Culture Recovery Fund for Heritage, first round

Closed programmes

Important

The Culture Recovery Fund for Heritage is now closed to new applications. Explore our available funding.

The Culture Recovery Fund for Heritage is part of the £1.57 billion rescue package announced by the Department for Digital, Culture, Media and Sport (DCMS) to safeguard cultural and heritage organisations across the UK from the economic impact of COVID-19.

The National Lottery Heritage Fund is distributing £88million of this to organisations in England through the Culture Recovery Fund for Heritage. We are distributing this government funding in partnership with Historic England, based on criteria set by DCMS.

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The Culture Recovery Fund for Heritage will support organisations across the heritage ecosystem that were financially sustainable before COVID-19, have exhausted all other financing options, and are now at risk of failure.

- grants from £10,000 to £3million
- for organisations in England only
- funding must be spent by the end of this financial year, 31 March 2021

This programme will support organisations across the heritage ecosystem to ensure that by 31 March 2021, successful applicants can reopen or, if reopening under social distancing is not permissible or does not represent a value for money approach, to operate on a sustainable and cost-efficient basis so that they are able to reopen at a later date.

Heritage can mean different things to?different people. It can be anything from the past that you value and want to pass on to future generations.

As a guide, this could include:

- people’s memories and experiences (often recorded as ‘oral history’)
- cultural traditions (for example, stories, festivals, crafts, music and dance)
- community archaeology

- historic buildings, monuments and environments
- designed landscapes, such as parks and gardens
- collections of objects, books or documents in libraries or?archives
- histories of people and communities or places and events
- the heritage of languages and dialects
- places and objects linked to our industrial, maritime and transport history

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Who can apply?

We are accepting applications from heritage organisations in England.

It isn’t possible to list every type of organisation that makes up our broad and varied heritage sector. If you don’t see your organisation in the list below, we still encourage you to make an application.

As a guide, your organisation could be:

- Not for profit organisations that manage heritage sites, venues or attractions
- Local authorities, universities and other public sector bodies that manage heritage sites, venues or attractions
- Private owners of heritage sites, venues or attractions that are normally open to the public 28 days a year or more
- For profit businesses that are a vital part of the heritage ecosystem and who generate the largest portion of their income from heritage work, this includes conservators, contractors, specialists, suppliers and cooperatives
- Organisations that manage culturally significant assets or collections
- Organisations that provide significant support to the heritage sector

If you manage more than one heritage site, please submit one application for your organisation as a whole. We ask you to do this so you can demonstrate the financial risk to your organisation and your business planning needs to be considered in the round.

If you are a local authority, you can make one application for a single cultural service or one application for multiple cultural services. You must still make one application and we cannot fund broader local authority costs.

Under this programme we are not accepting applications from:

- Organisations that manage heritage that is not in England. If your organisation is based in Northern Ireland, Scotland or Wales and you manage heritage in England you can apply for a proportion of your organisations costs related to the heritage in England.
- Organisations that were not operating sustainably before March 2020
- Organisations that can apply for support from the Culture Recovery Fund through Arts Council England or The British Film Institute. This includes, accredited museums or museums that are working towards accreditation and cinemas.
- Organisations that need more than £3million to stabilise this financial year and become viable again. If this applies to you, you may be eligible to apply for repayable finance administered and managed by Arts Council

England. ?
- Organisations that manage or preserve natural habitats and species.

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What can you apply for?

You can apply for the costs you need to help your organisation recover from the economic impact of COVID-19 and to make sure that you are financially viable in the future. You will need to consider the most effective route to future sustainability for your organisation, and the public benefit, including economic benefit, to the wider heritage ecosystem. This may include a combination of re-opening, partial re-opening and mothballing.

As part of your planning, you will need to factor in assumptions about social distancing, and which do not entail significant financial risks for your organisation, and DCMS have provided some guidance on incorporating public health measures into your assumptions (see below.) Organisations should also ensure that they do not propose activity which represents significant risks if the situation worsens, and be aware that they will need to operate for the remainder of the Financial Year within the funding envelope allocated to them.

