

Community Business Trade Up 2022 - guidance notes

Supported by Power to Change, in partnership with the
School for Social Entrepreneurs

Table of contents

Programme overview	1
Support to apply	Error! Bookmark not defined.
Eligibility criteria	3
Case studies: Meet previous Community Business Trade Up students	7
Learning programme	8
Match Trading grant.....	9
Making an application.....	Error! Bookmark not defined.
Frequently asked questions	13
Complaints.....	14

Programme overview

Do you lead an early-stage organisation which involves local people in meeting local needs?

Do you want help and support to grow your organisation's impact and develop its trading income?

The Community Business Trade Up Programme is for **early-stage community businesses** that have been set up recently and are planning to grow their trading. It is a **learning programme**, supporting you to develop new skills and get support from other community businesses, plus a **Match Trading grant of up to £5,000** which will challenge you to increase your trading.

Community Business Trade Up is run by the School for Social Entrepreneurs (SSE) with support from Power to Change. SSE offers action-based learning programmes to help people grow their social enterprises and community businesses. You can find out more about our work [here](#). [Power to Change](#) is the independent trust that supports community businesses in England.

What is an early-stage community business?

A community business is run by and for a local community for a social purpose. Its profits are reinvested for the benefit of that community. Your organisation must be **committed to and working towards** meeting the Power to Change criteria for a community business. It must be aiming to be:

- Locally rooted
- Accountable to the local community
- Trading for the benefit of the local community
- Making a broad community impact

Your community business must also be **early stage**, with plans to grow its trading over the next year. It is likely to have been set up less than four years ago, have an annual income under £100k (except for capital), and to have few or no paid staff, but with clear plans to grow over the next year. For more information, see below.

The learning programme

The learning programme will run over 12 days **between November 2022 and October 2023**. One leader from your community business will be the lead applicant and will be expected to attend all sessions. Other leaders can attend some sessions. You will receive support from other experienced community business leaders, experts on issues facing community business and support from your peers.

The programme will be partly online and partly in-person.

The Match Trading grant

Your organisation will also receive a **Match Trading grant** of up to £5,000. This grant is designed to challenge you to grow your trading income. Your community business will receive £1,000 up front, and then four instalments of up to £1,000 over the year matched against your increased trading.

Your grant can be used flexibly, helping you to attend the programme and to put your learning into practice by developing your trading and community business.

Priority groups

We welcome applications from all community businesses. We're particularly keen to support community businesses which are:

- Led by a board or team who are mostly from a racialised and minoritised community¹
- Led by a board or team who are mostly young people (aged 16-35)
- Located in and giving support to very deprived or disadvantaged local communities

¹ We know that language about identity is personal and these terms won't feel right to everyone. By "people from racialised and minoritised communities", we mean people who may identify as Black, Brown, bi- or multi-racial, being from a diaspora, having Asian/African/Caribbean/Latinx/Middle Eastern/Indigenous heritage, as a "person of colour", Jewish, and/or from a white ethnic minority such as Gypsy, Roma, Traveller. We have consulted our community to shape this language.

When we say “led by” we mean that the majority of the board and senior leadership team together are from these groups.

In the application form we ask you to tell us about your board and senior leadership team because we wish to improve our understanding of the diversity and inclusion of the community business sector, so we can better design our support.

Support with applying

You must apply online by 1pm, Thursday 28th July 2022

To find out more and help you complete your application:

- **Questions:** A downloadable set of application questions here, with guidance and space for you to plan your answers and share these with others in your organisation. You cannot apply using this document- you will need to copy your answers to the online form.
- **Webinars:** To find out more about the programme, help you understand the criteria and how to apply. You can book onto a webinar [here](#).
- **Helpdesk:** Ask questions and get advice on completing your application. Contact the helpdesk at CBTU@sse.org.uk
- **One-to-one support:** If you have difficulty filling in forms because of dyslexia, language or disability, or need one-to-one advice about applying, we have a limited number of one-to-one sessions available. Please contact the helpdesk if you need to access these.

