

# Questions and answers

## Culture Recovery Fund for Heritage: second round

Please note some questions have been combined or abridged for ease of reference

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## Eligibility

- 1) **Our sector support organisation was unsuccessful in round 1 because we were not at a point of imminent collapse. We now have rapidly depleting reserves and need to implement new strategic and business plans – can we apply?**

Please do apply to this fund.

- 2) **We officially opened in February 2019 with one full set of accounts, as a relatively new organisation would we be eligible to apply for this recovery fund?**

We require two sets of accounts. If you don't have two sets but still wish to apply we will consider your application by exception.

- 3) **The grant is for £10k and over, and is for 25% of your turnover. What if our organisation is smaller than that. What if 25% of our turnover is less than £10k? Does that mean we're too small to be eligible?**

As well as turnover you can include essential one off costs, debt and reserves, but if you need less than £10,000 in total then you are not eligible for this fund.

- 4) **Can you elaborate on the assessment criteria national /international heritage importance. As a grade II listed building in a conservation area is this sufficient to satisfy this fund?**

You do not have to meet both priority criteria. You need to meet national importance or important in levelling up your area.

- 5) **Can a diocese apply on behalf of multiple small churches?**

We can welcome applications from formal partnerships or where one organisation directly manages multiple sites. It would not be possible to accept an application from a consortium where the lead applicant will distribute the money to other organisations as we would need to assess each organisation to ensure they needed emergency funding and met the criteria.

- 6) **Can you advise on UK-based charities managing British heritage sites abroad with engagement programmes in England?**

You can apply for support for the heritage related work you carry out in England. Your application must clearly distinguish between your different costs.

- 7) **My organisation completed a HLF Resilience grant early 2019 with the aim of making us sustainable. In April 2020 we were one year into delivering our new business plan which aimed to get us to break even point by 2022. We were not sustainable by April 2020 but had a plan to work towards it. Does this mean we are ineligible?**

We can only assess sustainability based on the information you provide in the application. We will use your supporting documentation to make a judgement.

## Criteria

- 8) **Are consultancy fees for work between April-June 2021 eligible (e.g. to produce wayfinding strategy or a new business plan) if the work is implemented after June.**

If you're going to spend those fees between April and June, then yes, if it's what's needed to get you back in business. If it's related to new work then no. The scheme couldn't help fund the implementation that is after the period that's eligible.

- 9) **Can we apply for the same staff we applied for in the First Round?**

Yes if you need them to operate.

- 10) **We had equipment to make safe before in the phase 1 grant but were given permission to repurpose because we couldn't open. Can we apply for them again now?**

Yes, if you show that the works are necessary.

- 11) **Can we take on new/temporary staff to help with marketing and education?**

You are welcome to include one off staff costs for April-June if you need them to help you reopen in this way and can appoint them within the timescale. You would need to fund permanent staff yourselves July onwards.

- 12) **Would temporary accessibility ramps to ensure we can reopen our site fully to as many visitors as possible be eligible for inclusion?**

If you need to purchase temporary ramps (equipment) because COVID has forced you to change your visitor route and you need them to reopen safely then it could be eligible. We would expect this to be no more than 20% of your total grant. If the need for this equipment is not directly related to COVID then it would not be suitable.

- 13) **Can staff costs include vicar's salary, as their role is key to keeping access to heritage and they are the manager of that site?**

No as their primary purpose is promotion of religion.

- 14) **If you're a cathedral the Lay Clerks are those that open building, turn the heating on etc. Would their salary costs be eligible?**

Yes, that could be an eligible cost if their main role is supporting the historic building and not promoting religion.

- 15) **Many of our Local Authority staff weren't furloughed but were redeployed to COVID critical work but we are not sustainable going forward as we have no income. Can we include this as a cost?**

We can only contribute to staff costs needed to restart your operations.

- 16) **We are looking at installing equipment to enable streaming of activities. Would this be eligible if it could be installed and up and running within the time?**

We would not expect you to include new projects such as setting up a new digital offer as the purpose of this fund is to provide revenue support April-June 2021 and help you transition to reopening your heritage site.

- 17) **Our organisation was due to open in October/November but the lockdowns have meant we are at least four months behind. Are we eligible to apply as we have lost income from months we should have been open?**

We can't cover you for lost income, but we can help pay for the overheads and other costs that income would have paid for April-June.

