

# **Cultural Development Fund (Round 4)**

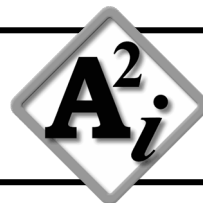
## **Guidance for applicants**

A DCMS programme, administered by Arts Council  
England

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# Summary of key information

## What do we fund?

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The aim of the Cultural Development Fund is to level up through investment in culture. The fund will unlock local growth and productivity, increase access to excellent creativity and culture, and regenerate communities through capital investment in transformative place-based creative and cultural initiatives. It will capitalise on the untapped potential for investment in creativity and culture. This will address undersupply and demand for capital funding in creative and cultural infrastructure, reflecting ambition and quality in the work it enables.

See **‘What is the purpose of the Cultural Development Fund’** (page 15) for more details about the programme’s aims and outcomes.

The fund will support a range of activities, including (but not limited to):

**Capital investment in physical space (construction projects) for culture and creative industries purposes. This could include:**

- new cultural, creative industries and community spaces, regeneration of existing assets (including heritage, music venues, cinemas, parks, pubs and a broad range of community assets), and adaptation or extension of existing cultural venues to increase capacity or extend their function
- investment in affordable workspaces, workshops, research and development facilities, managed workspace business incubation or makerspaces for the cultural and creative industries

- adaptation, reuse or extension of existing buildings, as an alternative to new construction in terms of sustainability and a circular economy. **Please note:** if the proposal includes the development of a new building rather than adaptive use, the feasibility study should set out the rationale for a new development
- public realm and environmental improvement work specifically linked to providing inspiring cultural infrastructure, outdoor events infrastructure, landscaping, overhead cover for outdoor event spaces, highway improvements, road redesign, creation of new or improvement of pedestrian access

### **Capital investment in other assets for culture and creative industries purposes:**

- portable equipment for outdoor events and festivals
- physical and digital infrastructure to enable the use of technology to distribute high quality cultural content into homes, cultural venues and community spaces, for instance kitting out high- spec digital studios
- large-scale software purchases such as a town- or city-wide box office

### **Revenue activity for culture and creative industries purposes; this could include:**

- revenue investment to facilitate start-up costs of capital assets or core project staffing to manage delivery of activity
- complementary revenue investment in excellent cultural events and activities, creative showcases, industry-led cultural development programmes, existing cultural infrastructure
- revenue investment to facilitate social and community cohesion

- skills and business support to build capacity and resilience across the creative industries, capacity-building for cultural partnerships
- enterprise and skills development for sustainable culture and creative industries sector growth
- revenue investment into communities with low cultural engagement
- training in the use of capital assets such as digital equipment and software

## Who can apply?

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### Applicant type

We will accept partnership applications between formally constituted organisations. One organisation must act as the lead organisation and submit the application depending on who is most appropriate to meet the programme aims.

The lead organisation (the organisation submitting the application) must be properly constituted with a governing document and be based in England.

It is expected that applications will be from a **partnership or consortium for the area**, led by a local authority, combined authority, mayoral authority, university, cultural organisation, or other appropriate body. They would lead a consortium of partners from both the public and private sectors, and the voluntary sector where appropriate. It is expected that at least one partner would be from the cultural, heritage or commercial creative industries, depending on who is most appropriate to meet the aims and outcomes of the proposed activity.

## Geography

The Cultural Development Fund is open to places in England, where additional investment will unlock significant economic returns and productivity increases. These are places that can demonstrate both cultural maturity and commitment to excellence in creative and culture-led growth. They should have a strategic vision for development, but need investment in physical and/or digital infrastructure or other assets to accelerate and maximise impact.

Applications are particularly welcomed from towns and cities identified as 109 Levelling Up for Culture Places and Arts Council England Priority Places in London, and priority will be given to supporting applications from these places.

For further details of applicant type and geography, see ‘**Who can apply?**’ (page 18)

## **When are the key dates of this fund?**

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Before you can apply, you must create a user account and applicant profile on Grantium, Arts Council England’s application portal (further details below). Profile approval may take up to 10 working days, so you should create your user account well in advance of the deadline for submitting an Expression of Interest.

If you have an existing applicant profile, please check if your details are up to date.

The online Expression of Interest form will open on Grantium at 9am on **5 February 2024** and close at 12 noon on **15 March 2024**.

The online application form will open on Grantium at 12 noon on **8 April 2024** and close at 12 noon on **17 May 2024**.

## **How much funding is available?**

The budget available for round four of CDF is £15.2 million.

## **How much can be applied for per application?**

£2,000,000 (minimum) – £5,000,000 (maximum).

The amount you apply for can include a maximum of £700,000 for supporting revenue activity.

Grants close to the maximum value are likely to be made only by exception.

## **Minimum partnership funding from other sources**

To make the funding go further, it is expected that you make the most of other sources of income available to you. The minimum partnership funding amount for this programme is **15 per cent** of the total project cost.

Applicants are encouraged to include some non-public funding (for example corporate sponsorship, individual giving, crowdfunding, social investment) within their partnership funding.

Partnership funding can be made up of a combination of public, private, social and/or in-kind funding. It is expected that no less than 50 per cent of partnership funding would be cash.

Partnership funding will form one part of our overall assessment of a project's value for money.

If you are in receipt of other funding from Arts Council England and intend to use it as partnership funding in your CDF application, check the terms and conditions for the other funding carefully as some programmes state that they cannot be used as partnership funding for CDF.

## **When must the activity take place?**

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Activities must start between **1 November 2024** and **1 April 2026**, and end no later than **31 March 2028**.

For details of what activities starting means, see '**When must the activity take place?**' (page 22).

## **When will decisions be made?**

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Final decisions on which projects will be funded will be made by DCMS Ministers. We will aim to notify applicants in **late summer 2024**.

## **How is the fund managed?**

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DCMS are responsible for the formulation of the strategic direction of the programme. Arts Council England will manage the administrative process for the fund. This includes assessing applications, seeking external comments on applications, issuing funding agreements and monitoring grants. Once the assessment has been completed, recommended applications will be considered by an Expert Advisory Panel. They will use our assessments and a set of balancing criteria to make final recommendations to DCMS Ministers, who will then make the final decision on which applications to fund.

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# Introduction

Welcome from the Minister for Arts and Heritage

This country has a long and proud history of creating, exporting, and celebrating cultural and creative excellence. Our world-leading culture and creativity enriches our lives and contributes to our economy – it creates jobs, regenerates places which have too often been overlooked, and boosts pride in place. The Government's flagship Cultural Investment Fund, of which the Cultural Development Fund is part, invests in that exceptional culture and creativity. In doing so, it helps to preserve the UK's position on the world stage as a cultural and creative powerhouse.

This latest round of funding further demonstrates the Government's commitment to our world-class cultural and creative industries. It builds on our Creative Industries Sector Vision, published earlier this year, which pledges to grow our thriving creative industries, adding £50 billion more in Gross Value Added to the economy, and building a highly-skilled and productive workforce for the future, supporting 1 million more jobs. We have also recently seen a record number of cultural organisations receive funding, in more places than ever before, through Arts Council England's latest National Portfolio Round – benefiting from a share of more than £444 million per year.

The fourth round of the Cultural Development Fund will enable organisations to create a lasting legacy of cultural and creative excellence and ensure that everyone, everywhere has the chance to engage with the very best of our culture and creativity. We want to see it investing in creativity which makes a real contribution to both the local creative offer and this country's world leading reputation.

The Cultural Development Fund will help make places more attractive to live and work in, and to visit and invest in – contributing the Government’s wider levelling up work. This fund is one of a number of investment strategies designed by the Government to build a sense of community, local pride, and belonging – including the third round of the Levelling Up Fund, which will provide £1 billion to 55 transformational projects across the UK, and the recently-announced Levelling Up Partnerships which are enabling bespoke place-based regeneration in twenty areas most in need of levelling up. These funds help to support places across the country to reap the benefits of our economic success and to strengthen their local economies.

This fourth round of the Cultural Development Fund will build on the success of the previous rounds. Twenty transformative, place-based creative and cultural initiatives across England have already received a share of £76 million. Most recently, in March 2023, we were delighted to announce eight successful projects in Basildon, Bradford, East Lindsey, Medway, Morecambe, North Devon, Stoke-on-Trent, and Walsall.

I know that the previous rounds are already making a real difference. The projects are creating local jobs and opportunities for people to forge creative careers all over the country, creating new training places, supporting local cultural institutions, and attracting tourists and new businesses. I hope that this latest round will support and promote the very best of our cultural and creative output.

The fourth round of the Cultural Development Fund will allow more people in more places to live creative lives – and it is open to more places than previous rounds, with organisations in London now able to apply. I encourage all applicants to put forward rigorous, ambitious, and high-quality proposals which will make a real difference to the lives of people across the country.

Lord Parkinson of Whitley Bay  
Minister for Arts and Heritage

## **The Department for Culture, Media and Sport**

The Cultural Development Fund is a Department for Culture, Media and Sport (DCMS) fund administered by Arts Council England.

DCMS works on some of the most exciting and positive policies for the future of the UK. We create economic opportunity, innovation, collective inspiration and enjoyment. We make a difference to people's everyday lives, we drive growth and enrich lives. We recognise the vital importance of our sectors to the economy and the UK's position as a global leader in the creative arts.

We are the home of the UK's major soft power assets - projecting the best of Britain across the globe. According to our 2022 Economic Estimates, our sectors are worth £170 billion to the economy and support around 4 million jobs. We contribute 8% of UK GVA - bigger than Transport, Education and Agriculture. From museums and galleries, to cinemas, theatres, radio, TV and newspapers, from charities to sports pitches and youth clubs, we reach into every community. We save and protect our country's heritage, our art and treasures.

Our sectors and our work has a dedicated voice around the Cabinet table - reaffirming the importance of our cultural, creative and sports sectors in growing our economy, enriching national life and ensuring the UK's position on the world stage as a creative powerhouse - and a great place to visit.

The Cultural Development Fund will help to support these ambitions by providing capital investment to local communities in order to grow and support culture and creativity of the highest quality, and to grow an economy that is creative, innovative and works for everyone.

The Cultural Development Fund is part of the Cultural Investment Fund. The Cultural Investment Fund will provide additional support to creative and cultural institutions, such as museums, libraries and arts centres, that are integral gathering places for our communities. The Cultural Investment Fund has also seen DCMS increase investment in the infrastructure of regional museums and local libraries and provide £18.5 million for the capital development of York's National Railway Museum. DCMS will work with a number of non-departmental public bodies and other organisations from across the cultural and creative sectors to assess applications to the Cultural Development Fund. Arts Council England is a non-departmental public body, accountable to DCMS, and will manage the grant management process on behalf of DCMS.

## Arts Council England

Arts Council England champions, develops and invests in artistic and cultural experiences that enrich people's lives. The organisation supports activities across the arts, museums and libraries – from theatre to digital art, reading to dance, music to literature, and crafts to collections.

**Let's Create**, Arts Council England's strategy for 2020–30, is built around three Outcomes and four Investment Principles. They are designed to work together to achieve our vision of a country in which the creativity of each of us is valued and given

the chance to flourish, and where every one of us has access to a remarkable range of high-quality cultural experiences. Arts Council England will be responsible for providing pre-application advice, assessment of applications, and the payment and monitoring of grants. The organisation will deliver these functions on behalf of DCMS in line with the Arts Council's 10-year strategy. For further information on Let's Create, please visit the Arts Council England **website**.