Eligibility criteria

1. Based in England

Your organisation must be based in England and working mainly in England.

2. Your governing document and your leadership team

Your organisation must be currently active, and have a constitution, set of rules or legal structure. You must have at least three unrelated people on your board. We cannot accept applications from sole traders.

Please note that you must commit to having at least four unrelated board members (and no one person with more than 25% voting rights) by the end of the programme.

If your organisation is unincorporated (e.g. a trust or an unincorporated association), we will require you to be incorporated by the end of the programme.

Your community business may be a registered charity, a Community Benefit Society (CBS) or a Community Interest Company (CIC). We can also accept other

companies, co-operative societies or unincorporated associations, if they have certain clauses in the governing document, specifically

- a) a social purposes or objects,
- b) a restriction on distribution of profits, which means that most or all of profits are returned for social purposes and
- c) an asset lock or winding up clause which means that if the organisation is wound up, its remaining assets go to a charity, CIC or other asset locked body.

3. Early stage

Your organisation must be early stage. This means that it may have started recently, but be running activities and have plans to grow trading over the next year. Or it may have been running for a few years, but still need help with developing its business model and trading.

It is likely to have been set up less than four years ago, have an annual income under £100k (except for capital), and to have few or no paid staff, but with clear plans to grow over the next year.

There may be exceptions. You may feel that your organisation is at an early stage, even if it is older than four years old. For example, it may be that your organisation was initially dormant, or had to stop activity during COVID. If that is the case, please explain in the application form or contact us to check.

4. A community business

Your organisation must be committed to and working towards becoming a community business with the following key features:

- **Locally rooted:** A community business is locally rooted. It is based or working in a locally defined area or place within the community. It builds links within a defined geographical area (e.g. a village or town, or a ward, or borough).
- **Accountable to the local community:** A community business is accountable to its local community. It can demonstrate that the local community is involved in planning and supporting the community business, as well as simply using its services.

For example, your business may have an open membership structure or involve local people in shaping projects and influencing how the organisation runs. Local people may be on the board, and there may be working groups, a local steering group, consultation activities etc.

If you are not at this point yet, we will want to see that you are committed to and working towards actively involving local people in decision making.

- **Trading for the benefit of the local community:** A community business generates income through trading. Profits are reinvested in the community business or supports local community activity. Examples of trading could be

sales of products and services, hiring rooms, or delivering contracts for services.

You should have plans to increase your trading in 2022/2023 and beyond. You should have done something to test these ideas out, for example, you may have already started trading or be running a pilot.

The intention must be that the profits should be distributed locally and used to deliver public benefit for the local community. You may pay salaries or expenses to staff, directors, and volunteers where this is directly related to services they are providing. Community share schemes and local co-operative structures are allowed. Other private benefit should be incidental.

- **Making a broad community impact:** A community business has broad community impact across the local community through different services and activities. For example, a community centre that provides a range of services for young people, families, and older people.

It may be that you haven't developed all these services yet, but your intention should be to grow to serve the needs of a local community, rather than to grow by taking your service to other areas.

You may have a specific focus on a disadvantaged group, for example, people from racialised and minoritised communities or disabled people, where this fits into the context of you also supporting the local community more widely.

5. Working towards our social impact goals

Your organisation must have social impact at its heart. By this we mean that it must be set up with the intention of making a difference locally through at least one of the following social impact goals:

- Increased employability
- Improved health and well-being
- Better access to services
- Reduced social isolation
- Improved environment
- Greater community cohesion
- Greater community pride and empowerment
- Economic regeneration
- Improving access to digital products or services
- Tackling racial injustices and inequity

6. Committed to learning

You, as the lead applicant, should be a leader in your organisation, with some strategic control. You would usually be the CEO, the founder, or a board member. You must attend at least 80% of the course sessions. If you wish, you can also bring a second person from the community business to some of the learning programme sessions. This can be the same person each time, or different people depending on the learning session.

