

## **Economy, Treasury and Constitution Group**

### **Economy Futures Fund**

### **Creative Wales Production Funding**

### **Application Guidance**

# Contents

<b>Creative Wales</b> .....	3
<b>What is the purpose of Creative Wales Production Funding?</b> .....	3
<b>Creative Wales' High Level Funding Principles</b> .....	4
<b>In what circumstances do we consider supporting projects?</b> .....	4
<b>Who is eligible to apply?</b> .....	5
<b>What genres of production will the fund support?</b> .....	6
<b>What Creative Wales strategic priorities do we look out for when assessing a production project?</b> .....	6
Economic Impact .....	6
Commercial Viability .....	7
Skills & Talent Development .....	7
Equality & Diversity .....	8
Cultural Representation of Wales .....	8
Sustainability .....	9
<b>Scripted</b> .....	9
Who can apply? .....	9
How much can I apply for? .....	9
What do we look for when assessing scripted production? .....	10
<b>Non Scripted</b> .....	10
Who can apply? .....	10
How much can I apply for? .....	11
What do we look for when assessing a non-scripted project? .....	11
<b>Wellbeing Facilitators Pilot Wales</b> .....	12
<b>Animation</b> .....	12
Who can apply? .....	12
How much can I apply for? .....	12
What do we look for when assessing an animation project? .....	12
<b>How are we supporting Feature Film productions for theatrical release?</b> .....	13
<b>Games</b> .....	13
Who can apply? .....	13
How much can I apply for? .....	13
What do we look for when assessing a games project? .....	14
<b>What else should I consider before applying for Creative Wales Production Funding?</b> .....	14
Detailed Production and Welsh Spend Budget .....	14
Sales agents and/or distributors .....	15

Finance plan.....	15
Project cash flow .....	15
Repayment of Production Funding .....	15
IP .....	15
Publicity Plan & Credits .....	16
Industry Certification .....	16
<b>What costs are ineligible for this funding? .....</b>	<b>16</b>
<b>How do I apply? .....</b>	<b>17</b>
Initial Eligibility Assessment.....	17
Expression of Interest Stage .....	17
Application Stage .....	18
<b>Appraisal .....</b>	<b>19</b>
<b>Agreeing the award letter .....</b>	<b>19</b>
<b>Timescales .....</b>	<b>19</b>
<b>Payment and Monitoring .....</b>	<b>19</b>
Claim Schedule .....	19
Payment and Monitoring .....	20
Post Completion Monitoring .....	20
Grant Repayment.....	20
<b>Welsh Language .....</b>	<b>20</b>
<b>Complaints Procedure .....</b>	<b>20</b>
<b>Well Being of Future Generations .....</b>	<b>21</b>
<b>Privacy Notice.....</b>	<b>21</b>
<b>UK Subsidy Control .....</b>	<b>21</b>
<b>Further Information .....</b>	<b>21</b>
<b>Appendix A .....</b>	<b>22</b>
Welsh Spend.....	22

## Creative Wales

Creative Wales is a Welsh Government internal agency that supports the development of the fast-growing creative industry in Wales. We focus on developing and promoting growth across the Screen, Digital, Music and Publishing sectors, positioning Wales as one of the best places in the world for creative businesses to thrive. Our organisation continually invests in developing infrastructure and creative businesses, whilst building on continued success, identifying opportunities and actively promoting diversity and equality across the industry. We are passionate about supporting homegrown talent and attracting international creative projects to Wales. In doing so, we are strengthening the industry in the long term and creating exciting opportunities for future generations.

## What is the purpose of Creative Wales Production Funding?

Creative Wales Production Funding is a discretionary scheme delivered via the Economy Futures Fund, where public funding is used to support the growth of Wales as a destination for the production of world class content. The funding will support Welsh based production and games development companies who are looking to develop productions intended for international audiences. It will also be used to attract high-end inward investment companies capable of boosting the local economy and leaving a significant skills legacy in Wales.

Creative Wales is prioritising the development of a content production sector that provides equal and diverse opportunities for a long term, skilled employment base. The funding will be targeted at companies that are implementing the latest practices in sustainable production, have wellbeing of cast, crew and employees at the forefront, whether they are freelancers, contractors or permanent staff.

We also prioritise content that shows the best of Wales to the world, in culture, language and geography.

Through this funding, we will:

- Boost production by stimulating growth in the number and variety of productions made in Wales
- Maximise the economic impact of supported productions to local economies and the supply chain in Wales
- Improve employment opportunities in the sector through increased and co-ordinated opportunities for training and development
- Develop audiences by improving access to Wales made production and content at home and internationally
- Develop Wales' reputation as a destination for international productions and co-productions, supported by our world-class talent, crews, facilities and unique locations
- Support the development of a skilled, diverse workforce

Through this funding, Wales will take advantage of the global explosion in demand for content, by developing a sustainable long term industry. We will ensure that career development within fair working environments is achievable for all working in the sector, from freelancers to crew, cast and permanent staff. This funding allows us to maintain a pipeline of projects which is in turn essential to industry stability.

