#

# Social EnterpriseSupport Fund

# 2021/2022

# Application guidance & FAQs

# Round 2: February to March 2022

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## Table of contents

[Accessibility 3](#_Toc94716347)

[Pre-application advice and support 3](#_Toc94716348)

[Inclusion 4](#_Toc94716349)

[Introduction 5](#_Toc94716350)

[What is the Social Enterprise Support Fund? 5](#_Toc94716351)

[Changes for Round 2 5](#_Toc94716352)

[Eligibility & priorities 7](#_Toc94716356)

[Funding & support available 11](#_Toc94716359)

[Application & assessment 15](#_Toc94716361)

[Application process 15](#_Toc94716362)

[Assessment and decision making 17](#_Toc94716363)

[Further support 19](#_Toc94716364)

[FAQs 21](#_Toc94716368)

[FAQs about eligibility 21](#_Toc94716369)

[FAQs about applying 24](#_Toc94716370)

[FAQs about filling in the application 26](#_Toc94716371)

[FAQs about receiving funding 29](#_Toc94716373)

[Checklist 30](#_Toc94716374)

## Accessibility

If this document is formatted in a way that is not accessible to you, please email help@SESupportFund.org.uk, and we will share this information in a more appropriate format.

If you need help to complete the application, please email help@SESupportFund.org.uk for support. For example, you may need help if you have dyslexia, neurodiversity and/or a visual impairment.

## Pre-application advice and support

Please see [the SESF website](https://socialenterprisesupportfund.org.uk/) for details of webinars and other support which will help you understand the questions and priorities.

**Check the Guidance**

Please read this Guidance carefully. There is also a video on the website which explains the key points of the SESF programme.

**Webinars**

We will be running webinars about the SESF programme and the application process on dates advertised on [the SESF website](https://socialenterprisesupportfund.org.uk/). Please register for these to attend or receive a recording.

**Drafting your Application**

You can also download the Application Questions and a Drafting Your Application document, to help you prepare your application off-line. We strongly advise that you do this and keep a record of your answers for future reference.

Support from our Development Partners

If your social enterprise is led by people from Black Asian or minority ethnic communities, disabled people or people who identify as LGBTQIA+ (either your CEO or the majority of your board or of your senior leadership team), then you may also be able to access support from one of our Development Partners.

This support could be helping with individual queries, understanding the criteria, help to complete the form or to gather your documents. Please see [the SESF website](https://socialenterprisesupportfund.org.uk/) for details, or contact help@SESupportFund.org.uk.

**Helpdesk**

If you have any queries about the criteria, priorities, application form or process, do email our helpdesk at help@SESupportFund.org.uk. We aim to get back to you within 24 hours, but at busy times we may take a little longer.

## Inclusion

We particularly welcome applications from social enterprises that are led by people from Black, Asian and minority ethnic backgrounds, disabled people, people who are LGBTQIA+ and/or people with lived experience of the issue they are seeking to address. We have set targets for our funding, nationally and by region. For full details, please see [the Inclusion page on our website here](https://socialenterprisesupportfund.org.uk/news/inclusion-statement).

# Introduction

## What is the Social Enterprise Support Fund?

The Social Enterprise Support Fund (SESF) was launched in 2020 when the focus was on emergency funding to help social enterprises get through the COVID-19 crisis and continue to support their communities. Now we are launching our second year of funding.

In 2021-2022 The Social Enterprise Support Fund will provide essential financial support to help social enterprises in England to rebuild and grow their income from trading, following the impact of COVID-19. The fund is focused on social enterprises supporting people facing increased social and economic challenges as a result of the pandemic. We will support them in evolving and growing sustainable community services, in the face of ongoing disruption.

The Social Enterprise Support Fund is a two-year project, again being delivered by five social enterprises support agencies: Big Issue Invest, Key Fund, Resonance, the School for Social Entrepreneurs (SSE) and UnLtd, in partnership with The National Lottery Community Fund. They will jointly deliver £16.3m in grants of between £10,000 and £100,000 to help social enterprises achieve these aims.

Thanks to National Lottery players, The National Lottery Community Fund, the largest funder of community activity in the UK, has committed £18m to the partnership, which will offer vital and rapid financial support to more than 500 businesses focused on supporting their communities to recover from the pandemic.

There will be two rounds of funding, and grants will be offered for a period of 12 months.

Part of the funding can be used to fund external consultancy and business support. Grantees will also be offered two one-to-one support surgeries with our social enterprise advisors and signposting to support services.

## Changes for Round 2

The Round 2 Guidance Notes and Application Form are much the same as Round 1 and the key criteria, priorities and targets have not changed. However, we have made some changes as a result of queries and comments from applicants from Round 1. Also, we are now asking for finances to 31st December 2021 instead of 30th September2021.

If you have previously used the application form and guidance from Round 1, please check the Round 2 Guidance and Application Form.

