join 'More Than a Pub' programme
- Over £300K raised from community shares
- Pub purchased in 2017
- SITR available to investors



- Bright Ideas Fund
- Trade Up
- Community Business Fund
- Community Shares Booster
- More than a Pub 2
- Homes in Community Hands

[www.powertochange.org.uk/get-support/programmes/](http://www.powertochange.org.uk/get-support/programmes/)

**Keep up to date - Sign up to our newsletter:**

[www.powertochange.org.uk/our-newsletter](http://www.powertochange.org.uk/our-newsletter)

# Friends of Stretford Public Hall

- ✓ Grade II listed Public Hall
- ✓ Local people keen to take it into community ownership
- ✓ £10,000 grant to work on the business plan and share offer
- ✓ £250,000 raised in just 2 months, boosted by £100,000 from PTC.
- ✓ Now able to refurb the hall and maximise the space for community benefit.



Development grant  
received: £10,000  
Overall share offer raised: £255,000  
Booster investment: £100,000



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**Find out more.....**

**Support and information for community businesses  
affected by Covid-19 outbreak**

[www.powertochange.org.uk/get-support/covid-19/](http://www.powertochange.org.uk/get-support/covid-19/)

**To read more case studies of groups we have supported,  
visit the Power to Change website:**

[www.powertochange.org.uk/get-inspired/stories/](http://www.powertochange.org.uk/get-inspired/stories/)

**To sign up to our newsletter visit:**

[www.powertochange.org.uk/our-newsletter/](http://www.powertochange.org.uk/our-newsletter/)



# PayItForward - crowdfunding to help through the crisis



Jason Nuttall



# Pay it Forward - What's happening?

# £3,000,000

Total raised over three weeks of lockdown

# 913

Total businesses live

# 70,000

Total supporters

# Up to 200

Projects added daily

# #1 Google

Number 1 on Google



We're offering 100% free fundraising for your business during the coronavirus crisis

Our partners at [Enterprise Nation](#) will also be providing access to free training and support for business with online sales, marketing and finance.

Small businesses who are worried about their future due to COVID-19, can set-up a **Pay it Forward campaign**. This will enable you to raise money from your crowd to help with cash flow and other expenses.

[www.crowdfunder.co.uk/pay-it-forward](http://www.crowdfunder.co.uk/pay-it-forward)





# Rewards based crowdfunding

What is it?

Offering your customers a range of products and services etc. at different price points that can be delivered or redeemed after the COVID-19 lockdown.

They pay now to help you reach/exceed your chosen target



# Keep The Ivy House Alive!

by [The Ivy House](#) in [London, England, United Kingdom](#)



In 2013 our community saved a piece of history. Help us do it again. Let's get the Ivy House through this and ready to welcome you back.

**£3,123**

raised of £8,000 target

**84**

supporters

39%

40 days left

Support Us

Flexible funding – this project will receive all pledges made by 31st May 2020 at 1:08pm

[Project Facebook](#) [ivyhousenunhead](#) [ivyhousenunhead](#) [Food and Drink, Community](#)

Share [f 13](#) [t](#) [in](#) [w](#)

[Overview](#) [Updates 0](#) [Comments 29](#) [Supporters 84](#) [Contact project](#)





## Products & services



## Experiences & events



## Sponsorship & memberships



## Thank you

**£40** or more 3 of 100 claimed

### £30 bar/food tab

Pledge your support now and claim your £30 bar/food tab later, plus your name in in our gallery of supporters on the exterior of the pub.

Select reward

**£800** or more 0 of 2 claimed

### Our pub, your private party!

Got a landmark birthday coming up, or just want to plan a party with some friends to look forward to? Support the pub and get exclusive use of the beautiful ballroom for up to 50 guests, a glass of something for your guests and delicious finger foods and canapes.

Select reward

**£10** or more 33 of 100 claimed

### Support staff not eligible for furlough

A small number of Ivy House staff are not eligible for the government's Job Retention Scheme because they haven't been working for us for long enough. Others may struggle to make ends meet on just 80% of their wages. If you can, please make a contribution to their living costs.

