

Community Shares Practitioner Training Manual

2024

Introduction

Co-operatives UK trains and licenses Community Shares Practitioners award the Community Shares Standard Mark on behalf of the Community Shares Unit (CSU). The Standard Mark is awarded to community share offers that meet national standards of good practice as set out in the Community Shares Handbook.

These standards, associated guidance and practitioner training programme are overseen by the Co-operative and Community Capital Committee, a member group of Co-operatives UK. There are three elected Community Shares Practitioners represented on the Committee.

Why is this important?

The Financial Conduct Authority (FCA) does not approve or regulate community share offers that are currently exempt from Financial Promotions Regulations. This keeps costs low for community businesses and societies that are often volunteer-led and do not have access to significant development funding. However, withdrawable share capital is fully at risk, relying on the power of often hundreds or thousands of ordinary people investing. Recent research also shows that the majority of community shares investors earn the average UK income or less¹.

We want to ensure that the use of withdrawable share capital by societies remains unregulated for the benefit of societies wishing to raise capital in this way, while protecting the interests of community shares investors who are providing this mission aligned patient capital to the businesses that matter to them.

The CSU has worked closely with the FCA and other key partners to develop the Community Shares Standard Mark as a form of voluntary regulation. Training up community shares practitioners is a fundamental part of embedding these standards.

There is a well-established college of community shares practitioners in the UK who freely share knowledge and experience, supporting each other to grow and innovate in the community shares market in line with best practice.



¹ Understanding a Maturing Community Shares Market 2020 – www.uk.coop/comshares

Becoming a Community Shares Practitioner

Community Shares Practitioners are assessed and accredited at two levels.

Registered practitioners are deemed competent to provide community shares advice, guidance and mentoring to new and established community enterprises.

Licensed Assessors are additionally accredited to conduct Community Shares Standard Mark assessments on behalf of the CSU.

The demand for community shares practitioners is currently higher than ever and many societies and funders are very happy to invest in professional, practitioner advice on community share offers as the returns of a successful community share offer are significant. To read more about the success of the community shares market to date, read our latest publication [‘Communities doing it for themselves: celebrating a decade of the Community Shares Unit’ \(2023\)](#).

Practitioner Training Programme

Stage 1. Training workshops

All training workshops will be delivered online with different trainers for different sections. The content will be broken down into more digestible sessions for an online format and will include home study and interactive sessions. The programme is hosted on the LearnWorlds platform which gives trainees the opportunity to revisit recordings of the workshop, complete the home study and access all the relevant course materials and information in one place.

The training workshops will cover the four key areas underpinning community share offers.

Community Engagement

Community engagement is the foundation of all good community share offers. This workshop explains how community engagement can lead to a competitive advantage for societies, resulting in a more robust business model. It looks at the tools and techniques for defining a community and building support from potential members and stakeholders.

Governance

This workshop examines the most appropriate organisational and legal forms for societies. It will address a variety of starting points, including start-ups, existing charities and community interest companies, and community buy-outs. It will introduce the different types of society, and the full range of model constitutions and governing documents available.

Business Planning

This workshop explores the capital structure of societies, and how community shares are key part of a funding mix, alongside grants, debt and reserves. It explains how to meet the capital needs of a society with a credible funding plan, and how this can be used to prepare a community share offer. It will look at how to support societies to prepare financial forecasts and a business plan to back the share offer.

Share Offer Document

This workshop will focus on offer documents and the Community Shares Standard Mark assessment process. It will explore the different types of share offer a society can make, and how to review a share offer using the Standard Mark assessment framework.

Who is this for?

The training programme is aimed at practitioners who already provide business and funding support in the social, community and voluntary sectors or who are involved in running co-operative or community enterprises themselves. It assumes a degree of prior knowledge in the above areas but not any in depth understanding of community shares specifically. We aim to attract a diversity of practitioners who can bring their own distinct experience and expertise to community shares.

The programme will be delivered to a cohort of successful applicants who will work through the content together and be able to network and learn from each other throughout the process. There will also be an introductory session prior to the formal workshops to allow the cohort to get to know each other and their backgrounds and experiences.

