

[To all MPs]

Rt Hon Oliver Dowden CBE MP Secretary of State for Digital, Culture, Media and Sport 4th Floor 100 Parliament Street London SW1A 2BQ

www.gov.uk/dcms enquiries@dcms.gov.uk

29 July 2020

Dear Colleague

CULTURE RECOVERY FUND

This Government recognises the vital roles that the cultural and heritage sectors play: they drive our soft power and tourism; they generate billions for the economy; they level-up our towns and cities by offering enriching experiences and boosting civic pride; and they employ thousands. The ongoing Covid-19 pandemic poses an existential threat to these sectors and that is why on 5th July the Chancellor and I announced £1.57bn to support cultural recovery in the UK.

This funding will secure a future for the sector so that it can innovate and thrive once more after the pandemic. It will ensure that nationally and internationally important collections and organisations are supported, and will support organisations that are essential to the fabric of their local community. As a result of these grants and loans, organisations will be more able to resume cultural activity now, increasing employment opportunities for freelancers in the months ahead, and will be protected from closure, ensuring they can provide employment in the long term.

Today's guidance for the grants funding round of the Culture Recovery Fund in England has been published by the delivery bodies - Arts Council England, Historic England, the National Lottery Heritage Fund and the British Film Institute. These organisations will award grants of up to £3m for organisations to ensure their viability to the end of the financial year.

Further support is available to the cultural and creative sectors - I will shortly set out more detail about the loans available through this funding package to large organisations in the culture sector. In addition, I today announced a Film and TV Production Restart Scheme to support this vital creative sector - more information on this scheme is set out below.

Who can apply?

Grant funding will be available to a wide range of cultural and heritage organisations, including independent cinemas, grassroots music venues, museums and galleries, heritage organisations, and performing and visual arts organisations and venues. The funding will not be limited to organisations with existing relationships with our Arm's Length Bodies, it will support large and small, charitable and commercial and those currently in receipt of public funding as well as those that are not, as long as they meet the eligibility criteria.

How much funding will be available?

£622m will be available for the first round of applications. The remaining £258m of grant funding will be reserved to ensure we are able to adapt and flex to the still uncertain impacts of Covid-19, and so we are able to effectively support organisations through the latter half of the financial year. As such, this remaining funding will be released to our Arm's Length Bodies to deliver according to the evidenced need in the coming months. In the initial round, ACE will be delivering total funds of £500m (this includes £2.25 million in targeted emergency support for small music venues -



guidance was published by ACE on 25th July 2020). National Lottery Heritage Fund and Historic England will distribute £92m and the BFI will distribute £30m.

Protecting culture across the whole of our United Kingdom

Culture binds us together as a nation, so this fund will support the whole of the United Kingdom. As culture and heritage are devolved, significant funding will be made available via Barnett consequentials: £33m for Northern Ireland, £97m for Scotland and £59m for Wales. I would urge the Devolved Administrations to pass on this funding to culture and heritage organisations and release details for this as soon as possible. The Film and TV Production Restart Scheme which I announced today will also be applied to the whole of the UK, helping to support the growing screen industries across the country, from Northern Ireland, where production is worth over £270m to the economy, to Wales, where it is worth £100m.

What will the criteria be?

To ensure that funding is targeted towards the right organisations, we will require successful applicants to meet the following eligibility criteria:

- Organisations will need to provide evidence that they were financially viable pre-Covid, have fully exhausted all other funding options - including other forms of government support - and have made efficiencies where they can;
- Organisations must show they have credible plans to ensure the survival of their organisation for the remainder of the financial year, including by maximising possible income streams;
- Organisations must be of local, national or international importance or significance;
- Organisations must contribute to the levelling up of their place, preventing the loss of valuable cultural fabric across the country.

Guidance is being published today by DCMS Arm's Length Bodies, who will help distribute awards to their respective sectors when the funds open for applications. The guidance can be found at the following links:

- Arts Council England: https://www.artscouncil.org.uk/CRFgrants
- British Film Institute: https://www.bfi.org.uk/culture-recovery-fund-independent-cinemas
- Historic England and National Lottery Heritage Fund: https://www.heritagefund.org.uk/funding/culture-recovery-fund-for-heritage

Grant process

Applications will be considered, and grants awarded, by the most appropriate Arm's Length Body of DCMS. In doing so, and in expectation that the demand will exceed available funding, we have agreed balancing criteria to help distinguish the key organisations we should look to support. This balancing criteria will ensure a geographic spread of organisations, support for the diversity of subsectors, and will reward those that play a role in driving growth and/or broadens access or participation in culture and promotes positive social outcomes. I am also establishing an independent board, chaired by Sir Damon Buffini, to advise on the execution of the rescue package as a whole and the largest awards.

When will the grants application rounds launch?

The grant schemes delivered via Arm's Length Bodies of DCMS will be open for applications in early August, with guidance published today so that organisations can start to prepare their bids. Resulting payments to successful applicants are expected to be issued in September and October. We are planning to open applications for the repayable finance scheme soon after the grants programmes go live. Applicants will need to meet the same cultural criteria as grants applicants, as well as meeting financial criteria on business planning and their ability to repay. Decisions loan allocations will be taken by the Culture Recovery Board, chaired by Sir Damon Buffini.

Resuming cultural capital projects

In addition to the grants programme, the Government has made available £120m via Historic England (£50m), Arts Council England (£55m) and the National Lottery Heritage Fund (£15m) to enable the resumption of cultural and heritage capital projects that were stalled or delayed due to Covid 19. These projects will, in turn, support the cultural infrastructure sector and heritage construction sector, including skilled craftspeople. Further details will be announced by the respective bodies.

Film and TV Production Restart Scheme

In addition to today's announcements on the Culture Recovery Fund I am also pleased to announce the launch of the Film and TV Production Restart scheme, a Government-backed scheme worth £500m for domestic film and TV productions struggling to get coronavirus-related insurance. The new UK-wide scheme will support TV and film productions that have been halted or delayed by a lack of insurance to get back up and running, by giving productions the confidence they need that they will be supported if future losses are incurred due to Covid-19. Further details will be announced over the summer, including the eligibility criteria for productions who can use the scheme. We intend for the scheme to open for applications by the end of the summer, and it will be possible to back date any future claims for eligible losses to the date of the announcement.

I hope you will agree with me that this ambitious package demonstrates this Government's commitment to world-leading culture and creative industries. A Conservative government created the National Lottery, which has delivered billions to the arts; our creative industries tax credits have propelled us to a world-leading position; and once again we are standing fully behind this vital area of our national life.

Yours sincerely,

Rt Hon Oliver Dowden CBE MP
Secretary of State for Digital, Culture, Media and Sport