



Community spaces - interest-free loans (UK wide)

About our funding

Places and spaces for people to come together and enjoy shared interests are vitally important for building stronger communities. Venues such as parks and community centres need regular income so they can continue to meet the needs of people who use them, love them, and rely on them for local services and social contact.

We're offering interest-free loans of £10,000 to £50,000 for viable business ideas that benefit the whole community. Loans should usually be repaid within five years and you don't need to make repayments in the first year while activities are getting started. If you are based in a more deprived area, or your work mainly benefits more disadvantaged members of the community, you may also be eligible for a grant alongside the loan.

Is your organisation eligible?

You must:

- Be based in the UK.
- Own, manage or have access to a community space that people can use and enjoy.
- Run your organisation for the benefit of the community, rather than for private profit. If you don't have charitable status, your constitution or governing document should show that your organisation is run for the benefit of the community.
- Want to develop or increase your trading activities to grow your sustainable income.
- Involve local people in your work, including more disadvantaged members of the community.

What we're looking for

Applications will be assessed against the following criteria:

Community Spaces

Organisations need to own, manage or have access to a community space. Your ideas for enterprising activities should help to strengthen your organisation so the whole community can continue to access and enjoy the space.

Viable business plan

We want to fund organisations that have viable business ideas that benefit the whole community.

Community outcomes

We want to fund organisations that deliver positive benefits for people living in their community. If you like, you can refer to [Co-op's Community Wellbeing Index](#) or the Indices of Multiple Deprivation (see links below) to show how your organisation responds to issues in your local community.

- [English IMD](#)
- [Northern Ireland](#)
- [Scottish IMD](#)
- [Welsh IMD](#)

Community involvement

Organisations need to be able to demonstrate how they involve community members in decisions about how they are run, and what activities and services they offer.

Diversity and inclusion

We want to fund organisations that can show they are open and welcoming to the whole community, and actively seek to include people who may face barriers to getting involved.

What can you spend the money on?

Loans of between £10,000 and £50,000 are available to develop or increase trading activities to grow your long-term sustainable income so the community space you own or manage is more financially secure. We are flexible on how exactly the funding should be used. This could be towards capital costs for building or refurbishment, revenue costs to pay staff who can develop trading activities, or for working capital while you get your trading activities started or are waiting for other funding to be paid in arrears. We can discuss your ideas with you in more detail once we have received your expression of interest.

When do we need to repay the loan?

We usually expect the loan to be repaid within five years. In some cases, we may be able to offer a longer repayment period, however, in this case we may need to charge some interest. You don't need to make any repayments in the first year while your activities are getting established.

Do you offer other kinds of repayable funding?

We can consider other forms of repayable funding such as equity investments into community share offers. Once you have submitted your expression of interest, we can discuss this further.

How will you decide if my organisation is eligible for a grant alongside the loan?

We base this decision on several factors, including:

- The challenges facing your community and how your organisation responds to them.
- The level of support you offer to people facing extra challenges.

How do I apply?

Please submit your [expression of interest](#). We will review this and, if your organisation is eligible, get in touch within three weeks to discuss your ideas further. If our funding is a good fit for your organisation and you would like to proceed to the next stage, we will ask you to submit a full business plan and any relevant supporting documents. We will then begin our assessment process.

What will happen next?

The Co-op Foundation team and our advisors at Co-operative and Community Finance will assess your business plan and supporting information. To help us with our assessment, we may also share your supporting information with other stakeholders with expertise in your area of work or your local area. If your organisation meets our criteria and can demonstrate a viable business idea that will deliver benefits for the whole community, we can then consider recommending your organisation to our Board of Trustees to approve funding. If there is more demand for our funding at each round of decision making than we have funds available for, then we will prioritise the organisations that best fit our criteria and are best placed to move to the next stage in the process.

As part of our decision making process, we will also come for a due diligence visit to talk through your plans in further detail and agree final investment terms, including timing and any pre-conditions for the release of our funding.

Can I use this funding as match funding or as a contribution to a larger project?

Yes, you can use this funding as a contribution to a larger project. We will ask you to tell us about this and the status of other contributions to your work when you apply. If our funding would make up a relatively small contribution to your overall project, we usually ask that the majority of the remaining funding is secured, or that you have plans in place to secure the remaining funding before we can approve a loan.

Is there a deadline for applications?

No, you can submit an expression of interest at any time.

What if my organisation does not have a business plan?

If your organisation does not yet have a business plan, we are still interested in hearing about your ideas, although we will not be able to make an offer of funding until we have seen your business plan. We are not able to offer dedicated support to individual organisations to write their business plan, although we can advise what kinds of things you should include. If your organisation needs more support to develop a business plan, some of the organisations listed below may be able to help.

UK Wide

- [The Hive](#)
- [NCVO](#)
- [Plunkett Foundation](#)
- [Shared Assets](#)

England

- [Locality](#)
- [Access Foundation](#)

Wales

- [DTA Wales](#)
- [Llaisy Goedwig](#)
- [Wales Co-operative Centre](#)

Scotland

- [DTAS](#)
- [Community Land Scotland](#)

Northern Ireland

- [Development Trusts NI](#)
- [Co-operative Alternatives](#)

What else will you ask to see as part of the assessment process?

Alongside a business plan, we typically also expect to see other supporting documents including:

- Governing document for your organisation
- Annual accounts for the past two to three years
- Financial projections - these should include the revenue from your new trading activities, factoring in loan repayment from our funding

- Schedule of works for any new buildings
- Any relevant planning permissions
- Confirmation of any other funding, if relevant.