7. Your bank account

You must have a bank account in the legal name of your organisation managed by at least two unrelated people who release payments. If you haven't got this yet, you must have it by the time we make the Grant Offer.

8. Links to SSE and Power to Change

You don't have to have any previous links with SSE or Power to Change to apply. If you have close personal links with SSE or PtC, or you are on a similar programme which overlaps with this one, i.e. if the programme hasn't ended by the end of October 2022, then please check with us before applying. See FAQs for full details.

9. Other

All organisation leaders taking part in the programme must have the right to work in the UK and must be aged 16 or over by April 2022.

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

Case studies: Meet previous Community Business Trade Up students



Locally rooted: Café Laziz, St Helens

The project works alongside the “St Helens No Place for Hate” local campaign and intends that the café offers a safe environment to meet people from different cultures whilst developing employment opportunities and language skills. The cafe’s work supports community cohesion via opportunities for refugees to interact in the community, in addition to practical skills such as those found in the services industry. It is run by local people, for local people.



Accountable to the local community: One Voice Blackburn, Blackburn

When faced with an important decision about their organisation, they consult with the people who will be impacted and ask them to help shape the decision. They consult with the community informally on a regular basis - members and volunteers - but would like to develop this into a more formal process via public meetings or other forms. They are closely embedded in the community.



Trading for the benefit of the community: Basingstoke Multicultural Forum, Hampshire

BMF promotes community cohesion for communities of diverse culture, ethnicity and religion. They generate significant trading income (73% of their total income) through renting out space to local businesses and organisations. They hope to build on this strong trading performance by diversifying their trading activities.



Broad community impact: Food and Education Enterprise, Derby

A community hub supporting their local community, with some focus on BAME/refugee groups and isolated people in long-term unemployment. Around 50-60% of service users are asylum seekers and refugees. FEE offers long-term support, such as training opportunities, support with visa applications, IT and digital courses, English classes, and a food bank.

The learning programme

The learning programme will run over **12 days between October 2022 and September 2023.**

The programme will include eight days, and four individual action learning set sessions.

The programme will cover themes, support and skills areas that growing community businesses need to develop. The final programme is developed based on the needs of each group.

Typical topics include:

- Building community engagement and accountability
- Marketing, branding sales
- Negotiation and pitching
- Resilience - looking after yourself
- Building a diverse and sustainable income mix
- Leadership and management
- Business planning
- Governance and building your board
- Voice, advocacy, and campaigning
- Social investment
- Winning contracts
- Financial management
- Measuring social impact
- Building a staff and volunteer team
- HR and people management

The programme will include:

- **Witness sessions:** Entrepreneurs share their experiences and discuss the secrets of their success. You will be able to listen, learn and question them, to help you examine and find meaning for your own project.
- **Expert sessions:** Our experts will help you to improve your abilities in areas such as product development, financial management, marketing, sales, business planning and strategy, managing people, attracting income and other essential skills.
- **Action learning sets:** You will work in a small group with a trained facilitator, to help you find ways of overcoming the stumbling blocks, dilemmas and other problems encountered in running your project. Find out more [here](#).
- **Action clinics:** You will have 1-2-1 check-ins with your facilitator throughout the programme, who will support you identify how and where to apply your learnings from the programme, and how to embed them in your community business.
- **Mentoring support:** You will be able to access an experienced leader of another community businesses as a mentor, some of whom have gone through

this programme in the past. They can offer you and your community business advice and insights, using their specific areas of expertise and experience.

- **Peer support:** You will bring your skills and experience to the group and learn from the skills and experience of the other members. The networking and group support will help you develop your project and bring about sustainable social change.

Where will the learning programme be held?

You can apply from anywhere in England, but our programmes will be running from venues in the following regions.

- South West (Bristol)
- Midlands (Birmingham)
- North West (Liverpool)
- South East (London)

You must indicate your first choice of location during the application process on the website. You can apply if you are based in other regions, but you must be prepared to travel to your chosen location on at least four of the programme days.

