

Category: Delivering Better Outcomes

Crowdfund Angus Submission date by 5 February 2016 Angus Council and Partners

Summary:

Crowdfund Angus is a bespoke crowdfunding platform that allows businesses, individuals and community groups to campaign for funding to achieve their goals.

With more competition for funding and grants and reducing budgets, the Funding, Policy and Projects team needed to identify a new dynamic way of supporting local people and initiatives.

Crowdfund Angus is a new innovative way of showcasing local projects, ideas and businesses through a video, blog and funding campaign. It is the first of its kind in the UK delivered by a Local Authority.

Section 1: Background

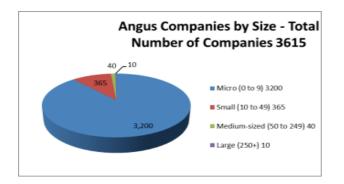
Angus Locality

With a population of 116,200 Angus is located on the East coast of Scotland, and is a mix of rural and urban settlements. The majority of the Angus population lives in the burghs of Arbroath, Montrose, Kirriemuir, Forfar, Brechin, Carnoustie and Monifieth with Arbroath at Circa 23,000 the largest and Kirriemuir at Circa 6,000 the smallest.

Economy

Recent figures from NOMIS (November 2013), showed that from a total number of companies of 3,615 in Angus, 3,200 of those were micro companies (0 – 9 staff), and only 10 companies in excess of 250 staff.

In terms of business formation and survival rates, the area has lower levels of start-up businesses than the national average but there is a significant amount of self employment with Angus having the 11th highest rate of self employment in Scotland (9.9%). This helps with the challenge of expanding the business base and we are keen to provide support to this entrepreneurial spirit in whatever way we can.



Local Pressures

We are all living in difficult financial times and coming under ever increasing pressure to do more with less. The ability to lever in external funding is becoming a higher priority for individuals, communities, private, public sector and businesses.

Providing support which will nurture and develop new and existing businesses is essential in creating employment opportunities, sustainable jobs and supporting the economy.

The demand on our service to provide support and assistance to access potential funding streams for individuals, community groups and small businesses was becoming difficult to manage. Angus as an area tends not to regularly qualify for large amounts of funding from external sources due to stringent criteria set by European Commission, Scottish Government or other external funders.

We wanted to find an innovative solution to meet this growing demand.

Consultation

The consultation process began during Angus business week in October 2014, where our information sessions on Crowdfunding sold out very quickly. It was clear that within Angus there was a sense of excitement at this 'new' product.

We continued with extensive consultations across Angus with a total of 655 people from the local communities and businesses. This was done through face to face meetings, surveys and workshops.

The results of this consultation showed that across the board, people struggled to find a fund/funder who could support their activity, be it business growth, event or personal ambition.

A steering group was formed which consisted of representatives from the third sector, private sector, local communities and council services. Together they pulled together to develop the Crowdfunding idea.

Section 2: Our Solution: Crowdfund Angus

In order to address our challenges a platform was developed that could be easily accessed by all and that would suit all levels of businesses from evolution to development and encourage entrepreneurial spirit.

We approached Crowdfunder UK as the biggest and most successful crowdfunding platform to gauge their interest in working with us. Crowdfunder were excited at the opportunity of working with a local authority as this was an area they hadn't previously delivered in.

Crowdfunder and Angus Council provided workshops to the community, organised through the steering group, to ensure the product being offered would meet the particular needs of their community.

The feedback from these events was overwhelmingly positive with individuals, businesses and third sector groups eager to become involved.

Crowdfunder also provided comprehensive training to the Council's Funding, Policy and Projects team to ensure that support would be available at grass root level.

In August 2015 the Crowdfund Angus portal was launched to an audience of local businesses, community groups, third sector organisations and a Scottish Government minister.

In the first two months of launch, Crowdfund Angus levered in £55,000 to the local economy. Given that the original target for the first year was £100,000, this shows how quickly it has been embraced by the Angus community.

What Crowdfund Angus provides

Crowdfund Angus is about providing a service in the shape of the crowdfunding portal for individuals, communities and businesses to lever in the funding they require to carry out their activity/plan/project.

