

Social enterprise grant eligibility criteria

“Social enterprises are businesses that trade to intentionally tackle social problems, improve communities, provide marginalised people access to employment and training or help the environment”

The Darebin City Council’s Social Enterprise grants program seeks to support our local social enterprises and help them to establish and grow through investment in equipment, projects, infrastructure and capacity building. A total grant allocation of \$40,000 is available for the financial year 2019/ 2020. Individual amounts of up to \$10,000 could be made available depending on eligibility criteria and strength of application.

There is both a thriving and emerging group of social enterprise businesses in Darebin. Through these, council priorities focusing on improving the wellbeing of people in our community, supporting and attracting a diversity of local businesses, leading on equity and creating a sustainable city, are addressed in very practical ways. As a result our community is strengthened, employment is bolstered and marginalised groups are given more of a voice. For these reasons, Darebin Council is committed to growing its social enterprise sector through support such as this newly created grants program.

Grants will be offered in three different areas – start-up, expansion and quick response grants.

Grant Eligibility

Who is eligible to apply?

An applicant must:

- Have a registered Australian Business Number (ABN) or provide evidence of intent to register
- Be located or commit to locate within the City of Darebin municipality
- Have evidence of an appropriate legal structure such as a sole trader, Australian registered company, company limited by guarantee, business cooperative, charitable enterprises that operate a business model which generates revenue, or philanthropic organization
- Have written evidence that you are moving towards becoming one of the above
- Pursue a social purpose expressed through a stated mission and vision that aligns with Darebin Council priorities and goals (see below)*
- Be able to demonstrate benefits to the community of the City of Darebin, beyond the support of the individual organization

- Evidence of a bank account in the name of the applicant (or the organisation providing support)
- A work plan detailing how the project will be undertaken to ensure that it can be completed within the funding period
- Be able to provide evidence of public liability insurance*

Applications will be accepted from not-for-profit organisations and for-profit businesses. However, at the forefront of your activities will be the strength of your social purpose as expressed through a stated mission and vision and how that aligns with Darebin Council priorities and goals*

Consideration will be given to those applications which have some level of matched funding from the applicant either financially or in-kind.

Who is not eligible to apply?

- Government departments or agencies
- Political organisations or registered political parties
- Unincorporated associations
- Subsidiaries of larger companies (unless they are registered and recognized social enterprises looking to expand operations into the City of Darebin and can demonstrate strong community benefits)
- Volunteer organisations that do not operate under a business model (see above)
- Franchises or branches of foreign companies
- Intermediaries or consultants applying on behalf of others.
- Religious organisations, applying with the purpose of promoting religion or proselytizing
- Applicants who have not fulfilled the conditions of grant for previous Council grants (including submitting acquittal reports) and/or have outstanding debts with Council.
- Applicants who have already received in excess of \$20,000 in funding for projects or activities in calendar year 2019 either through other grant programs or through the Council budget submission process.
- Groups that promote gambling and/or EGM venues, including:
 - Applicants that own or operate Electronic Gaming Machines (EGMs)
 - Applicants who receive sponsorship or support (in-kind or cash) from EGM revenue
 - Applicants who meet and/or hold events/activities in venues that have EGMs

Please note that any applications will be deemed ineligible if the applicant lobbied or canvassed a Councillor or Council employee in relation to their application.

Grant Categories

Individual grants of between \$1000 to \$10,000 could be made available. Three categories within the social enterprise grants are offered:

- social enterprise start-up
- social enterprise expansion
- social enterprise quick response grants

Start-up

(individual amounts up to a maximum of \$5,000 available)

Start-up grants are designed to assist social enterprises in accelerating the establishment of their business. Under this category, applicants will be expected to be planning to generate the majority of their funding from other sources, in addition to the social enterprise grant. It is expected that as part of the application process, applicants in this category would have engaged in a pre-application meeting with Council officers or have met with Darebin Council Economic Development staff.

In addition to the grant eligibility criteria, applicants for start-up grants must:

- Be able to demonstrate why and how their business concept will be successful, including showing a strong point-of-difference
- Be able to demonstrate long-term financial viability as evidenced by a basic business plan including basic projected financial statements for the first two years of operation
- Be able to commence the business activity within 12 months following approval of the grant
- Details of the relevant business-related skills you and others involved in the social enterprise have to help support the business planning process and the future establishment of the social enterprise
- A clear explanation of why a social enterprise model is the best model for the proposed organisation/activities.
- Be able to clearly state the enterprise's particular social purpose as defined by a Mission and/or Vision statement:
 - demonstrate how the enterprise will achieve the stated social purpose and be able to report on progress towards meeting that purpose or goal
 - if the enterprise is based on an employment model explain how the new enterprise will support people in employment or self-employment from identified disadvantaged and marginalised groups*
 - outline the ongoing and long-term practicality of achieving the stated social purpose, for example: how long does the applicant plan to operate the business?

A social enterprise may receive only one start-up grant.

Expansion

(individual amounts of up to a maximum of \$10,000 available)

Expansion grants are designed to assist with the growth of existing social enterprises.