Select reward

**£1** or more

### A heartfelt \*thank you\* :)

Pledge £1 or more and receive a lifetime of good pub karma, plus a huge thanks from us.

Select reward

**£45** or more 13 of 100 claimed

Featured

### Ticket to our re-opening party!

Glass of fizz, finger food, live music, dancing and a whole lot of celebrating. See you there for the party to end all parties... when we're back open and it's safe to party. Please note: the re-opening party will be a separate event to when we resume trading as we would like to keep the pub open to all when we first get back up and running.

Select reward



# Save Craving Coffee Tottenham

by [Craving Coffee](#) in [London, England, United Kingdom](#)



Like so many businesses around the world, our years of blood, sweat and tears have been wiped out nearly overnight by the Covid-19 pandemic.



[Support Us](#)

Flexible funding – this project will receive all pledges made by 11th May 2020 at 11:01am

[Project Facebook](#) [cravingcoffeuk](#) [cravingcoffeuk](#) [Business, Food and Drink](#)

Share [170](#) [Twitter](#) [LinkedIn](#) [WhatsApp](#)

[Overview](#) [Updates](#) **5** [Comments](#) **286** [Supporters](#) **571** [Contact project](#)





## Products & services

**£5** or more      9 of 500 claimed

**Postcard & Coffee**  
Craving postcard and your first coffee back on us!

Select reward

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**£10** or more      55 of 250 claimed

**Postcard, Coffee & Cake**  
Craving postcard and your first coffee & cake back on us.

Select reward

---

**£35** or more      29 of 150 claimed

**Postcard & 10 Coffees**  
Craving postcard and your first 10 coffees back on us.

Select reward



## Experiences & events

**£20** or more      26 of 60 claimed

**We're Back In Action Gig**  
Tickets to our special "Back In Action" gig with local bands & DJs performing one night at Craving.

Select reward

---

**£25** or more      15 of 24 claimed

**Home Coffee Brewing Masterclass**  
Tickets to one our home coffee brewing masterclasses in the café once we reopen.

Select reward

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**£100** or more      15 of 50 claimed

**Boozey Brunch for 4 people**  
Book in for a brunch on us. Each get a coffee, mimosa or bloody mary, main meal & a cake

Select reward



## Sponsorship & memberships

**£1,000** or more      1 of 10 claimed

**Super Supporter**  
20% off at Craving for a year (from the reopening date). All inclusive intimate south east asian dinner by Teochew Kitchen (aka Matthew Ho) for you + plus one. Name on the wall of fame "YOUR NAME helped Craving beat Corona."

Select reward

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**£75** or more      13 of 25 claimed

**Caffeinate the keyworkers (Filter Coffee - 20pp)**  
Pays for up to 20 people to receive our filter coffee & tea service at a key worker site in London. (Through your contacts or our contacts from NHS & TFL etc)

Select reward



## Thank you



# How does crowdfunding work?

1. Put a project on the website
2. ... it magically gets funded

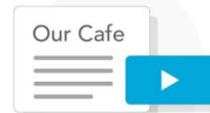


## How it works



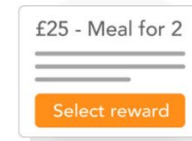
Step 1

First things first, tell us the name of your business



Step 2

What makes your business so special? Tell your story for your page



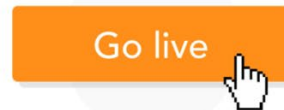
Step 3

What can you pre-sell and deliver after the crisis? We call these rewards



Step 4

Next add your payment details so that you can receive the money you need



Step 5

Now spread the word. Rally your supporters behind your business



Step 6

We're all in this together so share Crowdfunder with other businesses



# Raising funds on Crowdfunder

There are **two ways** of raising funds on Crowdfunder



All or nothing

Or



Flexible funding  
(keep what you raise)

Setting a target 

Setting a target is a balancing act between what is **realistic** from your crowd and what is needed to make the project happen.

Always start with the **minimum** needed and plan to over fund.





# Crowdfunder fees

Crowdfunder takes 0% for their support in providing the platform, coaching support, marketing & PR advice, etc.

