

The Camden Community Wealth Fund: The story so far

This is a draft document created to tell the story of the Camden Community Wealth Fund so far.



Summary

The Community Wealth Fund is **an investment fund that provides repayable loans, equity finance, grants and business support to people, businesses and organisations across Camden**. It's main aim is to redistribute wealth and help reduce inequalities across Camden.

It will focus on making longer-term investments (i.e 10+ years) through a mixture of equity and debt; and support people who might otherwise struggle to access finance via more traditional investment routes.

The types of individuals, organisations and businesses that the fund will invest in will vary a lot. It might be a social enterprise, a community business, a tech for good venture, a cooperative, a start-up or a for profit business. It may also be an individual with ideas and talent, who needs support to develop their idea or business before seeking financial investment.

Regardless, each will be supported to demonstrate how their business or idea could be financially sustainable over time **and** crucially create significant, longer-term benefits to the people of Camden, bringing public good to our community.

The investments made through the fund will be 'repayable'. However unlike many other investment routes the timeframes for repayment will be much longer, ideally with reasonable interest rates. This will give people and businesses more time to repay any investment and importantly have more impact in Camden.

In addition to financial investment the fund will also offer non-financial support through mentorships, grants and access to workspace; helping those with earlier stage ideas explore their ideas before asking for investment.

The fund will choose to invest in individuals, businesses and organisations who can show how they can help to achieve the 4 mission priorities outlined in [We Make Camden](#) - our vision for the future of the Borough. As well as choosing to invest in ideas or businesses where other funders won't.

This might be into ideas and businesses that may be deemed 'too risky' or those that might need longer to pay back finance or see a real benefit to the people of Camden.

Summary

We will also prioritise investing in people and businesses that might struggle to gain investment from elsewhere due to systemic barriers - such as those from previously ignored or historically underrepresented backgrounds.

We will make informed decisions about what we invest in based on local knowledge and experience. This means being bold in the way we engage local communities in the design and running of the fund. Inviting a diverse range of people to help us design the fund and make decisions about what we invest in. Helping us make sure we are investing in ideas and businesses that are right for Camden and are more likely to succeed in the longer-term.

Together we are designing a fund that is grounded in the needs of Camden's people and communities. A fund that supports us to reduce inequalities across Camden and keep economic value within the Borough. Ultimately a fund that allows us to invest in ideas and businesses that will help us shape the future of Camden together.



Important words and phrases

Throughout this document you will hear and read lots of important words and phrases relating to the Camden Community Wealth Fund.

Some of the words, ideas and concepts might be new or unfamiliar to some people.

We have included this 'glossary' as a handy reference guide. We want to make the fund and the language used to describe it as accessible to as many people as possible.

Investment	Putting money into projects with the expectation of receiving a financial return
Longer-term investment	Money lent or invested to businesses or organisations that is 'repaid' over much longer timeframes. Timeframes will vary but repayments will likely to span 10+ years
Patient finance	Finance that is provided over a longer time period than is typically offered by commercial lenders, enabling organisations or businesses to focus on sustainable growth rather than short-term profits
Return on investment (ROI)	The total net profit (profit minus all costs and taxes) from an investment
Social return on investment (SROI)	The wider social or environmental benefit created as a result of an investment
Repayable finance/loan	Money lent to business and organisations that is repaid over an agreed amount of time
Bankable	Recipients of investment can demonstrate how their idea, project, business or organisation can make a sustainable financial return over time

Important words and phrases

Informed/relational investment	Investment decisions are made based on the knowledge and experience of local people and communities. The aim of this is to increase the success rate of investments by creating a stronger link between the fund and the needs of Camden people and communities
Equity	Equity refers to owning a stake in a business or organisation
Debt	Debt involves borrowing money directly
Grants	Money that is given to organisations or businesses and is not repayable
Co-investment	Investment made by organisations/ businesses into the overall fund, in exchange for potential financial returns and/ or equity. Resulting in the fund replenishing over time and more money being available for investment
Shareholder returns	Financial returns or dividend payments that are made back to investors based on the success or growth of the business or idea they invested into
Resident involvement/ participation	How we will meaningfully involve local people and communities in the design, set-up and running of the fund. In particular how they will be involved in decision making around investment.
Under represented groups	Underrepresented refers to a person or group of people who are insufficiently or inadequately represented
Social impact investment	Social impact investing provides finance to organisations addressing social and/or environmental needs with the explicit expectation of a measurable social, as well as financial, return

Context & history

Camden has long been a place of bold ideas and innovation. You only need to walk through Camden's famous market or spend an evening listening to young musicians at the Roundhouse to get a sense of the rich history and creativity that we have here.

Our communities, businesses and institutions have, and continue to be significant creators of wealth and opportunity across the borough.

However Camden is also a place of inequality and disparity. Lots of the wealth and economic value that we see generated across the Borough is often taken out of Camden. With many of our people, communities and businesses not benefiting from the significant economic growth we have seen in recent years and decades.

This is where we see the Community Wealth Fund playing a big part.

Camden Council, our partners and our communities are renowned for doing things differently. For approaching things with a rebellious spirit and experimenting in how we improve outcomes for the people of Camden - from citizen assemblies to our food cooperatives.

The Community Wealth Fund will be no different.

It is a more radical approach to how we address the inequality and disparity across our borough. It will play a significant part making sure that we share the benefits of Camden's economic growth more evenly and fairly with our people and communities.

Why a Community Wealth Fund?

Since the 1980s we have seen a big decline in the amount of investment that is given to small to medium sized businesses/enterprises (SMEs) in the UK. With traditional investment bodies (i.e. banks/ financial institutions) opting to mostly invest in other financial institutions and property/assets - where there is often a higher return on financial investment and lower risk.

In addition, much of the financial investment that is made into SMEs is tied to high shareholder returns, often repayable over relatively short periods of time.

However we know that ideas and businesses which have the potential to have the most benefit to the people of Camden need investment and support over a longer period of time. Sometimes decades before we see their full potential or a financial return on their original investment.