What is the time commitment?

The programme consists of:

- Four days in-person group workshops (some on two consecutive days)
- Four half-day online group workshops (some on two consecutive days)
- Four half-day online Action Learning Set sessions throughout the programme
- Three online 45-minute Action Clinics with your facilitator throughout the programme
- Up to four 90-minute sessions with your community business mentor

Pre-work will be set (e.g. watching relevant videos, reading an article, brainstorming a subject with a team member/supporter, etc.) before group workshops in order to maximise the time spent collaborating and applying knowledge alongside fellow cohort members in group sessions.

Delivery dates will vary depending on the delivery location.

Once you have completed the programme, you will join our alumni network, to stay in contact with your peers and access regular updates and further support opportunities.

The Match Trading grant

Our intention is that you will be able to use the grant as flexibly as you need to, to support your learning and to help you put your learning into practice through developing your community business. In our previous programmes, grants have been used for salary costs, marketing costs, equipment, running costs and much more. We are flexible and you can change the use of your grant as your business develops. You won't be required to define exactly how you will spend it at the beginning, though we do have some limits on this and may need to include some conditions. You will be able to change how you spend your grant, in agreement with us, as you go along.

How will the grant work?

We want to invest in your community business and challenge you to increase your trading. We do this by “matching” your grant to your increased trading income.

We will set aside **£5,000 of funding** for your community business, of which you will receive £1,000 when you start the programme.

You will be able to claim the rest of the grant in **instalments** at the end of each quarter. Your grant claim will be **dependent on you increasing your traded income** compared to the previous year. The amount will be matched pound for pound based on increased trading, up to a maximum of £5,000 over the year. You will be able to use this grant to develop your project as agreed with us.

For example:

If you had £10,000 of traded income in 2021/2022, and this increases to £12,000 in 2022/2023, your grant will be £2000

If you had £10,000 of traded income in 2021/2022, and this increases to £15,000 in 2022/2023, your grant will be £5000

What do we mean by “traded income”?

Our definition of trading is the provision of goods or services in return for a “consideration”. Consideration usually means money, but could also be in-kind or bartering, as long as this is quantified and shown in your accounts.

Trading income includes:

- **Sales of goods or services to the public**, for example - selling food, tickets, training sessions, workshops
- **Sales of goods or services to other organisations**, for example, training courses, commissions, contracting
- **Sponsorship and membership fees**, where there is a significant benefit for the sponsor or member
- **Rental income**

It does not include:

- **Donations or voluntary contributions**
- **Income from investments**
- **Bank interest**
- **Loans**
- **Equity income** (e.g. through sale of shares)
- **Grants**, for example from the Lottery or from Trusts
- **Transfers of funds** from other organisations, e.g. in the case of a merger
- **Sponsorship or membership fees**, where there is no significant benefit to member or sponsor

We can advise you about this if you are not sure.

And just to be clear, by traded income we don't mean surplus or profit - just income.

How can you draw the funding down?

You will be able to request the funds on a quarterly basis, by demonstrating that your traded income has increased compared to the previous year, and completing other grant conditions, such as attending the programme and completing required surveys.

What if your traded income does not increase?

We will work hard with you to support you to increase your trading, and we hope you will. We want to give you the money and we believe that you have the potential to achieve this growth.

If your income increases by less than £5,000 (say £3,000), we will match that increase. But if you don't increase your trading income at all, you will still receive the £1,000 paid in advance and you can still participate and graduate from the course.

What can you spend the grant on?

You can use your Match Trading grant flexibly to support your learning about trading by developing your community business.

You don't have to decide now, and you can change your mind during the programme. For example, you might:

- Develop a new product line
- Buy in stock to improve your trading
- Offer your activities at a reduced cost, as a "loss leader"
- Support marketing or update your website
- Improve a facility to increase rental income
- Cover your salary while you attend training or develop your trading or sales strategy
- Cover your travel and subsistence costs to allow you to attend training
- Cover the costs of someone else's salary, so you have time to attend training and work on, instead of in, your community business.