## **Maintenance, repairs and capital works**

**18) Can you clarify the difference between eligible 'Maintenance of Buildings and land' and ineligible 'Capital works, such as major repair projects.'**

Maintenance is anything that you do routinely to keep your property or site functioning, e.g. boiler service, electric testing, equipment cleaning. We appreciate that it may not have happened fully in the last period, so there may be some catching up to do. If there is a gap between what you can afford and what you need to do, then this maintenance is eligible. If it's a new discrete repair project then that's not eligible.

**19) Does revenue funding to support getting our gardens back to up to scratch of our Heritage property – these have had to be neglected in last 12 months.**

If it's maintenance you've legitimately not been able to do it, and you can explain why you've not been able to do it, and why you need to do it to get your business back open, then you could consider applying for that. You can only apply for things that you would be spending money on between April and the end of June so you need to make sure any proposals are achievable.

**20) What is the financial ceiling for proposals defined as a capital project, and therefore ineligible?**

This is not a capital fund, it's a revenue fund, so there is no allowance for capital costs. We are allowing for one-off costs that you need to reopen your business, and that might include emergency works to make a building or your site safe, but we cannot fund new capital or repair projects.

**21) Are costs for repairs or redecoration to make a space useable eligible if the work will contribute towards financial sustainability post-COVID e.g. tower tours, room hire?**

If your site has been closed and the maintenance has been reduced, and these tasks need doing to get you back in business or for health and safety, it is reasonable to include those one-off costs, subject to our 20% ceiling on stabilisation/conservation work. If you want to do new work, offer new tower tours that you have not done before, then this would be a new project and not suitable for this fund.

**22) Are repairs for safety eligible e.g. crumbling church wall by a path, plaster fall from a ceiling?**

If it is close to where your visitors will be and you need this repaired in order to open safely then yes you could include it.

**23) Would a new boiler, a new kitchen or a new toilet be eligible?**

No, they would be new capital works and not eligible.

## Heritage activities

- 24) **We normally deliver an activity April-June (e.g. exhibition, festival, archaeological dig) but this could be postponed – can we apply for some funding to support this? We would normally allocate some of our own budget but we just don't have the resources this year.**

If this is your core regular heritage work that you will not be able to deliver April-June this year because of a loss of income then it could be eligible if it can be delivered in the period.

- 25) **What activities are you expecting for profit businesses to put on?**

We wouldn't be expecting you to plan any new or additional activity that is not a normal part of your business.

- 26) **What kind of 'programme of heritage activity April-June' should we include. Should it focus on preservation of the heritage site or include setting up educational workshops? What if we are still closed, should activities be online?**

You can apply for support to re-start the public activities you did pre-COVID, including delivering these online if it is more appropriate. New activities that have never been delivered will not be eligible from this grant.

## Partnership bids and multiple sites

- 27) **We operate two Heritage sites adjacent to one another as one business. Does the Business Action Plan need to identify which site our plans apply to ?**

The business action plan should cover your whole business or organisation, not for a particular building or site. Please put as much detail into your business action plan as possible, including identifying what work will take place at which site.

- 28) **I manage an accredited museum and a heritage site. Should I apply to you or Arts Council?**

Apply to Arts Council England if you have an accredited museum or if you are working towards accreditation.

- 29) **If an organisation has a trading subsidiary within its group does the organisation need to apply or can the trading subsidiary apply or should it be a partnership?**

The lead organisation should apply submitting all relevant financial information and subsidiary business activities.

## Other funders

- 30) **Can organisations apply for both a Culture Recovery Fund grant and National Lottery Grant for Heritage at the same time for different areas of support?**

Yes.

- 31) **We are an accredited museum who do not meet the Arts Council eligibility criteria, can we apply to you?**

No. Unfortunately we are unable to support accredited museums through the Culture Recovery Fund for Heritage (CRFH) (unless you are currently in receipt of a CRFH round one grant from us).

## Application form and supporting documents

**32) What are the word limits on the form?**

There are no limits for each question, just a 3,000 word limit on your answers for the whole form. The word limit does not include your supporting documents.

**33) Can you save a copy of the form as you go along in case of wi-fi outage?**

Unfortunately there is not an option to save as you go along so we would strongly suggest keeping a copy of your answers in a separate document..

