

## **Creative Catalyst Challenge Fund Guidelines (Last Updated June 2024)**

The Creative Catalyst Challenge Fund is part of Innovate UK's Creative Catalyst programme, a £30 million programme of phased financial and non-financial activities to provide end to end innovation support for high potential businesses in the creative sector.



### **About Creative UK**

At Creative UK, we believe that talent is everywhere, but opportunity is not. That's why we build Investment opportunities and business support programmes that create opportunities for talented people and their companies to access the best support and reach the next stage in their creative entrepreneurial journey.

Creative UK is working to build the right environment for the future of the creative industries by helping creative businesses raise their ambition, create jobs, grow turnover, and build the confidence and networks they need to be truly innovative. We invest, connect, mentor, advocate and collaborate at all levels of the industry, from individuals and small independents to large internationals, creating the right conditions for success.

For further details please visit <https://www.wearecreative.uk/>

### **About Innovate UK**

Innovate UK KTN exists to connect innovators with new partners and new opportunities beyond their existing thinking – accelerating ambitious ideas into real-world solutions.

<https://iuk.ktn-uk.org/>

### **Context and Background**

This specific Challenge Fund has been designed to address industry specific challenges and issues. Creative UK has undertaken engagement activities with over 30 industry specific Trade Bodies and SMEs ranging from Design, Games, Architecture, Createch, Sustainable fashion, Advertising, Crafts, Theatres, Venues and Music.

Climate change was cited as the biggest challenge faced by society, offering critical opportunities for cultural and creative industries to use creativity to drive climate action and adaptation, both within cultural and creative industries, and more widely.

Climate mitigation and adaptation is a live challenge across a range of business models, with many organisations experiencing the necessity of making sustainable change for continued economic success, as well as designing for the planet. For example, designers work across every part of the cultural and creative industries, from set designers in film to stage designers in live music; as 80% of environmental impact of any new product is determined at design stage, innovation focussed on this point could be particularly impactful.

## **About Creative Catalyst Challenge Fund**

### **What is it?**

A bespoke fund offering a total grant pot of £250,000 for creative entrepreneurs and companies working within the Creative industries in the UK. The fund will finance research and development of an innovative new product/system or process that decarbonises or reduces waste within the Creative Industries, reducing impact on our climate and/or leading us towards net zero.

The proposed new product/system or process will enable companies to build upon their creative and commercial ideas, creating opportunity for business growth.

For Round 2 – we will allocate the £250,000 funding pot as follows:

- 1 award of up to £100,000 for more established businesses with market traction and customers of a product, ideally with co-investment in place
- 2 awards of up to £50,000 each for businesses 2+ years old looking to develop a new product or idea
- 2 awards of up to £25,000 each – very early-stage/new businesses and R&D ideas

You cannot submit multiple applications, so we will only accept one submission per company.

### **Who is it for?**

The Creative Catalyst Challenge Fund is open to Creative Industries SMEs registered and trading in the UK. Please note – if you applied for Round 1 and were unsuccessful, please do not apply again with the same idea.

Your proposal must:

- be from the creative industries and support the creative industries.
- demonstrate clear benefits for the UK creative industry and the wider UK.
- focus on a clear opportunity and the proposed innovation which addresses it

Your project must:

- Have a total grant funding request of either £100,000, £50,000 or £25,000
- Start by 01/10/2024
- All projects must be completed and budgets allocated by 31<sup>st</sup> March 2025
- Carry out all of its project work in the UK
- Intend to exploit the results from or in the UK

\*Project budgets can exceed the requested amount but any additional funding must be clearly identified and in place\*

Applications are invited from **Registered Ltd Companies/SMEs** based in the **UK** and working in the following subsectors of the Creative Industries:

- Music & Sound
- Advertising & Marketing

- Crafts
- Visual Arts
- Dance, Theatre & Performance
- Architecture
- Publishing
- AR, VR & Immersive
- Createch
- TV & Broadcasting
- Film
- Gaming

Due to the availability of other funds and support - we will not be accepting applications from:

- Fashion businesses/products/ideas
- Monitoring or reporting tools for the sector – these are already in existence and we're looking for new cross cutting ideas.

