

Culture Recovery Fund: Grants second round

Guidance for applicants

Updates

6 January 2021: Wording updated to clarify that organisations must have submitted a minimum of 2 years' accounts (or 3 if applying for over £1million) to their regulatory body, ensuring at least 2 (or 3) are publicly available online.

14 January 2021: Assumptions updated on pg 14

21 January 2021: Section included covering Culture Recovery Fund: Grants programme (first round) extensions and underspends on pg 25

The below is an outline summary of key information. Please see [Section three](#) for full eligibility criteria.

Summary of key information	
What is the focus of the fund?	<p>The aim of this Culture Recovery Fund: Grants programme is to support cultural organisations as they transition back to a viable and sustainable operating model during April-June 2021.</p> <p>This investment is intended to help successful applicants operate on a viable and sustainable basis by 30 June 2021.</p>
Who can apply?	<p>The lead organisation (the organisation submitting the application) should be properly constituted as an organisation. The kinds of organisations that are eligible to apply include:</p> <ul style="list-style-type: none">• limited companies registered at Companies House• community interest companies (CICs) registered with the CIC regulator

	<ul style="list-style-type: none"> • charitable incorporated organisations (CIOs) registered with the Charity Commission • charitable companies or charitable trusts registered with the Charity Commission • limited liability partnerships registered at Companies House • partnerships established under a partnership deed/ agreement • community benefit and co-operative societies regulated by the Financial Conduct Authority (FCA) • Royal Charter bodies • statutory bodies and other public bodies including Universities and Local Authorities who run or maintain cultural services • organisations with a museum with either Accredited or working towards Accreditation status <p>The lead organisation must either be based in England or can demonstrate that the majority of their work takes place in England.</p> <p>For the avoidance of doubt, the above includes National Portfolio Organisations, Creative People and Places lead organisations on behalf of the CPP consortium and Music Education Hub lead organisations on behalf of the consortium.</p> <p>If applying for £1,000,000 and under, the organisation must have submitted a minimum of two years' financial statements with your appropriate</p>
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	<p>regulatory body (Companies House or FCA), ensuring that at least two years are publicly available online by 6 January 2021.</p> <p>If applying for £1,000,001 and over, the organisation must have submitted a minimum of three years' financial statements with your appropriate regulatory body (Companies House or FCA), ensuring that at least three years are publicly available online by 6 January 2021.</p> <p>Organisations must be up to date with all necessary submissions to their regulatory body. The financial statements must show that your organisation has been trading during the two or three year period and has not been dormant.</p> <p>Organisations with a museum with either Accredited or working towards Accreditation status should apply to this programme. Otherwise, please consider applying to the Culture Recovery Fund via the National Lottery Heritage Fund.</p> <p>If you plan to apply to the Culture Recovery Fund programme run by National Lottery Heritage Fund or BFI, you cannot make an application to this fund unless you are a Local Authority, University or other Public Body applying for wholly separate, distinct services.</p>
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	<p>For this programme, we define ‘cultural’ as sitting within the remit of Arts Council England¹.</p> <p>Library services are not eligible to apply to this programme.</p> <p>Please see page 20 for further information on who can apply</p>
<p>When is the deadline for applications?</p>	<p>12pm (midday), Tuesday 26 January 2021</p>
<p>How much can be applied for per application?</p>	<p>Between £25,000 and £3,000,000</p> <p>There may be a limit on how much you can apply to this programme for:</p> <ul style="list-style-type: none"> • if you have previously received a grant from Culture Recovery Fund: Grants, the maximum you can receive in total across rounds is £3,000,000 • if you have not previously received a grant from the Culture Recovery Fund: Grants programme, the maximum you can apply for is £3,000,000 <p>There are further restrictions for Local Authorities, Universities and other Public Bodies, and For profit organisations.</p> <p>For example, if you are a For profit organisation, the maximum you can apply for is £1,000,000.</p>

¹ Arts Council England’s remit covers Visual Arts, Music, Literature, Theatre, Dance, Combined Arts and Museums. Our remit also includes Libraries, of which Library Services are not eligible for this fund. Other types of organisations may also be eligible to apply, for more detailed information about what this fund will cover please refer to the [Frequently Asked Questions](#) which support this guidance.

	<p>Please refer to page 20 for further information on the maximum amount you can apply for.</p> <p>If the amount you are seeking is more than you are able to apply to this programme for, you should consider applying for Culture Recovery Fund Repayable Finance, which does not have an upper limit. Please be aware, Expressions of Interest for the Repayable Finance programme close on 7 January 2021.</p>
When must the activity take place?	Our funding is for the period 1 April 2021 – 30 June 2021
Minimum match funding from other sources	There is no match funding requirement for this programme
When will we make our decision?	We aim to start notifying applicants of the outcome of their applications in late March 2021.

Changes to this guidance or our programmes

We reserve the right to make changes to the guidance and/or programme after its launch. We will communicate any changes as quickly as we can.

Assistance with your application

We are committed to being open and accessible and want to make the application process accessible to everyone.

We are also producing this guidance in a range of alternative formats including Easyread, BSL and Large Print. We will publish these as soon as possible. If you require a copy of this guidance in Braille, please [contact our Customer Services team](#).

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Section one – Introduction

Welcome

Thank you for your interest in Culture Recovery Fund: Grants second round.

On 5 July 2020, the Department for Digital, Culture, Media and Sport announced a £1.57 billion package to protect the UK's culture and heritage sectors from the economic impacts of Covid-19.

The initial £1 billion of the Culture Recovery Fund has ensured that over 3,000 significant cultural organisations can survive the immediate risks that the Covid-19 restrictions posed until March 2021.

This second round of funding looks forward to next Spring and early Summer when we expect that cultural organisations will be able to operate with fewer restrictions.

Arts Council England's grants programme will support cultural organisations as they transition back to a viable and sustainable operating model during April-June 2021.

You should be aware that this element of the package is up to £250,000,000. Competition for funds is expected to be very high and we do not expect that we will be able to fund every application that meets the criteria. We will seek to fund a broad and fair spread of fundable applications using additional balancing criteria outlined on page 36.

