**Cultural Development Fund**

**September 2022**

Programme administered by Arts Council England

**Information sheet**

**Completing the Expected Economic and Social Outputs Datasheet**

All applicants (lead member if a consortium) must upload the ‘Expected economic and social outputs datasheet’ on the relevant ‘Attachments’ screen on Grantium (at full application stage). Please download this document from https://www.artscouncil.org.uk/CDF

The information collected through this datasheet will be used to consider the economic and social impacts of the proposed activity, which is one method by which the potential benefit of the Cultural Development Fund will be measured. The information provided here will be reviewed and analysed by an external economic advisor who will synthesise the data provided to produce a detailed comment on the economic and social impact of the proposed activity that will support the Senior Relationship Manager’s assessment. The Senior Relationship Manager will have the opportunity to review the datasheet, and the economic advisor’s comment will also be shared with the Expert Advisory Panel who are responsible for making final recommendations to the Secretary of State.

A description of how the information provided will be used as part of Green Book compliant analysis can be found in Annex 1. The information relating to environmental impact is not directly related to the assessment criteria for this fund and is therefore optional to complete, though it is our intention to gain a better understanding of and improve the evidence base on the impact of these activities on the environment.

This information sheet is intended to help applicants in completing each section of the Expected economic and social outputs datasheet and gives an overview of what information should be provided in each section. Please include as much information as possible in your answers.

The Datasheet is split into four tabs – ‘Level of Need’, ‘Economic Impact’, ‘Qualitative evidence’, and ‘Job definitions’. Please complete the first three tabs. The ‘Jobs definitions’ tab is for reference when completing the local employment impact section.

**Tab one - Level of need**

The information and supporting evidence requested in this tab will allow you to specify the location where the project will take place. We recognise that places may not fit neatly into local authority areas so will take a nuanced approach to understanding local economies.

1. ***What is the target geographic area where your proposal will take place?*** *(up to 3000 characters)*
2. ***Please provide evidence on the current ECONOMIC conditions of the target area,*** *highlighting its key strengths and challenges or gaps that will help you demonstrate the level of need and demand that your proposal will help address. (up to 3000 characters)*
3. ***Please provide evidence on the current SOCIAL conditions of the target area,*** *highlighting its key strengths and challenges or gaps that will help you demonstrate the level of need and demand that your proposal will help address. (up to 3000 characters)*

These questions allow you to provide information and supporting evidence to help you demonstrate the economic and social conditions in your target area that are relevant to the aims of your proposal, and how they link to the objectives of the fund.

Examples of possible economic and social indicators you might want to consider, and provide illustrative data on, could include:

* Details of (un)employment, income levels, deprivation (see the Multiple Deprivation Index box below) and wellbeing
* Productivity (Gross value added per hour worked)
* Specific sectors where there is low-levels of employment and/ or productivity that will directly benefit from investment
* Skill gaps (Proportion of the working-age population with no qualifications at RQF level[[1]](#footnote-1)) and educational attainment
* Details of town transport challenges (e.g. insufficient links to existing assets, congestion and air quality issues)
* Town centre vacancy rate and footfall
* Business growth challenges
* Land and development challenges
* Levels of cultural engagement
* Levels of cultural provision e.g. number of cultural businesses/ organisations and events/ activities
* Levels of civic participation
* Levels of community cohesion
* COVID-19 impacts

**Box 1:**

|  |
| --- |
| The **Index of Multiple Deprivation (IMD)** is the official measure of relative deprivation in England and is part of a suite of outputs that form the Indices of Deprivation (IoD). It follows an established methodological framework in broadly defining deprivation to encompass a wide range of an individual’s living conditions. People may be considered to be living in poverty if they lack the financial resources to meet their needs, whereas people can be regarded as deprived if they lack any kind of resources, not just income.The IoD2019 comprises seven distinct domains of deprivation which, when combined and appropriately weighted, form the IMD2019. They are: - Income (22.5%) - Employment (22.5%) - Health Deprivation and Disability (13.5%) - Education, Skills Training (13.5%) - Crime (9.3%) - Barriers to Housing and Services (9.3%) - Living Environment (9.3%). For further information visit the site below. <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>  |

1. ***To what extent or what proportion (%) of this project/programme will go ahead without CDF funding?*** *Please consider the following in your answer - would outputs and outcomes have happened anyway? Would private investment have been used for other projects? Will CDF funding lead to the applicant substituting an existing or planned activity in the local area? Please specify the evidence sources used. Where a specific estimate is not available, please make reference to the criteria from the deadweight ready reckoner (Table 1 of the information sheet) and justify using evidence the expected level of outcomes that would occur without the intervention. (up to 3000 characters)*

The information provided in this question will allow you to demonstrate if the proposal will go ahead without CDF funding. This will also allow us to understand the proportion of outcomes that would have been realised without CDF funding, otherwise known as ‘deadweight’.

* If the response to this question is “no”, a comprehensive answer should set out evidence that the applicant is using CDF as a funder of last resort and has made every attempt to get funding elsewhere. The applicant should also demonstrate they are not ‘crowding out’ activity that would have happened, had CDF funding not been given.
* If the response to this question is “yes”, a comprehensive answer should demonstrate the degree to which the activity would have happened without CDF funding, e.g. there would be a remaining funding gap, higher levels of risk (therefore higher cost of finance) and whether the project could have been achieved without CDF funding but would have produced inferior outcomes. Where a specific estimate of the level of activity that would go ahead without CDF (%) is not available, please reference the criteria in the deadweight ready reckoner (Table 1), justifying with evidence the expected level of deadweight.

**Table 1: Deadweight ready reckoner**

|  |  |  |
| --- | --- | --- |
| **Level** | **Description** | **Deadweight effect** |
| None | All of the benefits are as a result of the intervention | 0% |
| Low | The majority of the benefits are as a result of the intervention | 25% |
| Medium | About half of the benefits are as a result of the intervention | 50% |
| High | A high level of the outputs/ outcomes are not as a result of the intervention | 75% |
| Total | None of the outputs/ outcomes are as a result of the intervention | 100% |

Source: Additionality & Economic Impact Assessment Guidance Note. Scottish Enterprise, 2008.