**34) Are the application form questions available in advance?**

Yes they are on [our website](#)

**35) Is it possible to upload a letter of support from a local council?**

You can't upload additional documents so please tell us about this in the main application.

**36) I find myself repeating a lot between questions and between the application form and the business plan. Does this matter or should I leave the subsequent questions blank?**

Please answer all of the questions and provide the necessary supporting documents, even if you think that they are repeating information.

**37) Does the question "How many contractual/freelance staff do you plan to employ" include consultancies?**

Yes.

**38) If we applied last time do we need to resupply our supporting documents and accounts?**

Yes.

**39) How would a village church answer the question "what % of turnover is derived from heritage". We are a traditional Grade II\* listed church and our main function is worship, marriages and concerts.**

Any income from visitors to see the building or from any café or shop would count as heritage turnover, but if there is none then put 0%. Please see [our website guidance](#) for more details of our expectations of places of worship.

**40) We are a conservation business comprising of two conservators. Not all the application questions are geared up for our business. Do we just answer what we think is relevant to us?**

Please answer all the questions wherever possible.

**41) How much detail are you expecting to see on the Business Plan (required for over £1 million)? Ours is still very much a work in progress.**

All Business Plans are working documents that are regularly updated. Please send us what you have.

**42) The grant is for the period April 1st - June 30th 2021. However, the business action plan covers up to March 2022. Should the actions that fall beyond the end of June carry a zero cost as they fall outside the amount applied for?**

You only need to provide costs for the April-June period you are applying for. You will need to demonstrate that you have a sustainable future after June 2021 but you do not need to include costs for these.

## Accounts

**43) Our year end is December and we don't have accounts for 2020.**

Do not worry if your 2020 accounts are not audited, please send us your audited 2018 and 2019 accounts and your working accounts for 2020.

**44) Our year end is December. Do we still need to compile management accounts for 1-6 January just for this purpose?**

It depends if you've got any income or expenditure to attribute in that time – if yes you will need to create some working accounts. If there's nothing to include you can just note that in the application.

**45) 2019 was exceptional due to large grant and expenditure. Should I exclude these items or add a note – if so where ?**

Please don't delete any costs from your previous years accounts. You can put in a note in your accounts or appended to them to explain any unusual costs and also explain in your answers if relevant to any questions.

**46) We are part of a council and applying for several different sites in one application. Should we submit separate accounts for each individual site or service, or the accounts for the whole council?**

You should provide accounts just for the heritage service. You do not need to send us the accounts for the full council.

**47) We have just changed our organisation structure so do not have any audited accounts for our current organisation. Should we send accounts for our old structure as our supporting documents?**

If you have recently changed your structure please provide accounts from your old structure

## Reserves

**48) Will having more than six months of reserves count against us?**

Potentially, it depends on what your reserves are for and how you use them. If you have healthy free reserves then you will need to evidence the need for the three-month funding period. It's important you present your financial information in a clear and understandable way.

**49) Can businesses that are not-for-profit but not a registered charity include an amount for building up reserves?**

If you are a not for profit then you can include an amount for reserves.

## Funding caps

- 50) **Can you apply for 50% of the total amount applied for last time or 50% of the amount awarded if this was less?**

You should apply for as little as you need, up to 50% of what you were awarded.

- 51) **Are there any exceptions to the 50% cap for Culture Recover Fund first round grantees e.g. now wish to apply now for more than one site, the first application was under-costed due to inexperience, our situation has changed?**

This round of funding is setup to cover three months of operational overheads between April 2021 to June 2021. As Round One funding covered a period of six months of operational overheads between October 2020 to March 2021 successful grantees are therefore able to apply for up to 50% of the grant sum they received in Round One. But we will consider exceptions. We appreciate there may be some cases where you need to exceed the 50% cap because of changing circumstances or previous under-costing, and it is up to you to make the case that this is a reasonable request.

In addition to your ongoing costs, we also acknowledge that there may be additional "one-off" costs associated with restarting your business which could raise your grant request beyond the 50% threshold, and we will consider these requests in our assessment process. Please see our application guidance for details on eligible one-off costs.

