

Reference Document

Community Enterprise Initiative 2015 - 2017

1. Objectives of the Fund

The objective of the Community Enterprise Initiative Scheme (2015 – 2017) is to stimulate and support enterprise and job creation throughout the country at local, community and regional level. Through the utilisation of existing infrastructure and the leveraging of nationally available enterprise supports.

The specific objectives of the scheme include:

- The fostering of an increased collaborative, networked and linked approach to regional and local enterprise development and job creation
- The establishment of hubs, accelerators, networks and clusters or other partnerships based on regional strengths, opportunities and uniqueness. Within this is the establishment of partnership activities where innovative start-ups can be established in a supportive network before graduating to other support mechanisms or self-sufficiency
- Proactively seeking out, encouraging and supporting applications from economically disadvantaged areas and areas facing potential economic shock to foster *potential* opportunities for job creation and supporting enterprise
- Promotion of a progression pathway for companies as they start, develop and scale.

2. Legal Basis

The Community Enterprise Initiative Scheme (2015 – 2017) is administered in accordance with the Industrial Development (Enterprise Ireland) Act 1998, s7(1)(i).

This project is eligible under Section 7(1)(i) of the Industrial Development (Enterprise Ireland) Act 1998 conferring on Enterprise Ireland all such powers as are necessary for, or incidental to, the performance of its functions under the Act - in this case “*to develop industry and enterprise in the State*”.

3. State Aid Basis

Commission Regulation No. 1407/2013 *de minimis*

This scheme is also subject to state aid regulation under aid under the *de minimis* rule at the level of the Development Group for the Community Enterprise Initiative. Therefore, the scheme constitutes state aid within the meaning of Article 87 (1) of the EC Treaty insofar as the *de minimis* ceiling of €200,000 per Community Enterprise Initiative over a period of three year rolling period as per Regulation (EC) No.1407/2013 is not exceeded.

4. Eligibility Criteria

To deliver on the objectives of the Community Enterprise Initiative Scheme (2015 – 2017), the following criteria are required to be met:

- 1) A credible plan demonstrating innovative solutions to fostering and creating employment locally and/or regionally in a collaborative manner.
- 2) Commitment of matching finance and demonstration of the financial viability of the project.
- 3) Details of the community group – its make-up and structure
- 4) Details of previous performance and achievement record if applicable

Applicants should highlight the following details in their submission if applicable:

- 5) demonstrate how a proposal fits with existing public and private infrastructure e.g. availability of business space in creating enterprise hubs and clusters across the region
- 6) promotion of a culture of entrepreneurship locally and/or regionally
- 7) developing a capability to start-up and scale companies through a supportive business environment
- 8) support micro enterprise with the potential to export
- 9) provide new platforms for mentoring, including voluntary, and filling gaps within the existing infrastructure
- 10) facilitating a hub where innovative start-ups can be established in a supportive network before moving on to accommodate the next cohort of emerging enterprises
- 11) working with their Local Enterprise Office (LEO), to facilitate start-ups with a defined path for onward progression
- 12) maximising existing enterprise clusters or developing new networks in a region
- 13) building on existing strengths or opportunities, e.g. developing a sectoral opportunity where there is a competitive advantage
- 14) bringing originality in approach and objectives, and leveraging other stakeholders to explore how all the local partners, public and private, can work together to maximise job creation in their region (mentoring, funding, networks)
- 15) promoting public and private partnership, e.g. alignment, collaboration with other players (e.g. LEO, Education & Training Board (ETB), Higher Education Institutes (HEIs), and Chambers of Commerce etc.)
- 16) innovation in approach to stimulating enterprise and 'best practice'
- 17) where a business development function has already been supported, past performance and the achievement of key metrics and targets will be taken into consideration in respect of any new application. Furthermore, a new application must demonstrate significant additional and increased economic impact to the local economy
- 18) each application must demonstrate a clear path toward self-sustainability
- 19) key performance metrics and timelines for project delivery and the approach to monitoring of same must be included in the application.
- 20) With regard to modification costs the groups must own the building **or** must hold a lease of not less than 15 years.

