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**Rural Social Enterprise Investment Scheme**



Frequently Asked Questions

Who Can Apply / What is a Social Enterprise FAQs

1. **I am interested in applying but unsure if my project will fit?**

Before you submit your Expression of Interest you can seek advice by emailing [ruralsocialeconomy@daera-ni.gov.uk](mailto:ruralsocialeconomy@daera-ni.gov.uk) with details of your project. Three pre-application webinars have been arranged to provide detail on the scheme and the application process, week commencing 3rd and 10th October 2022. It is recommended that anyone wishing to apply to the scheme should register to attend one of the webinars. Details can be found on the DAERA website [insert DAERA weblink].

The Rural Social Enterprise Investment Scheme Sheet provides details of eligible and ineligible project costs [insert DAERA weblink]. You should note that this scheme will not provide funding for accommodation, childcare provision or gyms/sports provision.

1. **What is a social enterprise?**

A social enterprise is a trading business (i.e. selling goods and services) with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.

Social enterprises are different from those charities and voluntary organisations who do not have financial independence through trading income.

The social enterprise should be a legally incorporated body with Memorandum and Articles of Association / Governing Documents. A legally incorporated body can take a number of various forms including limited company, company limited by guarantee, registered charity, charitable incorporated organisation (CIO), community interest company (CIC), co-operative and community benefit societies, credit unions, sole trader or business partnership. It must be distinct from the public sector and cannot be the subsidiary of a public body. A Social Enterprise should also have a Governing Board of Directors.

1. **Can a private individual or private business apply to the Scheme?**

No. The Scheme is only open to social enterprises as described above.

1. **I am a farmer and run a farm business can I apply?**

No. The Scheme is only open to social enterprises as described above.

1. **What is meant by established social enterprises?**

Established Social Enterprises are defined as enterprises currently trading, and have been trading for at least 2 years, evidenced by 2 years trading accounts.

1. **What does financial independence mean?**

Financial independence means that the majority of funds in the business are raised through trading activities and not from grants or fundraising.

1. **What is meant by non-agricultural activity?**

In the context of this scheme non-agricultural activity means the social enterprise project you are seeking funding for is not related to agricultural production.

1. **Can we make more than one application to the Scheme?**

No, only 1 application per organisation is permitted.

Rural FAQs

1. **What evidence do I need to demonstrate rural benefit?**

The focus of this call is on rural social enterprise. It is expected that applications will come from organisations operating in and supporting rural areas/communities. In exceptional circumstances consideration will be given to projects where population numbers fall into urban centres and where it can be demonstrated that most of the benefit from the project is directed to rural areas or communities. Depending on the nature of the project you may be asked to account for the numbers using the service and how it benefits rural. It is recommended that you seek advice from [ruralsocialeconomy@daera-ni.gov.uk](mailto:ruralsocialeconomy@daera-ni.gov.uk) prior to completing your application. [insert DAERA weblink to Rural Definition].

Financial FAQs

1. **How much money is available for the scheme?**

The scheme is designed as a pilot with an initial budget in the region of £500,000.

1. **What is the percentage of grant?**

Grant will be paid at 80% of eligible project costs up to a maximum grant of £100,000, the 20% match funding must be in cash. The minimum grant payable is £50,000. For reference, your eligible project costs will be £62,500 for grant of £50,000.

1. **What is meant by de-minimis?**

The term de-minimis means a small amount of aid that is unlikely to distort competition. In the context of this scheme to meet de-minimis your organisation must not have received more than £170,000 in public funding in any 3 fiscal year period. If you have received funding to this level, you should contact your previous funder(s) to see if de-minimis is applicable.

1. **Can the match funding come from another EU source?**

The grant can **NOT** be matched with funding from an EU source.

1. **Do I need to show cashflow for the project or organisation?**

Your cashflow should be for the organisation as a whole, clearly showing the project within it and the impact it will make on cashflow. This is not required for Expression of Interest stage. You will be asked to provide this if you are asked to submit a full application.

1. **Can I include other revenue costs associated with the project?**

The focus of this scheme is primarily on capital works. Please refer to the Scheme guidance for more information relating to the minimum and maximum levels of support available.

1. **Do I need a separate bank account for the project?**

You will have to account for the total expenditure of the project. Some organisations find it easier to manage this using a separate bank account whilst others may choose to operate a separate cost centre. Whatever your preferred option you will be required to provide evidence by way of bank account information and statement of total expenditure.

1. **Are phased payments allowed?**

Phased payments may be permitted provided there is sufficient evidence of need to support the implementation of the project.

