

West Sussex Support Programme for Social Enterprises  
**Social Enterprise Fund (SEF) 2014-2015**

**Social Enterprise Main Grant 2014-15 [Stream 2]**

**GUIDELINES**

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These guidelines are for the 2014/15 funding round and were published in June 2014.

Since 2005 WSCC has worked closely with key stakeholders in the county, the South East and nationally to provide support to social enterprises. WSCC has been working closely with partners from the Third Sector to ensure cooperation and efficient use of resources and funds and works with the West Sussex Social Enterprise Network (WSSSEN) to deliver support initiatives.

**THE SOCIAL ENTERPRISE FUND 2014-2015**

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This year the SEF is offering **two streams of grant funding** as a means of investing in the social enterprise sector for the longer term. These are:

- **Social Enterprise Early Stage Development Grants** to support social enterprise at earlier stages of development. [Stream 1]
- **Social Enterprise Main Grant scheme** for social enterprises at the point of delivery of new products or services. [Stream 2]

**You can apply for either Stream 1 or Stream 2, not for both.**

**These guidelines relate to the Social Enterprise Main Grants [Stream 2].**

For details on the Social Enterprise Fund **Early Stage Development Grant [Stream 1]** please see separate guidelines available from [www.wssen.org.uk](http://www.wssen.org.uk).

**SOCIAL ENTERPRISE MAIN GRANT**

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Up to £275,000 is available from the SEF for individuals or organisations to deliver new products or services as a social enterprise.

The maximum grant that may be awarded to an individual or organisation is £25,000.

Any proposal for funding must be a business idea, linked to clear social objectives working to achieve social impact when delivering services and products as a social enterprise.

We anticipate that the SEF will support a wide range of proposals.

## **ELIGIBILITY CRITERIA**

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The following are eligible to apply:

- Social enterprises
- Charities and other organisations from the community and voluntary sector
- Organisations from the private sector
- Individuals.

Applicants for funding must meet the following eligibility criteria:

- There is a clear and realistic business proposal seeking investment either to establish a new social enterprise generating sales income from selling a product[s] or a service[s], or to contribute to the growth of an existing social enterprise by establishing a new income stream.
- The proposal will demonstrate clear benefits to the community and the environment in West Sussex.
- The social enterprise will deliver products or services in West Sussex
- The social enterprise will demonstrate how it will create jobs and/or apprenticeships and/or training and skills development opportunities to contribute to a successful economy in West Sussex.
- The social enterprise will demonstrate that it is in good financial health, has sufficient financial and organisational capacity to deliver and can demonstrate how profits or surpluses created will be reinvested to build the social enterprise.
- The social enterprise is or will be based in West Sussex.
- **Only one proposal** will be accepted from each organisation or individual whether it is submitted individually or in consortium with others.
- This is a **two Phase process** and applicants are asked to complete an Expression of Interest form and if selected to go through, a Full Bid application form. All forms must be signed. All sections in the forms must be completed within the word limit.
- **Regulation and insurance** - If the delivery of the work or services involves working with people under 18, and/or with vulnerable adults, you must ensure you have appropriate insurance and policies, and that DBS checks are in place.
- The proposal and the plan to deliver it must conform to all **applicable laws and regulations**, for example employment law and insurance requirements and State Aid law and regulations.
- **Avoidance of duplication** - The product or service proposed should not duplicate current service provision.
- **Using the grant** - It is the responsibility of the organisation or individual submitting a proposal to ensure that the grant funding is spent in a way and for purposes which are lawful and proper and reflect well on your organisation's reputation and that of WSCC.

- **Total costs** - If your total costs exceed the amount you are applying for from the SEF, you need to confirm that you have secured any additional funding required, including the amount and source of funding.
- If successful your organisation will need to enter a **grant agreement** with WSCC. The Terms & Conditions for this agreement will be published at [www.wssen.org.uk](http://www.wssen.org.uk).
- **State Aid** WSCC must be happy that there are no State Aid issues with the proposal. State Aid, as defined by the European Community (EC) Treaty, is financial aid that has the following characteristics:
  - it is granted through public resources;
  - it favours certain undertakings or the production of certain goods;
  - it distorts or threatens to distort competition; and
  - it affects trade between Member States of the Community.

All four characteristics must be met for there to be State Aid.

The State Aid rules apply equally to non-profit-distributing community enterprises and voluntary organisations, as to individuals, private businesses or listed public companies. As part of the SEF Expression of Interest and Application Form, we ask you to confirm that your organisation falls within the de minimis regulations (EC Regulation 1998/2006) ("**the Regulations**"). The European Commission considers that public funding which complies with the Regulations has a negligible impact on trade and competition, and does not require notification and approval. The total de minimis aid which can be given to a single recipient is €200,000 over a three (3) year fiscal period. This ceiling takes into account all public funding given as de minimis funding over the previous three (3) fiscal years and which can take various forms (grants, loans, subsidised contracts, etc.). This period refers to the fiscal years immediately prior to the award of de minimis aid. The period should be the current fiscal year and the previous two complete fiscal years. Please note the delivery of non-subsidised public sector contracts is not public funding for the purposes of State Aid. For more information on State Aid, please visit <https://www.gov.uk/state-aid>.