Through this process they can apply for any activity and it is decided by the 'Crowd'. This process also gives their plan validation through being successfully funded which can unlock traditional funding methods.

The stages include:-

The Angus Crowdfund Portal in Action	
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1. So you've got an idea?	3. Tell your crowd
	reate a project pwdfunder.co.uk)
4. The crowd pledges cash 5. The	crowd shares the 6. Hit your target and turn
in return for rewards proje	ect with friends your idea into reality
Stages	Support Available
1. Idea?	Contact Angus council funding team for support/advice. Teleconference with Crowdfund UK where needed
2. Create Project	Funding team help with story board. Contacts for help with promotional films where required. No campaign launched until all parties happy.
3. Tell your crowd	Angus Council help with social media messaging to reach as wide an audience as possible. Further support from Crowdfund UK where needed.
4. The crowd pledges cash in return for rewards	Rewards can be amended, broadened where a campaign takes off quickly.
5. Crowd shares project with friends	Marketing base for new company/business/community group is grown as campaign grows. Loyal customer base already growing.
6. Hit target	Celebrate. If business, further business advice available through economic development service.

Through the portal, we work in partnership with local agencies and services such as those in further education, to develop the idea for funding, support the development of a video for their campaign, build up a strong case to get the funding and then launch their project online.

Business Engagement

Angus is a rural authority area which consists mainly of micro (88.5%) and small (10.1%) businesses. In these times of diminishing resources, one of the challenges we face is to provide support and opportunities for growth to the business community, whilst also encouraging further enterprise from new and emerging talent.

Developing Crowdfund Angus has improved relationships between the Council, local agencies, business and individuals and has also introduced an important new direct contact between established businesses and economic development. This is vitally important to ensure our services are supporting the needs of the business community.

Within Angus Council the economic development unit has the expertise of business advisers, employability skills advisers and marketing officers to advise and support the local economy. Employers can often feel bombarded by agencies all looking for their time and attention. An unexpected consequence of our activities with the portal is to have employers approach us; either to find out more about our other services or to discuss sponsoring projects that are on the portal.

Enriching the Community

There can be a feeling of 'disconnect' at times, whether real or perceived, between local authorities and the people they serve. Crowdfund Angus provides a user friendly, visible medium which goes some way to overcoming this through empowering people to source their own funding from the communities they inhabit and also further afield.

Since its launch in August 2015, we have seen projects on the portal covering all aspects of the local economy. From a 'Bygones Gardens' campaign to a 'Bon Scott Tribute statue' to our first business venture 'Sansooz' stylish reflective clothing for children and adults, due to launch in February 2016.

In the initial three months since launch, 40% of investors have come from abroad. This shows the potential for internationalisation linking in to the Scottish Government strategy for business growth and acting as a showcase for all that Angus has to offer.

Where this programme delivers is in the support provided for participants. As well as providing the technical side of the portal, the Funding, Policy & Projects team produced a toolkit, guide and gave one to one sessions, one to many information workshops and trained local council staff and community representatives to act as ambassadors for Crowdfund Angus.

Funding from different sources

It's been no secret that budgets within local authorities are reducing and more is being expected for every pound that we have. Crowdfund Angus offers a solution to this in terms of supporting activity to continue in a bottom up approach.

Using Crowdfund Angus for fund distribution through local funders coming on board and putting their resources as a match fund mechanism will achieve greater public recognition for the community support, delivering PR opportunities and positive engagement with local businesses, community groups, charities and social enterprises. Crowdfund Angus can also provide clean match funding for European or National programmes.

Crowdfund Angus works with Dundee and Angus College to provide valuable work experience opportunities for their media study students. This can be in the form of assisting with the production and editing of the short promotional films for the portal to assisting community groups to develop their marketing and social media presence.

