

**Third Sector Enterprise Fund  
&  
Third Sector Credit Union Fund**

**Help Notes for Applicants**

May 2009

This document can be translated on request into your community language, or can be made available on request in large print, Braille or audio cassette/other formats. Please contact Scottish Government, Third Sector Division, telephone number **0131 244 3540**

# THIRD SECTOR ENTERPRISE FUND HELP NOTES FOR APPLICANTS

The aim of the Enterprise Fund and Credit Union Fund is to secure a transformational step change in the capacity, capability and financial sustainability of third sector organisations.

## Before You Start

Please read these key documents before completing the application form:-

- Third Sector Enterprise Fund Investment Strategy 2008-2011
- Information and Guidance for Applicants
- Help Notes for Applicants

You will find these at the following link:-

[www.scotland.gov.uk/Topics/People/15300/funding/enterprising-skills-fund](http://www.scotland.gov.uk/Topics/People/15300/funding/enterprising-skills-fund).

If you have any questions please email us at [enterprisefund@scotland.gsi.gov.uk](mailto:enterprisefund@scotland.gsi.gov.uk)

The **Third Sector Enterprise Fund** offers awards of between £25,000 and £100,000 to eligible organisations.

The **Third Sector Credit Union Fund** offers small grants of between £2,500 and £25,000 to established Scottish Credit Unions, **and is for Credit Unions only**. However, Credit Unions can apply to the Third Sector Enterprise Fund if they are looking for more than £25,000.

The Funds will remain open until the £12 million has been committed; however we expect to make awards throughout 2009 and all funds must be claimed by March 2011. We are looking for robust proposals that demonstrate clearly how you think our funds can help you to develop your organisation.

## How to complete your application form

You should complete an electronic version of the application form. Most of the fields are fixed, but you may add separate sheets if necessary. To insert a 'X' in the relevant boxes, double click on the box and select the 'Checked' radio button, then click 'OK'. If you do not have access to a PC, please complete a hard copy of the form in **BLACK INK**.

Please e-mail your completed application and supporting documents to the e-mail address provided at the end of the application form. If your supporting documentation is not available electronically please post it to the address at the back of the application form with a covering letter clearly stating what the documents relate to.

All applications of over £70,000 must be supported by a business plan. If you need help to prepare a business plan you can contact [Business Gateway](#), [Aspire to Enterprise](#) (who offer free advice) or [CEiS](#) who may be able to help you.

If your application is incomplete, we will return it to you, so please check it carefully before you send it to us.

If you need a copy of any of our documents in another language or different format please contact us on tel: 0131 244 3540.

## Section A: BASIC INFORMATION

- Q1: If you are applying as a consortium or partnership, a nominated lead partner or organisation should complete the application form on behalf of the other partners.
- Q2: Please provide details of all delivery partners including their roles in the proposal. We will award funding to the consortium lead partner and you will need to demonstrate that there is an agreement in place on the distribution of funding amongst the other consortium members.
- Q3: Legal personality means that an organisation must be formed in such a way (eg, as a limited company, partnership, trust etc) that it can legally be a party to a contract. The Fund will not support unincorporated organisations.

## Section B: THE APPLICATION

- Q1: In this box please enter the planned start and end dates of your investment proposal. These dates may differ from the dates we ask you for in Q2.
- Q2: Please tell us how long you need our funding for, including start and end dates. Your start date should be at least 6-8 weeks after the date of submission of your application to allow time for our assessment. We are unable to fund proposals retrospectively. Our funding is available from 1 April 2009 until 31 March 2011. All funding awarded **must** be claimed by 31 March 2011.
- Q3: Please tell us how much you are applying for from our funds, broken down by capital and revenue in each financial year. For example, if you are applying for machinery, tell us what the item is, how many you are buying and when you intend to make the purchase. Remember, both Funds are focused on changes to your organisation's capacity and capability; therefore the Fund will not support your day-to-day running costs or project delivery.

**NB: If you are able to reclaim VAT, please do not include VAT in your calculations.**

If you are requesting £70,000 or more, remember to submit your business plan. A good business plan may include an executive summary; a short description of the business proposal; market research; marketing strategy; details of the management team; operations and financial details (including cash flow forecasts in relation to your proposal). Your business plan will be considered along with your proposal. (Please refer to page 7 of the Information and Guidance to Applicants for further information).

## Section C: MORE ABOUT YOUR ORGANISATION

- Q1: Please tell us what your organisation's focus is and what it is trying to achieve. Please tell us how your organisation is structured and managed. You may want to include an organisational chart.

