INTRODUCTION

In March 2015 Plymouth City Council (PCC) became the first council to embrace crowdfunding and use money from the Community Infrastructure Levy (CIL) to pledge on crowd-funded projects. This report sets out what happened, what we learnt and where we go next.

“Plymouth Council are leading the way by becoming the first local authority to embrace crowdfunding. By joining Crowdfund Plymouth, the council are working alongside the community while creating great opportunities at the same time.”

(Phil Geraghty, MD of Crowdfunder)

What is Crowdfunder?

Crowdfunder is a reward-based online platform that helps turn ideas into reality with the power of the crowd. A project and accompanying video is uploaded onto the website and people support a project by pledging funds in return for rewards. It’s an all or nothing model, if the fundraising target is reached the project receives the money, if it is unsuccessful no money is taken.

What is Crowdfund Plymouth?

Crowdfund Plymouth is the Crowdfunder Local campaign which aimed to raise £250,000 for great community projects, charities, social enterprises and businesses for Plymouth and the wider community.

The council chose to use Crowdfund Plymouth to find out about local projects and to pledge up to 50 per cent of a projects’ initial target (up to a maximum of £5,000 each), if they met the legislative and the council’s criteria and priorities.

In its first year Crowdfund Plymouth:
- raised over £418,000
- had 90 funded projects.
What money did the Council pledge?

Money from the City Change Fund was distributed on Crowdfunder. This money came from the Community Infrastructure Levy (CIL) which is a charge that applies to planning applications and introduced through the Community Infrastructure Levy Regulations (2010).

The levy is a contribution developers make to help address demands that development places on the city.

While most of CIL is spent on big things that keep the city running like roads, schools and parks, a minimum of 15 per cent must be spent on priorities agreed with the local community in areas where development is taking place.

This is called the ‘neighbourhood proportion’ and can increase to 25 per cent where communities draw up a neighbourhood plan, neighbourhood development order or community right to build order.

In Plymouth the ‘neighbourhood proportion’ of CIL received was:
- 2013-2014 £6,215.59
- 2014-2015 £62,041.11

£60,000 of this was transferred to Crowdfunder to distribute on the Crowdfund Plymouth site.
Crowdfunding campaigns supported by the Council:

- £54,650 was pledged on 22 very different projects, including a drop-in centre for those with hearing difficulties and a project designed to make fishing more sustainable. To view a full breakdown of the projects funded please see Appendix One.

- Altogether the 22 projects raised £278,381 (approximately £1.08 per person in the city), £223,731 of these pledges came from communities, businesses and other supporters.

- The average pledge made by the Council was £2,484, the smallest pledge was £150 and the largest was the maximum of £5,000.

- Once the Council had made its pledge it took an average of four days for the project to reach its initial target.

- Every project we pledged on met their target and 91 per cent of projects exceeded their target.

- Each of the projects pledged by the Council had an average of 53 backers.

- There were 1,173 backers in total of the Council funded projects.

- Projects we pledged on came from a variety of places in the city. To see where see Appendix Two.

- We set up an option for councillors to pledge some of their Councillor Community Grant Scheme funds on projects. Over £1,200 was pledged this way.

- In addition to pledging on Crowdfunder, we were also able to use some of the administrative pot to pledge on other projects such as £400 on Devonport Soup.

What else did the Council do to support Crowdfund Plymouth?

As well as pledging money, we also supported Crowdfund Plymouth in other ways:

- We linked up with Plymouth Octopus Project (POP) Ideas to support Crowdfund Plymouth by including it as part of their funding support service as well as including it in their newsletters and at meetings.

- We worked with Crowdfunder in residence at Plymouth University to give free local training and help identify Plymouth University campaigns etc.

- We discussed our work with other funders/sponsors to help support and set them up, including Plymouth University, GAIN and Plutus. We hope to support more of this in the future.

Why distribute money this way?