Despite a maturing 'social impact investment' market there are still gaps in sustainable, long-term investment options that:

- are sourced locally, and informed directly by the knowledge of local people and communities
- set repayment terms over a longer period of time (i.e. 10, 15 years) so that long-term benefits can be realised. This is what we call 'patient finance'
- provide finance to those who may struggle to access investment via traditional routes. For example those from historically underrepresented backgrounds

These are some of the gaps we see the Camden Community Wealth Fund addressing.

What is the Camden Community Wealth Fund?

The Camden Community Wealth Fund is **an investment fund that provides loans, repayable finance, grants and non-financial support to people, businesses and organisations across Camden.** It will support and invest in individuals, organisations and businesses that can show potential to achieve a financial return *and* have a real benefit to the people of Camden.

We want to create a fund that represents the diversity of Camden. We will therefore be supporting and investing in a wide range people, businesses and organisations. This could be someone who has an early stage idea and needs support developing their proposal before seeking investment; through to businesses and organisations who have an established product or proposition and are seeking investment.

There will be other examples but the types of organisations and business we might invest in include:

- a social enterprise, a community business, a tech for good venture or a cooperative looking to grow part of their organisation
- a Camden-based for-profit business that wants to increase the positive impact it has locally
- a charity with a trading arm who wants to spin out an existing service
- a person or group of people who are unsure how to translate a great idea on how to improve things for local young people into a viable business or initiative

What is the Camden Community Wealth Fund?

All financial investments made are expected to make a financial return (bankable) over an agreed period of time. They must be backed up by a business model and plan that shows how they will be financially sustainable in the medium to longer-term.

Repayments will be expected over a much longer period of time (i.e. 10, 15 years), and ideally at a reasonable interest rate. This is called 'patient finance' and will give each organisation or business invested in time to see a financial return and see a significant benefit to people in Camden.

We want the fund to play an important part in helping us address inequalities facing people across Camden. Investments will therefore prioritise organisations and businesses run by or supporting those from under represented or marginalised groups.



The Fund's early focus

In [We Make Camden](#) - our future vision for the Borough - we outlined 4 missions. These are hugely ambitious and we know they can't be delivered by any one organisation. As with all of our work, the Community Wealth Fund is about working collaboratively across Camden to deliver on these ambitions.

The 4 missions include:

1. **By 2030, those holding positions of power in Camden are as diverse as our community – and the next generation is ready to follow**
2. **By 2025, every young person has access to economic opportunity that enables them to be safe and secure**
3. By 2030, everyone eats well every day with nutritious, affordable, sustainable food
4. By 2030, Camden's estates and streets are creative and sustainable

The first iteration of the Community Wealth Fund will focus on Missions 1 & 2. Specially we will be aiming to:

Invest in businesses that create economic opportunity for young people in Camden

Invest in places and regeneration to reduce inequality and improve opportunity and outcomes for Young people in Camden

Invest in people projects that break down barrier to opportunity for young people in Camden

We will look to invest in individuals, businesses and organisations that can demonstrate how they can meaningfully contribute to these priorities.

It is important to say that the Community Wealth Fund is just one way of us delivering these priorities. As the fund develops we will be working hard to make sure it works alongside other interventions within and across the council and the borough.

Early outcomes

Through early investments we make via the Community Wealth Fund, we would expect to see an increase in:



Types of investment

We want to create a fund that represents the diversity of Camden. Therefore we will invest in a wide range of people, businesses and organisations.

To create a '**diverse portfolio**' we know that we will need to offer **flexible types of financial investment and non financial support**. This will look different depending on the type of organisation, their stage of growth and their legal set-up.

At this early stage of the fund's development, we imagine the 2 main types of financial investment to include:

- **Equity-based investment** - where we have a stake in a business or organisation through shares & dividends; offering investors potential to make profit through exit capital gains
- **Loans and repayable finance** - lending money/ finance to a business or organisation that earns interest over time. Repayment terms will be long-term (5-15 years)

From our research we know that people, businesses and organisations are looking for more than just financial investment. They are also looking for non financial support both before and after they seek investment. We imagine this non financial support to include:

- **Business support** designed around the needs of the applicant to help the local community explore how finance may unlock or grow their proposals;
- **Wider business support** focused on people with ideas and talent;
- **Access to work or market spaces** at affordable rates;
- **Non repayable grants**.

Overall the fund will aim to make healthy returns on investment, becoming self sustaining over time. It will also look to influence the wider investment market to support similar areas, businesses and organisations which may currently be underinvested in.

How will the fund grow?

Initially Camden Council will be the main source of finance for the fund. We believe that we are the best organisation to create this type of patient finance for our borough because we have access to low-cost funding sources that can be invested to create new value. This will also allow us to grow the reputation and influence of the fund across Camden.

Initially we will be piloting the fund over 12-24 and evaluating how well it works and where it can be improved.

Over time we then hope for the Community Wealth Fund to grow and replenish. This will happen in 3 ways:

1. Through the repayment of investment and interest that is build up
2. Through the sale of equity investments if an organisation reaches maturity
3. Through businesses and organisations opting to become 'co-investors' in the fund

What is co-investment?

Over time we will grow the fund and the overall money available to make investments through a 'co-investment model'.

Co-investment means attracting organisations and businesses to invest money into a central funding pot. These organisations and businesses will likely deliver a significant amount of their products/ services/ impact within Camden, even if they are not based here. This investment will be exchange for potential financial returns over time, and an opportunity to increase the positive impact they have within Camden. These organisations might include (but not limited to): anchor institutions, foundations or commercial businesses.

We recognise that it may take time to build the fund's reputation and attract significant co-investment. In the meantime we will look at other options, including:

- partnerships with other established funds (i.e. the [Growth Impact Fund](#))
- pro bono support offered by organisations (i.e. Google's Accelerator Mentorship programme)

What might the fund invest in?