Proposals need to be for new projects – we can't fund projects that are already in progress.

You must provide a robust delivery plan, finance model and budget and demonstrate how this grant will positively impact not only our climate but also the growth and sustainability of your business.

### **What type of ideas are we looking for?**

We are looking for creative and commercial ideas that develop new technologies and processes for decarbonising and reducing waste.

Some examples of that could be:

- Developing/ prototyping new tech for reducing excess waste at music festivals
- Developing innovative new manufacturing processes for an everyday product within a creative industry
- Innovation in access to power – e.g. on a film set

### **What can the money be spent on?**

Please note, this is not an exhaustive list.

- Equipment (hire or purchase)
- Wages – for PAYE personnel directly engaged on the project (including graduate and/or student placements)
- Travel, venue costs
- Payment for freelancers and consultants
- Marketing and publicity

### **What can't the money be spent on?**

Please note, this is not an exhaustive list.

- Anything you would have normally paid for without our grant support such as overheads – this includes legal and accountancy fees which would be classed as an ongoing expense of running a business, e.g. payroll administration
- Statutory costs, e.g. health and safety
- All staff who do not perform a role directly associated with the delivery of the project, that is those performing supporting roles such as reception, central finance, IT support and organisation management
- Any expenditure which is not related to the project or named in your final approved budget
- Recoverable VAT
- Dividends
- Cash withdrawals
- Penalties, e.g. late filing fees
- Payments in advance of need
- Retrospective payments, prior to project
- Spend on alcohol within refreshments, entertaining
- Non-standard UK travel, e.g. first-class travel
- International travel, unless agreed at outset

### **The decision-making process**

We recognise the imperatives that surround product and service development and will aim to process applications within the following timeframes:

Applications open: 10<sup>th</sup> June 2024

Applications close: 22<sup>nd</sup> July at 9am

Assessments and further follow ups: July/August 2024

Award Decisions: September 2024

### **Assessment**

Once we have received your application, it will go through a formal assessment process. This will be undertaken by an internal panel of Creative UK and partners and, where appropriate, externally by appropriately qualified independent professional advisors.

The assessors will consider, among other things:

- The viability and track record of the applicant company
- The viability of the budget and development plan
- The market viability of the project/service or system and the likelihood of it proceeding to production
- The commercial competence of the proposal and business experience of the applicant company
- The quality of the creative elements and fit against the specific challenge identified by the fund

Please note the Creative UK team may be in touch to request further supporting material where necessary for assessment or to discuss proposals in more detail.

All applications will be reviewed and assessed by Creative UK's team. A sifting process will take place and the top 10-15 scoring application will progress to a Challenge Fund Board with attendance from Creative UK, Innovate UK and industry specific experts and advisors, at the discretion of Creative UK.

### **Offer**

The final successful application or applications will be notified in writing via email which sets out the level of financial assistance agreed and the conditions under which it will be made. This will form the basis of a grant funding agreement with Creative UK.

Unsuccessful applications will be notified via email. Unfortunately due to the expected volume of applications we cannot provide specific feedback.

### **Business terms**

Initial offers made to companies will be subject to due diligence and will remain open for a period of one month. The offer must be accepted within this time frame or will become void. On successful completion of due diligence a final grant agreement will be issued.

### **Monitoring & Evaluation**

If your application is successful, we will regularly monitor your progress for the duration of the project itself plus 12 months. This will allow us to measure the effectiveness of the investment in meeting its strategic aims.

### **How do I apply?**

You can apply by filling in the online application form [HERE](#).

Further questions? Email us: [creative.catalyst@wearecreative.uk](mailto:creative.catalyst@wearecreative.uk)