

GREENSHOOTS

Creative England & Microsoft Greenshoots **2015/16**

Application Guidance

Background Information

Creative England operates with the core purpose of supporting the sustainable growth of independent creative businesses and the talent that feeds them, in every part of England outside of London.

Creative England has partnered with Microsoft to develop Greenshoots, a programme of financial and business support intended to stimulate the commercial development and growth of the games industry in the English regions, outside of Greater London, by providing investment to game companies that demonstrate high-growth potential

Through the Greenshoots fund, investments of between £25,000 and £50,000 will be awarded to SME games companies for the development and commercial release of new game IP on any platforms, but must include Windows 10 and/or Xbox One.

Investments will be made on a commercial basis under a revenue share scheme. All investments require a minimum £1 for £1 match. Please see “Key Points” below for more details.

In addition to the funding, companies selected for the programme will also receive the following additional benefits:

Programme Support

- Access to Greenshoots mentors and associates
- Enrolment to the ID@Xbox Programme for Xbox One Development Kits
- Access to Windows 10 devices for testing purposes (Subject to availability and at the sole discretion of Microsoft)
- Bespoke technical guidance and support directly from Microsoft
- Though the Bizspark Microsoft programme all companies selected for the Greenshoots programme will receive select Microsoft tools and services for free. T&Cs can be found at www.bizsparks.com

Other Business Support

- Access to Creative England’s “Access to Funding” and industry networking events
- Access to potential follow-on funding opportunities

Eligibility

The fund is open to companies who satisfy the following criteria:

- Are a games company based in any of the English regions outside of Greater London
- Have previous, demonstrable game development experience
- Qualify as an [SME](#) and be registered at Companies House

- Can provide a £1 for £1 match to any investment received (See “Key Points” for more details)
- Have an idea for an innovative new entertainment game that can be available for commercial release no later than 31st January 2017
- Games can be developed and released for any Platform on console, PC or Mobile but must include a Windows 10 and/or Xbox One version which is released day and date with other versions.
- The Greenshoots programme operates under ‘De Minimis’ State Aid rules. This means a private company cannot receive over **€200,000** worth of public sector support granted under ‘De Minimis’, from whatever source in any three year rolling period. As part of the application process, applicants will be asked to list any state aid received so we can check it does not exceed the ‘De Minimis’ threshold. For the avoidance of doubt SEIS investment does contribute to your overall state aid allowance

Key Points

- Greenshoots is delivered by Creative England with the support of the UK Government Department for Business, Innovation and Skills through its Regional Growth Fund (RGF)
- The total funding pot will be allocated as investments between **£25,000** and **£50,000**. Investments will be made in denominations of **£5,000** (E.g. £25,000, £30,000, £35,000 etc)
- Beneficiary companies must match the Creative England investment £1 for £1 with their own funding. For example, if a company were awarded **£25,000** of Greenshoots funding they must also leverage **£25,000** of private sector funding to contribute to the project
- The availability of these matched funds must be evidenced, by way of a company bank statement, and be available to draw down at the point any formal offer of funding is made by Creative England
- Investment and match funding can only be used to pay for costs directly associated with the project named in the application. The funding cannot be used to pay dividends, corporation tax, or any other tax liabilities.
- The beneficiary company must retain the majority rights of the IP created using the Greenshoots funding (i.e. not working on a “work for hire” basis)
- The IP created should be available for commercial release, on designated platform(s), no later than 31st January 2017.
- Beneficiary companies must aspire to grow as a result of the funding, and applicants must clearly demonstrate their ability and desire to create and safeguard jobs within the company. The creation and safeguarding of jobs within the company will be a contractual obligation of receiving Greenshoots funding
- As a guide, Creative England look for a minimum of 1 job to be created or safeguarded for every £6,000 of Greenshoots funding awarded. As an example, an investment of £25,000 would be expected to safeguard and/or create 4 Jobs. Please note this is only a guide and we will still consider applications which state a lower jobs target.

