



H a t c h

DEVELOPMENT
FUNDING
GUIDELINES
2018

ffilm
CYMRU WALES

Ffilm Cymru is the development agency for film in and of Wales.

Ffilm Cymru's Hatch development programme is there to support live-action family films based on existing IP (for example a book, app, or stage play).

To apply for development funding for any other genre of project, please refer to our standard Development Funding Guidelines. As with all of our development funding, projects involving a Wales born or based writer, director or producer will be prioritised. Projects with Welsh cultural value or projects involving significant spend in Wales will also be considered.

Recipients of our Hatch funding will further benefit from:

- feedback from the target audience at appropriate junctures
- networking and training subsidised by Ffilm Cymru with experts in the field.

Ffilm Cymru can support the development of live-action family feature films from treatment stage through to late stage development such as initial casting. Individual development awards are capped at £24,999 and we encourage applicants to build in the filming of a sample scene or teaser, as well as work on the draft, into the budget.

Ffilm Cymru's development funding is intended for projects that are unlikely to be commercially financed at an early stage and would therefore benefit from National Lottery support.

Teams applying for development funding should be able to evidence previous experience in writing, directing and/or producing for film or television.

Ffilm Cymru is committed to advancing a diverse and sustainable film sector and film culture that works for everyone across Wales. As such, we place equality, diversity and inclusion at the heart of our work and facilitate audience testing and **complementary IP development for projects in receipt of our funds**. Ffilm Cymru promotes the BS8909 Standard, a specification for a sustainability management system for film, which has been designed to help the film industry run its business in a more environmentally-friendly way.

If you still have questions relating to these guidelines after reading them through, please contact applications@ffilmcymruwales.com or call 02921 679369 and ask to speak with the Talent Department Administrator.

WHO CAN APPLY?

Applications for Hatch development funding should be made by the producer of the project, acting only as the producer, with a separate writer attached. Exceptions may be made if the producer has a track record of working in both roles. The producer and the writer should have a producing or writing credit on at least one work of film or television. If you do not meet this criteria, then you should visit the [BFI Welsh Talent Network page](#) on our website for details of funding opportunities. If you meet this criteria, you can apply for funding if:

- Your project includes Wales born or based talent in the writer, producer and/or director role.
- Your team are over 18 years of age and not in full-time education;
- You own or are in the process of obtaining the rights (including any underlying rights) in the project;
- You are able to make the application through a company registered and centrally managed in the UK or a state of the European Union or European Economic Area.

Applications from the below may be made by invitation only and in special circumstances:

- Producers of a project with significant Welsh cultural value but no Wales born or based talent in the writer, producer or director role;
- Lone writers or lone writer-directors born or based in Wales;
- First-time filmmakers born or based in Wales.

WHICH PROJECTS ARE ELIGIBLE FOR SUPPORT?

Our Hatch development funding is there to support:

- Single live action feature films intended for theatrical release and for a family audience;
- Films which are capable of qualifying as British through [Schedule 1 to the Films Act 1985 \(The Cultural Test\)](#), one of the UK's official co-production treaties OR the European Convention on Co-production;
- Films which are capable of obtaining Universal or PG Certification under the [BBFC Guidelines](#);
- Ambitious and original films which are unlikely to be fully financed by the commercial sector and/or;
- Films which cater to under-represented audiences in imaginative and authentic ways.

As a Lottery Fund we can only consider funding projects that are submitted through the formal application process. This means that we cannot accept or read informal submissions such as scripts or application materials submitted by any means other than the formal application process.

Producers may make multiple simultaneous applications and also have multiple projects in development with us, provided they have different creative teams attached. However, if we do have another project in active development with the same writer or director attached, this may influence our funding decision.

HOW DO I APPLY?

Writers or writer/producer teams wishing to take part in the Hatch programme should submit an Expression of Interest (EOI) form by the 29th June 2018 at 17:30.

Shortlisted projects will then be invited to complete a full application form by the 3rd September 2018 at 17:30.

In order to make an application for our funding, you will need to download the Hatch EOI and Application Forms from our website. If you would prefer to complete hard copies of the forms, please email applications@ffilmcymruwales.com or call 02921 679369 to request a form to be sent to you.

The EOI form will give us a snapshot of your experience and of the project you'd like to develop. You will need to include:

- CVs for all core members of the team
- Equality, Diversity and Inclusion (EDI) Monitoring forms for all core members of the team (writer, director, producer).

The application form contains a series of questions regarding your team and film project, which will allow us to better understand the creative and audience potential of the project, its viability, as well as the Welsh benefit. You will also be required to submit the following with your application:

- a treatment for the film of up to ten pages and a writing sample for the writer OR
- a draft of the script for the project you are applying for development funding with
- a copy of the existing IP which the project is based upon.
- status of option/underlying rights agreement
- CVs for all key members of the team
- Equality, Diversity and Inclusion (EDI) Monitoring forms for all core members of the team (writer, director, producer).

