

CIISA funding
model
Commonly
Asked Questions



CIISA

The Creative Industries
Independent Standards Authority
Independent. Without fear or favour.

CIISA funding model

Commonly Asked Questions

Why does CIISA need funding and what will it be used for?

CIISA is being established as a government supported, cross-industry backed authority for addressing poor workplace behaviour across the creative industries.

CIISA represents the agreed steps that leaders, individuals and organisations from across the creative industries have asked for - and committed to taking - to ensure we collectively uphold and improve standards of behaviour through independent accountability and learning.

But this can only be effective if CIISA is properly funded.

CIISA's funding ask ensures CIISA is properly resourced to support and protect the creative industries (and creative industry professionals) by:

- setting and embedding an industry-endorsed Standards Framework of best practice in workplace behaviour applicable across all of the creative industries.
- ensuring creative industry professionals have an independent, confidential place to report concerns or issues and get tailored advice, help and support.
- providing an independent, impartial set of services aimed at addressing and resolving concerns, which include:
 - Early interventions.
 - Mediations.
 - (in the most serious and complex cases) Independent investigations.

- reporting on trends and themes arising from what it sees in its work to highlight how the creative industries are doing to embed the Standards and build safe and inclusive workplaces for creative industry professionals to thrive.
- providing training, guidance, educational pathways, accreditation, and licensing services to support and upskill people in how to uphold and improve best practice.

How can CIISA act independently if it is being funded by the creative industries?

Trust is a significant factor in ensuring CIISA can carry out its duties effectively and independently. As an industry-funded 'self-regulation' model, we recognise the significant importance of maintaining and demonstrating independence from those who contribute to our resources.

To do that, CIISA carried out extensive research and engagement to make sure there is a clear separation between funding and carrying out its operational services independently and impartially.

As a result, CIISA has adopted a two-company funding model that has been successfully implemented for many years in the Advertising Standards Authority. This has resulted in the creation of two entities: CIISA and CIISA's Board of Finance (CIISA BOF).

CIISA BOF is a separate company that collects and distributes CIISA's funding to CIISA in line



with its annual resource requirements. This arms-length arrangement helps guarantee CIISA's independence.

CIISA BOF has a separate governance structure to CIISA, with its own Board and Chair acting independently from CIISA. CIISA and CIISA BOF will correspond with each other through transparent and defined governance processes to ensure that CIISA's Operations staff are never involved in the invoicing and collection process, enabling them to carry out their work independently.

CIISA BOF (reg 15474729) and CIISA (reg 14615723) are companies that are limited by guarantee. Both companies have financial years that run April to March.

As we explain below, funding CIISA will not mean organisations or individuals get an exclusive service or benefit in return. Having CIISA BOF acting as the collection and distribution agency for CIISA helps to reinforce that principle.

What do I/we get for funding CIISA?

CIISA is a cross-industry backed authority established to act as the enabler for meeting the shared objective of setting and maintaining standards of behaviour across the creative industries.

Therefore, funding CIISA is about organisations and individuals across the creative industries giving their ongoing commitment to ensure an independent authority helps to build and uphold safer and more inclusive workplace environments for all creative industry professionals working in the creative industries, regardless of where they work.

This means CIISA is not a membership service or professional body, which covers paying a fee to get an exclusive service, privilege, or benefit

in return. Instead, your funding goes to the principle of supporting and resourcing CIISA to meet its wider objectives.

This is also important given CIISA is independent from any organisation or individual within the creative industries, and so will not offer exclusive services in return for funding.

Funding CIISA may mean that – as an organisation or individual – you may never need to use or access our service, but funding means you are showing your commitment to supporting the wider objective of raising and maintaining higher standards of behaviour that benefits everybody.

Funding CIISA also ensures that our services are available to all creative industry professionals and organisations – you do not need to be a member or affiliate to access them.

What approach have you taken to how CIISA should be funded?

We believe that everyone in the creative industries has responsibility for helping to ensure that our workplace culture and environments are safe and inclusive to enable our talent to thrive.

Therefore, in consultation across the creative industries, we have built an approach to recognise that the costs for resourcing CIISA should be shared to protect the creative industries but recognising that should be fair and proportionate – and reflective of the fact that organisations and individuals across the creative industries are different, and so the ability to fund CIISA will vary.

Our approach is also based on organisations and individuals **paying an ongoing annual contribution** to ensure CIISA is appropriately resourced going forward.



Using established best practice seen in other similar organisations, CIISA’s approach is based on a tiered ‘banding’ approach that provides clarity of expectation for how organisations and individuals can contribute a fair and proportionate sum that is linked to UK turnover.

This approach ensures that the minimum amount will mean no organisation or individual will pay more than a set percentage of their turnover for the year.

Our funding model design principles

These design principles have underpinned our consultations with representatives from Film, TV, Theatre and Music.

