



power to
change

business in
community
hands



Community Business Fund Round 8 guidelines for applicants

How to make your application stand out



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About this guidance

This guidance will help you decide whether the Power to Change Community Business Fund is right for you. It includes information about the types of projects that the fund is designed to support, as well as the criteria that will be used to assess applications. The guidance also provides information that will help you complete the application form.

Part one: Explores the fund criteria and will help you assess whether the Community Business Fund is right for you

Part two: Provides information about how to apply and the application process

Part three: Offers detailed notes that will help you complete your application

Part four: Aims to answer any other questions that you have about Power to Change and the application process.

If you require this guidance to be sent to you in large print, braille or an audio transcript, please get in touch by email cbf@weareumi.co.uk

Get in touch

You can get in touch with our grant administration partner, UMi, at any point during your application process for free advice and guidance.



Call UMi's helpline on
0300 1240444

The helpline is open Monday to Friday from 9am until 5pm (4.30pm on Friday). Calls are charged at the national call rate.



Email UMi:
cbf@weareumi.co.uk

We aim to respond to email enquiries within one working day.



Webchat

During helpline opening hours you can also use webchat to get help with your application. Visit <https://www.powertochange.org.uk/get-support/programmes/community-business-fund/> and open a chat box.

Part One | Can you apply?

Welcome

Are you an existing community business in England? Looking for funding and support to make your business more sustainable? Our Community Business Fund offers investments between £50,000 and £300,000 to help you significantly improve your viability, as well as social, environmental and economic impact.

Power to Change is the independent trust that supports community businesses in England.

Since 2015, we have awarded £26 million to 147 community businesses through the **Community Business Fund**. This has helped all sorts of community businesses including community libraries, bakeries, pubs, farms, hubs, transport, energy schemes, art centres and construction organisations, among many others to become more sustainable.

This year, we aim to help many more inspiring, locally-based and community-led businesses. We are aiming to invest £3 million to around 17 community businesses in this round and we'll have further rounds in 2020. We've specifically changed our wording to refer to the funding we offer through this programme as 'investments' rather than 'grants'. This is because, although all the offers made will be non-repayable, we consider the funding we put into community businesses as an investment into the people, places and ideas you share with us.

Competition for this funding is very high, so we've developed this guidance to support you to make the strongest application possible.

We and our partners are committed to offering all applicants - regardless of whether we go on to invest in you - a service which gives you useful feedback and pointers on how to best present your proposals to us for funding. We welcome your feedback on your experience of applying to the Community Business Fund via our partners, [UMi](#) so we can continuously improve our approach.

Please read through this guidance and if after doing so, you believe your organisation fits our criteria, then we would welcome an application from you.



Kate Stewart
Director of Programmes
Power to Change



Having a strong business model is key to your application, and discussing your potential bid with others, including the Power to Change team, will help develop your idea.

Emelye Westwood, Ideal for All
a Power to Change grantee



What do we fund?

You can find more examples of organisations we have funded on our website:
www.powertochange.org.uk

Part One | Can you apply?

Application criteria

To be considered for funding through the Community Business Fund your project and organisation must be based in England, and will need to clearly evidence how you meet each of our 12 criteria below:

1. Power to Change only funds community businesses

Community businesses are run by local people for local people. They can revive local assets, protect the services people rely on, and address local needs. There are many types of community business. What they all have in common is that they are inclusive and give decision making power to local people and that the profits they generate flow back into the community to deliver positive local impact.

Most of the applications that we reject fail to evidence in their application form how they meet the four key features of a community business set out on this page, particularly how they are accountable to the local community. Before applying, please think carefully about whether you can demonstrate strong evidence for these four community business features.

The four key features of a community business

Locally rooted

They are rooted in a particular geographical place. They build on the strengths and assets of that place to address community needs.



[Watch video](#)

Ronnie talks about how Granby Four Streets is responding to local needs.

Accountable to local community

This can be demonstrated in many ways (e.g. membership structure, ownership, broad range of local trustees) but you must have evidence of regular community input into decision making.



[Watch video](#)

Dave and Sangita from Sheffield Live! talk about how local people make decisions about the business.

Trading for the benefit of the local community

They have a clear trading model and 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.



[Watch video](#)

Clare talks about how the Burton Street Foundation generates income which is reinvested for social benefit.

Broad community impact

They engage with a variety of different groups in their community and deliver impact against a range of different community needs.



[Watch video](#)

John from Homebaked talks about the difference the bakery is making in their local community.

Watch an example of what we've funded

In the videos above we ask some of our grantees to explain in their own words how their business meets the four traits of a community business.

* From time to time we may choose to fund organisations which are not yet trading at our discretion, if strong if strong projections and evidence of market research are provided.

Part One | Can you apply?

Application criteria (cont.)

2. Growth and viability

We will not fund 'business as usual'. Your application must demonstrate how the funding will help you to increase your trading income, secure an asset or significantly reduce your costs. If your organisation currently has no trading history, we will require robust evidence to demonstrate that your trading income forecasts are realistic and based on viable market research.

3. Be incorporated

The Community Business Fund will only fund incorporated organisations. This means that your organisation is recognised as a legal entity in its own right, rather than as a collection of individuals. Examples of incorporated organisations include:

- ▶ Charitable Incorporated Organisation
- ▶ Community Benefit Society
- ▶ Community Interest Company Limited by Guarantee
- ▶ Community Interest Company Limited by Shares
- ▶ Company Limited by Guarantee
- ▶ Company Limited by Shares
- ▶ Co-operative Society.

Examples of unincorporated organisations, which we won't fund, include: charitable trusts and unincorporated associations.

4. Charitable purpose

You must have a charitable purpose at the heart of what you are asking us to fund, which meets charitable needs in your community. This does not mean that you have to be a charity as we will fund a variety of legal structures, but we cannot fund activities which don't further a charitable purpose.

We cannot accept proposals that promote the advancement of religion or that are party political in nature. This does not prevent faith groups from applying for funding for activities which have a charitable purpose other than the advancement of religion.



Have you previously received a Community Business Fund or Initial Grants Programme investment?

We will consider applications from organisations which have previously received a Community Business Fund or Initial Grants Programme investment, but only in exceptional circumstances. These circumstances include where an organisation is in one of Power to Change's places of interest. A list of these places can be found on page 11. In addition, we may also consider applications from organisations which are not located in one of these places if the previous Community Business Fund or Initial Grants Programme funded project has been completed, with all final reporting provided, and the project resulted in a significant increase in trading income or reduction in costs.

There are nearly 8,000 community businesses in England, of which less than 2% have received a Community Business Fund or Initial Grants Programme grant to date. By focusing on organisations which haven't previously received one of these investments, we hope to support even more community businesses beyond the 147 already invested in under the Community Business Fund.

Part One | Can you apply?

Application criteria (cont.)

5. Public benefit

For a proposal to be charitable, it needs to have both a charitable purpose and to be for public benefit. This means that your proposal must create benefits for a sufficient section of your community, including people who are experiencing disadvantage. If your activities will only benefit a few people in your community or will only provide benefits to people who aren't experiencing disadvantage, we may not be able to invest in your organisation.

6. Share our impact goals

You must be able to demonstrate at least one of the seven core impact areas below. If your application is successful, you will be asked to report against the impact area(s) you selected.

1. Reduce social isolation
2. Improve health and wellbeing
3. Increase employability
4. Create better access to basic services
5. Improve local environment
6. Enable greater community cohesion
7. Foster greater community pride and empowerment

7. Accounts

Your organisation should have at least one year of financial accounts; this could be your management accounts or your annual accounts.

Alternatively, if your organisation is a subsidiary of an established organisation, you can provide the financial accounts of the parent organisation; or if you are applying as part of a consortium, the consortium lead will provide their accounts.



More info

WHAT DO WE MEAN BY PRIVATE BENEFIT?

Any personal benefits people receive through the community business must be no more than a necessary result or by-product of delivering public benefit.

Personal benefits could include financial payments to the owners of a property that an organisation uses or membership benefits. These private benefits need to be incidental in both nature and amount. Returns from community shares are allowable. Find out more: www.gov.uk/government/publications/examples-of-personal-benefit/examples-of-personal-benefit

WHAT DO WE MEAN BY CHARITABLE PURPOSE?

You can find more information about charitable purpose on the Charity Commission website www.gov.uk/government/publications/charitable-purposes/charitable-purposes

Part One | Can you apply?

Application criteria (cont.)

8. Other funding sources

Power to Change will not fund the full costs of your project. You should have other sources of funding either confirmed or close to confirmation. This is covered in **Part Three – Financial Information** of the application form.

9. State Aid

State Aid relates to certain EU regulations around competition, which Power to Change must abide by. Unlawful State Aid will have to be repaid. Our application process will help us identify the State Aid position of your application. We recommend that you take independent advice on this matter.

10. Readiness

You must be ready to start work within six months of being offered a Community Business Fund investment. Your project can last up to a maximum of two years in total, but we expect most of the investments we make to be spent within one year.