## Funding is limited

The National Lottery Community Fund (TNLCF) has agreed the criteria for this funding, and it will not be available to all social enterprises. There is a high demand, and we will have to make some tough choices. We expect the funding to be heavily oversubscribed and anticipate only being able to support a proportion of applicants.

However, the partnership is committed to ensuring that:

* eligible social enterprises are aware of the opportunity to apply for funding
* applications will be considered fairly against agreed eligibility criteria and priorities, as set out below
* decisions will be made quickly and funds released as soon as possible.

## When you can apply

We are releasing the funds in two rounds. Applications must be made through [our funding portal](https://socialenterprisesupportfund.org.uk/apply). The portal is open on the following dates:

**Round 1: 1pm on Thursday 25th November 2021 to 1pm on Tuesday 21st December 2021**

**Round 2: 1pm on Monday 28th February 2022 to 1pm on Thursday 24th March 2022**

Applications must be received before the portal closes. Applicants may only apply once, unless asked to reapply. Please submit your application well before the deadline.

We advise you to start your application early so that you have plenty of time to access any support that you might need and complete your application in good time.  We also suggest you prepare your application off-line first using the downloadable Application Questions and the Drafting Your Application document.

You must save your form regularly, ideally at the end of every page and to email yourself a new version of the link. We cannot retrieve lost links, so if you haven’t done this, you will need to re-enter the data.

# Eligibility & priorities

## Eligibility criteria

Please check that you can answer yes to the following criteria:

### In England

Your social enterprise must be based in England and the majority of the people and/or organisations you support through your social enterprise must live and/or be based in England.

### At least one year old

Your social enterprise must have been incorporated and have been registered with Companies House, the Financial Conduct Authority (FCA) or the Charity Commission at least one year ago. For further information see [FAQs](#_heading=h.3as4poj).

### An incorporated social purpose organisation with an asset lock

Your social enterprise must be incorporated. It may be a charitable company, a charitable incorporated organisation (CIO), a Community Interest Company (CIC) or a Community Benefit Society (CBS/Registered Society).

It may also be a company limited by guarantee (CLG), a company limited by shares (CLS), a co-operative society, or other registered society, if, within its governing document, it has:

* a clear social purpose, such as an Objects or Social Purpose clause
* a restriction on distribution of profits, to the extent that at least 51% of surpluses are reinvested for its social purpose, and
* an ‘asset lock‘, which is a restriction on the distribution of assets

We cannot fund unincorporated associations or trusts, nor organisations that can distribute most of their profits to private shareholders as dividends.

See [FAQs](#_heading=h.1pxezwc) for further information.

**Annual income between £20,000 and £1.8 million**

Your income, **either** in your last financial year or the previous financial year (pre-COVID-19), must be between £20,000 and £1.8 million.

We will also consider social enterprises registered in 2019, 2020, or early 2021, that can show their income was at least £20,000 in the last 12 months, (rather than the last financial year).

Please note that loans, including COVID-19 related loans, do not count as income.

You must be able to demonstrate your finances by providing us with a full set of statutory accounts (e.g. company or charity accounts) or a set of management accounts, covering 12 months if you don’t yet have a set of statutory accounts. These need to be uploaded with your application.

### Substantially reliant on income from trading

Your social enterprise must be substantially reliant on income from trading to deliver social impact. We will not consider organisations that get all their income from grants, donations, or fundraising.

We will prioritise social enterprises where income has previously come mostly through trading, and which need support to rebuild trading income to deliver social impact. See [FAQs](#_heading=h.147n2zr) for more details.

By ‘income from trading’, we mean both sales of goods and/or services and delivery of contracts to supply goods or services. See [FAQs](#_heading=h.2p2csry) for more details.

If you were not able to trade last year, you must be able to demonstrate that you were previously substantially reliant on trading, or that, for social enterprises registered from 2019 onwards, your current business model is substantially reliant on trading.

### Financially resilient

We must be confident that, with our support, your social enterprise will survive at least the next 12 months.  We know that due to COVID-19, directors loans or social investment, you may have a negative balance sheet or significant debts. If this is the case, please explain how you incurred the debts, your business plans for repaying these, and how you will continue to trade.  We can’t repay debts with the grant, but you can ask for grant to get a business plan back on track if needed. See [FAQs](#_heading=h.3o7alnk) for more details.

### Dual authority bank account

Before you are paid the grant, you will need to have a bank account which has dual authority, which means that at least two unrelated people are required to release payments. You don’t have to have this now but must have this in place before receiving the grant.