Expansion is defined as:

- an existing social enterprise operating in the City of Darebin municipality that plans to introduce a new or additional activity, product or service in Darebin

or

- an existing social enterprise that intends to relocate to or within the municipality as part of its expansion.

In addition to the grant application criteria listed above, applicants for social enterprise expansion grants must:

- be able to demonstrate why and how the business expansion will be successful, including showing a strong point-of-difference
- have a level of business or community program delivery success, supported by financial documentation
- be able to undertake the planned expansion within 12 months following approval of the grant
- be able to clearly state the enterprise's particular social purpose (as defined by a Mission and Vision statement) to date and demonstrate a level of success in pursuing that purpose
- demonstrate how the expansion will achieve the stated social purpose and be able to report on progress towards that achieving that purpose or goal
- explain how the expanded enterprise will better achieve outcomes from one or more of Council's stated priorities and goals (see below)
- demonstrate the ongoing and long-term practicality of achieving the stated social purpose, for example:
 - how long does the applicant plan to operate the expanded business?
 - does the applicant intend for employees to transition from the expanded business to other forms of employment and, if so, how and when?

A social enterprise may receive only one expansion grant.

Applicants for expansion grants will be expected to have other sources of funding, in addition to the social enterprise grants and be able to provide evidence that they are generating revenue from sources other than fundraising.

Quick Response grants (five individual grants available annually)

One off grants of up to \$1000 to fund a project or activity that assists in the start up or expansion of a social enterprise. These can be applied for at any time during the financial year but only until the allocation of \$5k is exhausted.

Funding may be used for:

- Fees for onboarding of interns/ volunteers/ work placement students
- Limited plant and equipment purchase (eg coffee machine, kitchen equipment, tools and cleaning equipment)
- Capacity building training (with recognised training providers, qualified consultants and/ or Learn Locals)
- Printing
- Marketing, advertising, publicity and promotional costs
- Materials and other items essential to a project or activity
- Transport costs for project participants
- Costs to support participation of people with a disability or house bound elderly people.

Funding may not be used for:

- Outstanding loans and debts
- Religious functions
- Gift vouchers, prizes and trophies
- To pay rent or rates
- Subscription or membership fees for other organisations

***Definitions**

Council Priorities and Goals

Equity and inclusion –

Darebin Council Goal 5 identifies that “we will lead on equity and recognize our diverse community as our greatest asset for solving future challenges”

Source: Darebin Council Plan 2017 - 2020

Support of marginalized and vulnerable population groups

Darebin Council seeks to encourage active participation of all residents, especially those who have been identified as “at risk” of exclusion, including but not limited to:

- people from Culturally and Linguistically Diverse (CALD) backgrounds,
- women,
- young people (aged 16 – 25),

- the aged,
- Aboriginal and Torres Strait Islander people,
- people with a disability,
- people experiencing or at risk of homelessness,
- recently arrived migrants, refugees and/or people seeking asylum,
- people who identify as being same sex attracted or gender diverse (LGBTIQ).
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Identified disadvantaged and marginalised groups for employment purposes:

- former refugees or asylum seekers,
- homeless or living in supported community housing,
- Aboriginal and Torres Strait Islander,
- long-term unemployed,
- those with a disability,
- disengaged young people (age 15 – 25)

Priorities for environmental sustainability

Through its climate emergency plans, Council also prioritises Environmental sustainability initiatives and those that address and mitigate climate change, these could include but are not limited to:

- Innovative recycling or waste management
- Urban farming or organic food production
- Food recycling/ re-distribution
- Alternative energy

Public Liability Insurance

In order to receive a Social Enterprise Grant, all applicants are required to have Public Liability Insurance with \$20 million cover (this may be reassessed on a case by case basis). A current copy of the groups Public Liability Insurance Certificate should be attached to their Community Grant application.

How will the Grant Application be Assessed?

Council assesses each application on its merits. Applications are to be completed using the Smart Grants application process and eligible applications will be assessed using the questions and criteria listed below. The percentage weightings are intended as a guide to the importance of each question in the assessment process.

Identified priorities in pursuing social purpose (25%)

- Does the application support identified Darebin Council priority areas (see above) in serving its social or environmental purposes?
- Can the applicant demonstrate a clear understanding of the needs of that priority area or group?
- Does the project or activity realistically support or address the issues faced by the priority area or group

Broader community benefit (25%)

- Is there benefit to the broader community outside of the priority area or group?
- Does the proposal focus on a region that experiences disadvantage such as a public housing estate?

- Does the application connect more than one priority (ie environmental sustainability and employment of marginalised groups)?

Measuring benefit and impact (25%)

- Does the proposal clearly identify the expected outputs and outcomes?
- Are there clear measures in place to demonstrate that the project or activity will actually address the need and is there a method to evaluate the project across the life of the grant?

Organisational capacity and planning (25%)

- Does the application present a well developed business plan and budget showing how a business model will help to achieve the goal of the application?
- Does the budget accurately reflect the scope and scale of the application?
- Is the applicant able to demonstrate sound ability to manage finances (ie through previous project experience)?
- Have other funding sources or income generating activities been identified?

Special consideration may be given to those projects and activities which are co-funded by the organisation either financial or in kind.