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# GamesLab West Midlands: Hardware, Software & Service Grants

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**Application Guidance: October 2014**

## GamesLab West Midlands: Hardware, Software & Service Grants

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's GamesLab is a programme of funding and business support, designed to aid and sustain the growth of the burgeoning games industry through the development of innovative games and IP. Working with emerging and established companies, the GamesLab programme aims to create the conditions necessary for the most innovative and commercially astute games companies to flourish.

The GamesLab **Hardware, Software & Service Grants** offer financial assistance to eligible companies with a view to stimulate the development and growth of the games industry in the West Midlands. Through this scheme eligible companies can claim back 50% of the cost of qualifying hardware, software or consultancy purchases required to develop a specific, named game project. The **total cost** of qualifying purchases must be between £2,000-£10,000, meaning that Creative England will reimburse companies between £1,000 and £5,000 respectively.

### Example 1:

Company ABC is currently working on a prototype for their next game project. They require additional hardware & software which will cost them £3,000\*. With a successful Hardware, Software & Service Grant application, they would recoup £1,500 (50%) against the total cost.\*\*

### Example 2:

Company XYZ is finalizing their first commercial game project. They require external marketing support for which they have been quoted £7,500\*. With a successful Hardware & Service Grant application, they would recoup £3,750 (50%) against the total cost.\*\*

*\* Companies must adhere to the programme procurement policy (Detailed below)*

*\*\* Successful applicants would be instructed to purchase the goods/services directly and then claim back 50% through evidence of defrayal. (Detailed below)*

### Key Points

- All purchases must be made to support the development or marketing of a specific game project which should be name in the application.
- Companies can apply for grant support for more than one purchase item. All the items purchased must be for the development of the same game project
- The available funds will be paid out in the form of grants from **£1,000 - £5,000**. (50% of the total price of qualifying purchases)
- **50%** of the total purchase price will be reimbursed to successful applicants **after** they have purchased the approved goods/services.
- Eligible purchases are hardware, software and/or external services (further details below)

- The total purchase price is to be evidenced through defrayed expenditure made by the company directly for the benefit of the specific named project.
- The Creative England GamesLab Hardware, Software & Service Grants are delivered by Creative England and funded by European Regional Development Fund (ERDF), with the support of the UK Governments Regional Growth Fund (RGF). The objective of the fund is to promote economic growth, by providing matched grants to qualifying independent games companies in eligible areas of the West Midlands.

## Eligibility

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

- Are a company based in the following areas: **Birmingham and the Black Country, Warwickshire, Worcestershire, Staffordshire, Herefordshire, and Shropshire.**
- Qualify as an SME - For advice on business types, please visit the European Commission Website and an online “SME Checker” paying particular attention to the thresholds for number of employees, turnover, and permissible amount of ownership by a parent company.  
[http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm)
- Have game development experience, or similar.
- Intend to release a game commercially by the end of 2016. Although the scheme is open to companies who primarily operate in the gaming industry, companies from other related disciplines (for example animation or app development) looking to develop game projects can also apply.
- Companies who will retain the rights of the IP created (i.e not working on a “work for hire” basis).
- The Creative England GamesLab 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 a company’s overall ‘De Minimis’ State Aid allowance

## The application

You may request between **£1,000** and **£5,000** from this fund, which must equal 50% of your intended purchase cost. Please note that you cannot claim for purchases made before approval is given by Creative England .

Below is an example of a purchase budget from company Acme Ltd:

<b>Software</b>	
Middleware License	£2,000
Software License (Other)	£1,000
	<b>£3,000</b>
<b>Consultancy</b>	
Marketing Support	£5,000
	<b>£5,000</b>
<b>Total Purchase Expenditure</b>	<b>£8,000</b>

In this example, Acme Ltd is eligible to apply for a Hardware, Software & Service Grant of **£4,000** (50% of the total purchase price).

### The application process

Step 1: Acme would complete the online application form

Step 2: As part of the application they would be asked to:

- Clearly explain why they want to purchase marketing consultancy and specifically how doing so would benefit the company long-term
- Detail the specific game project that would benefit as a result of this purchase.
- Upload three separate quotes for each of the three purchase items outlined in the budget above.
- For each of the purchase items, state which one of the three quotes they would like to purchase, and provide a brief rationale as to why they made that selection. **Please note that following these procurement procedures is necessary in order to illustrate value for money. Although the chosen quote does not have to be the cheapest, if it is not the rationale must provide a strong argument as to why it was chosen over less expensive alternatives**

Step 3:

- If the application were approved by Creative England, Acme Ltd would receive a formal funding agreement and be instructed to make the entire purchase.

