**Donegal Co Co/ Northern & Western Regional Assembly(NWRA) Letterkenny Town Social Enterprise Capital Grants Scheme 2021**

**Q&A Document for Potential Applicants**

**The Social Enterprise Grants Scheme aims to support and consolidate existing Social Enterprises in the town of Letterkenny. The grants scheme will support large scale capital projects that will materially assist with the long term sustainability of existing Social Enterprises. Projects to be supported will be of a capital nature and can include extensions to existing premises, refurbishment of existing premises & purchase and refurbishment of premises. Applicants will be required to demonstrate how the Capital Grants Scheme will contribute to their long term sustainability.**

**Expressions of Interest will be invited in November 2021 to be submitted to Donegal Local Community Development Committee (LCDC) who will assess the EOI’s and prioritise the projects who are to receive funding which must be completed before end of 2022.**

**Q1 What is the Social Enterprise Capital Grants Scheme 2021?**

The Donegal Co Co/NWRA Letterkenny Town Social Enterprise Capital Grants Scheme 2021 is an initiative being taken by Donegal County Council in conjunction with the Northern & Western Regional Assembly under the National Social Enterprise Policy for Ireland.

This scheme aims to support social enterprises and is complementary to other supports provided by the Department.

It is a funding scheme that will provide social enterprises with large capital grants ranging from €75,000 to a maximum of €200,000 at a grant support rate of 90%.

**Q3 What is a social enterprise?**

Social enterprises are businesses that work primarily to improve the lives of people. Their core objective is to achieve a social, societal, or environmental impact. Like other businesses, Social Enterprises pursue their objectives by trading in goods and services on an ongoing basis. However, surpluses generated by social enterprises are re-invested into achieving their core social objectives. They frequently work to support disadvantaged groups such as the long-term unemployed, people with disabilities, the Traveller community, etc., or to address issues such as food poverty, social housing, or environmental matters.

We are seeking applications from social enterprises that:

* Have a clear social mission that addresses a critical social issue
* Generate income from goods or services
* Are already up and running
* Reinvest any surplus into achieving their mission
* Have a not-for-profit legal form
* Are separate from government and state agencies

**Q4 Who is administering the Social Enterprise Capital Grants scheme?**

The scheme will be co-ordinated and administered by the Donegal Local Development Committee (LCDC)

The Application process will be handled by the LCDC. The LCDC will make payment of the grant to successful applicants and will monitor the projects to ensure the funding is used correctly.

**Q5 When will the scheme be run?**

The LCDC will decide the timeline, but the final date for each stage of the process must be no later than the dates shown in the table below.

|  |  |
| --- | --- |
| **Scheme Launch/Announcement**  | **12th November 2021** |
| EOI’s to be received by LCDC | (No later than) 30 November 2021  |
| LCDC Provisional Approvals | (No later than) 15 January 2021 |
| Final Date for Project Completion by social enterprises | (No later than) 15 December 2022 |

**Q6 How can I tell if an organisation is a social enterprise?**

The National Social Enterprise Policy 2019 – 2022 defines social enterprise as follows:

*A Social Enterprise is an enterprise whose objective is to achieve a social, societal or environmental impact, rather than maximising profit for its owners or shareholders. It pursues its objectives by trading on an ongoing basis through the provision of goods and/or services, and by reinvesting surpluses into achieving social objectives. It is governed in a fully accountable and transparent manner and is independent of the public sector. If dissolved, it should transfer its assets to another organisation with a similar mission.*

 If and iand if any organisation fits this definition then they are deemed to be a social enterprise and eligible to be considered for funding under this scheme.

Applicants will be required to confirm that their organisation meets the definition of a social enterprise as set out in the National Policy, however, LCDCs will satisfy themselves that any recommended projects are from social enterprises. There is still some confusion among some organisations about whether or not they are social enterprises so it is likely that some organisations may declare themselves as social enterprises where they do not fulfil all of the criteria. Applicants will be required to provide their Articles of Association to confirm that their assets will transfer to another organisation with a similar mission, in the event of the applicant group’s winding up.

**Q7 Is there a specific Social Enterprises Legal Form?**

No. It is possible for a social enterprise to be one of many legal forms. Company Limited by Guarantee (CLG) is the most predominant legal form for a social enterprise in Ireland, but social enterprises can be one of many legal forms. Additionally, social enterprises may or may not be registered charities.

**Q8 What kind of projects will the Scheme fund?**

Under this scheme, grants will be provided to social enterprises towards large scale capital projects. This can include extensions to existing premises, repairs and refurbishment of existing premises & purchase and refurbishment of premises**.**

The Social Enterprise must provide evidence of title or leasehold in respect of the premises in question for a minimum period of 7 years. Capital costs incurred by social enterprises for the purchase of equipment are eligible. The Social Enterprise must operate as funded for a period of 7 years from receipt of final funding and should the Social Enterprise cease trading within this 7 year period, the LCDC will seek to recover funding. The ‘de minimus’ rule (Commission Regulation (EC) 1407/2013) will apply to the operation of this funding scheme.

**Q9** **What kind of expenditure will NOT be funded under the scheme?**

The scheme does not provide funding for operating costs (e.g. the employment of staff, electricity costs, heating costs, etc.) or administrative costs. It should also be noted that expenditure incurred before the date of grant approval will not be eligible for funding.

**Q11 How much funding is available?**

There is €1.8m available to fund the scheme at a grant support rate of 90%.

**Q12 Who decides which social enterprises will receive funding under the scheme?**

Based on the applications received, the Donegal LCDC will recommend projects for approval for grant funding