## Our priorities

We will assess all applications against a set of priorities. We are seeking to make grants to social enterprises which:

### Reach the most marginalised communities and promote inclusion

We will prioritise social enterprises which are:

* working with the most marginalised communities in England
* led by and/or working with disabled people and/or from Black, Asian and minority ethnic and/or LGBTQIA+ communities
* led by people with direct lived experience of the issues they are seeking to support

### Support social enterprises to recover

We will prioritise social enterprises that:

* are normally substantially reliant on income from trading
* have a clear plan for growing or returning to substantial income from trading
* will benefit from both the grant and the business support on offer

We want to see applications which support social enterprises to:

* restart, grow and diversify revenue streams, particularly income from trading
* develop new markets, products, services and partnerships
* to reach diverse communities
* adapt business models, delivery models, spaces and support to enable delivery in the new reality
* strengthen systems, including governance, financial management systems and IT
* strengthen staff and volunteer teams, including managing restructuring, training and wellbeing

### Support communities to recover

We will prioritise social enterprises that can demonstrate that they are working with communities that are disproportionately affected by COVID-19 and are supporting those communities to recover.

Some examples of this are social enterprises that are:

* reducing poverty and/or providing debt management services (e.g. tackling inequality and/or homelessness)
* enabling routes back to employment (e.g. skills and job training, access to vacancies, job creation)
* overcoming educational disadvantage (e.g. helping marginalised children and young people catch up)
* improving physical health (e.g. working with sufferers of long COVID-19 and/or existing health conditions worsened by COVID-19)
* improving mental health (e.g. for young people and older people, people who have been bereaved, people who have faced domestic abuse, child abuse, addiction, rural isolation etc.)
* relieving isolation by bringing community spaces back to life (e.g. community owned leisure facilities, community centres and community cafes)

We are committed to ensuring that applications will be considered fairly against these agreed eligibility criteria and priorities, and to ensuring that we have reached all areas of England. However, funding is limited, and we may not be able to fund all applications that fit these priorities.

# Funding & support available

## Your request for funding

### How much you are applying for

You can apply for grants from £10,000 to £100,000. Most grants will be between £10,000 and £50,000. We require additional information for grants of over £50,000, and these may take a week or two longer to process.

Please note, we are less likely to fund an amount which is more than your annual income from previous years (either last year or pre-COVID-19). If there are reasons why you are applying for a larger amount than this, please explain these carefully in your application.

### Spend within twelve months

You must plan to spend your grant within 12 months of the grant offer. We may be able to extend the grant period in exceptional circumstances but will not be able to extend funding beyond June 2023.

### The purpose of your funding request

The funding can be used for:

**Helping you get your social enterprise back on track**

* This might be the costs of getting trading back up and running, supporting outreach and marketing, supporting your costs while your business gets back to full strength, developing new markets and services etc.

**Helping you work with communities that are recovering**

* This might be work related to supporting communities that have been hard hit by COVID-19, for example, supporting people to get back to work, helping marginalised children catch up with education, supporting families who have been bereaved, providing services for people affected by long COVID etc.

For example, the grant may:

* fund the costs of a community outreach worker to support people to return to your community centre
* help you pilot the provision of additional educational support for children and young people who need help to catch up, with a view to this eventually being commissioned by schools
* be funding for a community supermarket to enable you to continue to provide affordable food for your local community
* help you build local partnerships to provide skills training and employment for communities particularly hit by COVID-19

### Telling us about the intended outcomes of your funding request

Please tell us about the intended impact of your grant and three outcomes that you hope to achieve through this funding. The outcomes could be about how you are working with your community and/or about how your social enterprise will be strengthened through this grant programme. These should be specific, realistic and measurable.

If you are awarded a grant, we will ask you to report back to us on how well you have met these outcomes and what issues you have faced on the way. They help us understand your intentions and help you plan your work, but we know that things may change over the next year, so we can be flexible.

### Your budget

**We can fund:**

Project costs such as:

* staff salaries
* project activities
* running costs
* small-scale refurbishment or temporary shelters that do not require planning permission
* items of equipment to help you become COVID-secure and/or adapt your services
* organisational development
* training and support for staff and volunteers
* contributions to fixed costs
* investments in systems
* external business support or consultancy, up to a maximum of £5,000

**We can't fund:**

* activities that make profits for private gain, e.g. that are used to pay dividends to shareholders
* religious activities. However, we can fund religious organisations if your project benefits the wider community and doesn’t include religious content
* political or campaigning activities
* fundraising, including fundraising consultants
* purchase of buildings or land, permanent structures or significant building alterations, e.g. that require planning permission
* purchase of motor vehicles
* things you’ve spent money on in the past and are looking to claim for now
* loan repayments, including COVID-related loans
* onward grants to other organisations
* costs that are covered by other funding sources

If you are in doubt if your planned expenditure is eligible, please ask us before you apply.

### Larger items of expenditure

If you are using the grant to refurbish or extend buildings or land or on equipment over £5,000 in value, you will need to ensure value for money, and ensure that building regulations are complied with.

If you are intending to spend more than £10,000 on any single item of goods or services, you need to go through a tender process, to ensure value for money.

