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Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London SW1A 0AA
Sent by email only

7 May 2021

Dear Meg,

RE: Public Accounts Committee Oral evidence: COVID-19: Culture Recovery Fund, HC 1291 Monday 26 April 2021.

Thank you for inviting me to talk to you about the Culture Recovery Fund on 26th April. During the hearing I agreed to write to the Committee with details of our evaluation questions for the Culture Recovery Fund (CRF) once they have been agreed. In the meantime I have set out the details of the evaluation plan in the Annex below. Once the specific evaluation questions have been agreed, I will write to you again in due course and let you know what they are.

ANNEX: Culture Recovery Fund Evaluation Plan

The evaluation of the CRF has been externally commissioned by DCMS. It has been awarded to a consortium led by Ecorys UK, with Ipsos MORI and BOP Consulting.

The evaluation will include 'impact' and 'process' elements of the CRF. Impact Evaluation will assess CRF effectiveness in achieving its objectives. Process Evaluation will explore how the CRF was delivered and the extent to which CRF was implemented as intended. Evaluation is required to be independent, objective and unbiased and compliant with government guidance on policy evaluation, published by HMT¹.

Evaluation Aims

The overarching research questions that the evaluation will seek to answer are as follows:

- Did the intervention lead to the sustainability of organisations of cultural, creative and heritage significance, ensuring the maintenance of the cultural ecosystem?
- Did the intervention lead to a fair and equitable distribution of funding?

¹HMT (2020) [The Magenta Book](#)



- Did the investment provide value for money (VfM)?

The evaluation is also interested in drawing lessons from the CRF programme as to how grant and loan schemes can best be administered in the future.

The main objectives of the evaluation going forward are set out below:

Detailed evaluation objectives:

- Examine how CRF has contributed to protecting the wider cultural sector. Specifically, what was the impact and role of CRF in maintaining the cultural and heritage sectors' financial sustainability by June 30th 2021.
- Assess the cultural impacts on the wider sector of losing any cultural and heritage organisations, i.e. the economic impact on the value/supply chain.
- Assess the financial, economic, cultural and social impacts for organisations that were supported by CRF - comparing those that were supported with those that were not supported - in particular any organisations not supported that were not able to trade viably by June 30th 2021 as a consequence. For example, how far did the CRF sustain the skills and talent pipeline, support retention of skills and maintain supply chains?
- Examine the degree to which CRF was applied consistently across rounds 1 and 2 regardless of geography, sector or whether organisations were commercial or not-for-profit.
- Understand the experience of both delivering and applying for grants and loans and inform possible future decisions on the design of any future DCMS schemes for cultural organisations.
- Assess the extent to which the CRF demonstrated value for money.

Methodology:

The CRF evaluation will include a number of workstreams (WS). Each of these workstreams have different aims but also carry different challenges so a mixed-methods approach has been adopted to ensure we ultimately obtain a robust understanding of the impact of the fund. Further details of the purpose of each workstream are set out below:

- **WS1: Surveys** - Good evaluation needs to have a control group so that cause and effect can be established. Therefore there is a need to sample from successful and unsuccessful applicants that are alike in all other respects. This WS involves quantitative data collection to track progress of CRF funded organisations towards financial viability and track progress of those that did not receive funding. This WS will also provide an opportunity to understand how organisations have experienced CRF from their perspective so lessons can be learned for future schemes.
- **WS2: Case Studies** - This WS will provide a more granular analysis using a smaller group of case studies. These will provide a much richer picture than the surveys and provide supplementary data on how CRF has been applied and enabled organisations to become viable in ways that would not have been possible without CRF.
- **WS3: Econometric modelling analysis** - this WS will analyse funding impacts on financial viability of organisations (should the feasibility study conclude the data is available to support this approach). The purpose of the modelling is to provide a complementary but methodologically different approach to assessing the impact of

CRF using a statistical modelling approach and implement the analysis if feasible. The method is a purely statistical approach that compares the impact on organisations supported by CRF and those that were not. The approach would express impact in purely quantitative terms, for example likelihood of survival of those supported versus not supported.

- **WS4: Value for money assessment.** This WS will assess the extent CRF achieved value for money. The approach will be based on a methodology compliant with the Treasury Green Book². A comprehensive standard assessment of value for money will cover:
 - Economy: How far the inputs to the CRF have been obtained at optimal cost
 - Efficiency: How far the CRF has delivered its outputs efficiently
 - Effectiveness: The efficiency with which the CRF has delivered its results.
- **WS5: Data synthesis.** Triangulation of findings from the workstreams above.
- **WS6: Process evaluation** (focused on the grants and loans process and governance arrangements). Based on interviews with policy makers and those administering the fund to understand lessons learnt.

Timeframe

The evaluation contract was awarded to Ecorys UK and commenced in February 2021 and expected to complete by September 2021.

Best wishes,



Sarah Healey
Permanent Secretary

² HMT (2020) [The Green Book](#)