## **Link**

- **Let's Create website:**

<https://www.artscouncil.org.uk/letscreate>

# What is the purpose of the Cultural Development Fund?

The aim of the Cultural Development Fund is to level up through investment in culture. The fund will unlock local growth and productivity, increase access to excellent creativity and culture, and regenerate communities. It will achieve this through capital investment in transformative place-based creative and cultural initiatives. It will capitalise on the untapped potential for investment in creativity and culture, while addressing the regional undersupply and demand for capital funding in creative and cultural infrastructure.

Through implementing creative and cultural initiatives, the Cultural Development Fund will support places to achieve the following outcomes:

- **Unlock local economic growth and productivity** – using capital investment in high quality creative and cultural initiatives to grow our world-leading creative industries regionally, create new sustainable jobs and increase inclusive opportunities for creative and cultural careers.
- **Become more attractive places in which to live, work, visit and invest** – driving regeneration in marginalised places, particularly the 109 Levelling Up for Culture Places and Arts Council England Priority Places in London, which have the lowest levels of cultural engagement across England. This will be achieved by using creative and cultural investment to support renewal, retain and attract business investment and tourism, increase civic pride and cultural engagement in excellent activity, and foster community cohesion and strong local institutions and assets.
- **Strengthen local leadership, partnerships and capability** – creating resilient, diverse leadership and partnerships, and improving skills in the creative and cultural sectors and local government in order to secure recovery and promote inclusive growth.

All applications must respond to the first outcome ('unlock local economic growth and productivity') and at least one other ('become more attractive places in which to live, work, visit and invest, and/or 'strengthen local leadership, partnerships and capability'). The strongest applications will provide robust responses to all three outcomes.

The focus is supporting places to develop by offering:

- new strategic approaches to accelerating growth in high-performing and innovative sectors
- a focus on the creation of a rebalanced economy that will deliver prosperity to all, regardless of geography
- a continued emphasis on the role of excellent culture and heritage in making attractive places in which to live, work, visit and invest
- local ownership of locally developed growth initiatives, agreed in partnership with local and central government

## **How much funding is available?**

Up to £15.2 million is available for this round of the programme.

This is made up of £12.15 million capital funding, and £3.06 million for supporting revenue activity.

This is a competitive programme. We anticipate high demand, and we expect to receive more strong applications that we can support. You are advised to consider carefully how well your project meets the aims of the fund before submitting an Expression of Interest.



## Contact us

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You are strongly advised to discuss your project with your Arts Council Area office before applying, but after reading these guidance notes. You can also get advice and support from our **Customer Services** team.

If you decide to apply, we wish you every success.

### Link

- **Customer Services:**  
<https://www.artscouncil.org.uk/contact/contact-customer-services>

# Eligibility

Before applying, please read the eligibility requirements for the programme carefully. If you do not meet any of these requirements it will not be possible to consider your application for funding. You should also consider our **capital requirements** (page 56) set out in this guidance, and the terms and conditions for this programme.

## Who can apply? Applicant type

We will accept partnership applications between formally constituted organisations. One organisation must act as the lead organisation and submit the application depending on who is most appropriate to meet the programme aims.

The lead organisation (the organisation submitting the application) must be properly constituted with a governing document and be based in England.

It is expected that applications will be from a **partnership or consortium for the area, led by a local authority**, combined authority, mayoral authority, university, cultural organisation, or other appropriate body that would lead a consortium of partners from both the public and private sectors, and the voluntary sector where appropriate. It is expected that at least one partner would be from the cultural, heritage or commercial creative industries, depending on who is most appropriate to meet the aims and outcomes of the proposed activity.

All partners must show a firm commitment to joint working. The application must show the benefits and rationale of working as a partnership/consortium.

If the project is funded, Arts Council England will enter into a legally binding grant agreement with the lead organisation. This organisation must accept the Arts Council's terms and conditions of grant and will be solely accountable to the Arts Council for all monitoring information, how all the money is spent, and for the full and successful delivery of the project.

One of Arts Council England's standard terms and conditions of grant support is that the organisation that enters into the funding agreement cannot sub-contract any of the project to other organisations without the Arts Council's prior agreement in writing. If a grant is awarded, before the project can start, the Arts Council must approve a partnership agreement between the lead organisation and the other partners involved in the project. A detailed draft of this agreement must be included with the application as a mandatory attachment.

There is further guidance about **partnership agreements** on the Arts Council England website.

## Link

- **Partnership agreements:**

<https://www.artscouncil.org.uk/partnership-agreement-guidance>

## Geography

The Cultural Development Fund is open to places in England, where additional investment will unlock significant economic returns and productivity increases. These are places that can demonstrate both cultural maturity and commitment to excellence in creative and culture-led growth. They should have a strategic vision for development, but need investment in physical and/or digital infrastructure or other assets to accelerate and maximise impact. Please see '**Applicant type**' (page 18) for more information.

There is no predetermined minimum size of population or geographical area or areas that can apply. Organisations and partnerships based in all areas of England (including rural areas) are eligible to apply. Places will be assessed on their capacity to deliver the stated outcomes, and to generate economic growth through predominantly capital investment.

Applications are particularly welcomed from towns and cities identified within the 109 Levelling Up for Culture Places and Arts Council England Priority Places in London, and priority will be given to supporting applications from these places.

## Who cannot apply?

- Individuals
- Applicants who do not have a minimum of 15 per cent of their project total as partnership funding (expected or confirmed)
- Applicants whose capital activity includes a construction element following the RIBA Plan of Work (2020), who have not **completed** a minimum of RIBA Work Stage 1 (RIBA Plan of Work 2020) **before** applying
- Applicants whose proposal includes a construction project where they (or a formal member of the applicant partnership) do not or will not have the appropriate ownership of the land and/or buildings where the proposed capital activity will take place

**Please note:** applicants with a registered address outside of England cannot apply to this fund.

## How much can be applied for?

- Between £2,000,000 (minimum) and £5,000,000 (maximum). Of this amount, applicants can apply for a maximum of £700,000 for supporting revenue activity.

## Minimum partnership funding from other sources

We want to make our funding go further, and we expect you to make the most of other sources of income available to you. The **minimum** partnership funding requirements for the programme is **15 per cent** of the total project costs.

At both expression of interest and application stage (if invited to apply), you must tell us how much partnership funding you have already secured, how much is expected, and how you intend to raise the remaining funds needed to start your project.

Applicants are encouraged to include some non-public funding (for example, corporate sponsorship, individual giving, crowdfunding, social investment) in their partnership funding. It can be made up of a combination of public, private, social and/or in-kind funding. It would generally be expected that no less than 50 per cent of partnership funding would be cash. Applicants may wish to consider social investment as partnership funding. Social investment is the term given to investment which seeks to create a social as well as a financial return by providing repayable finance to a socially minded business, project or charity. If a project generates a revenue stream (e.g. studio providers, creative industry workspaces, higher education/further education expansion), an applicant may be able to secure social investment from a social investor or members of the community. For further advice on social

investment, please contact **Good Finance**. If including social investment or other repayable finance in the budget, applicants must provide details of the terms of the loan, including any security requirements, and ensure that repayments are reflected in the cash flow.

Partnership funding will form one part of our overall assessment of a project's financial viability.

## Link

**Good Finance:** <https://www.goodfinance.org.uk/>

## When must the activity take place?

Activities must start between **1 November 2024** and **1 April 2026**. By **1 April 2026** you must have:

- secured 100 per cent of the partnership funding required to complete the project;
- obtained all necessary statutory approvals and consents required to start the project;
- completed all land and lease agreements required for the project, where applicable;
- completed security requirements as set out in the funding agreement for your project;
- put a partnership agreement in place with all project partners, which meets the requirements set out in the terms and conditions for this programme;
- provided design drawings, and an updated cost plan and timeline;
- provided an access audit (if not provided with application) and details of how its recommendations in terms of access considerations will be incorporated into your project; and
- completed a Cultural Development Fund Project Gateway form, which looks at the viability of your project at this point

Achieving the above by the project start date (1 April 2026 at the latest) will be a condition of receiving an initial payment. It is also set out in the terms and conditions for this programme. Not meeting the start date requirements is considered a breach of the terms and conditions, and may result in grants being withdrawn.

Activities must end no later than **31 March 2028**.

## **Funding agreement period**

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If you are offered a grant, we expect the land and/or buildings to be used for a minimum period of twenty (20) years from the date of the funding agreement as set out in the terms and conditions of this programme.

If you hold a leasehold interest in the land and/or buildings or are purchasing a leasehold interest with our grant, you must be able to demonstrate that the lease meets the following additional requirements:

- it must be a registered and assignable lease which must be in place for of at least twenty (20) years;
- the lease should be without a break clause or a forfeiture on insolvency clause, and have a permitted user clause that is compliant with the project and the proposed use

This means that if the lease contains a break clause and/or forfeiture on insolvency clause during the 'Funding Agreement Duration', you will need to arrange for a Deed of Variation to the lease to be completed to remove these provisions and meet our requirements. You will need to liaise with your landlord and seek independent legal advice (at your own cost) to achieve this. This must be in place before you start your project, so by 1 April 2026 (see section **When must the activity take place** (page 22)). Full information on our ownership of land and buildings requirements are set out in **capital requirements** (page 56).

## What activity can be supported?

The fund will support a range of activities, including (but not limited to):

### **Capital investment in physical space (construction projects) for culture and creative industries purposes. This could include:**

- new cultural, creative industries and community spaces, regeneration of existing assets (including heritage, music venues, cinemas, parks, pubs and a broad range of community assets), and adaptation or extension of existing cultural venues to increase capacity or extend their function
- investment in affordable workspaces, workshops, research and development facilities, managed workspace business incubation or makerspaces for the cultural and creative industries
- adaptation, reuse or extension of existing buildings, as an alternative to new construction in terms of sustainability and a circular economy. **Please note:** if the proposal includes the development of a new building rather than adaptive use, the feasibility study should set out the rationale for a new development
- public realm and environmental improvement work specifically linked to inspiring cultural infrastructure, outdoor events infrastructure, landscaping, overhead cover for outdoor event spaces, highway improvements, road redesign, creation of new or improvement of pedestrian access



## **Capital investment in other assets for culture and creative industries purposes:**

- portable equipment for outdoor events and festivals
- physical and digital infrastructure to enable the use of technology to distribute high quality cultural content into homes, cultural venues and community spaces, for instance kitting out high-spec digital studios
- large-scale software purchases such as a town- or city-wide box office

## **Revenue investment for culture and creative industries purposes; this could include:**

- revenue investment to facilitate start-up costs of capital assets or core project staffing to manage delivery of activity
- complementary revenue investment in excellent cultural events and activities, creative showcases, industry-led cultural development programmes, existing cultural infrastructure
- revenue investment to facilitate social and community cohesion
- skills and business support to build capacity and resilience across the creative industries, capacity-building for cultural partnerships
- enterprise and skills development for sustainable culture and creative industries sector growth
- revenue investment into communities with low cultural engagement
- training in the use of capital assets such as digital equipment and software

## Please note:

- you must be able to demonstrate that you own the land and/or buildings (either as a freehold or leasehold) on which you will spend the grant, or have robust plans to purchase the site prior to construction, including obtaining a valuation, and that the land and/or buildings can be used for the project purposes
- organisations that hold a leasehold interest to land or buildings must hold the responsibilities for repair and insurance under the terms of their lease (eg a full repairing lease)
- if you are following the Royal Institute of British Architects (RIBA) design stages, your project have completed at least RIBA Work Stage 1 (**RIBA Plan of Work 2020**) by the time you make an application. If you are not following the RIBA work stages, plans for architectural and engineering elements should be developed to the equivalent of RIBA Work Stage 1.