We want you to consider your longer-term viability so your application must include costs to help you achieve this. For example, you should think about costs to review your business plan, governance and financial management. If you are awarded a grant we will require you to report back on this and update your business plan, or equivalent document.

The costs you apply for should cover the period from 1 October 2020 to 31 March 2021 only.

There is no partnership funding requirement for this programme.

To help you plan your application, we have included some examples of the type of costs you may want to include. We can cover any reasonable cost that helps your organisation recover and become viable. This list is a guide to help you.

Costs to help you adapt and recover

We can help your organisation to recover from the economic impact of the pandemic and become financially sustainable in the future. You could include:

- essential overheads from 1 October 2020 to 31 March 2021, for example salaries, rent, rates and insurance
- costs to help your organisation be more resilient in the future, for example, adapting business plans, risk management reviews, piloting new ways of working
- testing and consulting on new activities that will help recovery and diversify your income streams

Costs to help you re-open

We can provide funding to help you re-open and follow public health guidelines, if this is the best option for your organisation. You could include:

- additional staff needed for cleaning or to help manage visitor flow

- adaptations to help you operate and comply with social distancing requirements. For example, Personal Protective Equipment (PPE) for staff and volunteers, screens and contactless payment methods, shelters for queues or additional toilet
- advice from professionals, for example, on risk assessment, safety, how to support your staff
- costs to restart and diversify income-generating activities

Costs to help you temporarily scale back

You may need to temporarily change the way you work to stabilise your organisation or consider longer term withdrawal and protection of your heritage, if this is the most cost effective option. You could include:

- staff costs to allow you to respond, design and deliver plans
- essential IT equipment and connectivity costs to support homeworking
- activities to enable your organisation to put information online and to interact with your community/customers if your site is closed, for example, digital expertise, equipment or customer relationship management system
- essential costs to protect your heritage, for example, site security, maintenance, environmental monitoring for collections
- stabilising heritage that is at immediate risk, for example, scaffolding or urgent conservation work
- temporary storage for collections, artefacts and documents, including necessary secure transport or insurance
- costs to help you transition out of the mothballing period, including hiring staff

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What can't you apply for?

- costs that are eligible to be covered by government support, for example, furloughing
- the remaining salary costs for staff on furlough not covered by the government's Job Retention Scheme, or any additional salary costs above the furloughing cap
- any costs you will incur beyond 31 March 2021
- anything that contravenes Governments' advice on COVID-19
- recoverable VAT
- costs related to promoting political campaigning or the promotion of religious beliefs
- costs already covered through other emergency support funding, for example through our Heritage Emergency Fund or Historic England's Covid-19 Emergency Heritage at Risk Response Fund
- capital works, such as repairs to a building or monument
- a sum to cover lost income or to re-inflate your reserves

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How to apply to the Culture Recovery Fund for Heritage

At this stage, we are planning for one application round. We will review this based on need and we advise you to submit your application for this round if possible.

Before you apply

1. We are not offering pre-application advice for this programme so make sure you read the guidance and check that you are eligible to apply.
2. Read the application questions [PDF] and prepare your answers in advance. You must complete your application in one go, you cannot save your application or return to it. We recommend you draft your answers before starting an application. Make sure you keep within the 2,000-word limit for the application form.
3. Have your mandatory supporting documents ready. If you are a local authority, your supporting documents should just be for the cultural service or services you are applying for and not your organisation as a whole. Please note: your application is not complete without your mandatory supporting documents.

If you are applying for under £1million, you will need to provide:

- your most recent financial accounts
- a cash flow forecast, completed using the cash flow forecast template [Excel] for this financial year
- a business action plan, completed using the action plan template [Excel]. This plan must include the steps you will take to make your organisation financially viable in the future.