- Q2: Volunteer numbers should be Full Time Equivalents (FTE) using 35 hours as the normal working week.
- Q3: Please tell us about the main beneficiaries/client group your organisation currently serves as this may differ from those you intend to benefit from your proposed new or expanded activity.
- Q4: Please check the relevant boxes to indicate the area(s) your activities cover. Please remember that we can only support activities that serve beneficiaries in Scotland.
- Q5: Please tell us about other organisations that you currently work with or have links with. (If you are submitting a consortium or partnership application, you do not need to include details of organisations you have already told us about at Section A.)
- Q6: Tell us about research you have undertaken to identify the market needs your proposed activity aims to address. For example, if you are planning to expand services or create new enterprising activities, please tell us about any similar initiatives and explain how your proposal will complement rather than duplicate these. You should include details of the work of any known competitors. We cannot support proposals that will result in displacement.
- Q7: We expect all organisations who receive Scottish Government funding to operate inclusively. This is why we ask you to tell us how you promote equal opportunities and diversity. Please tell us about your equal opportunities and diversity policies, any equal opportunities and diversity training you provide for your staff and volunteers, equal opportunities and diversity recruitment practices and anything else you think is relevant.

## **Section D: ABOUT YOUR PROPOSAL**

- Q1: Please tell us:
- What you want to do and what activities our investment will fund;
  - How the type of work you do will change as a result of your proposal;
  - Why you feel this work is required;
  - Who your beneficiaries will be and in which geographical area they will be. This may be different from those individuals and the areas you currently serve.
- Q2: Building the capacity, capability and financial sustainability of the third sector is the key purpose of this Fund and we want our Funds to support improved sustainability as one of the main outcomes for third sector organisations. Provide as much detail as you can on how your organisation's capacity or capability will increase as a result of your proposal. This should include the outcomes you expect to achieve. You should think about:
- How the funding will help to make your organisation more sustainable;
  - How the changes to your organisation will help you to do things better.

Here are some examples of ways in which the Funds could support increased sustainability:-

- Increased sustainable income from securing new contracts;
- Increased financial independence/health and less dependence on grants/loans;
- Stronger/more effective Boards and governance arrangements in place;
- Staff with more or better skills allowing your organisation to deliver better quality services;
- Organisations better equipped to identify and exploit market opportunities;
- Organisations with better management systems and processes.

Q3: Please tell us how your proposal will contribute towards any of the three investment priorities. For example, will your proposal help your organisation to support more people into employment, reduce the amount of household waste or help to improve people's health?

Q4: We expect our investment from the Funds to contribute towards one or more of the Scottish Government's 15 National Outcomes. These are appended at the back of the application form. In many cases third sector organisations can contribute to these outcomes in multiple ways. Information about our aims and objectives and those of the Enterprise Fund are set out in the Investment Strategy and Guidance Notes.

Q5: Please enter details of the entire project cost broken down by capital and revenue identified by cost items. The Enterprise Fund and Credit Union Fund are designed to support enterprising activity and behaviours, and organisational development and change. This means we cannot pay for your normal day-to-day running costs or project delivery.

Q 6: This refers to any match funding you may have to support your proposal. We would expect an organisation, or in the case of a consortium, all of the partners, to be making a contribution to the cost of the proposal, whether in cash or in-kind. Please provide contact details of all confirmed and potential match funding partners, including details of whether this is grant, loan, or other funding, on a separate sheet if necessary. If you have applied for funding from other sources but have not yet received confirmation, please tell us when you expect to hear.

Q7: If you answer yes to this question, please provide details about any assistance you have received from a public body or publicly funded body (eg, European funding, other Scottish Government departments, Scottish Enterprise etc) you have received. This helps us to ensure we operate within State Aid rules. There is more information about State Aid in the Information and Guidance for Applicants.

## **Section E: IF YOU ARE SUCCESSFUL**

Q1: In most cases we will make payments in two or three stages. We normally make payments supported by evidence of expenditure. However, it may be possible to consider working capital where a clear need for this can be demonstrated.

Q2: Please let us know how you are going to **monitor** progress towards achieving the increased sustainability you have told us about in Section D. You should think about and include:

- What targets/milestones/performance indicators you will set to monitor progress
- What evidence you will gather to show what progress you are making, and how you will record this evidence
- Who you need to communicate with to record the effect your proposal is having, for example your staff, other partners, other funders, beneficiaries

Please also tell us how you will **evaluate** the overall impact of your proposal.

Q3: The Enterprise Fund and Credit Union Fund are available over 2009-2011. Please tell us how will you take forward or sustain the changes you have made within your organisation once the funding comes to an end.

## Checklist

Please check the boxes to confirm that all supporting evidence and documents are included with your application. If you forget to include anything we will return the application to you. If possible please send us electronic rather than hard copies of your completed application form and supporting documents.

## Declaration

Please confirm the application form has been endorsed by an authorised person within your organisation.

## FREEDOM OF INFORMATION (SCOTLAND) ACT 2002

Applicants to the Third Sector Enterprise Fund and the Third Sector Credit Union Fund should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 as well as the Environmental Information (Scotland) Regulations 2004 and the Data Protection Act 1998. Please therefore note that information provided, including personal information, may be published or disclosed in accordance with the aforementioned legislation. When submitting an application, please let us know if there are any parts of it which would prejudice your commercial or other interests if they were made public. However, given our legal obligations, please note we cannot guarantee confidentiality.

## FEEDBACK

We try to improve our procedures continuously. If you have any comments about this application form or our application process, we would like to hear from you. You can contact us at [enterprisefund@scotland.gsi.gov.uk](mailto:enterprisefund@scotland.gsi.gov.uk)