## Link

- **RIBA Plan of Work 2020:** [https://artscouncilengland-my.sharepoint.com/personal/beverley\\_dawson\\_artscouncil\\_organisations\\_uk/Documents/Documents/My Music](https://artscouncilengland-my.sharepoint.com/personal/beverley_dawson_artscouncil_organisations_uk/Documents/Documents/My Music)

## What activity cannot be supported?

- Capital expenditure that will not be capitalised on the balance sheet
- Activity in the creative industries or tourism sectors where there is no investment in the cultural sector and where there is no public benefit
- Activities (including buying goods or services) or any part of the project that have already started, been bought, ordered or contracted before a decision is made about the application. This is because activity cannot be funded retrospectively

- Costs that are already paid for by other income, including the applicant's own funds or any other funding
- Capital work to buildings, cultural venues and other types of arts or heritage asset that cannot be completed within the timescale of the fund
- Construction projects that do not meet the ownership of land and buildings requirements set out in the fund's **capital requirements** (page 56)
- Purchase of or works to assets that the applicant plans to sell
- General running costs or overheads such as additional staffing, insurance and maintenance costs
- Goods, works or services that have not been procured in accordance with the requirements set out in the fund's **capital requirements** (page 56)

## When will decisions be made?

Funding decisions will be made by the DCMS Ministers. We will aim to notify applicants by **late summer 2024**.

# How to apply

The following diagram provides an overview of the required application stages of the Cultural Development Fund:

## **Stage one – Expression of Interest**

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Create a user account and applicant profile on Grantium  
[leads to]

Complete eligibility questionnaire  
[leads to]

Submit Expression of Interest (EOI)  
[leads to]

Expert Advisory Panel review of EOI

## **Stage two – Application (if you are invited to apply)**

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Invitation to apply  
[leads to]

Submit application  
[leads to]

Eligibility check  
[leads to]

Arts Council England assessment against criteria including risk assessment  
[leads to]

Expert Advisory Panel makes recommendations on funding  
[leads to]

DCMS Ministers make award decision  
[leads to]

Applicant receives decision notification  
[leads to]

## Stage One – Expressions of Interest

Expressions of Interest are made using Grantium, the Arts Council's grant management system. First, you need to create a user account and applicant profile on Grantium. You cannot start your eligibility questionnaire and Expression of Interest until your applicant profile has been validated, which **will take up to 10 working days**. Once your applicant profile has been validated and you have registered for the Cultural Development Fund, you can start your eligibility questionnaire and Expression of Interest.

The eligibility questionnaire and Expression of Interest form for the Cultural Development Fund will be available on Grantium from **5 February 2024**. Expressions of Interest must be submitted by **15 March 2024**.

The eligibility questionnaire will confirm whether your proposal appears to be eligible for this fund. If your proposal appears to be eligible, you will be asked to complete the Expression of Interest form on Grantium. This form gives you the opportunity to describe your project in no more than 2,500 characters (around 400 words). As part of your submission, you will be asked to tell us:

- What is your project proposal? Give a brief outline of the project you are asking us to support, the project partners, and the preparatory work you have already undertaken.
- How does your project contribute to the **aims and outcomes** (page 15) of the Cultural Development Fund?
- Where precisely will the project take place? Give a brief description of the local economic and social conditions, evidencing local need and demand. How will your project address that local need, with a focus on supporting and creating excellent creative and cultural outputs?
- How will your project align with relevant existing or proposed local strategies, for example strategic place-based initiatives such as the Levelling Up Fund, Creative People and Places, the Heritage Action Zone programme and other similar initiatives designed to support wider growth or productivity increases?
- How does your project meet the capital eligibility requirements set out in the guidance for applicants? Tell us the type of capital activity you are planning to undertake (construction project or other assets). Where your activity includes a construction element following the RIBA Plan of Work, confirm the RIBA work stage you have reached so far, and what stage you expect to complete by the full application deadline.
- What are the sources of the match funding for your project and are they expected or confirmed?

All applicants must complete stage one (Expression of Interest), after which projects that are considered to have the potential to make a significant contribution to the **programme aims** (page 15) will be invited to submit an application.

As part of the Expression of Interest process, the Arts Council may use any other information we hold about the applicant or any of the partners or consortium members listed in the application if they are in receipt of our funding. We may share your application with expert stakeholders, including other relevant sector bodies, creative industries sector expert representatives and other government departments for their review and comment to help inform the panel's discussions. Any formal assessments of organisational risk that have been undertaken by the bodies represented on the **Cultural Development Fund Expert Advisory Panel** (page 84) may be taken into consideration.

## **Reviewing your Expression of Interest**

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Expressions of Interest will be reviewed by the Cultural Development Fund Expert Advisory Panel. If it is considered that your project could make a more significant contribution to the programme aims than others under consideration, you will be informed by **8 April 2024** and invited to submit an application. You will then have until **17 May 2024** to submit your application and provide the mandatory supporting documents as detailed in this guidance.

If it is considered that your project does not have the potential to deliver strongly on the programme aims, you will also be informed by **8 April 2024**. Arts Council England is unable to give detailed feedback or engage in discussion about why you are not being invited to submit an application.

**If you are invited to submit an application, this is not a guarantee that the application will go on to be successful.** The Expression of Interest process is not a grant decision-making process, and funding decisions will be based on the detail in an application that has been through the assessment and decision-making processes outlined in this document.

Please ensure that your organisation's board or equivalent are engaged and supportive of your proposals and your plans to apply to this fund. If you are invited to submit an application, you will be asked to declare that the information contained in the application form is endorsed by the Chair of your board or equivalent.

## **Stage Two – Application (if invited to apply)**

If you are invited to make an application, the online application form will be made available to you **8 April 2024**. Applications must be submitted by **17 May 2024**.

### **Application process**

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#### **1. Read this guidance carefully and contact us**

This guidance gives you information on how to apply and answers some common questions. If you have any further questions or if you have any access needs where you require further support to complete your application, you can contact our **Customer Services** team.

#### **2. Check the information in your applicant profile on Grantium is accurate and up to date**

See the **guidance on our website**.



### 3. Prepare and submit your proposal

You must apply through **Grantium**. The Grantium guidance for applicants **available on our website** should provide you with all the information you need about how to access the system and complete your online application.

The following sections provide detailed instructions for completing the online application form.

#### Links

- **Customer Services:**

<https://www.artscouncil.org.uk/contact/contact-customer-services>

- **Guidance on our website:**

<https://www.artscouncil.org.uk/contact/contact-customer-services>

- **Grantium:** <http://www.artscouncil.org.uk/welcome-grantium>

- **The Grantium guidance for applicants:**

[https://www.artscouncil.org.uk/sites/default/files/download-file/Grantium\\_guidance\\_Development\\_Funds\\_12072018.pdf](https://www.artscouncil.org.uk/sites/default/files/download-file/Grantium_guidance_Development_Funds_12072018.pdf)

#### Basic details

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Please provide a concise description of the project you are asking us to support. Please also confirm the main artform, the amount you are requesting for capital activity and revenue activity, your total project cost, the activity start and end dates, whether you are applying on behalf of a consortium, and whether your organisation is currently a National Portfolio Organisation.

## Location

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We report to local and national government on where funded activities take place. To help us to do this, please provide the full address of the full address of the land and/or buildings where your capital activity (construction projects and other assets) will take place.

## Statutory approvals

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Please list all **statutory approvals** (page 95) and consents that apply to your project, selecting 'Not applicable' if statutory approvals are not required. These must be in place by the project start date, to enable you to start your project in the timescale required for this programme (see **When must the activity take place** (page 22)).

## Ownership of land and buildings

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Please provide the full address of the land and/or buildings where the project will take place. Provide details of your freehold and/or leasehold interest in the land and/or buildings and answer the corresponding questions.

## Revenue activity locations

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Please provide the location(s) where your revenue activity (project activity) is happening (this may be the same as the address provided under 'location').

## **Design development**

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Please indicate which **RIBA work stage** your project has reached, selecting 'Not applicable' if your project is not following the RIBA work stages.

### **Link**

- **RIBA work stage:** <https://www.architecture.com/knowledge-and-resources/resources-landing-page/riba-plan-of-work>

## **Activity plan**

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The activity plan should include all project milestones. The start and end dates for the project should correspond with the start and end dates entered in the basic details section. You should take account of all known influencing factors, for example:

- details of the design, procurement, construction, and commissioning activities
- state when relevant statutory approvals will be applied for and when decisions are expected
- identify anticipated completion dates for land and lease agreements, and freehold or leasehold purchases (if applicable)
- include the RIBA design stages (if applicable)

## **Project partners**

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Complete the table to tell us about each organisation in the partnership/consortium involved in your project. You should outline:

- their role (area of specialism and level of responsibility)
- individual tasks which they will lead on and deliver
- whether their involvement is confirmed or expected

## Proposal

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Applicants should consider the following when responding to the prompts below:

- A primary outcome of this fund is to unlock local economic growth and productivity through investment in capital assets. The extent to which this is possible depends on the existing economic conditions of local areas as well as on the activity proposed in the application. Applicants should consider how the benefits of that growth will be shared across the communities within their place, and will ensure that it does not displace similar existing economic activity in the region. This should include the impact on disadvantaged socio-economic groups and areas with the lowest levels of cultural engagement.
- When reviewing applications, the Expert Advisory Panel will consider the range of areas by using **balancing criteria** (page 82). The panel expects to balance by size of place as well as economic characteristics and will also place particular emphasis on prioritising the 109 Levelling Up for Culture Places and Arts Council England Priority Places in London. These identified places are parts of the country where investment in arts and culture is significantly below the national average, and this fund will be actively seeking to support activity that benefits these areas.
- Organisations that are members of applicant partnerships need not be based in the area that is the focus of the application. It is expected that the lead member of the partnership will be located in the area, and applicants will need to demonstrate that the partnership's contribution to the locality is sustainable and will be able to contribute to a long-term step change in the economy of that place.
- Applicants should consider carefully how well this programme fits with existing local cultural, creative industries and economic growth strategies and whether the capacity of the

local cultural and creative industries sector is of a sufficient scale to enable meaningful, high-quality engagement. Applicants should also consider and demonstrate in their applications how their proposed activity aligns with other government funds and initiatives that are focused on place-making, including the Levelling Up Fund, Levelling Up Partnerships and others.

- Everyone, no matter where they live, deserves the chance to engage with cultural excellence. The Cultural Development Fund aims to bring these opportunities to more people, especially in places where access to cultural excellence has been limited in the past. We are particularly keen to support projects that demonstrate that the activity they will produce as a result of Cultural Development Fund funding will be of an excellent standard. Projects must be created to the highest standard of visitor or user experience, presented with rigour, and with a commitment to continuous improvement and development. As well as the highest quality Capital work in terms of design and levels of accessibility, the Cultural Development Fund wants to support excellence in creativity and culture beyond the immediate funding period. In the context of the Cultural Development Fund this could relate to the activity that will be programmed in a Cultural Development Fund-funded space, to the way an exhibition is curated, to the opportunities it gives for others to create their own excellent quality creative activities, or to how creative industries professionals will be engaged and supported in their development.

It is expected that applications will be from a partnership or consortium for the area, including partners from both the public and private sectors, and from the voluntary sector where appropriate. Partnerships are expected to be appropriate and relevant for the nature of the proposed activity. For example, it is expected that public transport organisations would be involved in projects that focused on local attractions or tourism-related activity, to ensure that

transport is available where there is increased usage. Applicants should consider whether the diversity of their partnership reflects the population of the place supported through their proposal.

