
New Arts Sponsorship Grants 2016-17

Application guidelines
and terms & conditions
on receiving a grant

Funded by the Scottish Government
and administered by Arts & Business Scotland

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**New Arts Sponsorship
Grants** supported by the
Scottish Government
in conjunction with...

**Arts
& Business**
Scotland

.....



Application guidelines

Introduction

Funded by the Scottish Government and managed by Arts & Business Scotland the New Arts Sponsorship Grants aim to:

- Encourage businesses to sponsor arts activity within Scotland for the first time;
- Entice back businesses that have not sponsored the arts in Scotland since 1 April 2013;
- Support arts organisations in building new business sector partnerships;
- Attract non-Scottish based companies to sponsor arts and cultural activities in Scotland.

Definition of sponsorship

'Sponsorship' is defined as the payment to an arts or cultural organisation by a business in exchange for agreed benefits such as promotion of the business' name, its products or services. Sponsorship is part of a business' general promotional expenditure. It can encompass a sense of corporate social responsibility (CSR) or staff development.

How does it work?

The scheme is simple.

- If an arts organisation attracts an eligible business to sponsor an aspect of their work then we could match the value of the sponsorship £1 for £1;
- This funding goes towards the arts organisation's project and the sponsor receives double the amount of business benefits from the sponsorship and grant monies combined;
- The maximum grant is £40,000 and the minimum grant is £1,000;
- Both in-kind and cash sponsorship are eligible (for guidelines on in-kind sponsorship please see page 5);
- The sponsorship must come from the sponsor's own funds, goods or services;
- If there is more than one business sponsoring the same arts activity, a separate application may be made for each business.

Who can apply?

Arts applicants

The definition of arts for the New Arts Sponsorship Grants scheme currently includes the performing arts, literature, music, visual arts and crafts, museums, heritage, architecture, design, film and TV.

Eligible

Any not-for-profit arts organisation based in Scotland can apply as the arts applicant if they are providing arts activity.

Other not-for-profit organisations based in Scotland which are non-arts related may apply as long as the sponsored and grant funded activities being supported are arts related.

The arts organisation must be properly constituted and hold a company bank account.

Ineligible

Private commercial businesses including those that are arts related are ineligible to apply as the arts applicant. Likewise individual artists or creatives are ineligible unless the sponsored and grant funded arts activities are being produced by a not for profit arts organisation, which would then act as the lead applicant.

Business sponsors

Eligible

Any business can apply, even if not based in Scotland.

Clearly differentiated business units within a company may be considered as separate sponsors in their own right and so be eligible for a grant.

Some public bodies may be eligible as a business sponsor if their support is clearly arts sponsorship and promotion or support of the arts and culture is out with the organisation's normal sphere of activity.

Ineligible

Public bodies whereby the promotion or support for arts and culture is within the organisation's normal sphere of activity are ineligible. For example, universities and local authorities are not eligible as sponsors. Trusts and Foundations are also ineligible.

Should you have a query on eligibility please contact the NAS Grants Manager on 0131 556 3353 or email grants@aandbscotland.org.uk

How much can you apply for?

Arts applicant

An arts organisation applicant can receive New Arts Sponsorship Grants up to the value of £40,000 in any one financial year of the grant fund. This year runs from 1 April 2016 to 31 March 2017.

Applicants can apply for more than one grant in the year with different sponsors, provided that the total sum of grants received is £40,000 or under. The scheme is unable to match a second year sponsorship with the same business sponsor.

Business sponsor

A business or business unit can have up to £40,000 of sponsorship matched in any one financial year from this fund with one art organisation. This year runs from 1 April 2016 to 31 March 2017.

The scheme is unable to match a second year sponsorship.

Application criteria

The following must be received by Arts & Business Scotland **at least three months before** and **no greater than nine months before** the sponsored activity and proposed grant activity begins.

- A fully complete application;
- A signed and dated sponsorship agreement;
- A project budget showing all income and expenditure

The business sponsor and the arts applicant must be separate legal entities.

Arts & Business Scotland must be notified in advance of the start and end dates of the activities being supported by the sponsorship and grant, and thereafter of any changes to these dates once a grant has been made. The application form requests this information.

The accepted end date of the grant will be the later of the two end dates if different arts activities are being supported.

It is important to note that the start date for the sponsorship and grants activity could be when project development work commences or when the business begins to receive some of the sponsorship benefits rather than the actual date of the arts performance or event.

Please note: the application will be rendered ineligible if any PR or promotional activity about the sponsorship takes place before a decision on the grant has been made.

In addition, any business credited publicly for their support of an arts or cultural organisation will be categorised as providing 'sponsorship' for the purposes of this scheme even if there is no formal sponsorship agreement in place, which will render the application ineligible. This includes promotion of the business name or logo as part of a corporate membership or corporate partnership scheme.

