



**RURAL CINEMA
PILOT SCHEME**

GUIDELINES FOR APPLICANTS

Closing date for applications: Monday, 10 August 2009

Introduction

The Rural Cinema Pilot Scheme forms part of the UK Film Council's strategy to develop and enhance rural cinema. For the purposes of these guidelines, Rural Cinema means the presentation of films to audiences in rural areas, normally in non traditional venues such as village and town halls, arts centres and other community spaces. It encompasses the terms 'film society', 'film club', 'mobile cinema' and 'community cinema'.

The UK Film Council would like to improve access for rural audiences to new film releases in high quality presentation and at convenient locations. Furthermore, it is keen to explore the benefits that new digital technology can bring to rural cinema such as opera, theatre and sport relayed live by satellite and digital 3D films.

Following research conducted by the UK Film Council in collaboration with the Department for Environment, Food and Rural Affairs (DEFRA) analysing population density and geographical reach in rural areas together with existing data on cinema provision, the UK Film Council selected the following three areas in which to launch a highly focused three year pilot scheme to develop and enhance rural cinema:

- Shropshire
- North Yorkshire
- Wiltshire (and adjacent Test Valley local authority in Hampshire).

These test bed areas will enable the UK Film Council to trial solutions for rural cinema provision in a focused, rigorously monitored environment. The pilot scheme will run in only three areas, at least initially, due to the amount of resources available. However, monitoring data which will inform the UK Film Council of the success of the pilot scheme will be shared for the benefit of all stakeholders and other interested parties after completion of the pilot scheme, and may provide the foundations of any future national scheme.

The Rural Cinema Pilot Scheme will provide funding for up to three awards, each award being to an organisation, preferably representing a consortium or group of organisations or partners, to act as a rural cinema delivery partner in each of these pilot areas. The UK Film Council has allocated a total of £1.2 million (approximately £400,000 for each pilot area) for the successful applicants to use to purchase new cinema projection equipment (which has to be to a minimum specified standard) and to carry out audience development activity in their respective areas over a three year period. This pilot scheme has been made possible by an allocation of funding through the UK Film Council from the Arts Council of England.

Further information on the UK Film Council's rural strategy is set out in the document "Bringing Cinema to Rural Communities: the UK Film Council's Rural Cinema Pilot Scheme" available on the UK Film Council website or on request. The document should be read in conjunction with these guidelines.

Objectives of the Rural Cinema Pilot Scheme

The overall objective for the UK Film Council is to develop and enhance rural cinema. The specific objectives of the pilot scheme are to:

- develop and enhance rural cinema and provide the opportunity for more rural audiences to enjoy the 'cinema experience';
- increase screenings and audiences in rural areas;
- increase the number of presentations of new 'first-run' films in rural areas;
- improve the standard of cinema presentation in rural venues;
- trial new digital technologies for delivering films and content including through 3D and satellite transmissions;
- develop sustainable business models for rural cinema;
- increase access and attendance to rural cinema amongst audiences who may be currently excluded from rural cinema eg younger audiences and older audiences; and

- provide data, evidence and information on the scheme to inform all stakeholders and the wider film sector on how to improve best practice and establish if there is a case for additional public intervention in this area.

Each successful applicant will be expected to organise and deliver a significant number of screenings in multiple venues across the respective pilot area over a three year period. This should involve maximising the use of the equipment purchased through provision of the award and should be implemented through a network of partners in the region. Audience development activity is expected to be carried out to ensure the largest number of people in the area as possible benefit from the pilot scheme.

Can you apply?

Applications can only be made to deliver the Rural Cinema Pilot Scheme in one of the three chosen pilot areas, Shropshire, North Yorkshire or Wiltshire (incorporating Test Valley Local Authority in Hampshire).

