



Community Business Bright Ideas Applicant Guidance

How to make your application stronger



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About this guidance

This guidance will help you to decide whether the Power to Change Community Business Bright Ideas programme is right for you. It includes information about the types of projects that Bright Ideas 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 to complete the application form.

Part one: Explores the criteria and will help you to decide whether Bright Ideas is right for you.

Part two: Provides information about the support and grant opportunity available

Part three: Provides information about how to apply and the application and assessment process.

Part four: Offers detailed notes that will help you complete your application, including a preview of the application form.

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

Get in touch

If you have questions at any point during your application process, you can get in touch with Locality for free advice and guidance.



Email us

You can email us at

brightideas@locality.org.uk

For FAQs and additional information such as the webinar go to: https://mycommunity.org.uk/funding-options/bright-ideas-fund/



About this programme

Do you have a bright idea for a community business? Need a bit of help developing it and making it a reality? Then this is the fund for you. Bright Ideas provides business development support, grants of up to £15,000, and opportunities to learn from other community businesses.

Power to Change is an independent trust, whose funding is used to strengthen community businesses across England. At a time when many parts of the UK face cuts, neglect and social problems, we are helping local people come together to take control, and make sure their local areas survive and stay vibrant.

No one understands a community better than the people who live there. In many areas, people are already coming together to solve problems for themselves, and our support can help get businesses off the ground which recycle money back into the local area and benefit the whole community. Community businesses revive local assets, protect the services people rely on, and address local needs.

Between 2016 and 2018, the Bright Ideas programme was jointly funded by Power to Change and the Ministry for Housing, Communities and Local Government. It is currently fully funded by Power to Change. Since 2016, Bright Ideas has supported 150 nascent community businesses. Power to Change has committed a further £3 million to support 150 new community business ideas over the next three years.

There are two rounds planned for 2019 and we expect to support between 30 to 35 groups in each round. As before, we're interested in community groups, associations and organisations who have a good idea for a community business but need advice and a small amount of revenue funding to develop, test and get to the stage of launching their community business.

The fund remains open to applications from aspiring community businesses working anywhere in England and in any sector – although we do have some priority places of interest and some specific advice for making successful applications in particular sectors, explained in this guidance.

Community support provider Locality is delivering Bright Ideas on our behalf in partnership with Co-operatives UK, the Plunkett Foundation and Groundwork UK.

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

Some community business Bright Ideas we're supporting:

- A community-led cookery school and catering enterprise in an ethnically diverse neighbourhood to improve social cohesion and skills
- A community transport scheme to link isolated rural villages and give elderly people more independence
- A community food club tackling food poverty through pop ups
- A community darkroom to give local people a place to be creative and turn a hobby into an income generating business

We seek to be a genuinely inclusive organisation by advancing equality and diversity through our policies and practices. We encourage and welcome applications from people from all backgrounds who are looking to make a real difference to the lives of their local communities.

Part One | Can you apply? Do you have a community business idea

To be considered for support and funding through Bright Ideas, you must be based in England and you must demonstrate how you meet each of the following 7 criteria:

- **1.** Are you a community business?
- **2.** Are you an incorporated or unincorporated organisation, but not an individual?
- **3.** Have you been established for five years or less?
- 4. Do you have a charitable purpose?
- 5. Is your project for public benefit?
- **6.** Does your idea focus on one of our impact areas?
- **7.** You must make your community business accessible and inclusive

1. You must intend to become a community business

Bright Ideas aims to support new community businesses, which may not yet meet all of the criteria, as defined in the table opposite. However, we expect you to be able to demonstrate your commitment to becoming a community business and be able to explain how support from Bright Ideas will help you move along this journey.

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.

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.

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.

Broad community impact

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



Read the case study

A group of Haringey residents have set up St Ann's Redevelopment Trust to lead a truly affordable new housing scheme.



Read the case study

Litherland REMYCA Football Club allows anyone from the community to buy £1 shares and have a say in how its run.



Read the case study

Radcliffe Market Hall provides a meeting place for the people of Radcliffe, and only offers locally sourced produce and ethical wares.



Read the case study

Kitty's Launderette not only provides access to laundry services but also increases social cohesion through community events.

Read an example of what we've funded

Find out how Bright Ideas grantees meet the four traits of a community business.

Part One | Can you apply? Do you have a community business idea

If you can say yes to all the questions below, then your idea is for a community business.

Are you locally rooted?

You must be able to demonstrate that your organisation is rooted in a particular geographic place and responds to its needs.

Inspiring idea: Kitty's Community Launderette

Residents in North Liverpool had the bright idea to turn a disused launderette into a vibrant community hub, offering much more than clean clothes. Named after Kitty Wilkinson who helped her neighbours avoid a cholera



epidemic by washing their clothes in 1832, the new community launderette will provide a vital service. But it's also hoping to run events and creative activities in the space to increase social cohesion in the very diverse area. The Bright Ideas Fund has helped them register the business and secure the premises amongst other things. Find out more about Kitty's Launderette.

Will you be accountable to the local community?

Whether through a community share offer, membership, legal structure or regular community consultation, you will give local people real, ongoing decision making power to shape the business.

Inspiring idea: Litherland REMYCA F.C.