When we were looking for the best way to distribute the City Change Fund, we considered other alternatives such as: the council spending it with minimum consultation from the community or setting up a funding application process.

We felt Crowdfund Plymouth would offer the best approach. Using an online platform such as Crowdfunder would allow for transparency in decision making and the proof of public buy-in by only pledging towards a project when it reached 25 per cent of the final target and had a large amount of backers.

By transferring the £60,000 at the beginning of the year to Crowdfunder; it cut out a lot of the internal admin processes and enabled us to allocate more money for projects rather than administration and decisions could be made quickly. It also allowed us the time to harness new money and funding streams.
INTERNAL MANAGEMENT/ PROMOTION OF PROJECT

Setting-up the project

It was important to set clear criteria and priorities from the start to ensure the distribution of the CIL money met legislative requirements and our own conditions and priorities, details can be found here: Criteria for City Change Fund.

We produced a map (City Change Fund map) which highlighted where in the city the CIL money had come from. The map helped decision making as it showed priority areas where we would aim to pledge the money and put back into the local community to help mitigate the impact of development.

To ensure and guarantee the money was being spent on what was stated within the project description, we put together a Grant Acceptance Form (GAF) which had to be signed by the project owner before the Council would pledge, this not only safeguarded the money but also required projects to submit a progress report after the project had ended or had been funded for a year. This helps us keep a record of what the money was spent on.

Internal Management

Crowdfund Plymouth is managed internally by officers in the Council’s Strategic Planning and Infrastructure department, primarily the Neighbourhood Planning, the Investment Planning and the Business Support teams. Decisions on whether projects meet our criteria are made by officers in consultation with the relevant ward councillors and the current portfolio holder.

Promotional material

A pull-up banner and five different leaflets were distributed to promote the project at public events. Copies can be found in all city libraries and at the Council’s First Stop Shop on New George Street.

We put an advert on the Big Screen on Royal Parade and our City Change Fund website (www.plymouth.gov.uk/citychangefund) had 612 hits. Prospective projects brought forward by other sources such as POP or Plymouth University etc. were also encouraged to contact the council and Crowdfunder for advice before a project was uploaded.

We set up a councillor briefing to encourage councillors to get involved in the process and spread the word of the funding available.

Crowdfunder is an online platform and social media, particularly Twitter, is a key tool in promoting projects. The hashtag used for Crowdfund Plymouth is #CFPlymouth which reached 61,571 accounts on Twitter.

How does the process work?

A project is uploaded onto the Crowdfund Plymouth website and the project owner signs up to the Council’s terms and conditions either electronically or by submitting a grant acceptance form.

Every week the Council checks the Crowdfund Plymouth website and consults with the portfolio holder and relevant ward councillors via email.

The Council looks at the project and contacts the project owner if there are questions. We wait five working days for feedback from councillors.

If the project reaches 25 per cent and meets our criteria, a pledge may be made by the Council. If the project does not meet the criteria, nothing happens.

If a project receives funding from the City Change Fund, a progress report is submitted when the project ends/the money is spent/a year after the project ended on Crowdfunder.
USER EXPERIENCE/FEEDBACK

We wanted to hear from project owners and pledgers about their experience of using Crowdfunder and the impact of pledges made by the council, so both the Council and Crowdfunder sent out surveys.

Of those who responded:

- **45 per cent** of project owners were aged between 18 and 29, the biggest age group.
- **70 per cent** of project owners were female.
- Most projects came from the Drake ward with Devonport and St. Peter and the Waterfront coming second.
- **20 per cent** of projects on Crowdfund Plymouth created jobs as a result of their crowdfunding campaign.
- **86 per cent** of project owners said the Council backing their project led to an increase in the amount of pledgers.
- The average pledge increased by **56 per cent** after Council backing.
- **64 per cent** of pledgers said they were more encouraged to pledge, knowing that the Council were also backing the project.
MOVING FORWARD

What have we learnt?
Crowdfund Plymouth has been a success. By distributing funds through Crowdfunder we have opened up new ways of working and engaging with local communities, pioneered new ways of thinking and working within the council, kept the admin costs low and the publicity and transparency in our decision making high. It has enabled any member of the public/community group to put their project online with an equal chance of getting funding from us. By depositing the money with Crowdfunder at the beginning of the year we have ensured the project’s success as it enabled us to make quick decisions on projects, something which is needed when some projects may only be online for 30 days.