5. Ineligible Applications

The Scheme is not open to the following;

- 1) Applications that are submitted late or beyond the deadline.
- 2) Incomplete submissions
- 3) Applicants that are not a legally registered entity at the date of application.
- 4) Activities that fall within gambling or 'gaming' as defined in the Gaming & Lotteries Act 1956.

6. Eligibility

All applications will be screened for eligibility for the Scheme. Ineligible applicants will be informed within two weeks of the call close for receipt of applications.

7. Eligible Projects

- a) To undertake a feasibility study to determine the need and viability of establishing a community enterprise initiative.
- b) To recruit a suitably skilled manager.
- c) To carry out significant modification/modernisation work to a vacant premises or an existing Centre. These costs are applicable to both newly identified community groups with a vacant premises or existing Centres requiring modification/modernisation.

Eligible modification costs will only be provided to proposals carrying out significant upgrading work rather than routine maintenance work.

- d) Collaborative projects seeking to create jobs, promote entrepreneurship, boost innovation and export growths. Examples of the expected type of collaboration would be:
 - Establishment of a volunteer mentoring database operating on a regional basis
 - a group of CECs could collaborate in order to have the capacity to offer better support services to client companies;
 - the recruitment of Enterprise Partners to give access to a greater level of practical problem solving expertise to client companies e.g. financial, taxation, internationalisation etc.
 - the forming of alliances with the local HEIs or ETB to give access to domain expertise (marketing, exporting, prototyping, design etc.) that could strengthen the support the strengthening of the capability of clients.

8. Eligible Costs

- a) Feasibility Study costs include:
- Salary costs of the applicant/employees of the Applicant;
 - Overheads
 - Fees of external Consultants – e.g. quantity surveyor/engineer report
 - Travel and subsistence - Domestic

Full details on eligible expenditures and limits are outlined in Appendix 1.

- b) Suitably skilled Manager costs
- Certified annual salary (excluding Employer's PRSI, bonus and commission) associated with the appointment of a suitably skilled manager.
- c) Modifications may include:
- Internal structural work such as manufacturing conversion to office space and vice versa
 - Test kitchen facilities
 - Upgrade of Wi-Fi access
 - Hot desk Facilities
 - Architectural Design costs
 - Networking facilities
 - Modifications may not include works that can be considered by Enterprise Ireland as routine/minor/wear and tear/maintenance work etc.
- d) Collaboration costs may include the establishment of hubs, incubators, clusters, networks, or other partnerships to promote job creation through new start-ups, business expansion, innovation and exports. Other innovative solutions stimulating the start-up culture, enterprise capability and job creation potential of the region is also encouraged. Eligible costs include;
- Salary costs of employees of the Applicant (excluding Employer's PRSI, bonus and commission);
 - Overheads
 - Fees of external Consultants – e.g. quantity surveyor/engineer report
 - Travel and subsistence – Domestic
 - Website Development
 - Branding

9. Maximum Funding Levels

While there will be flexibility in the funding model to allow applications to be innovative. The following financial support is available:

- a) **Feasibility Study/local business plan**
- Up to 50% of eligible expenditure or €25,000 whichever is lesser to be paid over a period not exceeding 1 year.
- b) **Skilled Manager** – applies to both new and existing centres
- Up to 50% of eligible expenditure or €50,000 whichever is the lesser to be paid over a period not exceeding 2 years, to put in place a full-time person
 - Up to 50% of eligible expenditure or €25,000 whichever is the lesser to be paid over a period not exceeding 2 years, to put in place a part-time person

- Up to 50% of eligible expenditure or €50,000 whichever is the lesser to be paid over a period not exceeding 2 years, to put in place a full-time person to be shared by a number of initiatives.
- c) **Modifications**
- Up to 50% of eligible expenditure or €200,000 whichever is the lesser to be paid over a period not exceeding 2 years.
- d) **Collaborations**
- Up to 50% of eligible expenditure or €200,000 whichever is the lesser to be paid over a period not exceeding 2 years.

