

# Social Enterprise Support Fund

## Application guidance & FAQs

### Guidance for Round 3



Social Enterprise Support Fund

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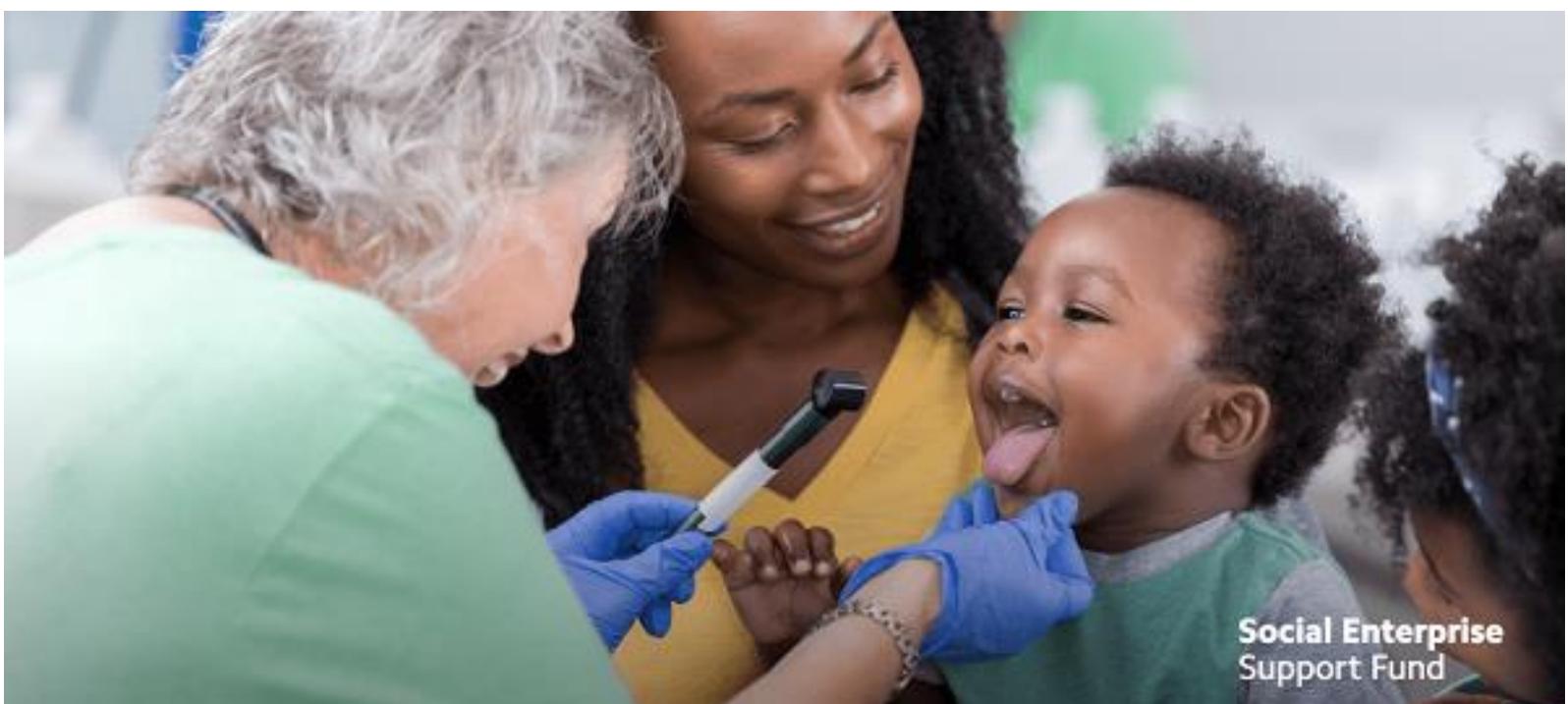


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## Accessibility

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# Introduction

## What is the Social Enterprise Support Fund?

Social enterprises use trading income to create social impact. Because of their reliance on trading, they have been particularly hard hit during the COVID-19 crisis. Many have seen their trading income reduce. At the same time, many have seen an increase in demand for their services.

The Social Enterprise Support Fund provides essential financial support to help social enterprises during COVID-19. It will help social enterprises to meet additional demands, change the way they work, make their spaces COVID-secure, and manage liquidity during the next six months.