The criteria for the Culture Recovery Fund have been set by the Department of Digital, Culture, Media and Sport (DCMS) and the grants are administered, awarded and monitored by Arts Council England on behalf of DCMS.

Other Culture Recovery Fund programmes

There are further grant programmes being delivered by National Lottery Heritage Fund and the BFI. Please ensure you are applying to the most appropriate body, as any incorrect application will be deemed ineligible and cannot therefore be considered for funding.

The other element of the support available to organisations is Culture Recovery Fund: Repayable Finance Round Two. This programme will ensure we retain both

significant organisations that are the bedrock of the global reputation of England's cultural sector, and also organisations across the country that enable people to have access to great creative and cultural opportunities, no matter what their background or where they live.

The budget for Culture Recovery Fund: Repayable Finance Round Two is £100,000,000. Culture Recovery Fund: Repayable Finance allocations have a lower limit of £1,000,000 and no upper limit. Both not for profit and for profit (commercial) organisations will be able to apply for this finance, which is expected to be in high demand.

In this round, organisations are able to apply for either grants or repayable finance, unless they have already received a Culture Recovery Fund: Repayable Finance award. You cannot submit an application to both Culture Recovery Fund: Repayable Finance and Culture Recovery Fund: Grants. If multiple applications are submitted, they will all be deemed ineligible.

All new applicants seeking £3,000,001 and over in this round are only eligible for Culture Recovery Fund: Repayable Finance Round Two.

All previous Culture Recovery Fund recipients who are seeking a cumulative total of £3,000,001 and over can only apply for Culture Recovery Fund Repayable Finance Round Two.

All for profit organisations who are seeking a cumulative total of £1,000,001 and over can only apply for Culture Recovery Fund: Repayable Finance Round Two.

Organisations that have already received a Culture Recovery Fund: Repayable Finance award are not eligible for either grants or further Repayable Finance awards.

Successful applicants to Culture Recovery Fund: Repayable Finance Round Two would be awarded a fixed term loan with fixed repayment and interest repayable as early as feasible and prudent, and in any event not longer than a 20 year maturity. The loan would have an initial interest and capital repayment holiday of up to four

years, available to profit-making and non-profit organisations, during which time interest will accrue on a six monthly basis.

The criteria for the Culture Recovery Fund: Repayable Finance Round Two programme have been set by DCMS and the loans will be administered, monitored and collections made by Arts Council England, acting as agent on behalf of DCMS. Decisions on Repayable Finance awards will be made by the Culture Recovery Board, appointed by DCMS.

The guidance for Repayable Finance was published on Tuesday 15 December. The programme opened for applications on Tuesday 15 December and closes on 7 January.

For more information about the Culture Recovery Fund: Repayable Finance Round Two programme, please refer to [the guidance on our website](#).

The Culture Recovery Fund will also continue to be available to support organisations at risk of no longer operating viably in advance of the end of March. Should you meet the cultural significance criteria, have exhausted all other funding avenues, but be at risk of not trading viably before the end March 2021, please complete the contact form at www.artscouncil.org.uk/contact by 26 January 2021, selecting 'Organisations in Distress' as the enquiry type.

About Arts Council England

Arts Council England is the national development agency for creativity and culture. We have set out our strategic vision in [Let's Create](#) that by 2030 we want England to be a country in which the creativity of each of us is valued and given the chance to flourish and where everyone of us has access to a remarkable range of high quality cultural experiences. We invest public money from Government and The National Lottery to help support the sector and to deliver this vision.

www.artscouncil.org.uk.

Advice giving

We have designed this application process to be as straightforward as possible, requesting only the information we need.

We will not be able to offer specific, one-to-one advice about how to write your application or to read draft applications for this programme.

Our Customer Services team can help you to use the online application form or to set up or make any required updates to your applicant profile.

On our website you can find more information to help you make your application, including [Frequently Asked Questions](#) for this fund.

We will be offering a series of webinars to help and advise applicants. For more information on the sessions we have planned and how to book a place, please go to [this page on our website](#).

If you feel you face particular barriers in making an application, please contact our Customer Services team by visiting www.artscouncil.org.uk/contact.

Please note that we will not be available to answer queries from 24 December 2020 to 3 January 2021 inclusive.

Section two – Purpose of the Culture Recovery Fund: Grants second round

Aims and outcomes

The aim of this Culture Recovery Fund: Grants programme second round is to support cultural organisations as they transition back to a viable and sustainable operating model during April-June 2021.

This investment is intended to help successful applicants operate on a viable and sustainable basis by 30 June 2021.

We recognise that some cultural organisations (for example, festivals) may not plan to operate fully until after 1 July 2021. They are still eligible to apply to the Culture Recovery Fund: Grants programme, and should demonstrate in their application how they will transition towards full operation during the April – June 2021 period.

Organisations should aim to minimise the cost to the public purse by demonstrating that they have been prudent in their plans and have done what they can to minimise the income gap they are seeking support to fill.

As the purpose of this fund is to support an organisation over a three month period, we do not expect requests to exceed 25% of your annual turnover (plus up to eight weeks' reserves).

Similarly, if you have previously received Culture Recovery Fund: Grants funding, we would expect your second round application to be for an amount of no more than 50% of the grant you received from the first round of the Culture Recovery Fund: Grants programme. We also would not expect you to include reflation of reserves, but this is an eligible cost if you can demonstrate how you have had to deplete reserves during this period.

What we can fund

Through this programme, we can cover costs to support you to meet the shortfall between your operating costs and income during the period April-June 2021. We expect this shortfall to be a result of reduced trading and loss of earned income as restrictions are removed. Please note that the application and amount of funding applied for must be based on income and expenditure from previous years, adjusted to reflect the current situation, to ensure the application is evidence based and not inflated.

