



# SOCIAL ENTERPRISE DEVELOPMENT FUND

We are now in the third year of the Social Enterprise Development (SED) Fund and the evidence of the impact of the Fund is clearly emerging. **To date the SED Fund has supported 33 social enterprises, who in turn have provided services to 35,000 people and created 164 jobs.**

The SED Fund is delivered by Rethink Ireland in partnership with Local Authorities Ireland. The Fund is proudly supported by IPB Insurance and the Department of Rural and Community Development (DRCD) via the Dormant Accounts Fund. IPB Insurance is an Irish owned general insurance company which protects and supports their local authority members and their communities across the length and breadth of Ireland. Every euro raised in philanthropy by Rethink Ireland is matched by Government through the Department of Rural and Community Development from the Dormant Accounts Fund and more recently through the Departments of Employment and Social Protection and Children and Youth Affairs.

It has funded and supported some of Ireland's most innovative social enterprises and has brought some of Ireland's most innovative social enterprises to national attention. From Spraoi agus Spórt in Donegal to Active Connections in Cork, the SED Fund has supported social enterprises to tell their stories, scale their impact and plan for the future. The SED Fund has been responsible for Rethink Ireland's first investments in counties such as Clare, Monaghan and Wexford.

The social enterprise sector has experienced unprecedented turbulence due to the COVID 19 pandemic but now, more than ever, innovative social enterprises are needed to respond to the needs of the people in Ireland. Rethink Ireland would like to thank each Local Authority for their ongoing support as we work together to help Ireland's most vulnerable stay safe and recover.

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# SOCIAL ENTERPRISE DEVELOPMENT FUND: SUPPORTING SOCIAL ENTERPRISES IN IRELAND

At Rethink Ireland, we believe in the power and potential of social enterprise to address Ireland's most pressing social issues. Social enterprises work in a wide variety of sectors and have varying business models. However, they are **united in their pursuit of a social mission** rather than financial profit. Ireland's National Social Enterprise Policy, describes social enterprises as organisations:

- Whose objective is to achieve a social, societal or environmental impact, rather than maximising profit for its owners or shareholders.
- Who pursue their objectives by trading on an ongoing basis through the provision of goods and/or services, and by reinvesting surpluses into achieving social objectives.
- Who are governed in a fully accountable and transparent manner and are independent of the public sector. If dissolved, they should transfer their assets to another organisation with a similar mission.

The potential that social enterprises have to move the dial on social issues is why in 2018 Rethink Ireland partnered with Local Authorities Ireland, IPB and the DRCDC to create a €1.6 million Social Enterprise Development (SED) Fund. In 2020, we were delighted that a further two year partnership made this a €3.2 million Fund.

**ENTERPRISE  
+ SOCIAL MISSION  
= IMPACT**

## STRUCTURE AND PURPOSE OF THE SED FUND

The objective of the Fund is to find and back social enterprises that add to the social and economic fabric of their community by way of social impact. The SED Fund provides critical support to the most innovative and impactful social enterprises across Ireland, helping them to:

- Increase their social impact;
- Increase their traded income;
- Create more jobs; and
- Develop long-term, effective and sustainable solutions to societal problems.

The SED Fund provides Awardees with cash grants and a place on the SED Fund Accelerator Programme.

The SED Fund Accelerator Programme is Ireland's only national Accelerator Programme specifically designed for social enterprises. It is designed to help social enterprises develop their business skills and to provide them with ongoing peer support and advice so that they develop sustainable enterprises that have a powerful impact in their community. This impact may include enabling people to access affordable housing, promoting social inclusion or providing innovative solutions to long term healthcare needs.

The SED Fund Accelerator Programme provides training from best-in-class experts across the private, nonprofit and public sector. Training is provided across a range of functions including strategic planning, impact measurement, finance management, governance, business modelling, pitching, storytelling and more. The Accelerator Programme also includes the financing of business and mentoring supports tailored to the needs of each organisation, such as market research, marketing plans and impact strategies.