Five social enterprise support agencies have come together to deliver the fund. Big Issue Invest, The Key Fund, Resonance, the School for Social Entrepreneurs (SSE) and UnLtd will jointly deliver £18.7 million in grants, with support from CAF Venturesome, the Young Foundation and Ashoka.

This has been made possible thanks to The National Lottery Community Fund, the largest funder of community activity in the UK. The partnership is one of five The National Lottery Community Fund is supporting as part of its COVID crisis response.

We particularly welcome applications from social enterprises that are led by people from BAME backgrounds, people with disabilities, from the LGBTQ+ community or by people with lived experience of the issue they are seeking to resolve.

## Funding is limited

The National Lottery Community Fund (TNLCF) has set priorities for this funding and it will not be available to all social enterprises. There will be 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 applications.

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 the assessment principles set out below.
- Decisions will be made quickly and funds released as soon as possible.

In order to manage the flow of applications, we are releasing the funds in three rounds. The application portal will open on [the dates listed on the website](#) and close one week later. However, if we are heavily oversubscribed, we may have to close the portal early, so we advise you to apply early to ensure your application is considered.



# Eligibility & funding available

## Eligibility criteria

These are the eligibility criteria for this fund. More details can be found in the FAQ section below.

### **In England**

This fund is only available for social enterprises most of whose beneficiaries are in England.

### **At least one year old**

Your organisation must have been incorporated for at least one year to be eligible for this fund. This means it must have been registered with Companies House, the Financial Conduct Authority (FCA) or the Charity Commission one year ago. For further information see FAQs.

### **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
- a restriction on distribution of profits, to the extent that at least 51% of surpluses are reinvested for its social purpose
- an “asset lock”

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

See FAQs for further information.

### **Annual income between £20,000 and £1.8 million before COVID-19**

Your income *either* in your last financial year *or* the year up to 31st March 2020, must be between £20,000 and £1.8 million. You must be able to demonstrate this through providing us with a full set of company or charity accounts, or a set of management accounts for the year to 31st March 2020. *(Please note: The annual income criteria has changed for Round 3. In previous rounds the lower limit was £25,000 and the upper limit was £1.5 million.)*

## **Substantially reliant on trading income**

Your social enterprise must be substantially reliant on trading income to deliver social impact. By trading income, we mean both sales of goods and/or services and delivery of contracts to supply goods or services. See FAQs for more details.

Due to the limitations of the grant pot available, we will prioritise social enterprises where trading is a majority of their income and where a loss of trading income has had a substantial impact on their ability to deliver their social impact.

## **Priority activity**

Your social enterprise must be able to demonstrate that it is working in at least one of the following areas. We recognise that many social enterprises are working in more than one of these areas. Please pick the one that best describes your work.

### **1. Social enterprises supporting people who are at high risk from COVID-19 – specifically those which:**

- Connect with older people
- Connect with disabled people
- Provide advice and support to people who are pushed into crisis
- Provide support to those in medical care or end of life care

### **2. Social enterprise supporting people most likely to face increased demand and challenges as a result of the COVID-19 crisis – specifically:**

- Provide essential items directly to families who are hit hardest
- Support BAME and other communities who experience health inequalities
- Support people who experience loneliness and social isolation
- Support people who experience poor mental health
- Support children and young people to achieve their potential

## **Financially stable at the end of December 2019**

Your social enterprise must have been financially stable on December 31<sup>st</sup> 2019.

This means if the crisis had not struck, there would have been a good expectation that your social enterprise would have been viable this year and into the foreseeable future. For more details see the FAQs.

## **Assessment principles**

We will assess your application based on the following principles:

### **Long-term social impact**

We want to understand the services you normally provide and the kind of social impact that you usually make, and hopefully will make again when things return to normal. We will look at how much impact your social enterprise has and how vulnerable the people you work with are.

### **Impact during the crisis**

We want to understand how you have responded to the crisis, what services you have delivered and the impact these have had. We want to support groups who have responded to new demands and changed their ways of working to meet their communities' needs.

### **Resilience**

We want to know that you can manage over the next year. We want to understand what your financial situation was before the crisis and how it has changed. We want to understand how you are planning to manage through the crisis and to feel confident that, if we provide you with help, you can survive and continue to deliver impact in the future.