Eligible and ineligible arts activities

For the majority of applications it is likely that the sponsorship and grant funding will go towards supporting the same arts activity, however applications whereby the sponsorship and grant funded activities are different could be eligible. For example, two separate seasons of work, two different productions or two different performance / public presentation locations would be eligible for consideration.

Any arts activities, sponsored or grant funded, must not be primarily for the sponsor's own financial and/or commercial benefit.

Arts activity supported by a grant can include the purchase of equipment or staffing resource, to enable realisation of the arts or cultural activity.

While a capital project is eligible as an activity for the business to sponsor, the grant funded activity cannot be used towards building or renovation costs.

International arts activities

The grant funded arts activity must take place within Scotland.

The business sponsorship could however be attributed to England, Wales, Northern Ireland and international arts activity. For example, performances and tours in other countries or international project development work could be funded by the business sponsor with match funding from a grant going towards arts activities in Scotland.

Grant eligibility

The grant should be used to deliver arts activity for which the business will receive additional sponsorship benefits to the value of the grant, for no additional payment. These benefits should be detailed on the application form.

Please note a grant cannot:

- Be paid to the business sponsor or be used to pay or reimburse the business sponsor for goods or services;
- Be used to pay for building or renovation costs as part of a capital project;
- Be used to support sponsorships from alcohol related businesses engaging with young people or children;
- Be used to support sponsorships from tobacco related businesses;
- Be used to pay for food and drink as part of a corporate hospitality event;
- Be paid to any other organisation other than the arts applicant.

A grant also cannot match fund the following:

- More than one year of an eligible sponsorship, even if the sponsorship agreement with the business is over two or more years;
- Sponsorship (cash or in-kind) of less than £1,000;
- Corporate donations;
- Appeal funding (unless the business is receiving clear sponsorship benefits);
- Corporate memberships or corporate partnerships;
- Grants or charitable donations from a trust or foundation funded by the profits from a business;
- Volunteering of staff time for supporting arts delivery related activities;
- Use of business premises for meetings;
- Payments or fees to agents, such as sponsorship consultants;
- Discounts on goods or services. For example, this includes free rent for a period of time as part of a lease agreement and free venue hire where the business will gain financially from catering, alcohol sales, retail sales,

additional venue hire etc. Possible exceptions may be made for business service providers to arts organisations that enter into a legitimately separate sponsorship agreement out with any existing contracted work that may be in place or due to be undertaken. Where this is the case appropriate evidence will be required from the arts applicant and business sponsor.

Guidelines for sponsorship in-kind

The sponsorship that Arts & Business Scotland will match can be cash or in-kind at cost price, and will be provided in exchange for a series of defined business benefits provided by the arts partner.

Where all or part of the sponsorship is in-kind, Arts & Business Scotland must be satisfied that:

- The business partner is receiving satisfactory benefits from the arts partner to the value of the sponsorship in-kind. Arts & Business Scotland requires a copy of the sponsorship contract, or letter of agreement, signed by both partners as part of the application.
- The sponsorship in-kind is of the value stated. Arts & Business Scotland reserves the right to ask for satisfactory evidence to substantiate the estimated financial contribution.
- VAT has been charged by the arts partner (where they are VAT registered) on the market value of the goods and services provided as sponsorship in-kind. Arts & Business Scotland reserves the right to ask for satisfactory evidence of this.
- If Arts & Business Scotland is not satisfied that the business' contribution can be considered sponsorship in-kind, it reserves the right not to make a grant.

- The in kind sponsorship is in the form of goods or services the business normally provides.
- Any goods or services that the business does not provide as a part of its operations will not be eligible.

VAT

Sponsorship is a business transaction for which the business receives an equivalent value of benefits in return and is therefore normally liable for VAT.

Please note a New Arts Sponsorship Grant can only match the sponsorship value exclusive of VAT.

Pre-application support

Arts & Business Scotland can provide limited pre-application assistance with queries you may have in relation to the guidelines and the eligibility of a proposed business sponsor. The grant assessment process can only commence on receipt of the signed and dated application form, a signed and dated sponsorship agreement and the project budget.

Application process

There are now two application forms:

1. Application form for a grant between £1,000 and £2,000 (excluding VAT)
2. Application form for a grant over £2,000 (excluding VAT)

Applications must be made on the appropriate New Arts Sponsorship Grants application form which is available to download from the Arts & Business Scotland website along with guidance on filling out the form.

For applications between £1,000 and £2,000 (excluding VAT) the arts applicant must clearly detail how the business and New Arts Sponsorship Grant scheme will be

promoted and credited together on receiving a grant, highlighting any benefits made possible by the grant.

For applications over £2,000 (excluding VAT) the arts applicant must provide a detailed list of additional benefits the business will receive in return for receiving a grant.

