## Hon Kris Faafoi

#### MP for Mana

Minister of Broadcasting, Communications and Digital Media

Associate Minister of Housing (Public Housing)



Minister for Government Digital Services

Minister of Commerce and Consumer Affairs

Minister of Immigration

# 1 2 AUG 2020

Dr Ruth Harley, CNZM Chair Broadcasting Commission PO Box 9744 WELLINGTON 6011

Tēnā koe Dr Harley,

#### **SCREEN PRODUCTION FUND**

The Broadcasting Commission (NZ on Air) has received \$10 million in 2019/20 and 2020/21 for a Screen Production Fund. This funding is to allow planned productions that have been shut down, delayed or constrained by COVID-19 restrictions to proceed.

This letter confirms agreement by Rt Hon Jacinda Ardern, Minister for Arts, Culture and Heritage that the criteria developed for the Screen Production Fund (attached as appendix one) are within the scope of the appropriation agreed by Cabinet. This letter expands on the expectations set in my post-Budget letter of expectations 2020/21, dated 3 June 2020. It is my expectation that the funds are allocated in line with attached criteria within 2020/21.

The Ministry of Culture and Heritage (the Ministry) will work with NZ On Air to ensure appropriate reporting for this new funding is included in NZ On Air's 2020/21 Statement of Performance Expectations.

In addition to quarterly reporting on the performance measures in the 2020/21 Statement of Performance, I would like fortnightly reporting while the Screen Production Fund is being dispersed. The Ministry will confirm details of the timing and content of this reporting in consultation with your entity.

I would also like to acknowledge your work with the Ministry and the New Zealand Film Commission to develop the implementation of the New Zealand Premium Drama Fund. You will receive a letter at a later date to confirm the expectations for that fund, once this work has progressed.

Please return a signed a copy of this letter to the Ministry for Culture & Heritage, PO Box 5364, Wellington 6145 (attention: Sector Performance or Louise.Lennard@mch.govt.nz).

Nāku noa, nā

Hon Kris Faafoi

Minister of Broadcasting, Communications and Digital Media

Dr Ruth Harley Chair, NZ On Air

cc: Cameron Harland, Chief Executive, NZ On Air

cc: Bernadette Cavanagh, Chief Executive, Ministry for Culture and Heritage

## Appendix 1: Proposed screen production fund criteria

#### Criteria

- 1. Applicants can only apply for additional costs that are reasonably attributable to COVID-19.
- 2. The Funding may only be used to support individual screen productions.
- 3. Productions must be receiving funding from NZOA, NZFC or provisional certification from the NZSPG.
- 4. A project may access funding from all of the NZFC, NZOA or NZSPG components of the fund, but funding may not overlap (no double dipping).
- 5. Additional agency resourcing for administration of the fund will be capped at 2% of the total fund

### In scope

Applicants may apply for funding to cover:

- 1. Standard recognised increased costs related to refinancing, packaging, preproduction, production, post-production, delivery and release not covered by insurance including (but not limited to):
  - o Close-down and set-up costs due to COVID-19
  - Striking and storing sets due to COVID-19
  - Additional interest payments due to COVID-19
  - o Discharging and re-acquiring contractors due to COVID-19
  - o Additional travel costs within New Zealand due to COVID-19
  - Contractual increases due to COVID-19
  - Additional health and safety costs due to COVID-19

Note all related party transactions will be carefully reviewed by NZOA and NZFC and subject to audit per their normal practices to ensure that they are commercially reasonable.

### **Out of Scope**

Applicants may not apply for funding to cover:

- 1. Costs covered by other Government support mechanisms (including the wage subsidy)
- 2. Costs covered by insurance
- 3. Costs related to productions that are abandoned
- 4. Bond fees
- 5. Costs that could reasonably be covered by adjustments to the budget or production plan, or by accessing the contingency
- 6. Gifts, hospitality and gratuities