- **Benchmarking against best practice** – Our approach is informed by our experience of comparable best practice.
- **Ensure we have the budget required for impact** – We need to recognise that the impact CIISA needs to have will require a cost, but we will work to determine the best value for money possible to safeguard fair costs.
- **The big look after the small** – We want to recognise the ability to fund CIISA will vary and ensure that all players contribute proportionally through a banded approach.
- **Collaborative approach** – We have been working with industry experts to understand the respective sectors and align their feedback with a model that works.
- **Fair and proportionate fee structures** – Our approach also ensures that the cost of CIISA is distributed equitably and proportionately across the creative industries, and which also ensures that CIISA always remains free at the point of use for creative industry professionals who are on lower incomes.

How has CIISA calculated the bands it will use for its funding model?

We listened to input across all sectors when building our model.

Currently, no organisation will contribute more than **0.1% of annual UK turnover** under this model, with a single banding structure so contributions remain the same regardless of sector alignment.

The funding bands are:

Band	Annual UK Turnover	Annual CIISA Contribution*
A	£500m +	£50,000
B	£200m to £500m	£35,000
C	£100m to £200m	£20,000
D	£50m to £100m	£12,000
E	£10m to £50m	£5,000
F	£1m to £10m	£1,000
G	£250k to £1m	£250
H	Up to £250k	Discretionary or by arrangement with a membership body

*plus VAT if applicable



Can I/we pay more than what is given in the bands?

Yes. The banding structure sets out the minimum annual contribution required.

As an independent authority, contributing more **will not mean** that an organisation or individual will get treated more favourably or differently than anybody else.

As all funding will be directed through a separate company (CIISA's Board of Finance - CIISA BOF), CIISA will not be aware of exactly how much anybody has contributed to CIISA in any event.

How does CIISA define 'annual UK turnover'?

If you/your organisation operates in the UK only, you should use the turnover figure as given in your financial statements to assess what band you would come under.

If you/your organisation operates in the UK and other geographical areas, please use the UK turnover figure as given in your financial statements, if this is a requirement for your statutory accounting.

If you **are not required** to give your UK turnover figure in your statutory accounting (for example, because you report on a worldwide turnover and not separate UK turnover), please use the information that you/your organisation has available that gives this figure. This could include sourcing from internal sales reporting, information held in the accounting system, figures provided on VAT returns etc. However, if it is too time consuming to produce this information, please use a reasonable estimate for UK turnover instead.

For organisations that are part of a larger corporate group: where your group prepares consolidated financial statements in the UK, assessments of UK turnover should be based on the disclosed group UK turnover in these financial statements.

If multiple entities prepare consolidated financial statements, take these from the highest UK-based entity preparing these (subject to the issue regarding multiple brands as below).

Where your group does not prepare consolidated financial statements in the UK, you should aggregate the UK turnover from the separate financial statements of your UK subsidiaries and use this as your annual UK turnover. You may 'net off' intra-group turnover in this process.

If your corporate group contains multiple brands operating as different organisations in the creative industries in the UK we would ask that each organisation in this scenario provides a separate contribution based on their individual UK turnover.

For organisations that receive them, grants and donations should be included as part of turnover.

What is your approach to contributions from member bodies and trade organisations?

CIISA is engaging with a range of representative member bodies and trade organisations across the creative industries to establish whether they will collect contributions.

These organisations will collect primarily on behalf of individuals and organisations whose annual UK Turnover is no more than £250k (i.e. band H).



If you (or your organisation) are above band H, you should contribute to CIISA directly unless a body of which you are a member informs you otherwise.

I am still not sure what band I/we might come under, can I get help?

Yes. Please contact financeboard@ciisa.org.uk for further assistance. We will aim to respond within three working days.

Will CIISA BOF review what we say is annual UK Turnover?

CIISA BOF will operate on a trust-based approach, ensuring that creative industries are able to offer a transparent and equitable approach to determine what band they come under in order to set out their commitment to CIISA.

As part of CIISA BOF's development, from time-to-time CIISA BOF may undertake analysis of contributions received and follow up with organisations where it appears they may not be in the correct banding.

What accounting period end should be used to establish UK turnover?

The CIISA BOF and CIISA financial years run April to March and we aim to collect the majority of contributions in the first quarter of each financial year (April to June).

We recognise that many contributors will not have financial years that align with this.

We are in the process of establishing formal processes and the annual timetable, for sign off by the CIISA BOF and CIISA Boards. Whilst we establish these, our initial guidance for 2024/25 contributions is as follows:

- Please use accounting periods ending in 2023.
- Please use draft figures if finalised figures are not yet available.

Note – We will not require an additional payment or refund overpayments should your finalised numbers differ from your draft figures so as to push your organisation into a different band.

What if I/we have an accounting period that is greater or less than one year?

If the accounting period is greater than one year (assuming this is a one-off situation for your organisation) please do use a 'pro-rata' turnover approach that proportionately assesses how much UK turnover was for 12 months based on the number of months in your accounting period.