**Tab Two - Economic impact**

**Part A: Local Employment Impact**

1. ***Which region will jobs be directly created/ safeguarded in?*** *Please select region from drop down options.*

Please select the geographic region that jobs will be directly created/ safeguarded in. To help us understand the economic impact, please provide details of the direct jobs created/ safeguarded due to CDF funding. The number of jobs created and safeguarded are one way in which we can assess economic impact.

1. ***How many new direct jobs will be created?*** *Include only direct jobs created as a result of CDF 3 investment. Do* ***NOT i****nclude indirect (or induced) jobs. See the accompanying information sheet for guidance on the distinction between direct and indirect jobs and for instructions on how jobs should be recorded in the table. New direct jobs created as part of training schemes should only be included in the skills benefits section (Economic Impact Part D), to avoid double counting. Definitions of the different job type categories are included in the 'Job definitions' tab. To help us understand the sustainability of economic activity please provide data on the numbers of jobs created for three years after CDF funding will end. Jobs should be provided in Full-Time-Equivalent (FTE) terms, and should be recorded in the table for every year the job exists. A 'new job' here is one which would not have otherwise been created without CDF 3 funding. This accounts for only the additional impact on employment of CDF 3. If available, please provide the expected average annual salary for the jobs created (an average across all years). Provide evidence that supports your response.*

|  |  |  |
| --- | --- | --- |
| **Job Type** | **Number of direct jobs created (FTE)** | Average annual salary (£) |
| Drop down | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |  |
|  |  |  |  |  |  |  |

To help us understand the sustainability of economic activity please provide data on the numbers of jobs created for three years after CDF funding will end.Please also provide the number of direct jobs and average annual salary broken down by high level job type. Job types are provided as a drop down in the datasheet, with additional details of the definitions of different job types in the ‘Job definitions’ tab.

The number of jobs should include only direct jobs created as a result of CDF 3 investment. You may mention indirect or induced jobs created, alongside any evidence to justify your response to the first question (Q15) of the qualitative evidence section (tab 3), *How will CDF funding help improve economic conditions and strengthen the local economy?* Box 2 provides more information on these types of jobs.

**Box 2: Direct, Indirect and Induced Jobs**

|  |
| --- |
| **Direct Jobs** are those that are a primary output of the project itself. An example may be new construction workers hired to build new creative spaces as part of a culture-led regeneration project, or new staff hired to operate a new or expanded cultural venue.**Indirect Jobs** are those that are an output of additional activities made possible by theproject, but not as a direct output of the project itself. In the example above of the Government funded programme to provide new creative spaces, the programme may lead to increased demand for building supplies, which means that suppliers may hire new factory workers. **Induced Jobs** are those additional jobs flowing from the wider beneficial effects of the project that fall outside the direct and indirect definitions above. For example, new retail jobs created as construction workers hired as part of the Government project spend their wages in shops. |

To ensure data is comparable all job figures should be expressed in full time equivalent terms (FTE). Table 2 below provides guidance below on the use of FTE.

**Table 2: Further Information on FTEs**

|  |  |
| --- | --- |
| **Term** | **Definition/guidance** |
| Full-time equivalent (FTE) | An FTE is the hours worked by one employee on a full-time basis. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. The concept can also be applied to self-employed when the number of hours is stipulated in the contract.On an annual basis, an FTE is often considered to be 2,080 hours, which is calculated as:8 hours per dayx 5 work days per weekx 52 weeks per year= 2,080 hours per yearHowever, the exact number of hours for an FTE may vary from sector to sector. The Office for National Statistics classifies anyone working over 30 hours a week as Full Time, anyone working less than 30 hours a week as Part Time. You may differ from the ‘standard’ 40 hours per week in your calculation of FTEs, as long as you make this clear in your response and provide a justification. But in no case should you consider less than 30 hours to constitute an FTE in your calculations. |
| Examples of the Calculation of FTEs (using 40 hours per week) | Here are several examples of how the FTE concept is calculated:* There are 168 working hours in January, and the ABC Company staff works 7,056 hours during the month. When 168 hours are divided into 7,056 hours, the result is 42 FTEs.
* There are 8 working hours in the day on Monday, and the DEF Company staff works 136 hours during that day. When 8 working hours are divided into 136 hours, the result is 17 FTEs.
* There are 2,080 working hours in the year, and the GHI Company staff works 22,880 hours during that year. When 2,080 working hours are divided into 22,880 hours, the result is 11 FTEs.
 |
| Salary | This should be the gross annual basic salary (excluding any overtime, commission, expenses, bonus and shift pay and excluding employer contributions).  |

The table in the template asks you to record new jobs created every year for the three years of the duration of the CDF, starting in 2023/24 and continuing for three years after the end of the programme (up to 2028/29). You should clearly identify in the table the period over which these jobs will continue. We provide some examples below of how this may be done:

* **Example 1**: 1 new FTE direct job is created in the year 2024/25 and lasts at least until the year 2027/28. This should be reflected in the table as:

|  |
| --- |
| **Number of direct jobs (FTE) created** |
| 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| 0 | 1 | 1 | 1 | 1 | 0 |

* **Example 2**: 1 new FTE direct job is created in the year 2023/24 for two years; separately, 3 part-time jobs equivalent to 1.5 FTE direct jobs are created in 2024/25 lasting at least until 2027/28.

|  |
| --- |
| **Number of direct jobs (FTE) created** |
| 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| 1 | 2.5 *(=1+1.5)* | 1.5 | 1.5 | 1.5 | 0 |