11. Capital and revenue request limits

You can request up to 75% of revenue costs and building-related capital costs, and up to 100% of non-building related capital costs. Please carefully read the details on the next page to find out what capital and revenue cost you can apply for.

12. Funding available

Our analysis¹ has identified that there is a gap in the market for funding for community business between £50,000 and £300,000². The Community Business Fund will not accept applications outside this range.

1. C. Percy, A. Swersky, D. Hull and J. Medley-Hallam: The community business market 2015, Research Institute Report No. 1, Power to Change.

2 Power to Change reserves the right to exceed these grant limits (set out in criteria 11 and 12) during the assessment process for exceptional applications.



More info

WHY WOULD STATE AID AFFECT MY APPLICATION?

Power to Change grants qualify within the European Union definition of State Aid. State Aid refers to forms of assistance given on a discretionary basis to provide an activity or service, which may distort competition in the European Union market by favouring one provider over another.

State Aid rules are complex, but as a general guide applications involving trading activities are unlikely to breach State Aid rules if they are: small scale; delivered in a defined local area; are for charitable, social, cultural or educational purposes, and do not affect trade between member states of the European Union.

We recommend you take independent advice on this matter.

Find out more about State Aid.

www.gov.uk/guidance/state-aid/guidance

Part One | Can you apply?

What you can apply for

The Community Business Fund will invest in:

- **Capital costs** including building, vehicles, equipment of significant value, refurbishment costs. Minor refurbishment works, new equipment and the purchase of vehicles can all form part of your application and will be considered against the standard guidance and criteria set out here.

Applications that involve building work, renovations or taking on the ownership of a new asset are subject to our additional 'Assets and Buildings project Criteria' on page 13. If you are applying for funding to support capital building or refurbishment works, you should read this guidance carefully and work through the capital projects checklist when preparing your application.

- **Proposal-specific revenue costs** like staff costs, professional fees, volunteer costs. We are unlikely to fund applications which are asking only to cover the cost of staff salaries unless you are able to clearly demonstrate how this will help your trading income and social, economic and environmental impact and how you will continue to fund these salary costs after the end of the funding period.

Funding from the Community Business Fund cannot be used:

- To reimburse money already spent. We will not provide retrospective funding.
- To pay for costs which someone else is paying for, whether in cash or in kind.
- Existing day-to-day running costs.



If you are successful in getting through to the full assessment stage we may ask you to revise your proposal as we learn more about your business.

We may offer you only part of the funding initially requested or offer to provide other types of support instead of the full amount requested. Before considering any of these steps we will talk to you about the reasons why this might be appropriate and how it would affect your proposal.

More info

WHAT ARE CAPITAL AND REVENUE COSTS?

Capital costs are costs to set up a commercially operational business. This might include the purchase of land, buildings, construction, and equipment used in the production of goods or in the provision of services.

Revenue costs are costs associated with paying people for their services. For example, architect fees or employee salaries. Make sure you have considered who will be managing the project build and how you will cover any associated cost.

Capital and revenue request limits

Power to Change will fund up to 75% of revenue costs, up to 75% of building-related capital costs and 100% of other capital costs.

- An example of building-related capital costs include purchasing, expanding or refurbishing a building.
- An example of other capital costs include purchasing vehicles or buying professional catering equipment.

Stronger applications tend to show how they can cover a larger proportion of these costs from income or other funding sources, making them less reliant on our funding.

Part One | Can you apply?

Tips on how much funding to request

Large requests from small organisations

The amount you are requesting should be proportional to your organisation's level of financial experience to date. If your organisation has a small turnover (for example, income of less than £15,000) and you are requesting a large amount (for example, over £200,000), please provide evidence of your organisation's financial management skills for managing a large grant.



How much you request and sustainability

The amount of funding you are requesting should be proportional to your expected increase in trading income.

We will not offer a large investment (for example, over £200,000) that will only lead to a small increase in trading income (for example, a £5,000 increase) by the end of the funding period.

Should I include VAT in my application?

Whether you should include VAT in the costs in your application form depends on if you are VAT registered. Our assessment process will help us identify the VAT position of your application. **VAT rules are complex, so we recommend that you obtain specialist independent VAT advice.**

As general guidance on what Power to Change can fund relating to VAT costs:

- ▶ If you are VAT registered, please exclude VAT on items in your costs for which you can reclaim the VAT back from HMRC.
- ▶ If you are not VAT registered and so cannot reclaim VAT back from HMRC, please include VAT for relevant items in your costs.
- ▶ If your VAT position changes during the application process, you must let us know immediately so the appropriate VAT costs can be included in your application.

Diversity and Inclusion

Power to Change is committed to the advancement of equality, diversity and inclusion. It seeks to be a genuinely inclusive organisation by advancing equality and diversity through its policies and practices.

We encourage and welcome applications from community businesses from all backgrounds, who meet our requirements, and who are looking to make a real difference to the lives of their local communities.

Shortly after the submission of your application, we will send you our equality and diversity survey. This is not obligatory to fill out, but if you do, it helps us make sure our funding supports a wide group of people.

We expect applicants to the Community Business Fund to have an equality and diversity policy in place and to have considered disability inclusion. You can find out more about it in our [disability inclusion guide](#).

Please let us know by email cbf@weareumi.co.uk if you need this guidance in large print, braille or audio recording.

Part One | Can you apply?

Tips for specific sectors

As well as demonstrating you meet the 12 criteria, here are a few tips on what you need to clearly evidence according to your sector.

Arts centre or facility

Consider how your organisation is accountable to the community and engages local people in having a genuine say in how your organisation is run. Read about [Viva Arts](#).

Community hub, facility or space

We receive a lot of applications for community hubs – only the strongest will be funded. Consider how your community hub is delivering beneficial impact to a range of people within your community, including those experiencing disadvantage. Read about the difference [Highfields Community Centre](#) is making in Leicester.

Community pub

If you are applying for funding for your community pub, consider how you are engaging with people experiencing disadvantage in your community and how they will benefit from your proposal. Read about [The Bevendean](#) in Brighton.

Note: We can only fund existing pubs – we have a different programme, [More than a Pub](#), for communities that are just starting on their journey to save their community pub.

Community shop

Consider how your organisation is accountable to the community and engages local people in having a genuine say in how your organisation is run. Consider how your community shop is delivering beneficial impact to a range of people within your community, including those experiencing disadvantage. Find out how [Crediton Community Bookshop](#) are doing so.



Community cafe

We receive a lot of applications for community cafes and only the strongest will be funded. It can be challenging to make a financially viable trading model from a café. Consider how your community cafe is delivering beneficial impact to a range of people within your community, including those experiencing disadvantage. Read about [Community Catering Initiative](#) in Newcastle.

Community media

If your organisation has a city-wide reach, you need to explain how your organisation is rooted in, accountable to and benefiting a smaller geographical community. Watch how [Sheffield Live!](#) are doing it.

How likely am I to get funding?

Round size

During each application window, we receive approximately 250 applications. Of these, only the strongest will progress to the assessment stage. In the last round, 32 applications were progressed to be considered for funding from the £3 million we had available to spend. This round we have £3million available to spend and are expecting to progress around 27 applications, of which about 17 will receive funding. This means that even if your proposal meets all the eligibility criteria, it may not be progressed to assessment. How likely you are to get funding also depends on where your organisation is located (see page 11).

We recommend that you [read through the case studies of organisations which have been funded by Power to Change](#). These case studies describe how community businesses working in different sectors meet Power to Change's four community business criteria, and provide an insight into the strongest applications which have been invested in through the Community Business Fund or its precursor, the Initial Grants Programme.

You can also look at our [Community Business Map](#) to see a full list of all organisations funded through Power to Change.

Part One | Can you apply?

Tips for specific sectors

Employment, training, business support or education

You will need to demonstrate that your services are targeting those experiencing disadvantage and are reaching a sufficiently large section of the public for Power to Change to be able to make a charitable award to your organisation. Read about [The Florrie](#).



Energy

Through the Community Business Fund (and its precursor fund, the Initial Grants Programme), Power to Change has so far only invested in energy efficiency measures for community buildings owned by the applicant organisation with the aim of improving financial viability – see [Stocksbridge 4SLC case study](#). If you are looking for funding for a community energy project, you may wish to consider our [Community Shares Booster programme](#) or the [Next Generation Fund](#).

Environmental and/or nature conservation

In addition to benefitting the environment, consider how your proposal will also benefit the people living in your local community, particularly those experiencing disadvantage. Find out more about how [Amble Development Trust](#) is hatching lobsters to sustain heritage and trade in Northumberland.

Food catering or production (including farming)

Consider how you are accountable to your local community and engaging with disadvantaged people to bring about beneficial impact. Read about [Greenslate Community Farm in Wigan](#).

Health, care and wellbeing

Consider how your proposal is responding to the changing health and social care landscape, and how you are developing a trading model which will lead to future financial sustainability. Read how [New Wortley Community Centre in Leeds](#) is doing so.

Consider how your health and social care organisation is delivering beneficial impact to a range of people within your community, not just specific groups, and how the community is involved with the design of services. If contracts require you to trade over a large area, you will need to demonstrate how your trading activity brings benefits back to your immediate local community e.g. through how surpluses are reinvested.

