

GUIDELINES

Screen Production Investment



South Australian **Film Corporation**

Supporting the production of drama and documentary screen content. In particular projects that are creative and original, possess overall appeal to diverse audiences, display good market prospects and have significant economic benefits to the South Australian screen sector.

What is the scheme?

The Screen Production Investment scheme provides funding for the production of narrative driven, drama and documentary projects, that are stand-alone or series, and are intended for commercial release via theatrical, broadcast, or digital platforms.

Who is eligible?

In addition to the eligibility criteria detailed in the SAFC General Guidelines, the applicant must:

- be a credited producer or co-producer of the project; and
- be able to demonstrate that they own or control the necessary rights to produce the project.

The SAFC prioritises projects from South Australian producers or co-producers. The SAFC will accept applications from non-South Australian producers where they have:

- strong South Australian creative attachments in place, in particular writers and directors; and/or
- significant South Australian expenditure and/or employment; and/or
- where they are working with a South Australian producer.

What projects are eligible?

The following projects are eligible for investment under this scheme:

- narrative driven drama and documentary stand-alone or series projects; both live action and animation; and
- narrative driven interactive and cross platform screen projects such as VR;

Projects must be intended for, and likely to receive, commercial release, either via:

- theatrical release; or
- television broadcast on free to air or pay/cable television; or
- a major online video streaming or download service;

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to a significant, demonstrable and measurable screen audience (typically demonstrated by market investment as a proxy for expected audience demand).

Projects are expected to have:

- marketplace investment and production finance in place; and
- a plan for Australian domestic and international release.

Projects are expected to undertake a substantial amount of production and/or post production in South Australia which engages directly with the South Australian industry and bring significant benefits to the State. Targeted benefits are primarily expected to be economic however cultural benefits accrued will also add to the attractiveness of the project.

What is on offer?

SAFC's investment is in the form of a non-recoupable grant. [The SAFC considers this grant to be, by default, 'assigned equity' attributable to the SA producer for financing purposes.

The SAFC may at its discretion increase the following outlined contribution levels for productions that SAFC believes provide significant benefits to the South Australian industry, such as projects which have a South Australian producer, director and/or writer attached and also have a significant economic and cultural benefit to the state.

Drama (theatrical, broadcast, digital platform),

For projects shot substantially in South Australia the SAFC expects to contribute 10% of the total South Australian Expenditure.

Documentary (theatrical)

For projects shot substantially in South Australia the SAFC will invest up to 10% of the total production budget to a maximum of either:

- \$300,000 for a South Australian led production
- \$200,000 for a non-South Australian led production

Documentary (broadcast, digital platform)

The SAFC will match marketplace presales for single documentaries up to:

- \$80,000 per hour
- \$40,000 per half hour

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For eligible projects that don't fit the above categories SAFC will expect to contribute up to 10% of the total South Australian Expenditure.

Post-production, Digital and Visual Effects (SA PDV) Rebate

Production's spending over \$250,000 in South Australia on post production, digital and visual effects should apply for a SA PDV Rebate for this element of their production. An option to select this is provided in the application form.

See here for applicable guidelines: www.safilm.com.au

All SAFC production funding is competitive and subject to available resources. Please speak to SAFC Management before making a funding application.

Evaluation criteria

The primary purpose of the SAFC's production investment program is to drive the growth of the South Australian screen industry. SAFC will take the following criteria into account when considering which applications best achieve this purpose:

- **South Australian Expenditure:** the amount of South Australian Expenditure likely to be incurred and the ratio of that to the requested contribution from the SAFC.
- **South Australian Elements:** the likely employment of South Australian residents in connection with the project by expenditure, number (equivalent FTE), and impact of their role in the filmmaking process (i.e. extent of SA writers, directors, producers, heads of department and lead cast).
- **Story & Script:** In relation to: (i) the quality of the writing and screen storytelling; (ii) the strength and distinctiveness of the idea within its own genre; (iii) the readiness of the script to move into production. For un-scripted works a story treatment can be evaluated instead of a script.
- **Creative Team:** The producer and director and identified creative team according to: (i) skills, relevant experience and achievements which demonstrate either a successful track record or an exciting new talent; and (ii) their demonstrated creative, technical and managerial capacity to deliver the completed project; (iii) the creative team's vision for the project.
- **Market Strength:** The project's market value according to: (i) the strength of any attached theatrical distributor(s), their financial commitment to the project, sales estimates and strategy for marketing it to audiences and track record, including with similar projects; (ii) the financial commitment of any broadcaster/on demand platform, their

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marketing/scheduling plans and likely audience footprint; (iii) the strength of any attached sales company/television distributor, their financial commitment to the project, sales estimates and strategy for marketing it to licensees and track record, including with similar projects; (iv) the producer's plans for any unsold rights.

- **Project:** The project's potential in relation to: (i) the team's demonstrated understanding of the film's intended audience; (ii) the quality of any proposed or attached cast, or the calibre of the performances in the cut; (iii) the quality of any proposed heads of department or the strength of the production values as evidenced by the work by the heads of the department; (v) the potential for the project to appeal to a significant audience.
- **Viability:** The likelihood that the project can be realised with reference to (i) its budget size relative to its intentions; (ii) its proposed schedule; (iii) its finance plan and the strength, quality and status of the deals in it; (iv) the likelihood of securing the proposed talent within budget and schedule (v) the track record of the producing team and their advisors.
- **SAFC Strategy:** How the project aligns with and helps achieve the relevant strategic initiatives as set out in the current SAFC Strategic Plan.
- **Resource Available:** Amount of funding requested, availability of funds and likely competition for those funds.