1. **How many direct jobs will be safeguarded?** *Include only direct jobs safeguarded as a result of this investment. Do* ***NOT*** *include indirect (or induced) jobs. See the accompanying information sheet for guidance on the distinction between direct and indirect jobs and for instructions how jobs should be recorded in the table. Direct jobs which are safeguarded as part of training schemes should only be included in the skills benefits section (Economic Impact Part D), to avoid double counting. Definitions of the different job type categories are included in the 'Job definitions' tab. To help us understand the sustainability of economic activity please provide data on the numbers of jobs safeguarded for three years after CDF funding will end. Jobs should be provided in Full-Time-Equivalent (FTE) terms, and should be recorded in the table for every year the job exists. A 'safeguarded job' is a job which existed before the investment, but without the investment would otherwise no longer exist. For example, if it is expected that there will be a decrease in the number of jobs in an organisation without the investment, and the investment saves some of these jobs. If available please provide the expected average salary for the supported jobs (an average across all jobs and all years). Provide evidence that supports your response.*

|  |  |  |
| --- | --- | --- |
| **Job Type** | **Number of direct jobs safeguarded (FTE)** | Average salary (£) |
|  | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |  |
|  |  |  |  |  |  |  |

We consider ‘safeguarded jobs’ as direct jobs (i.e. the primary output of the project itself), undertaken by existing employees rather than new created jobs, which existed before the investment, but without the investment would otherwise have ended.

Please provide the number of direct safeguarded jobs and average annual salary broken down by high level job type. Job types are provided as a drop down in the spreadsheet, with additional guidance on the definition of different job types in the ‘Job definitions’ tab.

As with the section above on ‘direct jobs created’, safeguarded jobs should be direct jobs only (not indirect or induced); they should be recorded as FTE; and recorded in the table following similar instructions to those for the ‘direct jobs created’ question set out above.

1. **Displacement (%).** *Displacement is the extent to which an increase in employment in one sector leads to reductions in employment in other sectors in the target area or areas close by. For example, creating new jobs in one area may lead to decreases in employment in other sectors in that area or another area nearby (10% displacement means that for every 10 new jobs created in the target area, 1 job in another sector/ nearby area is lost). The default assumption is that displacement is 100%. Please provide evidence supporting the expected level of displacement, justifying why the jobs created/ safeguarded are additional and not just shifting people from one job to another. This may include data on the local labour market, productivity, local employment across sectors and unemployment rates. Please specify the evidence sources used. Where a specific estimate of displacement is not available for your area, please make reference to the criteria from the HCA displacement ready reckoner (Table 3 of the information sheet) and justify using evidence the expected level of displacement.(up to 3000 characters)*

This question has been asked to help us understand if there is any potential negative impact on other businesses that may arise as a result of CDF funding. A comprehensive answer should:

* Set out the capacity of the local area to provide labour for the project without hurting other local firms.
* Provide evidence on activity in neighbouring areas, and where there is duplication of activity, explain how that impact is mitigated.
* Where a specific estimate is not available for your area, please make reference to the criteria in the displacement ready reckoner (Table 3), justifying the expected level of displacement using evidence.
* Evidence may include information/ data on the local labour market, local employment in sectors which will be directly affected, and unemployment rates.

Please answer the displacement question for direct new jobs and direct safeguarded jobs separately. The default assumption is that displacement is 100%. Please provide evidence in your response to justify that the new jobs created/ safeguarded are additional, rather than shifting economic activity across areas/ sectors.

**Table 3: Displacement ready reckoner**

|  |  |  |
| --- | --- | --- |
| **Level** | **Description** | **Displacement effect** |
| None | No other firms/ demand affected | 0% |
| Low | There are expected to be some displacement effects, although only to a limited extent | 25% |
| Medium | About half of the activity would be displaced | 50% |
| High | A high level of displacement is expected to arise | 75% |
| Total | All of the activity generated will be displaced | 100% |

Source: [Homes and Communities Agency Additionality Guidance- Table 4.8 (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf)

Please use the free text box in column K to provide additional evidence and information to support your answers. The quality of evidence provided will be assessed using the confidence grades in Table 7 of the information sheet. Please make reference to the criteria in Table 7 in your answer.

**Part B: Engagement Impact**

1. ***Substitution (%).*** *Substitution is the extent to which attendees and participants would have engaged in cultural activities in the absence of the intervention. For example, a 10% substitution effect means that 1 in every 10 attendees would replace a similar cultural activity with attending the proposed CDF funded activity, therefore not increasing their overall cultural engagement. Please provide an estimate of substitution (%) and supporting evidence of the level of engagement in culture in your area, including existing availability of similar cultural experiences. Please include details of the evidence sources used and any other supporting evidence on engagement in culture in the area which will benefit from CDF3 investment. Where a specific estimate is not available for your area, please make reference to the criteria from the HCA substitution ready reckoner (Table 4 of the information sheet) and justify using evidence the expected level of substitution. (up to 3000 characters)*

This question has been asked to help us understand the extent to which the total level of cultural engagement in your area will change as a result of the CDF funding, by accounting for individuals who already engage in cultural activities switching from an existing activity to a new one.

**Table 4: Substitution ready reckoner**

|  |  |  |
| --- | --- | --- |
| **Level** | **Description** | **Substitution effect** |
| None | No substitution takes place | 0% |
| Low | There are expected to be some substitution effects, although only to a limited extent | 25% |
| Medium | About half of the activity would be substituted | 50% |
| High | A high level of substitution is expected to arise | 75% |
| Total | All of the activity would be affected by substitution | 100% |

Source: [Homes and Communities Agency Additionality Guidance- Table 4.8 (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf)

