



An Roinn Forbartha  
Tuaithe agus Pobail  
Department of Rural and  
Community Development



ciste na  
gcuntas díomhaoin  
the dormant  
accounts fund

# COVID-19 Social Enterprise Regeneration Programme 2021



## Guidance for Applicants

FEBRUARY 2021

The Department of Rural and Community Development is inviting applications under the **Covid-19 Social Enterprise Regeneration Programme 2020**. The scheme, which is funded by the Dormant Accounts Fund (DAF), will provide grants of up to €80k to provide free training and mentoring to social enterprise managers, directors and staff across the country, with a particular focus on strategic planning, digital innovation, capacity building and governance. It will assist social enterprises to strengthen their operations, to repurpose or diversify their trading income while living in a COVID-19 operating environment.

The scheme will be delivered by Consortia of two or more LDCs and is being administered on the Department's behalf by the Irish Local Development Network (ILDN). Final decisions on funding will be made by the Department of Rural and Community Development.

Building on existing relationships in certain Local Authority areas, pilot projects involving LEOs could also be explored to provide an opportunity for social enterprises to benefit from LEO supports, building on the good work done by a number of LEOs to date in supporting social enterprise.

### **Background**

The COVID-19 crisis has had a significant effect on every sector in Ireland, including social enterprises. In the majority of cases, social enterprises are small businesses who deliver services to vulnerable groups of people and depend on the traded income generated from these services for their continued operation. Social enterprises have been significantly affected by the crisis in a number of different ways. Like other businesses, many had to close with the resulting loss of traded income; others have had to quickly adapt their model to support their clients or cater for an entirely new client group. Some have shown tremendous innovation in adapting their service offering, including moving to trading online where possible.

Another impact of COVID-19 has been the reduced opportunities for physical networking among social enterprise stakeholders, depriving many with opportunities to troubleshoot, seek help or generate new innovations. These impacts have also put additional pressures and anxieties on the staff working in social enterprises.

As of now, many social enterprises remain closed or operate at significantly reduced capacity with an uncertain future. Ultimately, many groups or cohorts in society who are disadvantaged or vulnerable stand to lose out from the prolonged closure of social enterprises.

### **Covid-19 Social Enterprise Regeneration Programme 2020 Supports**

Supports under the Covid-19 Social Enterprise Regeneration Programme 2020 will focus on the following areas which will help social enterprises to recover from the impact of COVID-19 and strengthen and recalibrate their businesses:

1. **Strategic Planning/Income Diversification**
2. **Digital Innovation**
3. **Capacity Building**
4. **Governance Support**

Given the on-going restrictions caused by COVID-19, these supports are to be provided on-line through interactive training to social enterprise participants in manageable group settings. Training and mentoring is to be provided in smaller group settings and on a one-to-one basis as appropriate. The LDCs will organise delivery of the sessions within their own consortia groups and will draw on external panels of trainers/mentors as required, taking account of public procurement requirements.

The scheme is being administered on behalf of the Department of Rural and Community Development by the ILDN. Applications should be made on the appropriate Application Form and submitted to the ILDN.

## Funding Allocation

Grants of up to €80k are available to Local Development Companies and LDC Consortiums under this scheme. Amounts approved will ultimately be subject to the total number of projects approved and the overall budget available (circa €745k).

## Applications

- Applications must be made using the Application Form which is available at [www.ildn.ie](http://www.ildn.ie)
- The deadline for receipt of completed applications is 12.30pm on Friday 26<sup>th</sup> March 2021
- Applicants must confirm they have read and understood the Statement on Public Funding (**Appendix B**)
- **Applications should be made directly to the ILDN at [socialenterprise@ildn.ie](mailto:socialenterprise@ildn.ie).**
- **Applications sent directly to the Department of Rural and Community Development will not be considered.**
- While applications will be submitted by consortia of LDCs, third parties may be involved in the delivery. One LDC is to take the lead in completing the application, there is space on the application form designated to fill in the details of consortium partners and third party partners.
- Final decisions on funding approvals will be made by the Department of Rural and Community Development.
- Applicants will be notified of the outcome via the ILDN in early May 2021. Successful applicants will have until 12<sup>th</sup> November 2021 to draw down the grant.

## Assessment Criteria

Applicants will be asked to provide details of the purpose for which the funding is sought and the need that exists for the proposed project.

The suitability for each project will be graded on

- 1) How well it addresses the needs of social enterprises in the LDCs/Consortium's region,
- 2) Its value for money including its involvement of other stakeholders/partners and utilisation of existing resources.
- 3) Its potential impact.

Projected outputs and outcomes should be clearly stated, preferably using a logic model type approach.

Projects must demonstrate how their proposal address one or more of the themes below.

- **Strategic Planning/Income Diversification** – Support for social enterprises to re-evaluate their mission in response to recent and anticipated developments around COVID-19, and enable them to plan better for the future. It would provide practical tools and training to social enterprises to improve their business model, think more strategically, develop business-to-business trading opportunities, and diversify their products and income streams to improve their resilience and achieve their social objectives.
- **Digital Innovation** – With the increased move to digital provision, it is now more important than ever that social enterprises are able to adapt and utilise the new technologies available to reach customers and provide on-line services. This strand of the programme would provide training in areas such as optimising digital technologies, use of digital marketing channels, and core digital training where required.
- **Capacity Building** – Broader capacity building supports will be delivered to enable social enterprises to improve their capacity to deliver on their social or environmental objectives in a COVID-19 operating environment. This module could include guidance on how to successfully apply for funding supports, how to benefit from CSR, or how to improve staff resilience.