- If the partnership is not constituted as a legal entity in its own right, one member must act as the lead organisation for the application and, if successful, be accountable for any grant (responsible for the grant monies, budget, and meeting the terms and conditions of the funding agreement). The lead applicant must be a formally constituted organisation; this could include but is not limited to local authorities, combined authorities, mayoral authorities, cultural consortia, universities, and other appropriate bodies.
- They will also be the lead organisation for information and communication purposes during the application process and throughout the delivery phase, should the application be successful.
- Applicants are encouraged to demonstrate how partners and lead organisations plan to engage, or have already engaged, with their local communities to develop their proposals and deliver their objectives.
- It is expected that all applications for investment should address environmental sustainability and energy efficiency as a priority. Strong applications will fully consider how their capital assets contribute to sustainability.
- It is expected that all applications for investment should address inclusion and relevance. Lead applicants and their partner organisations should consider the steps they will take to broaden the **diversity of their workforce and governance**, including socio-economic diversity, and of their audiences and participants, and the impact of those changes. Strong applications will fully consider the impact of all elements of the proposed activity on inclusion and relevance, including (but not limited to) recruitment processes and the accessibility of capital assets.

- Applicants in urban areas should consider how they engage or include communities and people living in rural areas, the direct or indirect impacts of programmes on rural areas, and the scale of these impacts, especially in rural locations where the town or city acts as a hub for a wider geography.
- The fund expects to support a mix of projects of varying sizes and delivery timescales, subject to the quality of the proposals received.

## Link

- **Diversity of their workforce and governance:**  
<https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2019-employment>

The proposal is divided into three sections and should be no longer than **60,000 characters** in total. You do not need to use the full character count if you feel it is unnecessary.

## Meeting the brief

### Character count: up to 20,000 characters

#### About the project

- a detailed project description explaining how the project will achieve the **aims and outcomes** (page 15) of the fund
- details of the consultation you have undertaken that demonstrates:
  - unmet demand for the project
  - that the project will be relevant to the widest number of people
  - how activity that builds on and does not duplicate activity funded by other public investment/funding
  - how the project uses the findings of the feasibility study in its approach and design

## Local context

- how the capital activity (construction projects and other works to assets) will benefit the local population/local area
- alignment with local strategies and initiatives
- capacity of the local sector to engage meaningfully
- how will communities be engaged, at what scale, and how the benefits of growth will be shared across communities

## Creative Excellence

- how would you ensure excellence in the programme of creative and cultural activity that would be delivered (created to the highest standard of visitor or user experience, presented with rigour, and with a commitment to continuous improvement and development), considering the following:
  - the nature and scale of the work you intend to produce
  - your outline plans for programming or envisaged operator/tenancy of the CDF-funded space, if relevant
  - the track record of you, relevant partners, or envisaged tenants in producing high-quality creative and cultural activity, and/or plans to form new partnerships to support the creation of high-quality creative and cultural activity

## Outputs

- how the economic and social outputs forecast in the data sheet will be achieved, without displacing existing activity
- the sustainability of the step-change achieved

## Partnership

- the role of partners, and why this is appropriate
- their involvement to date in the project



## Equality and Diversity

- how the project will support your organisation(s) to be more inclusive and strengthen its relevance to the communities with whom you work, including reaching under-served communities
- which specific measures you will include in the project to improve access provision for all, with reference to statutory requirements such as Building Regulations and best practice

## Environmental Responsibility

- how the project will support environmental responsibility and net zero carbon pathways

## Long-term planning

- how is the long-term business plan commercially viable and resilient, ambitious, driven by quality, and in alignment with local growth plans
- demonstrate robust plans for resourcing the high-quality cultural activity effectively
- how the project will improve the quality of your work, leading to excellent cultural outcomes
- how the project will enable you to respond to emerging future challenges and opportunities

You do not need to duplicate information that is in the economic and social outputs datasheet.

**Capital requirements** (page 56) sets out our expectations on environmental responsibility and inclusivity and relevance.

## **Governance and management of activity**

**Character count: up to 20,000 characters**

Set out your plans for managing the project, including how you will ensure it is delivered on time and on budget and within the delivery timescale for this programme (see section **When must the activity take place** (page 22)).

This should include:

### **Project management**

- the feasibility of the workplan
- the relevant skills, experience and capacity of those involved in delivering and leading the project, including plans for project management, budget allocation, timetabling and staff allocation
- that the project can be delivered to the activity plan/timetable provided, including that the activity plan and cash flow align with the delivery timescale for this fund
- how project progress will be monitored and reported (this should include, but not be limited to: income; expenditure; timetable; quality; intended outcomes, and benefits)

### **Project Delivery**

- how your project will meet high standards in the following areas:
- fitness for purpose and meeting user needs
- environmental responsibility/minimise environmental impact
- energy efficiency
- cost effectiveness and value for money
- how the project will contribute to the implementation of your equality and diversity policy and action plan
- improve access and consider inclusive design, where relevant (if an access audit has been completed, tell us which recommendations will be implemented and the rationale for excluding any of the recommendations from the project)

## Partnership working

- if working as a consortium, the benefits and rationale of working as a consortium, and what the governance and reporting structure would be
- how issues within any partnership/consortium would be managed effectively

## Grant management

- in relation to the lead applicant, their financial stability, appropriate governance, and an ability to accept, administer and account for the grant
- how the project will affect your current activities during its delivery and on completion and how you will ensure you have the capacity to carry it out successfully and operate the assets in the longer term
- how issues such as staff turnover will be considered and planned for

## Governance

- how the project will be monitored and report to your board and senior management, and how they will be involved in decision-making, as well as how reporting to project partners/members of consortium will be managed

## Risk management

- how the risks will be assessed and managed, and who will be responsible for approving project changes such as, but not limited to, the specifications, budgets, timetables or use of contingency
- how you will ensure the proposals are well designed and appropriate for the proposed use
- robust plans demonstrating that taking on this activity will not place at risk the management of the core business or any other discrete programmes currently being delivered

(**Capital requirements** (page 56) sets out our expectations on environmental responsibility, inclusivity and relevance, procurement and project quality)

## **Financial viability**

**Character count: up to 20,000 characters**

Tell us about the work you have done to assess the project's financial impact, both during and after the project is completed.

This should include:

### Applicant viability

- financial viability of the lead applicant

### Project viability

- financial viability of the project
- appropriateness of proposed budget, referencing any professional advice sought in support of the figures in the budget and how you have calculated allowances, including (but not limited to): specialist equipment; sustainable technologies; furniture, fittings and equipment; contingency; inflation allowance; VAT

### Other sources of funding

- evidence of organisational buy-in by lead applicant and project partners, as cash investment and/or in-kind support
- that you have match funding of at least 15 per cent of the total project cost, listing the sources of that match funding, whether it is expected or confirmed, and when any expected funding is likely to be confirmed, or evidence of commitment for confirmed funding
- your plans for raising the remaining funds required to deliver your project (if you have not secured all of your funding, you will need to provide a detailed fundraising plan, outlining how you will ensure the required funding is in place to start your project within the delivery timescale for this programme) (see **When must the activity take place** (page 22))
- details of the terms of any social investment or other repayable finance, including whether they are secured on the asset

## Value for Money

- value for money, and appropriate return on investment

## Long-term planning

- if the project will be generating an income stream, how will that be achieved (any earned income should also be included in the cash flow forecast), will the project provide any financial savings in future
- what, if any, funds have been identified to support the ongoing delivery of the project
- how you have assessed the financial impact of the project on its completion
- that you have considered your ability to operate the buildings or equipment in the longer term, including appointing a suitably experienced operator (where relevant) and the financial impact and timings for maintaining, insuring and replacing the capital asset
- that the capital asset will be financially sustainable/resilient

## Risk management

- how the financial risks have been assessed and how you plan to deal with these risks
- any further work you are planning to do during the development of the project to test the financial assumptions
- the work you have done to assess the project's financial impact on the organisation/partnership/consortium, both during and after the project, and how this demonstrates that your financial resilience will be improved
- whether you currently have a costed maintenance and management plan and whether funding is available to carry it out (if you are offered funding, provision of a costed maintenance and management plan will be a condition of the award)

- the contingency sum included in the project budget, calculated (with use of a fully costed risk register) to reflect: the degree of certainty on the project costs; the stage of design or development work you have completed; the project timetable; the risks in relation to the type of project you are carrying out
- the financial mitigations you have put in place to address the risks identified in your costed risk register
- your inflation allowance, and how it has been calculated
- details of the options you will explore if your project goes over budget and you are unable to deliver every part of your project as originally planned

(**Capital requirements** (page 56) sets out further details for considering financial viability)

## **Attachments**

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**You must upload the following mandatory attachments:**

### **Cash flow for the project**

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Please use the cash flow template provided on our website. It should show both project income and outgoings and the expected grant payments from us and should align with the income and expenditure figures already provided. You should take the following information into consideration when preparing your cash flow forecast:

- we are unable to pay for costs invoiced before the date you accept our funding agreement
- it should be divided between revenue and capital payments
- payments will be made against actual expenditure
- we will retain 10 per cent of the grant until the project has been completed

- grants are only available to support activity between the project start date after you accept our funding agreement and up to 31 March 2028
- we expect your first payment request to be within one month of your **start date** (page 22)

## **Costed risk register**

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A fully costed risk register, covering all the risks you have identified with your project. It should include:

- the risk and the likelihood of the risk occurring
- the impact on your project if it does happen
- how much each risk may cost – this will help you to check whether you have enough contingency set aside to avoid cash flow problems if something does go wrong
- how you can prevent the risk or deal with it (mitigate it) if it does happen
- who is responsible for each risk

We use your analysis of risks to the activity to help us with our assessment of **governance and management and financial viability of the activity** (page 76). We want you to show that you have considered risk thoroughly and have thought about how you will manage and mitigate it, including demonstrating that there are adequate contingency allowances set aside to cover the risks identified.

## **Project budget**

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A detailed budget for the activity showing proposed income and expenditure on capital and revenue. (Please use the budget template which can be downloaded from <https://www.artscouncil.org.uk/our-open-funds/cultural-investment-fund/cultural-development-fund-round-four> .)

Additional guidance notes are included in the budget template cover sheet.



## **Work plan**

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A work plan for the proposed project, including milestones and key review dates. The work plan should include all milestones for delivery of your project. The level of detail will vary depending on the size and scope of your project, but in all cases it should:

- note the project start date, as defined in ‘**When must the activity take place**’ (page 22), and the work required to meet this milestone
- reflect all parts of your project and when each part is expected to start and finish
- provide details of the design, procurement, construction and commissioning activities
- confirm the lead manager for each task
- state when relevant statutory approvals will be applied for and when notifications are expected, if applicable
- include anticipated completion dates for freehold or leasehold purchases, if applicable
- include anticipated completion of the RIBA work stages, if applicable, with key milestone dates such as client final design and sign-off costs

## **Procurement method statement**

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Set out in detail how the goods, works or services necessary for your project are to be acquired, how you will encourage open competition and achieve value for money in selecting suppliers and contractors, and how you will comply with our requirements set out in the terms and conditions of the programme and Public Contract Regulations, where relevant.

This statement should detail the procurement approaches to be used on this specific project, rather than setting out your organisation’s general procurement policy.

(See **capital requirements** (page 56)).

## **Economic and social outputs datasheet**

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Please download this sheet from:

<https://www.artscouncil.org.uk/our-open-funds/cultural-investment-fund/cultural-development-fund-round-four>

It must be completed using our template.

## **Project structure chart**

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A visual diagram that shows the relationships between the organisation, board, senior management, project manager/project team, the project itself, partnerships, consortium member organisations where applicable and other project stakeholders.