What will we do to improve?
While the project has been a success and the positive feedback has been overwhelming, we think there is need for improvement/clarification in some areas.

<table>
<thead>
<tr>
<th>Comment</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>As it’s a new way of funding projects (i.e. a person/organisation doesn’t apply for funding but allows the council to pledge) it can be a difficult concept for people to understand.</td>
<td>We will continue to be as clear as possible on the process to ensure there is no confusion and create a frequently asked question (FAQ) document to answer basic queries.</td>
</tr>
<tr>
<td>A lot of people ask if they can know whether their project will be eligible for funding in advance of us pledging.</td>
<td>We cannot give out this information as circumstances change and instead encourage projects to look at the council’s criteria and priorities.</td>
</tr>
<tr>
<td>People are unhappy that we did not pledge on certain projects.</td>
<td>We do not give out reasons for not pledging on certain projects.</td>
</tr>
<tr>
<td>The PCC money took a little while to get uploaded to the website which was unnerving.</td>
<td>We try to be as responsive as possible to projects but need to consult with councillors and other officers which can cause delays.</td>
</tr>
<tr>
<td>It is a good idea for small projects but I would still prefer to be able to apply for CIL funding directly for larger projects.</td>
<td>We are looking at the budget for next year to see if we can allocate some funds for bigger projects as well as continue to distribute on Crowdfunder.</td>
</tr>
<tr>
<td>We often had to point out is that the money has come through development projects, as people generally assumed the money came directly from the council.”</td>
<td>We will continue to be as clear as possible on all our promotional material describing where the money has come from.</td>
</tr>
<tr>
<td>Need to advertise it more widely</td>
<td>We are looking at the funds for next year to see if we can allocate a budget to create more advertising.</td>
</tr>
<tr>
<td>It was quite difficult to find out any information on who to contact and how to receive guidance. I made many phone calls and was referred between organisations a few times. So perhaps just making the guidance literature more clear and ensuring that all supporting organisations are clear on who provides what support.</td>
<td>We are reviewing our literature and will produce a FAQ sheet so people will know who to contact.</td>
</tr>
</tbody>
</table>
The national picture

Due to the popularity and uniqueness of distributing funding this way, many magazine/newspaper articles have been written about Crowdfund Plymouth and the process. In February 2016 we were mentioned in “Pushing Boundaries: The 2015 UK Alternative Finance Industry Report” by the University of Cambridge and Nesta (an innovation charity with a mission to help people and organisations bring great ideas to life), in partnership with KPMG (a global network of professional firms providing Audit, Tax and Advisory services.). This report also highlights the growth of the Crowdfunder model in recent years.

Council officers were invited to talk about the project at a Royal Town Planning Institute (RTPI) event and representatives of Crowdfund Plymouth were invited by other local councils throughout the country to talk in meetings about the process. Other councils are now exploring the possibility of distributing funds in similar ways.

Crowdfunding and alternative ways of funding are growing and Plymouth is capitalising on this, getting smarter on how resources are allocated while at the same time enabling great things to happen in the city. This is not only happening in Plymouth though, projects with similar models have become popular across the world: www.fastcoexist.com/1681415/this-beautiful-wooden-pedestrian-bridge-was-crowdfunded-when-the-city-couldnt-pay

You can even Crowdfund to buy houses! www.thehousecrowd.com


What next?