On the following pages you will find some **'fictional future stories'**.

We have created them to help people imagine how the fund might work and the types of investment and support that could be made in the future.

They have been created to show what a **'whole and balanced portfolio'** of CWF investments could look like.

How we'll manage risk: a portfolio approach

It is important to say that we don't expect all the support and investments we make to be 'successful' and make a financial return. **Some will fail.** This is perfectly normal and expected in an investment fund of this type.

This type of failure is common due to the nature of early stage or growing ideas, businesses or organisations.

That's why we will be taking a '**portfolio approach**'. An approach to help us manage risk by spreading our bets and investing in a diverse range of people, ideas, organisations and businesses. Where some will make a healthy return and others may not.

Across the whole portfolio, investments will vary in their level of risk (i.e. how well established a market is, the type of business, their stage of development and growth and their financial standing).

Balancing investments in this way makes sure that overall the fund will generate healthy profits that can be reinvested over time.

The stories on the following pages aim to show the people, ideas, businesses that we **might** invest in. These are all currently fictional and are illustrative to help bring the fund and its story to life.

Future Fund Stories: Rooted Studios

Rooted Studios

Type of investment:

Repayable finance

Amount of investment:

£700,000 repayable over 10 years

These stories are **fictional**. They haven't happened yet. But we believe that a locally-focused and well structured Community Wealth Fund, can help us make stories like these a reality over the next few years.

Kwesi is the owner and founder of *Rooted Studios*. Rooted is a music studio providing recording space and equipment to people across London.

Kwesi is a music producer born and raised in Camden. Throughout his career he has seen first hand how hard it is for up-and-coming artists/ musicians to access affordable practice and recording spaces.

When he founded Rooted in 2017, he wanted to provide affordable recording spaces for those on lower income; whilst also creating a thriving and sustainable, local music business.

Why the Community Wealth Fund?

Initially Kwesi funded Rooted Studios through personal finance. He used his own money to rent an initial space, invest in basic equipment and cover running costs. This helped him grow steadily, reinvesting profits and taking out small loans to upgrade the space and equipment as needed.

However after 5 years the demand for Rooted's spaces was growing quickly. Kwesi needed to seek bigger investment and support in the region of £500,000 to expand.

He explored different avenues for seeking investment of this size but struggled. The main challenges were finding investors that would offer finance options of this size that could be repaid over a longer period of time and at a reasonable interest rate.

Future Fund Stories: Rooted Studios

What investment did Rooted access from the CWF?

In 2023 Kwesi came across the Camden Community Wealth Fund via someone at a local record label, who were co-investors in the fund. He applied and was successful as he could demonstrate both the financial case for Rooted and the benefits to local Camden people.

The Fund's investment options meant that Kwesi could access a higher amount of finance (£700,000) than expected. The finance was also offered at a lower interest rate than what high street banks could offer and on longer repayment terms (10 years).

What were the outcomes?

These investment conditions meant that Kwesi could look to expand Rooted over a longer-term. Using the investment, Rooted opened another 2 studios over 5 years, with plans to reinvest profits to open 2 more.

Over the first 5 years Rooted provided a substantial return on their original investment through partnerships with local record labels and companies. Over 10 years Rooted directly supported 1000s of people across Camden to enter the music industry.



Future Fund Stories: Sustainable Construction School



Sustainable Construction School

Type of investment: Equity & debt + subsidised rent

Amount of investment: £300,000 repayable over 12 years

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Damerae is a highly experienced builder based in Camden. He specialises in Domestic Retrofitting and helps his customers think about how to make their homes more energy efficient and ultimately save money.

Over 4-5 years he saw a huge increase in demand for domestic retrofitting services across Camden. However, there weren't enough people being upskilled through local colleges and training centres.

Damerae saw the gap as an opportunity to retrain people in sustainable construction methods. This included those already in the profession and those coming through the education system.

In 2018 he decided to set-up the Sustainable Construction School as a training centre for sustainable and green construction methods.

Why the Community Wealth Fund?

Damerae initially used a grant from Camden Council and a small bank loan to set-up the school. He used local college facilities to run evening courses to test the concept and demand.

He quickly outgrew the space and within a year needed to seek more investment to move into a new space and train up more tutors. He approached a number of high street banks for a loan in the region of £150,000 but struggled due to the high interest rates he was being offered.

Future Fund Stories: Sustainable Construction School



What investment did the Sustainable Construction School access from the CWF?

Through the local college, Damerai was advised to apply for the Camden Community Wealth Fund. He applied with the help of a fund coordinator asking for £300,000 of finance. He was successful and the conditions for repayment were set over 12 years with a reasonable interest rate.

Damerai used the investment to move the Sustainable Construction School into a more permanent home, train more tutors and offer a more extensive range of courses. He also used the investment to start up an online course, where people could learn domestic retrofitting techniques themselves to do minor work on their homes.

What were the outcomes?

Over 3 years, post investment, the number of those in construction looking to retrain and upskill was incredibly hard to predict. Paired the rising cost of materials and sharp increase in rent, the School was losing money. Despite retraining over 150 young people over that time, Damerai decided to close the in person School down permanently. Despite the School's online course making a profit it wasn't enough to repay all the original investment.



Onward

Type of investment:

Equity & debt

Amount of investment:

£350,000 repayable over 10 years

These stories are **fictional**. They haven't happened yet. But we believe that a locally-focused and well structured Community Wealth Fund, can help us make stories like these a reality over the next few years.

Onward specialises in matching those with care experience to appropriate employment opportunities within Camden's thriving technology sector.

In its early days *Onward* focused on 'job matching and recruitment'. However after 2 years of placing 50+ care experienced young people into tech and IT related jobs, *Onward* founder Julian realised that their offer and support needed to expand.

Retention rates of people they had placed were decreasing. *Onward* needed to be more hands on in offering employers more inclusivity training and advice.

Why the Community Wealth Fund?