### **Inclusion**

We want to ensure that the grants reach groups that are led by people from BAME communities, LGBTQ+ communities, people with disabilities, and leaders with lived experience of the issues that the social enterprise is addressing.

### **Financial need**

This is emergency funding and the amount of funding available is very limited. We want to prioritise social enterprises in difficulty, where other options for getting support are limited.

## **Your financial situation**

### **How has your financial future changed?**

The application asks for information on your projected income and expenditure for the next 12 months (or a 12-month period that covers at least until December 2020).

We are asking you for the income and expenditure you thought you would be getting before COVID-19, and then what you think you will get now. And to tell us how this has changed.

We understand that you may have both lost income due to loss of trading income, and also that the demand for your services may have increased or changed, meaning you have more costs.

We realise that this may have been quite hard to predict before the crisis and is now very difficult indeed. Please give us reasonable estimates and tell us the situation has changed since before COVID-19 and now. For example, you may have had to shut your café and lost that income. And you may have also had increased costs because you are providing meals for elderly people.

You can use figures for the next 12 months or this financial year if that runs until at least December 2020, whichever is easiest for you. If you do not have exact figures, just give an estimate or an approximate figure. We are interested to understand what has happened to your social enterprise, and this helps build the picture. We want to understand the story of what is happening to your social enterprise and the difficulties you are facing.

### **What other funds have you have applied for?**

Please tell us about other funds you have applied for relating to COVID-19 emergency support. This includes government support, e.g. through the Job Retention Scheme (furlough), Small Business Grants and The National Lottery Community Fund's Coronavirus Community Support Fund. We want to understand how you have managed the crisis so far, and what support you need now.

Please do not apply for costs that have already been covered by other funding, including government schemes. If you have had funding from other sources, you can still apply for this funding, as long as it is not for the same expenditure.

## **What else have you done so far to manage your social enterprise's finances?**

Have you been able to reduce costs? Have you asked existing funders or contractors if you can reallocate funds to cover your current demand? Have you been able to furlough staff? What other funding you have applied for and what response (if any) you have received?

## **How much cash do you have available to you?**

We also want to know about any cash reserves that you have available. We understand that many social enterprises prudently have put aside reserves, and do not want to punish good practice. However, we also need to prioritise funding and Charity Commission guidance is that COVID-19 cash requirements are a reasonable use of reserves.

Therefore, if at the end of six months, your unrestricted cash reserves are likely to be more than three months of your running costs, you are not likely to be a priority for funding or we may only offer part funding. If there is a good reason why you have larger reserves, then please let us know.

## **Are you sustainable in the long term?**

We want to know that, with this funding, your social enterprise will have a good chance of being sustainable in the long term. If your social enterprise is in a very difficult financial position and is unlikely to survive, even with our support, regrettably you cannot be a priority for funding.

## **Not for pre COVID-19 shortfalls**

We cannot fund shortfalls that existed before COVID-19. Grants are for new or additional costs to help you support people affected by COVID-19, or where you are facing acute financial difficulties because of COVID-19.

## **Your request for funding**

### **How much you can apply for**

You can apply for grants of between £10,000 and £300,000, but 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. Grant awards over £100,000 will be rare and may require additional due diligence checks. Assessments of larger grants may require a telephone interview.

Please note, that this is six-month emergency funding and we are unlikely to consider applications which are substantially more than half your annual income from the previous

year. If there are good reasons why you are applying for a larger amount than this, please explain carefully in your application.

Funding is very limited, and please only apply for what you need. If we feel you have applied for more than your immediate COVID-19 related need, we may make a partial grant or may not be able to fund your social enterprise at all.

### **A name for your funding request**

Please give your funding request a name. This is for reporting purposes for TNLCF. It doesn't matter what it is, but it helps us and TNLCF to understand quickly what you are asking for. It could be something like "Help to re-open our café", or "Ongoing support for our community", or "Getting kids back to school".

### **Spend within six months of offer**

The grant is emergency funding and must be spent within six months of your grant offer date (or by 19<sup>th</sup> April 2021, if that is sooner).

We ask for a start date and end date on your application. Please estimate these. This is for our reporting purposes, and it helps us to understand your funding request. We will not require that you start and end on these dates as long as you have spent the grant within six months of the offer.