This shortfall may include costs you incur as part of your normal business, including:

- staffing
- overheads
- marketing
- cultural activities

In addition to your ongoing costs, we acknowledge that there may be additional “one-off” costs associated with restarting your business, including:

- rehiring or recruiting staff
- contracting freelancers
- Covid-19 related capital costs, including purchasing or installing essential equipment or costs for repair and maintenance (up to a maximum of 10% of the amount applied for, or up to a maximum of 20% of the amount applied for if the organisation includes a listed building which requires further additional costs to reopen)
- repaying or clearing Covid-19 related debt incurred since 1 October 2020
- building reserves, up to a maximum value of eight weeks’ turnover (Local Authorities and Universities cannot include these costs)

Please note the grant must be spent during the period 1 April – 30 June 2021, on either costs incurred during this period or repaying debt as necessary.

What we cannot fund

We will not be able to consider the following costs:

- costs that are eligible to be covered by other strands of Government support including Covid-19 support received through other schemes that are incompatible with the Culture Recovery Fund
- costs already covered by existing government grant funding
- operating costs incurred before 1 April 2021
- operating costs beyond 30 June 2021
- clearing significant historic debt incurred before 1 October 2020
- full or partial repayment of CBILs loans
- full or partial repayment of historic structured loans

- building reserves beyond the equivalent of up to eight weeks' pre Covid turnover, or including a request for reserves when you are a Local Authority or University
- building/capital expenditure where it is not related to Covid-19 security measures (or, where eligible, capital costs in excess of 10% of the amount applied for, or in excess of 20% of the amount applied for if the organisation includes a listed building which requires further additional costs to reopen)
- covering costs/losses already supported through other sources, including any other Arts Council funding (for example, National Portfolio funding and the Arts Council's Emergency Response Funds) and Government or local authority schemes
- any costs in excess of £3,000,000 across the two funding rounds and also loans, tax bills and fines

As this is funding provided by the Department for Digital, Culture, Media and Sport, it also cannot be used for the following purposes:

- paid for lobbying, which means using grant funds to fund lobbying (via an external firm or in-house staff) in order to undertake activities intended to influence or attempt to influence Parliament, Government or political activity; or attempting to influence legislative or regulatory action
- using grant funds to directly enable one part of government to challenge another on topics unrelated to the agreed purpose of the grant
- using grant funding to petition for additional funding
- expenses such as for entertaining, specifically aimed at exerting undue influence to change government policy
- input VAT reclaimable by the grant recipient from HMRC
- payments for activities of a party political or exclusively religious nature

How much funding is available?

The total overall budget for this fund is up to £250,000,000.

Culture Recovery Fund: Programme specific Government Covid-19 guidance

Assumptions about social distancing and the public health context for business planning

The assumptions published alongside the guidance on the 14th December should be used by organisations making applications and remain unchanged. This guidance has been issued to ensure applicants can make consistent assumptions. Applicants should apply on the basis of a gradual increased capacity over April - June (accounting for social distancing measures still being in place) culminating in full reopening without constraints by July.

As part of the application, all applicants are being asked to set out a plan for April 2021- March 2022 based on plans for reopening fully and some planning assumptions about the public health context and restrictions for England.

Advances in vaccines and treatment for Covid-19 should ultimately remove the need for economic and social restrictions, such as the need for lockdowns and capacity constraints due to social distancing.

Applicants should submit Plans for the 21/22 FY based on the assumption that, during the first quarter of 21/22, capacity restraints within venues - be they performing arts venues, museums or heritage buildings - will be relaxed. Different organisations will have different lead in times and risk profiles and so should articulate the timelines for transitioning back to full reopening post-April, with a shared planning assumption that, by the end of the April-June period, capacity will no longer be constrained. Other mitigations such as requiring face coverings, managing the flow of visitors etc. may still also be in place even once capacity is no longer constrained.

The exact timeline for when social distancing can be removed remains uncertain, and so these assumptions and changes to the guidance cannot be guaranteed. As set out in more detail in [the government's roadmap for recovery, winter plan and vaccine delivery plan](#), any further steps to continue to open up the economy will be dependent on the state of the epidemic at the time, good progress across these scientific advances and the trajectory of cases being stable or remaining in decline. It may therefore be that full capacity in cultural venues is possible earlier within the April-June period.

For Recovery Plans it will also be necessary for organisations to set out their own assumptions on demand, how they assume their audiences and visitors will return and the support required by the organisation to transition back towards pre Covid

operating models. DCMS is not assuming that consumer demand will immediately return to pre Covid-19 levels, even when social distancing requirements are removed.

Section three – Eligibility

Please read the eligibility requirements for the fund carefully. If you do not meet any of these requirements, we will be unable to consider your application for funding.

Who can apply?	<p>The lead organisation (the organisation submitting the application) should be properly constituted as an organisation. The kinds of organisations that are eligible to apply include:</p> <ul style="list-style-type: none">• limited companies registered at Companies House• community interest companies (CICs) registered with the CIC regulator• charitable incorporated organisations (CIOs) registered with the Charity Commission• charitable companies or charitable trusts registered with the Charity Commission• limited liability partnerships registered at Companies House• partnerships established under a partnership deed/ agreement• community benefit and co-operative societies regulated by the Financial Conduct Authority (FCA)• Royal Charter bodies• statutory bodies and other public bodies including Universities and Local Authorities who run or maintain cultural services• Organisations with a museum with either Accredited or working towards Accreditation status <p>The lead organisation must either be based in England or can demonstrate that the majority of their work takes place in England.</p> <p>For the avoidance of doubt, the above includes National Portfolio Organisations, Creative People and Places lead organisations on behalf of the CPP</p>
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	<p>consortium and Music Education Hub lead organisations on behalf of the consortium.</p> <p>If applying for £1,000,000 and under, the organisation must have submitted a minimum of two years' financial statements with your appropriate regulatory body (Companies House or FCA), ensuring that at least two years are publicly available online by 6 January 2021.</p> <p>If applying for £1,000,001 and over, the organisation must have submitted a minimum of three years' financial statements with your appropriate regulatory body (Companies House or FCA), ensuring that at least three years are publicly available online by 6 January 2021.</p> <p>Organisations must be up to date with all necessary submissions to their regulatory body. The financial statements must show that your organisation has been trading during the two or three year period and has not been dormant.</p> <p>Organisations with a museum with either Accredited or working towards Accreditation status should apply to this programme. Otherwise, please consider applying for CRF via the National Lottery Heritage Fund.</p> <p>If you plan to apply to the Culture Recovery Fund programme run by National Lottery Heritage Fund or BFI, you cannot make an application to this fund unless you are a Local Authority, University or other Public Body applying for wholly separate, distinct services.</p>
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	<p>For this programme, we define ‘cultural’ as sitting within the remit of Arts Council England².</p> <p>Library services are not eligible to apply to this programme.</p> <p>Please see page 20 for further information on who can apply</p>
<p>What can be supported?</p>	<ul style="list-style-type: none"> ● Staffing ● Overheads ● Marketing ● Cultural activities ● Rehiring or recruiting staff ● Contracting freelancers ● Covid-19 related capital costs, including purchasing or installing essential equipment or costs for repair and maintenance (up to a maximum of 10% of the amount applied for, or up to a maximum of 20% of the amount applied for if the organisation includes a listed building which requires further additional costs to reopen) ● Building reserves, up to a maximum value of eight weeks’ turnover (Local Authorities and Universities cannot include these costs) ● Repaying or clearing Covid-19 related debt incurred since 1 October 2020
<p>Who cannot apply?</p>	<ul style="list-style-type: none"> ● Individuals ● Sole traders ● Unincorporated organisations/associations that have a constitution but are not registered at Companies House, Charity Commission or regulated by the FCA ● Charitable unincorporated organisations

