



# Towards an Impact Coalition

## Karolina Medwecka

### Workshop 3

### 18 February



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# Reflection on the Community Economic Mapping Journey

## Nicola Bacon Workshop 3 18 February



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# Investable Propositions for Jones & Jo White

## Workshop 3

### 18 February



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## Policy Context for Investable Propositions

- **East Birmingham Inclusive Growth Strategy** to benefit from access to funding via the WMCA “Integrated Settlement”, business rate retention resource generation, tax relief sites & flexible funding access
- **East Birmingham Impact Coalition model** – Karolina’s earlier slides
- **Capacity building** to enable community organisations to play a key role in inclusive growth mission, be resilient & move away from resourcing models solely dependent on grants
- **Method for accessing funding through the Impact Coalition and from social investors more widely** – developing investable propositions underpinned by business plans
- **Coalition for Impact** – informed by community economic planning process developing Investable Propositions designed to develop participants’ expertise on how to develop them
- **Good investable propositions** - could be further developed for presenting for wider social investment or presentation to the Impact Coalition

## What are Investable Propositions

### What is an Investable Propositions

- Proposition – something presented for consideration

Investment – provision of funding – capital/revenue – with an expectation of a return

### Use of Investable Propositions in different sectors

- **Private sector** – use is a mainstay of raising funds, both capital and revenue, from financial markets with the investor expecting a return on investment
- **Public sector** – use is typically in the fields of housing and economic development with other public services reliant on subsidy through grant raised through central and local taxation. Note WMCA, through their single commissioning framework, invest housing and funds into housing and regeneration through equity, loan and grant with applicants using investable proposition approach.
- **Voluntary and community sector** – use also more limited than private sector except for accessing social finance with most funding raised through public sector commissioning and through charitable funding and endowment trusts

## Business Models that accompany Investable Propositions

- **Value proposition** – what the investment will provide as a benefit to the community it will serve (a mix of monetary value and social value)
- **Customer base** – the community served but also recognising the agency of community led investments, the agency of volunteers, service users, community groups, faith groups, paid staff, trustees or shareholders if a share issue and investors
- **Infrastructure & resources** – many community hub organisations are operating within tight margins & are typically resourceful in making best use of what they have and attracting additional assistance. Ownership or a long lease of a community asset makes a significant difference to income levels and business risk
- **Adaptable revenue model** – by catering to the needs of all sections of the community not all will have the same means to pay for services on offer so often there is a need to look at cross-subsidy models e.g. getting income from those who can pay, from funders and applying surpluses to activities where subsidy is required
- **Developing a financial model** – what is a realistic source of income, covering all the cost bases and generating reserves

\* Coop Futures slides in the Income generation and business models' workshop. Note this slide developed for community hub organisations relating to asset acquisition but its principles apply to service models too.

## Commercial Approach to Investable Propositions

- **Think like an investor** - being assured that there will be a return on the investment
- **Think more than the sum of the investment** - ensuring the investment translates into a quality product, that your business is well-managed and that the business plan
- **Start with an elevator pitch** - both in the written proposition and verbal presentation securing attention, what your solution delivers & credibility of your team and governing body
- **Describe the product** – its value proposition and why its viable to invest in
- **Business model** – current viable operations of the business and how the product will pay for itself over time
- **Market issues** – what factors may delay the deployment of the proposition e.g. suppliers, competition from others, affordability for customers

## Taking forward your Investable Propositions

- Loconomy associates have made initial engagement with each of you after the Christmas break and Coop Future Workshops and 121s will have provided useful background
- Some of you have already started and have your Investable Propositions in the pipeline
- This workshop building on Karolina's presentation on the Impact Coalition, this presentation and the table work will formally start at this workshop
- Tim and Angela in the first workshop session will help you tease out a **common set of themes and vision** followed by presenting in your Quarters your early thinking for peer feedback and then to the wider group
- We will provide you with an **Investable Proposition template** which will help ensure we have consistency across all that are developed
- Coop Futures (Jo) will offer **further 121 support** (catch her to book a session) followed by the **workshop on 18 March** (note the 5<sup>th</sup> March one is cancelled)
- Please would like to have an **early version** of your Investable Proposition for the **3<sup>rd</sup> March** and final version 16<sup>th</sup> March). Please send to [jo.white@futures.coop](mailto:jo.white@futures.coop) cc [iza.korsake@loconomy.org.uk](mailto:iza.korsake@loconomy.org.uk)
- As per your grant agreement outputs you need to hold **one more community meeting** and use these for input into your propositions
- The workshop is being held at the **Priory Rooms** working in groups of 3 based on the three investment quarters (programme and timetable to follow)
- Jo will issue feedback quickly and your associates will be happy to engage to **finalise these** and submit to [iza.Korsak@loconomy.org.uk](mailto:iza.Korsak@loconomy.org.uk) **by 26<sup>th</sup> March**
- We will **print and present** these Investable Propositions and display them at the final conference at the **Dolphin Centre on 5<sup>th</sup> April**. Detail and programme to follow.