# KEY MESSAGES

**1 Social enterprises play a critical role in addressing societal problems.** They offer sustainable and scalable solutions to a hugely diverse range of social and environmental problems. Through the SED Fund we have supported organisations that are working on issues including the underemployment of people with a disability, to the lack of accessible and affordable mental health supports, to high landfill rates. They have the capacity to really make a dent in these issues.

**For Example** – St Gabriel’s Orthotic Service provides orthotic treatments for children with disabilities throughout the Midwest of Ireland. Orthotic devices are essential treatments that help children with disabilities stand, walk, run and play. In 2019, St Gabriel’s Orthotic Service provided 704 orthotic interventions for children with complex needs. As the only social enterprise orthotics provider in Ireland, St Gabriel’s Orthotic Service is helping to meet the need for more accessible and affordable orthotic treatments in Ireland.

**2 Social enterprises can act as a critical stepping stone for people who may otherwise struggle to attain employment.** Since 2018, the SED Fund Awardees have created 164 jobs within their organisations, many of which are specifically created for people who would otherwise be distant from the labour market.

**For Example** – Deaf Enterprises work to combat discrimination against disability in the labour market by training and employing deaf or hard of hearing people in the trade sector. Deaf Enterprises employ a team of 28 staff.

**3 Combining cash grants and tailored support is an effective way of supporting social enterprises to scale.** By providing support through the SED Fund Accelerator Programme, together with the cash grants, SED Fund Awardees have built the capacity of their organisations, enabling them to reach the next stage of growth.

*“I know we’ll be able to deliver on our ambitious strategic plan because we’ve such a great foundation now in terms of our structure, which was why it was great getting the non-financial support as well the cash. For us the mixture of the two was just perfect and we were delighted with both.”*

**Helen Nolan**, Spraoi agus Spórt

**4 Focusing on the building blocks of strategic planning, communication and scaling strategies is effective in guiding social enterprises growth and progress towards sustainability.**

*“[The SED Fund] has given us processes that we can actually look at this sort of stuff and say, ‘Right, well, how then can we drive this on to the next level?’ We know how to really look at the strategic idea in a much more formalised way, we challenge ourselves much more about how, why, where, what to get across, what we need to do better and it just makes everything far more realistic and far more sustainable, just that process. So every decision that we look at in the company has to be looked at through this lens, it helps us maintain focus on what’s really, really important to us.”*

**Ray Burke**, Active Connections

**5 A broader range of social enterprise supports are needed if the sector is to fulfill its potential and play a leading role in solving Ireland’s social issues.** Social enterprise in Ireland has come a long way in the past few years. There has been a groundswell of activity supporting social enterprises. However, we believe there is a need to continue to foster and invest in social enterprises to enable them to grow their impact and for their solutions to be replicated throughout the country.

In the most recent funding application round for the SED Fund, of the 153 applications that were eliminated after the first round, 55 of these were eliminated because they were at a “too early stage”. This shows the immense potential in the social enterprise sector and need for continued investment in it.

# IMPACT OF THE SED FUND

Rethink Ireland regularly collects reports from Awardees regarding the implementation of their cash grants and supports as well as their social impact. This reporting allows for monitoring of the effectiveness of the Fund as well as to learn from and improve the Fund in the future. For the 2019 SED Fund it was decided to delve deeper into the effectiveness of the Fund, and particularly the Accelerator Programme. To do this an external consultant conducted semi-structured interviews with each of the 16 Awardees. The interviews were carried out by an external consultant rather than Rethink Ireland staff to reduce bias.

The main findings from these interviews are:

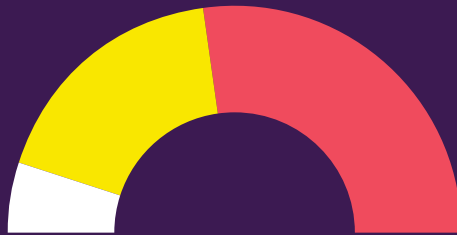
- 1 Almost half of the Awardees felt that in the long run, the Accelerator Programme supports will have a greater impact on their social enterprises than the cash grants.
- 2 Awardees felt that the focus on strategic planning as part of the Accelerator Programme improved their financial sustainability, and the time the programme created to step away and think strategically about their social enterprises was greatly valued.

