

# NON KEY DECISION: REPORT TO CABINET MEMBER

DECISION TO BE TAKEN BY: Councillor Robert Reid  
Cabinet Member for Communities and HR

REPORT AUTHOR: Carol Drury  
Community Engagement and Policy Development Officer

REPORT NO. CE&R001

DATE: 28<sup>th</sup> October 2019

<b>SUBJECT OF NON KEY DECISION:</b>	<b>CrowdfundSK</b>
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<b>CABINET MEMBER REMIT:</b>	Councillor Robert Reid – Cabinet Member for Communities and HR	
<b>CRIME AND DISORDER IMPLICATIONS:</b>	None	
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	This report is publicly available on the Council's website <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a> via your Council and Democracy link	
<b>INITIAL EQUALITY IMPACT ASSESSMENT</b>	<b>Carried out and appended to report?</b>  <b>Yes</b>	<b>Full impact assessment required?</b>  <b>No</b>
<b>BACKGROUND PAPERS:</b>	<a href="#">Report to Governance and Audit Committee</a> <a href="#">Report to Rural and Communities OSC</a>	

## **(1) PURPOSE OF REPORT**

- 1.1 The purpose of this report is to set out the principles for application to the Council's funding platform, CrowdfundSK; the criteria by which applications will be assessed to determine financial pledges from SKDC and to agree the make-up of the determining panel.
- 1.2 Campaigns for funding can be made through CrowdfundSK by constituted community groups, charities, social enterprises, community interest companies and by individuals.
- 1.3 Organisations pitching a campaign must have their own constitution/articles of association and individuals must provide an independent testimonial/reference to prove their capability and capacity to deliver a project.
- 1.4 CrowdfundSK will operate two rounds per year for groups and individuals to upload campaigns that show community support and seek community funding.
- 1.5 Projects must show how they will enhance our communities and neighbourhoods and must capture and deliver under at least one of the following headings:
  - **Culture** – giving people a platform to participate in leisure and cultural activity and promoting opportunities in the use of new and emerging technologies
  - **Communities** – projects that encourage safe and cohesive communities, celebrating similarities and differences
  - **Environment** – projects that enhance and ensure the sustainability of local areas – encouraging the use of parks, woodlands, recreation grounds, community orchards etc
  - **Partnering** – local people working together to develop and deliver projects that make a real difference to the communities and the areas where we live
  - **Growth** – developing and delivering projects that promote inclusive and sustainable economic growth that could potentially provide employment for and within our communities
  - **Wellbeing** – delivering projects that encourage healthy lifestyles, promote good mental wellbeing and help people to live independent lives
- 1.6 CrowdfundSK has been allocated £70,000 by the Council to be utilised for financial pledges to projects delivering community impact. All projects must be located within South Kesteven and be for the benefit of South Kesteven's communities.
- 1.7 Campaigns could be eligible for a pledge from South Kesteven District Council of up to 50% of their target or up to a maximum of £10,000 for projects delivered by constituted groups and £2,500 for projects delivered by individuals.

- 1.8 Pledges will be determined by a panel of five people. It is proposed that the panel will include three members of the CrowdfundSK Project Team, the Cabinet Member for Communities and HR and one further member of SKDC staff chosen at random following a call for volunteers.
- 1.9 Campaigns will be scored using the CrowdfundSK project scoring sheet attached at Appendix A. This exercise will determine whether a project could be eligible for a financial pledge from SKDC and to what value – for example, for campaigns from constituted groups pledges could be made using the following guide:
- 5/10 = 25% of project value or max £5,000
  - 6/10 = 30% of project value or max £6,000
  - 7/10 = 35% of project value or max £7,000
  - 8/10 = 40% of project value or max £8,000
  - 9/10 = 45% of project value or max £9,000
  - 10/10 = 50% of project value or max £10,000
- 1.10 The above represents the maximum pledge possible rather than a guarantee of funding. Simply achieving the scores above will not secure a pledge from SKDC. Each project must show community support through the financial pledges it receives. How well the project is supported by the ‘crowd’ will make up 50% of its score. This will be evidenced through the results of the question 2 in the CrowdfundSK Project Scoring sheet. The remaining 50% will be determined through the remaining criteria as set out in the scoring sheet.
- 1.11 A successfully run campaign could achieve most, or all, of its required funding through crowd support. A financial pledge from SKDC would then either not be required or would only be needed to make up the last minute shortfall prior to the campaign closing for pledges to ensure its success.
- 1.12 Projects that have received funding through the South Kesteven Community Fund are permitted to run campaigns through CrowdfundSK but will not be eligible for a financial pledge from SKDC.
- 1.13 Campaigns can seek both revenue and capital costs of the project however:
- Projects cannot be for personal gain
  - Projects or activities of a mainly political or religious nature will not be accepted
  - We will not support project proposals from lobbying groups
  - CrowdfundSK cannot be used to campaign for funding to support ongoing costs, general business expenditure, contingency funds, income deficits, bridging loans or security against a loan
  - We reserve the right to remove any project posted to CrowdfundSK where it is ascertained that it is illegal, outrages public decency, promotes hate and intolerance or damages the reputation of the Council or South Kesteven as a whole

**(2) RECOMMENDATION(S)**

- 2.1 It is recommended that the Cabinet Member for Communities and HR approves the criteria and the composition of the determining panel that will be used when considering financial pledges for CrowdfundSK campaigns.

**(3) REASONS FOR RECOMMENDATION(S)  
(including any alternative options considered and rejected)**

- 3.1 This recommendation will provide the delegated authority for the determining panel to make decisions in relation to the awarding of funding pledges through the application of clear criteria. This methodology will allow for robust, objective and transparent decision making.

**(4) COMMENTS FROM FINANCIAL SERVICES**

- 4.1 It is important to ensure there is robust governance and clear criteria when determining and allocating funding support to projects. The allocated £70k referred to in the report is currently a one-off funding allocation so it is important to ensure value for money is achieved to maximise the contribution the Council has approved.

**(5) COMMENTS FROM LEGAL AND DEMOCRATIC SERVICES**

- 5.1 The criteria set must be reasonable and suitable to applications at all levels of funding, capable of being applied to deliver a consistent approach to determination. The panel which will determine applications must operate within appropriate terms of reference and have the authority to make decisions on behalf of the Council. That Panel should be provided with suitable administrative support and advice.

**(6) OFFICER CONTACT**

- 6.1 Lee Sirdifield  
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**(7) DATE DECISION EFFECTIVE:**

**If decision taken on 14 November date decision effective will be 23 November subject to no call-in being received.**