² Arts Council England’s remit covers Visual Arts, Music, Literature, Theatre, Dance, Combined Arts and Museums. Our remit also includes Libraries, of which Library Services are not eligible for this fund. Other types of organisations may also be eligible to apply, for more detailed information about what this fund will cover please refer to the [Frequently Asked Questions](#) which support this guidance.

	<ul style="list-style-type: none"> ● Organisations that do not have either an Accredited Museum or Museum Working towards Accreditation (support provided by National Lottery Heritage Fund) ● Non-Accredited museums (except those working towards Accreditation)³ ● DCMS-sponsored museums ● MOD sponsored museums ● Independent cinemas (support provided through BFI) ● Private members’ clubs constituted as companies and registered at Companies House or as unincorporated associations ● Library services ● Organisations within wider commercial group structures (the application must be submitted by the parent company) ● Culture Recovery Fund: Repayable Finance loan recipients <p>Please refer to pages 12-13 for further ineligible costs.</p>
<p>What cannot be funded?</p>	<ul style="list-style-type: none"> ● Costs that are eligible to be covered by other strands of Government support ● Operating costs incurred before 1 April 2021 ● Operating costs beyond 30 June 2021 ● Clearing significant historic debt incurred prior to 1 October 2020 ● Full or partial repayment of CBILs loans ● Full or partial repayment of historic structured loans ● Building reserves beyond the equivalent of up to eight weeks’ turnover, or including a request for reserves when you are a Local Authority or University ● Building/capital expenditure where it is not related to Covid-19 security measures or repair or maintenance (or capital costs in excess of 10% of the amount applied for, or in excess of 20% of the amount applied for

³ Non-Accredited Museums should apply to National Lottery Heritage Fund’s programme

	<p>if the organisation includes a listed building which requires further additional costs to reopen)</p> <ul style="list-style-type: none"> • Covering costs/losses already supported through other sources, including any other Arts Council funding (for example, National Portfolio funding and the Arts Council’s Emergency Response Funds) and Government or local authority schemes • Costs related to the promotion of the beliefs of political or faith organisations
<p>How much can be applied for per application?</p>	<p>Between £25,000 and £3,000,000</p> <p>There may be a limit on how much you can apply to this programme for:</p> <ul style="list-style-type: none"> • if you have previously received a grant from Culture Recovery Fund: Grants, the maximum you can receive in total across rounds is £3,000,000 • if you have not previously received a grant from the Culture Recovery Fund: Grants programme, the maximum you can apply for is £3,000,000 <p>There are further restrictions for Local Authorities, Universities and other Public Bodies, and for profit organisations.</p> <p>For example, if you are a For profit organisation, the maximum you can apply for is £1,000,000.</p> <p>Please refer to page 20 for further information on the maximum amount you can apply for.</p> <p>If the amount you are seeking is more than you are able to apply to this programme for, you should consider applying for Culture Recovery Fund: Repayable Finance, which does not have an upper</p>

	limit. Please be aware, Expressions of Interest for the Repayable Finance programme close on 7 January 2021.
How much match funding from sources other than ACE is required?	There is no match funding requirement for this fund.
Delivery timetable	Our funding is for the period 1 April 2021 – 30 June 2021.

Further eligibility requirements

For this round of Culture Recovery Fund: Grants, there are specific eligibility criteria that apply to certain types of organisations and whether you've received funding from a previous round of the programme:

Organisation type	Maximum Amount you can apply for	
	If you are a new applicant	If you are a previous CRF Grants Recipient*
For profit organisation or group	£1,000,000	£1,000,000 in total
Local Authority or University	£3,000,000	£ 3,000,000 in total
Not for profit organisation	£3,000,000	£3,000,000 in total

*You may not apply to receive more than this total across the two Culture Recovery Fund: Grants programmes. For example, if you are a not for profit organisation and received £2,000,000 from the first programme, you cannot apply for more than £1,000,000 this time.

For Local Authorities or Universities, if you are submitting another application to another body (for example, National Lottery Heritage Fund) then you may not apply for more than £3,000,000 across all applications.

For profit organisations may only apply to Culture Recovery Fund: Grants for a maximum total of £1,000,000. If you are a for profit organisation that received more than £1,000,000 from the first programme, you cannot apply.

If you require more than you are able to apply to this programme for, you should consider applying to Culture Recovery Fund: Repayable Finance.

