

# Funding decisions explainer

July 2025

## **Purpose**

This document provides a more detailed explanation of our decision-making processes and assessment mahi. It is hoped this document and associated flowchart will increase transparency and understanding of our funding decision-making in the areas of Scripted, Non-fiction, Content development, Industry development and capability, and platform funding. It does not apply to Music funding and the Game Development Sector Rebate processes.

# **Our Assessment Framework explained**

#### **Investment Categories**

We organise our work across the following investment streams, with three contestable funding rounds per year for:

- Scripted
- Non-fiction
- Content Development
- Industry Development and Capability
- Platform Initiatives

Our rigorous, phased assessment process ensures fairness and strategic alignment. This flowchart provides a handy overview of the process.

#### Phase 1: Eligibility

- Confirmation that applications include complete and accurate documentation
- Verification of platform support where applicable
- Initial screening against funding criteria
- Only eligible projects which meet criteria of the round and provide accurate and reliable information will progress to assessment.

#### Phase 2: Individual Assessment

- Applications grouped into like 'pools' for comparable assessment (i.e. Children's Scripted)
- Each application is individually scored against assessment criteria that speaks to NZ On Air's nine investment principles. Phase 2 applies our investment principles in ways which can be evaluated for each project in isolation
- Each 'pool' is assigned at least two assessors, who each complete individual assessments for all eligible applications. Each 'pool' has a lead assessor responsible for collating information on each application

- External assessors might be assigned to 'pools' or individual applications because of the expertise they provide
- Initial ranking established through collated scores, with this serving as a starting point but not determining final funding decisions.

#### Phase 3: Comparative Evaluation

- All eligible applications are discussed in assessment hui attended by assessors
- An assessment of likely audience engagement is conducted, comparing the concept quality, platform support, and marketing strategies of applications. Insights from our audience measurement tool, VIEW, are used to evaluate potential audience size based on previous seasons (if a returning project) and the success of other funded shows on that platform
- Phase Three applies the investment principles which are relative in nature. Projects may be re-ranked when considering them in relation to others in this round, and also in the context of recent funding rounds (including co-funds)
- The totality of applications is considered in relation to balance across creators, platforms, audiences, and content types
- Development of preliminary funding recommendations based on available putea.

#### Phase 4: Delivery to Strategic Goals

- Considers potential funding outcomes against current strategic priorities and roundspecific guidelines
- Consideration of Te Rautaki Māori, equity and representation goals
- Final adjustments to recommendations to ensure strategic targets are met.

#### Phase 5: Funding Recommendations

- Preparation of detailed documentation for decision-making bodies
- SIC reviews the Funding Overview paper, discusses trends, and decides on applications by full consensus
- In cases of split decisions, applications are referred to the Board for final determination
- Final decisions made by Staff Investment Committee or Board.

# Our investment principles explained

NZ On Air consistently uses nine investment principles to guide in assessing decisions, based both on Broadcasting Act requirements and the need to manage public funds wisely.

Separate guidelines and policy documents relevant to the New Zealand Game Development Sector Rebate are available <u>here</u>. Music guidelines and policies are available <u>here</u>.

#### Principle 1: Our investment delivers cultural value to New Zealanders

We will prioritise stories that support a range of voices and experiences reflecting the rich diversity of Aotearoa New Zealand. This includes varying ages, races, ethnicities, abilities, genders, religions, cultures, and sexual orientations.

Through our investment, we aim to effectively communicate captivating social, cultural, political, or historical aspects of our society to all New Zealanders. We are committed to content that has strong appeal to audiences who are currently under-served with local content.

We recognise the importance of authentic storytelling and therefore seek to ensure that the key creative teams behind funded content have a deep understanding and connection to the stories they wish to create.

#### Principle 2: Our investment maintains balance across audience needs

We will continue to balance investment in content intended for both general and targeted audiences. However, our primary focus is on public media content that highlights aspects of Aotearoa New Zealand that are less frequently covered in mainstream local media.

This principle acknowledges that while we serve all New Zealanders, certain perspectives and stories require specific attention to ensure they are adequately represented in our media landscape. By prioritising under-represented aspects of New Zealand culture and society, we enrich the overall media ecosystem.

# Principle 3: Our investment embraces creative risk while managing business risk

We will adopt a generous approach towards creative risk-taking and innovation in funded content while exercising caution when it comes to business risk. This balanced approach recognises that artistic and creative exploration is essential to a vibrant media sector.

