



# GUIDELINES GENERAL DRAMA & CHILDREN'S PROGRAMS

Issued 30 September 2015 Updated 12 September 2023

Screen Australia reserves the right to change its program guidelines from time to time. Please ensure you check the website for the latest version.

These guidelines should be read in conjunction with Screen Australia's Terms of Trade.

General drama	3	
Children's programs	5	
Season 2 General and Children's Drama	7	
Information for allapplicants	8	

#### Contact an Investment Manager

Before applying to Screen Australia for production funding, it is essential that you contact a Screen Australia Investment Manager to discuss your project. Email dramaproduction@screenaustralia.gov.au if you are unsure who to speak with.

We also encourage you to contact the Program Operations team before you submit your application to discuss any eligibility questions and ensure all the required supporting material is in place. This will mean we can process your application as smoothly and efficiently as possible.

Program Operations: 1800 507 901

# Overview

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

The following guidelines apply to all productions made primarily for broadcast or subscription television, VOD platform or similar, but specifically excludes theatrical projects qualifying for the 40 per cent Producer Offset and productions which fit under the parameters of Screen Australia's Online Production Guidelines.

For the purpose of these Guidelines the term **Commissioning Platform** includes a free-to-air (FTA) or subscription television broadcaster/FTA streaming service and/or streaming platforms such as subscription video on demand (SVOD).

All projects must have a Commissioning Platform attached at the time of application.

For projects to be considered eligible for Screen Australia funding, the agreement with the Commissioning Platform must reflect the terms and conditions in these guidelines, including minimum licence fee requirements.

# Investment and slate management principles

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 manages its slate in collaboration with producers and Commissioning Platforms, according to the following principles:

- Ongoing consultation with producers and Commissioning Platforms about the year's slate and upcoming priorities
- Recognition of Commissioning Platforms' expertise in connecting with audiences as part of their commissioning processes
- 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, which also promote
  the development of commercially focused screen production businesses.
- Preference will be given to projects based on intellectual property created by Australians.

Screen Australia will not finance programs which have been developed by a Commissioning Platform and sub-contracted at a later stage to a producer, except where chain of title resides with the producer. For the avoidance of doubt, Screen Australia will not finance programs where the producer is not independent of the nominated local Commissioning Platform for the first release of a program in Australia.

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 the Commissioning Platform.

These guidelines encapsulate what Screen Australia refers to as **General drama** and **Children's programs.** 

# General drama

General drama is any drama other than children's drama.

# What funding is available?

Screen Australia will not contribute more than 45 per cent of the total budget, inclusive of any <a href="Producer Offset">Producer Offset</a> amount, other than in exceptional circumstances.

Further, Screen Australia investment is capped at \$2 million in any one general drama, other than in exceptional circumstances. If a project is a co-production, this cap will normally be reduced pro rata according to the percentage of the non-Australian co-production partner(s)' contribution. So, for example if the co-production is a 60/40 Australian majority co-production, the cap would be \$1.2 million.

For <u>official co-productions</u> the 45 per cent cap applies only to the Australian component of the budget.

Please refer to the website for <u>further information</u> on the General drama program and <u>application deadlines</u>.

# Who can apply?

General 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).

A compelling case must be demonstrated for Screen Australia to fund more than 26 viewing hours of any one project, including multiple series (whether or not they have been funded by Screen Australia).

This program is not open for episodic drama with total budgets of A\$25 million or more. These higher budget projects will normally have the benefit of the Producer Offset and should attract enough other financing without requiring funding from Screen Australia's limited direct funding programs.

Funding for Season 2s will be by assessment, taking into consideration the additional factors outlined on page 77.

Applicants and projects must meet the general eligibility requirements set out in Screen Australia's <u>Terms of Trade</u>, as well as the specific requirements of these guidelines. With the exception of official Co-Productions, it is Screen Australia's expectation that applications for direct funding will demonstrate that the project is written and directed by Australian citizens or permanent residents. Please notify your Investment Manager before applying if this is not the case.

