

## Agenda item 6

### For Decision: Crowdfund Frome and Community Grants Scheme

Author Kate Hellard community Projects Officer

#### Summary

This report reviews the Crowdfund Frome project, proposes to restart the Community Grant Scheme (grants ranging from £300 - £2k) and allocate £10k from the CF budget to achieve this.

#### Background – Crowdfund Frome in context

FTC has traditionally operated two grant schemes. The Mayor's Grant Scheme awards grants of up to £300 and the Community Grant Scheme (CGS) which awarded grants of between £300 and £5k. More recently, we have created a tranche of multi-year agreements and, since October 2016, we introduced Crowdfunder (CF) which replaced the CGS.

This report reviews the progress of CF, proposes a budget re-allocation from CF to the CGS and proposes no changes to the Mayor's Grant Scheme or multi-year agreements.

#### Crowdfund Frome

Since October 2016, we have made grants through CF totalling £18,900 to six organisations with an additional £20k from the crowd and this should be celebrated. As a way of benchmarking this figure, we awarded £49,316 through the Community Grants Scheme to 28 groups during the same period the year before.

The CF contract is due to come to an end in October 2018. From that date there would be an annual fee of £7k with a minimum two-year contract.

In line with the terms of their contract Crowdfunder.co.uk have worked with FTC to set up the site with all relevant branding, administered the payments of successful projects, delivered two series of online group training sessions and co-hosted a live online seminar (now available on YouTube).

FTC commitment has been to commission and develop the branding, deliver an extensive media and promotional campaign (including beer mats in pubs, press releases, posters, ongoing promotion through community projects update) and host a Crowdfund Frome Discuss and Do event with local businesses. FTC managed all elements of campaign progression through the pledge process (the online system is not automated and requires contact with CF during each campaign) and provided a decision on each application within two working days to the applicant.

What was not anticipated was the level of advice and guidance we had to give each individual group to set up and deliver their campaign. CF has been extremely time consuming. This would have been fine if the uptake with associated contributions from the crowd was

significant. However, uptake has been lower than expected. Local organisations have raised concerns about the amount of time involved and their capacity to deliver a CF campaign.

What we are seeing is that a successful CF campaign is where a local group has the ability and capacity to embrace the CF methodology and where the campaign is likely to be widely supported. However, if the group is small and comprising of people who may not be able to create an attractive video with a project that is very worthy but unlikely to be supported by a large “crowd”, then there is little chance of success. It is reasonable to suggest that many of the projects in the latter category would have been ones that FTC would have funded via the Community Grants Scheme.

Following discussion with Cllrs and colleagues, we took the above factors into account and reflected on the merits of CF and the Community Grant Scheme. As a result, it is proposed to restart the CGS with immediate effect by re-allocating £10k from the CF budget. Grants will be made available using the same criteria as before but be between £300 and £2k, instead of up to £5k. The Grants panel will be called to assess applications in very early January and again in very early April, budget permitting.

It is proposed that FTC continues to run CF until October 2018, when the contract with crowdfunder.co.uk comes to an end. At the present time, we believe that CF will not continue but a final decision does not need to be taken now on this.

Any remaining, unspent, balance of the CF budget in 2017/18 would then be allocated to general reserves at the end of this financial year.

In the year 2018/19 it is proposed that £10k be allocated to CF, £7k to the Mayor’s small grants (up to £300) and £25k to CGS (£300 - £2k).

#### Recommendations

1. Restart the CGS immediately and allocate £10k from the CF budget.
2. The Grants panel called to assess CSG applications in early January and early April, budget permitting.