Place-based funding

The Community Business Fund welcomes strong applications from across England. However, we are particularly interested in applications from the following areas, especially if they involve community businesses working together:

- ▶ Bradford
- ▶ Grimsby
- ▶ Hartlepool
- ▶ Leicester
- ▶ Plymouth
- ▶ Wigan
- ▶ Liverpool City Region
- ▶ Suffolk
- ▶ West of England Combined Authority

Through Round 8 we expect to invest approximately £1m to applications from the areas above. This means that for Round 8 we are expecting to fund 5 applications from the areas above. For organisations not based in these areas, we are expecting to invest approximately £2 million in total to about 12 organisations in Round 8. Find out more about our focus on places in the [Community Business Fund FAQs on our website](#).

Part One | Can you apply?

Tips for specific sectors

Housing

If you are looking for funding to support feasibility and pre-development work, you may wish to consider our [Homes in Community Hands fund](#).

If you are applying to the Community Business Fund, you should already have other sources of funding in place. You must be ready to start building new homes or refurbishing existing homes within 6 months of being offered a grant.

By the end of the funding period, your housing proposal must be completed and your organisation must be more financially viable, e.g. through increased trading income. Your proposal must benefit the broader community e.g. through the provision of affordable housing or financial investment in your community. Read about [Granby Four Streets](#).



Income or financial inclusion

We have not yet invested in any organisations which particularly focus on income or financial inclusion. If your organisation has a city-wide reach, you need to explain how your organisation is rooted in, accountable to and benefiting a smaller geographical community.

Libraries

Consider what your trading model is and how your organisation will be financially sustainable in the long term. We cannot fund ongoing salary costs for which there is no clear plan of how these salary costs will be paid for when the funding period ends. Read about [Kensal Rise Library](#)'s trading model.

Sport and leisure

We won't fund the upgrade of facilities at or expansion of sports clubs if they only benefit the paying members of the club. Sports based proposals must show how they deliver broader community benefit to local people, including access to other community groups/projects and ideally the general public.

Sports proposals that we fund should also benefit the community in other ways, for example by offering training or employment opportunities to disadvantaged groups, or supporting vulnerable young people. Read about [East Lancashire Football Development Association in Lancashire's](#) project.

Transport

Consider how your proposal is engaging with a broad range of people in your community, particularly those experiencing disadvantage, and is open and accessible to all in your community. If your transport organisation operates over a wide geographical area, you will need to demonstrate how your trading activity brings benefits back to your immediate local community e.g. through how surpluses are reinvested.



Did you know?

Applicants mostly struggle to demonstrate how their community business is accountable to local people. By this, we mean local people must have shaped your proposal, but also have an ongoing say in how the business develops. Find out more in Section E of the application form and read ['12 questions to explore community accountability'](#).

Part One | Can you apply?

Buying buildings and spaces

Community ownership of buildings and spaces is a key part of Power to Change's vision for the community business sector. Ownership can help to generate extra income and can give communities control over the things that matter most in their neighbourhood.

We have supported many community businesses to successfully take on buildings and land, or to improve the spaces they manage. However, taking on a capital works can be challenging. It brings risks both because of the costs involved, and because of the complexity of building works. The additional criteria and requirements below should help you think through these risks, and help develop a strong set of plans for the proposal.

This section summarises the additional criteria that will be applied to applications involving a space. There is also a checklist of supporting documents that you will need in order to progress an application to stage 2. Your assessor will need to see copies of the plans and documents listed below to make a recommendation for investment.

1. Ownership of the Building

You will need to own the building, have a lease in place, or be taking on ownership/a lease. If you are/will be taking a lease on the building it

will need to be a long lease in proportion to the amount of funding you are requesting. For the largest investments, this would need to be 25 years or more (with no break clause during this time).

You will need to have proof of ownership or a suitable lease (either land registry documents or a signed copy of the lease) before funds can be drawn down. If you do not already have these in place at the time of applying, you will be asked to provide draft agreements and proof that the current owner is willing to sell or enter the lease as part of the assessment process.

If you are asking us for funds to help complete the purchase of a building you will need to have heads of terms of the lease agreed.



Plans not at this stage yet?

You may be at a much earlier stage of planning your project. For example, you may not yet have completed a feasibility study, or been able to obtain a valuation for a building that you are planning to take on. If so, please don't apply to the Community Business Fund. You won't be successful.

Power to Change's other programmes may be better able to help you. The Bright Ideas Fund provides business development support and awards of up to £15,000 to help to community groups and organisations who have an idea for a new community business. We also have programmes that specifically support the early stages of community housing projects, community pubs or support for a Community Share Offer. See page 20 for more detail.

You might also find this information available from Locality useful, especially the [To Have and To Hold guide](#) at the end of the page which covers asset projects in some detail.

Part One | Can you apply?

Assets and buildings

2. Understanding the Costs and Risks involved

You will need an up-to-date (less than six months old) independent valuation of the building, structural survey and a feasibility study that considers the costs and risks of the building plans alongside alternative options.

You will need an up-to-date breakdown of the costs involved in the proposed works produced by a suitably qualified professional. We expect these costs to include contingency for cost over-run. The appropriate level of contingency will vary, but we expect contingency costs to be budgeted in the region of 10-15% of total project costs. Your business plan should include the additional costs involved in running and maintaining the building, and take into account the possibility of delays to the works.



3. Planning Permissions and Consents

You will need to have planning permission in place, along with any necessary statutory consents, before funds can be drawn down.

You must be in a position to draw down funds within six months of accepting an offer from us.

You will need to evidence that such permissions and consents are likely (and that you have been engaging with the appropriate planning and statutory departments) during your assessment.

You will need to ensure that any specialist surveys or requirements due to the heritage status of your proposal, or due to environmental factors, are met. You should seek advice from suitably qualified professionals.

4. Diversity and inclusion

You must be satisfied that you can meet your obligations under the relevant legislation, for example the Equality Act 2010.

We expect there to be disability access if we are funding building-related capital costs and you will need to prepare an access statement as part of your planning for the development. Have a look at our [disability inclusion guide](#) for more information.

You may wish to include revenue costs for advice from an accredited access consultant if you are planning a large building project. You can find an accredited consultant on www.nrac.org.uk

5. Environmental and Other Responsibilities

Consideration will be given to the environmental impact of the project and we may favour projects that provide greater community benefit because

Asset locks

As a charitable trust Power to Change must ensure that assets bought or developed with our funds are used for public benefit and charitable purposes. We also want to ensure that assets stay in community ownership in the long term. You will need to have an asset lock in your governing documents to make sure the building will stay in community hands. For certain types of organisation we may apply additional conditions on the grant to ensure that the asset is protected.

Power to Change does not take a charge on buildings that we fund, except in exceptional circumstances. **We do require, however, that organisations get our permission before taking out a charge that affects a building we have funded.** For example, if you needed to take out a commercial mortgage to fund the next stage of development work you would need to get our permission before doing so.

Many of the community businesses we support include a mixture of grant, loan and other funding. If you intend to take out a loan as part of the proposal please include details of this in your application. We can then make sure that we include permission to take out such finance at the same time as offering our investment.

Part One | Can you apply?

Assets and buildings

of the environmental measures involved. Practical support and advice is available through the [Fit for The Future Network](#).

You should also ensure that you are meeting your duties under Health and Safety legislation during the capital works and that you have suitable insurance in place to cover your responsibilities to staff, visitors and the public.

6. Project Management Resource and Expertise

One of the things that assessors will consider is whether your organisation has access to the experience and the resource that you will need to successfully complete the works. You'll need to have clear project management arrangements in place and, where you are using external experts, you will need copies of the briefs for the work to be commissioned.



You will need to evidence that you have sought appropriate experience on planning and building controls, and VAT. We also look for clear arrangements for the oversight of the works.

You can include revenue costs to support project management as part of your application (for example part of the salary costs for a project manager).

You might find this [practical guide on working with consultants](#) useful.

What you will need to provide if you reach assessment

- ▶ A copy of the land registry documents confirming you own the building or a signed long lease of at least 25 years (shorter leases will be considered for smaller grant values of no more than £200,000) or heads of terms and agreement from the current owner that they intend to agree a suitable sale or lease.
- ▶ An independent valuation of the building (less than six months old unless you have owned or leased the building for longer than that time)
- ▶ A survey of the condition of the building (less than six months old)
- ▶ Details of the costs involved in the planned work produced by a suitably qualified professional (less than six months old)
- ▶ Confirmation that you have planning permission for the planned works and copies of the relevant documents (or confirmation that permission will be in place within six months of being offered a grant)
- ▶ Confirmation that you have considered the legal obligations related to the works. A copy of the access statement for the building works.

Part Two | Application Process

How to apply

Before you begin

You should have done some initial planning, and be able to demonstrate how the proposal will make your community business grow or become more sustainable.

We strongly recommend that you read through **Part three: The application form** in this document before starting your application. This will help to make sure you have the right information available and help you answer the questions.