Organisation type	What you can apply for/ Who should apply
For profit group	<p>The parent company in the group can submit one application on behalf of: the whole group; one member of the group; or specific, named members of the group.</p> <p>Applications must make it clear which members of the group will receive and use Culture Recovery Fund: Grants funding and must be submitted by the parent company.</p> <p>If an application is submitted by a member of a wider group, the application will not be considered eligible.</p> <p>We expect the parent company to explain the measures it has taken to ensure sustainability for members of its group.</p>
Local Authority or University	<p>Local Authorities, Universities and other single not for profit organisations running multiple distinct cultural services can submit one application to this Arts Council programme. This application should cover all of the services that you require funding for from Arts Council England.</p> <p>It is necessary to provide the required financial information for all of the services included within the application, and meet eligibility criteria as well as the criteria for the programme in respect of</p>

	<p>each individual service for which you are applying.</p> <p>Local Authorities or Universities are able to apply to more than one programme (for example, National Lottery Heritage Fund or BFI), so long as the applications are for totally separate, discrete services and the total request across applications and rounds is no more than £3,000,000.</p> <p>We expect parent organisations to do everything possible to maintain support for individual services, and where this is not the case, to provide a clear explanation of the change in support and the reasons behind it. If budgets for the next financial year are not known, a clear explanation of the assumptions being made is required.</p>
<p>Organisation or service with an Accredited museum or a museum working towards Accreditation</p>	<p>If you are an Accredited museum or a museum working towards accreditation then you should apply to Arts Council England’s Culture Recovery Fund: Grants programme. This includes organisations with a museum (accredited or working towards accreditation) as part of a wider heritage site.</p> <p>All other museums should apply to National Lottery Heritage Fund’s Culture Recovery Fund programme.⁴</p> <p>We cannot transfer applications and if you apply to the incorrect body we cannot consider your application and it will be deemed ineligible.</p>

⁴ If you are a previous recipient of Culture Recovery Fund: Grants funding, you should submit any new application to the same body that processed and awarded the grant.

National Portfolio Organisation with an independent cinema	As part of our regularly funded organisations, you can apply to this programme and can include costs for your independent cinema.
Organisation which does not receive regular funding from the Arts Council with an independent cinema	<p>Cultural organisations which include an independent cinema can apply to this programme, and can include relevant costs and any projected lost income that may be caused by their independent cinema’s partial or full closure.</p> <p>Any application must cover wider cultural activity, and not solely an independent cinema. If you require funding solely or primarily for your independent cinema, you should apply to BFI.</p>
National Portfolio Organisation (NPO), Music Education Hub (MEH) or Creative People and Places programme (CPP)	<p>Organisations who receive regular funding from the Arts Council can apply to this programme, but should carefully consider the overall aims and outcomes.</p> <p>You cannot apply for costs that are covered by your grant from us.</p>

Culture Recovery Fund: Grants round one recipients: Underspends

We are happy to be able to confirm that DCMS has advised that, due to the changes in restrictions brought about by the introduction of tiers and current lockdown, any remaining underspend on your Culture Recovery Fund grant may now be used during the period 1 April – 30 June 2021.

As previously stated, it is not permitted to have received CRF: Grants round one funding for staffing costs, and sought Coronavirus Job Retention Scheme funding to cover the same costs. In this situation, the funds awarded for staffing costs cannot be repurposed, and this part of your round one grant will need to be returned. See HMRC guidance for further information:

<https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>

If you are intending to apply for a grant in the second round of the Culture Recovery Fund: Grants programme, please read and action the following points carefully:

- You should complete the template provided by email, setting out clearly how you intend to use the underspend, ensuring that the costs are eligible under the criteria for one or both programmes (as set out above)
- Tick the box on the Basic Details page that says ‘Please tick here if you are including a request to extend and repurpose your Culture Recovery Fund: Grants (first round) grant’
- Ensure you add the template attached to the email you’ve received on the relevant Attachments page
- You should not include Culture Recovery Fund: Grants (first round) expenditure in the Expenditure table within the Culture Recovery Fund: Grants (second round) application form. This should solely be what you are requesting the new grant for, rather than any repurposing of an underspend.
- You should include Culture Recovery Fund: Grants (first round) income in your financial documents in your new application
- A decision on whether you may use the underspend will be made at the same time as your application is reviewed
- We will confirm by the end of March whether you have been granted permission to use the underspend as set out

- If we believe that the costs you set out are not eligible, we will not grant permission for you to use the underspend and will reduce payments to you and/or ask for the funds to be returned
- If you do not use the attached template, we will not grant permission for you to use the underspend and will reduce payments to you and/or ask for the funds to be returned
- Please be aware that while we may grant permission for you to use the underspend, this does not guarantee that your application to the Culture Recovery Fund: Grants programme (second round) will be successful
- It is also possible that your application to the Culture Recovery Fund: Grants programme (second round) may be successful, but that permission to use the underspend may be denied
- Please note that you will still be required to submit an activity report form, together with certified accounts, to claim your final payment
- We are unable to extend the period during which applications for the second round of Culture Recovery Grants can be submitted – the deadline remains midday on Tuesday 26 January 2021

Section four – Making an application

You can only **submit one application to Culture Recovery Fund: Grants.**

Please note that our notice period for making and processing applications is much shorter than usual. We may need to adjust our timelines depending on the volume of applications we receive.

We aim to start notifying applicants of the outcome of their applications in late March 2021.

Application process

If you do not have a profile in our online application system, you will need to set one up. It can take a few days to validate profiles, so please do this immediately.

The deadline for registering for this programme is 5pm, Thursday 21 January 2021. If you do not have a validated profile by this time, it may not be possible to make an application to the fund.

You can find [guidance on our website](#) and if you need further support you can contact our Customer Services team by visiting www.artscouncil.org.uk/contact.

Please note that we will not be available to answer queries from 24 December 2020 to 3 January 2021 inclusive.

1. Read this guidance carefully

This guidance gives you information on how to apply.

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 application

You must apply through our [online application portal](#). You can only submit **one** application to this fund.

How to apply

The application form will ask you a series of questions, ask for a set of mandatory attachments and ask you to detail your anticipated income and expenditure.

We have tried to keep the questions as straightforward as possible so that you can provide us with the information we need to make a decision. Some questions have prompts you need to consider when providing your answer.