Applications can be from a number of different organisations acting as a consortium but the application itself must be made in the name of the lead organisation (which must be a registered company or limited liability partnership, registered charity, local authority or other public body), making reference to the contributions that can be made by the other partners. If successful, the UK Film Council will only enter into an agreement and pay the award to that lead organisation or, at its discretion and at the request of such applicant, to a joint venture company set up by the partner organisations.

Applications from individuals or in respect of rural cinema delivery outside of the pilot areas will not be eligible to apply.

What can you apply for?

Applicants should submit a proposal for use of the award only on the following items:

Capital costs (for more information on the equipment and the minimum standard technical specification please see Annex A)

- portable D-Cinema DCI standard projection equipment (Standard 'A')
- hi-definition Blu-ray-based projection equipment (Standard 'B')
- digital 3D systems
- other screening equipment eg sound systems, screens, blackout etc
- satellite installations into venues
- installation of ADSL lines and/or broadband internet into venues
- site survey inspections

Other costs

- audience development activity (eg marketing, publicity, promotion, special events)
- training (eg technical proficiency)
- touring transportation costs (eg van hire)
- monitoring: each application must include a minimum amount of £10,000 of the award to be allocated for a programme of monitoring activity over the three year period; there will be a consistent approach to monitoring and reporting across the three pilot areas. Over and above these requirements, applicants should also identify specific monitoring activity in relation to their own pilot area. These should be set out in the application.

Applicants should expect to use approximately 75% of the award on Capital costs.

The UK Film Council may also consider other proposed uses of the funding provided that, in its sole opinion, it considers that they could assist the delivery of the objective for the pilot scheme.

A maximum of 8% of the award can be used by the applicant to cover overheads associated with the delivery of the Rural Cinema Pilot Scheme.

How much can you apply for?

A total of £1.2 million has been allocated to the Rural Cinema Pilot Scheme. Applicants should submit a budget for, and can apply up to, a maximum of £400,000 although UK Film Council will discuss expenditure and budgets for provision of the pilot scheme in the area with shortlisted applicants as part of the assessment process and may decide to offer an award amount that is greater than the maximum referred to above, or less than you have applied for, and may provide unequal amounts to the three areas.

Partnership funding

Applicants are required to provide information on the amount of partnership funding they can bring to the project. This can include both cash and 'in kind' funding.

There is no minimum level for partnership funding although the amount of partnership funding available to the applicant will be considered as part of the assessment.

How to apply

The application process will be in three stages.

All applications must be in the form of a fully completed Rural Cinema Pilot Scheme Stage 1 Application Form (which can be downloaded from the UK Film Council website – www.ukfilmcouncil.org.uk – or by contacting the Distribution

and Exhibition Administrator on 020 7861 7530) together with the following attachments:

- a strategic vision for delivering the Rural Cinema Pilot Scheme in the relevant area (to be presented on no more than two sides of A4); and
- a copy of the applicant's (being the lead organisation) most recent annual accounts.

Applicants should take note of the assessment criteria set out below when drafting their strategic vision.

The completed application form together with the supporting documentation should be sent to:

Kath Knight
Distribution and Exhibition Fund Administrator
UK Film Council
10 Little Portland Street
London W1W 7JG

If possible please also email a copy of your application to rural@ukfilmcouncil.org.uk.

Applications must be received by 6pm, Monday 10 August 2009 (the closing date).

Applications must be lodged with the UK Film Council to constitute a formal application and may be sent by mail, courier, or by hand, and duly signed. Applications via fax or the internet are not acceptable. Applications received after the closing date will not be eligible for consideration.

On receipt of an application the UK Film Council may request further information relating to the application or to the applicant before proceeding with assessment of the application.

What happens next

On receipt of the application it will be logged and checked for eligibility. You will be notified in writing if the application is not eligible and therefore will not be assessed.

Assessment process

Eligible applications will be assessed in accordance with a three stage process. The assessment panel will involve senior members of the UK Film Council's Distribution and Exhibition Department, relevant colleagues within the UK Film Council and may include the assistance of expert external advisors (at any or all stages of the assessment process). This is likely to include a content owner/distributor and one or more individuals with experience of rural cinema.