You should make sure you have the evidence you need to make a strong case for funding. If you are still at an early, exploratory stage with the proposal it may be better to apply to our [Bright Ideas Fund](#), or wait for a later funding round.

While unsuccessful applicants can apply again in future rounds we will reject re-applications that are the same or barely changed.

We will only accept one application per organisation per funding window. If you submit more than one application, we reserve the right to ask you to resubmit your preferred application in a future funding window.

How to apply

To apply for a Community Business Fund grant you will need to complete a single online application form. We will be in touch within six weeks to let you know if you are moving on to the detailed assessment stage.

Once the fund opens for applications on 11 September 2019 you can register and start the application process here: <https://www.powertochange.org.uk/get-support/programmes/community-business-fund/>

The fund closes on 9 October 2019 at 12 noon.

If you start your online application, but are unable to complete all the required information, don't worry. You can simply save your form and come back to it at a later date.

To access your form again, use the link we emailed to you when you first started it. You can then log in using your email address and the password you created.

If you forget your password, you can create a new one by clicking on "Forgotten your password?" and following the instructions.

What happens if my application is unsuccessful?

During each application window we receive approximately 250 applications and can only progress around 1 in every 8 applications. Only the strongest applications will be progressed.

If your application is unsuccessful, we will send you an email which briefly sets out which eligibility criteria your application did not provide evidence of meeting and/or the areas of your application which were less strong compared with other applications. The feedback is bespoke and tailored to each individual application. It highlights the section of the application which would need to be developed further to be considered for funding from the Community Business Fund. Unfortunately, due to the numbers of applications we receive, we are not able to provide more detailed feedback.

If an application of strategic importance to Power to Change (e.g. located in one of the places listed on pg 11) shows potential but has specific issues to be addressed before it could progress to assessment, we may offer you development support. If this support is successfully completed, your application could progress to assessment without the need to submit a new application. However, this does not guarantee your application will then be successful.

Part Two | Application Process

The process

Application stage 4 week window, decision within 6 weeks

- ▶ Read the application guidance to check if your project is eligible. You are more likely to submit a good application if you read the guidance.
- ▶ Check that you meet our criteria, particularly the [four community business criteria](#). Most unsuccessful applicants are declined because they aren't able to show clearly enough how they meet our definition of a community business.
- ▶ Register online. We will then email you a link to the application form.
- ▶ Fill out the application form online, before the application window closes. We will remove partially completed applications from the system in between application rounds. Application windows each last four weeks.
- ▶ Wait for a decision. We will tell you within six weeks of the application window closing if your application has sufficiently demonstrated your project's eligibility under the 12 criteria and is being progressed.
- ▶ If your application is one of those progressing, we will send you a link to the detailed assessment form so we can find out more information about your project.
- ▶ If your application isn't being taken forward, we will email you to let you know.

Complete online assessment 2 weeks to complete, decision within 2 weeks

- ▶ Fill out the detailed assessment form online within two weeks. This adds more detail to your initial proposal, as well as the supporting documents such as a business plan, financial accounts and governing documents for your organisation. You can contact UMi on 0300 1240444 if you have any questions about this part of the assessment process.
- ▶ Wait while we assess your more detailed information. We will review your detailed assessment form and the documentation you have submitted to decide if you are eligible to be considered for a grant.
- ▶ If your proposal can be taken forward, we will assign an assessor to review your application.
- ▶ If your application is not being progressed, we will contact you to let you know. The reason that applications at this stage do not progress further are generally because the more detailed information reveals that it does not meet the fund's eligibility criteria. For example, it may become evident that we can't fund the proposal under State Aid rules.

Work with your assessor Up to 20 weeks

- ▶ You will work with your assessor to develop your proposal, to be reviewed by the Power to Change grants committee. This will involve the assessor visiting your community business and working with you to complete an assessment report which will be presented to the Power to Change grants committee, if they recommend you for funding.

If your assessor is not recommending your proposal for funding, for example if it becomes apparent that it is not eligible or ready for funding through the Community Business Fund, your proposal will not go to the Power to Change grants committee. Your assessor will get in touch with you to explain why your application was unsuccessful.

- ▶ The Power to Change grants committee will then review your assessment report and make a decision about whether Power to Change will fund your proposal. We will contact you as soon as possible after the meeting and within one week to let you know whether you have been successful.

During this stage we may talk to you about revising your proposal, or to consider part-funding, other investment and the offer of development support. Your assessor will talk to you before making any recommendations or decisions about such changes.

Award Up to 4 weeks

If you are offered a Power to Change investment:

- ▶ We will send you an offer letter to sign and return.
- ▶ Sign and return the grant offer letter and any additional information required within four weeks. Applicants must be able to start their activities within a maximum of six months of signing their offer letter.
- ▶ Wait for confirmation from Power to Change that all is in order. You must sign your offer letter and return it before announcing the funding publicly.

Celebrate, announce your Power to Change investment, and get started on your community business development!

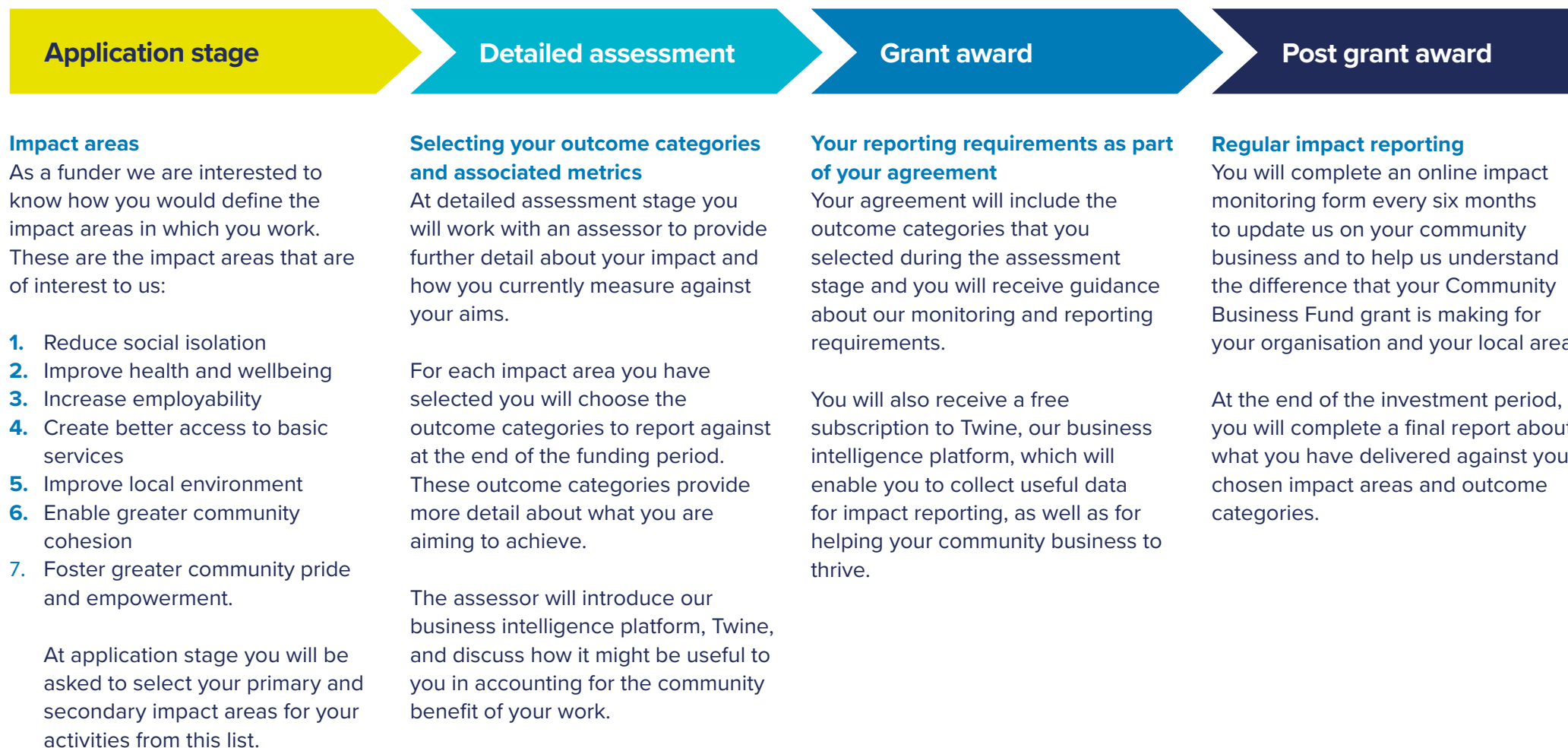
If you are unsuccessful:

- ▶ Your assessor will give you headline feedback and you will be sent feedback in writing about why your application was unsuccessful. The decision of the grants committee is final and unsuccessful applications won't be reconsidered. However, an unsuccessful application does not automatically exclude you from reapplying in the next funding window, and to other Power to Change funds and support.

Our website and helpline have information on alternative sources of funding and support for community businesses.

