



# Music Education Hubs: Business stabilisation plan guidance

*Issued 10 July 2020*

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## Introduction

The Arts Council has revised the remaining quarterly payment conditions for 2020-21 for Music Education Hubs in light of the unprecedented challenges brought about by the Covid-19 pandemic. Organisations are learning how to adapt to new and constantly shifting ways of working and engaging with schools and the wider public. This is not ‘business as usual’ and as a result, more flexible and adaptable business planning mechanisms are needed to ensure we can continue to respond to these changing circumstances.

We have therefore introduced a requirement for a short, simple and flexible **business stabilisation plan** by **6 October** (with an update in January 2021). This replaces the requirement of a business plan and other supporting documentation (e.g. needs analysis) for 2020-21. The plan is intended to be a **support tool for Hubs** and to enable us to see your thinking and support you during this challenging period. We know that some Hubs did submit a business plan in April or had been working towards one since then. Please be reassured that your business stabilisation plan is intended to build on and be informed by your Hub’s business plan and other supporting documentation.

This guidance has been developed in collaboration with a group of Hub leads, Music Mark and with Nigel M Taylor. It forms part of our [wider plans](#) for stabilisation and reset of the cultural sector and contributes to the overarching ambitions of our new strategy [Let’s Create](#). **Please read it in full** as there are useful links to resources, dates of support sessions as well as suggested prompts to refer to. Your Relationship Manager will also be on hand to answer any questions you may have about producing the plan.

## Hub delivery and use of Hub grant

This guidance should also be read alongside the updated [changes to 2020-21 payment conditions](#) document for Hubs. We are still in discussion with the Department for Education on continued flexibility in relation to Hub delivery and use of the Hub grant. We will provide an update on this as soon as possible.

## Business stabilisation plan requirements

The plan should:

- Ideally **cover 6 months** (i.e. up to 31 March 2021). However, we will accept a minimum of 3 months (to 31 December 2020) for the October payment. An update to the plan will be required in January 2021;
- Identify the **needs** of children & young people, families, schools, partners and any other key stakeholders in your Hub area;
- Set out a **flexible programme of activity**, showing how you plan to meet these needs and how you might adapt your offer in **different scenarios**, appropriate to your local context;
- Identify the most significant **risks** to your operations, finances and programmes, and outline potential mitigations;
- Set out how you will draw on your **Hub board, advisory board**, steering group or equivalent to support and challenge strategic decisions, and how you will support your organisation's **workforce**. Please note that the Arts Council still expects organisations to meet the **governance requirements** set out at [additional condition 3](#);
- Provide a **cash flow forecast/budget modelling** (ideally 6 months; minimum 3 months) which scenario plans for:
  1. 'expected case' – based on realistic levels of income & expenditure using the knowledge and information you have at the time;
  2. 'worst case' – which considers potential changes or risks to the operating context. For example, if there are local outbreaks and lockdowns / restrictions are re-introduced.

Your business stabilisation plan is a **live, iterative and action-focused** document, which we recognise will be constantly changing. We will require you to submit **an update** as part of the **January 2021 payment**, but please do keep your Relationship Manager updated should there be any significant changes to your Hub's plans before then.

## Resources, help and support

There are several resources, tools and templates that can help you produce your business stabilisation plan:

- [Covid-19 supplement](#) – new July 2020 update – to the [Organisational Resilience Guide](#), produced by Nigel M Taylor on behalf of Music Mark and the Arts Council.
- [Managing financial difficulties guidance](#) for arts and cultural organisations
- You may wish to refer to the existing Hub guidance on our website [here](#).
- A simple risk register template can be found on our website [here](#) and could be adapted for your plan.
- <https://www.peoplemakeitwork.com/> people make it work website offers a range of free expert panels, resources and videos to support organisations to change and develop.

The Arts Council is also offering **support sessions** for Hubs co-facilitated with Nigel M Taylor via Microsoft Teams on the following dates/times:

Tuesday 21<sup>st</sup> July 10-11am

Wednesday 29<sup>th</sup> July 2-3pm

Tuesday 4<sup>th</sup> August 10-11am

Thursday 27<sup>th</sup> August 2-3pm

Wednesday 2<sup>nd</sup> September 10-11am

Monday 7<sup>th</sup> September 2-3pm

Each session will be 1 hour long and there will be space for up to 10 Hub leads per session. To **book a place** on a session, please contact Naomi Kerrigan Asress [Naomi.KerriganAsress@artscouncil.org.uk](mailto:Naomi.KerriganAsress@artscouncil.org.uk)

### **Business stabilisation plan –format and suggested prompts**

Your business stabilisation plan should be presented in a **format** that works for your Hub. Keep it short, simple and consider using visual methods (diagrams, pictures, tables) to set out your thoughts. Do make use of existing documents and refer to them as needed.

We recommend setting out briefly the **local context** for your Hub and the **scope** of your plan at the start, plus any recent changes. This could include the area your Hub covers, any organisational considerations (e.g. local authority involvement), your workforce and delivery models, how you work with schools, the number of schools / young people in your Hub area etc.

We then recommend **structuring your plan** to cover the following 3 sections: Programme of activity, Governance & Management, Finance. You don't have to cover these sections explicitly and it may be that you use alternative headings or sections that are more relevant for your Hub.

