

# Sporting Capital Application Guide

## Introduction

The Sporting Capital loan fund is England's first social investment fund focused on the sports sector to support the development of community sports organisations and organisations that deliver impact through sport. Our goal is to help these organisations to become sustainable; using our investment to support the development of new, or retain and expand existing, revenue streams.

Sport, and the environment in which it is delivered, can have a profound impact on peoples' lives. It can also deliver broader community impact that improves the lives of those involved and the communities in which the organisation is based. And there is a large body of evidence that supports the impact of sport on delivering non-sporting social outcomes.

Community sports organisations are at the heart of delivering this impact, often without even knowing it. But despite this, sports sector organisations are vastly under-represented in the social investment market.

## What we want to achieve

We want to try and address the issue of sports sector organisations accessing social investment through Sporting Capital in two ways:

- i) by directly increasing investment in the sector through our £3m investment over a three-year period. Over this time, we hope to invest directly into around 30 organisations; and
- ii) by helping to enlarge the market itself by encouraging and enabling further social investment to enter.

We will review and report on our progress annually.

## Who we want to invest into

We want to invest into organisations that make a difference, or plan to make a difference, to individuals or local communities through sport. And these organisations are looking to do this sustainably by developing existing revenues, or creating new ones, to support their ambitions.

Our investment, in the form of a simple, repayable loan will be used to help develop new projects, operations and revenue streams.

We can support a wide range of organisations and projects but you will need to be:

- incorporated (we cannot fund individuals or unincorporated associations).
- focused on delivering community benefit (e.g. if your organisation makes a profit the majority must be reinvested into the community).
- delivering some social impact directly through your project or organisation using sport

The organisations we hope to work with will deliver one or more social impacts across a wide range, from mental and physical health improvements to education and training and tackling anti-social behavior. We don't mind what area you focus on.

Because of the nature of our funding we are restricted in investing into organisations that campaign politically or advance religion. Our website and FAQs have further details on our eligibility criteria.

### Investment process

Our investment process is designed to be simple, clear and transparent.

1. Before you start read the website and FAQs to make sure your project is eligible for investment and you understand what type of investment is available.
2. Complete the online application form. You will need to register to access this; this means you can save your progress if you need to and come back at any time to complete it.

Tell us about your project in your own words, not what you think we want to hear, and remember to fill in all details. You will need to have information about your finances and the people involved in your project or organisation. You can also upload a video that helps bring to life your project and what you want investment for.

3. Our investment team will review your application. If successful at this stage you will be invited for a 1:1 call with the team to find out more about you and your project. If you are unsuccessful we will let you know why.

4. At the end of this stage we will rate how "investment ready" you are.

	If we rate you as "green" your project will be put forward for initial assessment.
	If we rate you as "amber" your project is of interest but requires more work. We will advise you on how to develop to become investment ready and signpost you to where support is available. There may be funding available to help you to develop further.
	If we rate you as "red" we will let you know why we cannot take your application further.

5. Once a project is investment ready we will put it forward for final assessment to our independent investment committee. The investment committee will choose the projects that have the best chance of successfully developing healthy and resilient communities through sport and physical activity.

6. If you are successful that's not the end of the story. We will work with you to make the investment a success, and will stay in touch to understand the impact of your project.

### Investment timetable

It will take a minimum of 10 to 12 weeks from initial application to investment, with most projects taking longer. The typical investment process will be:

	Indicative timeline
Receipt of application	
Initial response including request for further information	Within 10 working days
Further information response deadline	Within 15 working days
Initial application assessment	Every 2 months
Investment readiness work if required	Typically, 1 – 3 months
Final application assessment	Every 2 months
Investment made	

### Applying for investment – what we need to know

To help us to understand more about your organisation and project, and how ready for investment you are we, we need information relating to your:

- organisation, including how it is structured and how long it has been in existence.
- team, including details of the key people at your organisation, their skills and experience.
- finances, including details of past performance and future forecast.
- investment needs, including how much investment you want and how you will use this
- Impact, including how you have benefitted individuals, groups or your community in the past and / or what you plan to do in the future

If you need help in any of these areas look at our FAQs. If you are still unsure contact us at [enquiries@sportingcapital.org.uk](mailto:enquiries@sportingcapital.org.uk)

### Further guidance

#### Investment value

The £3m Sporting Capital Fund provides loan funding up to £150,000 to eligible projects. We believe this range of funding is missing in the current market.

#### Investment length

The simple, repayable, unsecured loans will be tailored to meet the needs of each organisation and will be repayable over 3 to 5 years. If needed, a repayment holiday of up to 12 months will be available, giving projects time to generate sustainable revenue.

### **Investment cost**

If we invest into your organisation, the loan will attract interest. The rate will depend on several factors but will typically be between 5% and 10%

Fees will apply to the loan. The total costs will be agreed with you and netted off the original investment.

### **Eligible expenditure**

The aim of the investment is to help organisations become more sustainable and deliver impact; you can use the investment for anything that helps you to do this. Every organisation's needs will differ, but examples of how our loans could be used include:

- Supporting the development of new or refurbishment of existing facilities
- Buying kit and equipment to help deliver activities
- Recruitment, training and deployment of staff and volunteers
- Equipment to support business functions, including finance, project management and governance
- Other operating costs, including working capital

Our case studies show how our current investments have been used by organisations to do more.

### **Monitoring and Evaluation Expectations**

As part of the deal to invest into your organisation we will expect you to monitor and report on the work you are doing and the impact this is having in your community. Your organisation may already do this. If so our requirements should fit into your existing processes. We can discuss this prior to investment.

If you don't have ways to monitor and report on the work you do, or these need to be improved, we can look to address this as part of getting "investment ready".