Part Two | Application Process

Impact information needed during application



Part Two | Application Process

Grantee support

Support and resources

We want to make it easier for community businesses not just to survive, but to thrive. To help, successful applicants will get access to:

► **Business development support**

We know that tailored business development support (BDS) can be a valuable way to strengthen community businesses and build resilience. Therefore, all successful applicants to the Community Business Fund are paired with a peer broker (another community business) to work with them to identify their BDS needs. Where BDS needs are identified, we will award a grant for BDS. There isn't a separate application process for this support. This is an exciting bottom up approach to support grantees to strengthen their resilience and capacity. Find more about our peer brokers: <https://www.powertochange.org.uk/about-us/our-people/#peer-brokers>

► **Free access to Twine, our business insights platform.**

Twine is designed to be both simple and powerful; it aims to make time-consuming data gathering processes faster and easier. It will enable you to capture:

- **Volunteering data:** what are they doing, when, for how long, and demographic data.
- **Visitor data:** why they are visiting and demographic data.

- **A data dashboard** that presents all your data in tables and automatic charts.
- **Ongoing user-led development.** Have a bright idea? Get in touch!

Free support and training are available for all Twine users. The data gathered on the platform is shared with Power to Change to help us understand the activities and impact of community businesses nationally. Help yourself to easy data capture and help us make the case for community business! Find out more at: www.twine-together.com

► **Power Up! grantee events**

All the community businesses Power to Change invests in are invited to our Power Up! events. There you'll find out how to maximise your relationship with Power to Change, and build connections with other community businesses across England.

► **Resources and advice**

the Power to Change website has a host of [free resources](#) for growing your community business. And our sector experts regularly give valuable insight and advice via our [blog](#) based on research and experience. Check out the [MyCommunity website](#) for other funding and support from across the sector.

Be part of the community business movement

There are nearly 8,000 community businesses in England and lots of ways to connect and learn from other community business leaders like you:

- **[Find community businesses near yours](#) by checking our interactive map**
- **[Join the Community Business Network on Facebook](#) to tap into shared knowledge**
- **[Follow @peoplesbiz](#) on Twitter for news and updates about the community business world**
- **[Sign up to the Power to Change newsletter](#) to receive details about events, training and funding opportunities straight to your inbox.**
- **[Join a peer network](#) to meet organisations like yours.**
- **Take part in [Community Business Weekend](#), a national open-doors celebration 14-17 May. Get involved and get free bunting!**

Part Two | Application Process

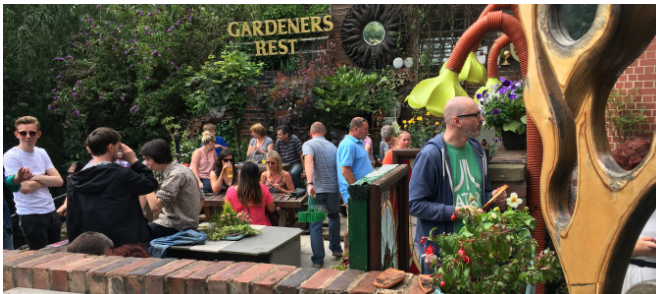
Other Power to Change support

Power to Change has other funding and support programmes to help develop community business.

Helping start community businesses

Community Business Bright Ideas Fund

The [Community Business Bright Ideas Fund](#) is a support programme for community groups or organisations at an early stage of development, who want to become community businesses and want to have a local, social impact. Successful applicants initially receive one-to-one business support from an advisor appointed by Locality, and then may have the opportunity to apply for a small grant. [Sign up to our newsletter](#) to find out when the programme reopens.



More than a Pub

The '[More than a Pub](#)' programme aims to bring pubs into community ownership and develop their role as centres of community which provide services for local people. 'More than a Pub' offers a package of business development support, advice and loan and grant funding to groups in England to

help them establish community-owned pubs. It is open for applications.

Homes in Community Hands

Our [Homes in Community Hands](#) programme supports communities to develop their own housing solutions to deliver affordable homes for local people. Revenue grants averaging £50,000 are available for community groups in the early stages of their community-led housing development to support feasibility and pre-development work. Funds will be mostly focused in Leeds City Region, Liverpool City Region, Tees Valley City Region, West of England and West Midlands. Funds will also be available to genuinely innovative community led housing proposals anywhere in England. It is open for applications.

Growing existing community businesses to become sustainable

Community Shares Booster Programme

The £1.6 million [Community Shares Booster Programme](#) matches the investment raised by community businesses through community share issues. It offers up to £100,000 in matched funding and a possible £10,000 business development support grant to get share offers ready. The programme is delivered by the Community Shares Unit and is open for applications.

Did you know?

5% of Power to Change's endowment funds the work of our Research Institute to help us make the case for community business, by commissioning high quality research, promoting rigorous analysis and stimulating critical scrutiny and debate. In doing so we aim to shape both policy and practice.

Every year we research:

► **Annual state of the community business market** to understand which sectors are growing, and how they compare to traditional SMEs and charities.

► **Annual grantee survey** to understand what we are doing well, what we could do better and the impact our programmes are having.

We've also published research on asset transfers, the future of localism, libraries, the social value act, accountability and success guides to room hire, community cafes and lettings.

And we recently published our [interim evaluation of the Community Business Fund](#).

Part Three | The application form

In this section you will find all the questions from the application form, information about why we ask specific questions and tips to help you answer the questions.

We've tried to keep the form simple, while collecting all of the information we need to make decisions about which applications to take further. We ask direct questions wherever possible to gather factual information (on your organisation, or on finances), while leaving free text for you to describe your proposal and the difference it will make in your own words.

The application form has seven sections:

- ▶ A. Proposal overview - 7 questions
- ▶ B. Organisation details - 12 questions
- ▶ C. Financial information - 9 questions
- ▶ D. Locally rooted - 7 questions
- ▶ E. Accountable to the local community - 3 questions
- ▶ F. Trading for benefit of the local community - 8 questions
- ▶ G. Broad community impact of the community - 4 questions



The application process with Power to Change enabled us to really think about the difference our project was making to the local community and how it stacked up financially.

Marie Osborne, Director of Future Wolverton, a Power to Change grantee



If you are successful, we will ask you for more information and you may be visited by an assessor, before we make a decision at grants committee. Find out more about the application process on the next page.

Did you know?

You can get in touch with our grant partner, UMi, at any point during your application process for free advice and guidance.



**Call UMi's helpline on
0300 1240444**

The helpline is open Monday to Friday from 9am until 5pm (4.30pm on Friday). Calls are charged at the same as a national call rate.



**Email UMi:
cbf@weareumi.co.uk**

We aim to respond to email enquiries within one working day.



Webchat

During helpline opening hours you can also use webchat to get help with your application. Visit <https://www.powertochange.org.uk/get-support/programmes/community-business-fund/> and open a chat box.

Part Three | The application form

A.Proposal overview

This section asks you to provide general information about your project to help us understand what you are aiming to achieve.

QUESTION	QUESTION GUIDANCE
1. Proposal title	In 140 characters, using simple language, give your proposal a title which summarises what you aim to achieve. For example, “Conversion of a disused building into a village community café where local people can gather for social activities and to enjoy good food.”
<p>2. What is the main type of activity your proposal involves?</p> <p>Choose one sector.</p> <ul style="list-style-type: none"> ▶ Arts centre or facility ▶ Community hub, facility or space ▶ Community pub, shop or café ▶ Employment, training, business support or education ▶ Energy ▶ Environmental or nature conservation ▶ Food catering or production (including farming) ▶ Health, care or wellbeing ▶ Housing ▶ Income or financial inclusion ▶ Sports and leisure ▶ Transport ▶ Visitor facilities or tourism 	<p>Your activities may span more than one sector type. Select the main sector type which best describes your plans. You can then provide further description by selecting multiple subsector types.</p> <p>For example, for a community shop which is also a community hub, select “Community Pub, Shop or Café” for the main sector. For the subsector, provide further description by selecting “Community Space, Hub or Centre”</p>

Part Three | The application form

A.Proposal overview (cont.)

2. What is the main type of activity your proposal involves? (cont.)
Select all subsectors which apply (up to a maximum of five).

- ▶ Arts centre or activities
- ▶ Business support
- ▶ Business or workspace
- ▶ Care service or facility (e.g. nursing home)
- ▶ Community café
- ▶ Community pub
- ▶ Community space, hub or centre
- ▶ Community shop
- ▶ Conservation of the environment
- ▶ Construction activities
- ▶ Education support
- ▶ Employment support or training
- ▶ Energy generation
- ▶ Finance or credit
- ▶ Food catering or production
- ▶ Leisure facility (e.g. cinema)
- ▶ Library
- ▶ Media or publishing
- ▶ Mental health or wellbeing
- ▶ Physical health or wellbeing
- ▶ Provision of housing
- ▶ Sports facility or activities
- ▶ Transport
- ▶ Visitor attraction
- ▶ Waste reduction, reuse or recycling

Your proposal may span more than one sector type. Select the main sub-sector types which best describes your plans.