### References

We may ask you for contact details for an independent referee in the event of your application being successful. Should this be the case, we reserve the right not to issue final approval for any grant funding until satisfactory references have been received.

### Recurrent applicants

If you applied for SEF funding on previous occasions you can apply again regardless of the outcome. If you were successful and therefore you are currently in receipt of a SEF grant, you need to have met satisfactorily all our grant monitoring requirements before applying again. You cannot apply for funding for the same activity again.

### Spin outs from public bodies

If you wish to bid for funding for the development of a social enterprise in its own right to deliver services currently delivered by a public body (including universities), the following applies:

- The grant applicant must apply as an individual on behalf of the social enterprise that is either already set up or is to be set up.
- The grant applicant cannot be a department of WSCC or applying as an employee of WSCC.
- The grant agreement would need to be signed on behalf of the social enterprise and not the individual (so by their director or trustee of the enterprise).
- The grant cannot be paid until the social enterprise has been set up separately to the local authority/public body.
- If their social enterprise is not yet set up, WSCC would need to review the potential State Aid issues prior to making payment of the grant.
- If successful, the social enterprise will need to be established no later than 12 months from the date of the application for the grant.

#### **What the SEF Main Grant Fund will not fund**

- Funding for research and development phase e.g. market testing, feasibility studies, product development.
- On-going revenue for current activity or projects.
- If funding all or part of a salary, you must explain how this contributes to the delivery of the product or service proposed to receive funding for the SEF and how it will be funded after Year 1.
- Capital or revenue activity that is not new, that is to say the proposal is for activity you are already doing, and/or for the same products or services, delivered in the same way, in the same place, serving the same client base.
- Proposals that do not have clear links to the social objectives of the social enterprise.
- Loans or interest repayments.
- Projects or activities that the State has a legal obligation to provide.
- VAT that you can recover.
- Any costs you incur when putting together your application.
- Any retrospective costs.

#### **APPLICATION AND SELECTION PROCESS**

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WSCC Social Enterprise Main Grants SEF scheme has a two phase application process.

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|----------------|-------------------------|
| <b>Phase 1</b> | Expressions of Interest |
| <b>Phase 2</b> | Full Bids               |

This process has been introduced to enable us to let applicants know if they are eligible and if their proposal is one that we might consider funding at an early stage, so the application process is more efficient for both the applicant and WSSC.

If you are successful at Phase 1, we will contact you and ask you to complete a further application form providing a detailed proposal for your social enterprise and how you will run it. Support will also be available during the Phase 2 process to help develop Full Bids.

### **Phase 1 Expressions of Interest**

Check that you are eligible to apply. If you are eligible complete an Expression of Interest Form about the social enterprise for which you are seeking funding.

You will be informed as to whether you will be invited to Phase 2.

Those proposals that are eligible and pass the initial assessment will be considered by an independent panel comprising of the Deputy Cabinet Members for Finance and an independent social enterprise expert. This panel will make the decision on which proposals will be invited to Phase 2 and to submit a full Application Form setting out their proposal.

The Expression of Interest submitted will be assessed on:

- The quality of the business idea:
  - Is it going to generate trading income?
  - Is it feasible and realistic?
- The impact of the business idea on West Sussex:
  - Will it create jobs, apprenticeships and or volunteering opportunities
  - Will the social objectives clearly benefit the communities in West Sussex

### **Phase 2 Full Bids**

If you are invited to Phase 2 you will be invited to submit a full application form setting out your proposal, with accompanying documents, please see 'Submitting Your Application' below.

Full application forms will be considered by Councillor Brown, the Cabinet Member for Finance and the Deputy Cabinet Members for Finance who will make the final decision on which applicants proposals are accepted to receive funding.

The basis for the Full Bid proposal assessment used will be the same as for the Expression of Interest.

### **Phase 2 Full Bids Support Programme**

If you pass the Expression of Interest Phase, as part of the programme you will be asked to attend 2 full day workshops to assist you in preparing your Full Bid.

Provisional dates for the workshops are 2<sup>nd</sup> October and 28<sup>th</sup> October 2014. Please note that **workshop dates are provisional** and may be subject to change. Attendance at these workshops is compulsory.

You will also be able to access 1-2-1 support from a qualified and experienced social enterprise adviser during the period leading to the submission of full bids. Taking up this service is not compulsory but we do encourage you to make the most of it.