To do the work needed, *Onward* would need to seek investment. Julian approached a number of high street banks and other investors but struggled to secure the £350,000 he felt was needed to grow sustainably.

Many of the financing options he was offered were either too high interest or not enough capital. In addition a number of investors saw the work as too high risk.

Future Fund Stories: Onward

What investment did Onward access from the CWF?

Julian came across the Community Wealth Fund through one of their tech partners. Julian decided to apply for the investment to help them develop a more sophisticated offer for employers and to train and hire more inclusion coaches with experience of the care system. *Onward* successfully applied for £350,000 of investment in return for offering some equity in the company.

What were the outcomes?

Over the 4 years, *Onward* placed 500 young people with care experience into stable jobs within Camden. Their inclusion training offer helped 95% of these young people remain in these roles for 2+ years, and 50% remain in Camden tech sector for 5 or more years. Their 'training for employers' offering also saw 300% revenue growth enabling them to later be acquired. The final sale of *Onward* went on to make the Fund a healthy return on their original investment.



Future Fund Stories: The Leisure HUB

The Leisure HUB

Type of investment:

Equity & Debt

Amount of investment:

£300,000 repayable over
10 years

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In 2016 a local property development company brought a large 1920s factory in Camden. Plans included converting the factory into commercial premises, office spaces and housing.

In 2021 the majority of work was completed, and the new space was launched, renamed as CanalLoop. During 2021 and 2022 a number of national and local retailers moved into CanalLoop, providing new places to eat, shop and live.

In 2023 the CanalLoop's Managing Director Sehel decided to create a CanalLoop 'Community Board' to help them decide how to use the remainder of the space on the ground floor. The Community Board decided to develop a 'Leisure HUB' with affordable access to fitness, sports and well-being facilities.

Why the Community Wealth Fund?

CanalLoop were looking for additional financing to support with the final redevelopment of the building. The total they were seeking was around £800,000. A number of investors turned them down for financing. This was due to the fact that they weren't maximising the commercial value of the space, and choosing to use 30% of the space for free community activities.

Future Fund Stories: The Leisure HUB

What investment did Leisure HUB access from the CWF?

At one of Canal Loop's Community Board meetings, Sehel finds out about the Camden Community Wealth Fund. They decide to apply for £300,000 of investment. This would close the gap on the remainder of investment needed. They're successful. With repayment terms set over 10 years, and conditions laid out to make sure that part of the space remains free to access for local Camden residents.

What were the outcomes?

12 months later CanalLoop was home to 8 Camden-based fitness startups. Each were offered discounted rent, subsidised by the rest of the CanalLoop's revenue. LeisureHUB businesses prioritised recruiting local people and now employ 40+ people who live within 3 miles. 30% of the space is still open to be used by the company as they see fit with many people using it to test out new, local business ideas. The profits made on rent from the remainder of the space provide healthy returns on investment.



Future Fund Stories: GenB

GenB

Type of investment:

Equity & debt

Amount of investment:

£1 million repayable over 5 years

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Bairbre completed their PHD in biosciences at University of Central London (UCL) in 2019. Whilst there they researched a new way to use artificial intelligence to improve the design of gene therapy. After early success from the trials they conducted at UCL and a clear business case, they decided to spin out the technology and form start-up company *GenB*.

In 2021 Bairbre took *GenB* through a round of first round (Seed) funding. They raised £3million with 8 investors. This allowed them to take *GenB* through a more rigorous trial, and continue hiring a team. The trial was a resounding success, and Bairbre used part of the first round investment to move *GenB* into the London BioScience Centre in Camden.

Why the Community Wealth Fund?

By 2023, Bairbre had built a strong evidence base showing the clinical and commercial value of *GenB*'s technology. They decided that now was the right time to seek Series A investment, seeking a total of £30million to help scale *GenB* and take it to market.

Ideally *GenB* wanted a range of investors, and ideally some investment from within Camden. The Community Wealth Fund saw the investment as a lower risk bet due to the early success *GenB*'s technology.

Future Fund Stories: GenB

What investment did GenB access from the CWF?

In 2023/24 *GenB* managed to raise the £30 million through a wide range of investors. One of these investors was the Community Wealth Fund, which invested £1 million in exchange for equity in *GenB*. Repayment terms were agreed over 5 years.

What did the investment help to achieve?

GenB generated a substantial return on investment over 5 years and made a significant contribution to the biosciences and gene therapy field. Using the investment from the fund they were able to scale up an apprenticeship programme, training and hiring over 20 local apprentices. In 2028 *GenB* went public, and due to an equity stake in the business the Community Wealth made a substantial return on their original investment.



Future Fund Stories: Magpie

Magpie

Type of investment:

Equity & Debt

Amount of investment:

£200,000 repayable over 10 years

*These stories are **fictional**. They haven't happened yet. But we believe that a locally-focused and well structured Community Wealth Fund, can help us make stories like these a reality over the next few years.*

Marchell and Siohan turned 21 during the pandemic. Lockdowns meant that they had to stay at home, and miss the things they loved doing together. Like small gigs and visiting new exhibitions. After 6 months they were fed up with poor quality of online events.

Together they started an online cultural events programme. They experimented with new ways to connect people together online and let people meaningfully connect with cultural experiences again.

The programme was a huge success. Over 3 months they managed to attract on average 500 people per event at £10 a ticket. As well as catching the attention of big brands wanting to connect.

Marchell and Siohan could see an opportunity to create a business that allowed young people to experience Camden's culture from anywhere in the world. But also to rethink online events and the ways in which brands connect with young people in Camden. So they set-up *Magpie* - an online events and culture curator company.

Why the Community Wealth Fund?

Marchell and Siohan used the initial profit they made to set-up *Magpie*, but knew they would need much more finance to make the business work. They approached a number of lenders but got declined despite having cash in the bank and a clear financial business plan. Where they could access finance, it was for small loans with extremely high interest rates, citing *Magpie* as a high risk investment.

Future Fund Stories: Magpie

Where did the Community Wealth Fund come in?

