



Investing in what matters

www.communitysharesscotland.org.uk



Workshop Outline

- What are community shares?
- Why use community shares?
- Community Shares Scotland and the support available
- Quick exercise - case studies

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What are community shares?

Community shares are a way for people to **invest in what matters** to them.

Shareholders invest in an organisation to serve a community need. In turn those investors own the organisation and could see some financial return on their investment.

This type of investment has been used to finance:

- pubs and shops
- harbours
- community buildings
- renewable energy initiatives
- local sports and media initiatives
- a host of other community based ventures.







Who can sell community shares?

Two Options

- Co-operative Society (Bona Fide)
- Community Benefit Society (BenCom)

Governed by Model Rules

Registered with Financial Conduct Authority

Charitable Bencom approved by OSCR

Hybrid rules for development trusts

Community Shares



The Qualities

- Member based
- Democratic
- Social return on investment before financial return
- Non transferable and withdrawable
- Minimal regulation

The Benefits

- Long term patient capital
- Further funding and leverage
- Community governance and operation



Sunart Hydro



- Raised £753,000 from 264 investors
- Installed a 100kW hydroelectric turbine near Strontian
- Generates revenues for a local community benefit fund as well as interest for investors

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Strontian Community School

- Raised £155,500 from 71 investors
- Overall project cost of £930k with other finance primarily from bank loans
- Existing primary school no longer fit for purpose with local council lacking capital funds for new construction
- Community will lease building to Council
- Building can be readily converted to housing if new school is built



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Govanhill Baths



- Raised £267k in late 2017
- Aim to refurbish historic bathhouses as a sports facility and community hub
- Other funders include Heritage Lottery Fund, Scottish Government and Glasgow City Council

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Rockfield Centre

- Raised £205,700 over summer 2018
- Aim to refurbish old school building as a community arts and learning centre
- Minimum investment of £250 with aims to offer 2% after Year 3
- Eligible for SITR
- Other funders include Big Lottery Fund, HIE and Scottish Government RCGF



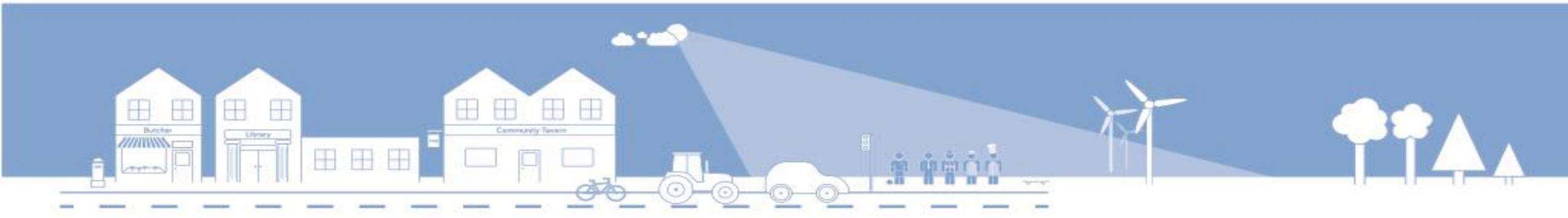
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Who are Community Shares Scotland?



We....

- **Raise awareness** through communications and events across Scotland.
- Provide direct **support and advice** to communities
- Deliver **training and advice** to support organisations
- Create and distribute **tools and resources** for Scottish audiences
- Funded by the Big Lottery Fund Scotland and Scottish Government until June 2020
- Delivered by Development Trust Association Scotland





What support is available to groups?

- Early stage support from programme team – phone, email and face-to-face
- Up to 6 days of tailored consultancy focusing on:
 1. Business planning
 2. Community engagement
 3. Governance
 4. Share offer document
- Up to £5000 Micro Grant for additional costs such as a launch event, marketing costs, specialist tax or legal support
- Links to other support organisations within a particular sector
- Access to numerous Scottish focussed resources and tools

... ALL FULLY FUNDED!

- 22 complete share offers supported by Community Shares Scotland
- Over £10 million invested since 2014
- Over £500k invested in Jul/Aug 2018



Looking ahead



- Bridgend Farmhouse – share offer now live
- Dumfries High Street / Stove Network
- Shops and pubs
- Arts centres / creative hubs
- Energy projects – new and refinancing

What matters to your community?



Q&A

Get in touch!

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