## **Draft partnership agreement**

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For guidance on what we would expect to see, please see our website: <https://www.artscouncil.org.uk/partnership-agreement-guidance>

## **Theory of Change model**

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Theory of Change model setting out what changes will be brought about by your project and how (further guidance on producing a Theory of Change can be found within **HM Treasury's Magenta Book**, page 24, section 2.2.1).

### **Link**

- **HM Treasury's Magenta Book:**  
<https://www.gov.uk/government/publications/the-magenta-book>

## **Options appraisal**

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A completed options appraisal, covering the different options you have explored for delivering your needs and the basic feasibility, including the cost and risk of each option, and justification for your preferred option.

## **Feasibility study**

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A completed feasibility study for your preferred option, demonstrating that you have thoroughly examined what you aim to achieve and whether you are able to do so with your preferred option. For construction projects, this will include the impact of your project during construction and on completion. Use the **Capital Requirements** (page 56) of this guidance to help you understand what we expect to be included in your feasibility study, and please note proposals that involve a combination of construction projects and other capital asset purchases should provide options appraisals and feasibility studies for both.

## **Financial statements (non-NPO or IPSO applicants only)**

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Financial statements for your previous financial year, prepared to the relevant legal standard for an organisation of your size and status.

## **Management accounts**

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Your latest management accounts

## **Design report (projects at RIBA 2 and above only)**

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A copy of your latest design report

## **Cost report (projects at RIBA 2 and above only)**

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A copy of your latest cost report

## **Access audit (projects at RIBA 3 and above only)**

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This should be prepared by an independent access consultant at the beginning of your project to inform the project specification. If you have not already completed an access audit, we strongly recommend that you instruct a consultant as soon as possible when preparing your application. The audit should provide details of existing barriers and recommend specific measures to overcome them. It must describe both the process followed in conducting the audit and how access for all will be provided with reference to building regulations and best practice. For more information, see **Building Access: A best practice guide for arts and cultural organisations**.

### **Link**

- **Building Access: A best practice guide for arts and cultural organisations:**  
<https://www.artscouncil.org.uk/publication/building-access>

## **Property purchase documents (projects which include property purchase only)**

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If the project includes property purchase, you should provide:

- Copy of title being purchased, with location plan
- Costed condition survey to support the purchase of a leasehold or freehold interest
- Independent property valuation to support the purchase of a leasehold or freehold interest

## **Consortium applicants only**

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List of consortium member organisations with contact details for each organisation including organisation name, address and main contact person's name and email.

## **Optional attachments**

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You may also upload up to three other relevant attachments, each no more than 5 pages long. Examples of optional attachments include but are not limited to:

### **Letter of support**

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From an appropriate body, for example, a letter of support from a Mayoral Combined Authority (MCA) to demonstrate that the project fits with strategic economic plans or similar local strategies and has the endorsement of the MCA.

### **Letters from partners**

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Letters from project partners confirming their commitment

## **Evidence of partnership funding or fundraising plan**

Provide evidence of the funding you have secured to date as outlined in your project income and expenditure. This may include:

- letters of support from potential funders, if available
- offer letters confirming amounts already secured, including any conditions attached to this funding
- evidence of any contribution of your own funds (for example board minutes)

If you have not secured all your funding, please attach a fundraising plan outlining:

- the timeline for raising the remaining funds
- the methods you will use to raise the funds, for example campaigns, fundraising events
- how you will ensure the required funding is in place to start your project within the delivery timescale for this programme (see **When must the activity take place** (page 22))

Allowable formats: jpg, xls,xlsx, jpeg, pdf, doc, docx, pptx, and ppt. The combined limit on file size for all the attachments taken together is **10 megabytes**.

**Only send the supporting information we have asked for. We will not consider any additional information you send after you have submitted your application unless we have specifically asked for it.**

If your application does not contain the documents we have asked for, to the level of detail requested, we might not be able to consider your application. After you have read this guidance, if you have any further questions, please contact us.

The information you provide in your application form and any attachments will be assessed by Arts Council England and used to decide whether your application will be recommended to the Expert Advisory Panel. This information will also be shared with external bodies as part of the commenting process for this fund. If your application does not contain the information required in the format requested, it may not be possible to consider your application. After you have read this guidance, if you have any further questions please contact Arts Council England for advice.

**Please note** information submitted as part of the application process will be used as part of the decision-making process. It may also be shared with partner organisations such as DCMS for the purposes of, but not limited to, programme evaluation and statistical purposes, in Arts Council England press releases, print and online publications, and in the publications, press releases or websites of DCMS.

## Capital requirements

Applicants to the Cultural Development Fund should consider these requirements and take them into account when planning their projects and submitting their proposal.

Please ensure that your organisation's board or equivalent are aware of these requirements and that they are engaged and supportive of your proposals and your plans to apply to this fund. If you are invited to submit an application, you will be asked to declare that the information contained in the application form is endorsed by the Chair of your board or equivalent.

## Environmental responsibility

We want cultural organisations to take the lead in their communities in their approach to environmental responsibility, including supporting net zero carbon pathways in the cultural sector. We expect all applicants to consider:

- environmental factors when making purchasing decisions including
- sourcing environmentally responsible goods and materials
- whole-life cycle costs in the selection of materials, plant and equipment
- responsible disposal of retired assets
- awareness in your organisation and among those with whom you work to reduce energy demand, increase levels of recycling, cut the use of plastic, and reduce water consumption
- developing an environmental action policy and an annual action plan
- reporting on progress as part of the evaluation requirements for this programme



If you intend to purchase recycled goods, your application should show that you have taken account of its economic life and that it is value for money. These goods must be guaranteed by the vendor and comply with current health and safety legislation.

Sustainable buildings can make a positive difference to reducing environmental impacts. They can demonstrate what is possible to your workforce, volunteers, visitors, participants and partners. For building projects, we expect you to consider:

- designing for greater resilience to climate change
- sustainable design and construction practices
- using a recognised environmental assessment method to assess environmental performance, for example BREEAM
- using renewable energy and sustainable technologies, where appropriate
- monitoring and reporting your energy usage as part of your evaluation
- encouraging biodiversity

**Julie's Bicycle** provides several useful guides on how to embed environmental responsibility into your project.

## Link

- **Julie's Bicycle:** <https://juliesbicycle.com/our-work/arts-council-programme/>

## Project type

Applicants whose capital activity includes a construction element following the RIBA work stages (RIBA Plan of Work 2020) will need to have completed **a minimum of RIBA Work Stage 1 for those elements before applying, with higher RIBA work stages preferred**. This means that, before applying, these applicants will be expected to have:

- worked with an architect, if relevant, to identify their needs and the project objectives, to support opportunities for excellent creative and cultural activity
- completed an options appraisal which will detail the different options explored for delivering the needs and the basic feasibility of each option, including the cost, risk and justification for the preferred option
- undertaken a detailed feasibility study and investigation on their preferred option to identify key project constraints such as planning consent, land, and legal and physical limitations to the building
- secured the necessary ownership of the land and/or buildings (freehold or leasehold ownership) where the proposed construction activity will take place, or have robust plans to purchase the site prior to construction, including obtaining and valuation and condition survey

Prior to applying, applicants whose capital activity includes purchasing equipment – for instance a city-wide box office system or portable festival equipment – will need to have completed:

- an options appraisal detailing the different options explored for delivering the needs and the basic feasibility of each option, including the cost, risk and justification for the preferred option

- a detailed feasibility study and investigation on their preferred option to identify key project constraints such as ongoing costs of maintenance, storage and upgrades

Proposals that involve a combination of construction projects and other capital asset purchases should provide options appraisals and feasibility studies for both.

This fund aims to achieve transformational and long-term growth. It will therefore be necessary to demonstrate not only alignment with local growth plans but long-term business-planning that is commercially viable and resilient.

## **Financial viability**

We want to ensure that projects we support are financially viable. We are unable to provide additional capital or unplanned revenue funding if the project costs increase or your running costs are higher than anticipated.

We recommend that you include a contingency allowance in your project budget. The calculation of the contingency allowance should reflect:

- the degree of certainty on the costs
- the stage of design or development work completed
- the timetable
- the costed risks in relation to the type of project you are carrying out
- any external socio-economic risks

We expect applications to include a fully costed risk register to help identify the adequacy of the contingency allowance.

## Management and maintenance plan

As part of the terms and conditions for the Cultural Development Fund, applicants must ensure the funded project is kept in good repair and condition. By undertaking routine maintenance, it will prevent any costly unplanned downtime from unexpected building or equipment failure. In turn, it will contribute to the circular economy by keeping the assets in use for longer and reduce waste, pollution and carbon emissions.

A management and maintenance plan will be a condition of the final payment for successful applications. This should include the likely timescales and costs of operating, maintaining, renewing, replacing and insuring items and equipment, all of which should be built into financial and business planning.

## Feasibility study

Applicants must evidence that a feasibility study has been completed and upload this as a mandatory attachment at full application stage. A feasibility study will typically include the following areas:

- project need – demonstrating: the project business case; which elements are ‘mission critical’ and which elements are ‘nice to have’; how the project relates to the applicant’s vision which will support the delivery of excellent creative and cultural activity, mission and business plan, e.g. increased visitor attendance, improved earned income leading to greater resilience
- budget – including outline costs relating to construction, fit out, professional fees, relocation/decanting, building closure, project finance, legal advice, irrecoverable VAT, inflation and contingency (not all of these will be relevant to every project)

- funding – review of how viable it will be to achieve the required project funding and an indication of where this funding might come from and when it might be secured (**please note:** the Arts Council will not be able to release capital funds until all income for the capital elements of the project has been confirmed. Confirmation of match funding will be a condition of the first capital payment.)
- timetable – outline project timetable including, where relevant, completion of security and start date requirements, design development, procurement, fundraising, construction and launch
- risk – summary of key project risks and how these might be addressed
- organisational development – an analysis of existing organisational capacity, relevant skills and experience needed to undertake the project; aspects of the organisation that will need changing or strengthening as a result of the project, e.g. additional staff and training requirements
- revenue implications – indication of likely running costs post-completion, including maintenance, repairs/renewals and how these will be covered
- inclusion and relevance – how the proposed activity will impact inclusion and relevance, including (but not limited to) how capital assets will be accessible to disabled people (the Arts Council has published **Building Access: A best practice guide for arts and cultural organisations** to support organisations undertaking capital development work to cultural buildings)

In addition, a feasibility study for a construction project will also typically include the following areas:

- site – the appropriateness of the site for the proposed activity and if it will help or hinder the business case; outline of site risks
- drawings/plans – outline diagrammatic representation of spaces and their sizes, interconnections and basic characteristics
- environmental sustainability – outline of the approach to environmental sustainability during design, construction and post-completion, and how the project's impact on the environment will be minimised
- permissions – outline of statutory permissions and the likelihood of them being obtained, e.g. planning permission and listed building consent
- legal – outline of potential legal issues that will have to be addressed, e.g. site ownership, rights of light and party wall matters

If proposing the development of a new building rather than adaptive use, the rationale for a new development should be included within the feasibility study

## Link

- **Building Access: A best practice guide for arts and cultural organisations:**

<https://www.artscouncil.org.uk/publication/building-access>

## Government Indemnity Scheme

If you are a museum, gallery, or similar organisation, and your project includes changes to a space which you intend to display items covered under the Government Indemnity Scheme, please make your project team aware of the general security and environmental Guidelines. They describe ways in which you need to consider how the building will provide a stable and secure environment appropriate to the type of items you will be displaying. Please note that this can be, but does not have to be, created through mechanical plant. Additional information is available on the Collections Trust website.