At **Stage 1** the assessment panel will review the written submissions against the assessment criteria (see below) and will prepare a short list. Some applications may be rejected at this stage.

At **Stage 2** short-listed applicants will be invited to discuss their application with the assessment panel. At this meeting the UK Film Council will explore all aspects of the application and will ask the applicant to outline their overall strategic plan for the relevant pilot area. The objective of the meeting is for the UK Film Council, possibly with the assistance of its external advisors, and the applicant to develop a workable plan for how best to deliver the Rural Pilot Scheme in the relevant area.

Proposed dates for these meetings (to be held at the UK Film Council offices in London) are:

Monday 7 September 2009

Tuesday 8 September 2009

Wednesday 9 September 2009

Applicants should indicate on the application form if they are unable to make any of these dates and the UK Film Council will determine whether an alternative date can be offered.

The UK Film Council will seek to be as flexible as possible in the dates that are suggested, but it may be limited in the alternative dates that it can offer depending on the availability of the panel. If an applicant is not available on the above dates, or subsequently fails to attend on the agreed date, the application may be rendered ineligible. A maximum of three people representing the application can participate in and attend the meeting. Please note that the applicant will bear the costs of attending the meeting.

Following the meetings, the UK Film Council will either reject the application or advise the applicant to proceed to **Stage 3**.

At **Stage 3** the applicant will be invited to submit a detailed three year plan for delivery of the Rural Cinema Pilot Scheme in their area based on their presentation to the UK Film Council and any issues agreed at the Stage 2 Meeting. The deadline for submission is intended to be six weeks from the Stage 2 meeting.

The assessment panel will then assess the Stage 3 submissions and make recommendations for awards from those shortlisted applications. There may be a final opportunity at this stage for telephone discussion with the applicant and for some revisions to the submissions to be made. Applications may also be rejected at this stage. The recommended applications will be submitted to the UK Film Council's Distribution & Exhibition Finance Committee for approval.

It is hoped that all applicants will be notified of the decision on their application by Friday 27 November 2009.

The UK Film Council reserves the right to reject all applications, or all applications for a specific pilot area if it considers that the applications are not sufficiently strong.

Assessment criteria

The UK Film Council will apply the following assessment criteria in reviewing applications:

General

Proposals will need to demonstrate to the UK Film Council that the applicant has:

- proven expertise in rural cinema provision
- in depth knowledge of the region applied for
- the financial and administrative capabilities to successfully deliver the required outcomes

Quality of plan

- overall quality and viability of the three year plan to develop and enhance rural cinema
- quality and viability of audience development plans
- quality and viability of plans for developing different audiences (eg older, younger)
- demonstrable ability to execute and deliver the plan
- the quality and viability of plans to ensure the longevity of the project after the three year period (sustainability)
- how the proposed activity links with other existing film provision in the region (eg full time cinemas)

Structure, management and partnerships

- the degree to which the plan demonstrates the structures, governance, personnel and involvement of partners with sufficient skills and knowledge to achieve the vision and deliver the plan
- how adequately the consortium (if applicable) represents its region
- proactive outreach and partnership working with and beyond current key stakeholders

Financial viability

- the degree to which the plan is properly budgeted
- the applicant's previous experience and demonstrable ability to manage a project budget of comparable scale
- demonstrable ability to attract and secure an element of partnership funding
- the financial viability of the applicant

Value for money (in relation to amount applied for)

- number of proposed screenings, venues serviced and audience projections
- the level of overheads applied for
- the extent to which UK Film Council funding would be used to achieve additional value and not supplement existing activities
- the extent to which the application explains how the co-ordination will minimise cost and other operational risks
- the availability of partnership funding

Risk Management

- identification of key risks and mitigating actions

Diversity

- the applicant's understanding of, and commitment to, diversity and promoting inclusion
- how the application addresses the need to provide access to all sections of the rural community, paying particular attention to such factors as age, gender, disability, racial and cultural diversity and socio-economic status
- how the application provides for the monitoring of the participation of diverse groups.