## Creative Wales' High Level Funding Principles

Funding from Creative Wales is designed to support the Welsh Government's strategic priorities for inclusive, sustainable growth in the economy. As such, we expect organisations in receipt of our support to operate in a responsible manner and all businesses applying for funding from Creative Wales will be expected to sign up to our high level funding principles in the form of an Economic Contract.

The Economic Contract is an agreement between the Welsh Government and a business on the actions we will both take which contribute to tackling the challenges we face and improving the lives of people across Wales, based on a collective understanding and commitment to the following principles:

- Our vision for Wales' well-being economy is one that delivers prosperity for all, and is environmentally sound, helps everyone live healthy lives and realise their potential, with a vibrant Welsh culture.
- The Economic Contract is a commitment to provide public investment that prioritises the social and environmental needs of Wales whilst building a more resilient and prosperous economy.

Through the Economic Contract businesses can demonstrate the contribution they will make to these principles and the Welsh Government sets out the support it will give it in return.

The Economic Contract reflects our Programme for Government priorities and the vision for Wales set out in the Wellbeing of Future Generations Act, and asks businesses applying for funding to make long term commitments in the following areas:

- Economic Strength & Adaptability
- Fair Work
- Promotion of Wellbeing
- Low carbon and Climate Resilience

## In what circumstances do we consider supporting projects?

Creative Wales will only provide support at the minimum level required to enable the project to take place in Wales. Generally, support will only be provided to productions on the basis of one or more of the three scenarios below.

- Mobility – we accept that there are readily available, international incentives that enable most productions to be considered as mobile. You will need to state which other territories you are considering, demonstrate that those territories are realistic, outline what potential incentives are available in those alternative locations. At the same time, you will be expected to explain and evidence why the amount you are applying for is the minimum necessary to allow the project to happen in Wales.
- Financial Gap – where a gap exists in the funding schedule, we will need a cash flow forecast for the project period which demonstrates a funding shortfall equal to, or greater than, the amount being applied for. Where there is a funding gap greater than the grant available, you will be expected to explain how you will bridge that gap to ensure the viability of the project. Creative Wales funding is offered as the final part of

a confirmed finance plan, so you will need to demonstrate that you have explored all other realistic sources of private finance and maximised your own contribution.

- **Acceleration** – Where the project is able to happen faster, include higher quality content, or on a larger scale than would be possible without our support, we will accept an application for an amount which demonstrably improves the project, or an amount which enables a project to be brought forward. In both cases a short business case will be required alongside the application which justifies the amount.

**Please note** - Creative Wales funding should not be presumed or communicated as confirmed in your finance plan until due process is afforded to all elements of the application and assessment process, culminating in a project legal agreement being fully signed and executed.

We cannot fully fund the production costs of any project, regardless of the budget. Applications without other market finance attached and seeking to be fully financed by Creative Wales, or financed only with support from Creative Wales and the applicable UK Tax Credit, will be deemed ineligible.

The majority of productions supported via this fund will be from applicants who have identified a gap in an otherwise fully financed production budget, and considered the minimum necessary level of financial support from Creative Wales prior to approaching us (guidance on level of gap we are able to finance for each genre is included in this document).

We cannot support projects where significant commitment beyond planning stage has commenced, has been made or principal photography has begun. In these circumstances this would deem a project ineligible.

## Who is eligible to apply?

You can apply for Creative Wales Production Funding if you meet **ALL** the following eligibility criteria;

- Your main business activity is Film or TV (scripted/non scripted), Games or Animation
- All or a significant part of this production will be made in Wales
- You have a fully considered finance plan with all other funding in place
- There is a skills/upskilling element to the project
- Your project demonstrates a commitment to diversity, inclusivity and sustainability
- You can evidence commercial viability (distribution deal, commission, broadcaster etc.) associated with this project
- There is a minimum of 12 weeks until project start date (principal photography for TV & Film projects) from project enquiry \*
- Your company/management team have a demonstrable track record of delivery in the genre, and at least one commercial release within the last 3 years from application

**Please note** – a funding decision may take longer than 12 weeks and is subject to a fully completed application.

## What genres of production will the fund support?

- Scripted
- Non-Scripted
- Animation
- Games Development

**Please note** - Short form filmmaking or slate production projects outside the scope of a single series are not supported through this production funding.

Theatrical films - arrangements for funding are in the process of being finalised and will be announced shortly. (Theatrical - those films, of whatever genre - including animation and documentary - that are intended for theatrical release and primarily financed outside of studios).

## What Creative Wales strategic priorities do we look out for when assessing a production project?

The decision on which applications will be funded will be based on an overall assessment of how far a project meets the following key criteria:

- Economic Impact
- Commercial Viability
- Skills & Talent Development
- Equality, Diversity & Inclusion
- Cultural Representation of Wales
- Sustainability

To confirm, all projects will be expected to deliver against specific criteria related to economic impact, commercial viability and contribution to skills and talent development, tailored to project type, and further detail on this is set out in the project specific sections of the guidance document. It is recognised that the degree to which projects will deliver against other criteria will vary, depending on the nature of the project.