### **What your funding is for...**

Please explain in a bit more detail what you need and why.

The funding can be used for two types of support:

- a) Funding for activities supporting people and communities affected by COVID-19, *and/or*
- b) Help organisations overcome any acute financial difficulties they are facing as a result of the crisis.

For example:

- The grant may be spent on helping you continue to provide food and essentials to vulnerable people.
- It may help you to provide services in a different way to meet the needs of your community, such as moving counselling services online for people affected by COVID-19.

- It may help support additional services to meet the needs of people affected by the crisis, e.g. increased mental health support for vulnerable young people.
- It might help you make the spaces where you work or you run activities from to be COVID-secure, and help you purchase PPE, so you can provide services to vulnerable people.
- It can also be used to support core costs if your ongoing services are threatened due to severe and acute financial difficulties, and this will ensure that you can return to providing services which support vulnerable communities.

## **We can fund:**

Essential costs of sustaining current services or refocusing services to address immediate needs of people affected by COVID-19. This includes:

- staff salaries
- project activities
- running costs
- small-scale refurbishment
- items of equipment to help you become COVID-secure or pivot your services, such as PPE, IT or temporary shelters that do not require planning permission
- organisational development
- contributions to fixed costs
- investments in systems
- investments in people
- investments in infrastructure
- dedicated capacity development

These costs should be directly related to supporting services for those people adversely affected by the crisis, or for managing acute financial difficulties of social enterprises that support or work with people who are vulnerable, that have been caused by COVID-19 – such as a loss of trading income. We will not cover work unrelated to COVID-19 and we will not fund new projects, unless they very specifically address a demand that has arisen as a result of COVID-19.

For example, we may fund training or IT infrastructure to help your social enterprise move services online to support people affected by COVID-19, but we will not fund ongoing training or IT support services that are core to your regular work.

## **We can't fund:**

- activities that make profits for private gain
- religious activities, but we can fund religious organisations if your project benefits the wider community and doesn't include religious content
- political or campaigning activities
- fundraising
- purchase of buildings or land, permanent structures or significant building alterations e.g. that require planning permission, or other significant fixed assets
- things you've spent money on in the past and are looking to claim for now
- loan repayments
- costs that are covered by other funding sources

If you are intending to spend more than £10,000 on a single item of expenditure, you need to get three independent quotes to ensure value for money.



# Application & assessment

## Application process

### How to apply

You must apply online by filling in our online [application form](http://socialenterprisesupportfund.org.uk/apply) at <http://socialenterprisesupportfund.org.uk/apply>

We cannot accept submissions of the application form as a Word (or other) documents.

When you apply, please complete all fields and attach the documents required. If you don't, we may not be able to assess your application.

### Required documents when you apply

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

- **Your most recent annual accounts.** These are your statutory accounts that you would provide to Companies House, the Charity Commission or the FCA. These must be full accounts, not abbreviated or filleted. 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.
- **Management accounts** for the period up to at least 31<sup>st</sup> December 2019. If your statutory accounts cover this period, that is fine. If not, please provide financial information up until at least the end of December 2019. These might be your internal management accounts, showing your income and expenditure. This might be: a “profit and loss” report from your finance system; or a spreadsheet (e.g. Excel); or an income and expenditure report that you provide for your board. You could also send a cashflow statement showing actual income and expenditure for that period.
- **For applications over £50,000, a cashflow statement for this year** – This is a requirement for applications over £50,000. But if you are applying for less and you want to include a cashflow statement please do feel free, as it helps us to understand your organisation. For more details on financial statements, please see FAQs.

It would also be helpful if you could provide:

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

## **When you can apply and application rounds**

The portal is next open for applications on **Thursday 10<sup>th</sup> September 2020 at 1pm**. This is the third and final round. If you have already applied in the first or second round, you cannot apply again, unless we have specifically asked you to do so.

To manage application flow and to ensure that smaller social enterprises (who may take longer to get their finances together) have a fair chance to bid, we have split the funds into three rounds. The portal will close one week later. If we are heavily oversubscribed, we may have to close the portal early, so we advise you to apply early.

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.

