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**StartEast Grants Scheme: Introduction and Eligibility Criteria**

1. **Introduction**

StartEast has been set up to deliver targeted, specialist business support for small to medium enterprises (SMEs) and start-ups in the cultural sector (including music, theatre, and literature) in Norfolk and Suffolk. It is funded by Arts Council England and the European Regional Development Fund, and led by the New Wolsey Theatre on behalf of the New Anglia Local Enterprise Partnership Cultural Board in partnership with Norfolk County Council and Suffolk County Council. The StartEast Grants Scheme is administered and monitored by Norfolk County Council.

StartEast aims to:

* Increase the number of start-ups and early stage survival rates of cultural businesses;
* Reduce the number of business closures;
* Create sustainable opportunities for businesses at all stages of development to access growth support;
* Ensure social and community enterprise start up and growth is integral to the landscape of specialist business support;
* Support an increase in businesses developing plans and taking actions to improve their resilience and growth potential.

This Grants Scheme will provide one-off grants of between **£1,000** and **£10,000** to support cultural businesses to deliver these aims. The funds are specifically intended to support growth initiatives where no other suitable grant is available.

1. **Eligible Business Growth Activity**

For the purposes of this funding eligible business growth activity is:

* Specialist advice on product development, including technical advice.
* Participation in events, festivals, fairs and showcases to enable enterprises to enter, establish and expand in new domestic and international markets, and across sectors.
* Product and service development that will lead to social innovation, public service application, new solutions through public service procurement and new cross-sector, domestic and geographic markets;
* Co-production of new cultural products, events and services;
* Purchase of specialist equipment.

For further advice on eligible and ineligible costs please see Annexe I.

1. **Who Can Apply?**

Sole traders, SMEs, clusters, business start-ups, and pre start-ups currently based in Norfolk or Suffolk which have taken part in StartEast networking activities and have received business advice via our bespoke business route, including;

* Sole traders – who have been trading for between two and five years, who are at maximum capacity and believe there is the potential to expand and grow;
* SMEs - which have been trading for between two and five years, which are at maximum capacity and believe there is the potential to expand and grow by extending the area they work across – locally, regionally, nationally and internationally;
* SME and sole trader clusters seeking to enter new markets. We will use the networking events to case-study cluster benefits and to generate these clusters. We will specifically target those SMEs and sole traders seeking to expand into health, social care, and education sectors;
* Business start-ups – sole traders, self-employed or SMEs who have just begun or have been trading for up to three and half years – who have spare capacity and believe there is the potential to expand and grow a new business.

*SMEs (micro, small, and medium sized enterprises) are defined as enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.*

Applicants will have received advice via our bespoke business route, and will therefore have completed the required SME diagnostic to determine their eligibility to receive support from StartEast.

*N.B: We will not exclude those that have been trading for more than five years but businesses in the first phase of growth will be prioritised.*

1. **Is the grant funding required?**

Applicants are required to demonstrate why they need a grant, what difference it will make to their business and why they have been unable to secure grant funding from other sources. This will form part of the full assessment process.

Many funds for the cultural sector and for business development require match funding. StartEast grants can be used as match funding for private sector investment from businesses, registered charities, not for profit organisations, private individuals, and social enterprises.

*N.B: Grants cannot be awarded to projects where other funding is available or where the business growth initiative would proceed regardless.*

1. **Is there a match-funding and/or cashflow requirement?**

There is no requirement to find match-funding but this is a competitive scheme and applicants will be required to make a strong strategic business case to attract a grant. Applicants will also be expected to demonstrate that they have enough available funds to cashflow at least 50% of the cost of the proposal.

Information is available in large print, audio, Braille, alternative format or in a different language via Norfolk Arts Service on 01603 222941 or email arts@norfolk.gov.uk

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|  | If you need this form in large print, audio, Braille, alternative format or in a different language please contact the Norfolk Arts Service on: Telephone 01603 223262 Email arts@norfolk.gov.uk and we will do our best to help. |





**Annexe I: Eligible and Ineligible Costs**

1. **Eligible Costs**
	1. Direct Costs

All costs ***other than direct staff costs*** which are essential for the delivery of the project. This includes (but is not an exhaustive list):

* Premises costs and associated running costs which are **exclusively** used for the **project** – that is to say costs which are **not** shared or apportioned.
* Equipment used exclusively for project purposes.
* Other costs such as marketing, publicity, and evaluation where these can be directly attributable and invoiced to the project.
* Procured goods/services (used exclusively by the project) essential for the delivery of project activity.
* Cost of business trips, other travel and subsistence.
	1. Direct Staff Costs

This includes salaries and on costs of staff engaged in activity directly related to the implementation and management of the project. Staff could work 100% of their time on project activity, or part of their time with all hours, including the time spent working on the project, recorded on suitable timesheets.

It is the tasks undertaken, considered in the context of the project being delivered and the structure of the applicant organisation that determine whether the activity is direct or not – costs will not automatically or always be included as direct simply because a time sheet is completed or on the basis of a percentage of time spent or on specific tasks/activities undertaken.

Costs can relate to internal (employed) or external staff. External staff includes staff employed through agencies and staff employed by named delivery partners within the project. Consultants/those secured as contractors through a procurement exercise would be a direct cost (as a fee) not a direct staff cost.

1. **Ineligible Costs**

**2.1.** Shared/apportioned costs – including shared/apportioned premises and running costs.

**2.2.** Costs associated with any staff member who does not perform a role engaged in activity directly related to the implementation and management of the project.

**2.3.** Indirect Costs

Indirect costs, often referred to as ‘overheads’ are those costs which are linked to activity that supports the delivery of a project but cannot be easily attributed to the project in terms of the actual specific costs and cannot be supported by project specific invoices or other transaction.

Such costs include:

* Support/back office staff, not engaged in activity directly related to the implementation and management of the project.
* Other costs which are not solely associated with the delivery of the project e.g. shared premises costs such as rent, utilities, insurance, cleaning, or IT maintenance.

**2.4.** Other Ineligible Costs

The following individual revenue costs are not eligible for StartEast Grant Scheme support:

* Notional costs, for example, where an item usually retails at £x, but the applicant buys it cheaper but claims the difference between the price paid and £x
* Payments for activity of a political nature
* Provisions – i.e. money set aside to pay for future events, e.g. sink funds
* Contingencies and Contingent liabilities
* Dividends
* Interest or service charges arising on debt incurred including finance leases, hire purchase, and credit arrangements
* Costs resulting from the deferral of payments to creditors
* Costs involved in winding up a company
* Payments for unfair dismissal
* Compensation for loss of office
* Bad debts arising from loans to employees, proprietors, partners, directors, guarantors, or shareholders
* Payments for gifts and donations
* Entertainments apart from food and non-alcoholic drink provided as part of a meeting
* Statutory fines and damages
* Criminal fines and damages
* Legal expenses in respect of litigation
* Costs incurred by individuals in setting up and contributing towards private pension schemes, or the setting up of such schemes
* Costs incurred by organisations in relocating personnel displaced by the refurbishment or conversion of a building.