Litherland REMYCA Football Club has been around for over 50 years but only recently decided to become community-owned. They turned into a co-operative, with a one member one vote model so local people can have a say in the running of the club. The Bright Ideas Fund has helped them improve their community engagement, marketing, business planning and impact measurement skills. Find out more about 'The Remy'.



Will you be trading for the benefit of the local community?

You are or you aspire to be a business with a clear trading model, selling services or products to people in your local area, with profits used to deliver local benefit. All or part of your income comes from activities like running community transport or selling the produce you grow.

If you have not yet begun trading but you have plans to do so and can explain how and when you expect to begin trading, this may be sufficient to meet this criteria.

Part One | Can you apply? Do you have a community business idea?

Inspiring idea: Radcliffe Market Hall

The market hall in Radcliffe had been in operation since 1851, and based on the current site since 1937. But changing shopping habits and competition from neighbouring city centres had started to take its toll on the market. It was at risk of disappearing forever, until a group of volunteers and stallholders came together to prove to the council not only were they better placed to run the market hall, they could make it a roaring success and a key part of regenerating Radcliffe.

Radcliffe Market Hall now welcomes over 1,200 visitors a week and puts on a range of events and activities that make it so much more than just a market. Find out more about Radcliffe Market Hall.



Will your business have a broad community impact?

Your organisation will benefit the community as a whole, and you can clearly evidence the positive social impact that your activities have on the broader community. It will be inclusive, and give opportunities for people with different abilities and backgrounds to get involved.

Inspiring idea: St Ann's Redevelopment Trust

When part of St Ann's Hospital in Haringey, North London was put up for sale to private housing developers, only 14% of those proposed new homes were classed as "affordable". In response, a group of Haringey residents and workers set up a community land trust, a membership organisation of 350 people who live, work or have strong connections to Haringey. It aims to build 500 genuinely affordable homes on the hospital site currently up for development and will work closely with City Hall who have now purchased the site.

Through the Bright Ideas Fund, StART developed its business plan, revised its financial model, improved its accountability to the community and produced a brochure for investors. Find out more about StART.



2. You must be an incorporated or unincorporated organisation, but not an individual

Bright Ideas cannot fund individuals, but we can fund unincorporated groups such as charitable trusts and unincorporated associations.

If you are unincorporated at the time of application, we would expect your application to include a request for support and advice to incorporate. Please note, we cannot make grant awards to unincorporated organisations. In such circumstances an incorporated fundholder must be nominated. This could include a local Voluntary and Community Sector organisation or a Parish Council. Please get in touch if you are unsure.

Part One | Can you apply? Other eligibility criteria

We fund a range of incorporated organisations. Examples include:

- Charitable Incorporated Organisation
- Community Benefit Society
- Community Interest Company Limited by Shares
- Community Interest Company Limited by Guarantee
- Co-operative Society
- Registered Charity
- Company Limited by Shares
- Company Limited by Guarantee

3. You have been established for 5 years or less

Bright Ideas aims to support *new* community businesses and we will therefore not accept applications from well-established organisations, defined as 5+ years old. This also applies to organisations that are over 5 years old who are promoting a 'new' community business idea. We will look at your date of incorporation to decide whether or not you are eligible for the Fund. We will be flexible in applying this criteria so, for example, if your date of incorporation is January 2015, but you have not yet begun trading as a community business, we would consider you eligible. Please contact Locality at: brightideas@locality.org.uk if you are unsure about whether you meet this criteria.



4. You must have a charitable purpose

You must have a charitable purpose at the heart of the project you're 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 projects 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 a project which has a charitable purpose other than the advancement of religion.

We cannot fund local authorities or statutory organisations or services which are regarded as statutory or government provision.

More info

WHAT DO WE MEAN BY CHARITABLE PURPOSE?

You can find more information about charitable purpose on the Charity Commission website.

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.

Part One | Can you apply? Tips for specific sectors

5. You must run for public benefit

For a project to be charitable, it needs to have both a charitable purpose and to be for public benefit. This means that the community business you are intending to develop must create benefits for a sufficient section of your community, including people who are experiencing disadvantage. If your project is only going to 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 fund your project.

6. You must share our impact areas

Your community business idea must be intended to deliver benefit in one of the seven core impact areas below.

If your application is successful, at the end of your project you will be asked to report against the impact area 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. You must make your community business accessible and inclusive

As part of the application process you will be required to demonstrate how your project idea will ensure full access to disadvantaged groups.

If a feasibility study to develop a building is part of the application form, we will expect the work to include accessibility requirements to ensure the building is fully accessible.

Shortly after the submission of this application, we will be sending 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.

If you are submitting another application after being rejected in an earlier round, please ensure you have developed your proposal or your application will be rejected. For more information and guidance on Equality and Diversity, see our guide.

Tips for specific sectors

The Bright Ideas Fund welcomes applications from any sector, except Community Pubs, which are currently supported through our More Than A Pub programme.

The tips below relate to sectors in which we have defined a more specific area of interest which Bright Ideas can support. This is because we want Bright Ideas to complement rather than duplicate other Power to Change programmes – e.g. housing and energy; and in other sectors which have generated a high volume of applications in the past, e.g. shops and cafés, we want to encourage original thinking.

Energy

Bright Ideas welcomes applications from new community groups and more established community businesses (no more than 5 years since incorporation) to establish the feasibility of and develop the business plan for a low carbon or renewable energy project. This includes projects with a focus on energy demand and fuel poverty reduction as well as projects that involve the generation, supply or management of energy.