- **Round 1:** From 1pm on Monday 13<sup>th</sup> July 2020 to 1pm on Monday 20<sup>th</sup> July 2020
- **Round 2:** From 1pm on Thursday 13<sup>th</sup> August 2020 to 1pm Thursday 20<sup>th</sup> August 2020
- **Round 3:** From 1pm on Thursday 10<sup>th</sup> September 2020 to 1pm Thursday 17<sup>th</sup> September 2020.

**Please submit your bid early to ensure that you hit the application deadline of 1pm.**

## **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 and the programme is very new.

Our aim is to provide you with a decision on your grant application within three to four weeks of your application, but sometimes it may take longer.

### **Assessment process**

Your completed application will be screened to ensure it is complete. Screened applications will then be shared between the partner organisations for assessment.

The partner organisations are Big Issue Invest, The Key Fund, Resonance, the School for Social Entrepreneurs (SSE), UnLtd, CAF Venturesome, the Young Foundation and Ashoka. If you have had funding, investment, or support from them in the last five years, 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 who already know your social enterprise. This is to help speed up the assessment process only.

If you do not have a prior relationship with any of the partners, your application will be allocated to one of the partners and assessed on the same basis as other applicants.

The assessment of your application will not depend on your prior relationship with the partners. All applications will be assessed on the same basis.

### **If your application isn't successful**

If your application is not successful, we will contact you to let you know. You will not be allowed to re-apply unless we ask you to.

TNLCF will be carrying out an evaluation of the impact and reach of this funding, and may ask you to participate in that, even if you are not successful.

### **If your application is successful**

The partner who assesses your application will contact you directly to ask any further questions to complete their assessment and to 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 ask for further information, 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 people to authorise payments. We will ask 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,

beneficiaries and numbers of volunteers (if any). You will be sent 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. TNLCF will be carrying out an evaluation of the impact of this funding, and may require you to participate in that, including sending a short survey to your volunteers, if you have any.

## Further support

- If you have queries, please check the FAQs below.
- If after you have checked these, you need to contact us, please email us at [help@sesupportfund.org.uk](mailto:help@sesupportfund.org.uk). If you have already made an application to us, please include your organisation name.
- If you need further support to complete the application form, NCVO have made their excellent Know How resources available for free during the COVID-19 crisis. <https://knowhow.ncvo.org.uk/>

## Comments and complaints

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](mailto:help@sesupportfund.org.uk), in the first instance, including the name of your organisation.

If you believe you have cause to raise 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 available on their websites. We can only deal with complaints regarding the application process within six weeks of any decision being made.



# FAQs

## FAQs about eligibility

### **What do you mean by “at least one year old”?**

Your organisation must have been incorporated for at least one year to be eligible for this fund. This means it must have been registered with Companies House, the FCA or the Charity Commission one year ago. If your organisation has been registered for more than one year, but you have recently changed your legal structure (e.g. moving from an unincorporated charity to a charitable incorporated organisation), then please use tell us the date your organisation was set up and explain the changes in the notes section.

### **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 number and data of registration on the following websites:

- Companies House: <https://beta.companieshouse.gov.uk>
- FCA’s Mutuels 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
- an “asset lock”

“Asset locked” means that there 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 community benefit societies 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.

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

### **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 year up to 31st March 2020, must be between £20,000 and £1.8 million. This means all income, not just trading income.

You must be able to demonstrate this through providing us with a full set of company or charity accounts, or a set of management accounts.

### **What do you mean by “trading”?**

By “trading” we mean sales of products, goods, or services. It may include rental income and housing benefit. It includes the sale of donated goods. Trading might be direct sales, such as the sale of food, clothing, tickets, classes, workshops, etc. 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, which are specifically for the delivery of a specific project and when they require the delivery of specific results i.e. completion of training, getting into a job etc, as trading income.

In general, 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 generally 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 particularly hit hard by the COVID-19 crisis. We want to support organisations where trading income is core to their business model and the loss of which means they are struggling to deliver their social impact. It is likely that organisations getting support will have more than 50% of their income as trading income, but there may be cases where the percentage is

smaller. In this case, we will want to understand how the loss of trading income has implications for their overall social impact.

### **What does it mean to be “financially stable at the end of December 2019”?**

Your social enterprise must have been financially stable before COVID-19 and specifically on December 31<sup>st</sup> 2019.