How to Apply FAQs

1. **Where do I access the Expression of Interest application form?**

The Expression of Interest is an online application and access details are available on the DAERA website [www.daera-ni.gov.uk/grants-and-funding/rural-development-grants](http://www.daera-ni.gov.uk/grants-and-funding/rural-development-grants) . We would encourage you to access the pre-application support provided in advance of making your application. Please email [ruralsocialeconomy@daera-ni.gov.uk](mailto:ruralsocialeconomy@daera-ni.gov.uk) for further information.

1. **Where do I access the full application form?**

If your organisation and project are deemed ineligible at Expression of Interest stage, you will be informed of the reasons for this and you will not be invited to submit a full application. If your organisation and project are deemed eligible at Expression of Interest stage, you will be invited to submit a full application and the online application will be accessible through the DAERA website, when available.

1. **Can I apply online?**

The Expression of Interest application form and full application must be completed online.

1. **Do I need to sign a hard copy application form?**

The declaration on the application form notes ‘By submitting and/or agreeing to the submission of this application form I agree to the following declaration’. The submission of the online application form will be taken as an electronic signature.

Procurement FAQs

1. **Does procurement have to be carried out prior to submitting an Expression of Interest (EOI)?**

No. The EOI requires estimated costs only, although these should be realistic and based on research carried out.

1. **Does procurement have to be carried out prior to full application?**

Yes. If your EOI is deemed eligible, you will be invited to submit a full application for funding. You are required to source quotations as part of the full application in line with the scheme procurement guidance.

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1. **What is needed in terms of quotations?**

Scheme procurement guidance provides detailed information relating to procurement and what is required to submit your full application. Please ensure you read this carefully prior to seeking your quotations and submitting your full application if invited to do so. Mandatory requirements include:-

• A detailed written specification for each procurement

• Alternative prices (minimum of 3 quotations) for all items being sourced

• Evidence of suppliers/businesses asked to quote or tender

• Evidence of quotations/tenders submitted by suppliers

• Retention of all original procurement documentation as evidence for project claim

stage.

1. **How recent do my quotations need to be?**

Quotations need to be dated within 3 months of your full application being submitted. Remember they must be on headed paper, signed and dated by a company employee. The availability of the item and the timescale for delivery on site is also important to show that the item will be delivered within the scheme timescales.

Legal Title, Leases, Planning, Licences, etc FAQs

1. **Do you need to own the premises where the project is taking place or is a lease sufficient?**

The Expression of Interest application will ask about legal title. The options for legal tenure include freehold (the organisation owns the premises where the project is taking place) or lease hold (the organisation has a lease agreement in place for the premises where the project is taking place). You do not need to own the premises, but you would be expected to have a suitable lease in place at the time of offer, if your project is successful.

1. **What is the length of lease required?**

The length of lease is subject to the level of investment and the nature of the project. At a minimum you would be expected to have a 10-year lease in place. Lease arrangements will be checked at time of Offer.

1. **Does planning permission/licences required for the project need to be approved prior to submission of Expression of Interest or full application?**

If planning permission or any licences are required for your project, you must at least have applied for these, prior to submitting a full application, if you are invited to do so.

Application Decision FAQs

1. **When will decisions on applications be made?**

DAERA will look at the Expressions of Interest submitted to determine eligibility for the scheme. If your application is deemed eligible you will be invited to submit a full application. Decisions on full applications are expected to be made by early February 2023.

Other FAQs

1. **Is there a job creation target contained within the scheme?**

There is no specific job creation target for the scheme. The scheme is designed to help grow social enterprises through achieving one or more of the following (refer to scheme information sheet): –

• Improving the sustainability of your rural social enterprise

• Strengthening rural community/communities

• Improving the economic circumstances of rural communities

• Working in partnership with others

1. **Will the Scheme fund professional fees only to get us to a shovel ready project?**

Professional fees are only eligible if they form part of a larger project being funded, on their own they would not be eligible. If part of a larger project they can only account for a maximum of 10% of the overall eligible grant. Professional fees incurred prior to the issue of a Letter of Offer are not eligible.

1. **I would prefer to talk to somebody as opposed to email**

A ring back can be arranged. We would ask that you email [ruralsocialeconomy@daera-ni.gov.uk](mailto:ruralsocialeconomy@daera-ni.gov.uk) in the first instance to request a ring back.

**For further information:**

Rural Affairs South

Department of Agriculture, Environment and Rural Affairs  
Rural Affairs Division

Glenree House Annex

Springhill Road

Carnbane Industrial Estate

Newry

BT35 6EF

Email: [ruralsocialeconomy@daera-ni.gov.uk](mailto:ruralsocialeconomy@daera-ni.gov.uk)

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**RURAL SOCIAL ENTERPRISE INVESTMENT SCHEME – PILOT 2**