Bristol Pioneers Direct Investment in Local Community Businesses

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Bristol has been named the number two UK hotspot for a new type of 'positive investor' revolutionising the funding of social and environmental businesses. The*Make Money Do Good* report found that Bristol residents have invested £5.6 million since 2012 in local community projects and businesses.

The report was launched today by Ethex, the first on-line exchange for positive investments, to coincide with **Good Money Week** from **19 – 25 October 2014**. It revealed that local community-owned renewable energy schemes have played a major role in making Bristol one of the top hotspots, including £2.2 million raised for the Low Carbon Gordano solar array at Moorhouse Farm, North West Bristol. Bristol Energy Co-operative and Bristol Power have installed solar panels on homes and community buildings across Bristol.

Other community offers have included Bristol Together, which raised £1.6 million to help create full-time jobs for local ex-offenders by bringing empty properties back into use. Bristol Community Ferry Boats kept the ferries running along the harbourside to the railway station through a successful community share offer.

Steve Clarke, a former partner in a Bristol law firm and a founder of the Bristol pound, has made a number of positive investments including the community share issue for the local Bristol harbourside ferry. "I want to see Bristol's wealth strengthening the local economy, not disappearing off to some tax haven." he said.

Commenting on the findings of the report Jamie Hartzell, founder and managing director of Ethex, said "Bristol is at the forefront of a movement where people are investing their money to create environmental and social change in their community. A growing number of people are taking control of their money and making it do good, choosing to save and invest directly in businesses that deliver not only a financial return but also demonstrable benefit to society."

"Positive investing is emerging as a broad and unstoppable movement, a popular response to the financial crisis. People today want a more direct and immediate relationship with financial institutions that can be trusted, and that are transparent and accountable."

The report found that Oxford is leading a movement across the UK where savers and investors are increasingly supporting local community projects and businesses. Some 152 communities have invested £47 million of their personal wealth since early 2012 to fund renewable energy projects, shops, pubs and similar local projects.

Community-owned renewable energy projects are the most popular with investors, and 56 have raised £29 million, followed by projects involving community shops (34 raising £1.9 million), pubs and brewing (25 raising £4.7 million), community buildings (15 raising £2.5 million), food and farming (seven raising £1.4 million) and development and fair trade (three raising £5.4 million).

Positive Investing Hotspots Leading Community Share Offers

Direct positive investment into local communities is being led by 10 hotspots of positive investing, first identified in Ethex's 2013 report. The most active hotspots are:

HOW TO BECOME AN ETHICAL INVESTOR

Reasons to Invest Ethically

1. Personal values - you can invest in projects that reflect your values and your priorities.
2. Returns – you can make a positive as well as a financial return.
3. Connectedness – it gives you the connection between your money and the impact it has.
4. Pleasure - it is really rewarding to see your money making a difference.

Three Steps To Take To Become an Ethical Investor

1. Reflect on your values - what are your passions and concerns and where do you want to see your

money making a difference.
2. Consider your approach to risk - are you a safe investor, do you want to take risks, how long term is your investment plan.
3. Where do you want your money to have impact - look at the share offers and investment options for positive investment on www.ethex.co.uk.

The Positive Investor – younger, committed to community and internet savvy

The report analyses the positive investors on the Ethex platform to gain an insight into the people at the forefront of positive investment. It concludes that younger people are investing more than ever, average investment amounts are rising, and individual investors are tending to build a diversified portfolio of investments rather than just taking one single holding.

- 9% of Ethex investors are aged between 20-29, investing an average £1,110, and 13% are aged 30-39, investing an average £3,237. This is much closer to the age distribution of the UK population than the 2013 survey which found just 3% of positive investors were in their 20s and 8% in their 30s.
- Average sum invested on Ethex is £5,504 – 55% more than the average £3,551 invested positively in the 2013 report – and half of investors have two or more investments.
- Uncreasing interest in positive investing is reflected in the growth of Ethex. In the 18 months since it launched in February 2013 more than 1000 people have opened an account, investing over £5.97 million in over 30 positive businesses.

Ethex is a not-for-profit online web portal building a better market in ethical savings and investments. It makes positive investment easy to understand and easy to do. During its first 20 months it has grown from zero to £5.97 million of positive investment on its platform across over 30 different positive investments.

Ethex brings together the full range of positive investments in fair trade, renewable energy, tackling poverty, organic farming, community shops and pubs, sustainable forestry, green transport, organic food and farming and social property, on one website. Through the online trading platform positive investors can actively invest in businesses they believe in, and ethical businesses can find the investment they need to grow.

Make Money Do Good report + the map of hotspots:www.ethex.org.uk/positiveinvesting

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For interviews, case studies and graphics, please contact the following:

Anna Guyer annaguyer@greenhousepr.co.uk 07976 556164

Good Money Week - 19-25 October 2014, is a campaign run by UKSIF to raise awareness of sustainable, responsible and ethical finance to help people make good money choices.

Sustainable and ethical investment and finance allows you to have a positive impact on the environment and society without sacrificing financial performance. The week brings together individuals, financial advisers, charities, faith, community and student groups and financial institutions to engage with potential investors.

About Ethex. Ethex offers the ability to easily invest directly through the website; to learn more about making positive investments and the intricacies and risks involved; and to build and track a portfolio of positive investments. Ethex's standard reporting model makes it easy for anyone to browse, compare and choose investments that meet personal social, financial and environmental objectives.

Methodology - Marketplace Data was either drawn directly from the reports of the businesses concerned or from centralised sources: the Financial Conduct Authority and the Prudential Regulatory Authority for credit unions; the Community Shares Unit for community shares; and Triodos Bank for share offers they supported. **Hotspots table.** Compiled from analysis of 154 share offers worth £51 million out of 164 share offers in this period. **Ethex investors.** Data analysis was carried out on the 1044 customers who have opened an account with Ethex, 622 of whom have placed a total of 938 orders ranging from £10 to £250,000**.**

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