

The Techy Bits

So now you are all excited and chomping on the bit to get your project uploaded, but just before you take the leap, make sure you read the below so you have all the information about what happens to the funds pledged and how our partners Spacehive feed themselves. For more details on Spacehive and how they work visit www.spacehive.com/Home/Faqs

What fees do you charge?

It's free to upload projects and donate. Spacehive charge an administration fee if, and only if, a project successfully hits its funding goal. The fees are: 3.7% on the first £500k, 2.5% on the next £500k and 1.5% thereafter. All fees are clearly displayed within the costings for each project.

Are there any transaction fees?

Yes. PayPal, Spacehive's secure payments system, deducts fees ranging from 1.4% - 3.4% + 20p per donation - only if the project hits its funding goal. For payments above £1,250, Spacehive use Transpact, a secure online payment service. The end recipient of the donation pays a flat fee of £5.98, which is a much smaller proportion of the total donation.

Can I use it to attract investment or for a loan?

Crowdfunding is about raising the capital funds to deliver a civic project. It cannot be used for gain as funders don't own the projects they fund, nor do they expect to get their money back in future - they just enjoy the results, along with everyone else in the community.

How safe is funding?

The two payment systems we use are extremely secure:

1. *PayPal is one of the world's most trusted and recognised payments services.*
2. *GoCardless are an online direct debit payments service regulated by the Financial Services Authority.*

On top of that, every Spacehive project must be fully-funded before any money changes hands. So funders only pay if the project actually goes ahead. It doesn't mean that funding a project is risk free - there's always a chance the builders could find Roman ruins - but the system does help to protect funders.

What if I don't reach my funding goal?

No money is taken from the contributors accounts until the full funding goal has been reached. If you do not reach your funding goal, no money is taken. While there is no guarantee your project will be successful in reaching its funding goal, there are a number of things you can do to mitigate against this happening:

- First and foremost, before even putting a project concept up on the page, make sure you have engaged with your community and you are sure that the project idea is something that people will get behind. See '[Putting my project together](#)' for tips on making sure your project suits your town.
- Understanding your audience and getting the message early will also help to drum up interest in your project. See the '[Press Pack](#)' provided on this website to help you put together your promotional activity.
- Understand who will be interested in this project, are there other community groups, businesses or public bodies that you could approach to secure a commitment to funding ahead of uploading the project. As the aim of this project is to get the community together to enhance the town centre, there will be others who will also have an interest in this, make sure you capitalise on that.