10. Closing Date

Completed applications must be submitted before 6 p.m. on the Call Close Date, of 10th July 2015 to Enterprise Ireland's mailbox: cei.csu@enterprise-ireland.com.

Late applications will not be considered.

Any expenditure incurred prior to the Call Close date is not eligible for support.

11. Application Process

The Community Enterprise Initiative Scheme (2015 – 2017) is a competitive scheme.

Applications for funding will be invited through a public call for submission of projects. These calls will be announced in the National Press. All Applications will be subject to an Assessment and Selection process.

Application forms and guidelines are available from [Enterprise Ireland's website](http://www.enterprise-ireland.com/communityenterpriseinitiative).
www.enterprise-ireland.com/communityenterpriseinitiative

On submission of an application, an auto-generated email will be sent to confirm that Enterprise Ireland has received the application form. After the deadline for receipt of applications, when initial checks are carried out, each application will be acknowledged within 3 working days.

Applicants who do not receive either acknowledgement should immediately contact cei.csu@enterprise-ireland.com.

12. Evaluation Process

An Evaluation Panel, comprising of members from Enterprise Ireland, the Department of Jobs, Enterprise and Innovation (DJEI) and relevant public and private bodies will be set up to evaluate all eligible projects using the following criteria;

	Evaluation Criteria	Weighting
1	The degree to which community interests are represented on the Community Group.	10%
2	Financial need and viability of the Community Enterprise Initiative plan and value for money to the State.	25%

3	Start Up and Employment forecast	25%
4	Co-operation with external stakeholders	20%
5	Future plans for development of the initiative	20%
Total		100%

The Evaluation Panel will score each applicant based on how well these weighted issues are addressed and will rank them in order of merit. Applicants that are being considered for support must have attained at least 60% of the score available at this stage.

Where two or more applicants have the same score, the scores attained, by each of those applicants, in the following criteria, will be applied, as necessary, in the order set out below to determine the ranking of the applicants:

- The applicant with the highest score under 'Start Up and Employment forecast';
- If the scores are still even, the applicant with the highest score under 'The degree to which the community interests are represented on the Community Group';
- If the scores are still even, the applicant with the highest score under 'Financial need and viability';
- If the scores are still even, the applicant with the highest score under 'Co-operation with external stakeholders';
- If the scores are still even, the applicant with the highest score under 'Future plans for development of the initiative'.

The available fund of **€5,000,000** (first call to be allocated €4,000,000) will then be allocated to the applicants being considered for support, in rank order until either (1) the fund is exhausted as per the first call or (2) funding has been allocated to applicants that have achieved the minimum score (i.e. 60%).

A recommendation is then made to Enterprise Ireland's approving committee based on the results of the Evaluation Process and allocation of funding.

A prerequisite for proposals for funding under the Community Enterprise Initiative Scheme is a business plan which clearly communicates the potential to create jobs, promote start-ups and to support an increased level of exporting including through the development of enterprise hubs and partnerships.

Priority will be given to new initiatives that can yield economic additionally at the community and regional level and to those working across multiple locations with a regional focus. Projects will be evaluated by reference to the following evaluation criteria:

The degree to which community interests are represented on the Community Group – 10%.

- Experience and capability of the management of the community group to implement the business application.

Financial need and viability of the Community Enterprise Initiative plan – 25%

- Value for money to the State.

- Total Cost: Amount of funding required for the initiative to make it financially sustainable.
- Need for Money: The extent to which this project would not be able to go ahead without state support.
- Financial History: Financial track record of the applicant group if relevant.
- Previous State Funding: The previous track record in implementing State funded projects if relevant.

Start Up and Employment Forecast – 25%

- The current and forecasted new start-ups and new jobs over the next 2 year period.
- The proportion of high value added activities as determined by the evaluation committee such as:
 - i. Export potential
 - ii. Local Enterprise Office clients
 - iii. New Enterprise Ireland clients
- Nature, level and development potential of new start-ups/micro enterprises to be facilitated

Co-operation with external stakeholders – 20%

- Degree of cooperation with second and third level institutions in the area.
- Degree of cooperation with local Entrepreneurs and the wider business community.
- Degree of cooperation with business Development stakeholders, LEOs, Council, Chambers of commerce, CECs, LEADER, Enterprise Ireland etc.
- Degree of cooperation, collaboration and networking with other Community Enterprise actors/stakeholders in the area.