If you are buying equipment or doing building work over £10,000 in value, you must ask for formal consent before purchase and ensure compliance with The National Lottery Community Fund’s additional capital grant conditions, which we can provide.

### External business support and consultancy

You can apply for up to £5,000 to be spent on external consultancy to help you strengthen your organisation. However, we are unlikely to fund more than 15% of your total grant and may cap your request at this level.

We strongly recommend that you apply for this support and include this in your budget. We want to support social enterprises to become stronger and more resilient through this funding. Using this support will help to show that you are doing this. If you have other access to support and don’t need this, please explain this in the application.

External business support could include, for example:

* business planning or strategy
* support with developing marketing or sales strategies
* improving internal systems
* training and development of support for staff, volunteers or board members
* specialist HR support
* demonstrating your impact
* improving your reach

Please identify this as a separate line in your budget and explain how this will help you. If you are not sure what you need yet, tell us your initial thoughts, and we can discuss this further with you if you are awarded a grant.

If you are not sure where you might find the support and training you need, we will help you do this through our one-to-one advice sessions. You don’t need to have identified the exact support, consultants or training you will use at this stage.

Please note that you must apply for this as part of your grant. It will not be awarded separately.

# Application & assessment

## Application process

### How to apply

You must apply online by filling in our online application form on our [website](https://socialenterprisesupportfund.org.uk/apply). All applications must be submitted online using the online application form. We cannot accept submissions in other forms.

We advise you to use the **Application Questions** and **Drafting Your Application** documents to prepare your application offline first, so you can copy and paste your answers.

When you apply, complete all the required information, and attach all the required documents. If you don’t, we may not be able to progress your application.

Please remember to **save your form regularly, ideally at the end of every page and to email yourself a new version of the link**. We cannot retrieve lost links, so if you haven’t done this, you will need to re-enter the data.

### Required documents when you apply

These are the required documents we will ask you to attach:

* **Management accounts** for the period up to at least 31st December 2021.

If your statutory accounts cover this period, that is fine. If not, please provide financial information, showing actual income and expenditure, up until at least the end of December 2021. This might be your internal management accounts, showing your income and expenditure. It might be a ‘profit and loss’ report from your finance system, an Excel spreadsheet or an income and expenditure report that you provide for your board. We cannot accept bank statements instead of accounts.

The management accounts must show income and expenditure for at least the period from your last year end. For example, if your last statutory accounts are for the year ending 31st March 2021, then you will need to provide management accounts from at least April to December 2021.

* **Your most recent statutory annual accounts. Please provide your last two statutory accounts to show the position before COVID-19**. These are the statutory accounts, that you would provide to HMRC, the Charity Commission or the FCA.

You must submit your full accounts, not abbreviated or filleted accounts. This means they must **include a statement of your income and expenditure** for the year – For companies this is the Profit and Loss statement. For charities, it is the Statement of Financial Activity. If you are not sure, please check with your accountant. Draft accounts are fine if this is all that is available.

If you have not yet prepared a set of accounts because your organisation is too young, please submit management accounts instead.

* **For applications over £50,000, a forward cashflow statement for the next 12 months showing the grant in your application.** This is a requirement for applications of over £50,000, and optional for applications of up to £50,000.
* **A recent social impact report or short case study** about your work. This is optional.

### When you can apply and application rounds

The portal will be open for applications on the following dates:

* **Round 1:** 1pm on Thursday 25th November 2021 to 1pm on Tuesday 21st December2021
* **Round 2:** 1pm on Monday 28th February 28 2022 to 1pm on Thursday 24th March 2022

You can only apply in one round. If you have already applied and you have not been told you can apply again, you cannot apply in Round 2.

If you have started an application and saved it, you will be able to come back to it **as long as it is completed before the deadline for that round**, so please make sure you save your application as you go along.

You must **keep a record of the link** when you save your online application, as for security reasons, we cannot access broken links. It can help to prepare your application offline and cut and paste your answers into the application.

Please only **upload the documents** you want to attach just before you submit. If you save and return later, you will need to upload the documents again.

### We strongly advise you to submit your bid early to ensure that you hit the application deadline.

### We cannot send you a copy of your application form automatically when you submit, because it contains sensitive information, and we cannot check the email address it is being sent to. Please keep your own copy for your records, e.g. using the Drafting Your Application document, or you can email us at help@sesupportfund.org.uk and we will send you a passworded copy.

## Assessment and decision making

### How long will it take to get a decision?

We are committed to getting the funds to you as soon as possible. But we are also aware that there will be a lot of applications for this fund.

Our aim is to provide you with a decision on your grant application within six to ten weeks of the closing date, but sometimes it may take longer.

### Assessment process

Your submitted application will be screened to ensure it is complete. Screened applications will then be allocated to a partner organisation for assessment.