Due to the success of the project we are looking to continue on with this model of distributing funding in the future:

- All unspent funds from the pilot year will be carried forward into next year
- We are currently looking at ways to support a broader range of projects. While we still want to support small projects, we will look at alternative ways of funding to support bigger projects
- We will look to secure funding to continue to raise awareness of the project
- The grant acceptance form and our criteria and priorities will be revisited to ensure it is up-to-date, relevant and meets national and local criteria and priorities
- A frequently asked questions sheet will be created to provide better clarity and understanding.
- We will look to grow/expand the project and to find other streams of funding to distribute in similar ways.
- Crowdfund Plymouth is currently promoted as an additional financing option for projects within the Council’s capital programme. This has boosted internal officers’ awareness and could potentially facilitate community support for capital projects. We hope to support appropriate capital projects to crowdfund in the year ahead.
- At April 2016, there is a total of £182,056.45 available for local community projects, including funds both held by Crowdfunder and the Council.

In 2016/17, a further £237,813.57 is expected to be paid by developers whose schemes have already started. This figure is expected to rise as the year progresses.
APPENDIX ONE
Breakdown of projects funded
CHILDREN’S CREATIVE HUB: THE SOAPBOX THEATRE...

DESCRIPTION: To transform a disused building in Devonport Park to a creative arts studio and theatre for children and their families with an arts space, small scale theatre, toilets, office space and outdoor amphitheatre.

WARD: Devonport

£6,000 original target set

£946 raised above original target

£6,946 final total

120 people backed this project

£3,000 pledged by CCF

DATE FUNDED 01 APRIL 2015
CINEMA IN THE CITY...

DESCRIPTION: To raise funds to host cinema events across the city, including an open air cinema at Royal William Yard.
WARD: St Peter and the Waterfront

£5,000
original target set

£3,45
raised above original target

£5,345
final total

96
people backed this project

DATE FUNDED
08 MAY 2015

£2,500
pledged by CCF

£0
original target set

£1,000
£2,000
£3,000
£4,000
£5,000
£6,000
PLYMOUTH DEAF ASSOCIATION-DROP IN CENTRE...

DESCRIPTION: To create a community cafe/drop-in centre for Deaf British Sign Language users within Plymouth and the surrounding areas.
WARD: Compton

£1,250 pledged by CCF

£3,805 final total

£1,305 raised above original target

25 people backed this project

£2,500 original target set

£0 £500 £1,000 £1,500 £2,000 £2,500 £3,000 £3,500 £4,000

DATE FUNDED 16 JUNE 2015

£0 £500 £1,000 £1,500 £2,000 £2,500 £3,000 £3,500 £4,000
BEYOND FACE YOUTH COMPANY...

DESCRIPTION: To provide a pathway for black and asian young people into theatre and dance in Plymouth.

WARD: St Peter and the Waterfront
UNION CORNER-AN EXCITING NEW COMMUNITY HUB...

DESCRIPTION: To transform a derelict shop ‘Union Corner’ on Union Street, Plymouth to create a new community hub.
WARD: St Peter and the Waterfront

£10,000 original target set

£704 raised above original target

82 people backed this project

£5,000 pledged by CCF

DATE FUNDED 19 JUNE 2015

£10,704 final total

£0  £2,000  £4,000  £6,000  £8,000  £10,000  £12,000

SHED ON WHEELS REPAIR...

DESCRIPTION: To repair an old milk float called the Shed On Wheels so it can once again travel around Plymouth, becoming a focal point for communities to gather.
WARD: Efford, Whitleigh, Devonport, Barne Barton, St Peter and the Waterfront, Ham

£4,000 original target set

£5 raised above original target

£4,005 final total

£4,000 pledged by CCF

51 people backed this project

DATE FUNDED 07 AUGUST 2015
IN OTHER WORDS...

DESCRIPTION: To allow the opportunity for LGBT+ writers to create short plays based on real life stories shared as part of an award winning archive.

WARD: Unspecified
CLASP...