**The decision on whether a project secures funding is based on a combined score against all of the above criteria, recognising that some projects will score better against some criteria than others.**

As noted previously, we would expect all successful applicants to operate in line with our joint priorities related to fair work, promotion of wellbeing and climate resilience as agreed through the Economic Contract.

### Economic Impact

Our aim is to support projects that will maximise the economic impact of production activity in Wales, and ultimately leave a legacy that further strengthens our industry.

Quality is assessed by considering the following areas (not in priority order);

- Direct return on investment - value for money – The ratio of the amount of production spend in Wales to the amount of funding requested.
- Strengthening the Welsh workforce, including cast, crew, freelancers and permanent employees
- Supporting the growth of indigenous companies
- Productions with multiplier potential, including returnable series, recommissioning projects, further editions of games etc.
- Quality of spend (above and below the line in production), salary levels (in games development).
- Supply chain and local service providers' impact - including the use of local suppliers in post-production, VFX, sound, business support etc.
- Regional spend – benefiting areas that historically have seen less production activity or have low levels of employment
- Tourism impact
- International reach

## Commercial Viability

We want to support projects that have the greatest chance of success to their intended audiences. As such, we expect you to have confirmed, or secured, a written indication of strong interest of a broadcaster/sales agent and/or a distributor for your project before making an application, or have another defined route to market.

Quality is assessed by considering the following areas;

- Route to market.
- Track record of delivery.
- Management team – ability to deliver.
- Distributor – recognised distributor, suited to the production.
- Multiplier potential e.g. returnable series, recommissioning projects.
- IP creation/retention.

## Skills & Talent Development

Supporting skills and talent development within our creative sectors is a key priority. We are committed to working towards building a sustainable, inclusive and diverse industry in Wales, and supporting a thriving supply chain and talent base across Wales.

In line with the Welsh Government's Programme for Government commitment to deliver the Young Persons Guarantee, giving everyone under 25 the offer of work, education, training, or self-employment, productions which receive funding from Creative Wales must commit to providing trainee opportunities in the form of paid placements which are tracked and monitored to help ensure future careers pathways for all trainees. Applicants will be expected to demonstrate a fair and open recruitment process which ensures opportunities for all, whether recruiting direct or from a recognised trainee scheme. We prioritise skills initiatives which support individuals looking for a career within the screen sector.



In line with the Welsh Government's Programme for Government commitment to create 125,000 all-age apprenticeships we expect at least one paid placement on a production to be offered to an individual undertaking an apprenticeship.

We are also looking for projects which can demonstrate additional commitments towards improving awareness of careers within the sector as well as supporting career progression in the form of providing upskilling opportunities, work experience/shadowing placements, workshops and outreach work with schools, colleges or universities in Wales.

Project quality is assessed by considering the following areas;

- Number, quality and project timescale of trainees/training programme
- Sourcing from recognised schemes
- Targeting underrepresented groups
- Innovative training schemes/workshops
- Area of department where gaps been identified.
- Diversity/inclusivity/participation
- Up-skilling opportunities

Training opportunities will ideally be offered across a range of upskilling and new entrants.

**All paid trainee and upskilling positions tied into our production funding agreement must be for individuals who have a primary residence in Wales, and who have been identified and agreed from a recognised programme in conjunction with Creative Wales when agreeing the trainee plan before project start.**

## Equality & Diversity

Projects which can demonstrate and address underrepresentation in the industry are welcomed. Creative Wales is currently working with the British Film Institute (BFI) on a version of their [diversity standards](#) for Wales.

In the meantime and whilst these are being developed, we expect productions to demonstrate a commitment to inclusion in the following areas;

- On-screen representation, themes and narratives.
- Creative leadership and project team.
- Industry access and opportunities.

## Cultural Representation of Wales

The cultural portrayal of Wales is assessed by considering the following areas;

- Promoting and developing Welsh language content and/or use of Welsh language in first language English content.
- Domestic/international reach – promoting Wales on the international stage.
- Promoting Welsh stories/history/culture.
- Authentic portrayal of Wales.
- Promoting locations across Wales.

## Sustainability

Projects which can demonstrate and contribute to industry and Welsh Government sustainability goals are welcomed. This could be demonstrated by:

- Evidence of a pre-production environmental assessment.
- Carbon footprint of production tracked.
- Evidence of lessons learned from previous productions.
- Repeat series should always reduce the carbon footprint.
- Scores for innovative production models for Carbon reduction.

### Wales Sustainability Pilot Project – Screen New Deal: Transformation Plan

In December 2021, Wales was selected as the UK region to pilot BAFTA Albert's *Screen New Deal: Transformation Plan*. The initiative is a follow-up to the Screen New Deal report released in 2020 (<https://wearealbert.org/2020/07/22/screen-new-deal/>) which explored the carbon impact of the film production sector and proposed a practical route forward for scripted film, high-end TV drama and studio-based productions to reach a zero-carbon, zero-waste future, aligned with net zero and science-based targets.