1. ***Attendance Number.*** *Attendees are those who go to an arts/culture event where you passively engage in the activity as an audience member/observer/spectator. Please provide the total expected number of attendees to* ***new events/ programmes*** *which would not have otherwise have taken place without CDF3 funding.* ***For existing events/ programmes*** *which will benefit from CDF3 investment, please provide the additional number of attendees above what you would expect to achieve without CDF3 funding. For example, if an annual event gets 10,000 attendees on average and you expect that with CDF3 funding this will allow you to expand to 15,000 attendees per year, please enter 5,000 for every year the event receives CDF3 funding. A proportion of the additional number of attendees may continue after CDF3 funding has finished if there is evidence that the increased number of attendees will persist beyond the funding period.*

|  |  |  |
| --- | --- | --- |
| **Event/ activity type** | **Number of attendees** | **Cost to attendees** |
| Drop down | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | Drop down |
|  |  |  |  |  |  |  |  |

1. ***Wider Participation Number.*** *Participants are those who go to an arts/culture event where you engage in the activity through active engagement e.g. performance, making or creating, processing or promoting. Please provide the total expected number of attendees to* ***new events/ programmes*** *which would not otherwise have taken place without CDF3 funding.* ***For existing events/ programmes*** *which will benefit from CDF3 investment, please provide the additional number of attendees above what you would expect to achieve without CDF3 funding. For example, if an annual event gets 10,000 attendees on average and you expect that with CDF3 funding this will allow you to expand to 15,000 attendees per year, please enter 5,000 for every year the event receives CDF3 funding. A proportion of the additional number of attendees may continue after CDF3 funding has finished if there is evidence that the increased number of attendees will persist beyond the funding period.*

|  |  |
| --- | --- |
| **Number of attendees** | **Cost to participants** |
| 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | Drop down |
|  |  |  |  |  |  |  |

The section above allows you to demonstrate the engagement impact of your proposal considering both attendance and wider participation. Participation refers to events where individuals that take part play a more active role as participants, rather than pure spectators (audience). Box 3 below provides further guidance on the definition of an attendee and participant.

Please provide evidence that supports the number of attendances or wider participation that you expect to attract to the event/programme. This may include attendance figures for similar events/ programmes that have taken place in the past. Use the evidence section in column J to provide details of any assumptions and indicate the expected proportion of the audiences that will come from the target area.

**Box 3: Attendees, participants and volunteers**

|  |
| --- |
| **Attendees** are those who go to an arts/culture event where you passively engage in the activity as an audience member/observer/spectator.**Participants** are those who go to an arts/culture event where you engage in the activity through active engagement e.g. performance, making or creating, processing or promoting.**Formal volunteering** refers to those who have given unpaid help to groups or clubs, for example, leading a group, administrative support, mutual aid groups or befriending or mentoring people. |

**Part C: Volunteering Impact**

|  |
| --- |
| **Number of volunteers** |
| 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|  |  |  |  |  |  |

1. ***Number of volunteers.*** *In the Community Life Survey, formal volunteering refers to those who have given unpaid help to groups or clubs, for example, leading a group, administrative support, mutual aid groups or befriending or mentoring people. Please provide data on the number of additional people you expect to take part in volunteering as a direct result of the investment, by the frequency of volunteering activity, in each year the volunteering takes place. A proportion of the additional number of volunteers may continue after CDF3 funding has finished if there is evidence that increases in volunteering will persist beyond the CDF3 funding.*
2. ***Substitution (%).*** *Substitution is the extent to which volunteers would have engaged in volunteering activities in the absence of the intervention. For example, a 10% substitution effect means that 1 in every 10 volunteers would replace a current similar volunteering activity with attending the proposed activity instead, therefore not increasing their overall volunteering. This may include, for example, the proportion of people who are already engaged in volunteering in your area and the availability of similar volunteering opportunities. Where a specific estimate is not available for your area, please make reference to the criteria from the HCA substitution ready reckoner (Table 5 of the information sheet) and justify using evidence the expected level of substitution. (up to 3000 characters)*

This section allows you to provide evidence on the impact of the proposed project on volunteering opportunities in your local area. **Frequent volunteering** is defined as volunteering at least once a month, and **Infrequent volunteering** is defined as volunteering several times a year.

Please provide additional evidence to support your estimates of volunteer numbers and the estimated substitution effect in column J. This may include current engagement in volunteering in your local area, and participation in similar volunteering activities.

**Table 5: Substitution ready reckoner**

|  |  |  |
| --- | --- | --- |
| **Level** | **Substitution** | **Substitution effect** |
| None | No substitution takes place | 0% |
| Low | There are expected to be some substitution effects, although only to a limited extent | 25% |
| Medium | About half of the activity would be substituted | 50% |
| High | A high level of substitution is expected to arise | 75% |
| Total | All of the activity would be affected by substitution | 100% |

Source: [Homes and Communities Agency Additionality Guidance- Table 4.8 (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf)

**Part D: Skills Impact**

1. ***Number of trainees.*** *Please provide data on the additional number of people who will be trained as a direct result of the CDF 3 funding by qualification level, ie. new training positions linked directly to the investment that would not have been created otherwise. For example, this would exclude people in existing positions of an established training programme, even if they would carry out some training linked to the proposed project, as they would have undertaken the training anyway in the absence of the CDF 3 investment, but in partnership with another project. [[2]](#footnote-2) It has been assumed that all training programmes will take 1 year on average to complete. Therefore, only record trainees in the year that they start their training. Provide the supporting evidence that helps demonstrate your response.*

|  |  |  |
| --- | --- | --- |
| **Qualification level** | **Number of trainees per year** | **Evidence**  |
| Drop down | 2023/24 | 2024/25 | 2025/26 | *(up to 3000 characters)* |
|  |   |   |   |

**Tab 3: Qualitative Evidence**

**Part A: Economic impact**

1. ***How will CDF funding help improve economic conditions and strengthen the local economy?*** *Please set out here any qualitative (or quantitative) information that can complement the quantitative information being asked in the Economic impact data sheet to help illustrate the wider economic impacts of your proposal and how CDF in particular will help support local growth. For example, this could be through the supply chain, agglomeration/network benefits, technological/knowledge spill-overs etc. (up to 3000 characters)*

This question allows you to provide contextual quantitative and qualitative evidence in addition to questions asked in the following sections that help you demonstrate how your proposal will help support local growth. Here, you may include evidence about indirect or induced jobs created as a result of the direct jobs that you are being asked to record in the local employment impacts table in Part A of the Economic Impact tab. This could include, but is not limited to, evidence on the impact on local economic growth and local employment, as well as the impact on other businesses and the local supply chain. Please provide evidence which supports the scale of these impacts, for example how significant these impacts will be compared to business as usual.