Specific requirements apply to projects which involve <u>First Nations community participation</u> <u>or content</u>. Please refer to our website for further information.

Applications for retrospective funding (for monies already spent) are not eligible.

# Marketplace attachments

#### **Domestic**

For all projects approved for funding on or after 1 January 2024, Screen Australia requires a local presale of at least \$500,000 per broadcast hour from a Commissioning Platform on terms acceptable to Screen Australia and otherwise in accordance with all relevant industry agreements.

The \$500,000 per broadcast hour minimum licence fee will be in place for at least 18 months after which Screen Australia will assess the impacts to determine the level of further increases.

A presale at the minimum licence fee must be allocated towards the primary right for the program being the platform on which the program premieres, and must <u>not</u> include:

- any equity component for the Commissioning Platform;
- broadcast rights for New Zealand or another Rest of World (ROW) territory;
- any secondary rights, for example, any VOD rights (if the primary right is free-to-air or subscription television), or free-to-air or subscription television rights (if the primary right is aa VOD right)
- distribution rights for Australia or a ROW territory;
- any ancillary rights.

If a Commissioning Platform wishes to exploit additional rights such as SVOD for a presale to a free-to-air broadcaster, Screen Australia expects the parties to negotiate in good faith for a payment to the producer which is reasonable in all the circumstances, and in line with current market rates.

The Commissioning Platform must not enter into any agreements with the producer (or a related entity) that have the effect of undermining the minimum licence fee requirement.

The producer will also need to be able to demonstrate that they are able to engage cast to match the requirements of the Commissioning Platform.

#### International

In addition to the local presale, Screen Australia will normally require a recognised and appropriate sales agent for ROW to be attached on all projects financed under the General Drama program.

# Children's programs

Screen Australia is required to place particular emphasis on "programs of interest or relevance to children." As outlined above we also acknowledge the particular challenges and opportunities involved in producing programs for children, including the difficulties Commissioning Platforms have in monetising content, as well as the different relationship between first and subsequent windows created by the nature of the audience.

# What funding is available?

Screen Australia will not contribute more than 50 per cent of the total budget, inclusive of any <a href="Producer Offset">Producer Offset</a> amount, other than in exceptional circumstances.

This program is not open for episodic drama with total budgets of A\$25 million or more. These higher budget projects will normally have the benefit of the Producer Offset and should attract enough other financing without requiring funding from Screen Australia's limited direct funding programs.

Further, Screen Australia investment is capped at \$2 million in any one children's program, other than in exceptional circumstances. If a project is a co-production, this cap will normally be reduced pro rata according to the percentage of the non-Australian co-production partner(s)' contribution. So, for example if the co-production is a 60/40 Australian majority co production, the cap would be \$1.2 million.

For <u>official co-productions</u> the 50 per cent cap applies only to the Australian component of the budget.

Please refer to the website for <u>further information</u> on the Children's program and <u>application deadlines</u>.

# Who can apply?

Children's programs of any broadcast format are eligible for this program, including telemovies, telemovie packages and series (no distinction is drawn between series and miniseries). The content can be animation or live action, preschool or drama and does not have to be classified 'P' or 'C' by the ACMA. However, the primary audience for the content must be children, as opposed to families generally.

Children's Programs, animation or live action, which do not feature predominantly Australian voices will not be eligible.

Whilst Screen Australia will not normally fund long running series, in the case of children's programs we will give due consideration toto applications requesting funding for more than 26 viewing hours of any one project, including multiple series (whether or not they have been funded by Screen Australia). Funding for Season 2s will be by assessment, taking into consideration the additional factors outlined on page 77.

Applicants and projects must meet the general eligibility requirements set out in Screen Australia's <u>Terms of Trade</u>, as well as the specific requirements of these guidelines. With the exception of official coco-productions, it is Screen Australia's expectation that applications for direct funding will demonstrate that the project is written and directed by Australian citizens or residents.

Specific requirements apply to projects which involve <u>First Nations community participation</u> or content. Please refer to our website for further information. Applications for

retrospective funding (for monies already spent) are not eligible.