Through the *Screen New Deal: Transformation Plan*, Albert, the BFI, and Arup are working with Creative Wales, Ffilm Cymru Wales and Clwstwr to conduct localised data collection and mapping. This will identify film and HETV-related services which already exist in the area, highlight service gaps and advance the creation of a location-based transformation plan to decarbonise TV and film production.

Any award for scripted film and TV production will include a requirement for successful applicants to input into this project process.

## Scripted

### Who can apply?

- Production companies based in Wales
- Production companies based outside Wales (Any projects from applicants outside of Wales are be required to demonstrate meaningful strategic benefit to Wales and leave a positive legacy)

### How much can I apply for?

Awards of between £50,000 to £750,000 are available for scripted productions. If appropriate, we may accept an application for a higher amount, where the project demonstrates exceptional strategic benefits for the sector in Wales, as well as strongly meeting all our funding criteria to the highest level. Equally, there may be exceptional cases where a lower award is possible.

For scripted projects applicants should be aware that a Welsh Spend to funding award ratio of 10:1 is the minimum threshold to advance any applications.

When considering the level of support, the scoring against other key deliverables will be considered in any final award assessment as well as evidence supporting that the level of support is the minimum necessary for the project to go ahead in Wales.

To support further series of previously funded projects, Creative Wales will expect to see a greater return on investment across project deliverables such as skills opportunities and Welsh Spend.

**Please note** – In all cases, Creative Wales will need to be satisfied that the amount being applied for is the minimum necessary to secure the project to Wales.

Our production fund does not fully cover production costs of any project, regardless of the budget. Applications without other market finance attached and seeking to be fully financed by Creative Wales, or financed only with support from Creative Wales and the applicable UK Tax Credit, will be deemed ineligible.

### What do we look for when assessing scripted production?

- Scripted series, limited series productions or feature film intended for TV / streaming service (non-theatrical).
- Recognised and reputable broadcaster/distributor attached to production.
- Training plan to be agreed with Creative Wales in advance of any trainee / apprenticeship recruitment, sourcing from recognised skills providers in Wales.
- Number, quality and length of Wales based paid trainee opportunities tied into a funding agreement to be negotiated with Creative Wales, and must be proportionate to the size of production and requirement to deliver.
- Any management / producer fee from Wales based applicants must be proportionate to overall Welsh spend budget, management / producer fees from applicants outside of Wales are not considered eligible Welsh spend.
- The proportion of above and below the line Welsh Spend is assessed, with strategic importance being placed on those productions utilising Wales based freelancers, supply chain companies and service providers.
- The production will be expected to attain Albert certification, and input into Wales' sustainability pilot project – *Screen New Deal: Transformation Plan*.

## Non Scripted

### Who can apply?

- Production companies based in Wales
- Production companies based outside Wales (applications on a co-production basis with a Wales based company may also be considered)

## How much can I apply for?

Awards of between £50,000 to £300,000 are available for non-scripted productions. If appropriate, we may accept an application for a higher amount, where the project demonstrates exceptional strategic benefits for the sector in Wales, as well as strongly meeting all our funding criteria to the highest level. Equally, there may be exceptional cases where a lower award is possible.

For non-scripted projects applicants should be aware that a Welsh Spend to Production Fund Award ratio of 6:1 is the minimum threshold to advance any applications.

When considering the level of support, the scoring against other key deliverables will be considered in any final award assessment as well as evidence supporting that the level of support is the minimum necessary for the project to go ahead in Wales.

To support further series of previously funded projects, Creative Wales will expect to see a greater return on investment across project deliverables such as skills opportunities and Welsh Spend.

**Please note** – In all cases, Creative Wales will need to be satisfied that the amount being applied for is the minimum necessary to secure the project to Wales.

Our Production Fund does not fully cover production costs of any project, regardless of the budget. Applications without other market finance attached and seeking to be fully financed by Creative Wales, or financed only with support from Creative Wales and the applicable UK Tax Credit, will be automatically deemed ineligible.

## What do we look for when assessing a non-scripted project?

- Limited series productions or feature film intended for TV / streaming service (non-theatrical)
- To stimulate growth of Wales' factual production sector; applicants must be Wales based, or companies outside of Wales must have a co-production agreement with a Wales based production company to be eligible
- Cultural portrayal of Wales, the Welsh language or Welsh stories captured intended for domestic and international audiences
- Recognised and reputable broadcaster / distributor attached to production
- Training plan to be agreed with Creative Wales in advance of any trainee / apprenticeship recruitment, sourcing from recognised skills providers in Wales
- Number, quality and length of Wales based paid trainee opportunities tied into a funding agreement to be negotiated with Creative Wales, and must be proportionate to the size of production and requirement to deliver
- Any management/producer fee must be proportionate to overall Welsh spend budget. Fees that appear to be disproportionate compared to average productions may be challenged during assessment of your proposal
- Proportion of above and below the line Welsh Spend is assessed, with strategic importance being placed on the utilisation of Wales based freelancers, supply chain companies and service providers.