The application must be made by the arts applicant as the lead applicant.

The following documentation is required to be completed and submitted to Arts & Business Scotland:

- An application form signed by both the arts applicant and the business sponsor;
- A signed and dated sponsorship agreement;
- A budget showing all income and expenditure;
- A copy of the arts applicant's Child Protection Policy, if the arts activity involves young people and children.

Applying by email

In line with Arts & Business Scotland's environmental policies in supporting a Greener Scotland we encourage applications and associated documents to be submitted by email with electronic signatures to grants@aandbscotland.org.uk (please note both a PDF and Word version of the application form must be supplied).

Applying by post

If the arts applicant or business sponsor do not have an electronic signature then hard copies should be submitted to New Arts Sponsorship Grants, Arts & Business Scotland, Rosebery House, 9 Haymarket Terrace, Edinburgh EH12 5EZ.

Please note if submitting by post a word document copy of the completed application form, the sponsorship agreement and budget must also be emailed to: grants@aandbscotland.org.uk.

Application assessment timeline

Applications can be made at any time. There are no deadlines or closing dates. Applications will be assessed as they are received, with a decision made and communicated not longer than six weeks from the date of receipt of the fully completed application. This timeline is obviously dependent on the applicants providing satisfactory responses to any queries requested by Arts & Business Scotland. A delay by the arts organisation or business in responding to any Arts & Business Scotland queries may delay the assessment process beyond the six week period. In a worst case scenario, extended delays may render the application ineligible in relation to the project start date.

Priorities

A key priority of the scheme is to reach and support projects across the breadth of Scotland and across all art forms. If there is more demand than can be met through available funds we may prioritise applications to address this.

Please note: We cannot guarantee to give a grant. Grants are distributed in line with the priorities of the scheme. The scheme has an annual cash limit.

In the event of high demand for limited funds available, we will give priority to:

- Smaller businesses sponsoring for the first time;
- Smaller arts organisations with little or no previous success in gaining sponsorship.

In the event of high demand for limited funds available, we will give low priority to:

- Arts organisations that have received significant funding through previous Arts & Business Scotland grants;
- In-kind sponsorship to arts organisations that have a track record in obtaining sponsorship.

Terms & conditions on receiving a grant

Announcing and crediting the grant

The business must not be promoted publicly nor any announcement made about the sponsorship until the decision about the grant application has been made.

The grant must be credited in all relevant publicity material, press releases and public presentations relating to the sponsorship and grant supported activities. These should be emailed to louise.robertson@aandbScotland.org.uk at least 48 hours in advance of issuing, for approval by Arts & Business Scotland. This will also allow time for Arts & Business

Scotland to provide a quote in support of the arts and business partnership and associated arts activities.

Please forward all press releases and publicity materials to louise.robertson@aandbScotland.org.uk for clearance.

The New Arts Sponsorship Grant logo will be provided once a grant has been offered. This logo must be featured next to the business sponsor(s) logo(s) on all of related

information, marketing and publicity materials.

Invitations to launches, openings or associated events relating to the sponsorship and grant funding should be extended to Arts & Business Scotland to create engagement opportunities with the business sponsor. Attendance will obviously depend on resources, location and availability at the time.

Failure to comply with any of the above may prevent a further grant being considered.

Payment of the grant

A grant awarded through the New Arts Sponsorship Grants scheme is not liable to VAT.

Cash sponsorships

An initial 80% grant instalment will be paid to the arts applicant only on receipt of evidence that the sponsorship money has been paid. Evidence of sponsorship payment should consist of a letter from the arts applicant's bank certifying that the sponsorship money has been paid and giving the date(s), amount(s) and source(s) of payment. This should be obtained at the time the sponsorship money is paid and should be sent to Arts & Business Scotland after notification that the grant has been approved. Alternatively a copy of the arts organisation's bank statement clearly showing the date(s), amount(s) and source(s) of payment may be acceptable.

A grant will be paid in two instalments, 80% on evidence that sponsorship has been paid and 20% on evaluation approval. If the business is paying in multiple instalments, the first 80% grant instalment will only be made once the full sponsorship has been received by the arts organisation and not in advance of this.

In-kind sponsorships

Where sponsorship in-kind is to be provided, the initial 80% grant instalment will be paid on receipt of a letter signed by both the named business applicant and the Chief Executive, Director or Chair of the business offering a detailed cost breakdown of the in-kind sponsorship and dates for delivery.

On completion of the sponsorship and grant funded activities evidence that the in-kind sponsorship was delivered will be required. This will require a further letter from the business and additional evidence detailing in-kind goods had been received by the arts organisation. This could be in the form of

appropriately signed and dated delivery notes.

For arts applicants receiving international in-kind goods, appropriate shipping documentation and customs papers must be provided before any payment can be made.