- 3 By the end of the Accelerator Programme, the Awardees felt better able to clearly communicate the mission of the social enterprise.
- 4 The Accelerator Programme improved the Awardees' confidence in their ability to scale their social enterprises, with 14 Awardees saying that the Accelerator Programme had a large or significant effect on their motivation to scale their social enterprise.
- 5 The flexibility of the SED Fund was greatly valued.

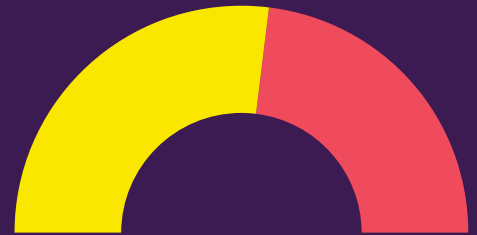
The graphs below show the responses when Awardees were asked at the end of the survey to qualify their answer regarding the impact of the supports on their organisation, answering: 'No impact', 'Low Impact', 'Moderate Impact', 'Significant Impact', or 'Large Impact'.

## HOW DID THE SED ACCELERATOR PROGRAMME IMPACT THE AWARDEES?

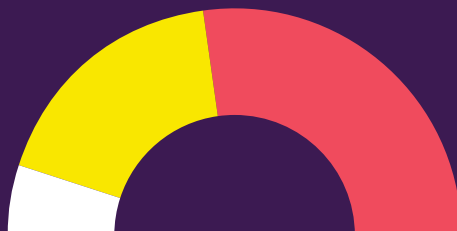
### OVERALL IMPACT



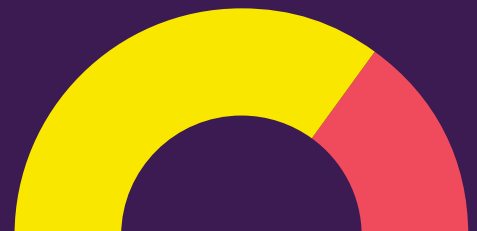
### IMPACT ON SUSTAINABILITY



### IMPACT ON ABILITY TO COMMUNICATE MISSION



### IMPACT ON MOTIVATION TO SCALE



- MODERATE IMPACT
- SIGNIFICANT IMPACT
- LARGE IMPACT

# OVERVIEW OF THE SED FUND

**2018** – 110 applications from 26 Local Authorities, 8 social enterprises received a cash grant of €60,000, 14 social enterprises were allocated a business mentor and all 22 social enterprises participated in the SED Accelerator Programme.

**2019** – 201 applications from all 31 Local Authorities, 16 social enterprises, including 5 that were supported in 2018, received cash grants of €10,000 to €50,000 and all participated in the SED Accelerator Programme, including the opportunity to pitch for a share of €100,000 at the end of the programme.

**2020** – 232 applications from all 31 Local Authorities, 16 social enterprises will receive cash grants of €10,000 to €50,000 and all will participate in the SED Accelerator Programme, including the opportunity to pitch for a share of €100,000 at the end of the programme.

## NEW THIS YEAR

An opportunity to participate in the Genesis Programme will be made available to social enterprises who didn't receive funding. The participants for the programme will be selected across Ireland, ensuring that the SED Fund offers support to social enterprises in every Local Authority area. The Genesis Programme will be an intensive two-day workshop that will focus on building the skills and knowledge needed to develop a sustainable social enterprise and to be successful in future funding opportunities.

