COMMUNITY SHARES TO IMPROVE SERVICES AND BUSINESSES PROMOTED BY THE UNITED KINGDOM CO-OPERATIVE MOVEMENT

August 2025

The website of the United Kingdom's Co-operative movement dedicates section for the promotion of the innovative ways of Community Shares support the initiatives of local communities in many aspects that represent their Hundreds priorities. communities across the United Kingdom have used community shares to save and create businesses that are important to them.



The 2020 Community Shares report explains that Community shares are a flexible and effective way to raise finance, benefiting businesses, investors and the wider community. An innovative, accessible investment model, community shares have become a popular approach to raising finance. It is unique to co-operative and community benefit societies, businesses owned and run by local communities across the UK.

Using this model, for example, communities are able to finance new renewable energy schemes, save pubs, shops and football clubs, transform community facilities, restore heritage buildings and so much more. By investing, individuals can support businesses and organizations important to themselves and their communities and become co-owners of the business in the process.

The story of the Drewe Arms local pub in the Drewsteignton village in Devon, presented in the website Cooperatives UK is an example of community shares in action. Like many English villages, Drewsteignton in Devon has seen its public spaces dwindle. So when the much-loved local pub the Drewe Arms shut its doors, after the closure of the village shop and post office, the locals decided they had enough and had to take action. With help and advice from Plunkett UK, villagers rallied and a steering committee was formed. They took Plunkett's advice and set up the Drewsteignton Community Benefit Society. Then they realized they had to make a share offer, and that's where the Community Shares Booster Fund came in. The group applied for grant funding to help prepare their share offer and received £4,820. It was important getting a development grant from the Booster Fund to give them confidence, as well as the ability to seek professional support to prepare the share offer. Jane Martin was named Director of the Drewsteignton Community Benefit Society. The grant funding made the whole venture feel official. With the grant, Jane and her team paid for professional advice, business consultancy and support in gaining the Community Shares Standard Mark, a guarantee of a quality share offer. With this help Drewsteignton Community Benefit Society launched a hugely successful share offer in September 2023, which saw them raise more than £555,000 from some







600 investor members when the offer closed in November. The Drewe Arms opened its doors once again in March 2024 and, with the local community behind it, is serving the needs of that community in many different ways. The pub has a hall at the back where they're doing yoga classes, craft sessions, wreath making at Christmas and more. They are building on local skills and interests. Someone has donated a tennis table for the teenagers. They had a band on and a Burns Night village supper too. They now have 600 shareholders. Everybody feels invested. It's their pub and they are working hard to make it more than a pub.

The Co-operatives UK website presents a large set of <u>case studies</u> showing the many experiences that are ongoing using community shares to be financed and managed.

Since 2012, over £200million has been raised by more than 126,000 people in community shares across the United Kingdom. Community shares have been invested into over 500 co-operative and community business including shops, pubs, renewable energy schemes, housing projects, community hubs and much more. Community shares is a name for *withdrawable*, *non-transferable share capital*: a form of equity uniquely available to co-operative and community benefit societies. Community shares are a flexible and effective way to raise finance: an incredible 92% of all businesses who have used community shares are still trading. This demonstrates that community shares help make businesses more resilient.

The international community celebrates 2025 as the International Year of Cooperatives and the International Cooperative Alliance ICA is spreading information, also through the year's website, about the diversity and magnitude of the impact of cooperatives worldwide, demonstrating how the movement is growing exponentially each year, and impacting increasingly significant sectors of the global economy in every country. In this context, the experience of community shares implemented in the United Kingdom also demonstrates another innovative and successful path for cooperatives to contribute to territorial development processes, mobilizing the resources of local communities to address the problems faced by their populations in innovative and effective ways, thus also contributing to the solution of global development challenges.

Since its launch in 2012, the innovative Community Shares model has enjoyed great success in the United Kingdom, and practices have multiplied across the country, involving an ever-increasing number of communities and local investors and expanding community business initiatives to various business sectors, including shops, pubs, renewable energy, and housing projects deemed important by local populations. The growth of practices has gone hand in hand with the development of a national system of institutional, technical, and financial support for this innovative method of financing local projects. In addition to the national government and the organization Cooperative UK, this system involves for example the Plunkett Foundation, which has adopted the strategy of promoting Community Business in the country for 100 years, and the Community Shares Booster Fund, which supports the initial phases of project formulation and the establishment of structures and management.

The success of Community Shares as a flexible and effective way to raise finance benefiting businesses, investors, and the wider community was also made possible by the development, which involved all these promoters, of manuals and operational tools that guide the timely and rigorous implementation of Community Shares so that they are successful and sustainable over time.











<u>Co-operatives UK through the Community Shares Unit, a longstanding partnership with Locality and other key partners, promotes best practice standards, published in the <u>Community Shares Handbook</u> and embedded through the <u>Community Shares Standard Mark</u>. They also are the main source of market intelligence on community shares, through extensive data collection and <u>detailed market reports</u>. Among the publications produced that illustrate the operating methods adopted by Community Shares and their results, the following can be highlighted: <u>Investing in Community Shares - November 2016</u>; also, the <u>Understanding a maturing community shares market – 2020 Report</u> and the Community Shares Report 2023.</u>

The Community Share Unit of the Co-operatives UK acts as a development funder and institutional investor in innovative community share offers through the <u>Community Shares Booster Programme</u>. They also train, license and unite a network of consultant practitioners through the Community Shares Practitioner Training Programme.

All these publications and operational materials are useful tools for disseminating Community Shares, also with a view to their potential adoption in other contexts and countries. Indeed, the dissemination of community shareholding strategies to support projects deemed priority by local communities, as the ongoing experience in the United Kingdom demonstrates, can be an important path to territorial development, addressing the priority needs of local populations but also addressing the new global challenges of the future, such as climate change, the energy transition to renewable sources, the construction of sustainable agri-food systems, and many others, with the active participation of local communities.

An article published by lacoperacha magazine for the cooperative movement in Mexico in 2016 shows an example of the interest aroused in other countries by the *community shares* experience underway in the United Kingdom.

To know more

Community Shares in Cooperatives UK website

Community Shares Report 2023

Cooperatives UK Annual Report 2024

Booster Fund. Application guidance 2025

Community Shares Handbook

Community Shares Standard Mark

Community Shares Case studies

Article in lacoperacha.og.mx magazine

The practitioners' guide to community shares 2011

Cammunity Shares Handbook Our essential handbook on the legalities and practicalities of community shares

Community Shares

Impact report 2023