You may also want to make a link to local growth strategies (where CDF funding is being used in areas facing economic challenges). In addition, you may want to highlight how the cultural sector, including the supply chain, may benefit from your proposals.

**Part B: Local Employment Impact**

1. ***Underrepresentation.*** *What strategies will you put in place to ensure that your programmes of job creation, business support, and skills development will address underrepresentation in the context of your place. (up to 3000 characters)*

Data on the Creative Industries and Cultural sector workforces in the UK[[3]](#footnote-3) show that young people aged 16-24; people that report having a disability; Black, Asian and Ethnically Diverse people; women, and people from less advantaged socio-economic groups are significantly underrepresented. These existing disparities are likely to have been further impacted by the pandemic. The largest disparity is in socio-economic background with only 8% of jobs in the Creative Industries and Cultural sector filled by people in less advantaged socio-economic groups compared to 29% in the UK workforce.

The information you provide will allow us to gauge how your proposal will set up strategies to ensure that your programmes of job creation, business support, and skills development will address underrepresentation in the context of your place.

1. ***Sustainability.*** *Please provide information and supporting evidence to help demonstrate the sustainability (over time) of the jobs supported by your proposal beyond the life of your proposal. (up to 3000 characters)*

The question above allows you to set out any supporting evidence to demonstrate the sustainability over the time of the jobs safeguarded or created. Your evidence will need to show to what extent the jobs created as part of the proposal will still continue to be viable once the direct funding finishes.

1. ***Productivity.*** *Please provide information and supporting evidence to help demonstrate relative productivity of the jobs supported by your proposal. For example, the type of jobs (occupations) and their average salary is considered a good productivity indicator. Salary information should be provided as gross annual basic salary (excluding any overtime, commission, expenses, bonus and shift pay and excluding employer contributions). (up to 3000 characters)*

This question allows you to provide supporting evidence of the level of productivity of the jobs provided by your proposal. You may want to provide further information to the salary detail provided above. Salary information should be provided as gross annual basic salary (excluding any overtime, commission, expenses, bonus and shift pay and excluding employer contributions).

You may also want to include evidence on wider productivity impacts. For further information, DCMS commissioned a study[[4]](#footnote-4) looking at productivity in the arts, heritage and museum sectors.

**Part C: Engagement Impact**

1. ***Attendance Diversity.*** *Certain projects may particularly target or have a disproportionate impact on disadvantaged groups; please give details of this impact if applicable. Also, you may highlight whether audiences will come from within the local area or from outside. Provide evidence that supports your response. (up to 3000 characters)*
2. ***Wider Participation Diversity.*** *Certain projects may particularly target or have a disproportionate impact on disadvantaged groups; please give details of this impact if applicable. Also, you may highlight whether participants will come from within the local area or from outside. Provide evidence that supports your response. (up to 3000 characters)*

Box 3 provides further guidance on the definition of an attendee and participant. This section allows you to highlight if disadvantaged groups (meaning those with lower engagement in culture or other disadvantaged characteristics) will particularly benefit from your proposal.

**Part D: Skills Impact**

1. ***Skill Level Improvements addressing skill gaps.*** *Please provide any additional relevant quantitative or qualitative evidence to help illustrate the impact of your proposal on improving skill levels and addressing skills gaps in your area. For example, this may include information about the type of skills that trainees will gain using RQF levels. You may also provide evidence of demand from employers in the area about these skills. Where robust evidence exists please provide the expected increase in salaries that can be expected from undertaking training. (up to 3000 characters)*

These questions have been asked to give applicants the opportunity to evidence how the type of skills provided by the proposal will help address an existing skills gap in the area. Also, how such skills might lead to higher-skilled workers. A comprehensive answer to these questions should:

* Provide a robust estimate of the expected number of people that may benefit from training.
* Provide evidence of the level and type of skills. For instance, the UK’s Regulated Qualifications Framework (RQF) categorises qualifications in England based on their size, and their level of challenge or difficulty. See link below[[5]](#footnote-5) for further details.
* Provide data and evidence of skills gaps that exist in the area and that there is a current or future demand for these skills offered.
* Provide evidence that the types of skills being offered meet the needs of local business.
* The types of skills provided lead to high-skilled employment (for instance, any evidence of how similar training has led to increased salaries).

**Part E: Qualitative Environmental Impact**

Questions on environmental impact will **not** be used as part of the application appraisal process. These questions have been asked to help us understand the overall impact on the environment as a result of CDF funding. This includes both positive and negative impacts, as well as the scale and significance of the impact.

When answering the following questions, please think about environmental impacts with respect to changes in environmental quality that would happen anyway in the scenario without CDF funding.