For example, if your UK turnover is £1.5m for 15 months, divide £1.5m by 15 months (which is £100,000). Then multiply £100,000 by 12 months, which means your pro-rated turnover comes to £1.2m.

This would put your turnover into band F, with an annual contribution of £1,000.

If the accounting period is less than one year (again assuming this is a one-off situation for your organisation), please 'annualise' by dividing your turnover by the number of relevant months, before then multiplying that by 12 months.

Then use the annualised figure to find what band you would come under.

Using the band annual contribution amount, then work out how much you should pay of that contribution. You can do this by dividing the annual contribution by 12 months, and then multiplying the result by the number of months in your accounting period.



For example, if your UK turnover is £9m for eight months, divide that figure by eight (to get £1.125m) and then multiply that figure by 12 months to get your 'annualised' income of £13.5m.

£13.5m UK turnover would put you in band E, which is an annual CIISA contribution of £5,000.

Then divide the annual contribution by 12 months, before multiplying again by the number of months in your accounting period (£5,000 divided by 12 = £416.67, which is then multiplied by eight months. This means your actual contribution would be £3,333).

If it is not a one-off situation for your organisation, please contact financeboard@ciisa.org.uk for further guidance. We will aim to respond within three working days.

What if I/my organisation has UK turnover that fluctuates year on year?

Your UK turnover should be assessed each year and therefore may move between bands each year.

Can I/my organisation pay a lower amount than the banding it falls into?

Our banding sets out the minimum contribution needed to ensure that CIISA is appropriately resourced each year. This is to ensure equity and fairness across all creative organisations and industries.

How and when will CIISA collect the annual contribution?

Bands A-C

CIISA BOF will make a request for payment to organisations that fall into bands A, B & C on a 30-day standard payment term.

Bands D-H

We are currently in the process of establishing an online portal to collect payments from organisations that fall into bands D to H, with the aim of this being in place by June 2024. Further communications on this will be issued in due course. Should your organisation wish to contribute via bank transfer, prior to this arrangement being in place, please contact financeboard@ciisa.org.uk.

This document will be updated, and communications issued once formal processes and the annual timetable have been finalised and signed off by the CIISA BOF and CIISA Boards.

Can I/my organisation pay the annual contribution in instalments?

Given how crucial it is to ensure CIISA has security of knowing how much funding it will have available each year, we ask that you pay the contribution as a single payment. This also ensures equity and fairness across all organisations and individuals, as well as reducing the administrative burden on CIISA BOF.



Will there be an annual increase on the contribution, and if so, how will this be calculated and when will I/my organisation be notified?

We are in the process of establishing formal processes and the annual timetable, for sign off by the CIISA BOF and CIISA Boards. We anticipate annual inflationary increases, implemented in April each year, and that we will consult with organisations, always aiming to providing sufficient notice, should we anticipate increases above inflation.

A key objective for CIISA is delivering value for money and this will always be at the forefront of decision making on budget setting and funding asks.

This document will be updated, and communications issued once formal processes and the annual timetable have been finalised and signed off by the CIISA BOF and CIISA Boards.

Will there be a decrease in the amount I/we have to contribute, once CIISA becomes established and increases the number of organisations and people funding it?

This will be monitored as part of CIISA's regular cycle of budget planning and financial oversight, alongside what reserves CIISA needs to retain to ensure it remains viable should there be a future shortfall in funding.

Should we see that CIISA is consistently receiving funding that is above its requirements for operation (and is above the relevant thresholds as given in CIISA's reserves policy),

we would look to engage across the creative industries to discuss potential lowering of the bands.

Is CIISA VAT registered?

We are currently establishing the VAT position for both CIISA and CIISA BOF. This document will be updated in due course.

If CIISA BOF is required to register for VAT, the voluntary contribution stated in the funding bands will be plus 20% VAT.

How does CIISA's approach ensure that it gets the funding it needs?

Contributions based on this banding structure should enable CIISA to launch its operations in late 2024 and provide the aforementioned services on an ongoing basis, at an estimated annual budget of c£2m, with a key financial objective of ensuring value for money.

What is CIISA's reserves policy?

As a company limited by guarantee, CIISA will typically retain any surpluses for inward reinvestment to help it develop, grow and meet its overarching objectives, or promote the objectives of the business. This includes establishing and maintaining a level of reserves that will enable and ensure CIISA can meet its obligations (as a business and employer) for a set period of time, should there be a temporary shortfall in ongoing funding.

We are currently establishing our reserves policy to detail this approach. This document will be updated once the reserves policies for CIISA and CIISA BOF have been approved by their respective boards.



What steps will CIISA take if reserves are lower than target / resource requirements are higher than expected?

We are currently establishing our reserves policy. This document will be updated once the reserves policies for CIISA and CIISA BOF have been approved by their respective boards.

My organisation requires additional information. Who should I contact at CIISA?

In the first instance, please e-mail financeboard@ciisa.org.uk with your request and contact details and we will aim to respond within three working days.



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