



CHANGE AWARDS

FUNDING FOR SCREEN-BASED PRODUCTION COMPANIES
TO BENEFIT THE WIDER WORKFORCE

GUIDELINES

2020-21

SUMMARY

As part of our Covid-19 relief efforts, Ffilm Cymru is inviting applications for interest free CHANGE AWARD loans from Wales-based production companies with a demonstrable track record in feature film and at least one production that is viable to progress into production within the next 6 months. That production may be in any screen form including film, TV, animation, interactive or game.

Companies can apply for up to £40,000, interest free, with a 12 month repayment holiday from full receipt of funds.

This finance is offered at company level, rather than being an investment in individual productions. It is intended to support both those successful applicant companies through these challenging times, and to support change. That change is focused on:

1. Inclusively pushing out support for the wider workforce, to benefit individuals who may be working as freelancers, sole traders or operate loan-out companies and to ensure that opportunities for trainees continue. This is reflected in the funding criteria and conditions of these awards; and
2. To support companies into production to unlock wider opportunities for job creation.

AIMS

We are looking to address all of the following aims through each of the successful applications:

- Enabling the production company to remain financially viable during these challenging times and for its founder(s)/director(s) to think strategically about how to sustain the company and position it for future growth;
- Offsetting additional Covid-19 related costs such as legal, accountancy and business affairs advice to exploit IP; revisiting schedules, budgets and logistics around productions planned over the course of the next 18 months; engaging safety supervisors and undertaking Covid-19 related safety training, and other costs that will be of benefit to the company both in the short and medium term across the production company's slate. In implementing Covid-19 measures we encourage companies to explore and implement environmentally sustainable solutions;
- Providing financial relief to company founders and personnel, freelancers, other individual workers (eg sole traders/those who work through loan-out companies) and trainees – with a particular emphasis on those who have not been able to access (significant) Welsh or UK Government financial support to date;
- Supporting production companies with the ability to convert screen projects into production within the next 6 months, thereby generating jobs for multiple freelancers, trainees and service/facility companies, and
- Supporting recruitment practices that result in a workforce at all levels that reflects our population, with a particular emphasis on addressing areas of under-representation including the engagement of Black and non-Black People of Colour, people who are living with disabilities and people who are experiencing socio-economic disadvantage.

WHO WE ARE

Ffilm Cymru is the development agency for Welsh film. We are committed to developing a film sector and culture that works for everyone across Wales. We champion entrepreneurialism and we promote working practices with the well-being of future generations in mind, including a commitment to environmentally-friendly practice and fair work.

Our work includes advocacy, events, skills and training and exhibition as well as offering development programmes and finance to advance careers, projects and companies. The CHANGE AWARDS are developed and managed by Ffilm Cymru with the support of the National Lottery through the Arts Council of Wales.

WHO CAN APPLY?

You can apply for CHANGE AWARDS funding if:

- You have founded a production company which is registered in England and Wales and which has its main office in Wales;
- You are the Chief Executive/Director of that company;
- Your company has a focus on long form live-action, animation or documentary, even if it works across different mediums;
- You can demonstrate that you have a long form screen project that is capable of advancing into production within the next 6 months;
- Your company is solvent and can demonstrate its' potential as an on-going concern as a result of company reserves, assets with exploitation strategy and/or revenue from upcoming projects (fees/ rights exploitation) to which you own the rights and have already raised finance;
- You can commit a significant proportion of your CHANGE AWARD (not less than 25%) to recruiting at least 4 paid individuals (who may be freelancers, sole traders or directors of micro-companies that loan out their services), and including a trainee, over-and-above your company staff. These individuals should enable the delivery of your application plan. This might for example, include a line producer, production designer, safety consultant and trainee production assistant (according to your needs in Wales).
- You must be able to demonstrate your commitment to diversity and inclusion throughout your hiring approach and working practice;
- You have worked for at least three years in TV or Film production. You have lead-produced at least one feature film, which received a theatrical release;
- You have working industry relationships in Wales, the UK and internationally.

Companies that have previously received Ffilm Cymru Company Support awards can apply for further funding, provided that they can demonstrate how the funding is necessary and that the application is compliant and consistent with the CHANGE AWARDS aims, criteria and overall guidance.