## **TIMETABLE AND DECISION MAKING**

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- 14<sup>th</sup> Aug at 5pm Deadline for receipt of Expressions of Interest [Phase 1]
- Early Sept Meeting of Panel to discuss Expressions of Interest [Phase 1]
- 9<sup>th</sup> Sept Phase 1 decision notified
- 9<sup>th</sup> Sept Phase 2 invitations sent out and support programme commences
- 18<sup>th</sup> Nov 5pm Deadline for receipt of Full Bid Application Forms [Phase 2]
- Early Dec Meeting of Panel to discuss Full Bid Proposals
- 22<sup>nd</sup> Dec Announcement of SEF Main Grant awards (Stream 2)
- Dec/Jan 2015 Grant Agreements are issued to successful grant applicants. The grant agreement must be signed before the grant funding is payable.
- Jan/Feb 2015 Payment of grant funding

Except for the deadline to submit applications, please note that these **dates are indicative only** and may be subject to change.

## **FEEDBACK**

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Unsuccessful Phase 2 applicants will be offered individual feedback sessions.

## **AFTER YOU GET THE FUNDING**

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- You will have to sign an grant agreement with WSCC
- The work set out in the proposal must be completed within 12 months from the date of receiving the grant funding and spent in the manner stated in the Application Form and in accordance with the grant agreement terms and conditions.
- In order to monitor this, successful applicants will be expected to provide quarterly reports after the funding has been paid, followed by a final written report after 12 months and to attend quarterly monitoring meetings.
- Reports must show what progress has been made and how the funding has been used; you will need to keep copies of receipts for all the items and services you buy with the grant.
- WSCC may wish to visit or meet with successful applicants to discuss progress during this time.

## **SUBMITTING YOUR APPLICATION**

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### **How to send the forms**

We prefer emailed application forms. Scanned forms are not acceptable, except for the signature page.

### **Phase 1 Expression of Interest Form**

Please e-mail your completed Expression of Interest Form to [Social.enterprise@westsussex.gov.uk](mailto:Social.enterprise@westsussex.gov.uk). Please state "**West Sussex Social Enterprise Fund 2014-15 Stream 2 Grant Expression of Interest – Name of applicant organisation**" in the subject box of your email.

Your eligibility will be assessed on the basis of the information in the Expression of Interest. **Do not submit any additional documents** as these will not be considered.

### **Phase 2 Full Bids Application Form**

Please e-mail your completed Full Bid together with a completed financial spreadsheet, your last 3 years accounts and a copy of your most recent business plan to [Social.enterprise@westsussex.gov.uk](mailto:Social.enterprise@westsussex.gov.uk). Please state "**West Sussex Social Enterprise Fund 2014-15 Stream 2 Grant Full Bid – Name of applicant organisation**" in the subject box of your email.

### **Completed forms [Expression of Interest and/or Full Bids]**

- Make sure the forms you submit are fully completed; stick to the number of words allowed per section and are signed.
- To complete the signature you can either: submit the signature page as part of the Application Form in MS WORD format with an electronic signature clearly visible, or print the Signature Page, sign, scan, save as PDF, and email the PDF file along with your completed Application Form.
- If your organisation is a company the application form should be signed by an authorised signatory of the Company, this is usually a Company Director.
- If you are an individual you must sign the application form as an individual. If you are a group of individuals each individual should sign the application form.
- If you a partnership or consortium, all partners should sign the Application Form unless one partner has explicit authority from the other partners to enter into agreements on behalf of the partnership.

### **Documents to be submitted with the Application Form [Full Bids only]**

- 1. Full Bid application form**
- 2. Financial spread sheet (template provided by WSCC)**
- 3. Accounts** profit and loss, cash-flow, balance sheet and assumptions for the last 3 years [Note: or if you are a more recently established social enterprise

please provide the accounts available since date of establishment. If you are a start-up we need you to submit three year financial projections]

#### 4. **A copy of your most recent business plan**

Your proposal will be assessed on the basis of the information in the Expression of Interest Form, Application Form and Documents 1. to 4. in the list above.

**Do not submit any additional documents** as these will not be considered.

### **DEADLINE AND TIMESCALES**

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#### **Phase 1 Expression of Interest**

- The deadline for the receipt of a completed Phase 1 Expression of Interest form is **14<sup>th</sup> August at 5pm.** Please note Expression of Interest Forms sent after this time will not be considered under any circumstances.
- Please note that only the information contained in the Expression of Interest form will be considered. Should any additional documents be submitted these will be discarded.

#### **Phase 2 Full Bids**

The deadline for the receipt of a completed Phase 2 Full Bid Application Form is **18<sup>th</sup> November at 5pm.** Please note Application Forms sent after this time will not be considered under any circumstances.

- Please note that only the information contained in the Full Bid Application Form and accompanying financial spread sheets and accounts will be considered along with the Expression of Interest Form. Therefore do not send any additional documents with your application. Should any additional documents be submitted these will be discarded.

The timescales for the decision making process and announcement of successful applicants are provisional and may be subject to change.

### **HELP AND ADVICE**

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**For more information** and details on the support available visit:

[www.wssen.org.uk](http://www.wssen.org.uk) or [www.westsussex.gov.uk/sef](http://www.westsussex.gov.uk/sef) . For any queries or if you need these documents in a different format, please e-mail:  
[social.enterprise@westsussex.gov.uk](mailto:social.enterprise@westsussex.gov.uk)

Please note WSCC is unable to provide you with any legal advice.