Future Plans for development of the initiative – 20%

- Promotional activities and details of raising awareness of the Community Enterprise Initiative.
- The facilities and services to be provided by the Community Enterprise Initiative.
- The degree of specialisation provided by the initiative.

13. Approval

Following formal approval by Enterprise Ireland's approving committee, a formal letter of offer will be issued to the successful applicants.

14. Grant Agreement

Successful applicants must return acceptance of the offer within 60 days of the date of the letter of offer. This letter of offer, when accepted, forms a legal agreement between Enterprise Ireland and the Applicant. The engagement referred to above will also involve verification of the appropriate legal entity to which the offer of funding will be made.

Unsuccessful applications will be notified at the earliest opportunity and will be offered feedback.

15. Drawing down grants

Claims in respect of eligible expenditure must be submitted to Enterprise Ireland on or before the Final Claim Date (as set out in the Letter of Offer) and should include all the documents (in a format acceptable to Enterprise Ireland) relevant to this type of grant as listed on that part of Enterprise Ireland's website which deals with grant claims. <http://www.enterprise-ireland.com/en/process/>

16. Confidentiality

Enterprise Ireland will not release any information received as part of this application except for evaluation as set out above or as may be required by law, including the Freedom of Information (FOI) Acts 1997 and 2003 and the Data Protection Acts 1998 and 2003. In the event of a FOI request, the client where possible will be given reasonable advance notice.

As part of its evaluation process, the application will be given to an assessment panel which will include external assessors as well as Enterprise Ireland employees. All external assessors will have signed a confidentiality agreement with Enterprise Ireland.

17. Further Information

Applicants are encouraged to engage with Regional Enterprise Ireland staff prior to submitting their application.

Enquiries with regard to the above should be sent to Gillian Slattery,
Phone No: 061 777027
E-mail: gillian.slattery@enterprise-ireland.com

Or contact your local Regional Enterprise Ireland Office.

Appendix I: Eligible Expenditures and Limits

Note: Expenditure claimed must be incurred by the legal entity to which the grant is offered.

a) Feasibility Study

Salaries and Overheads:

- The maximum eligible salary per applicant/employee of the applicant is €1,000 per week (€200 per day) for a maximum of 12 weeks (60 days).
- Only time spent on the proposed project by the applicant/employees of the applicant is eligible.
- Claims for wages and salary support for the applicant/employees of the applicant must be supported by payslips and proof of payment.
- Where the business is pre-trading, input of the applicant's time may be eligible, subject to proof of loss of earnings.
- Support for external consultants must be applied for in the Consultancy Fees section (see below).
- Time spent by the applicant/employees of the applicant preparing for and attending a Trade Fair is ineligible.
- Overheads up to a 30% of eligible salary costs can be applied for.

Domestic Travel and Subsistence:

- Only Travel and Subsistence costs for domestic trips related to the proposed project are eligible.
- Travel and Subsistence costs must be for the applicant/employees of the applicant.
- Subsistence rates cover all out-of-pocket expenses including hotels, meals, taxis, incidentals etc.
- Eligible Travel Costs: Economy rail fares, mileage (60c per kilometre) or economy car hire (note: mileage cannot be claimed on hire cars)
- Eligible Subsistence Rates: Overnight Rate (*24 hr period*): max €150; Day rate (< 24 hours): €60.

Consultancy Fees:

- The daily rate is to be inclusive of consultant's time and all associated travel, subsistence and out-of-pocket expenses.
- Maximum consultancy rates are: 1–20 days: €900 per day; 21–30 days €700 per day.
- A maximum of 30 days per consultant is eligible. Where more than one consultant is being used from the same firm the 30-day maximum and daily rates will apply to the firm.