# Marketplace attachments

#### **Domestic**

For all projects approved for funding on or after 1 January 2024, Screen Australia requires:

- a local presale of at least \$113,635 per broadcast half hour from a Commissioning Platform; or
- local presales to a total of \$130,680 per broadcast half hour from any combination of Commissioning Platforms.

The above minimum licence fees will be in place for at least 18 months after which Screen Australia will assess the impacts to determine the level of further increases.

A presale at the minimum licence fee must be allocated towards the primary right for the relevant Commissioning Platform(s), and must *not include*:

- any equity component for the Commissioning Platform;
- broadcast rights for New Zealand or any other Rest of World (ROW) territory;
- any secondary rights, for example, any VOD rights (if the primary right is free-to-air or subscription television), or free-to-air or subscription television rights (if the primary right is a VOD right)
- distribution rights for Australia or a ROW territory;;
- any ancillary rights.

If a Commissioning Platform wishes to exploit additional rights such as SVOD for a presale to free-to-air broadcaster, Screen Australia expects the parties to negotiate in good faith for a payment to the producer which is reasonable in all the circumstances, and in line with market rates.

The Commissioning Platform must not enter into any agreements with the producer (or a related entity) that have the effect of undermining the minimum licence fee requirement.

The producer will also need to be able to demonstrate that they are able to engage cast to match the requirements of the Commissioning Platform.

#### **International**

In addition to the local presale, Screen Australia will normally require a recognised and appropriate sales agent for ROW to be attached on all children's programs.

# Season 2 General and Children's Drama

Applications for a Season 2 (S2) of a General or Children's Drama Series will be assessed having regard to Screen Australia's core objectives across Drama and also the following factors (and other factors which may be taken into account from time to time):

- the strength of the Bible and the scripts (for at least the first 2 episodes) submitted and any other creative material supplied. The writers and any attached (proposed) key cast and directors;
- the overall availability of funds;
- the balance between new IP and funding second series;
- whether Season 1 of a drama series rated highly in ANZ, and /or received critical acclaim and/or was featured in an A List Festival (Berlin, TIFF, and Cannes) or an A List TV Festival;
- whether the existence of S2 is likely to materially increase sales (in cash terms) of the Season 1 of the Drama (in the opinion of the ROW sales agent attached), alongside S2;
- increases or reductions in budget for S2 and level of contributions for S2 from the ANZ platform and ROW sales agent/platform.

Priority will be given to Children's and First Nations Drama.

Screen Australia will normally treat any approved S2 funding as an investment.

Funding of Subsequent Series beyond S2 will only be in exceptional circumstances.

# Information for all applicants

Other than in exceptional circumstances, preference will be given to projects that, at the time of application, are no further than six months from the start of pre-production.

# What materials do you need to apply?

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

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

#### Inclusive Attachment Scheme

As a condition of Screen Australia production support, an above or below the line attachment must be allocated to each project: for example, an attachment to a Director, Producer, DOP, Editor or Composer.

The attachment should identify with one or more of the following groups: First Nations, Deaf/deaf or disabled, women, non-binary or gender diverse, LGBTIQ+, culturally or linguistically diverse or located in regional and remote areas; and it is expected that the attachment should be targeted at providing experience to emerging practitioners. The costs must be included within your production budget and potential attachments should be discussed with your Investment Manager.

# Women, non-binary or gender diverse directors

Save in exceptional circumstances, it is a pre-condition of Screen Australia's funding of any drama series with more than one block\*, that one or more blocks be directed by a woman, non-binary or gender diverse director.

\*block shooting is a television term whereby more than one episode of a season is grouped into blocks for shooting. Each block can be directed by a different director and can consist of one or multiple episodes.

#### Marketplace agreements

The proposed terms of Marketplace agreements will be considered by Screen Australia as part of the assessment process based on factors including compliance with the minimum licence fee requirements, overall commerciality and compliance with relevant industry agreements. Marketplace Agreements are subject to Screen Australia's approval where funding is provided via a recoupable investment.