WHAT CAN I APPLY FOR?

Applicants can apply for up to £40,000. We encourage you to apply for what you need to remain financially viable and to advance your next screen project into production within the next 6 months to trigger wider financial benefits for your company and the wider sector through creating job and service opportunities.

This funding is intended to benefit company and founder/producer sustainability and growth potential as a whole over the long term. The below provides some guidance as to the areas applicants can request support for:

- Strategies to improve the monetisation of assets beyond the scope ordinarily covered by film project funding, such as R & D funding into alternative business models and new markets;
- Enhanced human resource in areas not adequately covered within company staffing, including for example legal, accountancy, business affairs and safety consultancy;
- The development of digital assets for marketing and/or wider potential IP development and exploitation around existing company film assets, such as reversioning, serialisation, publishing, stage adaptation and apps;
- Company founder(s)/producer(s) fees to support sustainability, bearing in mind the time-frame of this support, where applicants should have productions capable of advancing into production and releasing fees within 6 months; Fees for freelancers and trainee(s). To be clear, we expect that all applications will hire at least 4 individuals, including a trainee, and will demonstrate diverse and inclusive recruitment practices and appointments;
- Costs that enable the advancement of a pre-financed project into production within 6 months, provided such costs have broader company benefit beyond that singular project and provided that it is not otherwise possible for the production to gain an advance payment from the production financiers of that project. This might for example be the case where a project was financed pre-Covid-19 and subsequently incurred additional costs to ensure compliance with Covid-19 protocols and where the company has been unable to leverage further project specific investment to cover such costs;
- Rent/rates and other fixed office costs, where it is not possible to access Covid-19 support programmes.

It is not the intention of this fund to cover the direct costs associated with the development or production of specific projects. However, we recognize that there are some costs – such as Covid-19 safety supervisors and the services of entertainment lawyers that may offer project specific advice that nevertheless has broader potential benefit and application for the company across its' other projects or growth strategies. We will permit costs where there are broader and longer term benefits to be included within your application budget. However, this fund is provided at company level rather than as a project specific investment.

Please refer to our [development or production funding](#) if you are looking for project-specific support.

HOW DO I APPLY?

In order to make a CHANGE AWARDS application, you will need to download the application form from our website.

The application form takes you through a series of questions regarding your company, which will allow us to better understand the vision for your company, its viability, as well as its benefit to Wales and Welsh talent. We receive far more applications than we are able to support, so it is advisable to make your application stand out.

Throughout we will be assessing the extent to which your application addresses the Aims of this fund, as detailed above.

You will also be required to submit the following with your application:

- CVs for company founder(s)/director(s) and contracted workforce sufficient to demonstrate that individuals
- Anonymised diversity data for the company. You will be sent a link following submission of your application, but the application will not be considered complete until this is completed and submitted;
- An overview of the job opportunities that you expect to generate with the requested funding, to include posts to be funded within the CHANGE Award budget and projected jobs created by the project(s) that is expected to advance into production within the next 6 months;
- Any financing agreements already entered into in respect of the company;
- Latest company accounts;
- Company income and expenditure projections for the next 12 months;
- A detailed credit list for all completed work with the precise credit accorded to the company along with an overview of the current slate (across all media and art-forms). Please indicate where you have lead-produced a film for theatrical release;
- An overview of the screen-based project (which may be a tv, film, animation or game) that you propose will advance into production within the next 6 months together with evidence (without breaching confidentiality provisions) that that project is financed. For example, this may take the form of confirmation from an independent third-party of a fully funded commission, or from the lead financier that the project is funded in principle and anticipated to go into production within that time-frame.
- A budget applicable over the next 6 months, clearly indicating where you are allocating the requested CHANGE AWARD funding. These costs should provide for the engagement of at-least 4 individuals (who may be freelancers, sole traders or directors of loan-out micro companies), including a trainee and can include proportionate fees for the company founder(s)/producer(s).

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

Supporting documentation is better delivered as one online storage link, indicated within your application form rather than as individual attachments.

