

GUIDELINES

Screen Production Fund



South Australian **Film Corporation**

The Screen Production Fund supports the production of outstanding scripted and unscripted content for any screen that generates significant economic outcomes for the South Australian screen industry.

Projects funded under this scheme are expected to be substantially produced and post-produced in South Australia.

What is on offer?

The Screen Production Fund supports the production of narrative*-driven film, television, online and VR content which is intended for commercial release via theatrical, broadcast, or digital content platforms.

For projects produced substantially in South Australia, producers can receive up to 10% of South Australian production spend.

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.

Who is eligible?

In addition to the eligibility criteria detailed in the SAFC Terms of Trade, the applicant must:

- Be able to demonstrate that they own or control the necessary rights to produce the project; and
- Have a confirmed marketplace attachment from a recognised distributor or exhibition platform (broadcaster, exhibitor, major online content platform).

The SAFC prioritises applications from South Australian resident producers or South Australian companies that are incorporated in, or headquartered in, South Australia.

The SAFC will only accept applications from non-South Australian producers or production companies where they have:

- Attached a South Australian producer or co-producer in a genuine co-production arrangement; and/or
- Other South Australian above-the-line attachments in place, in particular South Australian writers and directors; and/or



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- Significant South Australian employment and expenditure outcomes. In this case it will be viewed favourably where a South Australian line producer or production manager is attached.

*SAFC considers a genuine co-production to be reflected through the SA producer / production company's share in the following revenue streams:

- Producer's share of copyright
- Producer fees
- Overheads
- Producer offset margin
- Producer recoupment position from offset and other producer sourced funding
- Producer's equity

What projects are eligible?

The following projects are eligible for funding under this scheme:

- Narrative driven drama and documentary stand-alone or series; both live action and animation; and
- Narrative driven interactive projects such as VR

Projects must be intended for, and likely to receive, commercial release, to a significant, demonstrable and measurable screen audience (typically demonstrated by market investment as a proxy for expected audience demand), either via:

- Theatrical release; or
- Free-to-air or pay TV television broadcast; or
- Subscription video on demand (SVOD); or
- A major online content platform

Projects are expected to have:

- Marketplace investment and finance in place; and
- A plan for Australian domestic and international release.

Projects are expected to undertake a substantial amount of production and post-production in South Australia. The benefits are primarily expected to be economic through commercialisation of South Australian owned Intellectual Property (IP), increased investment into South Australian enterprise,



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increased exports of South Australian owned IP, employment of South Australian above-the-line creatives, Department Heads, cast and crew and engagement of South Australian screen businesses including screen service and post-production companies.

South Australian Professional Crew and Service Companies can be found by visiting the [Crew and Services Directory](#).

Drama (theatrical, broadcast, digital platform)

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

Documentary (theatrical, broadcast, digital platform)

For projects shot substantially in South Australia or where the South Australian production company owns or has the option to acquire at least 50% of the copyright (excluding any financier's share of copyright), the SAFC expects to contribute 10% of the total South Australian Expenditure.

For South Australian production companies, the SAFC will consider a contribution greater than 10% and will consider matching marketplace presales for documentary series up to \$250,000 per series.

Post-Production

Producers spending over \$250,000 in South Australia on post-production, digital and visual effects should apply for the SA PDV Rebate for this portion of their budget.

Producers spending under the threshold for the SA PDV Rebate may apply for post-production funding through this scheme but must satisfy all evaluation criteria and will be competitively assessed against all other projects under consideration.

*Narrative means a structured story or account of a series of events or experiences, whether documentary or fiction.

Which projects are ineligible?

- Projects without confirmed market attachment;
- Short films, games and formats ineligible under SAFC Terms of Trade;
- Projects that have been declined twice for funding from this program;
- Projects seeking completion funding.

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Evaluation Criteria

The primary purpose of the SAFC's Production Fund is to support a pipeline of screen production activity in South Australia and 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-owned Intellectual Property:** the extent to which the project commercialises South Australian owned IP and generates inward investment and export revenue for South Australian-owned screen businesses.
- **South Australian Employment:** the likely employment of South Australian above the line creatives, the number of South Australian Heads of Department, the number of South Australian cast and crew (equivalent FTE) and the engagement of South Australian screen service companies including post-production companies.
- **South Australian Expenditure:** the level of Qualifying South Australian Production Expenditure likely to be incurred and the ratio of that to the requested contribution from the SAFC.
- **Creative Team:** (i) The relevant skills of the writer, director, producer which demonstrates successful track record or the ability of the team to launch an exciting new South Australian talent. and (ii) the ability of the team to deliver the project creatively, practically and financially.
- **Market Strength:** The project's market value according to the strength of any attached market commitment.
- **Audience:** The project's potential to reach its intended audience in relation to: (i) the team's demonstrated understanding of the film's intended audience; (ii) the attached cast (iii) the quality of any proposed above-the-line creatives and Heads of Department (iv) the commerciality of the project.
- **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.