### **Budget requirements**

Budgets can be presented in the <u>A-Z Budget format</u>, available from the Screen Australia website, or in Movie Magic or EP format. Fees should comply with industry standards. 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 of the total below the line costs.
- Overheads: Production company overheads are capped at 5 per cent of the company's total expenditure on the project, or \$500,000, whichever is the lesser amount.
- Completion Guarantor: An allowance should be made for a completion guarantor

- unless Screen Australia agrees otherwise in writing.
- Promotions and marketing: Costs for promotions and marketing should be incorporated from the outset. Line items for specific promotional materials must include professional stills photography and press kit.
- Delivery to digital platform: Screen Australia now considers it as standard that the budget is sufficient to allow for all necessary online delivery requirements.

Delivery items: Producers must budget for all relevant deliverables, including for Screen Australia, the NFSA, sales company deliverables and other delivery items as required. For more information see Terms of Trade.

# Official co-productions & the Producer Offset:

Projects approved as **official co-productions** are eligible for, but not automatically guaranteed, direct Screen Australia support.

**IMPORTANT:** You do not need to have lodged an application for your Producer Offset Provisional Certificate at the time of applying to the funding round unless specifically requested by your Investment Manager. In most cases producers will be able to wait to see whether or not their project has been successful for funding before applying for a certificate, saving time and application fees. However, if you are approved for funding you will need to lodge your application and receive your certification prior to contract execution.

Producer Offset and Co-production provisional approvals must not be more than two years old (from the date of your application for Production Investment). If approvals were granted over two years ago, a reassessment by the POCU will be required. See Producer Offset & co-production Programs for further information.

<u>Foreign actors</u> - Screen Australia encourages producers to engage with the <u>Foreign Actor</u> <u>Certification Scheme</u> (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.

# What is the assessment process?

Applications are considered by Screen Australia executives, with industry specialists consulted as required. Funding recommendations will be made at a meeting chaired by the CEO and composed of relevant Screen Australia staff.

Decisions for recommended projects requesting more than \$1 million will be made by the Board. Decisions for recommended projects requesting \$1 million or less may be made by the CEO.

#### Assessment criteria

Investment decisions will be made against the following criteria, and in the context of the slate management principles outlined on page 2:

- the quality of the proposal including its innovative and/or cultural significance;
- the project's potential to connect with its target audience;
- the track record and capacity of the creative team;
- the strength of the marketplace e.g. any ROW sales agent and the level of co-finance (excluding Screen Australia and the state agencies);
- the extent to which the project is likely to effectively and properly increase and amplify inclusivity, diversity and/or gender equity both in front of, and behind the camera.

Other factors including the availability of funds and the diversity of projects on our slate may also

influence Screen Australia's funding decisions. Preference will be given to original formats over programs based on foreign formats.

Please refer to additional assessment criteria for Season 2 on page 77.

Decisions on applications are final. Screen Australia will advise applicants in writing of the outcome of their application. Where an application is declined, the applicant will be advised of the reason.

# Terms of funding

Where Screen Australia's total contribution (including any development funds) is \$500,000 or under, funding will generally be in the form of a grant:

- Screen Australia does not take a share of receipts from these projects, which
  means the funds do not have to be repaid other than in circumstances set out in
  the Terms of Trade.
- The amount of the Screen Australia grant will be agreed upfront and not varied, other than in exceptional circumstances.
- Screen Australia does not require a share of copyright in these productions.
- Funding for Season 2 will normally be treated as an equity investment.

Where Screen Australia's total contribution (including any development funds) is **more than \$500,000**, funding will be in the form of recoupable equity investment, with copyright terms in accordance with the agency's <u>Terms of Trade</u>.

**Recoupment** - For all projects covered by these guidelines in which Screen Australia contributes a recoupable equity investment, Screen Australia will generally require the appointment of a disbursement administrator for all territories (*to manage the disbursement of both gross receipts and residuals*) and Screen Australia's approval is required over the terms of any disbursement agreement entered into. Screen Australia will consider a waiver of the requirement to appoint a disbursement administrator depending on the experience and track record of the producer and on the nature of the project. The recoupment terms shall otherwise be in accordance with the agency's <u>Terms</u> of Trade.