BUDGET DETAILS

Please bear in mind the following when completing your application:

- Eligible companies can apply for a maximum of £40,000;
- Budget's must include provision to pay at-least 4 freelancers, including a trainee, for their services. Cumulative fees should comprise at-least 25% of the overall Budget and trainees should be paid an amount equivalent to the [Living Wage](#), or higher;
- You may include fees for the founder(s)/producer(s) to support your sustainability plans over the next 6 months. These should be proportionate to other expenditure that advances the prospects of the company moving into production and/or generating third party income from other sources.
- Ffilm Cymru cannot give retrospective funding for costs already incurred and you should ensure that all line items in the budget are reasonable and cost efficient.
- Otherwise applicants are able to apply for funding to cover costs in whatever their area of need. This might for example include safety assessment and provisions to become Covid-19 compliant, legal and/or business affairs consultancy, marketing assets, R&D, and consumables and fixed office costs. This list is not exhaustive.

TERMS & CONDITIONS

Ffilm Cymru's CHANGE AWARDS funding is made available on a competitive basis, rather than being automatic. We expect this fund to be over-subscribed and there is no guarantee of funding even for companies that are eligible.

Successful companies will be awarded funding on a [de minimis](#) basis. You must keep a record of any de minimis aid awarded to your company and declare that amount to any aid awarding body who requests information on how much de minimis aid you have received.

Awards are made subject to contract.

Awards will usually be paid out in 2 instalments – with 10% held-back for delivery of a progress report, including the impact that the funding has had on your company, personnel and the exploitation of its assets

Awards are interest free loans on favourable terms (see below)

An amount equivalent to 25% of the award will be repayable in 4 equal quarterly instalments, starting from 12 months after the award has been fully paid out, but in any event no longer than 20 months from payment of the first instalment. The balance of 75% of the award will be repaid from any increase in profits (as shown on annual management and statutory accounts) from date of signature of the funding agreement at a rate of 20% of such increase. The award is repayable from the company's creative intellectual property (IP) assets as a whole (including film, TV, games, publishing and other mediums) irrespective of whether the award was explicitly used toward this area of the company's activity or whether the company was a lead, co or executive producer, and irrespective of whether or not a special purpose vehicle or wholly owned subsidiary is set up by the company to produce content that it has developed.

DELIVERY

You should email your completed application to **applications@ffilmcymruwales.com** by 12 noon on **Monday 17th August 2020**.

You may be asked to attend an online interview.

We aim to communicate decisions by mid-September 2020.

WHAT HAPPENS ONCE I'VE DELIVERED MY APPLICATION?

You will receive a confirmation email within 3 working days of the application deadline. This email will provide you with a reference number and a link to our EDI (Equality, Diversity and Inclusion) Monitoring Form. Each member of your current company workforce (whether an intern or company founder) must complete this form before your application 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 application has not progressed to the assessment stage.

If your application is incomplete due to errors then we will provide you with a time-frame to correct any errors before the application proceeds to assessment stage.

If your application is complete and eligible for funding according to the criteria above, then your application will progress to the assessment stage.

ASSESSMENT CRITERIA

Applications will be assessed against the following Assessment Criteria:

- The potential of the company to sustain their financial viability and (re)develop growth potential over the medium to longer term;
- The viability of the plan for the requested funding and the benefits their Budget offers to third-parties, including freelance and trainee hires to support work identified in the plan. Further value might be offered by contracting Welsh service/facilities companies with requested funding, as appropriate;
- The leveraged value of this funding – in particular through the company converting a screen project into production within 6 months of receiving their award, generating jobs (numbers/ types in Wales to be specified) and work for service/facilities companies;

- The diversity of the company's key personnel and the company's activity against our EDI Action Plan and their commitment to further advancing diversity and inclusion through hires made with funding identified in their application and beyond
- The extent to which the company has sought to further monetise existing company film assets, perhaps through serialisation, publishing, stage adaptation or digital apps.
- The company's potential benefit to Wales and Welsh talent;
- The experience of the company's key personnel;
- The creative and commercial promise of the company's slate of projects;
- The applicant's understanding of the wider market that they are engaging with and their routes to market;
- The company's appropriateness for National Lottery Support (see appended Lottery Terms);
- The overall balance of our investments.