Part One | Can you apply? Tips for specific sectors (continued)

The Fund can be used to support early development work, e.g. organisational set up, business planning, community engagement, as well as to cover the professional and consultancy costs for area-wide energy scoping studies and then determining the technical and financial feasibility of a specific energy project.

If you are a more established group, the <u>Next</u> <u>Generation Energy fund</u> might be more appropriate. This programme supports established community energy groups to develop innovative community led energy projects.

Housing

Bright Ideas has supported local groups who are at the very beginning of their journey to develop community-led housing, including those who have already identified a site and those yet to do so. The Fund will continue to consider applications at this early development stage of the process and offer support for groups to define their purpose and common values, to build genuine and broad community engagement, to develop appropriate decision-making, legal and governance structures, to campaign and build relationships with key stakeholders, or to carry out initial feasibility studies on a proposed site.

If you are already at the site acquisition and/or planning application stage, you will not be eligible for Bright Ideas. If you have an innovative approach or are based in the Bristol, Liverpool, Leeds, Birmingham or Tees Valley areas, you may be eligible for our Homes in Community Hands programme.

Shops

Bright Ideas receives a high volume of applications from community shops and only the strongest will be funded. For your application to be successful, you will need to demonstrate how your community shop will address a range of needs in your community, over and above the retail dimension. Have a look at the 2019 report on community shops for inspiration and read about Westbury Community Shop.

Cafés

Bright Ideas receives a lot of applications for community cafés and only the strongest will be funded. It can be challenging to make a financially viable trading model from a café and you will need to demonstrate that your café idea is part of a broader trading model that can deliver multiple benefits to your community. Have a look at our <u>success guide for cafes</u>. We expect to fund very few, if any, further café projects.

Tips for specific places

The Bright Ideas Fund welcomes strong applications from across England. However, we are particularly interested in applications from the following areas:

- ▶ Bradford
- ► Grimsby
- ► Hartlepool
- ▶ Leicester
- ▶ Plymouth
- ▶ Wigan
- ► Liverpool City Region
- ► Suffolk
- ➤ West of England Combined Authority (including Bath & North East Somerset, Bristol and South Gloucestershire local authorities)

This is not a requirement and we aim to fund projects from a range of different places and sectors.

Part Two | What can you apply for? Business Development Support

Our aim is to help you explore, test the feasibility, develop a viable model for your idea and take the first practical steps to launching your community business.

Bright Ideas will provide successful organisations with:

- **1. Business development support:** Up to 10 days of business development support from Locality, Plunkett Foundation, or Co-operatives UK.
- **2. Grant funding:** The opportunity to apply for a grant of up to £15,000 which can be spent on specific activities to develop your community business idea.
- **3. Learning and peer networking:** Access to online resources, thematic webinars and the opportunity to visit and learn from existing community businesses.



1. The community business development support

If you are successful, you will be matched with one of our advisers. They will arrange an initial meeting with you to discuss and agree the scope and number of days of business development support.

You must be able to start work with your adviser within one month of accepting our business development support offer and you should expect the support to last between 6-8 months, depending on your needs.

The support will be structured in a way that best meets your needs and could involve working one to one or in group sessions with your leadership team. Topics covered could include:

- ▶ incorporation, legal structures and governance
- community engagement and accountability
- business planning
- financial modelling
- market research
- community shares
- getting ready to trade
- securing and developing an asset

Please carefully consider the activities that you will be undertaking throughout your funded project, and whether any of them pose a risk to members of your organisation or the public. Remember, risk can take many forms – injury, financial loss, reputational damage, etc.

If you feel that there is a risk from any of these activities, it would be a good idea to consider including this in your project plan and something for which you could request support.



Part Two | What can you apply for? (continued) The grant opportunity

2. Grant opportunity

After an initial meeting to scope out your project, you can apply for a grant. Your business development adviser will help you develop your grant application, a detailed budget and project plan. If you are awarded a grant from Bright Ideas, you may use it to pay for short/specific interventions such as legal advice/registration, surveyors, technical consultants and architectural services and more.

Please note that you can apply to Bright Ideas for the business development support only, but you cannot access the grant opportunity without the business development support.

3. Learning, events and peer networking

Once you have joined the programme, you will have the opportunity to visit other community businesses, access online resources, our series of thematic 'how to' webinars and attend grantee networking events run by Locality and Power to Change.

We will also signpost you to other support providers and funding opportunities beyond Bright Ideas.









Part Three | Application Process How to apply

To apply for support and funding from Bright Ideas you will need to complete a single online application form. Once the Fund opens for applications on Wednesday 26 February 2020, you can find a link to the form on the MyCommunity website.

Please read this guidance before completing the online form. This section includes a preview of the application questions and tips on how to answer them. If you have any questions which are not answered here, please contact Locality at brightideas@locality.org.uk

Before you begin

To apply, you need to answer a few questions which will determine whether you are eligible for Bright Ideas. You can find this at: http://mycommunity.org.uk/funding-options/bright-ideas-fund/

If you are eligible to apply you will be automatically sent a link by email to the application form. The email will not be sent to you straight away - it will be sent overnight. The emailed link will remain live until midnight on the closing date for applications, after which time it will become unusable.