The partner organisations are Big Issue Invest, The Key Fund, Resonance, the School for Social Entrepreneurs (SSE) and UnLtd. If you have had funding, investment, or support from any of them in the past, you are asked to declare this and whether you would like your application assessed by them. Where possible, applications will be assessed by the partners that already know your social enterprise. This will help speed up the assessment process.

If you do not have a prior relationship with any of the partners, your application will be allocated to one of the partners to assess.

We will let you know which partner is assessing your application. If you haven’t heard from one of the partners or from the Portal Management Team within three weeks of submitting your application, please check your junk mail and then contact us.

### Missing documents

If your application arrives incomplete or with documents missing, we will contact you. You must respond to this email to be considered further. All applicants should check their email and junk folders regularly after submitting. You will need to respond within 2 working days or we may reject your application as incomplete. Missing documents are likely to delay your application being assessed.

**Assessment and decision making**

Your application will be assessed by one of the Partners against the criteria and priorities published in guidance. The assessors may contact you by email or phone if they require further information. This doesn’t mean your application is more or less likely to be successful.

Once assessed, your application will go to a Grants Panel, which includes staff and/or Board members from the SESF Partner, plus at least two independent partners who are from Black Asian or minority ethnic communities, are disabled people or people who identify as LGBTQIA+ and who have led or been senior leaders in social enterprises themselves.

### If your application is successful

The partner that assesses your application will confirm whether a grant has been agreed. They will also arrange for the grant to be paid.

You will need to sign and return a grant agreement prior to the grant being paid. We will also require further information, including bank evidence and proof of identity for key people in your organisation, prior to the grant being paid.

### Grant payment and reporting

The grant will usually be paid in a single payment.

Payment can only be made into an account in the name of the social enterprise of the grant applicant. This account must be a dual authority account, which requires at least two unrelated people to authorise payments. We will need to see a recent bank statement.

You will be required to include information on the source of the funding, including logos, on any publicity about the project. You will need to keep records of your expenditure, activities, people/organisations your project supports, and numbers of volunteers (if any). We will be carrying out an evaluation of the impact of this funding. You will need to complete a mid-point and an end-of-grant survey to provide this information, along with a commentary on the difference the funding made, what you achieved, and who you have worked with.

### One-to-one support surgeries

As part of your grant, we will offer you two one-to-one support surgeries with one of our social enterprise advisors, who can talk through your programme and signpost you to support if required. These support sessions are optional.

### If your application isn’t successful

If your application is not successful, we will contact you to let you know. You will not be able to reapply unless we invite you to do so.

We will be carrying out an evaluation of the impact and reach of this fund. We may ask you to participate, even if you are not successful, so that we can learn and improve.

## Further support

If you have queries, please check the FAQs below and/or attend one of our webinars (see [website](https://socialenterprisesupportfund.org.uk/) for details).

If, after you have checked these, you still need to contact us, please email us at help@sesupportfund.org.uk. If you have already made an application to us, please include your organisation name.

If you have specific support needs and cannot complete written forms, please contact us about making a telephone application by emailing us at help@sesupportfund.org.uk.

If your social enterprise is led by people from Black Asian or minority ethnic communities, disabled people or people who identify as LGBTQIA+ (either your CEO or the majority of your board or of your senior leadership team), then you may also be able to access support from one of our Development Partners. Please see [the SESF website](https://socialenterprisesupportfund.org.uk/) for details, or contact help@SESupportFund.org.uk.

## Comments and complaints

There is an option to complete a short Customer Service Survey once you have submitted your application. We would love to hear your thoughts about what was helpful and where you would suggest changes to our application process.

 If you have any comments or complaints about the application process or how your application has been handled, please contact the Portal Management Team at help@sesupportfund.org.uk in the first instance, including the name of your organisation.

If you wish to make a formal complaint, please make this clear and the Portal Management Team will pass this on to the relevant partner and let you know. The partner will manage any complaints according to their own complaints procedure, which is available on their website. We can only deal with complaints regarding the application process within six weeks of any decision being made.

# Social EnterpriseSupport Fund

# FAQs

## FAQs about eligibility

### What do you mean by ‘at least one year old’?

Your organisation must have been incorporated and been registered with Companies House, the FCA or the Charity Commission one year ago.

###

### What do you mean by ‘legally incorporated and asset locked’?

Your social enterprise must be incorporated.

If your social enterprise is a charitable company, a Charitable Incorporated Organisation (CIO), a Community Interest Company (CIC) or a Community Benefit Society (CBS/Registered Society), that is fine. You can check its registration and find the relevant number and data on the following websites:

* [Companies House](https://beta.companieshouse.gov.uk/)
* [FCA’s Mutuals Public Register](https://mutuals.fca.org.uk/)
* [Charity Commission](https://beta.charitycommission.gov.uk/)

Other charities registered with the Charity Commission may not be incorporated. This includes trusts and unincorporated associations. If they are not incorporated, they will not be eligible for this programme.

