

Setting up a social enterprise with community shares

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Overview

- Introductions
- What are community shares?
- A bit about legal structures
- Planning your share offer
- Building your crowd
- Resources
- Q&A

A bit about me

- 30+ years in the cooperative economy
- Set up a worker cooperative in 1988
- Served my time at Co-operatives UK
- Community buyout of Slaithwaite greengrocery business 2009-ish
- Cooperative Care Colne Valley - 2020 share issue
- Barefoot cooperative development
- Connected into a UK and international network of expertise
- Not me but we

What are community shares?

- Not what most people would think of
- Withdrawable shares
- Non-transferable
- Outside the scope of the FSM Act 2000 - unregulated
- Only Registered Societies can issue shares
- Since 2012 £155M raised from 104,000 people by 440 businesses
- Capital at risk

Legal structures

- Co-operative and Community Benefit Societies Act 2014
- Two types of society
 - Co-operative Society - operates for the benefit of the members
 - Community Benefit Society (CBS)
- Democratic organisations - one member one vote
- A CBS can have charitable status if its objects are wholly charitable
- Fall under the remit of the Financial Conduct Authority

Planning your share offer

- Business plan
 - What's the money for?
 - What's your plan for paying a return to your investors?
- Business plan > share offer document
- Campaign plan
- Timing
- Systems

Building your crowd

- It's a numbers game
- Ladder of engagement
- Networks and partners
- Website, mailing list, social media, etc.
- Pledge as a dry run to test the market
- Aim to open and close the offer within a clear window

Resources

- <http://communityshares.org.uk>
- Power To Change - Bright Ideas
- Co-operatives UK - The Hive
- Me - you can reach me at:
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