If the link has expired and you still wish to apply (and the application window is still open) you can generate a new link by going through the eligibility checker again. If the link to the application form has not arrived overnight, please check your client security settings. You may need to add the email address: brightideas@locality.org.uk to your 'safe' or 'whitelist' so that the email address can pass through your spam filter or junk folder.

Filling in the online form

We recommend you complete a full draft of your application in Word before completing the online form. You will then be able to copy and paste your answers across and keep the Word copy for your records as you will not be able to retrieve the online form, once submitted. Please do not press the submit button at the end of the form until you are ready to do so. Click next to make sure updates are saved as you go through the form and then close the window. Click on the application link to return to your form. Once you have submitted the form you will not be able to make any further changes.

The deadline for submitting your application is midnight on Tuesday 7 April 2020.

Did you know?

If you have questions at any point during your application process, you can get in touch with Locality for free advice and quidance.



Email us

You can email us at

brightideas@locality.org.uk

For FAQs and additional information such as the webinar go to:

https://mycommunity.org.uk/funding-options/bright-ideas-fund/



How we assess applications and make decisions

Apply to join the Bright Ideas programme

4 - 6 weeks

Check if you are eliigible

Apply to join Bright Ideas programme

Wait for decision

Community business development support 6 – 8 months

Develop & agree action plan with your adviser

1:1 support starts

Apply for a grant (if you decide to) 4 – 6 weeks for a decision

Apply for an appropriate grant Grant award

Check if you are eligible to join the programme

- ► Fill out the eligibility checker on the MyCommunity website to check if you meet the criteria for Bright Ideas.
- $\blacktriangleright\,$ If you are eligible, you will receive an email with a link to the application form.

Apply to join the Bright Ideas programme

- ▶ Read the guidance before you apply. You are more likely to submit a good application if you read the guidance. You might want to write a draft first and get it proofed by a colleague or friend.
- ► Fill out the application form online, before the application window closes.

Wait for a decision

- ▶ We will tell you within 4 6 weeks of you submitting your application if you have sufficiently demonstrated your idea for a community business. We may need to request more information, which will delay a decision.
- ▶ If your application is successful, we will let you know by email. You will be assigned an adviser to help you develop a plan.
- ▶ If your application is unsuccessful, we will let you know by email, with reasons why. We recommend you look at alternative sources of funding and support on: www.mycommunity.org.uk and www.powertochange.org.uk

2-3 weeks: Develop & agree action plan with your adviser

- ▶ You will work with your adviser to develop your community business idea into an action plan. The action plan will also be used to track and monitor progress.
- ▶ Your adviser will contact you to arrange an initial meeting to discuss and agree your community business development support. You must be able to start work within one month of accepting our business development support offer.

6-8 months: 1:1 support starts

Once you've agreed an action plan with your adviser, you will receive tailored one to one support to develop your community business idea. Guidance and support will also be provided to help you collect useful data/impact evidence aligned to Power to Change's impact indicators. We will also encourage organisations to produce case studies of their activities.

Apply for an appropriate grant

Good advice is often more valuable than money. But sometimes you need a little bit of funding to put plans into action. Once you have agreed your action plan at the business development stage, you will be able to apply for a grant appropriate to your needs. We will give you more information about how to apply for a grant nearer the time.

Grant award

- ▶ If your grant application is successful, we will let you know by email. Please note, your grant must be spent within 12 months.
- ▶ If your grant application is unsuccessful, we will let you know by email, with reasons why. We recommend you look at alternative sources of funding and support on: www.mycommunity.org.uk and www.powertochange.org.uk

How we assess applications and make decisions

Assessors will be using a standard scoring system for each section of the application. The assessment will establish how strongly you meet the following criteria:

- Relevance to the overall objectives of Bright Ideas
- Meeting our four community business criteria (or being able to show how you intend to meet them).
- Strength of your community business idea. We can only support your idea if you can show it has potential for generating traded income.
- Capacity to progress your idea within the time frame of the programme.

If you are successful, you will need to be able to begin work with your adviser within one month of receiving the offer of support. We will require all business development support to have been drawn down and your grant to be spent within 10 months of receiving the offer of support.

Our assessment team will make an initial recommendation to the panel, which will consist of representatives from Power to Change and the Bright Ideas partners. We may need to contact you to request additional information, so please ensure that the person named on the application form has a good understanding of the community business idea and is able to discuss it in further detail.



We assess applications and make decisions based on the strength of the application and the availability of programme funds.

As a competitive process, we cannot fund every application that we receive, so some good quality applications may unfortunately be unsuccessful. Interest in the fund has been consistently high and we expect that to remain the case this time, on average we receive 13 applications for every available place for support.

The final decision about the amount of business development support and grant will be based on the strength of the application and the availability of resources. All decisions will be final and there will be no appeals process.



Grantee support from Power to Change

We want to make it easier for community businesses not just to survive, but to thrive.

To help, successful applicants will get access to:

Twine

Our digital business insight tool uses smart but very simple technology to help you gather and make sense of the data that most matters to you to support:

- ► Financial sustainability
- ▶ Opinions and trends in your community
- ▶ Volunteer contributions

Successful applicants who subscribe to Twine will receive dedicated training and support, as well as tips and best practice from the data gathered through Twine by successful applicants and their peers.