Basic Details

The application will firstly ask for some basic details including:

- an overview of your organisation and its work
- the amount you are requesting from us
- last year's turnover (pre-Covid-19)
- whether you are a for profit organisation
- whether you have previously received a grant from Culture Recovery Fund: Grants

We will also ask you to complete two tables detailing:

- what your current organisational reserves are
- how many members of staff you would regularly employ, how many staff you currently employ (at the point of application), and how many staff you project you will employ on 1 July 2021
- how many freelancers you would regularly contract, how many freelancers you currently have contracted (at the point of application), and how many freelancers you project to have contracted on 1 July 2021

We will then ask you to provide answers to the following questions:

1. Tell us how you have managed the impact of Covid-19 so far, and why you are unable to transition to viability and sustainability from 1 July 2021 without additional support.

(up to 4,000 characters including spaces, approximately 700 words)

You will need to tell us:

- how your organisation was financially viable before the Covid-19 pandemic took hold

- whether you have taken advantage of other Government schemes and measures which have been introduced since the pandemic began
- how you have exhausted all other reasonable options to cover your anticipated shortfall for April-June 2021, including affordable lending, viable alternative options for commercial, contributed and philanthropic income, and using your own resources
- tell us what your reserves position was on 1 April 2020, whether you rebuilt reserves using funding from Culture Recovery Fund round one, and to what extent you plan to deploy your reserves between 1 April 2020 and 31 March 2021.
- how you have managed financial risk in your organisation during this period and, if appropriate, how you have adapted your plans as the public health context has changed
- if you have received a Culture Recovery Fund grant, how you used it wisely and prudently, including, if appropriate, how you repurposed it as the public health context has changed
- if you are a for profit parent company applying on behalf of a group, what steps you have taken to provide additional support to the companies within your group

2. Tell us how you will use this grant to support your cultural operation between April-June 2021 in a way that represents value for money.

(up to 4,000 characters including spaces, approximately 700 words)

When answering this question, you should look to demonstrate that the costs associated with the plan you outline are proportionate to the needs of your organisation, and are cost effective. You should not include a significant volume of new cultural activity that is not necessary to your business to return to financial sustainability, or which represents additional financial risks.

Please factor in the assumptions about restrictions for April-June at the point of application based on the Culture Recovery Fund: Programme specific Government Covid-19 guidance on page 14.

You will need to tell us:

- the current status of your organisation: are you operating, partially operating or have you temporarily closed/ceased trading
- what cultural activities you plan to deliver between April-June 2021, and how that is the most appropriate way for you to transition to a full operation

- what conclusions you have drawn about likely consumer behaviour during this period, and its impact on your plans
- how you have minimised the gap between your income and expenditure
- any necessary one-off costs your organisation will incur during this period that are essential to your current plan, including rebuilding reserves to the equivalent of eight weeks' turnover pre-Covid

3. Tell us how you will adapt your plans if restrictions do not ease during the period as set out in the assumptions

(up to 2,000 characters including spaces, approximately 350 words)

You will need to tell us:

- how you will adapt your plans in response to potential ongoing changes, including a scenario where consumers are slower to return to cultural venues or cultural activities than you've planned for
- what measures you have in place that allow your organisation to react to and mitigate risk, and their effectiveness
- how alternative scenarios can be managed

4. Tell us how you plan to ensure your viability and sustainability for the period 1 July 2021 - 31 March 2022

(Up to 2,000 characters, approximately 350 words)

Using your cashflow and budget template to 31 March 2022, use this question to provide a narrative and tell us:

- after the grant has been spent, what measures you are taking to control expenditure
- how any future income or fundraising plans will contribute, and how realistic these plans are
- whether there are any risks associated with your current plans, and how you intend to mitigate those
- what reserves you expect to have on 1 July 2021
- how any future income or fundraising plans will contribute, and how realistic these plans are

5. Tell us about your organisation's work and how it is considered to be culturally significant and/or how it contributes to providing cultural opportunity in England

(up to 4,000 characters including spaces, approximately 700 words, split across two text boxes of maximum 2,000 characters)

You will need to tell us about:

- a) your national and international significance within the cultural sector **and/or**
- b) your key role in providing cultural opportunity in a community in England

You only need to answer option a) or b), although you are welcome to respond to both if you prefer.

- a) the following prompts will help you to tell us about your national or international significance in the cultural sector, if that is most relevant for your organisation:
 - that you are an organisation which makes a major contribution to the national and international reputation of the cultural sector in England, and that you can demonstrate your commitment to excellence and innovation in the way you create, present and distribute content and to building national and/or international partnerships
 - that your organisation has national or international reach, relevance and impact, for example whether you care for and provide public access to buildings or collections that are nationally or internationally significant or that your activity is important for the development of your artform or discipline and/or
 - that you offer public access to nationally or internationally significant artistic, curatorial and/or cultural training or employment, including the development of a diverse and growing talent pipeline provision or content and/or
 - that you fulfil a national or international leadership or development role within an artform/sub-artform or discipline that could not be easily replicated or replaced
- b) the following prompts will help you to tell us about your role in providing cultural opportunity in a community in England, if that is most relevant for your organisation:
 - that you are located in a place where there is a relatively low number of cultural organisations, and whose loss would further reduce

cultural engagement opportunities for the public, particularly for people from underserved groups in society and for young people

- that you are located in a place where there are relatively low levels of cultural engagement, as per the Active Lives survey, and that, as an organisation, you work with people there, particularly those from underserved groups, to help them develop and express their creativity throughout their lives
- that you are a vital cultural organisation in a place, because of the employment opportunities you provide, the contribution you make to economic agendas such as tourism, the important role you play in enhancing local creative skills, and/or your organisation's presence at the centre of a high street, place or community. You may wish to set out local support of your role such as from a Council or Councillors, Local Enterprise Partnership, MP
- that, as an organisation, you play an important role in supporting a collaborative approach to the cultural ecology within a place, through partnership with other cultural organisations, and/or with organisations in other sectors (for example, a Cultural Education Partnership)
- that, if your organisation is a museum, you care for collections which have important regional, local or community resonance, and/or the loss of that collection would impact disadvantaged communities, and/or our understanding of diverse communities across England⁵