Through a local connection Marcell and Siohan heard about the Community Wealth Fund. They decided to apply for investment of £200,000 in exchange for a small amount of equity. Conditions of the investment meant that *Magpie* could repay the loan over a 10 year period, allowing them to think more long-term about the growth of the company.

What did the investment help to achieve?

With this initial investment, *Magpie* ran over 200 events over 2 years allowing over 3 million people worldwide connect with Camden-based gigs, exhibits and cultural events. As *Magpie* grew Marchell and Siohan prioritised hiring local Camden young people. Investors could quickly see the opportunity for rethinking online events; and within 4 years *Magpie* had raised over £2 million to scale. Within 8 years *Magpie* was acquired for a total of £12 million, making the Fund a sizeable return on their original investment due to equity stakes.



What will community participation look like?

We have a strong history of finding creative and meaningful ways of engaging our people and communities in the decisions we make. Bringing people together to shape the future of our borough and help us make important decisions based on the experiences of people that live and work in Camden.

The Camden Community Wealth Fund is no different.

Given the Fund's aim to extend greater equality of opportunity for young people and those from historically underrepresented groups across Camden, it will be critical to meaningfully engage these groups of people throughout the Community Wealth Fund - from design to evaluation.

So far local young people have played an important role in shaping the fund's investment priorities. They have helped us guide decisions about what the fund should focus on and how it should involve young people and communities more broadly.

Meaningful community participation in the design and running of an investment fund of this nature isn't very common. So we'll be spending time over the coming months to find the most appropriate ways to make sure it runs throughout every aspect of the Community Wealth Fund.

What will community participation look like?

We'll be aiming to make sure all community participation activity:

- **creates meaningful engagement with the community** throughout the process
- **provides an opportunity and pathway to employment** through their involvement in the CWF
- **equips residents to be involved in the process** and operation of the fund through training, knowledge sharing and exposure to fund operational processes

And shaping approaches that will support our local communities to:

- **shape the priorities** of the fund using their local knowledge and experiences
- **make decisions** about investments based on local knowledge of what might work locally
- **hold us to account** against the funds principles and values
- **capture the benefits** that investments make locally

We've included what shape this might take on the next page.

What will community participation look like?

Our approach to engaging our communities in the design and running of the fund will include:

Community Representatives

Around 4-5 individuals employed by Camden Council for around 2 years. Each 'Rep' will be given support and training to help us design, develop and deliver the Fund. Making sure we continuously bring lived experiences to the forefront of the fund.

A Community Engagement forum

A Community Engagement forum will engage with the community to promote the fund, explain the investment application process and signpost business support. This forum will be led by the Community Representatives with support from the wider CWF Investment Team.

Community Guidance Group

A forum for providing feedback, advice and help shape applicants proposals. It will offer a 'safe space' for prospective applicants to co-present their 'story' and gather feedback before they are ready to apply for investment.

As the fund develops we will be exploring more ways to increase the level of community participation around the fund. Making sure that those with lived experience of the fund's focus areas can influence and shape where investment is placed across Camden.

The fund principles

We are in the early stages of thinking through how the fund will work. As part of this process we have created some 'principles' to help guide the decisions we make, and how we see the fund developing.

A Community Wealth Fund that:

is diverse in the types of people, business and organisations it invests in	accepts that some investments will be financially 'riskier' than others, but overall aims to be financially sustainable	makes finance repayable over a longer timeframe to give organisations and businesses time to deliver greater social benefit
increase the size of the fund over time, by attracting other people and businesses to become co-investors	makes choices about investments based on local knowledge and needs, and actively involves local people in decisions that are made	develops local people's skills through involvement in the fund's set-up and running
offers flexibility in the types of investment and financing available (i.e. grants, repayable investments, project finance) dependent on the type of organisation or business	works alongside other Camden Council initiatives, to help achieve Camden's We Make Camden priorities and goals	makes ethical and responsible investment decisions, and where appropriate offers non-financial support (i.e. skills development, advisory)

Future ambitions

We anticipate the Community Wealth Fund growing over time in both the size of investment, but also the types of projects and businesses we support. Over the coming years, we hope the fund will:

Increase the size of the fund and available money through co-investment

Increase opportunities for residents to be actively involved in shaping the fund and its investments

Extend investment to businesses and organisations who align with any of our 4 missions

Use returns from our investments to provide small non-repayable grants where needed

How the fund might be managed

The following pages give a bit more detail as to **how we imagine the fund being managed** and 'governed'.

These are early thoughts and more detail will be worked through over the coming months.

How the Fund will be managed

To begin with, it is expected that the Fund will be run and managed internally within Camden Council. After we have received formal Cabinet sign-off, we will likely bring together a core team of existing Council employees and where needed hire new people, with specialist expertise.

Overtime as the Fund grows and changes we imagine that we will move to an external model, where an organisation or group of organisations will manage and run the fund on our behalf.

We are currently managing the Fund's development through a 'Community Wealth Fund Board'. Overtime this Board will evolve to become the 'Community Wealth Fund Investment Panel'.

The Investment Panel will likely include a mixture of:

- S151 Officer (Chair)
- Exec Director Corporate Services
- Exec Director Supporting Communities
- Borough Solicitor
- CWF Investment Manager
- Representative of Camden Renewal Commission
- Community Representative(s)
- Co-Investment Partner representatives

The Investment Panel will have responsibility for:

- develop and update an Investment Strategy
- monitor performance of the Fund and investees
- investment decisions & approve co-investment opportunities
- allocate resources for operation of the Fund
- realise benefits of the Fund

Decision making roles & responsibilities

As we continue to design and establish the fund, we will clarify the roles and responsibilities for those involved. Based on our early discussions, we see the various governance group roles and responsibilities to include:

Cabinet

- Approval to establish and set up the Fund
- Approval of Investment Strategy
- Reviewing current/ previous years performance
- Approval of investments above £ threshold

Corporate Management Team (Camden Council)

