

# East Birmingham Coalition for Impact Programme –Community Asset Support

## Workshop 3: Income Generation and Business Models – 6<sup>th</sup> February 2025

Jo White – Co-op Futures



Funded by  
UK Government



West Midlands  
Combined Authority

COOPERATIVE  
**FUTURES**  
business for good

# Income Generation and Business Models



Using an asset to generate an income



What business model and approach do you need to take



Developing financial modelling

# Using an Asset to Generate an Income



Commercial  
relationships



Trading activities



Anchor tenants



Grants for  
community activities  
and services

# Old School – Wolverton, Milton Keynes



## Community

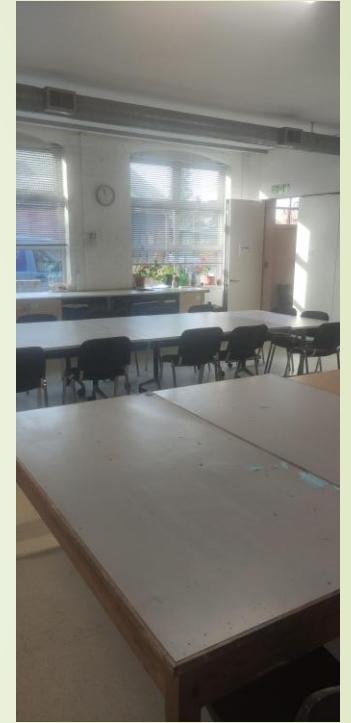
- ▶ Community meeting spaces / Community activities
- ▶ Employability and life skills development for young people and adults with autism and ADHD
  - Café/Hospitality/ Events Co-ordination
  - Site maintenance/Horticulture
  - Woodwork and design
  - Business operations
  - Into Nature activities

## Income

- ▶ Room Hire
- ▶ Café
- ▶ Weddings
- ▶ Contract with the Council to deliver EHCP work related learning
- ▶ Bed and Breakfast
- ▶ Grants

<https://oldschoolwolverton.org/>

# Gloucestershire Resource Centre





## Community

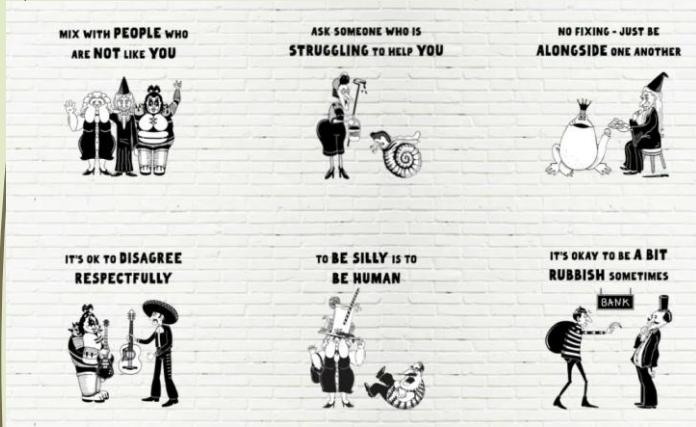
- ▶ Arts space
- ▶ Supporting local community arts groups and artists
- ▶ Enrich children's play experiences
- ▶ Supporting community organisations and businesses
- ▶ Volunteering opportunities
- ▶ Environmental activities
- ▶ Reuse/Recycling

## Income

- ▶ Scrapstore/sale of arts materials
- ▶ Room hire – arts space/ meeting rooms
- ▶ Office hire
- ▶ Income from solar panels
- ▶ Grants