*"It's been a great pleasure for us at Rethink Ireland to develop deep working relationships with all of the Local Authorities across Ireland as we endeavour to support social enterprises to scale the impact and refine their business models. We are very grateful for this partnership, which has been facilitated by IPB Insurance. It has ensured that we've been able to respond to local needs from a national perspective."*

A message from **Deidre Mortell**  
CEO, Rethink Ireland

### ALTOGETHER, THE SOCIAL ENTERPRISES WE SUPPORT:

EMPLOY

398

PEOPLE

MOBILISE

274

VOLUNTEERS

COMBINED TURNOVER IN 2019

€12m

PROVIDE SERVICES TO

35,000

PEOPLE



**Siel Bleu**  
2020

**Recreate**  
2020

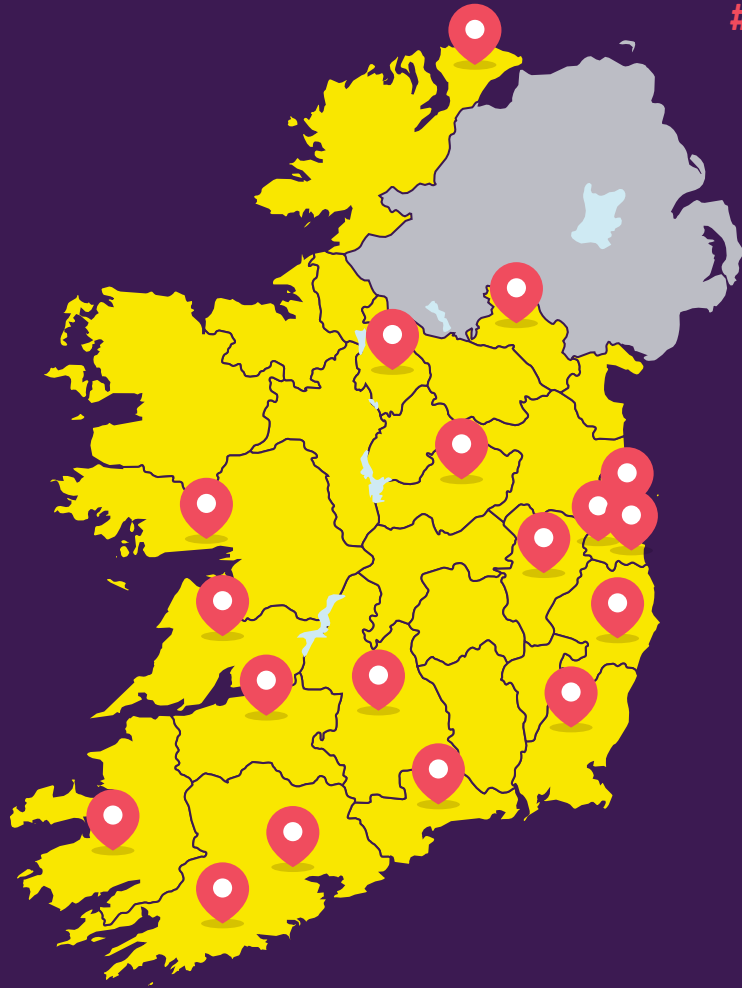


# HIGHLIGHTS

#SEDFund

## Spread Across Ireland

The Social Enterprise Development Fund has provided grants to Awardees in 18 Local Authorities in Ireland over the last two years – Clare, Cork City, Cork County, Dublin City, Donegal, Dún Laoghaire-Rathdown, Galway City, Limerick, Kerry, Kildare, Leitrim, Monaghan, South Dublin, Tipperary, Waterford, Westmeath, Wexford and Wicklow.



Left: Declan Sweeney of St. Gabriel's Orthotic Services receiving the Social Enterprise of the year award at the LAMA Awards in February 2020

Right: Pictured with the SED Fund 2019 Awardees at the SED Fund showcase in January 2020, were Terence O'Rourke, Chairman of Rethink Ireland; George Jones, Chairman of IPB Insurance; Kevin McCarthy, Secretary General Department of Rural and Community Development; and Deirdre Mortell, CEO of Social Innovation Fund Ireland



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