Other than the organisations listed above, companies limited by guarantee (CLG), companies limited by shares (CLS), co-operative societies, or other registered societies, can apply if, within their governing document, there is:

* a clear social purpose
* a restriction on distribution of profits, to the extent that at least 51% of surpluses are reinvested for its social purpose AND
* an ‘asset lock’

An ‘asset lock’ is a clause in your constitution or articles which prevents assets, such as cash or buildings, from being distributed for private benefit when the organisation is wound up. CICs, charities and CBSs are asset locked. Other organisations may have an asset lock in their articles as a separate clause, or as part of the winding up or dissolution clause. Credit Unions can apply if they are asset locked and have a wide membership and, in practice, profit distribution is limited.

We cannot fund unincorporated associations or trusts, nor organisations that can distribute most of their profits to private shareholders.

If you have “Purposely” articles, we can support Model 4 articles (where most assets are retained for social purposes), but not Model 1,2 or 3 articles.

###

### What do you mean by ‘annual income between £20,000 and £1.8 million before COVID-19’?

Your income, either in your last financial year or the previous financial year (pre-COVID-19), must be between £20,000 and £1.8 million. This means all income, not just income from trading. You must be able to demonstrate this by providing us with a full set of company or charity accounts or a set of management accounts.

If your social enterprise started and was registered in 2019 or later, and it can show that it has had £20,000 income in the last 12 months, (rather than the last financial year), that is fine. You must send us a copy of your management accounts.

Please note that loans are not counted as income, including COVID-19 related loans.

###

### What do you mean by ‘trading’?

By ‘trading’ we mean sales of products, services or goods (including donated goods). It may include rental income and housing benefit. Trading might be direct sales, such as the sale of food, clothing, tickets, classes, workshops etc., or it might be a contract for delivery of services to other organisations, including contracts delivered through local authorities or public bodies.

For the purposes of this programme, you may consider Service Level Agreements or similar arrangements with public authorities to be trading, if these relate to the delivery of a specific project and require set results (e.g., completion of training or getting a job) as trading income. Payments made through Health and Social Care personal budgets for services that your social enterprise provides, may be counted as trading.

We will not count bartering unless you already identify the value of bartered goods within your accounts. We are unlikely to consider crowdfunding unless it is specifically pre-selling products or services at, or close to, their full value.

We will not count fundraising activities by charities such as fundraising events, raffles, lotteries, auctions etc.

### What do you mean by ‘substantially reliant on trading’?

Social enterprises trade for a social purpose. Many organisations that trade have been hit particularly hard by the COVID-19 crisis. We want to support organisations where income from trading is core to their business model, and where they need to restart or build their trading models to deliver their social impact. Most successful applicants will have been getting more than 50% of their pre-COVID-19 income through trading or are working towards that now. We are unlikely to support organisations which were not getting at least 20% of their income from trading pre-COVID-19 or are not working towards trading-based business models now.

###

### What does it mean to be ‘financially resilient’?

We understand that you may be facing financial difficulties at the moment. We will prioritise social enterprises that, with help, are likely to survive in the long term.

We cannot cover the cost of loan repayments, and we cannot fund organisations which are subject to insolvency proceedings.

If you have a negative balance on your balance sheet, or significant debts, please explain these to us. For example, you may have a loan from a social lender to grow certain revenue streams or cover the cost of refurbishing a property or a bounce back loan that helped you manage costs during COVID-19. Tell us about this in the application form.

### What about UK Subsidy Rules?

Following Brexit the new UK Subsidy Rules have replaced the EU State Aid rules. This limits the amount of government financial support a business can receive. This grant will be paid under the UK Subsidy Rules.

The grant will be paid under the new SAFA (Small Amounts of Financial Assistance) rules. Under the SAFA rules, your organisation can currently receive up to £325,000 of government subsidy in any three financial years. Funding that you have received previously under de minimis State Aid rules may count towards this. Income from the Job Retention Scheme (furlough) does not count.

If you think this may affect you, then please contact us.

**Can my social enterprise apply if our staff or board are connected to one of the Partners?**

Many social enterprises have various connections with the SESF Partners. You can certainly apply if you have been supported by one of the Partners, had previous funding, attended programmes, or done one-off sessional work, such as being a mentor or a speaker at events.

If anyone in your organisation is employed by one of the Partners, is contracted for long periods of time, or is a trustee or Board member of one of the Partners, we ask that you declare this, so we can ensure that we manage any conflict of interest.

## FAQs about applying

### I applied for an SESF grant in 2020, can I apply for this funding?

Yes. If you applied for SESF funding last year, you are welcome to apply again for this fund. It does not matter if you were successful or not last year. This application will be treated separately.

Please note that the purpose of this fund is different to last year. This fund has more emphasis on supporting social enterprises to recover following COVID-19, particularly to grow your trading.

