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# **PROGRAM GUIDELINES**

## **CONVERGENT**

## **TELEVISION:**

## **TV DRAMA PROGRAMS**

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<b>Convergent Television: Drama programs .....</b>	<b>2</b>
<b>Doing business with us .....</b>	<b>10</b>

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# CONVERGENT TELEVISION TV DRAMA PROGRAMS

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## Overview

Screen Australia supports the creation of a diverse slate of quality, innovative, original, culturally significant small-screen storytelling that resonates with contemporary audiences.

A television broadcaster or channel must be attached to the project, and the content must also be made available on at least one digital media platform other than broadcast television; at minimum this could be a catch-up television service. As audiences are consuming content via an expanding array of platforms, the intention is to ensure accessibility to the content on those additional platforms to ensure the greatest opportunities for audience engagement.

## Indicative allocation

\$15–20 million for 2011/12

## Investment and slate management principles

In an environment where the Producer Offset provides the primary means of Government support for projects with commercial potential, Screen Australia's investment and slate management principles are governed by its enabling legislation, the *Screen Australia Act 2008*, to:

“ensure the development of a diverse range of Australian programs that deal with matters of national interest or importance to Australians, or that illustrate or interpret aspects of Australia or the life and activities of Australian people.”

In this context, and given the need to allocate its limited funds fairly and effectively, Screen Australia proposes to manage its drama slate in collaboration with producers and broadcasters, according to the following principles:

- Consultation with producers and broadcasters about the year's slate and upcoming priorities
- Recognition of broadcaster expertise in connecting with audiences as part of the broadcaster's commissioning process
- Reserving the right to make investment decisions based on published criteria that reflect the requirements of the *Screen Australia Act*, including placing an emphasis on programs with a high level of artistic and cultural merit and promoting the development of commercially focused screen production businesses.

Screen Australia anticipates working productively with broadcasters and producers, based on these principles. Where broadcasters need to prioritise projects due to the limits on Screen Australia's funding, consideration should

be given to Screen Australia's investment decision criteria for the relevant program.

## General information for applicants

### Applying for funding

Applicants and projects must meet the general eligibility requirements set out in Screen Australia's Terms of Trade, as well as the specific requirements of these guidelines.

Applications must be made on the relevant application form, and include **all** supporting material listed on that form.

Incomplete applications will not be accepted. This includes those without finalised finance plans in place with associated letters of offer.

Unless invited to reapply (in the context of managing available funds), projects can only be submitted more than once if substantial changes have been made, and more than two applications for the same project will not be accepted.

### Budgets

**Format:** Budgets must be presented in the A-Z Budget format, available from the Screen Australia website ([www.screenaustralia.gov.au/a-zbudget](http://www.screenaustralia.gov.au/a-zbudget)). Fees should comply with industry norms. They will be considered in the context of the budget and track record of the personnel.

Budgets must include:

- **Contingency:** Allowance for a contingency of 10 per cent.
- **Completion Guarantor:** An allowance should be made for a completion guarantor unless Screen Australia agrees otherwise in writing.
- **Delivery to digital platform:** Where relevant, an allowance should be identified in the budget for distribution to one other digital platform. This may include a catch-up television service, mobile phone or other online release.
- **Promotions and marketing:**  
Marketing and promotions costs should be incorporated from the outset. Line items for specific promotional materials must include professional stills photography and press kit.
- **Delivery items:**  
Producers must budget for sales company deliverables and other delivery items as required.  
Allowance must also be made for Screen Australia and NFSA delivery items. See Terms of Trade for details.

### Foreign actors

Screen Australia encourages producers to engage with the Foreign Actor Certification Scheme (FACS) process early if they intend to bring foreign actors into Australia to be a part of any production. Separate to any requirement from Screen Australia, a production must meet the requirements of this scheme, the details of which can be found [here](#).

## **Terms of Trade**

Details of Screen Australia and NFSA delivery items, recoupment, rights and other requirements, including special requirement for projects that involve Indigenous Australians, are available in Screen Australia's [Terms of Trade](#).

## **Official co-productions**

Projects approved as Official Co-productions are eligible for, but not automatically guaranteed, direct Screen Australia support.

As co-productions have access to more than one domestic market, they must bring a higher level of genuine market attachment to the budget. As well as satisfying all the normal criteria for Screen Australia production investment, the co-production partners must also secure acceptable offers to broadcast the project in each co-production territory from appropriate domestic broadcasters.

The Australian co-producer must also have received a letter of preliminary compliance or provisional approval as a co-production from Screen Australia. See [www.screenaustralia.gov.au/coproduction](http://www.screenaustralia.gov.au/coproduction)

# TV drama

## Eligibility

### Format and duration

Drama of any broadcast format is eligible for this program, including telemovies, telemovie packages and series (no distinction is drawn between series and mini-series).