It should be noted that in the case of in-kind sponsorships, the equivalent monetary value applied for should be calculated at cost price to the sponsor without any profit element.

All payments should be made directly to the organising body, not to a third party.

Reporting and evaluation

The remaining 20% of the Grant will be paid on evaluation approval. An evaluation form and certified financial statement must be submitted by the arts applicant to Arts & Business Scotland **within two calendar months** of the end of the project to confirm appropriate use of the grant. The evaluation form can be downloaded from the Arts & Business Scotland website www.aandbScotland.org.uk/grants. If the evaluation is not received within two calendar months Arts & Business Scotland reserves the right to withhold the final 20% payment, returning it to the NAS Grant fund.

The certified income/expenditure financial statement must be signed and dated by two people, the most senior member of staff / Director / Chair and the project co-ordinator, is required to confirm that the grant and sponsor's money have been used in the way specified in the application.

If the actual spend is less than the original agreed budget then Arts & Business Scotland reserves the right to withhold the final payment or demand the return of the relevant portion grant payments made to date as appropriate.

If the business sponsor fails to comply with meeting sponsorship payments detailed in the contractual agreement then the arts applicant will have to return all grant monies not matched by the sponsor.

Support materials including photographs, press cuttings, CDs etc should accompany the evaluation documentation by post or email as appropriate. For photos, please

provide copyright clearance from the photographer.

Arts & Business Scotland reserves the right to request further information or a phone interview with both partners following review of the submitted form, certified financial statement and support materials.

Exemplar business and arts partnership projects may be shared publicly as sponsorship stories by Arts & Business Scotland through the Arts & Business Scotland website, training seminars and New Arts Sponsorship Grant promotional materials. As the New Arts Sponsorship Grant scheme is funded by public monies via the Scottish Government failure to comply with this request may prevent further grant applications being considered.

Please note:

- Failure to submit a satisfactory report will prevent the balance of the grant being paid, and may prevent a further grant being considered;
- If requested the arts applicant and the business applicant shall allow Arts & Business Scotland to make separate arrangements to evaluate the project.

Submitting evaluation by email

In line with Arts & Business Scotland's environmental policies in supporting a Greener Scotland we encourage evaluation forms and associated documents to be submitted by email with electronic signatures to grants@aandbScotland.org.uk (please note both a PDF and Word version of the application form must be supplied).

Submitting evaluation by post

If the arts applicant does not have an electronic signature then hard copies should be submitted to New Arts Sponsorship Grants, Arts & Business Scotland, Rosebery House, 9 Haymarket Terrace, Edinburgh EH12 5EZ.

Please note if submitting by post a word document copy of the completed evaluation form must also be emailed to: grants@aandbScotland.org.uk.

Termination

Without prejudice to any other rights it may have, Arts & Business Scotland shall be entitled to withdraw its offer of the grant immediately if:

- If it is discovered that any of the information given by either the arts or the business partner is inaccurate or misleading or the grant or any part of it was not used for the purposes for which it was provided;
- Either the business partner fails to pay the financial contribution (or any part of it) it has undertaken to pay, or fails to provide the in-kind sponsorship (or any part of it) it has undertaken to provide;
- Either the business partner or the arts partner enters into any arrangement for the benefit of its creditors or has a receiver appointed over its assets or becomes subject to an administration order;
- Either the arts partner or the business partner goes into liquidation;
- Either the arts partner or the business partner ceases or threatens to cease trading.

Effect of termination

On termination, the arts organisation shall immediately repay any part of the grant not spent as at the date of termination and shall prepare a final statement of account to indicate how the grant has been spent as at the date of termination. Arts & Business Scotland may, at its sole discretion, require the repayment of all or part of the grant paid by Arts & Business Scotland to the arts organisation as at the date of termination. The arts organisation will be liable for the return of all funds.

Post evaluation approval issues

Should Arts & Business Scotland receive information post evaluation approval that indicates that the grant has been used other than originally stated or that the business partner failed to pay the financial contribution (or any part of it) it had undertaken to pay, then Arts & Business Scotland may, at its sole discretion, require the repayment of all or part of the grant. The arts organisation, as in the case of termination above, will be liable for the return of all funds.

Changes to the scheme

Arts & Business Scotland reserves the right to change these rules at any time. Any changes will be posted on our website: www.aandbScotland.org.uk/grants.

Appeals

If an application is turned down for any reason other than insufficient funds, an applicant may appeal against the decision in writing within 14 days of the date of being informed. An independent panel consisting of the Chief Executive and a member of the Arts & Business Scotland Board of Trustees will consider the appeal and respond within 21 days of receiving the letter or email.

Arts & Business Scotland
Rosebery House
9 Haymarket Terrace
Edinburgh EH12 5EZ

T: 0131 556 3353

E: grants@aandbScotland.org.uk