**DESCRIPTION:** The CLASP Network stands for Communities Learning About Sustainability in Plymouth and is a collection of organisations, businesses and community groups who support learning about sustainability in the city. This project aims to help the CLASP Network support, engage and connect schools, communities and businesses for a sustainable future.

**WARD:** Unspecified
LET’S END CHILD POVERTY IN PLYMOUTH...

DESCRIPTION: To help tackle child poverty in Plymouth by working with community groups to run projects which will help transform the lives of children and their families.

WARD: City-wide

£17,035 final total

£7,035 raised above original target

54 people backed this project

£10,000 original target set

£3,000 pledged by CCF

DATE FUNDED 10 NOVEMBER 2015
PLYMOUTH ARGYLE LADIES FC...

DESCRIPTION: To raise funds to help sustain the future of Plymouth Argyle Ladies Football Club in the Women’s Premier League.

WARD: City-wide
COLLINGS PARK TRUST...

DESCRIPTION: To help save a precious green space in the heart of Plymouth and create a wonderful green space for food-growing, exercise and community events.

WARD: Compton

£20,000 original target set

Extra £1,380 raised above original target

£21,380 final total

£5,000 pledged by CCF

Date funded: 11 December 2015

40 people backed this project
SOLE OF DISCRETION...

DESCRIPTION: To help a social enterprise protect the marine environment through the creation of a dedicated supply chain for ethically caught fish.

WARD: St Peter and the Waterfront

£10,000 original target set

£132,055 raised above original target

£142,055 final total

70 people backed this project

£5,000 pledged by CCF

DATE FUNDED 08 JANUARY 2016

£0 £20,000 £40,000 £60,000 £80,000 £100,000 £120,000 £140,000 £14,000 £12,000 £10,000 £8,000 £6,000 £4,000 £2,000 £0
VISION FOR THE PILLARS...

DESCRIPTION: To fund a commission for a work of art for the people of Plymouth, commemorating the historic relationship between the City and Minster.

WARD: St Peter and the Waterfront

£10,000 original target set

£1,290 raised above original target

£11,290 final total

66 people backed this project

£5,000 pledged by CCF

Funded March 2016

£0 £2,000 £4,000 £6,000 £8,000 £10,000 £12,000
VISION FOR THE PILLARS...

DESCRIPTION: To fund a commission for a work of art for the people of Plymouth, commemorating the historic relationship between the City and Minster.

WARD: St Peter and the Waterfront

£5,000 pledged by CCF

£11,290 final total

11 March 2016 DATE

£1,290 raised above original target

66 people backed this project

£10,000 original target set

£0 extra

£2,000 £4,000 £6,000 £8,000 £10,000 £12,000

WALK AROUND YOUR HOME BEFORE IT’S BUILT...

DESCRIPTION: To help support TruVision who use state of the art virtual reality, Oculus Rift, to enable people to walk around homes (and other buildings) before they’re built.

WARD: Drake

£6,000 original target set

£3,000 pledged by CCF

£8,001 raised above original target

£8,001 final total

39 people backed this project

£6,000 original target set

£0 extra

£1,000 £2,000 £3,000 £4,000 £5,000 £6,000 £7,000 £8,000

DATE FUNDED 13 March 2016
FAR FLUNG DANCE THEATRE...

DESCRIPTION: To help support a newly formed professional inclusive dance theatre performance and training company based in Plymouth.

WARD: Sutton and Mount Gould

£450 pledged by CCF

£2,500 final total

£1,600 raised above original target

£900 original target set

49 people backed this project

DATE FUNDED 13 MARCH 2016

£0

£500

£1,000

£1,500

£2,000

£2,500
PLYMOUTH ARTS CENTRE LIVE...

DESCRIPTION: To raise funds so that people can enjoy ballet, theatre, opera and exhibitions streamed live from shows at national theatres.

WARD: St Peter and the Waterfront
THE RED HOUSE THEATRE PROJECT...