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

<u>Our website</u> has a host of free resources for growing your community business. And our sector experts regularly give valuable insight and advice via our <u>blog</u> based on research and experience.

Policy and research

Our in-house <u>Research Institute</u> is always commissioning research about how community businesses work and often look to our grantees for best practice. Our research can also help you make the case to other funders and investors.

Our policy team work to influence the political agenda in favour of community businesses. We often ask our grantees for evidence to submit to government committees.

Events and media

Power to Change tells the story of community business at a regional and national level, in the press, online and at key events throughout the year. As a grantee, we will offer you opportunities to be interviewed or speak at events about your experience to inspire and influence others.



Be part of the community business movement

There are 9,000 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 <u>Community Business Network</u> on Facebook to tap into shared knowledge
- Follow <u>@peoplesbiz</u> 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.
- <u>Join a peer network</u> to meet organisations like yours.
- ► Take part in <u>Community Business Weekend</u>, a national open-doors celebration. It will take place 14-17 May in 2020.

Other Power to Change support

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

Helping community businesses start

Community Business Trade Up

The <u>Community Business Trade Up</u> programme aims to help young community businesses develop their trading model. It offers 12 days of leadership development as well as a £10,000 Match-Trading™ grant.



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. The programme offers specialist business advice,

feasibility funding and a large grant/loan package for groups wishing to buy their pub. Nearly 30 pubs had opened with support from the programme in December 2018. It reopened for applications in Summer 2019.

Homes in community hands

The <u>Homes in Community Hands</u> programme which opened in early-March supports communities to develop their own housing solutions to deliver affordable homes for local people. A £4.2 million, 3-year programme is to be launched in early 2019. This follows a £1 million investment in community businesses in two initial areas, Bristol and Leeds City Regions. In addition to this we invest in local infrastructure to support and advise groups throughout the community-led housing process.

Growing existing community businesses to become sustainable

Community Shares Booster Programme

The <u>Community Shares Booster Programme</u> matches the investment raised by community businesses through community share issues. Building on an initial £1 million pilot, this programme will provide £3 million over five years.

It offers up to £100,000 in matched funding and a possible £10,000 business development support grant to get share offers ready. This is a rolling programme, delivered by the Community

Shares Unit.

Next Generation programme

The <u>Next Generation Fund</u> supports the development of new and innovative community energy projects and business models, with a package of targeted grant funding and support.

Community Business Fund

Aimed at helping existing community businesses become more sustainable, the <u>Community Business Fund</u> offers grants between £50,000 and £300,000.



Part Four | The application form

In this section you will find all the questions from the application form and some tips to help you answer them.

We have tried to keep the form simple, while collecting all the information we need to make decisions about which applications to take further. We ask direct questions with multiple choice options wherever possible to gather factual information while leaving free text for you to describe your project and the difference it will make in your own words. Some of the questions are required fields and some are optional.

If you leave a required field blank you will not be able to continue to the next section of the form until you have completed it. For new organisations without a delivery track record, not all of the questions will be applicable. Not being able to answer all of the optional questions at this stage does not necessarily mean that your application will be rejected.

The application form has five sections:

- About you
- About your organisation
- ► About your community
- About your community business idea and its intended benefits
- About the support that you are applying for

Data protection

Please note that the details captured via this application are deemed necessary in order to complete our review of your application for grant funds.

Your personal details and those of your colleagues that you have inserted here, will be stored and processed online with the GDPR regulations.

We do ask that you gain permission from any other person whose details you supply to us for the purposes of your application.

We, the Power to Change Trust and our partners who include Locality, Co-operatives UK, the Plunkett Foundation and Groundwork UK may use the information contained in your application to make decisions with reference to your suitability as an organisation to receive grant funding.

We will only store your information for as long as is necessary and will delete your information if there is no further legitimate, legal or contractual reason to keep it.

For more information and to understand your rights under the GDPR with regards to the information you supply as part of your application, please visit our <u>website</u>.

Disability 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 grant requirements, and who are looking to make a real difference to the lives of their local communities.

To learn more about making your community business more accessible and inclusive for people with disabilities, please read our guidance.

Please let us know by email brightideas@locality.org.uk if you need this guidance in large print, braille or audio transcript.

Part Four | The application form About you

This section asks you to provide general information about yourself and the legal structure of your organisation.

DETAILS	GUIDANCE
1. Contact Name	This should be someone who is leading on the community business idea. This person may be contacted by telephone or email as part of the assessment and should be available during normal working hours.
2. Contact Email	All communication will be sent to this email address so please ensure that it is correct.
 3. Contact Telephone (without spaces between the numbers) Landline Mobile 	
4. Job Title/position in the organisation	
 5. Alternative contact details Alternative contact name Alternative contact email Alternative contact telephone (without spaces between the numbers) Landline Mobile 	Please give us the contact details of someone else from your organisation in case we cannot reach your main contact. Please make sure you have gained that person's consent to have their contact details included in the application form.
6. Organisation Name	Please ensure that you use the full and formal name of your organisation so that due diligence checks can be carried out.

Part Four | The application form Applicant's details (Cont.)