<https://www.grcltd.org/>

# The Bevy - Brighton



**WHAT'S ON FEBRUARY AT THE BEVY**

<b>WEDNESDAY 5<sup>TH</sup></b> BRAINS AT THE BEVY Global warming threatens our frozen planet. 6pm Start	<b>FRIDAY 14<sup>TH</sup></b> SENIORS LUNCH CLUB Lunch, pudding, tea and coffee. Plus bingo all for a fiver! 12 till 3pm	<b>SATURDAY 22<sup>ND</sup></b> BREAKFAST AT THE BEVY Freshly cooked hot breakfasts! The best way to start your weekend! 9am – 12.30
<b>THURSDAY 6<sup>TH</sup></b> FAMILY FUN THURSDAY Free activities and free food 3:30 til 5:30pm	<b>JOB CLUB - 11 till 1pm</b> BRIGHTON VS CHELSEA Free Bevy bus to Brighton 8pm kick off	<b>TUESDAY 25<sup>TH</sup></b> BRIGHTON VS BOURNEMOUTH Free Bevy bus to Brighton 7:30pm kick off
<b>FRIDAY 7<sup>TH</sup></b> SENIORS LUNCH CLUB Lunch, pudding, tea and coffee. Plus bingo all for a fiver! 12 till 3pm	<b>SATURDAY 15<sup>TH</sup></b> VALENTINES PARTY & DJ 7pm till Late	<b>THURSDAY 2<sup>ND</sup></b> SUNFLOWER GROUP Support for parents/carers of children with additional needs 9:30 till 11:30pm
<b>JOB CLUB - 11 till 1pm</b> SATURDAY 8 <sup>TH</sup> BRIGHTON VS CHELSEA Free Bevy bus to Brighton 8pm kick off	<b>THURSDAY 20<sup>TH</sup></b> FAMILY FUN THURSDAY Free activities and free food 3:30 till 5:30pm	<b>FAMILY FUN THURSDAY</b> Free activities and free food 3:30 till 5:30pm
<b>SATURDAY 13<sup>TH</sup></b> FAMILY FUN THURSDAY Free activities and free food 3:30 till 5:30pm	<b>FRIDAY 21<sup>ST</sup></b> SENIORS LUNCH CLUB Lunch, pudding, tea and coffee. Plus bingo all for a fiver! 12 till 3pm	<b>FRIDAY 28<sup>TH</sup></b> SENIORS LUNCH CLUB Lunch, pudding, tea and coffee. Plus bingo all for a fiver! 12 till 3pm
<b>DISABILITY DISCO</b> Live DJs and karaoke, open to all abilities. 7 till 10:30pm	<b>JOB CLUB - 11 till 1pm</b>	<b>JOB CLUB - 11 till 1pm</b>

**PLEASE NOTE:**  
We're taking a little Sunday break for some much-needed TLC!  
The Bevy will be closed on Sunday 9th, 16th, 23rd Feb & March 2nd for maintenance.  
Got a booking or want one? No worries—we'll still be open for you!





## Community

- ▶ Social community space
- ▶ Supporting local community groups
- ▶ Public meeting room
- ▶ Seniors lunch club, etc
- ▶ Community owned and controlled

## Income

- ▶ Bar/caf  sales
- ▶ Room hire
- ▶ Grants

<https://thebevypub.co.uk/>

# Nudge Community Builders - Plymouth



Club 103



# Bringing unused buildings into use on Union Street

- ▶ Union Corner
  - ▶ A community space
- ▶ The Clipper
  - ▶ Café and marketplace
- ▶ The Plot
  - ▶ Socially minded business units
- ▶ The Millennium
  - ▶ Public access wood workshop
  - ▶ Music Venue
- ▶ C103
  - ▶ local organisations working with young people,
  - ▶ space for the community
  - ▶ an indoor urban farm that will create food, training opportunities and local jobs

<https://www.nudge.community/>



Business  
models

Value proposition

Customer base

Infrastructure/resources

Revenue model



# Value Proposition

The value proposition is what it can provide that benefits its local community. In practice, this will be a mix of different things, some of which can be given monetary value (rooms for hire, or a service to enhance skills and employability, for example).

However, ascribing monetary value is very difficult or impossible in other cases (the building of personal relationships which help to overcome isolation, for example). Moreover, it is often the combination of activities which produces the greatest community benefit, and the effects of that combination can also be difficult or impossible to value in monetary terms.