1. ***What activities will the CDF 3 investment involve?*** *This should only include activities which wouldn’t have otherwise gone ahead without the CDF 3 funding. For example, if CDF 3 funding will go towards upgrading the specification of a new building that is already due to be built, even in the absence of CDF funding, please select ‘Expanding/ improving the specification of a new building’. If the building would not otherwise be built without the contribution of CDF 3 funding, please choose ‘Constructing a new building’. If the new building is replacing an existing one, also select ‘Knocking down an existing building’.*
2. ***What are the expected environmental outcomes as a direct result of CDF 3 funding?*** *Please only include outcomes which are as a direct result of the CDF funding, and would not have otherwise occurred in the absence of CDF. Please refer to the accompanying information sheet for specific examples and guidance on answering this question.*
* **Example 1:** If CDF 3 funding allows you to upgrade the specification of a new building which would have been built otherwise, so that it is more environmentally friendly than it would have been without CDF funding, this would count as ‘Buildings are more energy efficient’.
* **Example 2:** If the upgraded specification meant that the building required more energy to operate (for example, if it is bigger than it would have been in the absence of CDF 3 funding), this would also count as ‘Increased energy consumption to run and maintain new/ upgraded buildings’. New buildings which would not have been constructed without CDF funding would also fall under this category, as in the absence of CDF funding the total level of energy consumption would have been lower, as there would be fewer buildings to operate. New buildings also increase demand for raw materials.
1. ***What are the expected environmental impacts as a direct result of CDF 3 funding, and will they be positive or negative?*** *Please only consider the net impacts which are as a direct result of the CDF funding, and would not have otherwise have occurred in the absence of CDF. This is the additional environmental impact of your project as a result of the CDF funding. If your project would not have gone ahead at all in the absence of CDF funding, the additional impact will be equal to the total impact. If your project would have gone ahead without the CDF 3 funding, please only include the additional impacts directly as a result of the CDF funding. Please refer to the accompanying information sheet for specific examples and guidance on answering this question. If you are able to provide quantitative data on environmental impact, please do so in the additional details section.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Type of environmental impact | Answer (please select all that apply) | Positive/ negative impact | Scale of impact | Significance of impact |
|  |  |  |  |  |

* **Example 1:** If the investment will enable an upgrade of the specification of a new building that is already due to be built (even in the absence of CDF funding) to be more environmentally friendly than in the absence of funding, this will have a positive impact on emissions. This is because even though the new building means that emissions will be higher than if it wasn’t built, the additional benefit of the CDF funding is to reduce the emissions that would otherwise occur if the building was built without the CDF funding.
* **Example 2:** If the CDF funding is enabling the building of a new building that would not otherwise have be constructed in an area which is currently open space, this would have a negative impact on emissions, air quality, land use and, if the land was previously accessible to the public, opportunities for recreation in the natural environment. This is because the new building results in higher emissions than there would otherwise have been without the construction taking place, the removal of vegetation results in poorer air quality, there is a loss of green space in the local area and reduced opportunities for recreational use of green space.

The scale of impacts refers to the size (in terms of number of people and/or the size of the area impacted), while the significance refers to the severity of the consequences (e.g. how long the impacts will last for, whether the impacts are reversible or if there will be knock-on environmental impacts).

**Box 4: Environmental Impacts**

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| **Emissions:** Changes in greenhouse gas emissions as a direct result of CDF investment may be due to, for example: * changes in energy consumption from running new/ existing buildings,
* changes in energy consumption from running events/ programmes,
* demolishing existing buildings/ constructing new buildings.

**Air quality:** Changes in air quality as a direct result of CDF investment may be due to, for example:* changes in traffic levels as a result of changes in footfall in the local area,
* changes in the amount of green space/ vegetation in the local area.

**Water quality:** Changes in water quality as a direct result of CDF investment may be due to, for example:* changes in land use whereby polluted water runs into local watercourses,
* new development/ infrastructure puts pressure on local water supplies.

**Land use**: Changes in the way land is used as a direct result of CDF investment may be due to, for example:* changes in the the amount of green space in your local area, for example building on green space or returning a previously developed site to green space,
* changes in the quality of the natural environment in your local area, for example planting more vegetation, repurposing a site previously developed or used for industrial activity (‘brownfield’).

**Recreation in the natural environment:** Changes in opportunities for recreation as a direct result of CDF investment may be due to, for example:* changes in access to existing green space for public recreation,
* changes to the amount of green space for recreation in your local area.
 |

**Part F: Other benefits and costs**

This question provides an opportunity for applicants to highlight any other significant benefits or costs which may arise as a result of the investment.

1. ***Please provide evidence on any other significant benefits and/or costs*** *which will arise as a result of the investment, not already identified in the applicant datasheet. This may include the scale of the benefit/ cost and if it will affect any groups in particular.*

**Annex 1: Cost- benefit analysis methodology**

The data provided in the applicant data sheet will be used to inform an analysis of individual project proposals. The information provided here will be reviewed and analysed by an external economic advisor who will synthesise the data provided to produce a detailed comment on the economic and social impact of the proposed activity that will support the Senior Relationship Manager’s assessment. The Senior Relationship Manager will also have the opportunity to review the data sheet, and the economic advisor’s comment will also be shared with the Expert Advisory Panel who are responsible for making final recommendations to the Secretary of State.

**Box 5: HMT Green Book definitions**

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| --- |
| **Additionality** is a real increase in social value that would not have occurred in the absence of the intervention being appraised.**Deadweight** refers to allowing for outcomes that would have taken place without the intervention under consideration. Deadweight will be revealed when the total outcome of an option for intervention is compared with business as usual, the (BAU).**Displacement** is the degree to which an increase in economic activity or social welfare that is promoted by an intervention is offset by reductions elsewhere in the area under consideration or in similar areas close by.**Net Present Social Value (NPSV)** is the present value of a stream of future costs and benefits to UK society (that are already in real prices) and that have been discounted over the life of a proposal by the appropriate Green Book social time preference rate.**Optimism bias** is the proven tendency for appraisers to be over-optimistic about key project parameters, including capital costs, operating costs, project duration and benefits delivery.**Substitution** is where one type of activity is substituted for another but there is no increase in overall activity. |

**Local employment benefits**

The additional benefits of direct new and safeguarded jobs in the intervention area are estimated by calculating the total benefit of the new and safeguarded jobs. This is calculated by multiplying the number of FTE jobs per year provided in the applicant datasheet by the average annual wage per job type. This benefit is then adjusted for deadweight, displacement and optimism bias, based on the evidence provided by applicants in their responses.

$$Local employment impact = No. jobs created or safeguarded \* (average wage \* non-wage uplift)$$