7. Organisation address	
8. Organisation post code	
 9. Your region and local authority area (pick list) East of England East Midlands Greater London North East North West South East South West West Midlands Yorkshire and Humber 	
 10. Legal form of your organisation (pick list) Unincorporated Association Company Limited by Guarantee Company Limited by Shares Community Interest Company Limited by Shares Community Interest Company Limited by Guarantee Charitable Incorporated Organisation (CIO) Co-operative Society (IPS Co-operative) Community Benefit Society (IPS Bencom) Trust Other (please specify) 	Power to Change will fund a broad range of organisational types. This information helps us to understand whether there may be private benefit from your proposal. Unincorporated means you are not yet a recognised legal entity, for example a group of individuals. An incorporated organisation is recognised as a legal entity in its own right, rather than as a collection of individuals. Please note that if you are unincorporated and you intend to apply for a grant, you must either nominate a locally connected incorporated organisation willing and able to hold the funds on your behalf (this is our preference), or demonstrate that your planned programme of work includes incorporation as an early step.

Part Four | The application form Applicant's details (Cont.)

 10.1 If you want to nominate an incorporated organisation who is willing to hold funds on your behalf, please provide their details: Contact Name Contact Email Contact Telephone (without spaces between the numbers) Job Title/position in the organisation Organisation Name (Please ensure that you use the full and formal name of your organisation) Organisation address, including postcode Legal form of nominated organisation (pick list) 	A nominated organisation must have one of the following legal structures to be eligible to hold the grant: Company Limited by Guarantee Company Limited by Shares Community Interest Company Limited by Shares Community Interest Company Limited by Guarantee Charitable Incorporated Organisation (CIO) Co-operative Society (IPS Co-operative) Community Benefit Society (IPS Bencom) Trust
11. Company registration number, if you have one	We will use this information to search external information sources to verify your organisation.
12. Society registration number, if you have one	We will use this information to search external information sources to verify your organisation.
13. Is your organisation a charity? (pick list) A. Yes B. No	Power to Change will fund a broad range of organisational types. You do not need to be a charity to receive funding.
 14. If Yes, is your organisation registered with the Charity Commission? (pick list) Yes No If Yes, what is your charity registration number? 	We will use this information to search external information sources to verify your organisation.

Part Four | The application form Applicant's details (Cont.)

15. Your organisation's website, if you have one	
16. Your organisation's Twitter handle, if you have one	
17. Your organisation's Facebook page, if you have one	

Part Four | The application form About your organisation

This section asks you for background information on your organisation and how it runs.

QUESTION	QUESTION GUIDANCE
1. What is the social purpose of your organisation? (Maximum 100 words)	
 2. How many years has your organisation been in operation? (pick list) Less than 1 year 1 - 2 years 2 - 5 years 5 - 10 years 	To be eligible for this fourth round we are looking for new organisations only, defined as being incorporated for 5 years or less at the time of making an application. Please contact Locality at brightideas@locality.org.uk if you are unsure as to whether you meet this criteria.
3. What was your total income in the last 12 months? (pick list) Less than £5,000 £5,000 - £10,000 £10,000 - £20,000 £20,000 - £30,000 £30,000 - £40,000 £40,000 - £50,000 £50,000 - £100,000 £100,000 - £150,000 £150,000 - £250,000 £250,000+ 3.1 And how much of your total income was from trade? (£0,000) 3.2 And how much of your total income was from grants? (£0,000)	By total income, we mean all of the money put into your business in the last 12 months, either through trade, investments or grants. By traded income, we mean the amount of money your business earnt in the last 12 months, by selling products and services. You can give us an estimate in £. By grants we mean access to funds via grants, trust or foundations. If you have a multi-year grant, please estimate the last 12 months. We are asking about the proportion of your income that comes from trade because we are interested in how you plan to increase you trade over time to create a sustainable community business.

Part Four | The application form About your organisation (Cont.)

 4. Does your organisation have any annual accounts? (pick list) Yes No If Yes, please attach a copy of your most recent one 	In the online application form it will be possible for you to upload your annual accounts, if you have any.
 5. Does your organisation have a governing document such as a constitution or memorandum and articles? (pick list) If Yes, please attach it If No, you may need to identify an accountable body to hold the grant on your behalf. 	A governance document helps us understand the structure of your organisation, and who will be leading it. In the online application form it will be possible for you to upload your governing documents, if you have any.
6. Please describe how your organisation is locally rooted. (Maximum 300 words)	Please demonstrate how your organisation has (or will have) strong local connections and reach into the local community. Community businesses are rooted in a particular geographical place and respond to its needs, for example high levels of urban deprivation or rural isolation. You must be locally rooted to get onto Bright Ideas. By locally rooted, we mean a business started by local people that will benefit the immediate community around it. That could be a neighbourhood, ward a village or other clearly defined local area. This is the area your community business will benefit. A majority of your staff, volunteers and other stakeholders should be drawn from this area and reflect its diversity. Some community businesses may trade across a broader area in order to create a sustainable business model and to bring greater benefit to its local community. If that is the case for you please make this clear and make sure you describe the local community you benefit and that you are rooted in. Please note, we cannot accept applications from regional or national organisations.

Part Four | The application form About your organisation (Cont.)

