

Crowdfunding

- Connecting and Harnessing the Power of the Crowd

- Matching projects that matter with people that care

What is Crowdfunding?

It's an old idea brought into the 21st Century due to the internet and online digital suppliers providing user-friendly platforms for people to publicise their projects and/or fund them.



The plinth for the statue of Liberty was crowdfunded by 1000s of citizens, businesses and philanthropists donating funds in 1886. Similarly, the initial expression for a University for Exeter was initially crowdfunded. But without a digital online platform to raise awareness, market online campaigns and collect the funds these crowdfunded projects, and others like them, required a herculean effort by those concerned.

There is a funding revolution going on

1. In 2015 the size of the UK alternative finance market grew to £3.2 billion
2. The UK online alternative finance market grew by 84% y/y
3. **The UK crowdfunding market grew in 2015, by 61% to £41.6 million**

Source: Nesta with Cambridge University, Alternative Finance Report, Pushing Boundaries, 2016

Online digital crowdfunding platform suppliers, such as Spacehive and Crowdfunder (there are many more) make it easier for citizens, businesses, governments and grant-makers to pledge resources to verified online projects and initiatives; to create social and economic impact.

How does it work?

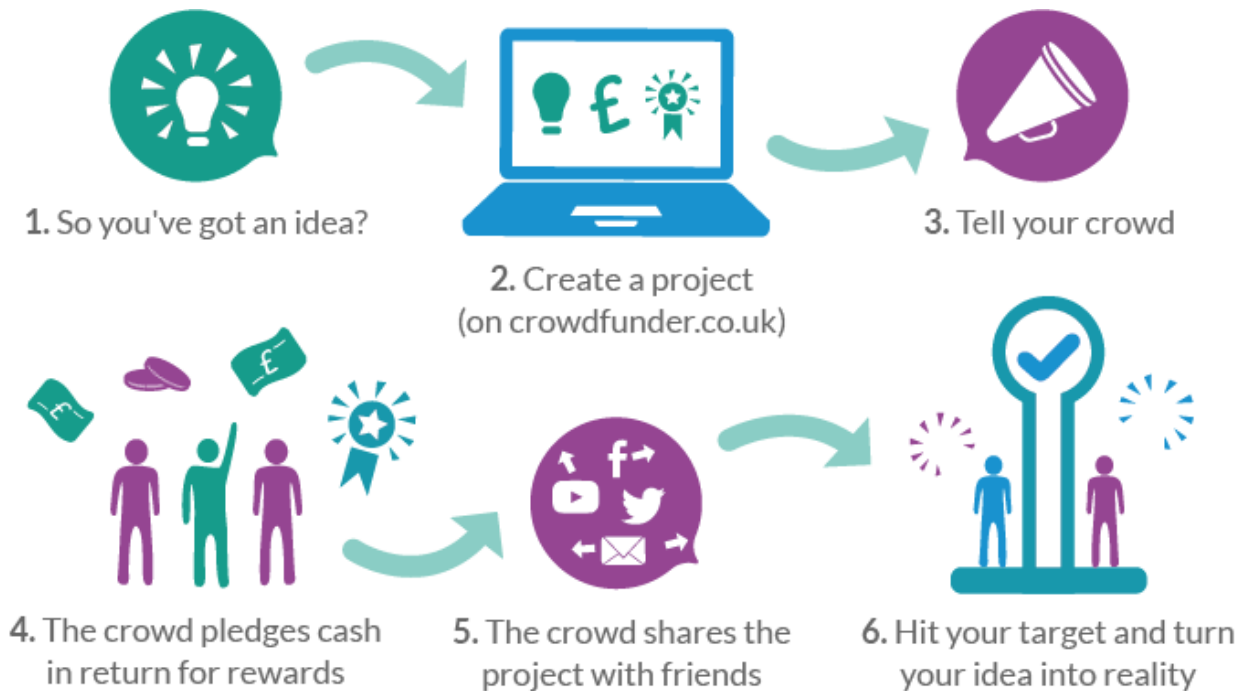
Crowdfunding is now a well-established and utilised tool that allows communities and organisations to promote and publish local innovation, ideas, solutions, infrastructure and events that need funding (and sometimes wider support).

A platform allows people and potential funders to access and review project proposals and then should they choose to, provide funding. Crowdfunding is open to private funders at a local level with a small amount to donate and to local businesses, but also open to large funding bodies and multinational organisations.

Source: Crowdfunder UK



Far from it! Projects seeking funding need to work hard at selling their project and capturing the crowds interest:



What are the benefits?

...TO CREATE SOCIAL & ECONOMIC IMPACT



EMPOWERS
CITIZENS TO
CHANGE THINGS



LEVERAGES
BUDGETS



CREATES
PLACES PEOPLE
LOVE



BUILDS
COHESION



BUILDS
CIVIC PRIDE



HELPS THE
LOCAL ECONOMY

Benefits of crowdfunding to our funding partners



Stretches
funds further

As a partner we can guarantee that the crowd will amplify your funding, which may be further leveraged with other private and public partnerships.



Targeting

Funds can be promoted to a wide audience, projects filtered and then targeted effectively to those communities who most need the support or whose projects closely align with identified plans for an area and its people.



Lower cost

Because of the nature of Crowdfunding and particularly the digital platform/technology, distribution costs can be much lower than traditional channels (due to speed and automation) without compromising on security or increasing risk.



Measurable
social impact

Beyond the pure cash support, Crowdfunding projects can deliver many Social Impact benefits, such as job creation, increased wellbeing, connectivity and inclusion, and building skills capacity in the community.

In providing a crowdfunding platform branded for Devon related projects, the Council and other public sector agencies; possibly working in partnership, may simply wish to do so to facilitate local innovation and increase local generated funding. However, in addition they may (as with an increasingly large number of local authorities – Manchester, Essex, Warwickshire, and Mayor of London) decide to utilise this technology as a means of distributing some of their funding, such as but not limited to Locality Budgets, Communities Together Fund, District Community Grants, Police Resilience Fund.

Crowd funding can enable a community led, transparent and democratic opportunity to not only generate and promote local ideas; but for communities to determine which of these ideas are best prioritised and funded. This can be achieved with reduced administration but increased exposure to successful local projects and real time insight into the benefits and outcomes of funding.

Examples of crowd funding tools (using Warwickshire and Plymouth as examples) can be accessed through the links below.

<https://www.spacehive.com/places/uk/warwickshire>

<http://www.crowdfunder.co.uk/crowdfund-plymouth>