You may contact the Government Indemnity Scheme or the Security and Preservation ([securityadvice@artscouncil.org.uk](mailto:securityadvice@artscouncil.org.uk)) team on aspects of collection security and environmental control and care arrangements.

## Equality and Diversity

To ensure that the project meets the needs of users, we expect all applicants to have consulted a wide range of people (for example children and young people, creative and cultural practitioners, workforce, volunteers, participants, visitors and partners). We expect you to implement the feedback from this consultation into your project.

All applicants must provide evidence of their approach to promoting equality and diversity, accompanied by an action plan that demonstrates how the implementation of your policy will be monitored and reviewed.

When planning building projects, we expect applicants to adopt the principles of inclusive design and to see diversity as an opportunity. Applying these principles should create an environment which enables physical, intellectual, and emotional access by everyone.

All projects must ensure independent access for disabled people and aim to exceed minimum statutory requirements. Our publication, **Building Access: A best practice guide for arts and cultural organisations** provides further details on achieving an inclusive environment. Applications at RIBA Work Stage 3 and above must include an access audit prepared by an independent access consultant and its findings and recommendations should be reflected in the project.

British Standards have also produced guidance on the design of the built environment to include the needs of people who experience **sensory or neurological processing differences**. It covers buildings and external spaces for public and commercial use and guidance on elements including lighting, acoustics, décor, flooring, layout, wayfinding, familiarity, clarity, thermal comfort and odour; and incorporates principles to ensure that people with or having a range of processing differences are able to access and enjoy their experience of the built environment.

## Link

- **Building Access: A best practice guide for arts and cultural organisations:**  
<https://www.artscouncil.org.uk/publication/building-access>
- **Sensory or neurological processing differences:**  
[https://knowledge.bsigroup.com/products/design-for-the-mind-neurodiversity-and-the-built-environment-guide/standard?utm\\_source=Pardot&utm\\_medium=Email&utm\\_campaign=SM-STAN-LAU-H%26amp%3BS-PAS6463-2207](https://knowledge.bsigroup.com/products/design-for-the-mind-neurodiversity-and-the-built-environment-guide/standard?utm_source=Pardot&utm_medium=Email&utm_campaign=SM-STAN-LAU-H%26amp%3BS-PAS6463-2207)



## Ownership of land and buildings

You must demonstrate that you own the land and/or buildings (either as a freehold or leasehold) on which you plan to spend the grant, or have robust plans to purchase the site prior to construction, including obtaining a valuation, and that the land and/or buildings can be used for the project purposes. We can only support building works to leasehold property if the works to be carried out are the responsibility of the applicant as defined by the terms of their lease (for example, leased on a full repairing basis).

Applicants requesting funding towards the **purchase of the freehold or leasehold** of land/buildings will need to demonstrate what is being purchased and that it represents value for money. The following mandatory attachments will apply:

- copy of title being purchased with location plan
- condition survey to support the purchase of a leasehold or freehold interest
- independent property valuation to support the purchase of a leasehold or freehold interest

If you are offered a grant, we expect the land and/or buildings to be used for the 'Funding Agreement Duration' as set out in the terms and conditions for this programme:

- for grants from £1,000,000 and up to and including £5,000,000 – 20 years from the date of the funding agreement

If you hold a leasehold interest in the land and/or buildings or are purchasing a leasehold interest with our grant, you must be able to demonstrate that the lease meets the following additional requirements:

- for grants from £1,000,000 and up to and including £5,000,000 – a registered and assignable lease of at least 20 years; and
- the lease should be without a break clause or a forfeiture on insolvency clause, and have a permitted user clause that is compliant with the project and the proposed use

This means that if the lease contains a break clause and/or forfeiture on insolvency clause during the ‘Funding Agreement Duration’, you will need to arrange for a Deed of Variation to the lease to be completed to remove these provisions and meet our requirements. You will need to liaise with your landlord and seek independent legal advice to achieve this. This must be in place before you start your project, so by **1 April 2026** at the latest (see section **When must the activity take place** (page 22)).

The funding must not enable the landlord to charge a higher rent as a result of the grant during the ‘Funding Agreement Duration’. We will ask you to confirm your position on this during the application process. There may be additional conditions included in your funding agreement to address this requirement. You will need to liaise with your landlord to meet these requirements.

We will require you to comply with additional conditions to evidence that these leasehold requirements have been met. We require these to be in place before you start your project, so by **1 April 2026** at the latest (see section **When must the activity take place** (page 22)).

There will be separate additional conditions setting out how grant payments will be made for projects involving the purchase of land and/or buildings.

## Procurement

If you receive a grant from us, when buying any goods, works or services to be used in relation to the project, you must ensure that these are purchased in a way that ensures that suppliers are treated equally and without discrimination. You must also ensure that any procurement process is conducted in a transparent and proportionate manner which complies with the **Public Procurement Policy**.

It is a condition of our **Standard Terms and Conditions Cultural Development Fund** that grant holders seek competitive quotes or tenders for all contracts in excess of £12,000 (including VAT) and show that they have selected the option which provides value for money.

You should also be aware that if the total value of your procurement meets or exceeds certain threshold values, then your procurement may be subject to the Public Contracts Regulations 2015 (PCR). The current thresholds, inclusive of VAT, are £5,372,609 for works contracts (for example, contracts for the design and execution of construction work) and £214,904 (or £139,688 if you are a central government authority) for supplies or services contracts. The PCR will normally apply if you are either:

- subject to the PCR in your own right, for example you are a contracting authority as defined in the PCR; or
- a non-contracting authority, and the amount of money given solely by the Arts Council, or in conjunction with other public funding or other Lottery distributor, exceeds 50 per cent of your project costs (see regulation 13 of the Public Contract Regulations 2015 for further details)

If you are unsure about your obligations, we advise you to take professional or legal advice.

Completing a capital project successfully requires time to be devoted to obtaining the necessary materials and services. It is important that the strategy to purchase these goods, works and services is clearly defined and resourced to ensure projects are delivered on time and within budget and the original project scope. With your application, you will be asked to provide a procurement method statement that defines the strategy to purchase the goods, works and services necessary for your project and explains how your procurement approach for this project complies with the above rules. If you are awarded a grant, you must also provide any information we request in order to satisfy us that you have followed the correct procedure. We may not be able to pay your grant if you cannot demonstrate that the process of buying goods and/or appointing suppliers and contractors has been made in accordance with the correct procedures.

## **Link**

- **Public Procurement Policy:**

<https://www.gov.uk/guidance/public-sector-procurement-policy>

## **Security requirements**

We must ensure that the buildings and equipment will be used for the grant purposes. This means we require the applicant (or a formal member of the applicant partnership, if they own the project asset) to make legal commitments to us to secure the grant purpose.

The form these take depends on the amount of grant and the type of organisation receiving the grant, and will be set out in our funding agreement. These will range from a deed of covenant with restriction on title to a fixed charge together with

supporting legal documents relevant to the transaction. These legal commitments will need to be in place prior to the release of any grant funding, which may affect your project cash flow. Please note that you will need to instruct solicitors (at your own cost) to deal with the security requirements on your behalf, and that **it will take a number of months to complete.**

## **Other documents and requirements**

Depending on the type of project and capital asset that you hold, we may ask to see other legal documents and requirements before we are able to release any capital payments. These additional documents and requirements will be requested from your solicitor.

## **Project quality**

We want to ensure that all projects meet high standards, taking due notice of priorities such as fitness for purpose, environmental standards, inclusivity, and value for money. We recommend that applicants consider adopting appropriate recognised quality standards within their project.

Public buildings and spaces play a significant role in contributing to place making by strengthening the connection between people and the places that they share. In turn, well designed buildings and spaces can encourage increased users and provide visibly inclusive, safe and accessible spaces for all.

Building projects should take account of sustainable development and ensure that design and construction considerations, including the proposed method of building procurement, is appropriate to the specialist needs of cultural buildings.

Further details are included in our publication, **Building excellence in the cultural sector: a guide for client organisations**, which includes a selection of case studies.

## Link

- **Building excellence in the cultural sector: a guide for client organisations:**

<https://www.artscouncil.org.uk/publication/building-excellence-cultural-sector>

## Assistance with your application

Arts Council England are committed to being open and accessible and want to make the Cultural Development Fund application process accessible to everyone.

If you experience any barriers within the application process or require help to make an application, you can contact the Arts Council's Customer Services team:

- Email: [enquiries@artscouncil.org.uk](mailto:enquiries@artscouncil.org.uk)
- Telephone: 0161 934 4317 (10am - 4pm)

Please note that you cannot apply to us for access costs that are already covered by the Access to Work scheme.

## **Access support to deliver your project**

If there are costs required that relate to your own access needs, or those of the people you are working with to help you deliver your project and manage your grant, then these can be included in your detailed budget for the activity as a **revenue** cost (please use the budget template which can be downloaded from <https://www.artscouncil.org.uk/our-open-funds/cultural-investment-fund/cultural-development-fund-round-four>)

This relates to costs that you incur to deliver your project due to your or your collaborators' access requirements, rather than inclusive access considerations for your capital activity. For example, these revenue access costs could be for a BSL interpreter or a support worker to help with access requirements to complete payment requests on our online grant management system. These costs would **not** include any aspects of your construction project or other assets, such as making accessibility adjustments to a building you are applying to develop. This would be included in the capital costs in your budget.

Please note that you cannot apply to us to for access costs that are already covered by the Access to Work scheme.

## **After you submit your application**

You will receive an acknowledgement on Grantium when we receive your application.

Your application will then be checked against the criteria for this programme (see **Eligibility** (page 18)) and, if the application is eligible, it will be assessed using the prompts in **Decision making** (page 72).

If your application is not eligible, we will not process it any further and it will not be considered for funding. If this happens, we will write to you to let you know.

# Decision making

Funding decisions will be made by DCMS Ministers in late summer 2024.

Once you have submitted your full application, this will be checked to ensure that you have provided all the requested information. Arts Council will assess based on the information you provide in your application and attachments, any further information that we request and, where relevant, data and information from the Charity Commission and Companies House websites relating to your constitution and audited accounts from the past two years.

## Assessment

Each criterion ('Meeting the brief,' 'Management of the activity,' and 'Financial viability') will be assessed using a five-point word scoring:

- **Not met**  
The application does not meet the criteria
- **Potential**  
The application does not meet the criteria but shows potential to do so
- **Met**  
The application meets the criteria
- **Met (strong)**  
The application meets the criteria and shows strong qualities
- **Met (outstanding)**  
The application meets the criteria and shows outstanding qualities



Based on these ratings, Arts Council England will make a recommendation to the Expert Advisory Panel on whether an application is suitable for funding. Applications that do not achieve at least 'met' under all three criteria will not be recommended for funding.

The Arts Council will use any other information we hold about applicants or any of the partners or consortium members listed in the application if they are in receipt of our funding. We may share your application with expert stakeholders, including other relevant sector bodies, creative industries sector expert representatives and other government departments for their review and comment to help inform the panel's discussions. Any formal assessments of organisational risk that have been undertaken by the bodies represented on the **Cultural Development Fund Expert Advisory Panel may be taken into consideration** (page 84).

