



Liverpool  
City Council

# LIVERPOOL CITY REGION PRODUCTION FUND

## FAQs



**LIVERPOOL  
CITY REGION**  
COMBINED AUTHORITY

**METRO MAYOR**  
LIVERPOOL CITY REGION

Issued: 29<sup>th</sup> March 2019

Liverpool City Council, acting through its department the Liverpool Film Office, reserves the right to update these FAQ's from time to time. Please ensure that you have downloaded the latest version from our website.

If there is a conflict between the Fund Guidelines and these FAQ's, the Fund Guidelines shall prevail.

1. Who manages the Fund?
2. Can I apply for production funding as an individual or without a production company?
3. Do we have to be an SME (Small or Medium Sized Enterprise) to apply?
4. Does our company (or any Special Purpose Vehicle set up to produce the project) need to be based in or prepared to relocate to Liverpool to be eligible for funding?
5. Do you offer development funding?
6. Do you fund short films?
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8. Do you offer completion funding?
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10. Do we need to have other funding committed before applying to the Fund?
11. Is your funding repayable?
12. Does your funding need to be matched by the equivalent private investment and on the same terms?
13. Are there any limitations as to other public/private finance that we can bring to the project?
14. What are the fees and costs associated with securing an investment from the Fund?
15. Do we need to have a sales agent/distributor/broadcaster/streaming platform attached before applying to the Fund?
16. Does our project need to be about Liverpool or shot here?
17. Do you have a minimum local spend to fund investment ratio that projects have to meet?
18. Can we get help with working out our estimated Liverpool City Region production expenditure?
19. Is there a deadline for applications?
20. We do not yet have the rights to our project. Can we still apply?
21. Do we need a completion bond?

**1. Who manages the Fund?**

Liverpool City Council, acting through its department the Liverpool Film Office.

**2. Can I apply for production funding as an individual or without a production company?**

No. We can only accept applications made by a corporate undertaking such as a limited company or limited liability partnership. The application should be completed by the lead producer on the project. Your company (and its principals) will need to demonstrate a strong track record of success in film and/or TV production.

**3. Do we have to be an SME (Small or Medium Sized Enterprise) to apply?**

No. The fund is open to both SME's and larger enterprises.

**4. Does our company (or any Special Purpose Vehicle set up to produce the project) need to be based in or prepared to relocate to Liverpool to be eligible for funding?**

No but it will be a contractual requirement of our funding that you maintain a substantive (ie: staffed) production base in the Liverpool City Region for at least the duration of pre-production and principal photography of your project.

**5. Do you offer development funding?**

No.

**6. Do you fund short films?**

No.

**7. Do you fund documentaries?**

We can fund feature-length documentaries that are intended for a theatrical and/or multi-platform release but are unable to support filmed productions such as a theatre show, sporting or musical event, art installation or material intended primarily for broadcast television.

We will apply the same assessment criteria to documentaries that we use for all other projects including the likely multiple of local economic benefit relative to our investment and the cultural benefits of the project for the Liverpool City Region.

**8. Do you offer completion funding?**

No.

**9. Do you fully fund productions?**

No. We will typically invest no more than 20% of your production budget, up to a maximum of £500,000 per project.

**10. Do we need to have other funding committed before applying to the Fund?**

Yes. The Liverpool City Region Production Fund is not a "first-in" fund. You will need to evidence that you have at least 50% of the funding for your project in place at the time of application. This 50% can include the UK Tax Credit (although you will need to indicate how you intend to cashflow this).

The Fund is also not a "last in" fund. Our offer letters typically remain valid for up to 3 months to allow you the time to secure any outstanding funding for your project.

**11. Is your funding repayable?**

Yes. Our funding is typically in the form of a recoupable equity advance which will also carry an entitlement to a pro rata share of net profits alongside the other equity investors.

There may be occasions where we offer other forms of finance (ie: mezzanine and/or senior debt) depending upon the risk profile and particular circumstances of your project. We would discuss this with you during our assessment of your application.

- 12. Does your funding need to be matched by the equivalent private investment and on the same terms?**  
No. The Fund does not operate on a co-investment/matched funding basis.

- 13. Are there any limitations on the levels of other public and/or private finance that we can bring to the project?**

There are no limitations on the levels of any private investment but there may be limits on the amount of cumulative public investment (ie: from the Fund and other public sources such as BFI, UK Tax Credit etc) that your particular production can receive in order for you to be compliant with the relevant EU State aid regulation. This is a complex area and we are happy to give guidance once we've reviewed your EOI.

- 14. What are the fees and costs associated with securing an investment from the Fund?**

Unlike other public funding bodies, Liverpool City Council receives no upfront contribution towards the costs of operating and managing the fund. We therefore require successful applicants to include a Fund Management Fee of 8% of our investment in their production budget as a capitalised cost, together with a contribution towards our reasonable external legal costs. The latter will vary according to the complexity of each financial closing but we will always endeavour to keep our legal costs to an absolute minimum.

You should factor these budgeted costs into your calculations when deciding how much to apply for from the Fund.

- 15. Do we need to have a sales agent/distributor/broadcaster/streaming platform attached before applying to the Fund?**

We are looking to invest in projects that can demonstrate a clear route to market through the attachment of appropriate sales, distribution and broadcast partners. It is not necessary to have all of these in place at the point of application but we would expect to see evidence that the market is responding positively to your project by way of suitable Letters of Intent, sales estimates, revenue projections, analysis of comparable projects etc, and that your commercial strategy has been prepared with input from your proposed partners.

- 16. Does our project need to be about Liverpool or shot here?**

You will need to commit to a significant proportion of your production being filmed in the Liverpool City Region in order to qualify for our funding. We say "significant proportion" rather than "all" because we accept the fact that productions may need to access locations and facilities in other parts of the UK, and even in other territories in the case of an international co-production. We suggest having a detailed conversation with us at EOI stage about your plans so that we can provide more detailed advice.

There is no requirement for your project to be about Liverpool (and indeed Liverpool has variously stood in for New York, London, Paris, Rome, Moscow and many other places over the years) but your application could be strengthened if your project is clearly set in Liverpool and increases the cultural visibility of the city region.

- 17. Do you have a minimum local spend to fund investment ratio that projects have to meet?**

No. While we expect supported productions to deliver a healthy multiple of local spend, the Fund's overall targets are measured across the whole of its investment portfolio rather than at the level of individual projects. This allows us a certain flexibility when assessing the broader economic and cultural benefits that a particular production might bring to the Liverpool City Region as well as its potential to generate a financial return.

When reviewing your estimates for local spend and employment, we will consider the detail in the figures as well as the totals. For example, what proportion of the estimated local spend is actually within the sector supply chain (ie: crew, camera hire, studio, post facilities) as opposed companies outside (ie: hotels and taxis). Also, what is the spread of regionally-based employment in terms above-the-line and below-the line grades.

**18. Can we get help with working out our estimated Liverpool City Region production expenditure?**

Our Film Office staff are happy to provide guidance as to local artistes, crew, production facilities, locations, studios, post-production, travel, transport, hotels, music, professional services etc.

**19. Is there a deadline for applications?**

No. This is a rolling fund so applications can be made at any time.

**20. We do not yet have the rights to our project. Can we still apply?**

As part of your application, you will need to provide written evidence that can secure the necessary rights to your project.

**21. Do we need a completion bond?**

We will usually expect there to be a completion bond or other suitable takeover arrangements in place for your project in order to ensure its completion and delivery.