## Wellbeing Facilitators Pilot Wales

For scripted and non-scripted applicants should note that Creative Wales is currently in consultation regarding the implementation of mandatory well-being facilitator positions in all productions taking place in Wales. At present, whilst this is not mandatory, we are encouraging all productions to make a provision for this role in their plans.

From June 2022, additional support will be available to enable productions to employ a wellbeing facilitator. Contact a member of the Creative Wales team to discuss further.

## Animation

### Who can apply?

- Animation companies based in Wales
- Animation companies outside Wales (We will fund the production of projects in Wales from international producers which can demonstrate meaningful strategic benefit to Wales and leave a positive legacy)

In both cases, you should be an experienced animation production company, or in the case of any start-up company have an experienced management team with a demonstrable track record of delivery in the genre, and at least one commercial release within the last 3 years from application.

### How much can I apply for?

Awards of between £50,000 and £500,000 are available to applicants based in Wales, or where the Intellectual Property rights are 50% or more owned in Wales.

The minimum award ratio is 8:1 against Welsh spend. Co-productions with Welsh companies are encouraged.

Awards of between £50,000 and £500,000 are available to production companies outside Wales. The minimum intervention rate is 12:1 against Welsh spend.

**Please note** – In all cases, Creative Wales will need to be satisfied that the amount being applied for is the minimum necessary to secure the project to Wales.

Co-productions with some IP share, or those projects bringing a recognisable IP, will score higher than those without. Projects with no Welsh IP share will score lower on the commercial scale, and will therefore need to demonstrate higher levels in other areas such as skills development, diversity and sustainability to be successful in their application.

### What do we look for when assessing an animation project?

- We will support projects intended for TV broadcast (typically be a series)

- The applicant should be the majority rights holder to the project
- The project should have a confirmed broadcaster / distributor
- Projects with potential for further IP exploitation (multi-platform) are welcomed.
- Animated film projects with a budget of over £2.5m and/or intended for theatrical release should speak with a Creative Wales regarding support in the first instance

## How are we supporting Feature Film productions for theatrical release?

Arrangements for the funding of theatrical films are in the process of being finalised and will be announced shortly. (Theatrical - those films, of whatever genre - including animation and documentary - that are intended for theatrical release and primarily financed outside of studios).

## Games

### Who can apply?

- Games Development companies based in Wales
- Games Development companies outside Wales (we will fund the production of projects in Wales from international producers which can demonstrate meaningful strategic benefit to Wales and leave a positive legacy.)

In both cases, you should be an experienced games development company, or in the case of any start-up company have an experienced management team with a demonstrable track record of delivery in the genre, and at least one commercial release within the last 3 years from application.

### How much can I apply for?

Awards between £50,000 and £500,000 are available to applicants based in Wales, or where the Intellectual Property rights are 50% or more owned in Wales.

The minimum award ratio is 8:1 against Welsh spend. IP share projects with Welsh companies are acceptable and encouraged.

Awards of £50,000 and £500,000 are available to companies based outside Wales. The minimum award ratio is 12:1 against Welsh spend.

Co-productions with some IP share for Welsh businesses, or those projects bringing a recognisable IP or other strategic benefit, will score higher than those without. Companies prepared to establish a permanent base in Wales may be able to access the higher level of award.

## What do we look for when assessing a games project?

- The game must be intended for distribution as a commercial product, on either console, mobile, PC or other channel
- Games which include gambling elements, or other elements which are currently under review by DCMS under the online harms review (e.g. loot boxes) cannot be supported
- Games must have the potential for international distribution and sales
- Projects with the potential to re-use IP in other genres are encouraged

## What else should I consider before applying for Creative Wales Production Funding?

In order to assess the potential eligibility of your project for production funding support, you should have already considered the following:

- Total production budget
- Welsh Spend budget
- Start and end dates (including design phases and alpha / beta release dates for games)
- Details of any follow on support contracts for games projects to be delivered in Wales
- Confirmation of a publisher, broadcaster/distributor being attached to the project
- Details of the confirmed finance plan – including a project cash-flow (the cash-flow should illustrate the funding gap you are applying for)
- The level of funding required and why that is the minimum necessary to enable the project to proceed
- Synopsis of your project

## Detailed Production and Welsh Spend Budget

You should include the latest version of the budget (including a breakdown of Welsh and non-Welsh Spend) and matching finance plan indicating which finance is confirmed and provide outline terms, sales estimates (if you have them), and proposed production schedule.

- Welsh Spend - is defined as all essential production expenditure on workforce (staff, cast and crew) who have a primary residence in Wales, and suppliers/companies with a substantive base in Wales (long term premises, Wales based permanent staff and equipment based in Wales).

