



Oifis an Cheannasaí Airgeadais, An Roinn Airgeadais
Oifigí na Cathrach, An Ché Adhmaid, Baile Átha Cliath 8, Éire

Office of the Head of Finance, Finance Department,
Civic Offices, Wood Quay, Dublin 8, Ireland

T. 01 222 2102/3 E. finoff@dublincity.ie

Report to the Finance Strategic Policy Committee

Outcome of Civic Crowdfunding Market Soundings Exercise

Background

Report No 14/2020 to the Finance Strategic Policy Committee's meeting held on 3rd November outlined market soundings exercise with regard to timeframe, objectives and market engagement. Meetings held with to discuss each expression of interest made concluded on 2nd November. While a verbal update was provided to the meeting, the report noted that a summary of the learnings and insights gained from the market soundings exercise would be circulated to the SPC members.

Market Soundings process

Four submissions were made to the issue of a civic crowdfunding market soundings call. Each submission was considered by the evaluation team and subsequently further discussed at separate meetings with each organisation / company. DCC will issue the learnings gained through this process in developing civic crowdfunding tender documents.

Key Insights Gained

The meetings held typically lasted between 45 mins to 1 hr. All meetings were attended i.e. none were cancelled. The DCC team consider that the meetings were highly beneficial, allowing DCC to gain an understanding of the various civic crowdfunding approaches. The willingness of each of the participants to share their experiences and knowledge with DCC was very welcome and appreciated.

Mentorship of Project Creators / Developers

Varying terminology was used for by the participants, however a project creator or project developer is a commonly used description for the person initiating a project. This role is central to the success of projects, being the focal point for volunteers and donors. Supports and guidance for this role give a return that builds confidence. There are distinct knowledge and skills that will assist this role and successful appropriate mentorship is seen as crucial to a successful civic crowdfunding implementation.

Community Capacity

A key output of successful civic crowdfunding is the strengthening of community capacity arising from the experiences gained through the project implementation. The benefits to confidence of the specific individuals involved, their families and local people observing the transition is notable. The lessons learned by one community can transfer to others, thereby increasing community confidence and building connections. Building community capacity as part of the civic crowdfunding process is a key outcome for DCC.

Financial Governance

Civic crowdfunding opportunities allows donors to make contributions to community based projects of their choice. It is essential that monies held be fully accounted for. Also personal information, financial or otherwise, must be held in strict arrangements in full compliance with all regulations. Civic crowdfunding relies on the trust that donors and the local authority place in a process which protects the interests of all. Ensuring that any potential civic crowdfunding arrangements operate to the highest governance standards is an absolute requirement for DCC.

Connections to Elected Members and staff

It is important that a civic crowdfunding scheme is not seen as separate to or anyway removed from both the elected members of DCC and staff. All stakeholders – elected members, staff, project creators, donors, local residents and businesses, have a vested interest in the communities in which we live and work. There is a distinct value to taking measures to ensure that there are effective connections between civic crowdfunding projects and DCC elected members and staff. This is seen as a core outcome for the process.

Costs

There are a number of cost elements in respect of procuring a civic crowdfunding solution. The first is there may be a charge calculated on a percentage of funds raised. In some instances this may be limited to funds raised for successful projects. Another cost element is a charge for the mentorship / support provided. The value of the charge is generally related to the depth of support to be provided. A further cost element is a charge for workshops that may be held to support the community learning process.

Conclusion

In summary, Dublin City Council considers the following elements important for a Dublin City Council crowdfunding platform to be successful:

- the engagement model, spanning mentoring, workshops etc.,
- governance, across finance, data held etc.,
- project related communications, including validation, funding, obligations etc.,
- costs, involving the costs of specific services provided and the cost model of the platform.

Kathy Quinn

Head of Finance

With responsibility for ICT

12th January 2021