For example, for a community shop which is also a community hub, select “Community Pub, Shop or Café” for the main sector. For the subsector, provide further description by selecting “Community Space, Hub or Centre”

Part Three | The application form

A.Proposal overview (cont.)

<p>3. Please provide a brief description of your organisation and your organisation's aims.</p> <p>You have 600 characters, which is approximately 100 words.</p>	
<p>4. Please describe your proposal.</p> <p>You have 1800 characters, which is approximately 300 words.</p> <p>Your answer to this question should include:</p> <ul style="list-style-type: none"> ▶ an overview of the overall proposal ▶ how this proposal fits with the aims of your organisation ▶ details of what you are requesting funding from Power to Change for 	<p>Please refer to our full application guidance which provides examples of what Power to Change can and can't fund as part of the Community Business Fund.</p>
<p>5. What will Power to Change funding help you to achieve for your organisation? Please select all that apply.</p> <ul style="list-style-type: none"> ▶ To purchase, expand, develop or refurbish private premises or land ▶ To move from volunteer led to employing full-time staff ▶ To significantly increase the number of employees ▶ To expand services or activities ▶ To improve quality of product or service ▶ To takeover or purchase a public asset ▶ To replace grants with trading ▶ To generate additional revenue streams ▶ Other (Please specify- 20 words max) 	<p>This helps us to understand how Power to Change funding will impact on your organisation.</p>

Part Three | The application form

A.Proposal overview (cont.)

<p>6. Has your organisation previously applied for a Power to Change programme? If yes, please select all programmes which you have applied to.</p> <ul style="list-style-type: none"> ▶ Bright Ideas Fund (via MyCommunity) ▶ Bright Sparks competition (now closed) ▶ Community Business Fund ▶ Community Business Leadership Programme (via The RSA) ▶ Community Business Trade Up Programme (via School for Social Entrepreneurs) ▶ Community Shares Booster Programme (via the Community Shares Unit) ▶ Community Shares Start-Up Fund (via Crowdfunder) ▶ Homes in Community Hands fund (via Community-led Homes) ▶ Empowering Places Programme (applications were by invitation only) ▶ Health and social care community of practice ▶ Initial Grants Programme (now closed) ▶ Innovation and Infrastructure Fund (now closed) ▶ More than a Pub Programme (via Plunkett Foundation) ▶ Next Generation Community Energy programme ▶ Peer Network Programme (now closed) ▶ Places Programme (applications are by invitation only) ▶ Power to Change grant with Key Fund loan ▶ Power to Change grant with SASC loan ▶ Power to Change Research Institute grant 	<p>Power to Change works in partnership with different organisations to deliver a range of support and funding programmes.</p> <p>You are allowed to apply to more than one Power to Change programme. If you have been unsuccessful with an application to another programme, we would still welcome an application from you if your proposal meets the criteria for this fund.</p>
<p>7. If you have previously applied to the Community Business Fund and been rejected, please explain how you have addressed the feedback provided and what changes have been made to your application. Word limit: 600 characters</p>	

Part Three | The application form

B.Organisation details

This section asks for information about your organisation and any other connected organisations, to help us understand the legal structures around your proposal.

QUESTION	QUESTION GUIDANCE
1. Organisation name (as listed with regulatory or registration body)	Organisation names should be written as registered with Companies House, the Charities Commission or other registration or regulatory bodies such as Financial Conduct Authority.
2. Organisation website	
3. List any other names your organisation is known by	For example, please include any working names or trading names
4. Please confirm if you are applying as part of a consortium. <ul style="list-style-type: none"> ▶ Yes, I am applying as part of a consortium and I am the consortium lead ▶ I am applying as part of a consortium. I am not the consortium lead ▶ Not applicable. I am not applying as part of a consortium. 	If you are applying as part of a consortium of organisations, the consortium lead organisation needs to complete this form.
▶ 5. If yes, list the other members of the consortium	Organisation names should be written as registered with Companies House, the Charities Commission or other registration or regulatory bodies such as Financial Conduct Authority.

Part Three | The application form

B.Organisation details (cont.)

<p>6. Is your organisation a trading subsidiary of a parent organisation?</p> <p>▶ Yes / No</p>	<p>We are asking this question to understand the level of control your community has over your organisation.</p>
<p>▶ 7. If yes, provide the name of the parent organisation</p>	
<p>8. What year was your organisation founded?</p>	
<p>9. What is your organisational legal structure?</p> <ul style="list-style-type: none"> ▶ Charitable Incorporated Organisation ▶ Community Benefit Society ▶ Community Interest Company Limited by Guarantee ▶ Community Interest Company Limited by Shares ▶ Company Limited by Guarantee ▶ Company Limited by Shares ▶ Co-operative Society ▶ Trust ▶ Unincorporated Association ▶ Other (please specify - 20 words max) 	<p>Power to Change will fund a broad range of organisational types. This information helps us understand whether there may be private benefit from your activities.</p>
<p>10. Is your organisation a charity?</p>	<p>Yes/No</p>
<p>11. If your organisation is a charity, is it registered with the Charity Commission?</p>	<p>Yes/No</p>

Part Three | The application form

B.Organisation details (cont.)

12. Please input all applicable registration numbers. ▶ Companies House Registration Number ▶ Charity Registration Number ▶ Society Registration Number	We will use this registration number to search external information sources to verify information about your organisation and its finances, such as the Companies House website, the Charity Commission website and the Financial Conduct Authority website.
13. Provide the registered address for your organisation	This is the address which you have provided to your regulatory/registration body
14. Provide the correspondence address for your organisation	

Part Three | The application form

C.Financial information

This section asks about financial data for your proposal and your organisation. This is to help us understand the existing level of trading of your business and how that contributes to your organisation's overall financial health. This section also asks about any other sources of funding you are seeking for this proposal, as Power to Change will fund no more than 75% of your revenue costs and/or no more than 75% of your building related capital costs.

QUESTION	QUESTION GUIDANCE
<p>1. Please provide a breakdown of your total costs.</p> <p>For each item of spend we ask you to provide:</p> <ul style="list-style-type: none"> ▶ Total cost (£) ▶ Amount requested from Power to Change (£) <p>And to select if it is</p> <ul style="list-style-type: none"> ▶ Revenue cost ▶ Capital cost - building related ▶ Capital cost – other <p>Please input data in £ rather than £ 000. For example, If the amount you want to enter is £20,000, please enter 20000 and not 20. Please don't use commas when inputting your financial data.</p>	<p>This will include costs you are asking Power to Change to fund and costs you plan to fund through other sources. Power to Change will fund up to 75% of revenue costs, up to 75% of the building-related capital costs and 100% of other capital costs.</p> <ul style="list-style-type: none"> ▶ An example of a revenue cost is the cost associated with paying people for their services, for example, architect fees or employee salaries. ▶ An example of a building related capital cost is the purchase, expansion or renovation of a building. ▶ An example of other capital costs is the purchase of vehicles. <p>When planning your budget, Power to Change expects that most of the investments it makes will be spent within one year of community businesses receiving the funding.</p> <p>Power to Change reserves the right to award funding for a maximum of two years where its necessity is well-evidenced in the application.</p>
<p>2. What time period are you looking for the Power to Change investment funding to cover?</p>	<p>When planning your project budget, Power to Change expect that most of investments it makes will be spent within one year of community businesses receiving the funding. Power to Change reserves the right to award funding for a maximum of two years where its necessity is well-evidenced in the application.</p>

Part Three | The application form

C.Financial information

<p>3. Does your proposal involve the purchase of land, the purchase of a building or significant building work?</p> <p>▶ Yes / No</p>	
<p>4. If yes, please tell us:</p> <ul style="list-style-type: none"> ▶ who currently owns the building or land ▶ on what terms it is being made available to you, i.e. the type of the tenure (freehold or leasehold) and, if leasehold, the length of the tenure and any associated annual charges. ▶ when you anticipate being able to take ownership of the building or land if your application to this fund is successful <p>You have 300 characters, which is approximately 50 words.</p>	<p>Please make sure that you have read the Assets and Buildings Criteria in the application guidance and are aware of the additional criteria for such applications.</p>

Part Three | The application form

C.Financial information (cont.)

5. What other funding have you already received or are you applying for to cover the remaining costs of this proposal?

For each source of funding we ask you to select:

Funding type

- ▶ Grant funding
- ▶ Contract
- ▶ Community shares
- ▶ Loan finance
- ▶ Donation
- ▶ Reserves
- ▶ Other

Source of funding/Name of funder:

- ▶ Access
- ▶ Architectural Heritage Fund
- ▶ Arts Council
- ▶ Big Issue Invest
- ▶ The National Lottery Community Fund
- ▶ Big Society Capital
- ▶ Comic Relief
- ▶ Esmée Fairbairn Foundation
- ▶ Heritage Lottery Fund
- ▶ Locality (UK)
- ▶ People's Health Trust
- ▶ Plunkett Foundation
- ▶ The Wolfson Foundation
- ▶ Sport England
- ▶ Other

Amount sought (£)

Amount secured (£)

Amount not secured (£)

We want to know how you are planning on covering the full costs of the proposal. You can include income which you have already received and spent, if it has been towards this particular proposal. Please only list income related to this proposal.