If you are applying for £1million or more, you will need to provide

- financial accounts for the last 3 years
- cash flow forecast, completed using the cash flow forecast template [Excel] for this financial year
- a business action plan, completed using the action plan template [Excel]. This plan must include the steps you will take to make your organisation viable in the future.
- an up to date business plan. In your business plan, you will need to tell us how a grant from this fund will enable you to deliver on a clear and value for money plan to achieve financial viability by 31 March 2021 in the way that is appropriate for your organisation

You will need to demonstrate how your plan could enable your organisation to either:

- fully or partially remain open or reopen, where it represents a value for money approach, or
- not reopen, minimising costs in the interim period

You will need to tell us:

- your plan for the most value for money route to sustainability which sets out the key cultural activity you plan to progress with which is good value for money with social distancing in place, and which does not entail significant financial risks for your organisation, which shows you have taken appropriate steps to reduce costs, and have a clear plan to maximise income as fully as possible in a cost effective way, including extending opening hours if appropriate and taking advantage of temporary changes to Government rules and regulations
- how you have considered whether full reopening, scaled-back reopening, or remaining closed with a reduced cost base provides your best chance for longer-term survival

- how you have the skills and experience available at a senior level to enable you to adapt and flex your business to the changing external environment, and ensure the best chance of longer-term viability, sustainability and recovery
- what financial controls, monitoring and reporting processes you have in place to ensure the effective financial management of your organisation

You will receive an email after you submit your application with instructions to upload your mandatory supporting documents. You must send us your supporting documents within 24 hours of receiving this email and use the templates that we have provided for your cash flow and business action plan. The application deadline is midday on Monday 17 August and your supporting documents must be with us by midday on Tuesday 18 August.

When sending us your mandatory supporting documents, please use the document names above so we can easily identify each document. Not using the correct document names may delay your application. If we do not receive the supporting documents by midday on Tuesday 18 August, your application will not be assessed and will be withdrawn.

After you apply

- You will receive an email with instructions to upload your supporting documents.
- Do not change the subject title of the email. It contains a unique identification reference, which consists of numbers and letters. We use this to match your supporting documents to the right application. Changing the format of the unique identification may delay your application.
- Send us your supporting documents within 24 hours of receiving this email. If we do not receive supporting documents within 24 hours, your application will not be assessed and will be withdrawn.

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When to apply

We are accepting applications from Thursday 30 July until noon on 17 August 2020. We will aim to assess applications and make decisions by the end of September, for applications up to £1million.

Applications for £1million or more will be reviewed by an independent board appointed by DCMS, with decisions taking slightly longer.

This guidance should cover everything you need to know to apply. We will not be able to offer specific one to one advice for this programme.

We have designed the application process to be as straightforward as possible and we are requesting only the information we need. Please read this guidance before you start your application.

For technical support or assistance with accessibility, please contact our customer service team by email: enquire@heritagefund.org.uk

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How will we assess applications?

When assessing your application, we will consider whether you meet the essential criteria for the programme. If you do not meet the essential criteria, we will not assess your application further.

We will also consider if your plans and risk level are proportionate to the amount of funding you are applying for.

Essential Criteria

You should only apply for this funding if you are able to meet all of the essential criteria:

- you must have been financially viable before COVID-19 (March 2020)
- you are at risk of no longer trading viably by the end of this financial year
- you can demonstrate that you have exhausted all other financing options. For example, applying for other emergency funds, reducing costs, diversifying income streams or taking advantage of government easements
- you have a clear plan towards future financial viability

We will assess the level of financial risk you are facing and also consider the impact the loss of your organisation would have on the heritage you manage, your local community and the wider heritage sector.

We will ask you to tell us what would happen to your heritage if your organisation stopped operating and will take into account whether it would put significant heritage at risk, lead to a loss of skills or a statutory service.

Priority criteria

If your application meets the criteria outlined above, we will prioritise applications that demonstrate either:

- high heritage significance or
- high economic and cultural impact in your place

Heritage significance

Priority will be given to applicants that are nationally or internationally significant. To assess this, we will take the following into account, whether applicants:

- are recognised as nationally or internationally excellent within their sector
- care for heritage or deliver a service that is nationally or internationally important, irreplaceable, or scarce in their place or region. This may include a recognised designation
- have a national remit or responsibility that impacts on the wider cultural landscape, and their failure would risk the future of their sub-sector. For example, they may have a convening role, provide significant support for their wider sector or play a significant role in nurturing growth, diversity and creativity in the sector
- lead or deliver strategically important national and/or international activities or partnerships