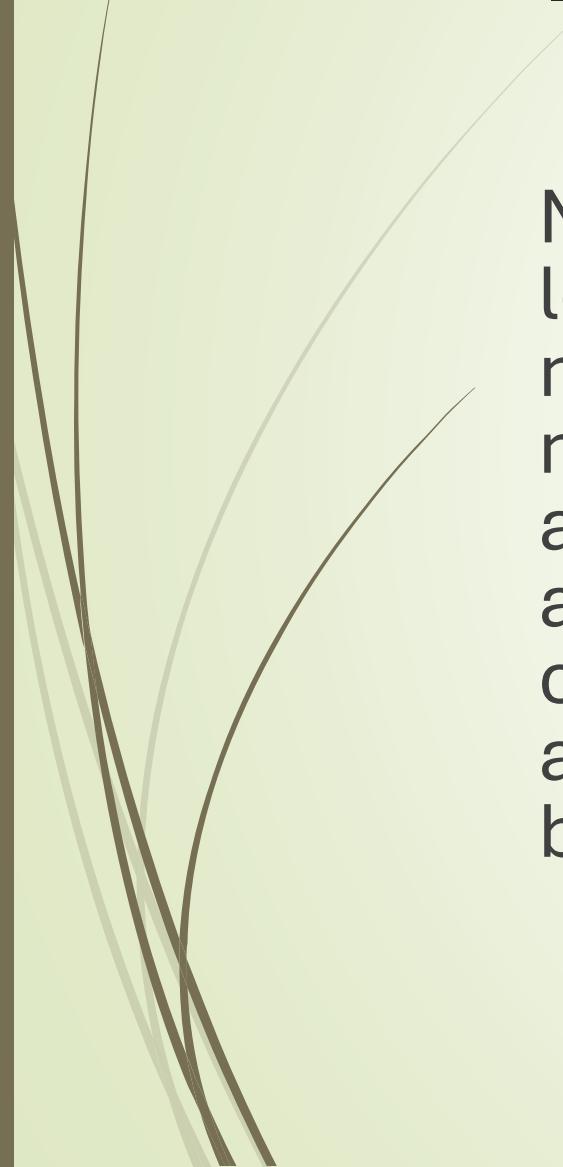
# Customer Base



First and foremost, your local community. But community hub organisations are also community led, to a greater or lesser degree. This means that local people can play multiple roles, not just as customers or users of services, but also, as volunteers, as trustees, as paid staff, as donors or (where there has been a community share issue) as shareholders.



# Infrastructure & Resources



Many community hub organisations have very low levels of resources available to them, and therefore need to become especially resourceful in how they make best use of what they have and in how they attract additional support, including in-kind assistance. Moreover, some own the building they operate from (or have a long lease) and others do not, and, as we shall see, this can make a difference to both income levels and business risk.



# Revenue Model

The revenue model is inherently challenging. A community hub organisation will aim to make its services available to all sections of its community, but not all local people will have the means to pay for the services on offer. Most community hub organisations therefore need to apply a cross-subsidy model, generating income from people who can pay or from external funders, and applying any surpluses to activities where subsidy is required.

In order to achieve sustained community benefits, all community hub organisations require a revenue model which can generate sufficient income to maintain their activities over time.



# Developing a financial model

- ▶ What can you really earn an income from? Is it realistic?
- ▶ Have you covered all the costs?
  - ▶ Some examples, there are more ...
    - ▶ Cleaning
    - ▶ Caretaker
    - ▶ Pest Control
    - ▶ Rubbish collection
    - ▶ Fire equipment and safety
    - ▶ Lift Maintenance
  - ▶ Reserves

# Hints and Tips for Financial Modelling

- ▶ It needs to be detailed.
  - ▶ We will hire out this room for X hours per week Y weeks of the year at £Z per hour.
  - ▶ Office space will be hired to anchor tenants, but we expect it to be empty for X% of the time while we advertise/relet/redecorate/etc
- ▶ Need to profile activities building up over time, you won't be full on day one. It can take up to 3 years to reach capacity.
- ▶ Cash is king! You will need a monthly cashflow projection
- ▶ Be prepared to adapt what you are doing to raise an income, e.g. if you can't rent out an office could it be a co-working space.
- ▶ It's not a one-off exercise, you need to keep refreshing it, testing your assumptions.



# Your building ....

- ▶ Why do you want a building? How will it help you deliver your mission?
- ▶ What activities will you do?
- ▶ Which ones will generate an income?
- ▶ Will they fit in the space?
- ▶ What will your costs be?



# Tactics and tips for survival and success

- ▶ Involve large numbers of people from across the community
- ▶ Build up a pool of reliable volunteers
- ▶ Provide things which people value and will pay for
- ▶ Ensure that the community hub is attractive, welcoming and well-used
- ▶ Run a tight-ship with excellent financial data and an eagle eye
- ▶ Build positive relationships with others
- ▶ Build a positive team and embrace change



# Eight Steps to Creating a Community Hub



1. Understand local needs and demand.
2. Establish a clear vision and mission with your community.
3. Develop partnerships and build relationships.
4. Develop your strategic objectives.
5. Develop a business model for your hub.
6. Secure support and resources to make it happen.
7. Acquire any assets required.
8. Establish an appropriate governance structure.



# Resources

- ▶ [The Community Hub Handbook](#)
- ▶ [The community business success guide to cafes](#)
- ▶ [The community business success guide to retail](#)
- ▶ [The community business success guide to room hire](#)
- ▶ [The success guide to delivering services from a community space](#)
- ▶ [Community hubs: Understanding survival and success](#)
- ▶ [myCommunity](#)