Please input data in £ rather than £ 000. For example, If the amount you want to enter is £20,000, please enter 20000 and not 20. Please don't use commas when inputting your financial data.

We also need you to confirm whether receipt of each source of funding is dependent on whether or not you are successful in your investment application to Power to Change. For example, if it is a match funding arrangement or if you will be unlocking local finance if you receive a Power to Change investment.

Contributions from existing reserves can be included as a funding source, but we cannot accept income from future trading as a funding source.

Part Three | The application form

C.Financial information (cont.)

<p>6. Please confirm which financial accounts you have used to provide the financial information in this application form.</p> <ul style="list-style-type: none"> ▶ Your organisation's annual accounts ▶ Your organisation's management accounts ▶ Your parent organisation's annual accounts ▶ Your parent organisation's management accounts ▶ We do not have one year's financial accounts 	<p>The Community Business Fund is looking to fund organisations which have at least 1 year of financial accounts.</p> <p>The data you provide should be from your last set of year end annual accounts which have been audited or independently examined. If you don't have a set of audited or independently examined accounts, please use your management accounts.</p> <p>Alternatively, if your organisation is a subsidiary of an established organisation, you can provide the financial accounts of the parent organisation; or if you are applying as part of a consortium, the consortium lead will provide their accounts.</p>
<p>7. What is the financial year end for this set of accounts? Please select month and year</p>	<p>If selected "We do not have one year's financial accounts, this question is not relevant.</p>
<p>8. Please provide the following financial information for your organisation for your latest set of financial accounts:</p> <ul style="list-style-type: none"> ▶ Income ▶ Expenditure ▶ Assets ▶ Liabilities ▶ Unrestricted reserves (if applicable) 	<p>Please use the data shown in your management or annual accounts.</p> <p>We are gathering this data to help us understand the scale of the proposed activities compared to the scale of existing work you currently do.</p> <p>Here is guidance about unrestricted reserves: what should be included when calculating a charity's unrestricted reserves.</p> <p>Please input data in £ rather than £ 000. For example, If the amount you want to enter is £20,000, please enter 20000 and not 20. Please don't use commas when inputting your financial data.</p>

Part Three | The application form

C.Financial information (cont.)

9. Please provide commentary on your financial information if you think it is relevant to your application.

You have 600 characters, which is approximately 100 words.

For example, you should provide commentary if:

- ▶ you have significant assets, such as one or more buildings. We are interested to know the split between your fixed assets, such as buildings, and your current assets, such as cash in the bank.
- ▶ you are a charity and have a very high level of unrestricted reserves which could be spent on charitable activities.
- ▶ you have a small turnover and are requesting a large investment from Power to Change. If so, we want to hear about the financial management experience of your organisation and the people involved.

Part Three | The application form

D. Locally rooted

This section asks about the area in which your community business works and the needs of the communities your business serves.

QUESTION	QUESTION GUIDANCE
<p>1. Please describe the geographical area(s) your community business serves.</p> <p>You have 600 characters, which is approximately 100 words.</p>	<p>A community business works to bring benefits to its local community. This is a clearly defined geographical area e.g. a neighbourhood, a ward, a village or a subsection of a city. This is your area of benefit.</p> <p>A community business may choose to conduct its trading activities across a broader area than its local community in order to create a sustainable business model and to bring greater benefit to its local community. This is your area of trading.</p> <p>Please describe both your current area of benefit and your current area of trading. Your area of trading may be the same as your area of benefit.</p> <p>Please also explain why the postcodes you have selected below are representative of your area of benefit.</p>
<p>2. Please provide us with an estimate of the population size of your local community (your area of benefit).</p>	<p>This should show the number of people living in your local community, not just the number of people your organisation is currently engaged with.</p>

Find out more

Watch this video about Granby Four Streets, a community-led housing regeneration community business to understand what we mean by locally rooted.

Please refer to the Charity Commission's guidance on charitable purpose to check if your proposal meets charitable needs: www.gov.uk/government/publications/charitable-purposes/charitable-purposes

Part Three | The application form

D. Locally rooted (cont.)

<p>3. Please select up to three postcodes which are representative of your area of benefit and the communities your organisation serves.</p>	<p>We understand that the area you work in may be larger than 3 postcodes.</p> <p>Power to Change will use these postcodes to access relevant statistics and data about your local area to help us understand the needs of the communities your business serves. We will use data from this open data source dclgapps.communities.gov.uk/imd/idmap.html</p>
<p>4. Tell us about how your local community played a role in setting up your organisation and developing your proposal.</p> <p>Please describe:</p> <ul style="list-style-type: none"> ▶ how you know there is demand for your proposal in your local community e.g. has there been a petition, a public campaign or other show of support for the proposal. ▶ how the community is supporting the proposal, e.g. through donations of time/gifts or via crowdfunding <p>You have 1800 characters, which is approximately 300 words.</p>	<p>Please explain how you know there is a demand for your proposal in your community and any consultation or market research which you have completed to demonstrate this. We want to hear about your area from your community's perspective.</p> <p>We are interested in funding proposals with a clearly defined and focused area. We are highly unlikely to fund regional applications. If you are working in a city, please describe the specific neighbourhood you work in within that city.</p>

Part Three | The application form

D. Locally rooted (cont.)

<p>5. Tell us about the people who are engaged with your organisation. We are interested in finding out how many people are engaged with your organisation overall, and how many of those are from your local community.</p> <p>Rows</p> <ul style="list-style-type: none"> ▶ Full time staff ▶ Part time staff ▶ Regular volunteers ▶ Customers/Service users (per month) <p>Columns</p> <ul style="list-style-type: none"> ▶ Total number of people ▶ Number of people who are from your local community 	<p>Input data for all that apply. If you don't know the exact figures, please provide an estimate.</p> <p>For example, your organisation employs 5 staff in total and 3 of these staff are from your local community. In this situation, input Total number of people engaged = 5 and Number of people from the community you serve = 3.</p> <p>Regular volunteers are people who are engaged with your organisation on a frequent basis, for example, weekly or fortnightly.</p> <p>This question will help us to understand the level of community engagement in the day to day running of the business</p>
<p>6. How many Full Time Equivalent (FTE) staff does your organisation employ?</p>	<p>Example: A standard working week is five days. If you employ someone who works for 5 days a week, that person is full time and this corresponds to 1 FTE.</p> <p>If you employ 3 people who work part time and each works 2.5 days, each person is 0.5 FTE. In total, you have $3 \times 0.5 = 1.5$ FTE.</p>
<p>7. On average, how many hours do your volunteers contribute to your organisation each week?</p>	<p>To calculate the total number of hours per week, please add up the total number of hours contributed by each volunteer. For example, if you have two volunteers, one who gives 12 hours a week and another gives 20 hours a week, the total number of hours volunteered per week is 32.</p>

Part Three | The application form

E.Accountable to the local community

Power to Change funds organisations that are run by, and accountable to, their local community. This section allows you to tell us about how your organisation actively engages local people in decisions about your proposal and your organisation.

Find out more

QUESTION	QUESTION GUIDANCE
<p>1. Power to Change funds organisations that are run by and accountable to their local community. This section allows you to tell us about how your organisation actively engages local people in decisions about:</p> <ul style="list-style-type: none"> ▶ your proposal ▶ your organisation <p>You have 1800 characters, which is approximately 300 words.</p>	<p>Communities can have a genuine say in how your organisation is run in many ways which may include one of, or a combination of, the methods listed below:</p> <ul style="list-style-type: none"> ▶ regular and ongoing consultation ▶ membership ▶ ownership ▶ co-production of activities or services <p>Please tell us about how the community is involved in ongoing and regular decision making for your proposal and your organisation.</p> <ul style="list-style-type: none"> ▶ Who are the communities you serve and who do you see your business as being responsible to? ▶ How do you consult with your community and how do you engage with a broad range of people? ▶ How often do you consult? ▶ What did your organisation start/stop/continue doing as a result of your last consultation? ▶ How has your service or proposal been co-produced with the local community?

Watch this video
about Sheffield Live,
a community media
hub to understand
what we mean by
accountable to the
local community.

Part Three | The application form

E.Accountable to the local community

<p>2. If your organisation has members, please tell us about them.</p> <ul style="list-style-type: none"> ▶ Who is eligible to become a member? Is your membership open to everyone? ▶ How do people become a member? ▶ How much does it cost to become a member and are their ongoing fees? ▶ What powers do members have over the running of your organisation? ▶ How engaged are your members in the running of your business? When was your last public meeting (e.g. your Annual General Meeting) and how many people attended? ▶ If you have undertaken a community share offer, please tell us about how you engage with your member shareholders <p>You have 1200 characters, which is approximately 200 words.</p>	
<p>3. Tell us about the people involved in your organisation's governance.</p> <ul style="list-style-type: none"> ▶ Trustees or directors (unpaid) ▶ Trustees or directors (paid) ▶ Member shareholders (e.g. members who have purchased community shares) ▶ Investor (e.g. people who have financially invested in your organisation and are not members) ▶ Members who aren't trustees or directors or shareholders (e.g. society or charity members) 	<p>Please provide the total number of people engaged as well as letting us know how many of those people come from your community.</p> <p>Input numbers against all that apply for your organisation. If you don't have exact figures, please provide an estimate. We want to understand the level of community ownership of your community business.</p>

Part Three | The application form

F.Trading for the benefit of the local community

This section asks about the current trading performance of your community business and how this trading benefits your local community.