- Regular updates from Advisory Board
- Strategic steer on co-investment opportunities

CWF Advisory Board

- Make investment decisions and approve co-investment opportunities (below £ threshold)
- Monitor performance at portfolio, sub portfolio and individual investment level and report progress to Cabinet
- Allocate resource for operation of the fund
- Report on benefits achieved

Community Guidance Group

- Space in which applicants can present their story and receive peer-to-peer feedback/ guidance on investment propositions
- Made up of local experienced entrepreneurs/ community leaders, community representatives and CWF investment team officers

Community Engagement Forum

- Quarterly forum to promote the fund and explain opportunities to apply, hosted by the community representatives open to entrepreneurs in the community that might have an interest in applying to the fund

External Advisors/ Fund Management

- Seeking out investment opportunities
- Market intelligence
- Shaping the Investment Strategy
- Technical and finance due diligence
- Portfolio management and reporting

Next steps (to be confirmed)

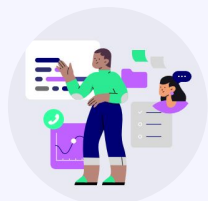
**Summer-Autumn
2023**
Seeking Cabinet
approval



Winter 2023
Prepare for fund
launch



2024 onwards
Iterate the fund
and its investment
strategy based on
what we learn



Autumn 2023
Begin detailed
design of the fund



Spring 2024
Launch



Appendix:

Detailed Storyboards

How the fund might work: Storyboards



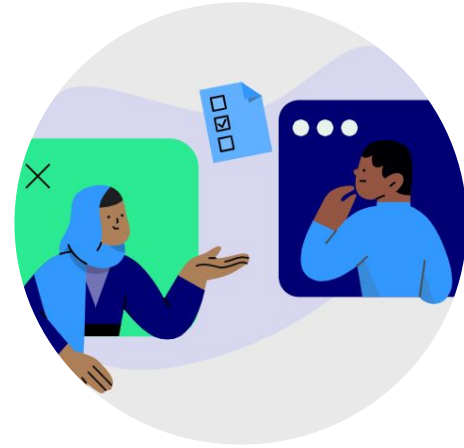
The Camden
Community
Wealth Fund

You will find some 'storyboards' on the following pages. These are fictional, and have been created to help bring the fund to life.

They have been created from the perspective of **someone receiving investment, someone needing help to develop an idea, a co-investor** and **someone on the Citizen Investment Panel**.

Over the coming months we will be designing how the fund will work in more detail, but we hope these will help you to better understand how it *might* work in the future.

Storyboard 1: An existing business seeking investment



This is a fictional storyboard of what the experience might feel like for **someone who has an existing business and is seeking investment** from the Camden Community Wealth Fund to grow it.

Storyboard: An existing business seeking investment

What's the story?

Onward are a small social enterprise who are looking to help those with care experience into local tech-focused jobs.

This storyboard walks through what the application and funding process *might* feel like for Onward. From applying online to an interview with the fund's 'Investment Board'.

It shares a bit more about the support they might get from the fund to prepare their investment case. It also begins to share more about how investment decisions are made.

1



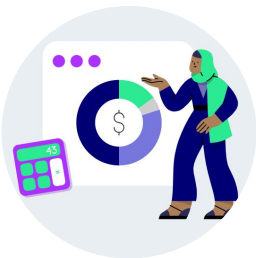
Camden Council launches the Community Wealth Fund (CWF) at community & business events.

2



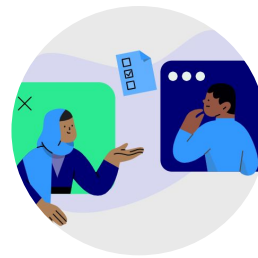
Applications for the fund open and Onward (a social enterprise) submits a short 1st stage application via the fund's website.

3



The CWF team reviews all initial applications and decides which fit the fund's criteria. Onward's first stage application is successful.

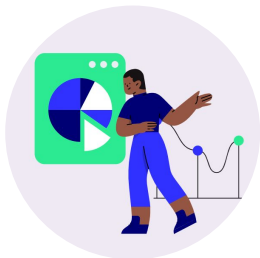
4



A Portfolio Manager sets up a call with Julian (Onward's CEO) to ask some questions about their application and they advise on next steps.

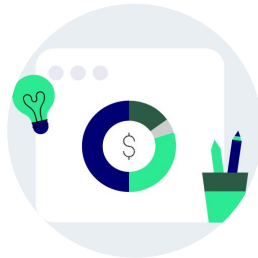
Storyboard: An existing business seeking investment

5



The 'Portfolio Manager' advises on the types of information that Onward will need during the next stage, and 'due diligence' that will happen.

6



During their Stage 2 application Onward works with the support of a 'Portfolio Manager' Onward develop an **investment case**.

7



Julian completes their full investment case which includes submitting important information on the business and its accounts.

8



After submission, the CWF 'Portfolio Manager' reviews Onward's application and invites them to a short interview.

9



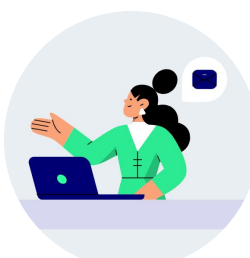
Onward is notified via a call from their 'Portfolio Manager' they were successful, pending some minor adjustments to their financial case.

10



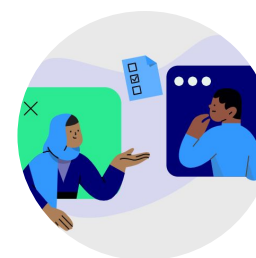
Repayment terms are agreed and contracts are set-up.

11



Onward receives the investment and begins to use it to hire new teams and begin developing their training offer and employer platform.

12



Every 3-6 months a check-in call is set-up with a 'Portfolio Manager'; and co-investors are invited to attend relevant board meetings quarterly.