However, more than 26 broadcast hours of any one project, which may include multiple series, will not be eligible for funding unless exceptional circumstances can be demonstrated. (This includes hours already funded as of 30 June 2011.)

### Marketplace attachment requirements

A local presale for Australian free-to-air or subscription television rights is required, with a minimum licence fee of \$440,000 per broadcast hour. This floor price must not include:

- any equity component for the broadcaster;
- broadcast rights for New Zealand or another Rest of World territory;
- subscription television or exclusive satellite rights (if the presale is to a free-to-air broadcaster), or free-to-air rights (if the presale is to subscription television).

Screen Australia expects that an appropriate holdback period between the first and any subsequent release will be negotiated case by case between the producers and broadcasters involved.

Screen Australia expects the project to be made available on at least one digital media platform other than broadcast television (free-to-air or subscription). At a minimum, this could be a catch-up television service, but producers are also encouraged to consider mobile or other online platforms as part of their release strategy.

In addition to the local presale, Screen Australia will require a sales agent for ROW to be attached on all projects financed under this program.

Note that Screen Australia intends to apply annual CPI increases to the minimum licence fees for TV drama specified above.

### Broadcaster involvement

Screen Australia will not finance drama where the project has been developed by a broadcaster and sub-contracted at a later stage to a producer, except where chain of title resides with the producer.

In addition, Screen Australia expects key creatives (producer, writer, director, director of photography, editor) to be sourced from the freelance market and not from the staff of a free-to-air or subscription television channel.

## **Project funding available**

Screen Australia will not generally invest more than \$2 million in a TV drama project, and will not exceed this threshold other than in exceptional circumstances.

Limits also apply to the level of direct funding as a proportion of the project's budget; these limits are set out in Screen Australia's Terms of Trade.

## **Application process**

Applications should be made on the relevant form and include all supporting material specified. Incomplete applications will not be accepted.

There will be three investment decision rounds across the financial year. Check the website for dates.

## **Investment decisions**

Applications are considered by Screen Australia executives, with industry specialists consulted as required. Investment decisions will be made against the following criteria, and in the context of the slate management principles outlined on page 2:

- strength of the proposal, including its national and cultural significance,
- the project's potential to connect with its target audience
- track record and capacity of the creative team;
- strength of the marketplace (ie level of co-finance excluding Screen Australia and the state agencies);
- diversity of slate.

Preference will be given to original formats over programs based on foreign formats.

Screen Australia will advise applicants of the success or otherwise of their application. Where an application is unsuccessful, the reasons will be conveyed to the applicant, with a written statement of reasons provided on request.

# Children's TV drama

These guidelines are framed in the context of Screen Australia's enabling legislation, which directs us to place particular emphasis on "programs of interest or relevance to children". They also acknowledge the particular challenges and opportunities involved in producing television drama for children, including the difficulties broadcasters have in monetising content, as well as the different relationship between first and subsequent windows created by the nature of the audience.

## Eligibility

### Format and duration

Children's drama of any broadcast format is eligible for this program, including telemovies, telemovie packages and series (no distinction is drawn between series and mini-series).

However, more than 26 broadcast hours of any one project, which may include multiple series, will not be eligible for funding unless exceptional circumstances can be demonstrated. (This includes hours already funded as of 30 June 2011.)

The content can be either animation or live action, and does not have to be 'C' drama. However, the primary audience for the content must be children, as opposed to families generally.

### Marketplace attachment requirements

A local presale for the initial Australian television rights is required, with a minimum licence fee of \$100,000 per broadcast half hour. This floor price must not include:

- any equity component for the broadcaster;
- broadcast rights for New Zealand or any other Rest of World territory;
- rights for a secondary window (subscription television or exclusive satellite rights if the initial presale is to a free-to-air broadcaster, or free-to-air if the presale is to subscription television).

Where the rights for a secondary window are also presold, the licence fee for this window must be at least \$15,000 per broadcast half hour, excluding any equity component or broadcast rights in any Rest of World territory.

The minimum licence fees specified above assume a maximum holdback period of 18 months between the primary and secondary windows.

Regardless of the above, the producer is free to negotiate licence fees and holdbacks between multiple broadcasters (free-to-air and/or subscription), or to negotiate an exclusive licence to one broadcaster, provided the total Australian minimum licence fee is \$115,000 per broadcast half hour.

Screen Australia expects the project to be made available on at least one digital media platform other than broadcast television (free-to-air or subscription). At a minimum, this could be a catch-up television service, but producers are also encouraged to consider mobile or other online platforms as part of their release strategy.

A sales agent for rest of world (ROW) must be attached on all projects.

### **EXAMPLE SCENARIOS**

The following scenarios illustrate how the above licence fee requirements might work.