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- **Diversity and Inclusion:** (i) The authenticity of voices and representation, (ii) the diversity of the key creative team; (iii) the opportunities for career progression for practitioners from underrepresented groups.
- **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.

In evaluating the project, the SAFC will consider any information and weight these criteria as it judges appropriate to best serve the SAFC's strategic objectives (Link to SAFC 2020-2023 Strategic Plan).

SAFC may separately contact any party identified in the application as involved with the project and discuss their involvement in the project unless the applicant expressly requests SAFC otherwise 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 three 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;
- SA PDV Rebate.

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



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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

Professional Crew Attachments

Projects seeking SAFC Production Funding are required to engage South Australian Professional Crew Attachments. The number of attachments required is guided by the level of SAFC production grant funding:

- Over \$150,000 are required to budget for one paid attachment;
- Over \$300,000 required to budget for two paid attachments;

Producers applying for SAFC Production Funding must budget for the required number of attachments at the time of application and consult with the SAFC Production Executive as to the proposed attachment positions. The cost for attachments must be detailed as a separate line in the budget against the proposed role. Funds for attachments are to be drawn from the overall SAFC production grant.

Professional Crew Attachments **cannot be used to substitute a paid crew role** on any production.

Targeted Diversity Attachments

The SAFC is committed to supporting increased participation by people from groups underrepresented in the South Australian screen industry including; women, First Nations, Deaf and disabled, practitioners from Culturally and Linguistically Diverse backgrounds, practitioners from LGBTQIA+ communities and practitioners from regional and remote areas.

The Targeted Diversity Attachment scheme supports the SAFC's mission to build a more inclusive screen industry in South Australia, by providing paid on-set experience for diverse key creatives and crew.

SAFC will fund up to three Targeted Diversity Attachments per financial year. These attachments are for emerging crew to gain general experience on a production and **cannot be used to substitute a paid crew role**. Production companies with the capacity to support a Targeted Diversity Attachment should speak with SAFC prior to applying for Production Funding.



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How do I apply?

Applications for the Screen Production Fund are open all year round and are considered by the SAFC Board.

Complete applications must be received no later than six weeks 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 Board dates and deadlines](#).

Before applying, applicants must familiarise themselves with the SAFC's Terms of Trade and speak to the SAFC Production and Development Team.

Applications are submitted via an online application form at <https://safilm.smartygrants.com.au/>.

Application Materials

- ASIC Current Company Extract for the Production Company applying
- ASIC Current Company Extract for the SPV if formed
- Chain of Title Documents
- Finance Plan (Screen Australia template)
- Offset Cashflow Offer
- Provisional Certificate or intended date of application
- Evidence of market attachment that specifies the commercial terms and level of financial commitment (dated no earlier than six months from application)
- Distribution Agreements in place
- Completion Bond Offer (if applicable)
- Production Budget (Including separate column breakdown of South Australian Spend)
- If applying for SA PDV Rebate, separate post-production breakdown
- Production Schedule
- Sales Estimates and a narrative statement demonstrating the potential returns
- Proposed Crew and Cast List indicating South Australian residents
- COVID Risk Mitigation Plan
- Relevant Creative Materials- Script/Series Bible/Treatment
- Filmography for All Key Creatives – they should indicate any SA resident above the line creatives
- Relevant supporting materials for Diversity and Inclusion (if applicable)

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Where can I find out more?

Read the SAFC Terms of Trade.

[South Australian Qualifying Expenditure Summary](#)

Program specific terms of trade

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 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>

Working with First Nations content and communities

Applications involving or dealing with First Nations material should include appropriate permission from the relevant community.

For projects with significant First Nations content, SAFC will require the attachment of a First Nations key creative on the team.

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 First Nations cultural material to the screen.

Where can I find out more?

For initial enquiries, please contact Production Executive Julie Ryan

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