- 52) **We received a grant from Historic England or The National Lottery Heritage Fund, will this affect how much we can apply for?**

No, the only restrictions are if you received a grant from the Culture Recovery Fund For Heritage Round One.

## Procurement

- 53) **Will the appointment of any "Consultant" or specialist require competitive quotes. Is there a minimum £ below which we do not need competitive quotes?**

There are [procurement details and advice](#) on The National Lottery Heritage Fund's website. If you're offered a grant, there will be conditions regarding procurement within the offer. It might be worth looking at the procurement guidance now because it takes a bit of time to get somebody appointed. It's always good practice to get different quotes to make sure you're getting the best value.

- 54) **Do we need to provide competitive quotes with the application, or can we rely on estimates from architects initially?**

You do not have to provide competitive quotes with the application, you can rely on estimates. It is important to remember that significant capital/project work is not eligible and we cannot increase your grant if you need more than you asked for.



## Assumptions on COVID Restrictions

**55) We fear our organisation may not be working towards a recovery by June. Are you planning to change the period over which this funding is to be spent?**

We have no scope to change when the money is awarded, so it only covers that April to June period. The situation is evolving and the government is providing us with updates as it can and is looking at the context of the fund. If there are any changes to the fund, we will make that clear on our website and through social media.

**56) What should we assume about tiers or local lockdowns?**

For Round 2 applications, organisations are being asked to focus on costs between April-June 2021. Organisations should continue to assume that, by the end of this period, they will be able to operate without capacity constraints such as social distancing, although there may be ongoing measures such as a requirement for masks or managing visitor flow. We recognise that you may not be able to attract pre-COVID levels of attendance, visitor numbers or income by this point, but you do need to demonstrate how you would be able to run a viable and sustainable operating model thereafter.

As is clear in the guidance, these assumptions may well vary in practice, depending on the evolving public health context, including progress in the vaccine rollout and infection rates. As with Round 1, we will work with organisations to support flexibility in plans should the context change following awards being made, but organisations should use the assumptions in this guidance which remain unchanged.

**57) Have the social distancing assumptions for April to June costs changed since the national lockdown? How do I account for this in my application?**

The assumptions published alongside the guidance on 14 December should be used by organisations making applications and remain unchanged. This guidance has been issued to ensure applicants can make consistent assumptions. The guidance remains clear that these assumptions may well vary in practice, depending on the evolving public health context, including progress in the vaccine rollout and infection rates (for more details see above).

Please bear in mind that reflation of reserves up to eight weeks remains a valid cost where you can evidence how you have had to spend reserves to address further loss of income due to national lockdown or tiers up to end March 2021, including where those reserves were part of a round 1 grant. We recognise that different organisations will have different lead in times for full reopening and therefore re-inflation of reserves will be considered an April - June expense even if the money is used by the organisation at a later date. DCMS continues to monitor the public health situation and its impact on the Culture Recovery Fund, working closely with grant making Arms Length Bodies, and will consider any implications for flexible use of funding by organisations in receipt of funding in due course.

## Debt

**58) What would be considered COVID-19 related debt?**

COVID related debt is borrowings that you as a business have had to incur in order to keep going between October 2020 and now. We'd expect you to demonstrate and have evidence of the money that you've borrowed and explain to us why you had to borrow it and what you used it for. Debt in this instance is not earnings that you have lost.

**59) We are wondering what forms of debt would be accepted, for example would the (government's) Coronavirus Business Interruption Loan Scheme (CIBLS) be able to be included, or is it debt accrued outside of this specific loan areas?**

This would not be eligible as funding from one government department cannot be used to pay back debt to another government department.

## Other questions

**60) If we have been successful for a grant in the first round, are we more or less likely to be prioritised for the second round of funding?**

There is no priority given to new or existing applicants.

**61) Is there any chance of a third round of funding?**

We are distributing funding on behalf of the Department for Digital, Culture, Media and Sport and there are currently no plans for future rounds.

**62) Are you funding either the entire amount or none of it, or will partial awards will be given?**

We will consider offering partial awards if some costs are ineligible.

**63) Does this funding count as de minimis state aid?**

State aid no longer applies so you need to follow the new UK subsidy rules. Whether this will apply depends on what you plan to use the money for. We cannot provide individual advice on your suitability.

**64) Can you include contingency lines in your budget?**

No, you cannot include a contingency budget.