When preparing the short list at the Stage 1 assessment, the UK Film Council will place focus on the following criteria:

- quality of overall strategic vision;
- how adequately the consortium (if applicable) represents its region; and
- the number of proposed screenings, venues serviced and audience projections.

Offer of funding

We will write to you to let you know if your application has been successful. Funding will be conditional upon:

- counter–signature by you of this offer letter within 21 days of its issue;
- execution of a Rural Cinema Pilot Scheme agreement setting out the terms and conditions of award; and
- satisfaction of any conditions precedent set out in that agreement.

The terms and conditions of funding will include, at a minimum, the following:

Use of the award

If you are offered an award you must use the funding exclusively for the purpose for which it was requested as set out in your application form. Where equipment is being purchase to a specified standard UK Film Council will have approval over the type of equipment in order to ensure it meets that standard.

Payment of the award

The UK Film Council will agree with you a cashflow schedule for the award.

Purchasing

Where procurement of goods, services or works is proposed, competitive tendering should be applied unless there are overriding reasons why this would be inappropriate (eg de minimis levels). Public bodies must comply with relevant domestic and European legislation on procurement.

Sale of assets

Capital assets or goods acquired using the UK Film Council funding must not be sold during the term of the agreement unless their full current market value is realised and UK Film Council is given prior notification.

In the event of any sale or disposal of assets or goods acquired through the UK

Film Council funding, within their agreed useful economic life, the UK Film Council shall receive an appropriate share of the net proceeds from the disposal calculated in direct proportion to the share of the costs met from UK Film Council funding.

Monitoring and performance review

£10,000 of the award is to be allocated for a programme of monitoring activity over the three year period; there will be a consistent approach to monitoring and reporting across the three pilot areas.

You will be expected to supply information and key statistics on the pilot scheme on a regular basis to the funded monitoring programme. It is the intention that the results of this will be made available for the benefit of all stakeholders and the wider rural cinema community.

You will also be expected to partake in biannual meetings with the UK Film Council and representatives from the other pilot areas to review progress and share best practice. You should also provide a report on the pilot within a reasonable time after the end of the three year pilot period. Such a report is likely to include, amongst other things, your summary of what happened, highlights and lowlights, key statistics in relation to attendance levels, and an analysis of costs against budget.

The UK Film Council may from time to time request additional information from successful applicants in order to help monitor and evaluate the fund. The UK Film Council or its authorised representatives may also require access to the consortium (and associated premises) and to any reasonable relevant information in order to monitor the award.

Other undertakings

You will be required to acknowledge the UK Film Council's National Lottery funding in all appropriate materials prepared in relation to the Rural Cinema Pilot Scheme.

Appendix One: further equipment details

The UK Film Council technical requirements for the Rural Cinema Pilot Scheme have been developed following recommendations made by the Cambridge Film Trust in 'Rural Exhibition Strategy: Technical Solutions Research Report' which was commissioned by the UK Film Council to look into the issue of technical specifications for the Rural Cinema Pilot Scheme (available on request).

These requirements relate to projectors and content players and are specifically designed to address the issues of content supply and quality of presentation. Any equipment purchased through the Rural Cinema Pilot Scheme needs to comply with these requirements.

The report from the Cambridge Film Trust also made recommendations on sound and other supporting equipment (eg screens), however, these do not form part of the UK Film Council's minimum technical requirements for the Rural Cinema Pilot Scheme.