### If I was not successful in Round 1 (Nov/Dec 2021), can I apply again?

We can only accept one application from each social enterprise for this programme. You will not be able to apply again unless we have specifically asked you to do so. Duplicate applications will be rejected.

If you are still waiting to hear the outcome of your Round 1 application, you should have received an email confirming who is assessing your application. If you have not had this, please contact us.

### Will you consider partnership bids?

We won’t accept partnership bids, but if your social enterprise wants to bid for funds that will then be subcontracted to others, please explain that in your application. We will not fund you to pass money on to other organisations as grants.

If you are a charity with a trading subsidiary, we will accept an application either from the trading subsidiary directly, if it fulfils the criteria in its own right, or from the charity and trading subsidiary as a group (see below). Please provide enough information on both the charity and the trading subsidiary to allow us to assess them together.

### Will you fund charities that trade?

Some social enterprises are established as charities and have a business model that is dependent on trading. We can consider applications from those charities.

However, we are unlikely to support charities where the main or only trading is through fundraising events or a charity shop. If the majority of your income is usually from grants, donations and fundraising events, and trading is usually only a small part of your income, then we are highly unlikely to provide funding under this programme.

### Will you consider social enterprises that are connected to a charity (trading subsidiaries)?

We may consider applications from social enterprises that are connected to a charity. If the social enterprise is not a separately registered company, then the whole charity could apply, but we would consider the application in the light of the whole charity. This would mean that the charity should have an income of less than £1.8 million and be substantially reliant on trading overall.

If the social enterprise is a legally separate organisation (a trading subsidiary) it could apply to us directly, but it would have to fulfil the eligibility criteria.

As an example, consider a homelessness charity that has a connected social enterprise.

If the social enterprise upcycles and sells donated furniture, providing training, work experience and employment for homeless people in its shop and workshop, and it fulfils the other criteria for this programme, then it could apply to us directly.

If the social enterprise sells furniture, but does not directly benefit homeless people, then it could not apply directly.

However, in this case the homelessness charity may apply to us as a group, i.e. the charity and its trading subsidiary together. In this case, the whole group must fulfil the criteria above. For example, if a charity together with its trading subsidiary is substantially reliant on income from trading and has income under £1.8 million, then we may consider an application from the group.

### Will I get feedback if I am not successful?

We are expecting the fund to be very oversubscribed. We will let you know if you have not been successful, but sadly we do not have the capacity to offer individual feedback for this programme.

### What about data protection?

The partners are committed to protecting your personal information and acting in line with your rights under data protections laws. Our privacy policy is [available here](https://socialenterprisesupportfund.org.uk/privacy-policy). You will also be sent information on the data protection policy for the partner that handles your application.

## FAQs about filling in the application

### What is the ‘Project Postcode’?

We have asked you for the address of your social enterprise, but also a Project Postcode. This is where your main service delivery is based. It may be the same as your organisation address or it may be different. If you have more than one project address, choose the main one. If you are an online service, choose your organisation’s address.

### Which region are we in?

We are required to report on the ONS regions of our applicants. Use the address where your service is based, rather than your registered office. If you are not sure which region you are in, there is [a map available for download here](https://www.ons.gov.uk/ons/guide-method/geography/beginner-s-guide/maps/regions--former-government-office-regions--gors---effective-at-31st-december--2011.pdf).

### What do we mean by ‘leaders with lived experience’?

A leader with lived experience is someone who uses their direct experience of a social issue to create positive change for and with the communities and people they share those experiences with. For example:

* someone who has been homeless who is working to improve homelessness services
* a person with HIV who has set up and is running a peer-to-peer support service for other people with HIV
* a person who has lost a loved one to suicide who has set up and is running a support group for others who have lost someone to suicide
* a parent of a disabled child setting up a support service for other families with disabled children

A leader with lived experience would not be:

* a non-disabled person who has volunteered with disabled people and wants to set up a disability charity

### What do we mean by LGBTQIA+?

We want to make sure that we reach social enterprises led by people who identify as minoritized sexuality or gender. We understand that people use different terms for this and respect that the acronym LGBTQIA+ may not include everyone.  If your CEO, board members or Senior Leadership Team identify as someone within the LGBTQ+ community (Lesbian, Gay, Bisexual, Trans or any other minority gender or sexual identity), identifies as Intersex, or has a DSD (difference in sex development), they are free to tick the LGBTQIA+ box, or explain within the text box below the question. Alternatively, you are free to choose “Prefer not to say”

### What information do I need to provide?

We need to have a clear picture of your financial position and how this has changed during COVID. Please provide the most up to date financial information you have.

**ALL applications**

* Management accounts up to at least 31st December 2021.

**If your social enterprise was registered before June 2019**

* A copy of your two most recent sets of statutory accounts. Make sure these accounts are full accounts, not abbreviated accounts – i.e. they include a profit and loss/income and expenditure sheet

**If your social enterprise was registered from June 2019 to May 2020**

* A copy of the most recent set of statutory accounts. Make sure these accounts are full accounts, not abbreviated accounts – i.e. they include a profit and loss/income and expenditure sheet

**If your social enterprise was registered from after May 2020**

* At least 12 months management accounts.

