

Community Investment Charter

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Foreword

This Community Investment Charter was created by three community organisations in Bristol. Through experience, these organisations noticed that investment often happens *to* communities, without giving the people living and working in a place agency over what happens in their area. This document instead invites investment *with* communities. It outlines how community organisations create the positive conditions in a place for investments to last a long time and to meet the demand of the local people.

Projects aiming to help an area use less carbon and to improve people's wellbeing will also need to aim to change people's day to day lives. To succeed, they need the backing of the people who will see that change. This is very important if we want a speedy and fair transition to an energy system that really works for people and the planet. Community organisations can represent the needs and desires of people within that community and have experience in what works locally (and what doesn't). In this Charter, the three community organisations share expertise on how to meaningfully engage with communities.

We urge anyone seeking to invest in a place to consider these principles and consult community leaders to achieve long-lasting impact.



Purpose of this charter

1. To attract funding for decarbonisation projects that are community-centred
 - a) Bridging the gap between communities and funders to align values
 - b) Creating a “**contract of care**” with partners and funders
 - c) Creating opportunities for **less extractive**, more long-term **investment**
2. To demonstrate the added value of community organisations in place-based work
 - a) Harnessing ongoing community knowledge and history
 - b) Positioning shared values and ways of working across communities
 - c) Presenting opportunities for replicability in other communities

Check the **glossary** at the end for highlighted terms.



The role of community organisations in decarbonising their neighbourhoods

A community organisation can...

1. Act as a **community translator** between local and regional stakeholders and provide two-way local **communication channels** for key information
2. Hold space for **different views** to flourish and be heard
3. Build and maintain **in-depth relationships** with people, including those often excluded from climate conversations, in-between funded projects to **maintain trust** and manage expectations
4. Ensure projects are designed to **improve outcomes for those who are marginalised**, who may otherwise be excluded or harmed



The role of community organisations in decarbonising their neighbourhoods

5. **Upskill, inspire and listen to** communities, and build **social consent** over time
6. Provide **real world evidence of community views** to address stereotypes and assumptions about reasons for refusing to take part in projects
7. **Accelerate projects** and investment-readiness where there is limited capacity for resident-led action
8. Hold project stakeholders, like local authorities and investors, to account to **deliver on ideas that create change** in communities, addressing engagement fatigue.



Useful types of funding should...

Centre **community wealth building**

Sometimes opportunities to achieve a return on investment can be limited, and risk inadvertently widening inequalities. Community wealth building can meaningfully address inequality because it aims to retain the benefits of local economic activity, achieving a local multiplier effect, and to advance economic democracy.

In practice this could look like:

- Paying community members for participating in local action and training
- Creating paid employment or upskilling opportunities for community organisation staff so expertise stays local
- Prioritising local suppliers and workers in tendering and training
- Using local sources of funding for capital works, e.g. local pension funds

Embody ethical investment standards

Enable informed choices over where funding comes and the terms of investment, in line with communities' priorities and values.

In practice this could look like:

- Transparency around where investment comes from
- Culturally-appropriate standards such as Sharia law compliance
- Maintaining affordability for residents as a core principle of funding agreements



Useful types of funding should...

Apply to different governance structures

Community organisations come in different shapes and sizes, therefore making funding accessible for different structures unlocks opportunities for grassroots action to take place and empowers people to participate.

In practice this could look like:

- Governance support for organisations to be "ready" for investment or funding
- Funding for staff time and capacity building for volunteer-led organisations

Provide a balance between capital and feasibility work

This will ensure that developments are technically and financially appropriate for a place but also allow for projects that benefit people to be delivered in the short and long term, demonstrating real impact in the present with motivation for the future.

In practice this could look like:

- Time and resource factored in to grant terms for local recruitment and repeat engagement
- Opportunities to spend time at the start of projects designing best practice, enabling responsive targets that reflect learnings from community engagement



Useful types of funding should...

Consider how tenure might impact participation in retrofit

Depending on if you are a homeowner, private renter or social tenant, your ability to participate varies. As a tenant, you lack the agency to make decisions about your home. Funding needs to recognise this and where possible make solutions and offers that are inclusive or find solutions to engagement for all tenures.

In practice this could look like:

- Factoring in resource for engagement with social housing providers
- Designing in time for trust building and upskilling with residents and installers to facilitate informed consent to works
- Flexible funding models that cater to householders at different life stages and tenure types, that don't require large investments from residents.
- Consider whether interventions may have unintended consequences, e.g. landlords reaping returns from tenants by raising rents, making housing less affordable and displacing communities.



Useful types of funding should...

Be sustained and long term

This allows projects to gain momentum, leading to lasting decarbonisation that is embedded within a place. It means that people will build trust in a process and become advocates for change that they can depend on.

In practice this could look like:

- Understanding that carbon savings or other tangible deliverables may not come until significant time has been spent building trust
- Including time and resource for local recruitment and repeat engagement in grant terms
- Opportunities to spend time at the start of projects designing best practice, enabling responsive targets that reflect learnings from community engagement

We acknowledge that it won't always be possible to meet these terms, but these are principles to encourage more ethical funding practices that would result in more sustained impact within communities.



Glossary of terms

Extractive: funding models, engagement methods or partnerships that take wealth or knowledge from a community without reciprocating on the community's terms.

Community wealth: the economic wealth/assets and the labour, skills, knowledge and cultural wealth that is produced and held by a community. Community wealth building is not the same as social investment. Social investment primarily aims to recoup a return on investment, whereas community wealth building primarily aims to retain the benefits of local economic activity and advance economic democracy.

Investment / finance / funding: money coming in to a community to fund a specific project. Includes both repayable finance and grant finance.



Glossary of terms (continued)

Contract of care: a contract between a funder and a delivery partner setting out terms for non-extractive collaboration and mechanisms to hold each other to account on these terms.

Social consent: people affected by a project, especially those most at risk of harmful impacts, do not have objections to it. Consent must be informed; residents or communities must have a good idea of what they are consenting to. While it is challenging to get everyone in a community around a table to make decisions, the people responsible for decisions need to take time to identify, and be transparent about, who is included in the process and how.

Local multiplier effect: how money spent in a place can produce additional economic benefits to that area if it remains in the local economy.



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