

Considering a SEDI Grant? Tips to help you submit a successful application

We understand that applying for a Social Enterprise Development Initiative (SEDI) Grant takes valuable time and resources. To help you decide whether to proceed and to increase your chance of submitting a successful application, we've outlined below key program details and common reasons why some applications have been unsuccessful.

Program overview

SEDI Grants help social enterprises, including trading Indigenous owned or controlled organisations with a direct social benefit, grow their business, scale their impact and further their missions of creating positive social change. The grants, valued at up to \$120,000 each, are to be used to purchase business and impact capability building services from intermediaries, such as financial services, evaluation and impact measurement, business consulting and legal advice. The grants are funded by the Australian Government's Department of Social Services and administered by Impact Investing Australia (IIA).

Strengthening your application

Every application is carefully assessed, but common themes emerged as to why some were unsuccessful. The following insights may help you decide whether to apply and how to strengthen your SEDI Grant application.

- **Direct impact requirement:** To be eligible, social enterprises must have a **direct impact** on people experiencing disadvantage within the Department of Social Services (DSS) outcome areas (i.e. the social enterprise *must be working with* people experiencing entrenched disadvantage, not just supporting another organisation/someone else who works with people experiencing entrenched disadvantage). Some previous applicants lacked a clear connection of their direct impact against the DSS outcomes.
- **Funding need:** Some previous applicants did not need a SEDI Grant to implement their capability building plan, with some having cash reserves exceeding \$2 million, well beyond what was needed for operational stability. While large reserves don't automatically disqualify a social enterprise, applicants must justify why grant funding is necessary.
- **Impact feasibility:** Applicants have been unsuccessful when the proposed scaling of impact was unlikely to be achieved, often due to financial instability or reliance on an unproven operating model.
- **Impact beyond the social enterprise:** Some applicants proposed scaling plans that would not increase their overall positive impact, but instead shift government funding (for e.g. from other grant programs) from one social enterprise to another.
- **Capability building alignment:** The social enterprise's capability building plan must directly support its scaling strategy. Weak links between the two have reduced an applicant's chance of success.

The SEDI Grant panel assesses applications based on the information provided. If any of the above factors apply to your social enterprise, ensure your application includes clear evidence and explanations to address potential concerns.