Step 4:

Once the marketing consultancy has been purchased, Acme Ltd would submit:

- defrayal evidence to Creative England for the full purchase price (£8,000) This would include:
  - any and all receipts or invoices
  - bank statements to evidence that the money for the purchase has left the company's bank account. Please note that Creative England can only transfer money into a business not personal account.

- An invoice to Creative England for £4,000 (the amount due to reimbursed)

Step 5:

- Upon receipt of defrayal evidence, Creative England would pay the invoice and reimburse Acme Ltd **£4,000** (50% of the total purchase price). **Please note that at its discretion Creative England can choose not to reimburse 50% of total purchase payment if all the defrayal evidence is not provided satisfactorily**

Creative England GamesLab is tasked with supporting the growth of the games industry in the region through the creation and safeguarding of jobs. To that end, any company awarded a Hardware, Software & Service Grant, may be monitored on an ongoing basis - up until the end of 2019 – to assess the impact of Creative England’s support.

### **Eligible Purchases**

Any hardware, software or services purchased through this grant scheme must relate specifically to the project named in the application and not to support other areas of your business. The budget must be approved as part of your application before any purchases can be made Please note that you cannot claim for purchases made before approval is given.

Eligible Purchases would include the following:

- Hardware/software (e.g. IT Equipment, Development Kits, Software Tools etc)
- Marketing costs (e.g. Exhibition space, events)
- Professional Fees (e.g. consultants, freelancers, artists etc)

You can claim up to a **maximum** of £5,000 against a total purchase of £10,000. The **minimum** amount you can claim for is £1,000 against a total purchase of £2,000.

In the event your total purchase exceed £10,000, only £5,000 can be claimed for

### **Ineligible Project Expenditure**

Ineligible expenditure includes:

- Expenditure which is not outlined in your approved budget
- Any internal costs
- Salaries
- Goods and services purchased outside of the procurement guidelines
- Alcohol and entertainment
- Overheads (e.g. heating, lighting, broadband, phone)
- Expenditure undertaken outside of the project lifetime
- Contingencies
- Purchases pre-dating approval and subsequent offer letter.

## Timeline

The deadline to complete the online application form is **Midnight on Wednesday 10th December 2014** - or until all available funds have been allocated

Applications will be reviewed and processed on a monthly basis until all available funds have been allocated. Creative England aim to provide with a decision within 4-5 weeks from the date of submission.

This process will be undertaken internally by Creative England and, where appropriate, externally by appropriately qualified independent professional advisors.

The assessors will consider, amongst other things:

- Cost efficiency
- The impact of the purchase to your business
- The eligibility of your required goods/services
- The likely long-term economic impact of the project should it proceed to production
- The fit with the strategic aims of the Fund

## Further information about Creative England and GamesLab funders

### Creative England

Creative England is a national agency that invests in and supports creative ideas, talent and businesses in film, TV, games and digital media. We aim to grow the brightest, the best, and those with the most promise so that individuals and businesses can achieve their full creative and commercial potential. We help identify future opportunities to grow the economy and generate jobs. With offices in Salford, Birmingham, Bristol, Leeds, Nottingham, Pinewood and Elstree, we are a national agency with strong local and regional links.

### European Regional Development Fund

Creative England's GamesLab West Midlands project is part-financed by the West Midlands Competitiveness & Employment Programme which forms a part of the European Regional Development Fund Programme 2007 to 2013. The Department for Communities and Local Government is the managing authority for the European Regional Development Fund Programme, which is one of the funds established by the European Commission to help local areas stimulate their economic development by investing in projects which will support local businesses and create jobs. For more information visit [www.gov.uk/browse/business/funding-debt/european-regional-development-funding](http://www.gov.uk/browse/business/funding-debt/european-regional-development-funding)

### Regional Growth Fund

The Regional Growth Fund (RGF) is a flexible and competitive £3.2 billion fund operating across England from 2011 to 2017. It supports projects and programmes that are using private sector investment to create economic growth and sustainable employment. For more information, please go to [www.bis.gov.uk/rgf](http://www.bis.gov.uk/rgf)

Creative England's business development programme, providing development funding and market expertise to small creative and digital businesses, is supported by the Government's Regional Growth Fund (RGF).

## Contact Details

For further guidance please visit <http://gameslab.creativeengland.co.uk>  
If you have any questions please contact [gameslab@creativeengland.co.uk](mailto:gameslab@creativeengland.co.uk)