\*The total sum raised by a successful project, will be paid into the nominated bank account, within 7 working days.



It's so much more than money!

## Benefits to the projects



Validation

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Awareness

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Advocates

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Extra Funding

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# Coaching and Support



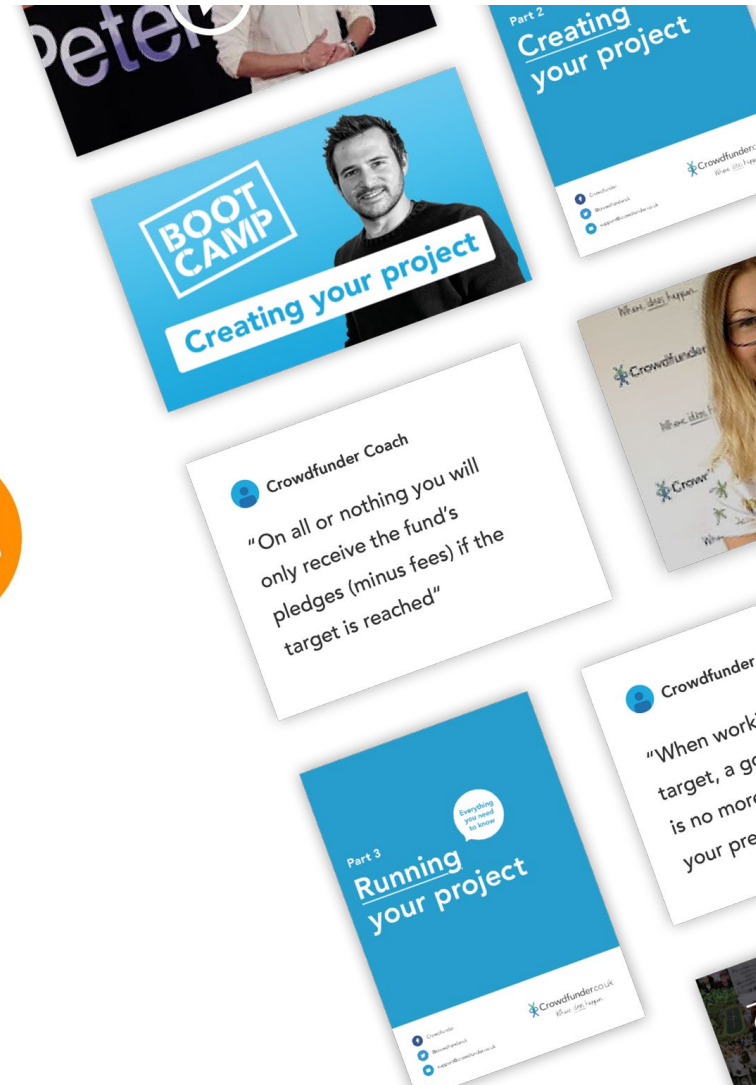
# Crowdfunder's coaching & support

We provide help via

- One to one coaching
- Accelerator
- Workshops
- Online guides
- Live customer support
- Personalised email advice
- Live project analytics



Everything you need to know



# Get in touch



support@crowdfunder.co.uk



Crowdfunder



CrowdfunderUK



# What type of finance can SITR raise?



Social Investment Tax Relief



## **Unsecured**

loan or equity



## **Flexible**

Negotiate terms acceptable with your investors



## **Patient**

Window of 3 years and 1 day before repayments start on the capital borrowed



## **Risk is offset**

Cost of finance subsidised with a 30% tax relief for investors

# 3 ways to raise finance using SITR

Method

## SITR Fund

Managed by a social impact investor



Type



## Platform

Using a crowdfunding or peer-to-peer lending platform



## Direct/DIY

Investors are found directly by the organisation



Free support and resources to help you understand what SITR is, how it works and to use it including:

- Case studies
- Guides
- Templates
- Podcasts
- Webinars
- Database of SITR deals
- Events

[getsitr.org.uk](https://getsitr.org.uk)







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Plunkett  
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Crowdfunder

# QUESTIONS



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# THANK YOU!