Each application will be assessed against the following criteria:

## **Assessment prompts**

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### **Meeting the brief**

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About the project

To what extent will the project:

- achieve the aims and outcomes of the fund?
- To what extent does the consultation undertaken demonstrate:
  - unmet demand for the project?
  - that the project will be relevant to the widest number of people
  - that it builds on, and does not duplicate, activity funded by other public funding/investment
  - that it uses the findings of the feasibility study in its approach and design

## Local context

- how well will the capital activity (construction projects and other works to assets) benefit the local population/local area
- to what extent is there alignment with local strategies and initiatives
- what is the capacity of the local sector to engage meaningfully
- how well will communities be engaged, at what scale, and how well will the benefits of growth be shared across communities

## Creative Excellence

- how strongly would the creative and cultural activity produced as a result of Cultural Development Fund funding demonstrate excellence (in this context, how will projects be created to the highest standard of visitor or user experience, be presented with rigour, and with a commitment to continuous improvement and development), considering the following:
  - the nature and scale of the work
  - their outline plans for programming or envisaged operator/tenancy the Cultural Development Fund-funded space, if relevant, in producing high quality cultural and creative work
  - the track record of the lead applicant, and relevant partners or envisaged tenants in creating high-quality cultural and creative activity, and/or plans to form new partnerships to support the creation of high-quality creative and cultural activity

## Outputs

- how well the economic and social outputs forecast in the data sheet will be achieved, without displacing existing activity
- what is the sustainability of, and step-change achieved

## Partnership

- what is the role of partners, and is this appropriate

## Inclusivity and Relevance

- how well the project will support the organisation(s) to be more inclusive and strengthen its relevance to the communities with whom it works, including reaching under-served communities
- how well specific measures they will include in the project will improve access provision for all, with reference to statutory requirements such as Building Regulations and best practice

## Environmental Responsibility

- to what extent the project will support environmental responsibility and net zero carbon pathways

## Long-term planning

- is the long-term business plan commercially viable and resilient, ambitious, driven by quality, and in alignment with local growth plans
- does the application demonstrate robust plans for resourcing the high-quality cultural activity effectively
- to what extent will the project improve the quality of their work
- how well will the project enable them to respond to emerging future challenges and opportunities

## **Governance and management of activity**

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### Project management

- to what extent is the workplan feasible
- how appropriate are the skills, experience and capacity of those involved in delivering and leading the project, including plans for project management, budget allocation, timetabling and staff allocation
- is it reasonable/convincing that the project can be delivered to the activity plan/timetable provided, including that the activity plan and cash flow align with the delivery timescale for this fund
- how well will project progress be monitored and reported (this should include, but not be limited to: income; expenditure; timetable; quality; intended outcomes, and benefits)

### Project Delivery

- To what extent does the project meet high standards in the following areas:
  - fitness for purpose and meeting user needs
  - environmental responsibility/minimise environmental impact
  - energy efficiency
  - cost effectiveness and value for money
  - contribution to the implementation of their inclusion and relevance (equality and diversity) policy and action plan
  - improvement of access and consider inclusive design, where relevant (this should include the implementation of recommendations from their access audit, if completed)

## Partnership working

- if working as a consortium, the benefits and rationale of working as a consortium, and how appropriate the governance and reporting structure would be
- how effectively issues within any partnership/consortium would be managed

## Grant management

- in relation to the lead applicant, their financial stability, appropriate governance, and an ability to accept, administer and account for the grant
- how the project will affect their current activities during its delivery and on completion and how effectively they will ensure that they have the capacity to carry it out successfully and operate the assets in the longer term
- how effectively issues such as staff turnover will be considered and planned for

## Governance

- how effectively the project will be monitored and report to their board and senior management, and how they will be involved in decision-making, as well as how reporting to project partners/members of consortium will be managed

## Risk management

- how effectively the risks will be assessed and managed, and who will be responsible for approving project changes such as, but not limited to, the specifications, budgets, timetables or use of contingency
- how effectively they will ensure the proposals are well designed and appropriate for the proposed use
- to what extent are there robust plans demonstrating that taking on this activity will not place at risk the management of the core business or any other discrete programmes currently being delivered

## Financial viability

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### Applicant viability

- to what extent is the lead applicant financially viable

### Project viability

- to what extent is the project financially viable
- how appropriate is the proposed budget, referencing any professional advice sought in support of the figures in the budget and how they have calculated allowances, including (but not limited to): specialist equipment; sustainable technologies; furniture, fittings and equipment; contingency; inflation allowance; VAT

### Other sources of funding

- is there evidence of organisational buy-in by lead applicant and project partners, as cash investment and/or in-kind support
- is there match funding of at least 15 per cent of the total project cost, listing the sources of that match funding, whether it is expected or confirmed, and when any expected funding is likely to be confirmed, or evidence of commitment for confirmed funding
- how robust are the plans for raising the remaining funds required to deliver the project (if they have not secured all of their funding, they will need to provide a detailed fundraising plan, outlining how they will ensure the required funding is in place to start their project within the delivery timescale for this programme) (see When must the activity take place)
- appropriateness of the terms of any social investment or other repayable finance, including whether they are secured on the asset

### Value for Money

- value for money, and appropriate return on investment

## Long-term planning

- if the project will be generating an income stream, how will that be achieved (any earned income should also be included in the cash flow forecast), will the project provide any financial savings in future
- what, if any, funds have been identified to support the ongoing delivery of the project, and how appropriate is this
- how they have assessed the financial impact of the project on its completion
- whether they have appropriately considered their ability to operate the buildings or equipment in the longer term, including appointing a suitably experienced operator (where relevant) and the financial impact and timings for maintaining, insuring and replacing the capital asset
- whether the capital asset will be financially sustainable/resilient

## Risk management

- how well the financial risks have been assessed and how they plan to deal with these risks
- any further work they are planning to do during the development of the project to test the financial assumptions
- how robust is the work they have done to assess the project's financial impact on the organisation/partnership/consortium, both during and after the project, and how this demonstrates that their financial resilience will be improved
- whether they currently have a costed maintenance and management plan and whether funding is available to carry it out
- is an appropriate contingency sum included in the project budget, calculated (with use of a fully costed risk register) to reflect: the degree of certainty on the project costs; the stage of design or development work they have completed; the project timetable; the risks in relation to the type of project they are carrying out

- are there appropriate financial mitigations in place to address the risks identified in their costed risk register
- is there an appropriate inflation allowance, and how it has been calculated
- are there appropriate options they will explore if the project goes over budget and they are unable to deliver every part of as originally planned

## Procurement

- are there appropriate plans for the procurement activity for the project, in line with the procurement requirements set out in the guidance and terms and conditions

## **How we assess local economic growth**

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Within the Cultural Development Fund, information that is considered to assess local economic growth includes the number and nature of:

- new jobs created
- existing jobs safeguarded
- businesses and organisations supported
- participants trained

These metrics are collected in the economic and social outputs datasheet and considered in the context of the local economic and social conditions.

Social recovery will look different in each place, but could include:

- improvements to the attractiveness of a place and its physical fabric
- increased social and community cohesion
- increased pride/satisfaction in an area
- increased civic activity and cultural engagement



Applicants must complete an economic and social outputs datasheet and upload this as a mandatory attachment at full application stage. In addition to projected economic outputs, this sheet includes a free text box in which applicants are asked to describe the local economic and social conditions. Places may not fit neatly into local authority areas so a nuanced approach will be taken to understanding local conditions. Descriptions should include illustrative data, examples of which could be:

- details of (un)employment, income levels, deprivation and wellbeing
- low-level employment
- details of town transport challenges (e.g. insufficient links to existing assets, congestion and air quality issues)
- town centre vacancy rate and footfall
- business growth challenges
- land and development challenges
- skills shortage and low educational attainment
- levels of civic participation
- levels of community cohesion
- levels of cultural engagement

Arts Council England will use the information in the rest of the application and attachments to assess how likely projects are to achieve the outputs forecast in the economic and social outputs datasheet.

In previous rounds applications have effectively demonstrated how their activity will lead to their forecast outputs via a Theory of Change. This should be submitted with the application as a mandatory attachment. Guidance on producing a Theory of Change can be found within **HM Treasury's Magenta Book** (page 24, section 2.2.1).

Additional guidance on completing the economic and social datasheet is contained within the excel template and information sheet. **Please note** that if character counts are exceeded, additional information will be disregarded.

## Link

- **HM Treasury's Magenta Book:**

<https://www.gov.uk/government/publications/the-magenta-book>

## Commenting process

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During the assessment process, additional comments on each project will be sought from a range of external partners to ensure that expert views from a variety of sectors are incorporated into the final assessment. These partners may include, but are not limited to, the following:

- economic advisors
- capital/ independent consultants for construction projects
- National Lottery Heritage Fund
- Historic England
- other government departments such as the Department for Levelling Up, Housing and Communities

A decision on which partners to contact for further comment will be made by Arts Council England and will be based on the nature of the activity being applied for.

## Balancing criteria and process

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The Cultural Development Fund seeks to support a mix of approaches and ambitions, and as such the Expert Advisory Panel will also be looking to balance successful applications across the following criteria:

- **Geographical location** – the size and type of local areas which will benefit and their economic characteristics. The panel will look to support activity in a spread of places across England.
- **Balance across types of activity** – the social, cultural and economic value to be added by activity (including contribution to civic pride in place), and the form and membership of delivery partnerships. It is expected that activity across the cultural, heritage and commercial creative industries will be supported and the panel will balance accordingly. Each project should have a cultural or heritage component.
- **Inclusion and relevance** – we want to support organisations which are committed to opening up access by developing diversity within their audiences, participants, workforce and governance, and organisations which are important to their local places and audiences and which promote understanding of diverse communities across the country. Encouraging increased skills development for children and young people is also a priority for this round of the fund.
- **Areas with low levels of cultural investment** – this round of the Cultural Development Fund is specifically looking to support activity that benefits areas with historically low levels of cultural investment. This may also include areas with the lowest levels of cultural engagement. The Cultural Development Fund will prioritise activity from the **109 Levelling Up for Culture Places** and Arts Council England Priority Places in London
- **Risk** – meaning the level of risk represented by each project or the extent of the risks to the overall balance/portfolio of projects. It is expected that the panel will support a mix of projects of varying sizes and delivery timescales, subject to the quality of the proposals received.
- **Excellence** – to what extent would the project make a strong contribution to excellent creative and cultural work being produced as a result of CDF funding.

These balancing criteria will be used in addition to the main criteria as part of the decision-making process to ensure a good spread of funded projects according to each balancing criterion, and to differentiate between a number of proposals that are considered fundable.

## Link

- **109 Levelling Up for Culture Places:**

[https://www.artscouncil.org.uk/sites/default/files/download-file/Levelling Up for Culture Places.pdf](https://www.artscouncil.org.uk/sites/default/files/download-file/Levelling%20Up%20for%20Culture%20Places.pdf)

## Expert Advisory Panel

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Once applications have been considered and scored using the assessment process outlined above, the Cultural Development Fund Expert Advisory Panel will review all applications that achieve at least a 'met' score across all criteria. They will then make final recommendations to DCMS Ministers.

The Expert Advisory Panel's recommendations will also be reviewed by the DCMS Permanent Secretary, who will provide an additional level of oversight on the recommendations put forward to DCMS Ministers and will consider the value for money that each recommended project is likely to offer.

Membership of the panel has been designed to ensure there is representation from the creative industries, cultural, heritage and tourism sectors. The Expert Advisory Panel is chaired by Arts Council England's Deputy Chief Executive, Places and Engagement. It will include members from across the arts and cultural, heritage and creative industries sectors, independent members, representatives of DCMS arm's-length bodies and representatives from other government departments. This could include but is not limited to:

- Arts Council England
- DCMS Creative Industries
- DCMS Arts and Libraries
- DCMS Commercial
- Department for Levelling Up, Housing and Communities
- National Lottery Heritage Fund
- Historic England
- Nesta
- Creative Industries Council

Panel recruitment processes have been implemented in line with Arts Council England's commitment towards diverse representation in decision-making.