# What is the contracting process?

To help streamline the contracting process, Screen Australia has developed core conditions for its Production Investment Agreement (PIA) and 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).

Please contact Screen Australia's legal team to obtain a copy of the <u>core conditions</u> for agreements (contact details available on our website <u>here</u>).

# Glossary

**Commissioning Platform** - for the purpose of these guidelines, Commissioning Platform will be used to reflect both a free-to-air or subscription television broadcaster and/or newer online platforms - for example subscription video on demand (but excluding catch-up television).

**Television Broadcaster** means a corporation distributing audio and video content across the traditional television platform.

The below definition will apply to any online service, be it download or streaming, rent or own.

**VOD** means any video on demand service including but not limited to subscription VOD (SVOD), ad-supported VOD (AVOD), free VOD (FVOD) and transactional VOD (TVOD).

# Change Log:

#### September 2023

- Clarified that preference is to be given to projects based on intellectual property created by Australians.
- Clarified that programs will not be financed where the producer is not independent of the nominated local Commissioning Platform for the first release of a program in Australia.
- Increased the total Screen Australia funding thresholds (including Offset) from 40% to 45% for General Drama, and from 45% to 50% for Children's TV.
- Raised the minimum licence fee for both General Drama and Children's TV from 1 January 1, 2024 and clarified minimum licence fee criteria.
- Added Screen Australia's requirement that other than in exceptional circumstances, projects must, at the time of application, be no further than six months from the start of pre-production.
- Added Screen Australia's general requirement that a disbursement administrator be appointed in all territories for projects funded via a recoupable equity investment.
- Updated Information relating to Season 2s including by removing that funding will typically be capped at \$500,000 and the general drama criteria.
- Removed section on COVID Costs.

#### February 2022

• Added assessment criteria addressing equity, diversity and inclusivity.

#### December 2021

COVID Costs now included in budget rather than applying for separately

#### May 2021

• program not open for episodic series with budgets of A\$25 million or more

#### September 2020

- Applications for retrospective funding (for monies already spent) are not eligible.
- Inclusion of COVID costs

#### August 2019

 Additional assessment criteria included for Season 2 of General and Children's Drama.

- Funding for Season 2 will generally be capped at \$500,000 and treated as an investment by Screen Australia.
- Funding for subsequent series beyond Season 2 will only be in exceptional circumstances.
- Funding cap for co-productions reduced pro-rata according to the percentage of the non-Australian co-production partner(s)'s contribution.

#### May 2018

• Save in exceptional circumstances, it is a pre-condition of Screen Australia's funding of any drama series with more than one block\*, that one or more blocks should be directed by a female director.

#### July 2017

Added the inclusive attachment scheme

#### April 2017

• Changes to Producer Offset Provisional Certificate from required to not required prior to lodging your application unless specifically requested.

#### February 2017

 Inclusion of Screen Australia's expectation that applications for direct funding will demonstrate that the project is written and directed by Australian citizens or residents

#### December 2016

• Funding cap for Children's Programs reduced from \$3 million to \$2 million

#### December 2015

We are mindful that new online platforms are entering the commissioned arena and recognise that accessibility to content on a wide variety of platforms provides strong opportunities for audience engagement. The following key changes have been made:

- Platform neutral language.
- Expanding eligible formats to any programming for made specifically for children.
- Allowing funding for series in excess of 26 viewing hours provided a compelling case exists.
- For children's animation, preference will be given to programs with Australian voices.
- Removing mandated release windows. Screen Australia expects the relevant platforms to agree to reasonable windows in all the circumstances.
- While international sales agents for ROW are normally required, the requirement may be waived if a compelling case exists.

Assessment criteria has been amended to reflect Screen Australia's current philosophies, including the gender and cultural diversity of the team.