## Investable Propositions Template

1. Describe your investable proposition.
2. How does your investable proposition fit with the outcomes of the mapping you have done and the vision and themes for your quarter?
3. How has your engagement with and feedback from your community and stakeholders helped shape make it a reality?
4. How has being part of the Coalition for Impact programme helped to inform the proposition?
5. What are the next steps that need to happen?
6. What resources are needed to make it a reality? As an investable proposition, what is the investment needed for: ? Buy a building? Working capital to set up a new service? Other?
7. Will it generate an income? How?



# Table Sessions : Tim Evans & Angela Jeffery

**(a) Vision & Themes (mixed)**  
**(b) Investable Proposition ideas**

## exchange (in quarters)



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## **Vision**

Develop a statement on how each quarter will maximise the future engagement of community organisations to play a part in growth and ensure its benefits are locked in locally

## Themes examples

- Every young person in our locality to be able to access training and employment opportunities
- Every person of working age to have the opportunity to training and local employment opportunities
- Support the development and growth of a local green economy
- Support the development of a local women's economy
- Support community housing development meeting housing needs and generating local investment
- Secure a local asset (develop or take on) to deliver services that meet local needs and impact on the local economy
- Develop cooperative business within our community enhancing local retail offer and contributing to local growth



# Coalition for Impact Learning Platform

## Mashkura Begum



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# Visits



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## Study Visits

### **(a) Kindred, Liverpool**

7:45 am Depart Birmingham (Legacy Centre of Excellence)

0 am-11 am: Welcome to Baltic Triangle, scene setting for location, and then introduction to Kindred and social economy in the city region

11 am-Midday: Questions and digging into the model

Midday-12:30: Intro to Baltic Creative CIC

12:30 pm-1:30 pm: Lunch with STO's

1:30 pm-2:30 pm: STO stories in their words

2:30 pm-2:45 pm: Break

2:45 pm-3:30 pm: Place and communities of interest

3:30 pm-4 pm: Questions

Depart back to Birmingham for 6:15 arrival

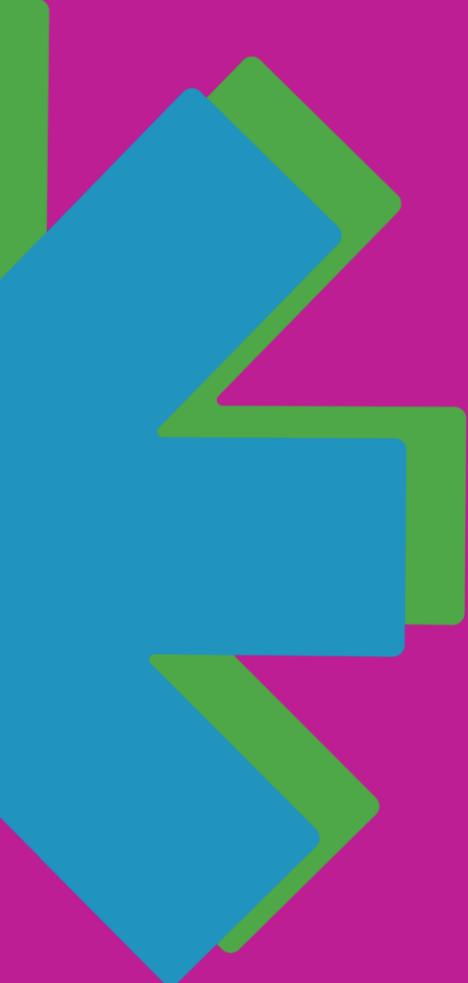
### **(b) Ironbridge World Heritage Site – Angela Jeffery tbc**

### **(c) Etihad Stadium – Tim Evans tbc**

# Next steps



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# Lunch and Social Research Discussion

## Ian Dudfield



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