- The total jobs target can be a combination of both jobs created and safeguarded. Job creation does not need to necessarily be evidenced immediately. You will have two years to create the number of jobs stated in your application. If you have any questions regarding job creation, or would like further clarification, please contact us for assistance (See “Contact Details” below)
- Jobs created and/or safeguarded must be permanent, full-time positions enrolled in the company PAYE.
- Beneficiary companies will be required to pay Creative England:
 - **5%** of the total amount of their Greenshoots funding as contribution towards legal and due diligence costs
 - **5%** of the total amount of their Greenshoots funding as contribution towards the following additional programme benefits:
 - Coordinating with Microsoft in relation to ID@Xbox, Windows 10 Loan devices and further technical support and tools
 - Introductions to Investors & Publishers
 - Hot-desking in our regional offices (Subject to availability)
 - In-house comms support and Press Release review service
 - 2x Industry Workshops held over the course of the programme
 - Invitation to follow-on funding and ‘Acces2Funding’ events

As an example, if a company were awarded **£25,000** of Greenshoots funding, they would be required to pay Creative England a total of **£2,500** (£1,250 Legal & Due Diligence and £1,250 Programme Fees).

Exclusivity

- Qualifying projects can be developed for any operating system and platform, but must include a dedicated version for Windows 10 and/or Xbox One
- The Windows 10 and/or Xbox One version of a project should have at least the same features as any other operating system or home console version and one or more specific feature(s) or element(s) that are exclusive to the Windows 10 and/or Xbox One platform (E.g. skins, game modes, levels etc)
- The Windows 10 and/or Xbox One version of a project must be commercially released no later than any other operating system or home console version

Revenue Share

- Upon commercial release, Creative England will receive a **50%** share of all Gross Revenue generated by the game developed using Greenshoots funding. Creative England will collect their share of revenue generated on a quarterly basis.
- Once the initial investment amount has been repaid, no further revenue share is owed to Creative England. For example, if a company were awarded **£25,000**, no further revenue share is owed to Creative England once the full **£25,000** has been repaid.
- If, within six months of release, the game developed using the Greenshoots funding hasn't generated enough revenue to repay the original investment, then Creative England will look to recoup their investment from all company revenue. Company wide revenue will be collected at a reduced share of **30%**

Eligible Project Expenditure

Project expenditure must relate to the project named in the application and not to support other areas of your business. A budget will be approved as part of the contracting process and this will evidence areas of anticipated spend.

We anticipate the project costs will be made up of the following eligible expenditure:

- Hardware/ software purchases
- Marketing costs
- Fees (e.g. consultants, freelancers, attending industry events, paying private testing groups)
- Overheads (eg: office rental and associated costs)
- Employee salaries/Workforce costs

Ineligible Project Expenditure

If project expenditure is deemed ineligible, it cannot be paid for with Greenshoots funding. Ineligible expenditure includes:

- Expenditure which is not forecast in your budget or subsequent approved revisions
- Alcohol and entertainment
- Expenditure undertaken outside of the project lifetime
- Any personal or company tax liabilities

Timeline

Please be aware that these dates may be subject to change

- **Applications open:** 11th January 2016
- **Applications close:** 8th February 2016
- **Shortlisted companies invited to pitch:** 18th and 19th February 2016

*Please ensure you are available to present in person on either 18th or 19th February 2016. Pitches will take place in Birmingham (Venue TBC)

Any subsequent investment rounds will depend on the amount of unallocated funds. Creative England cannot guarantee future Greenshoots funding rounds and therefore advice companies to apply in a timely manner to avoid disappointment.

Monitoring and Evaluation

If your application is successful, you will be required to complete monitoring reports on a quarterly basis for up to three years after receipt of funding. These reports will ask for information relating to the progress of the funded project, employee numbers and company turnover.

Marketing

If your application is successful and you are awarded an investment, you will be required to co-operate with reasonable requests for promoting the support of Creative England; including the inclusion of the funding logo suite on press releases related to the product launch and participation on potential showcase events. You may also be contacted for press interviews; however, participation in these is at your discretion. We will never publicly release information about your project or product without asking your permission first.

Contact Details

For further guidance please visit <http://www.creativeengland.co.uk/games>

If you have any questions please contact games@creativeengland.co.uk