Economic and cultural impact in your place

Priority will be given to applicants that play an important role in levelling-up for their place. We will consider the relationship between the applicant, the heritage, and the local area, looking at things like:

- how many cultural organisations there are in the area, and what impact the loss of the organisation or heritage would have on cultural engagement locally
- what opportunities local people have to engage with culture and heritage, particularly those in underserved audiences, including young people
- how the organisation fits into the local community, and whether it plays a vital role in tourism, supply chains, developing creative skills, or bringing other cultural and community organisations together
- whether the heritage is unique or has particular resonance with the local community. This might include whether heritage is formally designated, is in a conservation area, or is featured in a local heritage list

Balancing criteria

Organisations that do not meet the heritage importance or economic and cultural impact priority criteria outlined above will not be funded.

After the priority criteria have been applied, our decision makers will use the following criteria to balance the investment and differentiate between fundable applications:

- **Geographic spread:** we want to support organisations across England. We will also consider whether your organisation is based in an area of low cultural engagement, provision, or of economic disadvantage.
- **Economic growth:** we want to support organisations that contribute to economic growth and cultural sector employment.
- **Types of organisation:** we want to support a wide variety of heritage organisations to represent all sizes and all sub-sectors.
- **Diversity:** heritage has a crucial role to play in contributing to a flourishing, more equitable society. We want to make sure the people who visit and benefit from heritage are reflective of society. To ensure this, we will consider whether the organisations applying have a track record of broadening access and participation in culture, particularly for those that are underrepresented, and promoting positive social outcomes through place based collaboration.

Conditions of funding

If you are awarded a grant, we will require you to sign up to the terms of this grant, which include specific requirements from DCMS.

- where contracts allow, and organisations are legally able to do so, pay freeze for all senior staff (those earning £100,000 per annum or more) for at least 18 months, plus 10% pay reductions to pre-Covid pay for those above a £150k threshold, including cancelling bonuses.
- demonstrate a commitment to increasing organisational diversity and the diversity of your audiences.
- demonstrate a commitment to Government targets on achieving Net Zero by 2050 and to climate disclosures.
- demonstrate a commitment to increase educational outreach.
- ensure you take reasonable steps to protect the heritage assets you are responsible for, in particular their physical estates.
- participate in the proportionate monitoring and evaluation of this programme.

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Once you have submitted your application

We will check that your organisation and application meet the criteria outlined above. If your application does not meet this criteria, we will not be able to assess your application and we will let you know this.

If your application meets the criteria, we will use the information provided in your application and supporting documents to assess your application.

We will announce Culture Recovery Fund for Heritage grants in batches. Applicants should find out if they have received funding by the end of October 2020.

If we award you a grant

You will need to submit additional forms on our system so that we can make a payment.

We will let you know when you need to do this and guide you through the process. If we award you a grant, we will send you a letter, which includes the amount you have been awarded and outlines the conditions of the grant. You will need to complete and sign a permission to start form to confirm that you are accepting the grant and signing up to the terms in the letter. When you have completed this process, we will make your first grant payment.

All successful applicants will be asked to publicise their grant in a proportionate manner. We will provide more information on how to do this in your grant award letter.

Reporting on your progress and evaluation

All grantees will be required to participate in monitoring and evaluation of this programme. Over the next few months we will monitor the health of your organisation.

DCMS will be evaluating the impact of the whole fund and will require you to take part in some data collection to support this work. We will provide more information about this requirement as soon as it is available.

Changes to this guidance

We have developed this funding programme very quickly in order to respond to the immediate needs of the heritage sector. We will continue to review our processes to ensure we are able to provide support where it is needed. We reserve the right to make any changes needed to the guidance and programme. We will communicate any changes as quickly as possible via this webpage.

Repayable Finance

The other element of the support available to organisations is repayable finance. £270 million will be offered on generous terms, administered and managed by Arts Council England. Organisations will be able to access either grants or repayable finance but not both. Details will be published before closure of the grants applications to enable potential

applicants to make decisions on which scheme to choose. Loan terms are expected to include an up to 20 year repayment, an initial repayment holiday of up to four years, and a 2% interest rate per annum. All awards over £3 million will be made as repayable finance and organisations requiring above this amount should apply for loans only. Charitable and commercial organisations will be able to access this finance, which is expected to be in high demand.