7. Please describe how your organisation is/will be accountable to the local community. (Maximum 300 words)	Please explain how people from the local community have been involved in developing your community business idea and will help to run it. How can they help decide what the community business does, how it operates and how any profits are used? This could include: Local people on the board as Trustees/Directors Local groups/volunteers running services Voting rights through membership or community shares Regular opportunities for the community to give feedback and influence the priorities of the organisation, for example, by conducting community consultations, user groups or focus groups Find out more about community accountability at: https://www.
	powertochange.org.uk/blog/12-questions-to-explore-community- accountability/
8. Please list the name and position of your trustees/directors or members of your management group/committee.	For new organisations you may not yet have formal roles defined and filled, however, we are still interested in who else is involved and you should answer the question as best you can at this time. Please make sure you have gained each individual's consent to add their name to this application form.

Part Four | The application form About your organisation (Cont.)

9. Please tell us how many people are currently involved in your organisation in a volunteer capacity:

- Full time staff
- Part time staff (Full Time Equivalent:FTE)
- Regular volunteers
- Casual volunteers
- Customers/Service users (per month)

Please estimate how many of your staff and/or volunteers are from the local community

Please input the numbers of people for all that apply. If you don't know the exact figures, please provide an estimate. The answers to this question will help us to understand the level of community engagement in the day to day running of your organisation.

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.

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

Regular volunteers are people who are engaged with your organisation on a frequent basis e.g once a week or twice a month. Remember to include your trustees/directors or members of your management group/committee.

Casual volunteers are people who are engaged in your organisation and support via fundraising, running events or occasional support, for example 3 or 4 times a year.

Local community could be people from your local neighbourhood, ward, a village or another clearly defined local area.

Customers or service users are the people you support each month or who purchase services or products from your business.

Part Four | The application form About your community

This section asks about the area in which your organisation works and the community your organisation serves.

DETAILS	GUIDANCE
Please tell us about your community, its needs and its strengths and where your organisation/community business idea fits in. (Maximum 300 words)	We want to know more about your community and what it is like to live there. Insights on local history, geography or community spaces will help to paint a picture of your community and help us understand the needs you want to address and opportunities for a business.
 2. Please select the option which best describes your area (pick list) Coastal Inner city Market town Mixed urban/rural Urban Rural 	

This section asks you to provide information about your community business idea to help us to understand what you are aiming to achieve.

DETAIL	GUIDANCE
1. Title and description	In 150 characters or less, please give your community business idea a title and provide a simple description of the idea.
2. What are the main sectors that your community business idea involves? (please rank from the pick list, maximum of two choices)	If your idea spans more than one sector type, please choose a main sector type and sub-sector.
 Arts centre or facility Community hub, facility or space Community pub, shop or cafe Employment, training, business support or education Energy Environmental or nature conservation Food catering or production (inc. farming) Health, care or wellbeing Housing Income or financial inclusion Sports and leisure Transport Visitor facilities or tourism Other, please specify 	

3. Please indicate which of the following are the main two charitable purposes that your community business idea will address?

- ▶ The prevention or relief of poverty
- ▶ The advancement of education
- ▶ The advancement of citizenship or community development
- ▶ The advancement of the arts, culture, heritage or science
- The advancement of amateur sport
- ▶ The promotion of religious or racial harmony or equality and diversity
- ▶ The advancement of environmental protection or improvement
- ► The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage
- Other charitable purpose

Please note, we can only provide funding to ideas that have a charitable purpose. This does not mean that your organisation has to be a charity as we will fund a variety of legal structures, but we cannot fund projects which do not further a charitable purpose. We are also unable to fund services which are regarded as statutory or Government provision.

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

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

4. Please select a primary and secondary area of impact which applies to your community business idea? (pick list)

- Reduce social isolation
- Improve health and wellbeing
- Increase employability
- Create better access to basic services
- Improve the local environment
- ► Enable greater community cohesion
- ▶ Foster greater community pride and empowerment

Please note, we will only fund ideas that share one or more of the seven impact areas. We do not expect you to have a fully developed impact measurement framework, but we would expect you to have a clear idea of the impact you hope to have. We would encourage you to consider developing an approach to measuring your impact as an activity for which you could request support from Bright Ideas.

5. Please describe your community business idea, how you know it's needed, and what you hope to achieve. (Maximum 500 words) 6. Please give details about how you would generate income for this new community business.	This is your opportunity to explain more about your business idea and how it will trade. We don't expect you to have a perfectly developed community business now, but you should have a reasonable idea of the main products and/ or services that you want to develop. How will they be paid for and what will be the social, economic or environmental returns? You should also explain why you believe there is a need for your business idea. What research have you undertaken to demonstrate market demand? If there are any known deadlines and timescales associated with your community business idea, please make sure that you clearly state when they occur, e.g. a planning deadline. Please explain how you will get feedback about your services. What approaches, and tools will you use to understand the change your project is making for people?
7. How do you plan to measure the difference your project will make for the people you support or provide services to, including customers?	Please give details about income streams, trading and sustainability.

8. Who will be the main beneficiaries of your community business idea? (pick list)

- ▶ 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
- Our organisation does not work with specific disadvantaged groups
- No specific disadvantages

The answers to this question will help us to understand the charitable need(s) that your community business idea is addressing.

Please relate this answer to the charitable purposes and impact areas that you have selected in the previous questions.

9. Inclusion of diverse groups

Please describe how your organisation will ensure that disadvantaged groups are able to participate in your project, including as staff, volunteers, beneficiaries and board members. For example, disabled people, transgender people, people with Black and Minority Ethnic (BAME) backgrounds.

