



London | Spacehive

Crowdfunding a Better London

How can cities give their people more say in improving neighbourhoods, beyond passive feedback and engagement efforts? London has leveraged crowdfunding for community projects to empower its citizens to decide, initiate and collaborate with institutions for local regeneration.

The Challenge

In many cities, residents usually do not play a direct role in improving public infrastructure and spaces, which governments are largely responsible for. Public participation is often limited to complaints to or consultations with authorities on existing plans. Even if residents have ideas to regenerate local parks, community centres or spaces, they face difficulties such as red tape in garnering funds and support.

This was the situation in London at the turn of 2010. Many Londoners were

discontented with the traditional top-down approach—over 75% thought developments did not meet local needs, while 80% believed their role in development should go beyond consultations, according to research by the Greater London Authority (GLA).

Simultaneously, in the aftermath of the 2008 financial crisis, city councils across the United Kingdom faced severe budget cuts, with an 80% plunge in funding for civic projects across the nation. Councils lacked the resources and tools to improve citizen participation in urban regeneration.



Tay Qiao Wei is a writer and editor at Tuber Productions.





City councils lacked the resources and tools to improve citizen participation in urban regeneration, especially after budget cuts following the 2008 financial crisis.



“The Spacehive model democratises both ideas and funding and encourages individuals, businesses and the authorities to work together to make things happen.”





02

The Solution

In 2012, a new platform that aims to address these issues emerged in the form of Spacehive, an online portal for Londoners to propose and crowdfund neighbourhood improvement projects. Inspired by crowdfunding portals such as Kickstarter, which aggregates funds from a large group of online supporters for creative projects, Spacehive founder Chris Gourlay saw the potential to apply this model to bottom-up urban improvement initiatives.

Anyone can post their ideas to rejuvenate their neighbourhoods on Spacehive's website. A range of stakeholders, from individual citizens to institutions such as city councils and businesses, can donate any amount they choose to projects they like. Unlike the traditional top-down approach where urban projects are largely determined by the authorities, the Spacehive model democratises both ideas and funding and encourages individuals, businesses and the authorities to work together to make things happen.

Before projects go live online, they are verified as feasible by experts from community development network Locality, which checks project details such as costings and proof of permissions.

Mr Gourlay told *Urban Solutions* that Spacehive allows society to make the best use of ideas by encouraging and supporting innovative ground-up proposals. Examples include a sculpture park that activates East London's waterways, a giant pop-up water slide through Bristol's main shopping street and the conversion of a Liverpool flyover slated for demolition into an elevated urban park.

As urban projects tend to require significant capital, Spacehive saw the need to involve large organisations, especially the government, to maximise funding. They approached the Mayor of London and his GLA team to fund Spacehive projects alongside individuals and businesses.

01 The Park and Slide project made sliding through Park Street in central Bristol a reality.

02 Sculptures and contemporary artworks at The Line, a community-proposed sculpture walk, lend an artistic vibe to East London's waterways.



01

While the administration was initially cautious about this unconventional approach to investment in local projects, they were drawn by the opportunity to discover and support Londoners' ideas and give them a greater sense of participation in their city.

To familiarise the GLA with crowdfunding, Spacehive worked with them on four pilots from 2015 to 2017. The GLA worked out a system to select civic projects based on potential benefits and levels of community support. The funds invested by the Mayor are drawn from existing GLA grants such as the London Regeneration Fund.

Today, the Mayor's Crowdfund London initiative hosted on Spacehive enables grassroots campaigns to pitch for up to £50,000 (\$89,500) from the Mayor's office.

"Crowdfund London...is inspiring a new generation of civic leaders and helping them unlock creative and innovative ideas for their communities," said Mayor of London Sadiq Khan in a press release. For example, Crowdfund London supported the revival of the Well Street Market as a creative and



02

commercial space for local makers and youths. This attracted crowds, created jobs and generated revenue for local traders.

While sceptics have questioned why citizens should fork out additional money on top of their taxes, Spacehive maintains a firm stand that crowdfunded projects should not replace existing efforts by the state to provide key infrastructure such as roads or hospitals.

"It's really important that the state continues to invest in the civic environment," explained Mr Gourlay. "But beyond its core responsibilities...we have the opportunity to collaborate on extras. This is complementary and entirely optional."

**Crowdfund London...
is inspiring a new generation
of civic leaders and helping
them unlock creative
and innovative ideas for
their communities.**

01 Chalton Street Market aims to encourage economic growth and strengthen Somers Town's community by acting as a focal point for locals to shop, socialise or even set up their own stalls.



03

The Outcome

By empowering citizens to contribute ideas and funds, Spacehive has delivered over 435 projects and raised £9.4 million (\$\$16.8 million) across the UK. These ground-up projects have improved neighbourhoods physically, socially and economically—reactivating dead spaces, uniting communities around a common goal and stimulating the local economy.

The portal has also won several awards, including the 2014 Prime Minister's Big Society Award for its pioneering work as the first civic crowdfunding platform that combines individual-led donations with institutional contributions.

Spacehive's collaboration with the Mayor was recognised as one of world's top innovations in government and collected as a case study in the Edge of Government Experience report 2016, prepared for the World Government Summit. It has also led to crowdfunding being adopted as the default way for the GLA to distribute grants for community projects.

“It is an opportunity to create a culture where people have a pathway to make things happen.”

Thanks to the combined efforts of the government and individual and corporate donors, over £3 million (\$\$5.37 million) has been raised for 85 Crowdfund London projects. These generated over 300 jobs, as well as environmental benefits such as the protection of green spaces and wildlife.

Spacehive has also partnered 25 other city councils across the UK. Other cities, including Seoul, Singapore and Afghanistan, have expressed interest in the collaborative crowdfunding model, said Mr Gourlay. He believes it can be replicated in cities worldwide to improve financial efficiency of funding, spur innovation and build community. “It is an opportunity to create a culture where people have a pathway to make things happen.” ○

02 An integration of people, nature and heritage at Tottenham's Café, a disused bowling green area that was transformed into a multi-purpose community hub.

03 Local businesses, residents and community organisations are involved in co-curating LITERALLEY, a library that weaves through the previously under-utilised Angel Alley on Whitechapel High Street.