You cannot use your funding for

- Activity or training not directly related to your community business
- Costs for activities or products already incurred
- Academic courses
- Your own childcare or caring costs or personal benefits
- Paying dividends or bonuses
- Any retrospective payments or loan repayments

If you want to spend your award on vehicles, buildings or refurbishment, or large items of equipment (over £1000), please check with us first. Costs should be value for money, meaning that you should have checked prices to ensure that you are receiving best value for money.

Making an application

[Apply online here](#) by 1pm Tuesday 28th June 2022

You will need to provide:

- A copy of your most recent accounts, if you have them
- Your constitution if your organisation is unincorporated

Interview

If you are shortlisted, we will invite the lead applicant for an information session and an interview during July. These will be online.

Decision

We aim to make a final decision on places for the programme by late September and you will be informed as soon as possible. The programme starts at the end of October.

Frequently asked questions

Can I apply if I already have a Power to Change grant or if I am currently on an SSE programme?

Do not apply if:

- Your organisation will be on another learning programme with SSE after October 2022.

You can apply if:

- You have attended previous SSE programmes, including the 2021/2022 Lloyds Bank and Bank of Scotland Start Up, Trade Up or Scale Up programmes.
- You have applied to SSE before and were unsuccessful.

Can we apply if our organisation has people that are connected to SSE or PtC?

If your organisation is run by people who regularly work for or are trustees of SSE, any of its host organisations, or Power to Change, or have a close financial or family connection with our staff or trustees, please contact us before making an application to ensure that there is no conflict of interest.

Will this funding fall under UK Subsidy regulations?

These are unlikely to affect you unless you have had more than £315k in public funding (not from trusts and foundations) in the last three years. If you think this may be a problem, please contact us.

What if we have particular needs, which may prevent us from fully taking part in the learning programme?

We are keen to enable people with disabilities and other access issues, to join our programmes. There is a separate small fund held by SSE to enable students who have particular needs to access the programme. This will be negotiated individually with participants. If you have specific needs and are concerned about this, please contact us to discuss.

What happens if my project will work with children, young people or vulnerable adults?

If your organisation will be undertaking work with children under 18 years old, or vulnerable adults, you will be required to provide a Safeguarding Policy and may need enhanced DBS checks for staff and volunteers.

Can I apply for this programme if I have criminal convictions?

Previous SSE Fellows have included people who have criminal convictions, some of whom have used their experience in prisons to make a difference to the lives of ex-offenders. You do not need to let us know about previous convictions unless they are relevant to your application.

If you have unspent convictions for fraud or any convictions which may affect your ability to run your organisation, including working with children, young people or adults who are vulnerable, you must let us know, as we may undertake checks during the application assessment.

What about data protection?

SSE has a Privacy Policy which is available [here](#). SSE also has a [Data Protection Policy](#). We are committed to protecting your personal information and acting in accordance with your rights under the Data Protection Act 1998. We may need to share your information in order to undertake assessment of your application, statistical analysis, research and monitoring, compliance and regulatory reporting and fraud prevention. We may share your information

- with our funders
- with our agents or subcontractors for operational reasons
- with other agencies in order to assess your application
- with others for the purpose of compliance and regulatory reporting and to confirm your identity for money laundering purposes and fraud prevention
- if compelled to do so by law.

What about equal opportunities?

SSE is committed to equal opportunities. We expect our staff, participants and grant recipients to comply with equal opportunities in any activities supported by SSE.

At the end of the application form we ask for you to complete an equal opportunities monitoring form about the person applying for this programme.

This will be used for statistical purposes and it will not form part of your application assessment. If you do not wish to provide the details requested, you have the option to opt out from providing this information.

Complaints

If you wish to make a complaint about any aspect of the running of the programme, SSE has a complaints procedure which is available [here](#).