[Find out more](#)

QUESTION	QUESTION GUIDANCE
<p>1. Our organisation is currently trading (earning income through the sales of goods and/or services)</p> <p>► Yes/No</p>	<p>Power to Change is interested in understanding if your organisation is currently earning income through trading such as:</p> <ul style="list-style-type: none"> ► trade with the public via direct sales ► trade with other businesses or with the public sector e.g. through contracts <p>Please do not include grant income as trading income.</p>
<p>2. What year did your organisation start trading goods and/or services?</p>	

Watch this video
about Burton Street Foundation, a vibrant community hub, to understand what we mean by trading for the benefit of the local community.

Part Three | The application form

F.Trading for the benefit of the local community

3. Please provide information on each of the different types of trading your organisation undertakes.

Rows:

- ▶ Trade with public
- ▶ Trade with other businesses, including contracts
- ▶ Trade with Local Authorities, including contracts
- ▶ Trade with public sector (excluding Local Authorities), including contracts
- ▶ Trade abroad with the public, other businesses and/or the public sector, including contracts
- ▶ Totals

Columns

- ▶ Current trading income
- ▶ Trading income forecast for end of funding period

If you don't have exact figures, please provide estimates.

Please input data in £ rather than £ 000. For example, If the amount you want to enter is £20,000, please enter 20000 and not 20. Please don't use commas when inputting your financial data.

This is to help us to understand the risk of your proposal coming under State Aid rules.

Part Three | The application form

F.Trading for the benefit of the local community

<p>4. How much did your organisation spend on trading goods and/or services in the year of your latest set of financial accounts?</p>	<p>Please only provide the amount of expenditure which was due to your trading activities.</p> <p>If you don't have an exact figure, please provide an estimate.</p> <p>Please include all relevant costs such as:</p> <ul style="list-style-type: none"> ▶ staff costs ▶ office expenses ▶ costs of producing the products or delivering the services etc.
<p>5. If you are not currently trading, please select the year when you anticipate starting trading?</p>	<p>Select a year.</p>
<p>6. Tell us about your organisation's trading activities and how these will be developed through the proposal.</p> <p>Please describe:</p> <ul style="list-style-type: none"> ▶ your organisation's current trading activities ▶ your future trading plans and how you have calculated your trading income forecast ▶ how your proposal will help your organisation to increase and/or diversify your trading income ▶ how this will put your organisation in a more financially stable position by the end of the proposed funding period. ▶ how your organisation will cover the running costs of any new assets/activities and how staff costs will be covered after the end of the proposed funding period. 	<p>Please consider how your organisation will cover the running costs of any new assets or activities and how staff costs will be covered after the end of the proposed funding period.</p> <p>If your organisation is not currently trading, it is especially important that you explain what research and evidence your trading income forecast is based on.</p> <p>You have 1800 characters, which is approximately 300 words.</p>

Part Three | The application form

F.Trading for the benefit of the local community (cont.)

7. What is your current trading ratio and your forecasted trading ratio for the end of the funding period?

- ▶ Total income for your organisation forecast for the end of the funding period
- ▶ Current trading ratio
- ▶ Trading ratio forecast for the end of the funding period

The Community Business Fund aims to improve the financial sustainability of community businesses through support to increase trading income and reduce grant dependency.

Your trading ratios will be used to understand what proportion of your organisation's current and future income is expected to come from trading. Stronger applications will demonstrate a higher proportion of income from trading and a more significant increase in the proportion of income from trading forecasted for the end of the funding period. We will monitor trading ratios throughout the period we invest in your organisation to check how they increase as a result of the Community Business Fund investment.

Your current trading ratio will be automatically calculated based on:

- ▶ Your figure provided for total income from your last set of financial accounts in the Financial Information section
- ▶ Your figure provided for current trading income in the previous question

Your forecasted trading ratio for the end of the funding period will be automatically calculated based on:

- ▶ Your figure provided for forecasted total income as part of this question
- ▶ Your figure provided for trading income forecast for the end of the funding period in the previous question

Please check that the figures provided are accurate.

Part Three | The application form

F.Trading for the benefit of the local community (cont.)

8. Select and rank up to four charitable purposes that your proposal will address.

- ▶ The prevention or relief of poverty
- ▶ The advancement of education
- ▶ The advancement of health or the saving of lives
- ▶ The advancement of citizenship or community development
- ▶ The advancement of the arts, culture, heritage or science
- ▶ The advancement of amateur sport
- ▶ The advancement of environmental protection or improvement
- ▶ The relief of those in need because of youth, age, ill-health, disability, financial hardship or other disadvantage

Power to Change is a Charitable Trust and as such can only provide funding for activities which have [a charitable purpose](#). This does not mean that your organisation has to be a charity. Power to Change funds organisations with a variety of legal structures.

There are certain charitable purposes which we cannot fund as they are outside of our charitable remit, for example, the advancement of religion. We are also unable to fund services which are regarded as statutory or Government provision.

Part Three | The application form

G.Broad community impact

This section asks about the change your proposal is looking to bring about in your community and the positive impact of this change.

[Find out more](#)

QUESTION	QUESTION GUIDANCE
<p>1. Please select one primary impact area and one secondary impact area for your proposal.</p> <p>This will help us to understand the impact your proposal will have on your local community.</p>	<p>We are interested in knowing the outcomes you are working on as part of your proposal. In particular we would like to know whether your proposal fits with one of our 7 core outcome areas, listed below:</p> <ul style="list-style-type: none"> ▶ Reduce social isolation ▶ Improve health and wellbeing ▶ Increase employability ▶ Create better access to basic services ▶ Improve local environment ▶ Enable greater community cohesion ▶ Foster greater community pride and empowerment

Watch this video
about Homebaked,
a community bakery,
to understand what
we mean by broad
community impact.

Part Three | The application form

G.Broad community impact (cont.)

2. Who are the main beneficiary groups for your proposal?

Please select a maximum of three.

- ▶ Black, Asian and Minority Ethnic
- ▶ Children
- ▶ Disability (learning)
- ▶ Disability (physical)
- ▶ Ex-offenders
- ▶ Homeless
- ▶ Living in poverty
- ▶ Long-term unemployed
- ▶ Older people
- ▶ Parents
- ▶ People with addiction issues
- ▶ People with long-term health conditions
- ▶ People with mental health needs
- ▶ Refugees and migrants
- ▶ Victims of crime
- ▶ Young people
- ▶ Other specific target groups (Please specify - max 50 words)
- ▶ Our organisation does not work with specific disadvantaged groups

Your application will not be eligible for this fund if it only serves and benefits one specific beneficiary group, unless you are able to demonstrate how your focus on one group has direct benefits for other members of the local community.

We ask this question to understand the charitable need your proposal is addressing.

Part Three | The application form

G.Broad community impact (cont.)

<p>3. What will be different about your community and your local area in three years' time if your application is funded?</p> <p>You have 1800 characters, which is approximately 300 words.</p>	<p>Please relate this to the impact areas you have selected.</p> <p>Tell us about:</p> <ul style="list-style-type: none"> ▶ how your proposal will benefit a variety of different groups and address any needs you have identified in your community. ▶ the changes you want to see and how investment from Power to Change will help you achieve this. ▶ the current strengths and assets in your local area and how your proposal aims to build on these to address any challenges your community faces. ▶ if your organisation supports specific beneficiary groups, please describe how the wider community and other groups can also get involved and benefit from your proposal. <p>We want to hear about your area from your community's perspective.</p>
<p>4. How does your organisation ensure that its governance, staff, volunteers and customers/service users are representative of your local community (area of benefit)?</p> <p>You have 1200 characters, which is approximately 200 words.</p>	<p>Please tell us:</p> <ul style="list-style-type: none"> ▶ how your organisation actively encourages equality of opportunity for a wide variety of people from your local community, particularly those experiencing disadvantage, to engage with your organisation. ▶ how your organisation works to include groups which may, in the absence of such effort, be excluded from participating. For example, disabled people, transgender people, people with Black and Minority Ethnic (BAME) backgrounds. See our disability inclusion guidance for further information and guidance on this topic. ▶ how your organisation puts its equality and diversity policy into practice in its day to day work.

Part Four | FAQs

We know you will probably have more questions about your application. You can find frequently asked questions (FAQs) about the Community Business Fund on our website here:

<https://www.powertochange.org.uk/get-support/programmes/community-business-fund/>

We keep FAQs up to date but if you still can't find an answer to your query, you can get in touch with our grant administration partner, UMi, on their helpline **0300 1240444** or email cbf@weareumi.co.uk