Storyboard: An existing business seeking investment

13



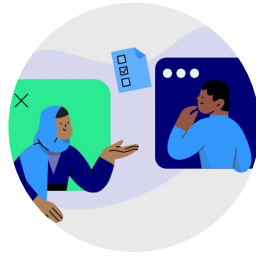
Onward works with Camden's CWF storyteller once every 6 months to capture the impact of their work and investment.

14



Julian attends an annual CWF event to share learning and meet other business owners who have accessed the fund and investment.

15



Every 6 months Onward attends a CWF check-in to update on progress and raise any issues or risks relating to their investment.

16



Onward continues to grow sustainability. Finance and ROI is repaid fully after 10 years.

Storyboard 2: Early stage support for a young person



This is a fictional story of what the experience might feel like for an **individual who has an early stage idea** and is looking for support to develop it further.

Storyboard: Early stage support

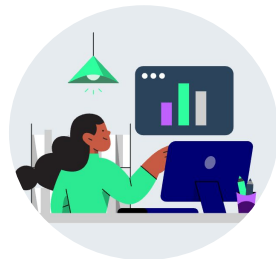
What's the story?

Adama is a local Camden resident, who has recently finished a business studies course at her local college. She has developed an idea to support more people from historically underrepresented backgrounds to find good work in Camden's arts and culture sector.

She accesses grant stage funding and mentorship from the Community Wealth Fund to help grow and test her idea.

She works with a CWF portfolio manager who helps her prepare to join the Community Guidance Group where Adama gets feedback on her ideas, before applying for investment from the fund.

1



Adama recently completed a business studies qualification at a local Camden College.

2



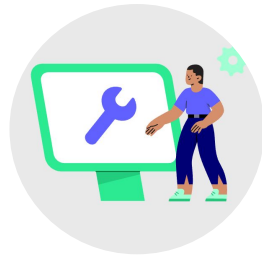
Whilst there, she developed a business idea to those from historically underrepresented groups start arts and culture jobs.

3



Since finishing College, she has been looking for support to develop the idea further.

4

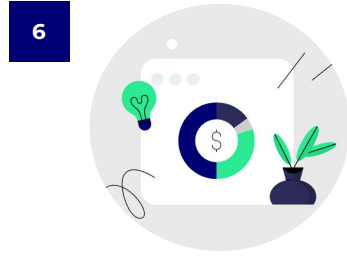


Recently someone she studied with has started a role as a Community Wealth Fund representative.

Storyboard: Early stage support



5 They reach out to Adama as part of their Community Rep role, to share a bit more about the Fund, and the support on offer.



6 Adama speaks to one of the CWF team; who shares more about the support available - i.e. networks, mentorship and grants.



7 The CWF team encourage Adama to apply to the fund for a grant and non-financial support to test her ideas and business further.



8 Over the next few months, she works with Aimee one of the fund Portfolio Managers who provide support to complete her application.



9 Adama's application is successful! She uses some of her grant to test her ideas, and she starts a mentorship set-up via the fund.



10 After 6 months, when Adama feels she is ready, the CWF team offer her an opportunity to share her ideas and story with the CWF Community Guidance Group.



11 Aimee, Adama's CWF Portfolio Manager, spends time with Adama and helps her prepare for the Community Guidance Group..



12 Adama joins a friendly Community Guidance Group session where she gets to share her ideas and story with a group of local business entrepreneurs and leaders.

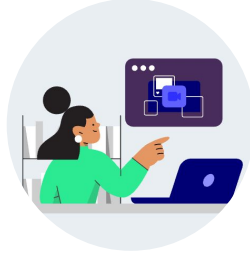
Storyboard: Early stage support

13



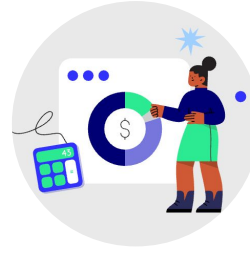
The panel provide friendly and constructive feedback to Adama, and also suggest some other people she should speak to about her business idea.

14



With the help of the CWF team, Adama refines her idea and tests it further with the new connections she's made via the Community Guidance Group.

15



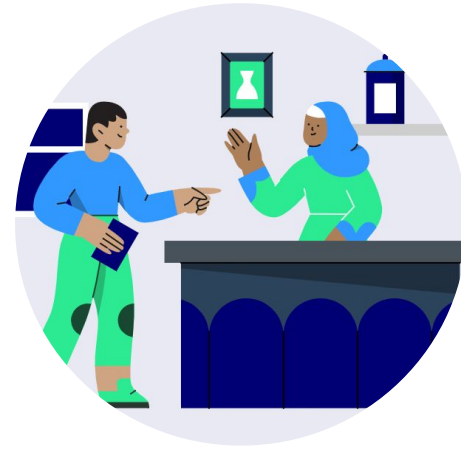
After 6 months, Adama is confident in the business case for her idea and decides to apply to the CWF for investment.

16



She applies and is successful. As well as financial investment with longer repayment terms, Adama continues to receive non-financial support through mentorship, coaching and training as part of her investment offer.

Storyboard 3: Someone becoming a Community Wealth Fund 'Representative'



This is a fictional story of what the experience might feel like for **resident of Camden becoming a Community Wealth Fund representative.**

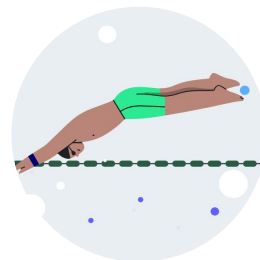
Storyboard: Community Wealth Fund Representatives

What's the story?

Azad is a local Camden resident. He decides to apply to become a Community Wealth Fund Rep, where he would complete a 2 year employment programme working with the Participation and Community Wealth Fund team at Camden Council.

This storyboard walks through what the experience of becoming a Community Wealth Fund 'Rep' might feel like, and the types of activity that Azad is able to get involved with. From shaping investment decisions to supporting investees to capture benefits to the people of Camden.

1



Azad swims at his local leisure centre once a week.