Your application will not be complete until all of these items have been delivered.

Please remember that we receive far more applications than we are able to support and so it is advantageous to make your application stand out.

Supporting documentation is better delivered as one online storage link, indicated within the body of your application rather than as individual attachments. Ffilm Cymru is not required to read all of your supporting information.

BUDGET DETAILS

Please bear in mind the following when completing your budget request:

- Ffilm Cymru awards funding for specific stages of development. You should apply for costs related to the next stage of development rather than your total development budget.
- Development awards for Hatch are capped at £24,999 and we encourage applicants to build in the filming of a sample scene or teaser, as well as work on the draft, into the budget
- Ffilm Cymru can contribute up to 75% of the total development costs of a project (or up to 100% on the basis of in kind contributions being made by the applicant representing 25%). We welcome the inclusion of third party finance.
- Ffilm Cymru cannot give retrospective funding and you should ensure that all line items in the budget are reasonable. We are unable to support, for example, first class travel or accommodation, hospitality or general subsistence.
- Ffilm Cymru will advise you on reasonable writer or director fees depending on experience. If you have overestimated these costs we will ask you to reduce them as a condition to offering you funding, so where possible you should not enter into any deal negotiations or contracts prior to discussion with Ffilm Cymru.
- All Ffilm Cymru development funding is repayable from the production budget. If you intend to make a very low budget feature film then you should ensure that the overall development costs are not disproportionate to the budget of the film.
- Ffilm Cymru will contribute towards the cost of obtaining an option if it is in relation to an existing, separately exploitable work, for e.g a novel or play. The option period should be for a minimum of 18 months so the budget should reflect this.
- Ffilm Cymru expects the producer to obtain an assignment of all rights in all drafts of the screenplay as a precondition to our funding. Exceptions may be made if the writer has written the screenplay without any fees and the funding request does not include writer fees in which case an option may be sufficient after discussion with Ffilm Cymru;
- If you are requesting Ffilm Cymru to co-develop alongside other funders, this does not mean that costs can be increased or doubled. The 75% total lottery funding rule applies to the combined investment of lottery funders;
- The maximum Ffilm Cymru can provide towards a self-contained short film supporting a feature project is £10,000.
- The maximum Ffilm Cymru can provide towards access support is £2,000.
- Overheads must be capped at a maximum of 20% of the script costs (writer's fee plus external script editor costs).
- You must attach separate detailed budgets if applying for money towards workshops, pilots/teasers, and/or self-contained short films.

DELIVERY

You should email your completed EOI and application forms to applications@ffilmcymruwales.com by 17:30 on the day of each deadline.

Ffilm Cymru Wales
Tramshed Tech
Pendyris Street
Cardiff
CF11 6BH
FAO Development Executive

WHAT HAPPENS ONCE I'VE DELIVERED MY APPLICATION?

You will receive a confirmation email within 1 week of the application deadline. This email will provide you with a reference number and a link to our EDI Monitoring Form. Each core member of your team (writer, director, producer) must complete this form before your project can be assessed. There is a prefer not to say option for all questions.

If your application is incomplete or not eligible, then we will inform you that your project has not progressed to the assessment stage. If your application is incomplete due to errors then we will provide you with a timeframe to correct any errors before the project proceeds to assessment stage. If your application is eligible for funding, according to the criteria above, then your project will progress to the assessment stage.

Applications for amounts up to £24,999 will be assessed by three of the following members of the team: Head of Creative Business, Production and Special Projects Manager, Development Executive, Chief Executive.

ASSESSMENT

If your project is eligible, then we will consider the following Assessment Criteria as a panel before deciding on whether we would like to award funding to your project:

- The strengths of the filmmaking team;
- The creative strengths of the project;
- The feasibility of the project: are your estimated budget level and financing suggestions reasonable and appropriate for this project?;
- The team's understanding of the project's audience and its potential route(s) to that audience including any complementary IP or marketing content;
- The project's potential and the team's commitment to advancing our **Equality, Diversity and Inclusion Action Plan**;
- The project's Welsh value on-screen, behind-the-camera and/or for audiences;
- The project's appropriateness for National Lottery support;
- The overall balance of our investments.

The assessment process will also consider how the applicant has managed any previous Ffilm Cymru funding.

We may utilise external script readers when assessing applications.

We may request further information or materials from you.

Once assessment is complete, projects will be notified of whether they have been selected for development funding within 6 weeks of the application deadline.

Decisions of the panel and/or board are final.

FEEDBACK

Due to the volume of applications we receive, Ffilm Cymru does not have the resources to provide feedback on every project that applies to us.