For full detailed definition of Welsh Spend and table examples (that can be included in your application pack) please see Annex A.



- Producer and management fees - You should include reasonable management or producer fees and overheads in your budget. Please note we will only make a contribution towards these fees for Wales based production companies as a reasonable portion of the overall Welsh Spend budget, and we will not cover amounts related to the general running costs associated with your business. Producer fees and overheads should be commensurate with the level of work undertaken and the scale and nature of the proposed project.

## Sales agents and/or distributors

We expect you to have confirmed, or secured, a written indication of strong interest of a sales agent and/or a distributor for your project before making an application. If you do not intend to attach a sales agent prior to completion of the project then you should be able to demonstrate why you have made this strategic choice and also provide a sales and distribution strategy with your application.

## Finance plan

You must have a fully developed finance package in place (including a secured written indication of strong interest or confirmed co-funding from other private or public sources) before applying. Creative Wales should be the final part of your finance plan. We cannot take first position on projects.

## Project cash flow

You should provide a cash flow forecast for your project which details the proposed expenditure, identifies the planned Welsh spend and allows us to confirm the gap in your financial plan for which you are applying for funding. Evidence of how the Creative Wales grant (and the UK Tax Credit where applicable) will be provisioned for will be required ahead of progressing an application to appraisal stage.

## Repayment of Production Funding

Creative Wales Production Funding is designed as a grant award scheme, and is ordinarily not repayable. However, Creative Wales reserves the right to propose repayable elements or a fully repayable award following the internal assessment process.

## IP

Where your application is dependent on IP share, we will ask you to confirm that share as part of the application process. If you are aware of any constraints in accessing or retaining the IP proposed you should declare this as part of your application.



## Publicity Plan & Credits

When applying for this funding, you will be asked to agree to openly promote the support you have received from Creative Wales. Your award letter will include a requirement to agree to the following:

- To work in partnership with Creative Wales to agree a publicity plan, components of which will involve (a) the inclusion of the Welsh Government logo and approved wording in end roller credits; and (b) the provision by the applicant of video and image assets [from and relating to the production] for use by Creative Wales and Welsh Government in promoting the creative industries in
- To routinely undertake press, social media and publicity activities (with reasonable prior notice) alongside the Welsh Government and to provide access to official production stills, behind the scenes photography as well as video footage from the final production as reasonably requested by the Welsh Government Official for the purposes of promoting Wales as a filming location and publicising Welsh Government support.

You will be required to credit to Creative Wales / Welsh Government in a form which will be set out in the funding agreement.

## Industry Certification

Feature films and feature documentaries must be capable of qualifying for certification as a British film through Schedule 1 of the Films Act 1985 (The Cultural Test), or an agreed equivalent. This should be demonstrated as part of the full application.

Video games must be capable of attaining a [PEGI](#) certification. Developers should outline which PEGI rating they are attempting to attain. This will be listed in the award letter terms, and we must be notified if the rating is going to change to a higher level than that agreed at the time of application as the game progresses. You will need to advise us of your rating as soon as you receive it as part of your terms.

## What costs are ineligible for this funding?

- Any capital costs such as large scale building developments or renovations
- Start-up costs, e.g. equipment and office space, recruitment costs etc
- Costs incurred before the agreed project start date referred to in the award letter
- Redundancy costs
- Recoverable VAT
- Significant historic debt
- Costs related to promoting the cause or beliefs of political or faith organisations
- Anything which is in contravention of Welsh Government legislation or advice
- Any kind of activity which in our opinion could bring the Welsh Government into disrepute
- Costs funded from other sources of public funding
- A sum to cover lost income or to re-inflate your reserves
- Projects which depend on, or encourage, free labour

## How do I apply?

This fund has a 3 stage application process.

- Initial eligibility assessment
- Expression of interest stage (EOI)
- Application stage,

### Initial Eligibility Assessment

In the first instance you should use our online eligibility checker or check the 'Who is Eligible to Apply' section of this guidance document to determine that you have a production that fits with our criteria.

Should you pass all eligibility criteria, you can request an Expression of Interest (EOI) form which asks you to describe your project in more detail.

Before you ask for an EOI you have the option to discuss your proposal with one of the Creative Wales Sector Development Managers via e-mail at

[CreativeWalesFundingSupport@gov.wales](mailto:CreativeWalesFundingSupport@gov.wales).

Our team can provide advice on eligibility and where appropriate give further guidance on your proposal.

### Expression of Interest Stage

Once an EOI form has been issued, applicants will need to answer all sections of the form and submit them to [CreativeWalesFundingSupport@gov.wales](mailto:CreativeWalesFundingSupport@gov.wales).

With a finite/limited budget and high level of interest in the fund, we can only advance a certain number of Expressions of Interest we receive to full application. However, we will offer feedback to unsuccessful applicants to consider should they wish to re-apply in future. We will only accept an Expression of Interest for the same project if the reasons for it previously being unsuccessful have been addressed.