By supporting bold and innovative content ideas, we help develop New Zealand's distinct voice in media. However, we remain accountable for public funds and therefore apply appropriate business oversight to ensure our investments produce the intended content outcomes for audiences.

#### Principle 4: Our investment encourages competition of ideas

We will support a range of content and creators, both to encourage multiple views and voices, and to encourage competition for the best ideas. This principle ensures diversity of thought and approach in the content we fund.

By fostering a competitive environment for ideas, we help raise the standard of New Zealand content while ensuring that a variety of perspectives is represented. This competition leads to innovation and excellence in local media production.

#### Principle 5: Our investment prioritises value for money

We will use efficient processes and focus on cost-effective content with a reasonable shelf-life that attracts audiences of an appropriate size. This principle ensures that public money is used judiciously to maximise audience impact.

By focusing on content that delivers value through either enduring relevance or significant immediate impact, we ensure that our investments provide meaningful returns in terms of cultural benefit to New Zealanders. Our assessment processes are designed to identify projects that deliver the greatest value relative to their cost.

#### Principle 6: Our investment avoids duplication in the market

We will invest in content and entities that add diversity to content already available and which the market alone cannot support. This principle recognises our role in addressing market failure and gaps in commercial media offerings.

We focus our resources on content that is different to what already exists, in both commercial media and our recent funding decisions. This ensures our investment complements rather than competes with existing media. This approach maximises the range and diversity of New Zealand content available to audiences.

#### Principle 7: Our investment leverages additional funding and partnerships

We will invest in content and entities that attract third-party investment (for market validation and to help offset the cost to the taxpayer). Furthermore, we will strive to leverage other aspects of our mahi, such as opportunities to fund content that brings together local screen and music goals and partnering with other funding agencies where possible.

This collaborative approach extends our impact by bringing additional resources to the table. By requiring or encouraging co-investment, we create stronger stakeholder commitment to projects while ensuring our funding goes further in supporting New Zealand content.

#### Principle 8: Our investment supports capable content creators and entities

We will give preference to content, creators and entities that are run or supported by capable partners. This approach enables efficient monitoring while maintaining robust accountability for public funds with minimal red tape.

By working with established and capable partners, we can streamline our oversight processes while maintaining confidence in the delivery of funded projects. While we support the development of new talent, it is unlikely that significant investment support will be extended to unsupported start-ups without demonstrated capability.

#### Principle 9: Our investment processes ensure fairness and transparency

We will require accurate, reliable information from all applicants to ensure fair and good decision-making in a contestable environment. This principle underpins our commitment to transparent and equitable processes.

All applicants deserve equal consideration based on the merits of their proposals. By maintaining rigorous information requirements and clear assessment criteria, we ensure that our decision-making processes are fair, consistent and defensible. This approach maintains trust in our role as a public media funder while ensuring the best projects receive support.

# **Measuring Success**

Our measurement framework is designed to be transparent, with clear targets that demonstrate our commitment to:

- Supporting content that matters to New Zealanders
- Making sure quality local content is easy to discover
- Ensuring diverse communities see themselves reflected
- Contributing to a sustainable media ecosystem

We report on these measures annually, with specific targets that adapt over time. Our success will be measured against our three core goals: Quality, Diverse, and Discoverable content. We use metrics that align with our four strategic pou.

### 1. Insights

We adapt to audience needs by:

- Investing in audience research and measuring stakeholder value of our findings
- Analysing research insights to inform funding strategies
- Taking action based on research outcomes to improve our investment approach.

## 2. Capability

We support creative excellence by:

- Tracking the number of development projects that progress to production (targeting at least 15%)
- Measuring participant satisfaction with training initiatives (aiming for 70% positive ratings)
- Supporting industry capacity building through skills development programmes.

### 3. Creation

We invest in authentic local stories by:

- Ensuring 25% of funding goes to content that represents diverse communities
- Measuring audience engagement and enjoyment of funded content
- Tracking audience reach across platforms (both broadcast and digital)
- Committing to equitable outcomes for Māori audiences, content and creators.

#### 4. Discoverability

We help audiences find local content by:

- Measuring content accessibility through captioning and audio description
- Investing in targeted promotion with measurable outcomes
- Monitoring reach of screen content across distribution platforms.