Delivering more for less

The innovative delivery of the Angus Crowdfund portal is enabling:

- Local people, businesses and third sector have easy access to services delivered by economic development and other council services
- A very visible platform for business growth at international level and development of customer base
- Development of skills and real life work experience for students
- Stimulate and encourage entrepreneurial spirit, vital for our rural economy
- Empowerment and validation for local people and business sector particularly where traditional funding routes not available
- Funding decisions made by the community for the community which meets the aims of the Community Empowerment Act 2015
- Encouraging participants and partners to act as ambassadors of the Angus Crowdfund portal

Delivering Outcomes

The influx of funding to the Angus economy has encouraged growth, employability, tourism, business, entrepreneurship, community capacity and a new way of thinking towards funding. Through the portal we can measure the funding, funders and projects being supported in Angus. The campaigns have generated 36 volunteering placements, safeguarded 6 jobs, engaged 655 people through events and reached as far as Canada for funding.

There are a further 7 projects scheduled for February/March with a total target of just under half a million.

Communities have taken ownership of their environments and can see the visible results of their hard work. We have provided some examples of this inspirational work at the end of this submission.

Future Plans

Crowdfund Angus launched in August 2015 and has raised over £72,000 for local people and community groups. Our initial target of £100, 000 has been increased to £250,000 by August 2016. We had no set targets for numbers of campaigns, only to ensure that it reaches as many people as it can across Angus. Our Ambassadors are making that happen across all sectors.

Business interest has also now come on board with potential start-up costs for innovative businesses, dedicated to employing local people, about to launch in 2016.

Crowdfunder UK are eager to further progress the portal with us to offer even more services that will in turn be a further boost to the local economy with the introduction of Crowdfund+. This will provide our team with more resources to mainstream some of our current programmes into the online portal.

The funding team administer an annual Community Grant programme where local community groups can submit an application bid for funding, up to a maximum of £5000 for the enhancement of their local community in some way. This can be, for example, improvements to a community facility to encourage more access or to put on an event of some kind.

It is a limited annual budget of \pounds 30,000 and is consistently oversubscribed with the budget normally expired within six months. The process itself is also labour and paper intensive.

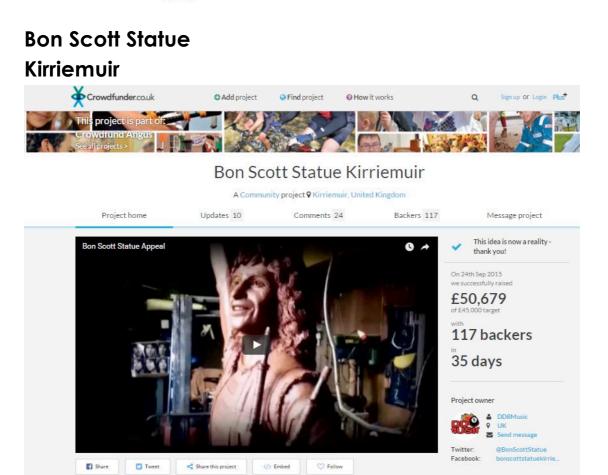
Crowdfund Angus+ is the ideal mechanism to use the current annual budget for these grants as a match fund. The idea would be that a group or individual would still request a grant through the portal but would then be responsible for raising their half through the portal. This means that the limited budget could in effect reach double the current numbers. This builds sustainability into the local community. It teaches entrepreneurial skills, develops marketing techniques and effectively teaches economic development but in a fun and accessible way.

We have also presented to neighbouring local authorities who have watched with great interest the early results in Angus. We have also presented to other further education establishments who can see the potential, not only for campaigns, but in giving their students an opportunity to become involved in project planning and delivery.

Crowdfund Angus Portal in Action



Crowdfund Angus
Funds raised so far: £70.555
Total projects so far: 11
Crowdfund Angus showcases the best crowdfunding projects in the county. If you have a community group, business, charity or other great idea then add you
project today.



This attracted investments worldwide including Germany, Switzerland, and Australia. Graham Galloway, organiser of the campaign explained "Crowdfund Angus not only provided us with the funding we needed, but gave us a worldwide platform for our Bonfest weekend event. This will generate a huge influx of international visitors to Kirriemuir and the surrounding areas, which can only be a good thing."

Bygone Gardens



This community project enabled 10 families of people with dementia to create gardens with their families which reminded them all of happier times. Scott Downie of Memory Box Network, "The funding we raised from 'the Crowd' allowed us to make a real impact in communities across Angus. It raised awareness of dementia and gave the families positive happy memories."

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