Below, we have set out some **suggested prompts** under each of these 3 sections. You do not have to answer all of them – they are intended as a guide. Select the ones which are the most appropriate for your Hub and feel free to add other information as needed to help explain your plans.

#### **Programme of activity**

- Have the **needs and expectations** of children & young people, families, schools, partners and other key stakeholders in the Hub area been considered in the design, content, delivery and communication of the Hub's

offer? Explore a format which works best for your organisation – the needs analysis [template](#) could be adapted if suitable for you.<sup>1</sup>

- Have **equality, diversity and inclusion** been considered? What are you doing to reach the most vulnerable / disadvantaged children & young people and families in your community / area?
- Has a **flexible programme of activity** been developed which shows how you will meet these needs, and which can be adapted to changing circumstances, e.g. local lockdowns? This could be presented as a ‘menu’ of activities, diagrams or as scenario plans.<sup>2</sup>
- Have you made best use of your own **assets and resources** as well as Hub partners’ and other stakeholders’ expertise in order to maximise opportunities for working in new ways and ensuring quality?
- How are you **engaging with and supporting schools** and how might these relationships need to evolve over time as government guidance changes?<sup>3</sup>
- Do you have an appropriate **Covid-19 risk assessment** for your Hub and workforce for going into and moving between schools and other buildings?
- Are **online safeguarding** and other necessary policies and procedures, including staff training, in place?
- Do you have access to appropriate **hardware and software** to deliver your online Hub offer? Have staff training needs been identified and met?
- What practicalities need to be considered in relation to **provision of and access to instruments** for your Hub? You may wish to refer to our [guidance](#) on Instrument storage, purchase & maintenance.
- Have you considered how you might **collect data** on your programme of activity and any different methods which may be needed?

## Governance and management

- Are appropriate governance arrangements in place to support the Hub? Has your **Hub board, advisory board**, steering group or equivalent endorsed your business stabilisation plan? Are they providing enough **support and challenge** on strategic decisions?
- If your Hub covers **more than one local authority area**, have you **involved other colleagues** in developing the stabilisation plan?

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<sup>1</sup> We do not require Hubs to submit a full / formal needs analysis as part of this plan. We just need to see some evidence that your plan is based on and considers the needs of local young people, schools etc. You may also wish to refer to existing data you hold.

<sup>2</sup> We are still in discussion with the DfE on continued flexibility in relation to Hub delivery and use of the Hub grant. We will provide an update on this as soon as possible.

<sup>3</sup> All DfE guidance for schools: coronavirus (COVID-19) is [here](#). Specific guidance for full opening: schools is [here](#) and for schools responding to local lockdowns is [here](#).

- Are appropriate **management and staffing arrangements** in place? For example, suitable working from home practices, health and safety considerations, IT policies etc.
- Have you / Has your workforce taken up **support from Government schemes**, where appropriate? For example, the Coronavirus Job Retention Scheme (furlough) for employed staff or self-employed workers may have signed up to the Self-Employment Income Support Scheme. Are you able to strike a balance between supporting staff and ensuring some delivery is happening?
- Have you considered how you will **support the health and wellbeing of your organisation's workforce**? For example, keeping in touch and motivating staff working remotely, and making furloughed staff feel part of the team.
- Have you considered how you will **support your organisation's workforce to adapt to the new challenges**? For example, what training, professional development, guidance might they need to carry out their roles differently? Are you considering any changes to staff terms & conditions / contracts?
- Are there appropriate procedures in place for **managing staff absences** due to illness / self-isolating / shielding? Have further staffing requirements been considered?
- Have **risks** been identified to your operations, finances and programmes and potential **mitigations** outlined?
- Have you considered what your organisation / Hub is **learning** about its business model and programme of activity? What areas need to be prioritised and developed to ensure resilience? What areas need to be de-prioritised during this period?
- Do you have an appropriate **communications strategy** in place to ensure you are communicating effectively to your different stakeholders and using a range of platforms, where appropriate?

## **Finance**

- Is the level of **expected income** from schools, parents/families and other sources realistic? On what assumptions is it based?
- Have **government support packages** been utilised where appropriate? Has the **local authority** been approached for any (temporary) financial support?
- Are there any **new sources of income** which could be explored?
- Does **expenditure** need to be reduced or increased in certain areas to meet changing need?

- Does **financial documentation** clearly set out how the DfE grant is being used alongside other earned / generated income?<sup>4</sup>
- Have at least **two different cash flow forecasts / budget models** been produced, based upon your local context?
  - Do these cover the minimum period of 1 October – 31 December 2020, ideally extending to 31 March 2021?
  - Is your ‘expected case’ scenario based on realistic levels of income & expenditure using knowledge you have to date?
  - Has a ‘worst case’ scenario been considered? For example, if there are local outbreaks of Covid-19 and lockdowns / restrictions are re-introduced. Or, if your Hub is facing challenges with school sign-up for the Autumn term onwards, which will affect income levels?
- Have you considered the short, mid and longer-term **financial viability** of your organisation and of the Hub overall? What are your levels of **free reserves**?

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<sup>4</sup> We are still in discussion with the DfE on continued flexibility in relation to Hub delivery and use of the Hub grant. We will provide an update on this as soon as possible.