In these circumstances you will receive a standard rejection email.

We may, in certain circumstances, provide brief feedback. There is no obligation for the team to apply the feedback provided nor is application of that feedback a guarantee that funding will be provided in the future.

Ffilm Cymru receives far more applications than they are able to support. Applications are rejected for a number of reasons, including, among others:

- Eligibility;
- The readiness of the team to make a feature of this level;
- The originality of the material;
- The appropriateness of the budget level for the material;
- Any other element relating to our Assessment Criteria.

RESUBMISSION

Resubmissions of previously rejected applications cannot be made without prior Ffilm Cymru approval. Resubmissions should show substantive changes: for example, a significant rewrite or change of producer.

If you meet this criteria and submit a new application for the same project, you must clearly identify the revised elements of the project within the application.

INDICATIVE TIMELINE

1 week after application deadline: Email acknowledgement of your application

6 weeks after application deadline: Decision to award or reject your application communicated

WHAT HAPPENS IF I'M AWARDED FUNDING?

If your application is successful, you will at first be sent an offer letter of funding. Ffilm Cymru reserve the right to offer you less than the requested amount or to alter the allocation of our funding by line item in consultation with you. Ffilm Cymru does not just provide financial support for projects, we also help to guide projects and talent creatively and commercially. As such, we require delivery of key elements such as draft scripts and agreements and will often provide editorial notes and advice to support the project. You should allow four weeks from delivery of any element to us for the executive in charge of your project to provide notes and feedback before you commence the next part of the work.

You will be invited to a free **Magnifier** training session at which you will be able to explore complementary IP and audience development ideas with the support of industry experts.

OFFER LETTER

Your development award will be offered in instalments set against commencement and delivery of specific actions.

Your offer letter will detail these instalments as well as delivery dates for the stage of development being funded. It is your responsibility to ensure these dates are met. This is particularly key where you have been granted an option over underlying work as you need to ensure the development work is completed within the option period. There should be no assumption that Ffilm Cymru will provide additional funding to cover the costs of option renewals, particularly where there has been late delivery. Ensuring that the project stays 'within option' is your responsibility (failure to do so will place you in breach of your contract with Ffilm Cymru) and your commitment to fund any option renewals is evidence of your continuing faith in the project.

Your award will usually be recycled after 6 months if drawdown has not commenced within that period.

LONG-FORM CONTRACT

Once your offer letter has been executed, you will be required to enter into a long-form agreement with Ffilm Cymru that sets out the terms and conditions of our development funding. These conditions will include the following:

- You will be required to establish or provide details for a limited company registered by you in the UK or incorporated in the European Union or European Economic Area;
- You will be required to establish or provide details for a bank account set up by you and in the name of the project;
- You will need to establish rights ownership of your project and Ffilm Cymru will require certain approvals over the project including all chain of title or clearance documents and sources and amounts of other funding. You must disclose all documentation already in place in relation to the project and all historical costs incurred to date;
- You will be required to repay the award with a 50% premium no later than the first day of principal photography of the project. Ffilm Cymru additionally will take a 2% share of producer's net of the project. Should another funder be taking a copyright share in the project, Ffilm Cymru would take an equivalent share;
- You will be required to provide appropriate crediting to Ffilm Cymru including Ffilm Cymru and National Lottery logos;
- You will be required to sign up to Ffilm Cymru's Code of Conduct to combat bullying and harassment in the industry and will be required to develop and report against the EDI Plan originally outlined in your application;

- You will be required to attend a free Magnifier training session at which you will be able to explore complementary IP and audience development ideas with the support of industry experts;
- You will need to complete the development work by specified dates or the funding will have to be repaid;
- You will be required to deliver a final statement of costs and reporting in order to drawdown your final instalment on your award;
- Any underspend on the award will be retained by or reimbursed to Ffilm Cymru;
- Standard termination provisions will apply.

WHAT HAPPENS AFTER MY AWARD IS COMPLETED?

When your award is paid out (except for any underspend retained by Ffilm Cymru), you should have a discussion with the executive in charge of your project regarding the next steps for the project. This could include identifying:

- the need for further development. In this case you will be invited to submit a new development funding application which you will be able to submit outside of our usual development funding deadlines; this application will be assessed in relation to the management and progress made under the first development award. No new development application can be made for a project which still has an active development award against it. All such further awards will be provided on the same terms and conditions as the initial funding;
- that the project is ready for production funding. You may be able to raise finance independently or may want to submit an application for production funding to us.