How your project will work to include groups which may, in the absence of such effort, be excluded from participation in your project. For example, disabled people, transgender people, people with Black and Minority Ethnic (BAME) backgrounds. See our <u>Diversity Inclusion guidance</u> for further information.

10.At what stage of development would you say that your community business idea is at? (Pick list)	Select one: Idea - venture not yet started Pre-venture - testing out our idea
11. Please list up to three post codes to indicate the geographical area in which your community business idea will operate.	Provide up to three FULL postcodes that your community business will deliver services or activities in. We appreciate that these may be indicative at this stage. It may help to refer to Government's IMD map: http://dclgapps.communities.gov.uk/imd/idmap.html We will use these postcodes to access relevant statistics and data about your local area to help us understand the needs of the communities that your organisation serves.
 12. Does your community business idea involve the use of land/a building? (pick list) If Yes, please answer the following questions No 	We are interested in receiving a range of community business ideas. For your idea to be eligible for Bright Ideas, it does not have to involve the management or ownership of a building, but if it does, this question helps us to understand the support you may need to progress your idea.
A) What is the name of the land/building?	
B) What is its post code?	
C) What is the land/building currently used for?	
D) If you are purchasing a building, land or asset, please tell us the valuation you have received?	

E) Who owns the land/building and have you approached the owner with a view to purchasing or leasing the building? (Pick one)	Please tell us who owns the land/building and provide evidence of their commitment to potentially make it available to you, and on what terms?
 Local authority Yes/No Private landlord Yes/No Owned by a trust Yes/No Other, please specify Yes/No 	If you have answered 'Yes', please explain more about the latest status of your conversations with the owner. Please describe the relationship and supply any correspondence that might be relevant.
 F) Is the land/building listed as an 'Asset of Community Value' (ACV)? Yes No Don't know 	In England, an asset of community value (ACV) is land or property of importance to a local community which is subject to additional protection under the Localism Act 2011.
 G) Do you have any previous experience of managing land/buildings? (Yes/No) If Yes, please provide brief details. (Maximum 100 words) No 	

This section asks you to describe your community business support needs

DETAILS	GUIDANCE
1. Please tell us what support you think you need and how the business support (and a future grant) might help you. (Maximum 500 words)	You should be able to explain how support from the programme will help your organisation to move along the journey to becoming a successful community business. For example, this could be through strengthening your governance, consulting with your community about your idea, doing a feasibility study, preparing for an asset transfer, developing a business plan. You should include details of what steps you will need to undertake to develop your community business idea and how you have decided these.
2. Please explain how this work will be managed/co-ordinated internally. (Maximum 100 words)	Please describe how you plan to manage and deliver the work that you have described. Who will be responsible for it and what relevant skills and experience do they have to carry it out effectively? If they have pre-existing responsibilities within your organisation, how will their time on their usual activities be covered effectively?

3. If you intend to apply for a grant at a later date, what level of grant do you think you might need? (pick list)

- ► Amount in £s
- ▶ I intend to apply for a grant later on but at this stage I am unsure how much
- ▶ I do not intend to apply for a grant

Once accepted onto the programme and after you have agreed your community business action plan, you can apply for a grant, up to the maximum level for the stages below. Any figure that you provide now will be non-binding and doesn't represent a firm commitment – we are simply looking for an approximate amount at this stage.

If you are accepted onto the programme you do not have to apply for a grant. In these circumstances organisations would receive business development support only.

The table below provides an indication of the range of grants we would expect to award to groups at different stages of development with their community business idea.

STAGE OF COMMUNITY BUSINESS IDEA DEVELOPMENT	GRANT RANGE
Ideas stage – i.e. not started yet	£1,000 - £10,000
Pre-venture stage – i.e. development and testing	£1,000 - £15,000

4. Have you applied to any other Power to Change grant programmes?

- ► No
- If Yes, pick which:
 - 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-led Housing Programme
 - Empowering Places Programme (applications were by invitation only)
 - Initial Grants Programme (now closed)
 - Innovation and Infrastructure Fund (now closed)
 - More than a Pub Programme (via Plunkett Foundation)
 - Peer Network Programme (now closed)
 - Places Programme (applications are by invitation only)
 - Power to Change grant with Key Fund Ioan
 - Power to Change grant with SASC loan

5. Have you been referred to this programme opportunity by another organisation? (pick list)

- No
- ▶ If Yes, please specify

Applying to other Power to Change funding does not exclude you from consideration for Bright Ideas.

Please note, Power to Change also operate other funds that may be appropriate for your needs. Please visit https://www.powertochange.org.uk/get-support/ to explore the other opportunities that are available.

6. How did you hear about this opportunity? (pick list)

- ▶ Community Shares Unit newsletter
- Co-operatives UK newsletter
- Facebook
- Groundwork UK newsletter
- ► Locality newsletter
- Plunkett Foundation newsletter
- Power to Change newsletter
- Twitter
- ▶ Other, please specify

Please make a copy of this application to keep for future reference.

Part Four | FAQs

We know you will probably have more questions about your application. You can find frequently asked questions (FAQs) about Bright Ideas on the MyCommunity website here: http://mycommunity.org.uk/help-centre/faqs/bright-ideas-fund/

We keep FAQs up to date but if you still can't find an answer to your query, you can get in touch via brightideas@locality.org.uk