**If you applying for over £50,000**

* **A cashflow for the next 12 months**, including this grant as income

**Optional for all**

* A recent **social impact report or short case study** about your work.

## Documents in more detail

**Management accounts**

These show your income and expenditure, ideally for the last year, but if not for at least the period since your most recent accounts. They might be a ‘profit and loss’ report from your finance system, or a spreadsheet, or the management report you give to your board. If you have a cashflow showing actual income and expenditure for this period, that is also fine. Please do not submit bank statements.

If you cannot submit statutory accounts, because your organisation was registered in 2020 or later, then you must provide 12 month management accounts.

**Statutory accounts**

These are the accounts that you would send to HMRC, the FCA or the Charity Commission. We need to see the full version, not the abbreviated version. The full version includes the income and expenditure/profit and loss statement. Please check you are sending us a set of accounts with income and expenditure, not just a balance sheet. You may send draft accounts if these are available.

**Cashflow statement showing income and expenditure for the next year**

You should submit these if you are applying for over £50,000. Cashflows should clearly show the grant you have applied for and associated expenditure. A cashflow statement shows your income and expenditure each month. It starts with an opening balance (the cash you have available at the beginning of the period) and then shows what cash is available at the end of each month. It helps identify where there might be cash shortages over the year. An example template can be [found here](http://smallcharityfinance.org.uk/resources/).

**Information about your impact**

You can attach an impact report and/or case study about your work. This is not a requirement, but it is recommended as it helps us to understand your organisation.

We have space for you to attach up to three additional documents to support your application. There is no requirement to do this.

Please bear in mind that the assessors have a lot of reading to do already, so please only attach documents that you feel will significantly support your application.

The maximum size of documents that you can upload is 25MB in total. If you cannot attach all the documents that you wish to, please compress them if possible. Alternatively, you can email them to us at help@sesupportfund.org.uk

**Only upload documents when you are ready to submit**

If you Save and Resume, your documents will be lost and you will need to upload them again.

## FAQs about receiving funding

### What about safeguarding?

### If you are working with children under 18 and/or adults at risk, you must follow the guidance set out by The National Lottery Communities Fund [here](https://www.tnlcommunityfund.org.uk/about/customer-service/safeguarding). You must have a Safeguarding Policy in place, which is proportionate and relevant to your activities. You must undertake the checks required by law on staff and volunteers. We may ask you for a copy of your policy.

### What are the requirements for bank accounts?

Before you are paid the grant, you will need to have a bank account which has dual authority, so that at least two unrelated people are required to release payments.

### What other requirements are there?

If your application is successful, we will ask you to do an ID check and check your bank before we pay you any money.

We will also ask you to confirm that:

* you are doing appropriate risk assessments to ensure your staff, volunteers and the people who use your services are safe
* you have appropriate insurance in place
* you pay salaries that are reasonable and proportionate relative to other voluntary, community and social enterprise organisations
* you advertise new posts funded by this grant programme externally unless otherwise agreed with us
* you can demonstrate that no private benefit will arise from the grant (such as dividend payments to shareholders)
* if you are providing therapeutic counselling services that: your staff and volunteers are properly trained and supervised; you have any required accreditation if you are providing care, educational and/or professional services, or any other service with regulated delivery; and, if required, you are registered with the relevant regulatory body in England
* you ensure that any item over £5000 is value for money and seek tenders for equipment or expenditure over £10,000.

## Checklist

Please ensure that you:

* **Plan your application off-line** and keep a copy
* Remember to **save your online application regularly** and keep a copy of the link
* Only **attach your documents** when you are **ready to submit**
* Submit your application well **before the deadline**
* Make sure **your email is correct** on the form so we can contact you, and that it is email that you will regularly check
* **Apply for business support** or tell us why you don’t want to

### What to attach

* You must attach the **following documents** to your application

**ALL applications**

* **Management accounts** up to at least 31st December 2021.

**If your social enterprise was registered before June 2019**

* A copy of **your two most recent sets of statutory accounts**. Make sure these accounts are full accounts, not abbreviated accounts – i.e. they include a profit and loss/income and expenditure sheet

**If your social enterprise was registered from June 2019 to May 2020**

* A copy of the **most recent set of statutory accounts**. Make sure these accounts are full accounts, not abbreviated accounts – i.e. they include a profit and loss/income and expenditure sheet

**If your social enterprise was registered from after May 2020**

* **Management accounts that cover at least 12 months**, e.g. Jan to Dec 2021 or April 2021 to March 2022.

**If you apply for over £50,000**

* **A cashflow for the next 12 months**, including this grant as income

**Optional for all**

* A recent social impact report or short case study about your work