STANDARD CONDITIONS OF GRANT

1. The information in these guidelines can change. The law and Government regulations on distributing National Lottery funds may also change. Ffilm Cymru therefore reserves the right to review this funding scheme and/or change its policies, procedures and assessment criteria.
2. The application form does not necessarily cover all the information Ffilm Cymru uses to decide which applications to fund. Ffilm Cymru can ask applicants for extra information.
3. All applications are made at the applicant's own risk. Ffilm Cymru will not be liable for loss, damage or costs arising directly or indirectly from:
 - the application process;
 - Ffilm Cymru's decision to provide an award to an applicant; or
 - dealing with the application
4. Please check your application form carefully. Ffilm Cymru will not process applications which are incomplete or which do not comply with these guidelines.
5. Ffilm Cymru's decisions on applications are final.
6. Ffilm Cymru will not pay any funding until it has received a fully executed copy of the long-form funding agreement and any conditions precedent to the agreement that have been satisfied or waived by Ffilm Cymru.
7. Ffilm Cymru will publicise information on the number of applications it received and the awards made. This information will include the name of the successful applicant, award amount, project name and project details.
8. The Freedom of Information Act 2000 gives members of the public the right to request certain information held in relation to applications to Ffilm Cymru's National Lottery funding programmes or schemes. Therefore if you choose to apply to Ffilm Cymru you should be aware that the information you supply, either in whole or in part, may be disclosed under the Freedom of Information Act.
9. All information provided to Ffilm Cymru will be treated in accordance with the Data Protection Act and all associated legal provisions concerning data protection. The information you provide will be used to assess your project, to fulfil a funding contract with Ffilm Cymru, to report to our stakeholders and/or to comply with broader law. You have a right to ask for a copy of the information held by Ffilm Cymru in its records. You also have the right to require Ffilm Cymru to correct any inaccuracies in your information.
10. All sensitive personal information provided to Ffilm Cymru, for example, EDI monitoring forms, will be held in anonymous format on a computer for two years and may be used for statistical purposes thereafter.
11. Ffilm Cymru have the right to withhold or reclaim an award if the application was filled in dishonestly or with incorrect or misleading information about the organisation or the project whether deliberately or accidentally; and/or if the award recipient acts dishonestly or negligently to the disadvantage of the project. Ffilm Cymru will follow up cases of suspected fraud and will pass information to the police.
12. Ffilm Cymru requires that any measures taken by applicants to address under-representation are fully in compliance with the **Equality Act 2010**.
13. Formal appeals against the final decision on a funding application will not be considered unless the applicant has good cause to believe that the procedures for processing the application were not adhered to, or applied in such a way as to prejudice the outcome of the application. A copy of our **Feedback & Complaints Procedure** can be found on our website.
14. Conflicts of interest must be declared by applicants within their application - if for example a member of staff is involved in a project or project team then Ffilm Cymru must be notified.
15. Ffilm Cymru requires all of its partners and award recipients to increase the visibility of the National Lottery by promoting and displaying the National Lottery logo along with Ffilm Cymru's logo and by agreed verbal and written acknowledgement.

APPENDIX

The National Lottery Act 1993 (Amended 1998) outlines key criteria to be taken into account when considering applications for funding. Ffilm Cymru Wales interprets these as follows:

ARTISTIC QUALITY

Ffilm Cymru Wales seeks to support original and dramatic filmmaking.

PUBLIC BENEFIT

This may be achieved by diversifying the range of cinematic material provided; profiling new talent or increasing the representation of previously under-represented communities for example.

NEW DEVELOPMENTS

Lottery funds are not permitted to be substitutional. That is, they should not replace alternative sources of funding available to a given project. Instead, they may be used to lever additional investment in projects. Our funding can be used in partnership with other Lottery funders, subject to an overall cap of 50% from Lottery sources.

FINANCIAL VIABILITY

We will take into consideration the financial viability of the project and the compatibility of the various financial components with Lottery funding terms. Applications will need to be appropriately budgeted for the project's target audience and eventual market.

PARTNERSHIP FUNDING

Applicants will need to show written confirmation of partnership finance and details of terms and conditions. Production funding is unlikely to be offered unless an element of partnership funding is already in place.

CLEAR DEMAND

Ffilm Cymru Wales seeks to support film projects that demonstrate a likelihood of gaining distribution. Projects that seem unlikely to get distribution are unlikely to be of benefit to the public and would therefore fail against Lottery funding criteria. Ffilm Cymru Wales aims to support a broad range of film genres and budgets but in all cases projects should be appropriately budgeted to reflect their likely audience potential. Applicants will be expected to include sales figures, supplied by an established sales agency and / or evidence of interest from a UK Distributor.

EFFECTIVE MANAGEMENT

Ffilm Cymru Wales is accountable for the expenditure of public funds and must therefore satisfy itself that the applicant is likely to deliver on budget and schedule and use the funds for the purpose intended.

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CYMRU WALES

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