Costs

Workshops only - £1,000 + VAT

Registered Practitioner - £1,250 + VAT

Licensed Assessor – from £2,000 + VAT (experienced based, agreed with CSU)

Limited bursaries are available on request to cover the costs of training.

Next steps...

Following the workshop programme, participants have the option of continuing their development to be accredited as either Registered or Licenced community shares practitioners. The requirements are as follows and details on the nature of the assessments below.

Stage 2. Registered Practitioner

A Registered Practitioner must demonstrate an understanding of community shares standards by completing:

- All the training programme workshops;
- One satisfactory trainee assessment or client case study (details below).

A Registered Practitioner is:

- Featured on the community shares practitioner directory as a registered practitioner and confident in advising community groups on share offers;
- has access to community shares practitioner peer support group with monthly online meet-ups;
- is unable to award the Community Shares Standard Mark on behalf of the CSU.

Stage 3. Licensed Assessor

A Registered Practitioner may decide to continue their accreditation to become a Fully Licensed Assessor of community share offers through the CSU's experience based accreditation process.

A Licensed Assessor must demonstrate a deep understanding of community shares standards by completing:

- All the training programme workshops;
- Four satisfactory assessments, using a combination of trainee assessments, client case studies and lead reviews (details below).

A Licensed Assessor:

- Is featured on the community shares practitioner directory as a licensed practitioner;
- Has access to community shares practitioner peer support group with monthly online meet-ups.
- Is able to award the Community Shares Standard Mark on behalf of the CSU.



Assessments and accreditation process

Trainee Assessments

Trainee assessments are designed to give practitioners real life experience of reviewing a society's share offer documentation using the [Standard Mark assessment framework](#) under supervision from the CSU. The assessment framework requires an in depth look at the share offer document, society rules, business plan and any associated financial tables to assess whether the documents are in line with best practice standards.

The assessment must satisfactorily identify areas where further action is required to achieve the community shares standard mark and what those actions might be.

The assessment is based on both an objective understanding of the law and best practice principles as well as a subjective assessment of the share offer itself and a proportionate approach to actions required depending on the scale and scope of the offer.

This Standard Mark assessment will be marked by the CSU to identify where the trainee has adequately addressed the potential areas of further action required and a follow up call will discuss it in full detail.

If the trainee practitioner is deemed to have satisfactorily completed the standard mark assessment, then they will be recommended to the CCCC to be accredited as a Registered Practitioner.

Client Case Study

Understanding the process of gaining the Standard Mark award from the perspective of the society or developer working with that society is critical in developing your understanding of the requirements and best practice principles.

As a developer, you would work closely with a society to develop their offer in line with the Community Shares Standard Mark, potentially acting as the first point of contact with the Fully Licensed Assessor.

A client case study is required to be written up once the share offer has closed on the practitioner's experience of working with the society, detailing the level of involvement and any challenges, successes and key learnings from the process.

Lead Review

A lead review involves working directly with a client to award the Standard Mark, maintaining the distance required and potentially working with a developer in addressing any actions required. The CSU trainer will supervise the award and agree the actions required and final award.

Depending on the complexity of the Standard Mark process, you may be also asked to write up a client case study of your lead review using the template provided.

One satisfactory trainee assessment or client case study is all that is required to become a Registered Practitioner. To become a Fully Licensed Assessor, practitioners must build a portfolio of experience with four satisfactory assessments, including a successful lead review.

Maintenance of accreditation

Once fully licensed, the CSU will periodically spot-check Standard Mark assessments to ensure that practitioner standards remain high. Practitioners are required to adopt ethical principles and sign a **Code of Practice for Practitioners**.

This Code of Practice ensures that all Standard Mark assessments are duly filed with the CSU and are available for training purposes and peer review by fellow licensed assessors.

Licensed Assessors are required to complete one peer review every two years and be peer reviewed every two years.

The CSU retains the right to remove the Standard Mark from offers that do not meet its standards, subject to a negotiated review of the offer. It also retains the right to remove the licence of practitioners who breach the ethical principles and code of practice.

Proposed dates for 2024 workshops

- Introductory session – 18th April
- Community Engagement – 25th April
- Governance – 21st May
- Business planning and financial forecasting – 6th June & 20th June
- Share offer document and campaign – 11th July