You should read all the information in this guidance before completing an Expression of Interest (EOI) Form.

Following submission of your EOI form, you may be invited to full application stage or notified that we are unable to progress your project any further. Creative Wales will inform you on the rationale of the decision in relation to the latter.

**Please note** - The budget for this fund may be committed at any time, which may lead to us not taking your application forward.

## Application Stage

### Economic Contract

As part of the application process, you must complete an economic contract. Please see high level funding principles for more information on the contract. A Creative Wales business development manager will also guide you through the process.

### Application Documentation Required

You will be asked to provide further supporting information, including:

- Total production budget.
- Welsh spend budget (Welsh Expenditure is defined as expenditure on goods and services supplied by businesses and individual freelancers located in and operating from or within Wales), using the template in this guidance.
- Start and end dates (including design phases and alpha / beta release dates for games), and the production schedule.
- Details of any follow on support contracts for games projects to be delivered in Wales.
- Confirmation of a publisher, broadcaster/distributor being attached to the project.
- Details of the confirmed finance plan – including a project cash-flow (the cash-flow should be monthly, and should illustrate the funding gap the applicant is requesting, and should also note how the applicant proposes to fund the grant ‘gap’).
- Sales forecasts.
- The level of funding required and why that is the minimum necessary to enable the project to proceed.
- Synopsis of the project and details of key talent attached.
- Copies of the applicant’s and if appropriate, its parent’s or associated company’s full statutory accounts for the last two years, including management accounts to cover the period from last statutory accounts to date.
- Where the applicant is an SPV then we will require copies of the parent company’s full statutory accounts for the last two years.
- If there are other businesses under common control or ownership please provide latest accounts, including dormant situations.
- Cultural test, or PEGI test evidence.

Finally, you will be issued with, and asked to complete an application form. You will need to answer all sections of the form and include all requested supporting information, including full financial details and planned milestone payment schedules for the grant. Completed application forms should be submitted to [CreativeWalesFundingSupport@gov.wales](mailto:CreativeWalesFundingSupport@gov.wales)

## Appraisal

Once a full application has been submitted, your Creative Wales Business Development Manager will appraise your application and prepare it for presentation to a relevant advisory panel.

All applications and supporting information will be subject to full Due Diligence and financial checks for assessment.

Projects that have been recommended for support by panel will then be submitted to Welsh Government Ministers for final approval.

Following Ministerial approval, applicants will be informed and award letters will be issued to successful applicants.

## Agreeing the award letter

The award letter is a contract. You are required to agree to the terms of the letter, and the schedules which will detail:

- What funding you have been awarded, claim schedule and terms for the release of that funding.
- Defined project start and end dates.
- Your agreed commitments to training and skills development for the project.
- Award letters will need to be signed and have one copy returned to Welsh Government before project initiation.
- Your responsibilities to proactively advise us of any changes which may affect the funding, such as delays to timescales, changes to control of your business etc.
- Outputs from your project, which will be measured for 2 years post completion of contract, or from closure of a holding SPV in the case of production companies, whichever comes first.

## Timescales

We aim to provide a decision within 8 weeks of receiving a completed application with supporting documentation. Where we need to ask for supplementary information, this process may take longer.

## Payment and Monitoring

### Claim Schedule

The agreed claim schedule will have been discussed with the Business Development Manager during the application process, and included in the award letter subject to approval.

## Payment and Monitoring

- Payment conditions need to be met as set out in the award letter schedule. The Welsh Government reserves the right to review the award of funding if agreed schedules are not met
- The funding will be paid as detailed in the award letter
- 'Costs Defrayed' is the costs of goods which are discharged by payment or otherwise settled by you. Defrayed evidence will be required for all organisations
- Claim forms will be issued on request by your assigned monitoring officer. Details of what you need to provide at claim stage will be included in your award letter
- A claim is submitted including all supporting evidence, we aim to process payment within 20 working days

## Post Completion Monitoring

The Welsh Government is committed to evaluating the success of this grant. It is anticipated that this research will examine the implementation and impact of the activities that have been delivered. It will assess the extent to which the outputs and outcomes can be attributed directly to the scheme activities and examine whether wider anticipated or unanticipated effects have been realised.

The Welsh Government or a third party acting on behalf of Welsh Government may contact you for the purpose of research and evaluation and/or to give feedback on your experience of the scheme. This information will be analysed and presented anonymously in line with the Privacy Notice.

## Grant Repayment

Applicants should be aware that the grant may be required to be repaid in part or full if you do not meet the terms and conditions of any award of funding.

## Welsh Language

The Welsh Government is committed to promoting and growing the Welsh language. The creative industries play a key role in contributing to the Welsh Government's priorities for the Welsh language and the target of a million Welsh speakers by 2050 as set out in Cymraeg 2050. We welcome applications for projects that support our ambitions and maximise opportunities to promote the Welsh language. Welsh language priorities are one of a range of areas we will consider as part of our assessment of strategic fit when reviewing projects.