6. Please tell us how you will open up access by improving the diversity of your audiences, visitors, participants, workforce and governance?⁶

(up to 2,000 characters including spaces, approximately 350 words)

You will need to tell us:

- what steps you will take to broaden the diversity of your workforce and governance, including socioeconomic diversity, and the impact of those changes
- what steps you will take to broaden the diversity of your audiences, visitor base and participants, including socioeconomic diversity, and the impact of those changes

⁵ See our [FAQs](#) for further information

⁶ This question will solely be used during the balancing stages of our decision making

Expenditure

We will ask you to complete an expenditure table, so that we can see how the grant will be spent. You should select the relevant headings when outlining what costs the grant will cover, which are listed in the application as:

- staffing costs
- overheads
- operational costs
- consultancy fees
- Covid-19 compliant equipment purchase
- Covid-19 compliant capital costs
- Covid-19 Debt
- programme delivery
- reserves
- freelance contract costs
- other

Delivery- Your Plans

We will ask you to complete a table outlining a headline plan for delivery, to give us an overview of what you intend to deliver over the three months the Culture Recovery Fund grant will cover.

Area of Benefit

You should complete the table on this page with any details of other sites or venues that are included within the application, or if the area/s you work in is in a different geographic location to the address your organisation is registered. For example, if you have a number of venues that are covered within the application, or are a touring organisation and therefore will work at multiple sites.

Attachments

If you do not use the mandatory cashflow and budget templates, we may not be able to consider your application and it may be deemed ineligible.

You must upload the following mandatory attachments on the 'Attachments' screen:

All applicants must provide:

- a completed cashflow template for the period 1 January 2021 – 1 April 2022
- a completed detailed budget template for the period 1 January 2021 – 1 April 2022
- a balance sheet⁷ at 31 December 2020, showing actual levels of restricted and unrestricted reserves
- a balance sheet projection for 31 March 2021, showing projected levels of restricted and unrestricted reserves
- last financial year's full financial statements (preferably 2019/20 where possible), prepared to the relevant legal standard for an organisation of your size and status⁸

Allowable formats: jpg, xls,xlsx, jpeg, pdf, doc, docx, pptx, and ppt.

The combined limit on file size for each attachments is **10 megabytes**.

Attachments - Applications covering multiple organisations, services, venues or sites

As Local Authorities, Universities and For profit organisations can submit one application on behalf of a wider group, applicants are required to merge their attachments as necessary.

⁷ A balance sheet shows the value of an organisation on a particular date, including what the organisation owns and owes (its assets and its liabilities)

⁸ For this programme, where possible, applicants are asked to submit accounts that have been independently audited or certified, though we understand this may not be possible in the timeframe available.

We can only accept one document per attachment but do still want to see the necessary level of financial information for each venue, site, service or organisation you're requesting funding for.

Where a template is mandatory, this will be a Microsoft Excel format. Applicants should:

- save a copy of the template
- create new sheets for the number of organisations, venues, sites and services that the application will cover
- copy the main template
- paste the template into each necessary sheet
- complete as necessary

If you do not use the mandatory cashflow and budget templates, we may not be able to consider your application and it may be deemed ineligible.

Section five – How we will make our decision

We will notify all applicants of our decision by the end of March 2021.

We will check your application to ensure that you have provided all the information we have requested.

We will use the information you give us in your application form and in any attachments (and any other information we hold about you if you are in receipt of our funding for example a National Portfolio Organisation or Creative People and Places lead organisation) to decide whether we will offer you a grant.

We will also consider whether you have received funding through the Culture Recovery Fund: Grants programme and the purpose of this funding, as outlined in the original application and any subsequent payment conditions.

If your application does not contain the information we need in the format we ask for it to be in⁹, we may not be able to consider your application and it may be deemed ineligible.

If we require clarification on any of the information provided, we may seek additional information but because of the speed at which this fund has to be delivered we will be unable to do so in the majority of cases. You are therefore advised to include **all relevant information** in your application.

We will make our decision based on the information you provide in your application, and any further information that we may have requested. We will refer to your regulatory body (for example, Companies House, FCA or Charity Commission) to ensure you are up to date with all necessary submissions. If you have overdue submissions, we may consider your application ineligible.

⁹ Applicants must use the mandatory cashflow and budget template documents

Ratings

Your answer to question 1 – 5 will be assessed using the ‘prompts’ that reflect the criteria set out in the ‘Programme aims and objectives’ and ‘Making an application’ sections of this guidance:

- **Management of Covid-19 impact** (question 1) where we will apply a rating of either:
 - **Not met**
The application does not meet the criteria
 - **Met**
The application meets the criteria
- **Supporting your cultural operation** (question 2) where we will apply a rating of either:
 - **Not met**
The application does not meet the criteria
 - **Met**
The application meets the criteria
 - **Strong**
The application strongly meets the criteria
- **Adaptable plans** (question 3) where we will apply a rating of either:
 - **Not met**
The application does not meet the criteria
 - **Met**
The application meets the criteria
 - **Strong**
The application strongly meets the criteria
- **Future viability and sustainability** (question 4) where we will apply a rating of either:
 - **Not met**
The application does not meet the criteria
 - **Met**
The application meets the criteria
 - **Strong**
The application strongly meets the criteria
- **Cultural significance** (question 5) where we will apply a rating of either:
 - **Not met**

- *The application does not meet the criteria*
- **Met**
The application meets the criteria
- **Strong**
The application strongly meets the criteria

An applicant will be rated ‘strong’ against cultural significance if, in the view of the Arts Council, it has been able to demonstrate that it makes a significant, distinctive and particular contribution to the national and international reputation of the cultural sector in England that could not easily be replicated or reproduced.

An applicant will score ‘strong’ against cultural opportunity if, in the view of the Arts Council, it has been able to demonstrate that it provides cultural opportunities to communities that currently have limited access to other cultural opportunities within easy reach.

These ratings will determine whether an application is suitable for funding. If the application scores “not met” against any of questions 1-5, then it will not be recommended for funding.

We will use the scores when making decisions.