If the crisis had not struck, there would have been a good expectation that your social enterprise would have been viable this year and into the foreseeable future.

Specifically, on December 31<sup>st</sup> 2019, your social enterprise:

- Was able to pay its debts.
- Was not subject to insolvency proceedings.
- Was not subject to a restructuring plan as part of having had rescue aid.

## **FAQs about applying**

### **Will you consider partnership bids?**

We can accept applications from partnerships, for example, where you are leading a group of local providers to provide support people who are experiencing homelessness. In this case, the lead organisation will need to fulfil the criteria above. You will need to provide us with a list of other partners. They will not be able to apply separately for this funding to cover the same work. If you are applying as a partnership, please attach copies of most recent accounts for all partners and full details of the partnership as a separate document with your application.

### **Will you fund charities that trade?**

Some social enterprises are established as charities and are very dependent on trading within their business model. We are happy to consider those charities.

However, we are unlikely to support charities whose main or only trading is through fundraising events or a charity shop. Charities whose main income is through donation or grant income are strongly encouraged to apply for a charitable focused grant response programme, if possible.

## **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 itself. For example, consider a homelessness charity that has a connected social enterprise.

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

If the social enterprise is a charity shop, which sells clothes and 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 with 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 trading income 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 to be very oversubscribed and having to make decisions very quickly. 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.

## **If I was not successful in round 1, 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. We have a system for checking for duplicate applications and further applications will be rejected.

## **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](#).

## 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 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?**

If you are not sure, the list is ONS regions, and we are required to report on this. 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 here](#) (clicking will download the map).

### **What do we mean by “leaders with lived experience”?**

A leader with lived experience is someone who uses their first-hand 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 sets up and runs a support group for others who have lost someone to suicide.

A lived experience leader would not be:

- a non-disabled person who has volunteered with disabled people, and wants to set up a disability charity
- a parent/carer of someone with HIV who has set up a support group for people with HIV.

### **What financial information do I need to provide?**

We need to have a clear picture of your financial position. Please provide the most up to date financial information you have.

Specifically we are asking for:

- **Statutory accounts:** These are the accounts that you would send to Companies House, 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. You may send draft accounts if these are available.

You should submit the most recent statutory accounts you have. They should have an end date which is less than 2 years ago.

- **Management accounts:** Please send a set of management accounts for the period up to at least 31<sup>st</sup> December 2019. These should show your income and expenditure for the year (or part year). Your management accounts normally show different types of income you have coming in and the types of expenditure and outgoings. 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 your statutory accounts cover this period, you don’t need to send separate management accounts. If you have a cashflow showing actual income and expenditure for this period – that is also fine.
- **Cashflow statement: You should submit these if you are applying for over £50,000.** If less than £50,000 it can be helpful to see a cashflow statement if you have one, but it is not a requirement. 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/>

## FAQs about receiving funding

### **Does this fund fall under State Aid rules?**

This grant will count as State Aid. However, our intention is to make this grant under the EU COVID-19 Temporary Framework for State Aid where possible. This allows an organisation to receive €800,000 (Euro) of emergency funding.

If the grant is paid under the EU COVID-19 Temporary Framework, it will not count towards the “De minimis” State Aid that you may receive from other sources, and therefore should not affect your ability to access other non-COVID related support that may be deemed to be State Aid, such as Employment Allowance.

In some cases, we may need to make grants under the de minimis State Aid rules if we feel that we cannot use the Temporary Framework.

## **What about safeguarding?**

Safeguarding issues are changing quickly as social enterprises adapt their services following COVID-19. If you are working with children under 18 or adults at risk, you must have a Safeguarding Policy in place, and undertake the checks required by law on staff and volunteers. We may ask you for a copy of your policy and we would like to hear how you have adapted your safeguarding practice if you are providing new services. Useful guidance on safeguarding is [available from NCVO](#).

## **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 confirm that you:

- are doing appropriate risk assessments to ensure your staff, volunteers and people who use your services are safe
- have appropriate insurance in place
- pay salaries that are reasonable and proportionate relative to other voluntary, community and social enterprise organisations
- advertise new posts funded by this grant programme externally unless otherwise agreed with us
- 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, and that you have any accreditation required if you are providing care, educational, or professional services, and you are required to do so, that you are registered with the relevant regulatory body in England.