

Agenda item 8

For information: Crowdfund Frome update

Author: Kate Hellard, Community Projects Officer

Summary

Crowdfund Frome will fully launch on the 27 February. There has been a good response to marketing and promotion from community groups with 28 groups considering the launch of their own crowdfund appeal. The focus of promotion now will be to the local community to harness interest and enthusiasm in supporting campaigns. This report provides an update on the project to date.

Background

Following the decision by Council on the 21 September 2016, FTC contracted Crowdfunder.co.uk to establish and launch a Crowdfund Frome campaign. It was also agreed to allocate £25k this year (2016/17) and the same amount in 2017/18.

Meki Nattero was contracted to work over the period October to January to set the project up. Meki worked closely with Cllr Kate Bielby (project sponsor) and with Crowdfunder to agree the website design, create branding and promote the initiative to local groups and organisations.

Since October we have received 28 direct enquiries from local groups interested in launching a Crowdfund Frome campaign. Meki and since January Kate Hellard have met with these to explore how their campaign could be developed. In addition, we have:

- presented at the not-for-profits brunch
- presented at the Business Breakfast
- A 1 hour-long coaching workshop delivered by Crowdfunder
- Launched a successful marketing campaign; online and in local media
- Delivered beer mats and posters throughout the town

This is the brand that has been developed.

#CROWDFUND
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Kate took over the project from Meki in early January this year and drafted a report with her conclusions on the opportunities and challenges of the project to date.

Opportunities and challenges for not for profit organisations

- The majority of organisations appreciate the opportunities that Crowdfund Frome offers them in terms of the potential to raise visibility for their work, magnify their

messages and raise support for their work from the community.

- Many of project ideas that have been put forward fit very well with Crowdfund Frome's criteria and are likely to be popular projects with people in their community and networks.
- Projects can claim gift aid through Crowdfunder for pledges from the "crowd".
- Given the "All or nothing" format of the crowdfunding template, some groups are choosing to aim for more conservative funding targets to increase the chances of success. Others are not in a position to do this because they need to cover costs and have chosen to attempt to raise larger amounts of funding with the consequent higher risk of not reaching their full funding target.

Some organisations have expressed concerns regarding certain aspects of Crowdfund Frome:

- Putting together a successful crowdfunding campaign is time consuming. Many have come across as being a bit overwhelmed at the prospect. There is a danger, therefore, that smaller or less resourced organisations could miss out on FTC grant funding.
- Currently the town council plans to release all Crowdfund Frome's fund at once and there is a concern among organisations that this will create a run for funds at one point in the year with many projects being live at the same time and therefore competing against each other for community support. Also, the concern is that if an organisation is not ready to launch a project when the funds are released, they will miss out as all grant money will be spent in the initial months.
- In order to promote it, Crowdfunding relies heavily on the personal networks of those involved in a project. When these networks are limited, or when the organisation itself doesn't have a solid database of community supporters, it may be difficult for organisations to promote their project widely enough to garner enough pledges from the crowd.

Meki then suggested how to overcome these issues. The success of the first few Crowdfund Frome projects will be crucial to how the platform is perceived. To maximise the chances of success it will be important to:

- Offer all organisations support on how to create a good project for crowdfunder.
- Consider allocating additional resources to support smaller organisations run by volunteers who will have limited capacity.
- Communicate widely with the community once projects go live; track residents' participation closely and develop new communications approaches if needed.

Conclusion

The Crowdfund Frome site will be launched on the 27 February. There is a Crowdfund Frome Discuss and Do event for both local businesses and community organisations on 28 February and this will be used to promote Crowdfunder Frome.

There will be at least two projects going live on this date that will meet the FTC funding criteria. The full site will feature projects which meet FTC criteria and also other projects in Frome that won't meet FTC criteria.

It is anticipated that once the site is fully operational momentum and confidence will build as other groups see how it is done. We are drafting a promotional campaign designed to generate interest in the coming months and planning a number of workshops and training sessions including; 'talking to the press', 'using social media' and 'telling your story' to support all organisations in their campaigns.

We will continue to assess the challenges facing local groups in accessing FTC grant funding through this route over the coming year and provide regular updates to the committee.