

Ebbsfleet Development Corporation

Board Meeting Part	One
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Date of meeting :	21/10/2015	Agenda item :	EDC 15 / 053
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Title of paper	EDC Crowdfunding Platform Procurement
Presented by	Louise Wyman, Director of Strategy
Sub-committee	Not applicable

Purpose of paper	<ol style="list-style-type: none"> 1. Seek Board support to establish a web-based Ebbsfleet Garden City crowdfunding platform; 2. Outline to the Board the procurement route; and 3. Inform the Board that a business case must be submitted to DCLG before procurement commences as crowdfunding will make use of a web-based platform which needs DCLG approval.
Recommendation	<p>That, subject to Board approval and subsequent business case acceptance from DCLG, the EDC procures a Crowdfunding provider to develop a web-based platform.</p> <p>The purpose of the platform will be to raise funds for local civic projects.</p> <p>A crowdfunding platform will provide EDC with the ability to attract Match-Funding to local projects that are popular with our local community.</p>
Delegation	Procurement, scope and management of crowdfunding provider to be undertaken by Louise Wyman – Director of Strategy.
Financial impact	C. £20,000 cost to have platform designed, managed and a related 3 month programme to develop and promote projects within the local community undertaken by crowdfunding provider.
Legal impact	There will be a requirement for a contract between the EDC and Crowdfunding platform provider. The EDC will ensure that this is robust and properly reviewed by EDC's legal support team.
Stakeholder impact	Opportunities for beneficial stakeholder impact from local

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	projects being identified, potentially funded and realised.
Sponsor impact	This represents the opportunity to use public resources to leverage greater levels of private investment into the Garden City; its existing and future community.

Introduction

This Paper sets out:

- What crowdfunding is;
- Why it is beneficial to the EDC;
- Procurement route to be followed;
- The basis of the business case to be submitted to DCLG; and
- Initial thoughts on possible local projects which could be crowdfunded;

1. What is Crowdfunding?

“Crowdfunding is a way of raising finance by asking a large number of people each for a small amount of money. Until recently, financing a business, project or venture involved asking a few people for large sums of money. Crowdfunding switches this idea around, using the internet to talk to thousands – if not millions – of potential funders” (Source:UK Crowdfunding Association)

2. Why is it beneficial to the EDC?

- a) It will help raise funds for local civic projects that are popular with our local community;
- b) The platform can be used to attract match funding to a local project;
- c) Increases EDC’s visibility and attracts attention to the emerging Garden City from existing and new communities via press and publicity to launch our approach;
- d) Delivers benefits for existing communities in the local area by enabling civic participation;
- e) Gathers support for the Garden City from local people by leading a Garden City branded innovative tool for community use;
- f) Demonstrates EDC’s commitment to working in partnership with local communities by encouraging local involvement to improve the existing community;

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- g) Identifies and supports the creation of a coherent Garden City by directing EDC resources to the existing community; and
- h) EDC proactively encourages active citizenship and participation in local projects creating a greater sense of ownership and stake in the Garden City.

3. DCLG Business Case

A draft business Case has been prepared and will be submitted to DCLG on receipt of Board's approval to this Paper. The business case sets out the rationale for setting up a crowdfunding platform by the EDC, and seeks DCLG's approval to proceed with procurement.

4. Procurement Requirements

On condition of DCLG's approval of the Business Case, and consistent with DCLG procurement requirements, a minimum of three firms will be identified that have direct experience of promoting and crowdfunding civic projects in the local community related to urban regeneration.

The EDC shall invite the companies to respond to a service specification brief based on the crowdfunding company:

- a) Designing, hosting and managing an Ebbsfleet Garden City web-based crowdfunding platform (or campaign);
- b) Undertaking the normal role of the crowdfunding platform provider – i.e. facilitating and managing all financial transactions between project owner and project supporter; and
- c) Developing and undertaking a community engagement events programme to identify potential local projects and support their owners in the crowdfunding process.

5. Relationship to Framework Masterplan

In developing the Framework Masterplan, three key community engagement meetings/events will be undertaken. The appointed Crowdfunding Provider will be requested to attend these events to help identify possible local projects (and project owners) which might be suitable for crowdfunding.