$ \* deadweight$ $\* displacement \* optimism bias$

**Table 6: Summary of local employment benefit variables**

|  |  |  |
| --- | --- | --- |
| **Variable name** | **Source** | **Variable description** |
| Number of jobs (FTE) | Applicant data sheet | Number of new and safeguarded jobs per year. Includes region impacted and job type. |
| Average annual wage by job type | Applicant data sheet | Applicants provide estimates of average annual wage per FTE per job type. |
| Non-wage labour cost uplift | [Regulatory Policy Committee Guidance, 2019](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/827926/RPC_short_guidance_note_-_Implementation_costs__August_2019.pdf) | Adjustment for non-wage labour costs e.g. pensions, training etc., to account for the full employment benefits. |
| Deadweight | Applicant data sheet and Additionality & Economic Impact Assessment Guidance Note. Scottish Enterprise, 2008. | Applicants provide evidence on the level of activity which would still go ahead in the absence of CDF funding. Where specific estimates are not provided, evidence evaluated by assessors based on Table 1 deadweight ready reckoner.  |
| Displacement | Applicant data sheet and [Homes and Communities Agency Additionality Guidance- Table 4.8 (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf) | Based on evidence provided by applicants on the local labour market. If an estimate is not available, please reference the criteria from the HCA displacement ready reckoner in Table 3. |
| Optimism bias | Applicant data sheet and [HMT cost benefit analysis guidance for local partnerships (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/300214/cost_benefit_analysis_guidance_for_local_partnerships.pdf) | Based on the quality of evidence provided by the applicant, the economic advisor will evaluate which confidence grade is applicable. See Table 7 below from HMT supplementary guidance, which sets out the criteria. |

**Table 7: Confidence grade for benefits data**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Confidence grade** | **Colour coding** | **Population/ cohort data** | **Evidence base (engagement/ impact)** | **Age of data/ analysis** | **Known data error** | **Optimism bias correction** |
| 1 |  | Figures taken from agency data systems | Randomised control trial in UK | Current data (<1 year old) | +-2% | 0% |
| 2 |  | Figures derived from local stats | International randomised control trial | 1-2 years old | +-5% | -5% |
| 3 |  | Figures based on national analysis in similar areas | Independent monitoring of outcomes with a robust evaluation plan | 2-3 years old | +-10% | -10% |
| 4 |  | Figures based on generic national analysis | Practitioner monitoring of outcomes with a robust evaluation plan | 3-4 years old | +-15% | -15% |
| 5 |  | Figures based on generic international analysis | Secondary evidence from a similar type of intervention | 4-5 years old | +-20% | -25% |
| 6 |  | Uncorroborated expert judgement | Uncorroborated expert judgement | >5 years old | +-25% | -40% |

Source: [Supporting public service transformation: cost benefit analysis guidance for local partnerships. HM Treasury, 2014.](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/300214/cost_benefit_analysis_guidance_for_local_partnerships.pdf)

**Engagement benefits**

Engagement benefits are estimated using willingness to pay values by activity type to estimate the welfare benefits to individuals who attend or participate in different cultural activities. Deadweight takes into account the level of activity that would go ahead in the absence of CDF funding. This is then adjusted for substitution, by estimating the proportion of attendees who would have engaged with culture anyway, in the absence of the investment, as well as optimism bias.

$$Engagement impact =No. attendees or participants \* engagement benefit by activity type $$

$$ \* deadweight \* substitution \* optimism bias$$

**Table 8: Summary of engagement benefit variables**

|  |  |  |
| --- | --- | --- |
| **Variable name** | **Source** | **Variable description** |
| Number of attendees and participants | Applicant data sheet | Number of attendees per year by event/ activity type. Number of participants per year. |
| Attendance/ participation benefits | Various sources (please see Annex 2 for more details) | Willingness to pay estimates from UK cultural contingent valuation studies. Inclusion of these benefits is based on the Cultural and Heritage Capital framework (2021). |
| Deadweight | Applicant data sheet and Additionality & Economic Impact Assessment Guidance Note. Scottish Enterprise, 2008. | Applicants provide evidence on the level of activity which would still go ahead in the absence of CDF funding. Where specific estimates are not provided, evidence evaluated by assessors based on Table 1 deadweight ready reckoner.  |
| Substitution | Applicant data sheet or [Homes and Communities Agency Additionality Guidance- Table 4.10 (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf) | Based on evidence provided by applicants on the local cultural engagement. If an estimate is not provided, the criteria from the HCA substitution ready reckoner will be applied. See Table 4. |
| Optimism bias | Applicant data sheet and [HMT cost benefit analysis guidance for local partnerships (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/300214/cost_benefit_analysis_guidance_for_local_partnerships.pdf) | Based on the quality of evidence provided by the applicant, the economic advisor will evaluate which confidence grade is applicable. See Table 7 from HMT supplementary guidance, which sets out the criteria. |

**Volunteering benefits**

Volunteering benefits are estimated using wellbeing valuation estimates for participating in volunteering frequently or infrequently, multiplied by the number of volunteers per year. Deadweight takes into account the level of activity that would go ahead in the absence of CDF funding. This is then adjusted for the substitution effect of replacing one type of volunteering with another, as well as optimism bias.