DESCRIPTION: To raise funds for equipment for the Red House Theatre to create an amazing community hub.

WARD: St Peter and the Waterfront

£6,035 final total

£2,500 pledged by CCF

DATE FUNDED 25 MARCH 2016

£5,000 original target set

1,035 raised above original target

121 people backed this project

£6,035 extra

£0 £1,000 £2,000 £3,000 £4,000 £5,000 £6,000 £7,000

25-31 March 2016

1st April 2016

121 people backed this project

£0 £1,000 £2,000 £3,000 £4,000 £5,000 £6,000 £7,000

25-31 March 2016

1st April 2016

£0 £1,000 £2,000 £3,000 £4,000 £5,000 £6,000 £7,000

25-31 March 2016

1st April 2016

£0 £1,000 £2,000 £3,000 £4,000 £5,000 £6,000 £7,000

25-31 March 2016

1st April 2016

£0 £1,000 £2,000 £3,000 £4,000 £5,000 £6,000 £7,000

25-31 March 2016

1st April 2016
THE RED HOUSE THEATRE PROJECT...

DESCRIPTION: To raise funds for equipment for the Red House Theatre to create an amazing community hub.

WARD: St Peter and the Waterfront

£2,500 pledged by CCF

£6,035 final total

25 MARCH 2016 DATE

£1,035 raised above original target

121 people backed this project

£5,000 original target set

£0 extra

£1,000 £2,000 £3,000 £4,000 £5,000 £6,000

PLYMOUTH CONSERVATION VOLUNTEERING 2016...

DESCRIPTION: To create new conservation volunteering opportunities in Plymouth and the surrounding area to benefit people, the environment and wildlife.

WARD: City-wide

£2,000 original target set

£351 raised above original target

£2,351 final total

33 people backed this project

£0 £500 £1,000 £1,500 £2,000 £2,500

DATE FUNDED 05 APRIL 2016

£1,000 pledged by CCF
PLYMOUTH COLLEGE OF ART STUDENT CONFERENCE 2016: FACING THE EDGES...

DESCRIPTION: To support a student conference.
WARD: Drake

£150 pledged by CCF

£465 final total

£300 original target set
£165 raised above original target

15 people backed this project

DATE FUNDED 19 JANUARY 2016

£0 £50 £100 £150 £200 £250 £300 £350 £400 £450 £500

£500

£400

£300

£200

£100

£0

05 Jan 16
06 Jan 16
07 Jan 16
08 Jan 16
09 Jan 16
10 Jan 16
11 Jan 16
12 Jan 16
13 Jan 16
14 Jan 16
15 Jan 16
16 Jan 16
17 Jan 16
18 Jan 16
19 Jan 16
20 Jan 16
PLYMOUTH COMMUNITY 3G PITCH...

DESCRIPTION: To help raise funds for a 3G artificial grass pitch in Plympton, supported by Ridgeway School.
WARD: Plympton-Erle

£10,000
original target set

£250
raised above original target

£10,250
final total

79
people backed this project

£5,000
pledged by CCF

DATE FUNDDED 28 MARCH 2016
FOUR GREENS ERNESETTLE COMMUNITY ALLOTMENT...

DESCRIPTION: To create a local community allotment, to provide volunteering opportunities, increase sense of community and connection to the environment.

WARD: Honicknowle
STUDY TO REFURBISH BLOCKHOUSE PARK AND CCTV...

DESCRIPTION: To appoint a local architectural practice, who already have experience in Blockhouse Park to produce a feasibility study.

WARD: Stoke
APPENDIX TWO
Where we funded projects
To find out more contact the Neighbourhood Planning Team:

T 01752 305477
E citychangefund@plymouth.gov.uk
www.plymouth.gov.uk/citychangefund

Neighbourhood Planning Team,
Ballard House, Plymouth PL1 3BJ

Other useful websites:
www.crowdfunder.co.uk/plymouth