In evaluating the project the SAFC will take into account any information and weight these criteria as it judges appropriate to best serve the purpose and strategy of the organisation. SAFC may separately contact any party identified in the application as involved with the project and discuss their involvement in the project unless applicant expressly requests SAFC not to in their application.

Additional support

Revolving Film Fund

(See SAFC Revolving Film Fund Guidelines for detailed information)

The Revolving Film Fund (RFF) is a financing facility administered by the SAFC. Through the RFF, the SAFC provides secured loans to finance South Australian screen sector production and post-production.

Generally there are two types of loans available under this scheme:

- Producer Offset Loans to cash flow the Producer Offset for eligible Australian productions; and in some cases
- Distribution Guarantee / Licence Fee Loans to cash flow distribution guarantees or licence fees from reputable distributors, broadcasters or sales agents.

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Payroll Tax Exemption

(See Payroll Tax Exemption Guidelines for detailed information)

Producers can make an upfront application for payroll tax exemption once the production investment is approved by the SAFC Board.

In consultation with the SAFC, the South Australian Government may provide a payroll tax exemption or ex gratia payment to producers of drama and documentary projects where it can be shown that production will take place wholly or substantially within South Australia, resulting in the employment of South Australian residents and which provides economic benefit/s to the State. **The incentive may reduce the film's payroll liability by approximately 4.95%.**

Additional requirements

Required Attachments

(See SAFC Attachment Scheme Guidelines for detailed information)

Projects with SAFC production investment require the production to engage South Australian Attachments in accordance with the scheme guidelines. The number of Attachments required is guided by the level of SAFC production finance.

Projects applying for SAFC production grant:

- over \$100,000 are required to budget for one paid attachment;
- over \$200,000 required to budget for two paid attachments;

Attachments are to be for a minimum of five weeks, paid minimum MEAA-Award Level 1. The SAFC will consult with each production about appropriate roles for attachments based on the needs of the local industry and taking into account the nature of the project.

Delivering Diversity

In line with SAFC's commitment to Delivering Diversity in the South Australian screen industry applications are encouraged from people from underrepresented groups, including women, Aboriginal practitioners, people from culturally and linguistically diverse backgrounds, regional South Australians, practitioners with disabilities and those from the LGBTIQI community.

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When can I apply?

Applications for Screen Production Investment are open all year round and are considered by the Board at the subsequent Board meeting after the application has been received. Applications must be received **in full** no later than 30 business days prior to a Board meeting.

Please note that SAFC Board dates may be subject to change at the SAFC's discretion. Applicants should check the SAFC website for latest dates.

How do I submit my application?

Applications and support materials are submitted via the SAFC online application form on the SAFC website.

Where can I find out more?

- Read the [SAFC General Guidelines & Terms of Trade](#)
- Visit the Funding & Support section of www.safilm.com.au
- Contact the SAFC on 08 8394 2000

Program specific terms of trade

South Australian Expenditure

South Australian Expenditure is Qualifying Australian Production Expenditure (QAPE) incurred and retained in South Australia. Expenditure must not exceed amounts actually paid by the production company incurring the expense and must be calculated net of any investment in the project by any party forming part of that expense.

Expenditure on interstate or international travel is not included. Expenditure on the engagement of any individual who is not a South Australian resident is not included although their expenditure, or expenditure on their behalf, in South Australia is (e.g. accommodation, on ground transport, reasonable per diem). For further details of how to calculate QAPE see:

<https://www.screenaustralia.gov.au/funding-and-support/producer-offset/guidelines/qualifying-expenditure>

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South Australian led production

A South Australian led production is a production where the South Australian producer has led the development of the project and, as between all producers on the project, holds the largest, or equal largest, equity stake and ultimate decision making authority and responsibility for delivery (or shares such authority and responsibility with a producing partner holding an equal largest equity stake).

Working with Aboriginal and Torres Strait Islander content and communities

Applications involving or dealing with Aboriginal and Torres Strait Islander material should include appropriate permission from the relevant community.

An Aboriginal and Torres Strait Islander consultant will most likely be appointed by the South Australian Film Corporation to provide an assessment of the application to ensure that appropriate consultation is taking place and that the use of the material is appropriate and acceptable to the relevant community and Aboriginal and Torres Strait Islander communities generally.

The SAFC recommends that applicants refer to the guidelines developed by Screen Australia entitled “A Guide to Protocols for Screen based Practitioners working with Indigenous Content and Indigenous Communities” which can be downloaded from the following link:

<http://www.screenaustralia.gov.au/about-us/doing-business-with-us/indigenous-content/indigenous-protocols>

This guide is intended to provide practical advice about the ethical and legal issues involved with the transfer of Indigenous cultural material to the screen.

The fine print

As with all South Australian Film Corporation programs, these guidelines take precedence but must also be read in conjunction with the South Australian Film Corporation General Guidelines & Terms of Trade and relevant application form. The SAFC may vary its Guidelines and Terms of Trade, including variations to percentages and the cap value for Production Investment. Applicants are required to discuss their applications with the South Australian Film Corporation prior to submitting an application.

SAFC General Guidelines & Terms of Trade and the relevant application form can be found at www.safilm.com.au