$$Volunteering impact= No. volunteers \* volunteering benefit by volunteering frequency $$

$$\*deadweight \* substitution \* optimism bias$$

**Table 9: Summary of volunteering benefit variables**

|  |  |  |
| --- | --- | --- |
| **Variable name** | **Source** | **Variable description** |
| Number of volunteers | Applicant data sheet | Number of attendees per year by frequency. |
| Volunteering benefits | [Faith, Hoops and Charity. State of Life (2021)](https://whatworkswellbeing.org/blog/faith-hoops-and-charity-and-why-weekly-works-for-wellbeing/?mc_cid=7eed3db93b&mc_eid=3eb0653d7f) | Wellbeing benefit estimates of frequent and infrequent volunteering per year. |
| Deadweight | Applicant data sheet and Additionality & Economic Impact Assessment Guidance Note. Scottish Enterprise, 2008. | Applicants provide evidence on the level of activity which would still go ahead in the absence of CDF funding. Where specific estimates are not provided, evidence evaluated by assessors based on Table 1 deadweight ready reckoner.  |
| Substitution | Applicant data sheet or [Homes and Communities Agency Additionality Guidance- Table 4.10 (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf) | Based on evidence provided by applicants on the local volunteering engagement. If an estimate is not provided, the criteria from the HCA substitution ready reckoner will be applied. See Table 5. |
| Optimism bias | Applicant data sheet and [HMT cost benefit analysis guidance for local partnerships (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/300214/cost_benefit_analysis_guidance_for_local_partnerships.pdf) | Based on the quality of evidence provided by the applicant, the economic advisor will evaluate which confidence grade is applicable. See Table 7 from HMT supplementary guidance, which sets out the criteria. |

**Skills benefits**

The benefit of training programmes is estimated as the net present value of the average lifetime value added per learner that starts each course. This is estimated by multiplying the NPV of those who undertake further education by the number of learners. Deadweight, which accounts for people who would have received training anyway in the absence of investment, is adjusted for. It is assumed that on average training courses will take 1 year to complete, so there is a 1 year time lag from when benefits are received. Lastly, these benefits are adjusted for optimism bias.

$$Skills impact =No. trainees \* NPV value added \* deadweight \* optimism bias $$

**Table 10: Summary of skills benefit variables**

|  |  |  |
| --- | --- | --- |
| **Variable name** | **Source** | **Variable description** |
| Number of trainees | Applicant data sheet | Number of trainees per year by qualification level. |
| NPV of value added from further education | [Measuring the net present value of further education in England 2018/19. DfE, 2021](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/986649/Measuring_the_Net_Present_Value_of_Further_Education_in_England_2018_to_2019.pdf) | Net Present Value of return to completing qualifications by level, gross of deadweight with 35% spillover, adjusted to 2023 prices. |
| Deadweight | Applicant data sheet | Proportion of training that would happen without CDF investment. Based on evidence provided by applicants in the data sheet. Where specific estimates are not provided, evidence evaluated by assessors based on Table 1 deadweight ready reckoner.  |
| Optimism bias | Applicant data sheet and [HMT cost benefit analysis guidance for local partnerships (2014)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/300214/cost_benefit_analysis_guidance_for_local_partnerships.pdf) | Based on the quality of evidence provided by the applicant, the economic advisor will evaluate which confidence grade is applicable. Table 7 from HMT supplementary guidance, which sets out the criteria. |

**Annex 2: Contingent valuation studies willingness to pay estimates**

There is currently no agreed method for valuing the welfare benefits associated with engaging with culture and heritage assets. However, these benefits are important to consider in decision making to better understand the impacts and value for money of investments in the culture and heritage sectors.

The DCMS has published guidance on valuing the flow of services that culture and heritage assets provide to the people and businesses that engage with them. For more information, please see the Culture and Heritage Capital Framework (CHC).[[6]](#footnote-6)

One approach to valuing the welfare benefits of engaging with culture and heritage is contingent valuation (CV). These studies use willingness to pay (WTP) and willingness to accept (WTA) surveys to estimate welfare benefits of ‘non-market’ goods and services, which are not captured through transactions involving the exchange of money. In the case of the cultural sector, an example of these ‘non-market’ benefits include the enjoyment someone gets from visiting a museum or heritage site, above the cost of attending. As this benefit does not have a market price, CV studies estimate the valuation of these welfare benefits by asking people the maximum amount they would be willing to pay in a hypothetical scenario where they would no longer have access to the good or service.

The estimation of engagement benefits, as outlined above, uses WTP figures[[7]](#footnote-7) to value the welfare benefits of attending and participating in cultural activities as part of proposed CDF projects. The values used will include those from the [Rapid Evidence Assessment: Culture and Heritage Capital Valuation Studies](https://www.gov.uk/government/publications/rapid-evidence-assessment-culture-and-heritage-valuation-studies), as well as other more recent studies published by Arts Council England, which are compliant with CHC guidance. Links to the guidance and research can be found on the [CHC portal](https://www.gov.uk/guidance/culture-and-heritage-capital-portal).

The information provided in the data sheet on the type of activity will be used to determine which WTP figure best suits the proposed project. If there is not a good match based on the current available evidence, we will look to find the best fit or take an average from a number of studies.

There are a limited number of studies covering a limited number of cultural assets. Therefore, if you have any additional evidence on willingness to pay values relevant to your project/ programme, please could you provide these in the evidence box of the engagement section of the data sheet.

1. For further information on Regulated Qualifications Framework (RQF) see the Skills section in this guidance further down. [↑](#footnote-ref-1)
2. Definitions of qualification levels can be found here:<https://www.gov.uk/what-different-qualification-levels-mean/list-of-qualification-levels> [↑](#footnote-ref-2)
3. <https://www.gov.uk/government/statistics/dcms-sector-economic-estimates-workforce-2021> [↑](#footnote-ref-3)
4. <https://www.gov.uk/government/publications/productivity-and-the-arts-heritage-and-museums-sectors> [↑](#footnote-ref-4)
5. <https://www.gov.uk/what-different-qualification-levels-mean/list-of-qualification-levels> [↑](#footnote-ref-5)
6. [Culture and Heritage Capital portal. DCMS, 2021.](https://www.gov.uk/guidance/culture-and-heritage-capital-portal) [↑](#footnote-ref-6)
7. It is commonly found that willingness to accept compensation to forgo the benefit tends to overestimate an individual's valuation, as this is not bound by an individual’s income and is subject to loss aversion bias, whereby individuals weight losses more than gains. Therefore, we have used WTP estimates rather than WTA values. [↑](#footnote-ref-7)