## Complaints Procedure

There is no appeals process for this funding.

## Well Being of Future Generations

The objectives of the Act show how each public body will work to achieve the vision for Wales set out in the 'well-being goals'. [The seven well-being goals](#) show the kind of Wales we want to see. The Act makes it clear that the listed public bodies must work to achieve all of the goals, not just one or two. Reference to and explanation as to how your project meets these goals will be important in the assessment of an application.

## Privacy Notice

Please ensure you have read, understood and accept the 'Guidance Notes', 'Economic Contract' and 'Privacy Notices' **before** you start the application.

- [Link to Grant Funding Privacy Notice](#)
- [Creative Wales Trainee Privacy Notice](#)

## UK Subsidy Control

The funding is provided via the Welsh Government registered 'Wales Cultural and Creative Support Scheme (WCCSS)' subsidy scheme SC10468. [Wales Cultural and Creative Support Scheme \(WCCSS\) | GOV.WALES](#)

You must ensure that the use of the Funding is compatible with the applicable agreements contained in the World Trade Organisation rules, UK-EU Trade and Cooperation Agreement, any Free Trade Agreement involving the UK the Northern Ireland Protocol and any relevant domestic legislation.

As part of your application you will need to provide details of any previous funding your business has received.

## Further Information

If you have any further queries related to Creative Wales Production Funding, or would like the information in a different format, please contact

[CreativeWalesFundingSupport@gov.wales](mailto:CreativeWalesFundingSupport@gov.wales).

### Welsh Spend

Welsh Spend is defined as all essential production expenditure on workforce (staff, cast and crew) who have a primary residence in Wales, and suppliers/companies with a substantive base in Wales (long term premises, Wales based permanent staff and equipment based in Wales).

Creative Wales is the sole arbiter of what is, and what is not deemed eligible Welsh Spend. Any persons employed on the production or production related expenditure that does not fit this definition is exempt from the Welsh Spend calculation, and Creative Wales reserves the right to discount such costs. We advise that applicants consult with Creative Wales in the first instance if they are unsure whether any supplier, staff time, cast or crew cost counts toward eligible Welsh Spend.

Suppliers – Any business supplying goods and services for this production MUST be able to evidence that they have operated from a registered base in Wales from which at least 1 Full Time Equivalent (FTE) employee has been employed, for at least 6 months prior to claim date. Any new supplier in Wales must be able to provide evidence of a signed lease/rental agreement for a property with an address in Wales, for a minimum of 12 months, by an agreed grace period with Creative Wales. Should the supplier fail to establish meet these conditions by the end of the grace period, all related expenditure in the grace period is null and void. Businesses must also be able to supply evidence of contracts of employment for a minimum of 1 FTE at the registered address in Wales.”

Costs incurred by the applicant or supplier on any goods and services outside of Wales (e.g. hotels and accommodation) are not deemed eligible.

Costs incurred by non-Wales based suppliers on goods and services from within Wales may be considered eligible.

Freelancers - Cast & Crew - A freelancer is defined as an employee not employed by a business providing goods and services to the production, but who is employed and paid directly by the production for their services and who permanently resides at an address in Wales. The production team will be required to establish the residency status of freelancers prior to their employment and will be required to report this as an element of the claim. You may be required to provide evidence of the eligibility of individual employees who are claimed as Wales based employees to meet the requirements of “Welsh benefit”.

An objective of this funding is to maximise the economic benefit to and for, Wales based production employees. The applicant must seek to employ Wales based production staff wherever this is possible, and for the purposes of claiming this award must be able to evidence that a minimum of 51% of employees engaged on this production reside in Wales.

To this end, the production team will be required to provide, with every claim, a production unit list which includes a minimum of name, job title, company and postcode for EVERY employee. Where an employee is paid by a Wales based business, the business address would suffice.

Examples of how Welsh Spend information can be presented in any application pack are as follows:

**Table 1: Welsh Spend table – Scripted or Non-Scripted productions**

Cost Type	Non-Welsh Spend	Welsh Spend	Total
Script			
Producer/ Director			
Artists			
Production Unit			
Asst Directors/ Continuity			
Camera Crew			
Sound Crew			
Lighting Crew			
Art Dept			
Wardrobe/ Make up			
Art Dept Materials			
Wardrobe/ Make up Materials			
Production Equipment			
Locations/ Studio			
Other Production Facilities			
Travel and Transport			
Hotel/ Living			
Editing Crew			
Picture Post			
Sound Post			
Other Post			
Other Production			
Insurance/ Finance			
Management Fees			
Fringes			
Other (Details will be required)			



**Table 2: Welsh Spend - Games**

Cost Type	Non-Welsh Spend	Welsh Spend	Total
Design & concept work			
Artwork			
Development			
Testing			
Project Management / Production			
Network management / deployment			
Sound			
Marketing (specific to this title)			
Travel and Transport (specific to costs related to this title)			
Senior management time			
Insurance/ Finance			
Management Fees			
IP related costs			