We will then consider your answer to question 6 and apply a rating, however this rating will solely be considered where necessary during balancing:

- **Opening up access** (question 6) where we will apply a rating of either:
 - **Not met**
The application does not demonstrate sufficient plans for improvement
 - **Met**
The applications demonstrates sufficient plans for improvement
 - **Strong**
The application demonstrates strong plans for improvement

If you are a Museum (either with Accredited or Working towards Accreditation status), we will share your application with [National Lottery Heritage Fund](#) for their review and comment.

If you are an organisation whose work primarily focuses on our remit but also includes cinema and/or film, we may share your application with the [BFI](#) for their review and comment.

Balancing and Decision Meetings

We are expecting more demand for this programme than we have resources available. Following our assessment of all applications received, we will then look at a range of additional 'balancing criteria' to consider if we are achieving the right spread of investment. The balancing criteria we will consider are as follows:

- **Geographic spread:** we will take into account the need to support cultural organisations across England. We will also consider whether your organisation is based in an area of low cultural engagement.¹⁰
- **Opening up access and participation in culture:** we want to support organisations who are committed to opening up access by developing diversity within their audiences, participants, workforce, and governance, and for those organisations which are important to their local places and audiences and which promote understanding of diverse communities across the country.
- **Range of artforms and disciplines:** we want to support a range of organisations across the cultural ecosystem including our defined artforms and disciplines. These are: combined arts (multiple artform, cross artform or hybrid artforms), dance, literature, museums, music, theatre and visual arts
- **Size and type:** we want to support a mix of cultural organisations across a range of sizes and scales including, for example, building-based companies, touring companies, arts venues, festivals and other types of organisations

¹⁰ As defined within the [Active Lives Survey](#).

These balancing criteria will be used to ensure a good spread of funded projects according to each balancing criterion, and to differentiate between a number of proposals that we consider fundable.

If you have applied for more than £1,000,000 across both programmes, we will share your application externally with the Culture Recovery Board appointed by DCMS and ask them for comment before a final decision is taken.

When an amount awarded is less than what you had requested

We believe that there will be considerable demand for this funding, and we want to ensure that organisations across the sector can benefit. In considering your application, we will make a judgement on whether sufficient evidence is provided in support of the level of funding requested and may offer funding below the level requested.

We will deduct any ineligible expenditure from your request, and may make other reductions based on the level of demand for funding.

Within your decision letter, we will explain the reason for reducing any grant offered.

Section six – After our decision

As this programme is administered, awarded and monitored by Arts Council England on behalf of DCMS, all successful applicants will be required to participate in a post-programme evaluation and to comply with proportionate reporting and monitoring arrangements. All successful applicants will be asked to publicise the decision in an appropriate manner.

Should your application for a grant be successful, we will ask you to provide a statement by your board (or equivalent) confirming the acceptance of the following conditions:

- the organisation will exercise pay restraint for at least 18 months from the date of the funding agreement, where legally possible for them to do so, including imposing a pay freeze for all senior staff¹¹ and 10% pay reductions to pre-Covid-19 pay for those contracted to receive above £150,000 per year¹²
- the organisation will demonstrate a commitment to open up access and increase the diversity of its audiences, visitors and/or participants, as well as its organisational diversity
- the organisation will demonstrate a commitment to progress towards net zero greenhouse gas emissions by 2050 and reporting against it
- the organisation will demonstrate a commitment to increase educational/outreach work
- the organisation will comply with legislation relating to State aid
- the organisation will ensure they take reasonable steps to protect the heritage assets they are responsible for, in particular their physical estates.

In considering any future application you make to the Arts Council, we will take into consideration whether these conditions have been implemented.

We will split the grant across two payments, 70% as your first payment and 30% on receipt of all final conditions at the end of the grant. Please be aware that funding must be paid into and administered via a UK based bank account.

If your application scores Not Met against Opening up access, we will ask for you to produce an Opening up access Milestone Plan as a condition of your first payment.

¹¹ In relation to this fund, senior staff are defined as any employee earning over £100,000.

¹² Local Authorities and Universities are exempt from applying the pay restraint condition

Section seven – For information

Making a complaint

As an organisation, we will always listen to and respond to any concerns that you may have. If you would like to make a complaint about either the service you have received from Arts Council England or the way we have handled your application, we have a process that you can use.

Please note that Arts Council England does not have an appeals process and for this reason, we are unable to accept complaints that relate solely to the decision we have made rather than how we have made it.

For more information, please visit the ‘Complaints’ section of our website, under ‘Contact us’ (www.artscouncil.org.uk/contact). Additionally, you can email complaints@artscouncil.org.uk for more information.

Public sector equality duty

Your application form 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.

Counter fraud measures

Arts Council England has a [Counter Fraud Strategy and Policy](#) and appropriate measures will be taken to ensure that grant holders given funding through this programme 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.

Section eight – State aid

At the point of publication of this Guidance for Applicants, public funding for organisations carrying out commercial activities, including those with charitable status, is governed by the European Commission’s ‘State aid’ rules as set out in Article 107-109 of the Treaty of the Functioning of the European Union and associated regulations and guidelines.

Following 11pm on the 31st December 2020, it is expected that there will be a new UK subsidy control regime. Further information on this for the purposes of this programme will be published by the Arts Council once the details of that regime are known. The Department for Business, Energy and Industrial Strategy is likely to issue guidance.

You will be expected to comply with the terms of that regime and to satisfy any further information requests, and any agreements that have been entered into will be reviewed and varied accordingly. The Arts Council reserves the right to impose further requirements and additional conditions in relation to this matter.

Section nine – Freedom of Information Act

The Arts Council is committed to being as open as possible. We believe that the public has a right to know how we spend public funds and how we make our funding decisions.

We 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 at www.ico.gov.uk 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.

Section ten – Data Protection

The Arts Council is 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 EU General Data Protection Regulation (2016/679), 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 us meeting this requirement, we have published our General 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 at www.ico.org.uk

Contact us

Website: www.artscouncil.org.uk

Customer Services: www.artscouncil.org.uk/contact

December 2020