2



One evening, he came across a poster in looking for new Community Wealth Fund Representatives.

3



He went online to find out more about the role with Camden Council and about the Community Wealth Fund.

4



He decided to apply for one of 4 part-time roles, where he would be joining the Community Participation team in Camden Council.

Storyboard: Community Wealth Fund Representatives



5

During his first week Azad got to meet people from across the council including other Community Wealth Fund reps and CWF team.



6

During the first month the Reps were given training to help them understand more about the CWF investment process



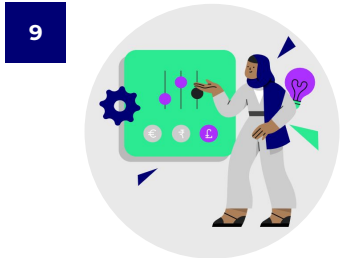
7

They also work with the CWF team to help design the fund, making sure it served the needs of young people of Camden.



8

Once the fund was ready to launch, Azad helped to identify local, promising businesses that might be interested in applying to the fund.



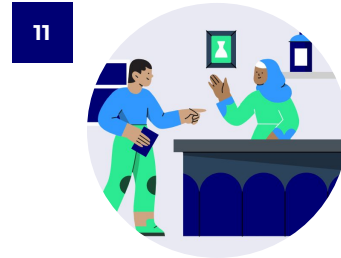
9

Once applications started to come in Azad and the other reps joined the fund's 'Investment Advisory Panel'.



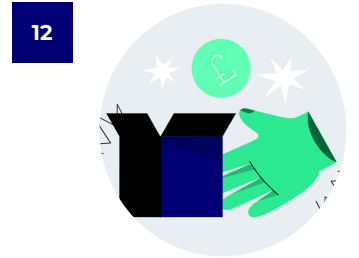
10

The panel met every 6 weeks to review latest proposals. Azad would offer helpful challenge about investment decisions being made.



11

Once investment decisions had been made, Azad and the other reps went out to visit investees across Camden.



12

Along with another member of the Camden Wealth Fund team they would check-in on how things were going and sign-post them to additional help as needed.

Storyboard: Community Wealth Fund Representatives

13



Azad used these meetings along with other data to help keep an updated view of the benefits each investee was seeing locally.

14



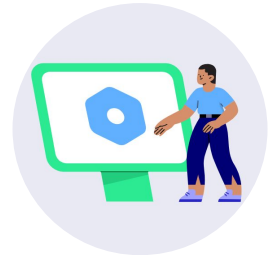
Working alongside a CWF storyteller, Azad helped to capture stories of change happening across Camden.

15



Azad loved getting involved with the fund, and had developed some valuable knowledge of social investment in his 2 years in Camden.

16



He used his experience to get a job with a local investment firm, helping them shape their social impact investment fund.

Storyboard 4: An organisation looking to become a co-investor



This is a fictional story of what the experience might feel like for **a co-investor interested in investing funds** into the Camden Wealth Fund.

Storyboard: A potential co-investor

What's the story?

Kiara is the CEO of a Camden based property investment company. Together with her board of directors, Kiara decides to become a co-investor in the Camden Community Wealth Fund. They invest finance into the central pot, and offer support to investees and access to their networks.

This storyboard walks through how a potential co-investor might: learn about the fund; the steps they might take to become a long-term investor; and the benefit to them.

1



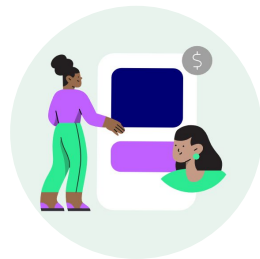
Kiara is the CEO of a Camden based property investment company; who have been working in partnership with Camden Council for 5 years.

2



At a regular Camden business community meet-up, she talks to a Cabinet member; who shares more about the Community Wealth Fund.

3



During a talk from the leader of the Council Kiara hears more about the fund and its early success in increasing economic opportunities for young people.

4



The following week, Kiara adds the CWF investment opportunity to her board meeting with other Directors. They are intrigued to find out more.

Storyboard: A potential co-investor



5

The Board spend time with other colleagues discussing how the fund might help them deliver their company objectives/ ESG targets.



6

They set-up a meeting with Camden Wealth Fund's Partnership & Investment Director, who walks them through how the fund works.



7

Together they decide they would like to consider becoming investors in the fund, and discuss options of where they might start.



8

The Fund's Partnership & Investment Director shares the fund's strategic plan, which lays out the case for social & financial ROI.



9

Kiara works with her team to consider the size of investment they would be comfortable with, and any due diligence needed.



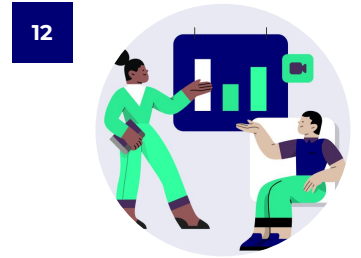
10

They agree to stagger financing over 3 years, growing the amount they invest each year to help make the case to their board.



11

They make their first investment into the Fund and Kiara appoints Chan her Head of Investment to become a CWF Sponsor and point of contact.



12

During the first 12 months, Kiara and Chan are invited to quarterly investors meetings to hear progress and inform critical decisions.

Storyboard: A potential co-investor

13



After the first round of investment is made, they are invited along to a number of board meetings across the fund's investment portfolio.

14



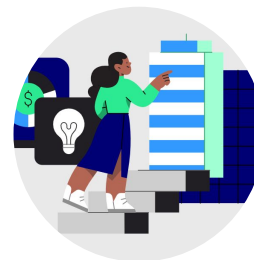
They offer critical feedback and help with making connections to their networks to each of the businesses they are introduced to.

15



After 2 years not all of the investments have been a success. However they begin to see healthy growth across 3 investments, and after 5 years begin to see healthy and re investable profits.

16



Kiara and her team are happy with the returns they begin to see from the investments they make; and she continues to help the CWF extend their local investor network.