- **Governance Support** – A commonly overlooked area of weakness of many social enterprises (and community and voluntary organisations more generally) is good governance. It is critically important for social enterprises to operate the highest levels of transparency, accountability and good governance. Under this pillar, “Governance Health Checks” could be provided to individual social enterprises.

### **Eligible Project Costs**

All project costs which are additional, incurred for the delivery of the proposed project are eligible. This includes salary, training, mentoring and facilitation costs, and overheads/indirect costs. All costs applied for must be real and demonstrable costs and subsequently verifiable by the ILDN and/or the Department of Rural and Community Development.

Further details of eligible costs are available in **Appendix A**

### **Grant Payment Arrangements**

Grant payments will be made by the ILDN directly to successful LDC Consortia. Payments will be made on a phased basis as appropriate (e.g. Initial 50% payment with remainder subject to the successful applicant providing proof of project expenditure.) Payments will not exceed the amount actually expended or the level of the grant approved, whichever is the lesser.

Successful applicants may be subject to audit by the ILDN or the Department of Rural and Community Development. Documentation relating to the project expenditure should therefore be maintained for inspection for a period of 7 years.

### **Tmelines**

Scheme Launch/Announcement	Mid Feb 2021
Applications to be received by ILDN	By March 26 <sup>th</sup> 2021
Assessment Summary Reports to DRCD	By April 9 <sup>th</sup> 2021
DRCD Approvals to ILDN	By April 30 <sup>th</sup> 2021
Applicants Notified of Results by ILDN	By May 7 <sup>th</sup> 2021
1 <sup>st</sup> stage Payments (50%) issued to Successful Applicants	By June 11 <sup>th</sup> 2021
2 <sup>nd</sup> stage Payments (50%) issued to Successful Applicants subject to provision of receipts / proof of expenditure.	
Final date for completion of projects	November 5 <sup>th</sup> 2021
Final Date for reimbursement of claims by Local Development Companies	November 12 <sup>th</sup> 2021

### **Enquiries**

All enquiries in relation to the **Covid-19 Social Enterprise Regeneration Programme 2020** should be directed to the ILDN.

ILDN E-mail: [socialenterprise@ildn.ie](mailto:socialenterprise@ildn.ie)

ILDN Tel: 061 404923

## APPENDIX A

### Eligible Costs

All project costs which are additional, incurred for the delivery of the proposed project are eligible. This includes salary costs, delivery costs and overheads/indirect costs. All costs applied for must be real and demonstrable costs and subsequently verifiable by the ILDN and/or the Department of Rural and Community Development.

#### ***Project Salary costs:***

Salary costs associated with the work of new or existing staff in the delivery of this pilot programme are eligible. Salary costs which are paid from any other source are not eligible.

#### ***Existing employee(s) costs:***

Costs associated with existing employee(s) who will work on the project applied for are eligible for consideration where these costs are additional to the current operations of the applicant body. Examples of additional costs include:

- An increase in an employee's current working hours
- Increasing an employee's role from a part-time to full-time position
- Cost of overtime for relevant employee(s)

Grantees should ensure that they comply with Working Time Act 1997. Rates paid for extra hours or overtime must be in line with the applicant's policies and procedures.

#### ***New employees:***

The costs of recruiting and employing a new employee for the duration of the project are eligible. The new employee may be recruited to work directly on the project, or to back-fill for an existing employee who is being redirected to the project for a period of time.

#### ***Project delivery costs:***

Project costs are directly related to the delivery of the project.

#### ***Overhead/indirect costs:***

These costs relate to the overall administration, management and support of the whole organisation.

## APPENDIX B

### Statement on Public Finances

*This Statement should be brought to the attention of every grant receiving body*

**If you are in receipt of public funding you should**

<p style="text-align: center;"><b>Clarity</b></p> <p>Understand the purpose and conditions of the funding and the outputs required</p> <p>Apply funding only for the business purposes for which they were provided</p> <p>Apply for funding drawdown only when required for business purposes</p> <p>Seek clarification from the grantor where necessary – on use of funds, governance and accountability arrangements</p>	<p style="text-align: center;"><b>Governance</b></p> <p><i>Ensure appropriate governance arrangements are in place for:</i></p> <p>Oversight and administration of funding</p> <p>Control and safeguarding of funds from misuse, misappropriation and fraud</p> <p>Accounting records which can provide, at any time, reliable financial information on the purpose, application and balance remaining of the public funding</p> <p>Accounting for the amount and source of the funding, its application and outputs/outcomes</p>
<p style="text-align: center;"><b>Value for Money</b></p> <p><i>Be in a position to provide evidence on:</i></p> <p>Effective use of funds</p> <p>Value achieved in the application of funds</p> <p>Avoidance of waste and extravagance</p>	<p style="text-align: center;"><b>Fairness</b></p> <p>Manage public funds with the highest degree of honesty and integrity</p> <p>Act in a manner which complies with relevant laws and obligations (e.g. tax, minimum wages)</p> <p>Procure goods and services in a fair and transparent manner</p> <p>Act fairly, responsibly, and openly in your dealings with your Grantor</p>