## **Final decision-making**

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After applications have been assessed by Arts Council England and balanced by the Expert Advisory Panel, the panel will submit a final list of recommendations to DCMS Ministers, who will make the final decision on which projects should be funded. Arts Council England will aim to notify applicants of the decision in late summer 2024, to be followed by a public announcement of all successful applicants shortly after.

## **If you are unsuccessful**

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We will write to you explaining the main reasons why your application was unsuccessful and advise you who to contact for more detailed feedback.

## If you are successful

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Any decision to offer funding will be subject to acceptance of a funding agreement and the terms and conditions for this programme, including any conditions specific to your project. Our offer may be for a different sum than that requested by you in your application. This may result in agreed changes to the planned activities and budgets.

The funding agreement starts on the date you accept and complete the online 'offer letter acknowledgement' form and ends when you've met all our terms and conditions.

## Security requirements

We must ensure that the buildings and equipment will be used for the grant purposes. This means we require the applicant (or a formal member of the applicant partnership, if they own the project asset) to make legal commitments to us to secure the grant purpose.

The form these take depends on the amount of grant and the type of organisation receiving the grant and will be set out in our funding agreement. These will range from a deed of covenant with restriction on title to a fixed charge together with supporting legal documents relevant to the transaction. These legal commitments will need to be in place prior to the release of any grant funding, which may affect your project cash flow. **Please note** that you will need to instruct solicitors (at your own cost) to deal with the security requirements on your behalf, and that **it will take a number of months to complete**. If project partners will also have security taken on their assets, they will need to engage legal representations at their own cost to manage this.

## Monitoring

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The funding agreement will set out how the Arts Council will monitor the grant, including any documentation that will be required to ensure the project meets the agreed outcomes and the requirements set out in the funding agreement. Applicants should ensure they have taken these into consideration in the planning, timetable and budget for the project.

As project plans are further developed, applicants will be expected to submit further information as part of the monitoring of the award to demonstrate that the project remains viable and will continue to meet the outcomes and timetable for the fund. This includes meeting the requirements for the project start date, as set out in **'When must the activity take place'** (page 22). The Arts Council will review the project at key stages of its development as set out in the funding agreement. This will be appropriate to the scale and risks of the project and will include (but not be limited to):

- an access audit
- a business plan including financial projections and sensitivity analysis
- a cash flow showing income and expenditure for the project
- a cost estimate for the total project cost, including (but not limited to):
  - building purchase
  - design and construction costs
  - furniture, fittings, general and specialist equipment
  - fees including legal, fundraising and specialist consultants
  - your own direct costs and any other expenditure
  - contingencies
  - VAT if applicable
- CVs for each of the professionals appointed demonstrating their relevant experience
- procurement information

- detailed designs
- evidence of partnership funding committed
- an evaluation framework
- equality analysis and action plan
- a fundraising strategy, if relevant
- planning consents or statutory consents
- a project programme
- project execution plan
- a risk register
- sustainability appraisals

Applicants will be asked to provide the Arts Council with progress reports, even if you do not request any of your grant during that time. The project is expected to progress in line with the timescales, specification and budget set out in your application.

The Arts Council may continue to monitor the project after it is finished, for the duration set out in the grant agreement, to make sure that it still meets the terms of the grant and its outcomes.



## Marketing, communication and grant acknowledgment

As set out in our Terms and Conditions, we expect fit for purpose marketing, communications and grant acknowledgement plans to be in place. This includes:

- Acting as an advocate for public investment in creativity and culture from the Department for Culture, Media and Sport and Arts Council England.
- Ensuring that the investment made by the Department for Culture, Media and Sport is regularly communicated publicly. Activity should include, but is not exclusive to, social media, articles and speeches and should include usage of a boiler plate/funding line in all relevant external materials. Using the following statement when acknowledging the grant publicly – “The Cultural Development Fund is a Department for Culture, Media and Sport (DCMS) fund administered by Arts Council England.” And include a link to the announcement press release.
- For building projects, displaying hoardings and plaques to the dimensions specified on our website.
- Further info can be found on our website.

# Other information

## Post-award monitoring

If you are offered an award, the funding agreement will set out how we will monitor your grant, including any documentation that we will require from you to meet any conditions. Some of these terms and conditions must be met before we make an initial payment and some of them still apply after your last payment has been made.

We will ask you to provide us with regular progress reports. We expect you to progress your project in line with your application and supporting attachments and within the timescale for this programme (see section **When must the activity take place** (page 22)). **If you are unable to start your project within this timescale, we may decide to withdraw our grant.**

We may use independent advisors to help us with monitoring your project. We will let you know if we are going to do this.

## Requesting payments

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The grant cannot be used towards any costs invoiced before your acceptance of our funding agreement. We will pay the grant in instalments.

Revenue payments are scheduled, and grant recipients must meet the payment conditions set out in the funding agreement before funding can be released.

Capital payments are based on the amount of expenditure incurred, on milestones being reached, and payment conditions being met. Milestones and payment conditions will be set out in the funding agreement.

## Final payments

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We will not normally pay more than 90 per cent of your grant until we are satisfied that:

- the project is finished
- you have met the terms of your grant agreement with us
- we have received an acceptable final payment request including a statement of income and expenditure certified by a qualified independent accountant and confirmation that the grant has or will be capitalised on your balance sheet
- we have been provided with an activity report form
- appropriate funding acknowledgement is in place
- any other conditions outlined in the funding agreement have been met

## Evaluation

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The Arts Council will commission an external contractor to evaluate the impact of the Cultural Development Fund nationally. It will be a requirement of funding that successful applicants cooperate with the Arts Council or any appointed independent evaluators. Successful applicants will be required to participate in the national evaluation, providing data and narrative responses to the evaluators as requested. Applicants should also commission their own local evaluation to capture learning beyond the scope of the national evaluation. **Please note** projects will bear any costs related to their own local evaluation, and any costs related to providing the data required for the national evaluation. This is likely to require a significant investment of time, so applicants are advised to ensure they have factored this in when calculating project budgets.

# Complaints procedure

Arts Council England is administering this fund on behalf of the Department for Culture, Media and Sport (DCMS). If you have a complaint against the decision made about your application, or a complaint related to the administration of the grant, including the application and assessment process, this should be addressed directly to DCMS (details below).

Details of the DCMS complaints procedure can be found **using the link below**, or by contacting DCMS by email at **enquiries@dcms.gov.uk**. If you need to contact DCMS using an alternative method, require a response in an alternative format or need any other assistance, full contact details can be found **using the link below**.

## Links

- **DCMS complaints procedure:**  
<https://www.gov.uk/government/organisations/department-for-digital-culture-media-sport/about/complaints-procedure>
- **DCMS contact details:**  
<https://www.gov.uk/government/organisations/department-for-digital-culture-media-sport/about/complaints-procedure>

## Contact

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Department for Culture, Media and Sport  
100 Parliament Street  
Westminster  
London  
SW1A 2BQ

### Website:

<https://www.gov.uk/government/organisations/department-for-digital-culture-media-sport>

## Counter fraud measures

Arts Council England has a **Counter Fraud Strategy and Policy** and appropriate measures will be taken to ensure that grant holders use the funding appropriately. This will include conducting checks at the point of application and award, and random sampling checks on a proportion of grants made. All grant holders are required to retain their financial and other documentation relating to the grant and maintain a full audit trail. Arts Council England reserves the right to request this at any time.

### Links

- **Counter Fraud Strategy and Policy:**  
<https://www.artscouncil.org.uk/document/anti-fraud-policy>

## Data protection

The Department for Culture, Media and Sport and Arts Council England are committed to using any personal information (or personal data) we collect on a lawful, fair, and transparent basis, respecting your legal rights as an individual in accordance with the UK General Data Protection Regulation, the UK Data Protection Act 2018 and other applicable laws that regulate the use and privacy of personal data (Data Protection Law).

As part of meeting this requirement, Arts Council England and DCMS have produced a joint Privacy Notice for you to refer to here. This tells you more about the personal data the Arts Council collects, the different purposes that we use it for and on what legal basis, who we may share that personal data with, how long we keep it, and your legal rights, including your right to contact us and receive information regarding the personal data about you that we may hold from time to time.

For further information about our obligations and your rights under Data Protection Law, as well as how to report a concern if you believe that your personal data is being collected or used illegally, please also see the **Information Commissioner's Office website**.

## **Link**

**Information Commissioner's Office website:**

<http://www.ico.org.uk/>

## **Freedom of Information Act**

The Arts Council and the Department of Culture, Media and Sport are committed to being as open as possible. Both believe that the public has a right to know how we spend public funds and how we make our funding decisions.

Both bodies are also listed as a public authority under the Freedom of Information Act 2000. By law, we may have to provide your application documents and information about our assessment to any member of the public who asks for them under the Freedom of Information Act 2000.

We may not release those parts of the documents which are covered by one or more of the exemptions under the Act. Please see the Freedom of Information website for information about freedom of information generally and the exemptions.

We will not release any information about applications during the assessment period, as this may interfere with the decision-making process. We will, however, publish a list of successful applicants.

## Public sector equality duty

Your application gives us information we may use to report to the Government or to monitor the different backgrounds of people who receive grants. Under the public sector equality duty, we must research and monitor the different backgrounds of people who receive our grants.

## Subsidy Control

The Subsidy Control rules regulate financial assistance given by public authorities (including DCMS and Arts Council England) to organisations engaged in economic activity. The UK subsidy control regime enables UK public authorities, including devolved administrations and local authorities, to give subsidies that are tailored to their local needs, and that drive economic growth, while minimising distortion to UK competition and protecting our international obligations.

DCMS, as the accountable public authority for this programme, has a duty to ensure all awards made comply with the Subsidy Control rules. It is believed that individual awards made through the Cultural Development Fund programme may be subsidies as defined by the Act.

Any awards made through this programme will be assessed by DCMS and Arts Council England on an individual basis. Should any further information be required to support these assessments, we may contact you to request it. Your co-operation is appreciated.

Further information on the UK Subsidy Control Regime can be found on the **UK Government website** using the link below. The Subsidy Control Statutory Guidance can be found using the

link below: **Statutory Guidance**. Guidance for beneficiaries of subsidies can be found using the link below: **Subsidy Control: a guide for beneficiaries**. Applicants are able to seek their own legal advice on this matter, should they consider it appropriate.

## Links

- **UK Government website:** [https://protect-eu.mimecast.com/s/K8uRCZYj4t7jkyAijF9\\_D?domain=gov.uk](https://protect-eu.mimecast.com/s/K8uRCZYj4t7jkyAijF9_D?domain=gov.uk)
- **Statutory Guidance:** <https://protect-eu.mimecast.com/s/Tu1WC1WRju6ZPKxcpYtCn?domain=gov.uk>
- **Subsidy Control: a guide for beneficiaries:** <https://protect-eu.mimecast.com/s/Z2qZC2xVRhVmBAWI2NbVN?domain=gov.uk>

## **Get in touch – we’re happy to help**

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Arts Council England  
The Hive, 49 Lever Street  
Manchester, M1 1FN

Email: [enquiries@artscouncil.org.uk](mailto:enquiries@artscouncil.org.uk)

Website: [artscouncil.org.uk](http://artscouncil.org.uk)

Twitter: [@ace\\_national](https://twitter.com/ace_national)

Facebook: [facebook.com/artscouncilofengland](https://facebook.com/artscouncilofengland)

**We will regularly review this guidance for applicants and respond to user feedback. We reserve the right to make changes as required. We will communicate any changes as quickly as possible via our website.**