Decisions on loans awards will be made by the independent Board. Applicants will need to demonstrate they meet the cultural criteria set out in this guidance and will need to meet the same conditions. Culture finance applications will also need to meet additional financial criteria and will be assessed independently on their ability to repay.

State Aid

We are a public funder and our grants are subject to state aid rules. If we awarded a grant that was subsequently found to be in breach of state aid rules, we would be required to reclaim those funds from the you. It is your responsibility to check whether state aid clearance is required and you should seek independent legal advice if you are unsure whether your project will require clearance.

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Making a complaint

We understand that you may be disappointed with a decision. We can only review our decision again if you can make a complaint about how we have dealt with your Cultural Recovery Fund for Heritage application.

We will only be able to consider and investigate the complaint if:

- We did not follow the published procedures for assessing your application.
- You can show that we have misunderstood a significant part of your application.
- You can show that we did not take notice of relevant information.

A complaint must be made in writing by emailing enquire@heritagefund.org.uk within 10 working days of receiving your application decision. We aim to acknowledge your complaint within three working days.

Your complaint will initially be reviewed by an area/country director from The National Lottery Heritage Fund, who is independent of recommendation and decision panels for this fund.

We aim to communicate a decision within 15 working days from when you submitted your complaint.

For assistance, contact our Customer Services Team on 020 7591 6044 or email enquire@heritagefund.org.uk.

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Public health guidance

Assumptions about public health context for business planning All applicants should provide plans for October 2020 – March 2021 based on the same central assumptions on social distancing and the public health context for England.

Applicants should put forward a value for money plan to operate assuming public health guidelines at 10 August 2020 continue.

In particular, organisations should assume that settings remain open as currently permitted, in line with the performing arts guidance, the museums, heritage and galleries guidance, and other relevant guidance [including that indoor and performances can resume if social distancing is maintained] and also assume that social distancing continues at 2m/1m+.

Organisations will need to consider how their plans can be as flexible and resilient to any further changes as far as this is possible.

1. Social distancing measures, including the need to maintain distance at 2m or 1m+ plus mitigations and particular considerations for higher risk groups. We expect this will continue to constrain demand for many organisations, both in terms of venue capacity but also consumer demand. Consumer demand is likely to continue below standard levels for the time being, while gradually picking up if the health situation allows and consumer confidence returns. However, this may vary across demographics, given the different levels of risk that the virus presents for them. Organisations will want to consider how their typical customer base is likely to respond to continued social distancing measures.
2. International travel restrictions - current advice is that all but essential international travel should be avoided. This means that organisations that rely more heavily on international tourists for their customer base might be more significantly affected. Organisations will want to consider how ongoing travel restrictions both from and into the UK will impact their ability to tour and receive international customers and shows.
3. The Contain Framework, which sets out how national and local partners will work with the public at a local level to prevent, contain and manage outbreaks. This includes measures to close specific sectors or areas, restrict movement of people and gatherings.
4. The performing arts guidance, museums and galleries guidance, heritage guidance and cinema guidance, and other relevant guidance, for particular organisations, sets out how organisations should undertake activity in a Covid-secure way. Organisations should ensure that any activity in their plan adheres to this, and other relevant guidance.

The path of the virus is uncertain and it is therefore impossible to predict between now and March.

The above is not a prediction or a vision for how the context will play out in the remainder of the financial year.

As set out in more detail in the government's roadmap for recovery any further steps to continue to open up the economy will be dependent on the state of the epidemic at the time and the trajectory of cases being stable or remaining in decline.

Similarly it will be necessary that local outbreaks are identified quickly and quashed and a resurgence in the virus may require tighter restrictions. It is in that context that we ask organisations to prepare plans setting out the most value for money plans within current guidelines, whilst accepting that the exact path may vary.

The Heritage Fund is distributing Culture Recovery Fund for Heritage in partnership with Historic England, on behalf of the Department for Digital, Culture, Media & Sport (DCMS).