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

Ffilm Cymru may use external assessors when assessing applications.

Ffilm Cymru may request further information or materials from you.

SHORTLISTING

Applications will be assessed by the Chief Executive, the Head of Production and representatives of Ffilm Cymru's Board, who will agree recommendations for approval of the full Board.

Shortlisted applications may be invited to interview with Ffilm Cymru, in which case all members of the company involved in the application should attend. This is an opportunity for you to discuss your application with us in more detail and for us to dig into the request for funding in particular. We may ask you to develop some of your ideas further or to address specific questions about the application in advance of this interview.

We are seeking to strike a balance whereby we assess and release funds as soon as we can, given the aims of this fund. Consequently, if the assessors consider that they have sufficient evidence from submitted applications to proceed to decisions without interview, they will opt for that course of action in the interests of speed. You should therefore submit sufficient evidence to fully address the questions asked of you and these guidelines in order to make the strongest case for funding.

Once assessment is complete, applicants will be notified. We aim to communicate decisions by Friday mid-September.

FEEDBACK

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

In these circumstances you will receive a standard email notification that you have been unsuccessful with your funding application.

If we have shortlisted your application then we will provide brief feedback, if requested. There is no obligation for the applicant to apply the feedback provided nor is application of that feedback a guarantee that funding will be provided in the future.

Decisions of the panel are final. However, please see our [Feedback, Complaints and Appeals process](#) in respect of lottery funding if relevant.

RESUBMISSION

We expect to fully expend available funding for 2020-21 in a single application round, therefore, we do not expect to be able to invite resubmissions.

In the event that a resubmission is permitted, this should only be made with Ffilm Cymru's approval and should show substantive changes.

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 reserves 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, we also offer training opportunities and advice. As a CHANGE AWARD beneficiary at an appropriate juncture, we'll ask you to share some of your insights with the next generation of film entrepreneurs in Wales.

We will require you to report to us on progress against your award or any changes to your company structure or activity.

OFFER LETTER

Your award will ordinarily be offered in two instalments set against commencement and delivery of specific actions identified in your budgeted plans. The final instalment will be payable following a report on the impact of the funding on your company sustainability and income generation, in-house and hired personnel (including any improvements in relation to diversity and inclusion) and progress towards a screen project on your slate advancing to production, together with the benefits that brings to Wales (including jobs created and service/facility companies provided with work).

Your offer letter will detail these instalments as well as a timeline for delivery against them. It is your responsibility to ensure these dates are met.

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 full terms and conditions of the CHANGE AWARD funding. These conditions will include but are not limited to the following:

- Provision of your Company Memorandum and Articles of Association;
- Provision of your company bank account details;
- Repayment terms - noting that the loan will be interest free and will allow for a 12 month repayment holiday from full drawdown of funds
- Appropriate crediting to Ffilm Cymru including Ffilm Cymru and National Lottery logos;
- Development of and reporting against the EDI Plan originally outlined in your application;
- Reporting against your application plan (including cost and progress report that explains the impact that the funding has on your company and its work) and any key changes to your company activity or profile;
- Delivery of company accounts to Ffilm Cymru on an annual basis until such time as the loan is fully repaid;

- Commitment to participation in and sharing of non-commercially sensitive knowledge, insights and working practice with talent and aspiring film business owners in Wales;
- An administration charge of 2% of the award amount payable to Ffilm Cymru out of the first instalment;
- Standard termination provisions.

CONTACT DETAILS

If you have questions relating to these guidelines after reading them through, please contact **applications@ffilmcymruwales.com**

FFILM CYMRU LOTTERY FUNDING GENERAL CONDITIONS

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 what 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 that 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, company and award amount. We will not publish any information marked as commercially confidential or relating to unpublished/unproduced projects not otherwise already in the public domain without your prior permission.
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 as a delegate of the Arts Council of Wales. 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, the General Data Protection Regulation 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. You can review our [Privacy policy here](#).
10. 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 underrepresentation 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 Ffilm Cymru staff is involved in a company or one of its projects 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.



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ARIENNIR GAN
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