The UK Film Council is implementing a two-tiered equipment requirement for projector and content players for the scheme. The two standards are:

1. portable Digital Cinema Initiative (DCI) level digital projection system (Standard 'A') and;
2. high quality digital projection with Blu-ray player (Standard 'B')

Standard 'A'

The portable DCI level digital projection system (Standard 'A') has been selected because the UK Film Council believes that it will uniquely enable rural cinema to access new releases and, as a portable system, it will be able to be toured to multiple venues. DCI is a film industry initiative for digital cinema that ensures a uniform and high level of technical performance, reliability and quality control, as well as advanced content security. The UK Film Council believes that this specification will enable rural cinema to screen new films much closer to the release date than is currently possible.

The DCI touring kit would comprise:

- a small lightweight 2K digital cinema projector meeting the existing DCI specification
- the projector would be fully flight cased and carry two lenses to cover most screen sizes and the variable distance of projection throws.
- a second half-height flight case would contain the DCI compliant server with appropriate software for security, subtitles and CineIPM panel for other inputs.

Full technical specifications for DCI are available at:

<http://www.dcmovies.com/>

Applicants should note that, whilst the components of the kit may be viewed as stand alone items, in order to make the kit suitable for touring the supplier will need to create a bespoke package of equipment.

Costs are estimated in the region of £50,000 per system.

The DCI equipment would be compatible with digital 3D systems. Costs for this are estimated at approximately £16,000.

Standard 'B'

The high definition digital projector with Blu-ray player (Standard 'B') forms the second tier of equipment. The system is cheaper than the industry standard equipment and can be portable or fixed in a single venue. There are various projector solutions available for this and new models are frequently coming onto the market.

It would comprise of:

- High quality digital projector, probably either 720p single chip DLP or 1080p 3-chip DLP/LCOS
- Blu-ray player

Estimated costs are in the region of £5-10,000.

Before purchasing any equipment, successful applicants will be invited to a session with the UK Film Council, technical experts and the other successful applicants to fully explore and understand all the equipment specifications.

The UK Film Council will have right of approval over any equipment purchased using funding from the Rural Cinema Pilot Scheme.

Important information

1. The information in these guidelines can change. The law and Government regulations on distributing National Lottery funds may also change. The UK Film Council therefore reserves the right to review this programme and/or change its policies, procedures and assessment criteria.
2. The application form does not necessarily cover all the information the UK Film Council uses to decide which applications to fund. The UK Film Council can ask applicants for extra information.
3. All applications are made at the applicant's own risk. The UK Film Council will not be liable for loss, damage or costs arising directly or indirectly from:
 - the application process;
 - the UK Film Council's decision not to provide an award to an applicant; or
 - dealing with the application.
4. The UK Film Council decision on applications is final.
5. The UK Film Council will not pay the award until it has received a fully executed copy of the Rural Cinema Pilot Scheme agreement.
6. The UK Film Council will publicise information on the number of applications it receives and the awards made.
7. Sometimes the UK Film Council's Board Directors or members of staff may be involved in some way with applicants. This interest has to be declared in applications from such applicants. The relevant Board Director or staff member will not be involved in assessing the application or the decision to make an award. Applicants are advised not to try to influence the success of their application by approaching a Board Director or staff member.
8. It is important that applicants carefully check the information given in the application form. The UK Film Council standard terms and conditions entitle it to withhold or reclaim an award in the following circumstances:
 - If the application was filled in dishonestly or with incorrect or misleading information about the organisation or the project whether deliberately or accidentally; and
 - If during the term of the agreement the awardee acts dishonestly or negligently to the disadvantage of the project.The UK Film Council will follow up cases of suspected fraud and will pass information to the police.

9. **Complaints and Appeals:** The UK Film Council decision is final. Inevitably, applicants will have to be turned down and may be disappointed by this result. Formal appeals against the final decision will not be considered unless the applicant has good cause to believe that the procedures for processing the applications were not adhered to, or applied in such a way as to prejudice the outcome of the application. A copy of the UK Film Council's Complaints and Appeals procedure can be downloaded from the website or obtained on request from the UK Film Council's Communications Office.