

Report to the Finance Strategic Policy Committee

Market Soundings Exercise - Crowdfunding

Background

Report No 6/2020 to the Finance Strategic Policy Committee outlined the merits of and objectives in pursuing the introduction of crowdfunding in Dublin City Council. The report noted that a market soundings exercise had been commenced and that a further update would be provided.

Potential Benefits from Crowdfunding.

Resources available to Dublin City Council to support community based local development projects are scarce. Civic crowdfunding may provide an opportunity to increase available resources through small contributions from a large volume of funders. Bringing together like minded individuals around a commonly supported community initiative is likely to have a positive impact on community development. It may also be that the use of crowdfunding may make Dublin City Council funding more accessible.

Market Soundings Exercise

A market soundings exercise was commenced to establish the potential market offer around crowdfunding platforms. Dublin City Council's approach is that it would provide part funding with the project being largely community led. Dublin City Council wishes that a crowdfunding platform would support community groups both to identify and to apply for funding for community projects. The use of the crowdfunding platform gives community groups interaction with an objective third party and also gives clarity that funding is ring fenced for specific projects. The key dates of the market soundings exercise are set out in Table 1 below.

Table 1: Crowd funding market soundings exercise key dates

Date of:	Stage
<ul style="list-style-type: none"> the issue of the market soundings call 	Publication of the eTenders advertisement 27 th February 2020 eTenders Reference RFT 166341
<ul style="list-style-type: none"> the first closing date 	Closing date for clarifications: 16 th March 2020 Closing date for submissions : 23 rd March 2020
<ul style="list-style-type: none"> the extended closing date 	Closing date for clarifications: 31 st March 2020 Closing date for submissions : 14 th April 2020

Submissions

Four submissions were received in the response to the market soundings call as set out below in Table 2. The submissions provide options developed through experience in civic, cultural, start up and business projects.

Table 2: Submissions to crowdfunding market soundings exercise

Submission No.	Organisation/Company
1	Spacehive
2	Spark Crowdfund
3	Jackie Ryan Art
4	Business to Arts Trading As Fundit.ie

Review Team

A review team was established with nominations from across Dublin City Council reflecting the many aspects of the initiative. The members of the review team are set out in Table 3. The composition of the team is intended to reflect the differing services within Dublin City Council which may be impacted by crowdfunding. As this is a new initiative for Dublin City Council, the Head of the Central Procurement Unit is a Review Team member. In addition, the team was guided by additional procurement expertise by Greenville Procurement.

Table 3: Review Team of crowdfunding market submissions

Review Team Member	Department/Unit	Role
Kathy Quinn	Finance	Project Owner
Alan Nangle	Central Procurement	Procurement advice and guidance
Imelda Brehony	Housing	Advice on needs of Community Services
Donncha O'Dúlaing	CRES	Input of Parks Division
Ruth Byrne	Finance	Financial administration requirements
Assisted by:		
Jeanne Copeland	Greenville Procurement	Expert procurement advice

Meetings

The review team first met on 27th August. The delay between the extended closing date and first team meeting arose from changed working arrangements and priorities arising from the pandemic. A full discussion was held around the content of the submissions received and it was agreed that separate meetings would be held with each entity to discuss their proposals further. These meetings are scheduled for 27th, 28th and 30th October.

Next Steps

Arising from understandings and insights gained from the meetings on each submission, a report will be prepared for the Finance SPC for consideration, outlining the proposed approach to crowdfunding.

Kathy Quinn

Head of Finance

With responsibility for ICT

16th October 2020