**Example 1:** A children's drama program is to have its premiere window on free-to-air television. Two free-to-air broadcasters choose to jointly commission the program and share runs. The two broadcasters can divide their respective licence fee contributions as they wish, provided that the combined licence fee is at least \$100,000 per broadcast half hour, entitling them to a holdback period of up to 18 months. A subscription TV channel can acquire the secondary window at a minimum licence fee of \$15,000 per broadcast half hour, allowing the channel to broadcast the program 18 months after the final free-to-air run.

**Example 2:** The two free-to-air broadcasters from Example 1 want to commission the program exclusively, so that it will not appear on subscription television during the term of the licence – effectively buying out the subscription TV window. The two broadcasters can divide their respective licence fee contributions as they wish, apportioning the number of runs accordingly, provided that the combined licence fee is at least \$115,000 per broadcast half hour. [Similarly, an individual broadcaster could also buy out the subscription TV window, as long as the total licence fee was at least \$115,000.]

**Example 3:** A subscription channel wants to contribute to a project commissioned by a free-to-air broadcaster (to secure the second window inside the 18-month holdback period). As long as the combined licence fee is at least \$115,000 this will be acceptable. The timing of the broadcasts in each window and how the licence fee is apportioned between the free-to-air and subscription are up to the parties.

### **Broadcaster involvement**

Screen Australia will not finance children's drama where the project has been developed by a broadcaster and sub-contracted at a later stage to a producer, except where chain of title resides with the producer.

In addition, Screen Australia expects key creatives (producer, writer, director, director of photography, editor) to be sourced from the freelance market and not from the staff of a free-to-air or subscription television channel.

### **Project funding available**

Screen Australia will not generally invest more than \$3 million for up to 26 broadcast half hours, other than in exceptional circumstances.

Limits also apply to the level of direct funding as a proportion of the project's budget; these limits are set out in Screen Australia's Terms of Trade.

## **Application process**

Applications should be made on the relevant form and include all supporting material specified. Incomplete applications will not be accepted.

There will be three investment decision rounds across the financial year. Check the website for dates.

## **Investment decisions**

Applications are considered by Screen Australia executives, with industry specialists consulted as required. Investment decisions will be made against the following criteria, and in the context of the slate management principles outlined on page 2:

- strength of the proposal, including its national and cultural significance,
- the project's potential to connect with its target audience
- track record and capacity of the creative team;
- strength of the marketplace (ie level of co-finance excluding Screen Australia and the state agencies);
- diversity of slate.

Preference will be given to original formats over programs based on foreign formats.

Screen Australia will advise applicants of the success or otherwise of their application. Where an application is unsuccessful, the reasons will be conveyed to the applicant, with a written statement of reasons provided on request.

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# DOING BUSINESS WITH US

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## Terms of Trade

Screen Australia's Terms of Trade outline the core terms on which the organisation will transact its business.

Contracts entered into between Screen Australia and applicants for funding reflect both the terms of trade and the specific requirements relating to each program as set out in program guidelines.

Screen Australia reserves the right to vary its Terms of Trade and program guidelines from time to time.

## Indigenous content or participation

Specific requirements apply to projects that involve Indigenous Australians. All Screen Australia funding application forms state: "Where there is Indigenous community participation or content involved in the project, written confirmation of the willingness of both the subject(s) and the community to be involved in the project is essential."

**Indigenous content** means: a film or program based on an Indigenous story, with Indigenous characters or featuring Indigenous culture and heritage in any form.

**Written confirmation** means: a signed letter of interest stating that the community and/or individual involved has agreed to participate in the development of your project.

More information is available on the Screen Australia website.

## Funding provided as a grant

For documentary and some other projects, Screen Australia funding of \$200,000 or under is now provided as a grant, rather than recoupable investment, and will not have to be repaid unless the terms of the grant agreement are breached. Screen Australia's contribution will be agreed upfront and not varied, other than in exceptional circumstances.

'Screen Australia funding' in this case means production finance through the National Documentary Program, General & International Documentary programs, the Signature Documentary Program, Indigenous Department documentary programs and other special initiatives, as well as production finance under the AllMedia Program. If a project has received development funding from Screen Australia or its predecessor agencies, the development funds will be added to the production funds for the purpose of determining whether the \$200,000 grant threshold has been reached. Support provided through Screen Australia's marketing programs is not included.

Screen Australia will hold 1 per cent copyright in all documentary projects where its investment is greater than \$100,000.

## **Contracting**

To help streamline the contracting process, Screen Australia has developed core conditions for its drama and documentary production investment agreement (PIA) and documentary production grant agreement (PGA). The complete agreement will comprise the core conditions together with a series of schedules.

How it works:

- The core conditions in place at the time a project is approved for funding will apply.
- The goal is to keep the core conditions unchanged, with any exemptions addressed in the Special Conditions Schedule.
- Once all schedules are agreed to, the schedules and the core conditions will be merged into one fully executed pdf with approved budget and drawdown schedule (if applicable).

You can download the core conditions for agreements from the Screen Australia website.