



Department
for Education



The relationship
between Arts
Council
England and
Music Education
Hubs 2021-22

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Welcome to the 2021-22 Music Education Hub portfolio

The challenges we all experienced in 2020-21 were vast, and will continue as we recover from the impact of Covid-19. We have had to find new ways to work and engage with each other, children and young people, families and schools. There has rarely been such a time in living memory when the cultural sector has felt such strain, and when the lives of the children and young people we work with have been so profoundly affected.

The commitment and innovation that Music Education Hubs have demonstrated during this time has been inspirational. From establishing virtual music centres and online lessons, to reaching out to communities – Hubs have continued to be a key part of many young people’s lives, providing a lifeline across the country. The Arts Council wants to say a huge thank you for your tireless hard work and determination in delivering music education during this time.

We hope that 2021-22 will provide an opportunity for Hubs to rebuild and reconnect face to face with communities, while continuing to learn and adapt to meet a future where blended approaches to learning are the norm, and an increased focus on wellbeing and pupils’ educational catch-up are at the forefront of minds. We anticipate that schools will wish to draw on the immense power that music-making has to support pupil’s learning, and personal and social wellbeing.

For the Arts Council, we too have had to adapt to the changing landscape. The delivery plans for our strategy for 2020-30: *Let’s Create* are soon to be published and we’re excited to share them with the sector.

Securing the creative and cultural lives of all our children and young people is critical to realising this strategy. Over the next 10 years, we will focus a large part of our development role on ensuring that children and young people are able to fulfil their creative potential and access the highest-quality cultural experiences where they live, where they go to school and where they spend their free time.

So too, our work with the Department for Education and the Department for Digital, Culture, Media and Sport remains central in realising the vision set out in *The Importance of Music: A National Plan for Music Education*. Creativity and culture have the power to delight and move us, help us make sense of our place in the world and can deliver broader social benefits. It is vital that children and young people engage with music early in their lives and Music Education Hubs play a key role in this.

We know that during this coming year as Music Education Hubs create and support music education that works for their local contexts, both in and out of school, that it will not always be easy. As the national development agency for the arts, museums and libraries, the Arts Council is here to help you make your vision reality, to make sure we can collectively drive forward our ambition to support all young people, to foster a positive collaborative culture, and champion your work to those that need to know about it.

We understand that there isn't a standard model for Music Education Hubs – all Hubs are different, reflecting local circumstances and local needs. But for all of us, the focus looking ahead is to work with communities to understand the needs of children and young people, to ensure high quality opportunities for musical talent to be nurtured and to foster partnerships that deepen and work to benefit each other even more,

This framework sets out the parameters of our relationship with Music Education Hubs. It describes what we expect from the organisations in which we invest and what they in turn can expect from us.

We look forward to working with you throughout the 2021-22 investment period.

Hannah Fouracre
Director, Music Education, Arts Council England

How we invest in Music Education Hubs

Arts Council England operates as fund holder for Music Education Hubs on behalf of the Department for Education. As fund holder, we are responsible for providing advice, assessment, decision-making and monitoring the performance of Music Education Hubs against agreed delivery plans. Funding for 2021-22 is available and applies to the continued delivery of the aims set out in the 2011 National Plan for Music Education.

The Arts Council delivers these funds through a ring-fenced grant from the Department for Education. This funding is in addition to the money we receive through our funding agreement with the Department for Digital, Culture, Media and Sport and from the National Lottery.

Funding is aligned to the local authority pupil populations and covers all the children aged five to 18 within one or more local authority area/s. These allocations have been calculated by the Department for Education according to a national funding formula based on total number of pupils. Each Music Education Hub lead organisation will receive a proportion of the overall funding amount based on their share of the overall number of eligible pupils in their local authority area(s). 90% of the funding is distributed based on each local authority's share of the total number of pupils registered on roll and the remaining 10% is distributed based on their share of the numbers of pupils eligible for Free School Meals (FSM).

Teachers' Pension Scheme (TPS) payments for teachers during 2021-22:

During 2021-22 Local Authorities continue to receive pension funding for centrally employed teachers (CETs), and Music Education Hubs that are not part of a local authority, continue receiving funding for their directly employed teachers, based on the information they submitted on the total cost of the increase for their teachers in academic year 2019 to 2020. Guidance from the DfE is published on its website [here](#) and should be used for Hub lead organisations based in a local authority. It reads: 'From 2021 to 2022, funding for the increase in pension costs will be paid through the schools, high needs and central school services block (CSSB) national funding formulae (NFF), instead of as separate grants.'

For Music Education Hubs where the lead organisation is not part of a local authority and that employ teachers directly who pay into the TPS, they were asked to submit evidence to the DfE during 2019-20. This was used to determine the funding due to their organisation. In recognition of the continuing pressures on these Hubs, the same level of funding will be provided to these organisations

during 2021-22. The Department for Education is not able to consider any new claims for reimbursement nor variations to existing allocations.

As last year, the DfE will provide the TPS funding for non-Local Authority based Hubs to the Arts Council to distribute on their behalf. Hubs will be able to claim their funding via Grantium.

How the Arts Council will approach the relationship with Music Education Hubs

The relationship between the Arts Council and Music Education Hubs aims to:

- foster a **developmental and supportive** relationship that varies according to the evidenced risks to the Department for Education's investment
- provide an **ongoing dialogue** and monitoring, with a commitment to termly contact with every Music Education Hub
- produce **annual feedback** to Music Education Hubs on their risks, progress, achievements and best practice
- **develop and broker relationships** in the music education sector and beyond

We will look to the lead organisation within the Music Education Hub and their boards to take responsibility for managing performance and undertaking self-evaluation.

We will shape our relationships according to the risk to the investment in each Hub, giving ongoing feedback on risk, progress, achievements and best practice. This will be summarised in an annual letter.

Core and extension roles

The NPME sets out that we expect that all Music Education Hubs will focus on pupil outcomes and carry out the **core roles** set out below. These are included here for reference, however during 2021-22 the core roles have been redefined in light of the pandemic. Please see the Business Stabilisation Plan guidance on the Arts Council website for more details:

- ensure that every child aged five to 18 has the opportunity to learn a musical instrument (other than voice) through whole-class ensemble teaching

programmes for ideally a year (but for a minimum of a term) of weekly tuition on the same instrument

- provide opportunities to play in ensembles and to perform from an early stage
- ensure that clear progression routes are available and affordable to all young people
- develop a singing strategy to ensure that every pupil is singing regularly and that choirs and other vocal ensembles are available in the area

It is also expected that most Music Education Hubs will be able to carry out the extension roles.

These **extension roles** are:

- offer Continuous Professional Development (CPD) to school staff, particularly in supporting schools to deliver music in the curriculum
- provide an instrument loan service, with discounts or free provision for those on low incomes
- provide access to large scale and/or high quality music experiences for pupils, working with professional musicians and/or venues. This may include undertaking work to publicise the opportunities available to schools, parents/carers and students

Every Music Education Hub should have SMART objectives based on the core and, if relevant, extension roles, embedded in their business and associated plans.

Supporting the Cultural Education Challenge

The Arts Council, the Department for Education and the Department for Digital, Culture, Media and Sport have agreed the following statement that has been included in your funding agreement:

Through delivery of the core and extension roles, your Music Education Hub will support the Cultural Education Challenge and contribute to Local Cultural Education Partnerships and/or similar local partnership working. This may include developing a working relationship with your local Bridge, and supporting Artsmark, Arts Award, and other accreditation frameworks that recognise children and young people's achievement.

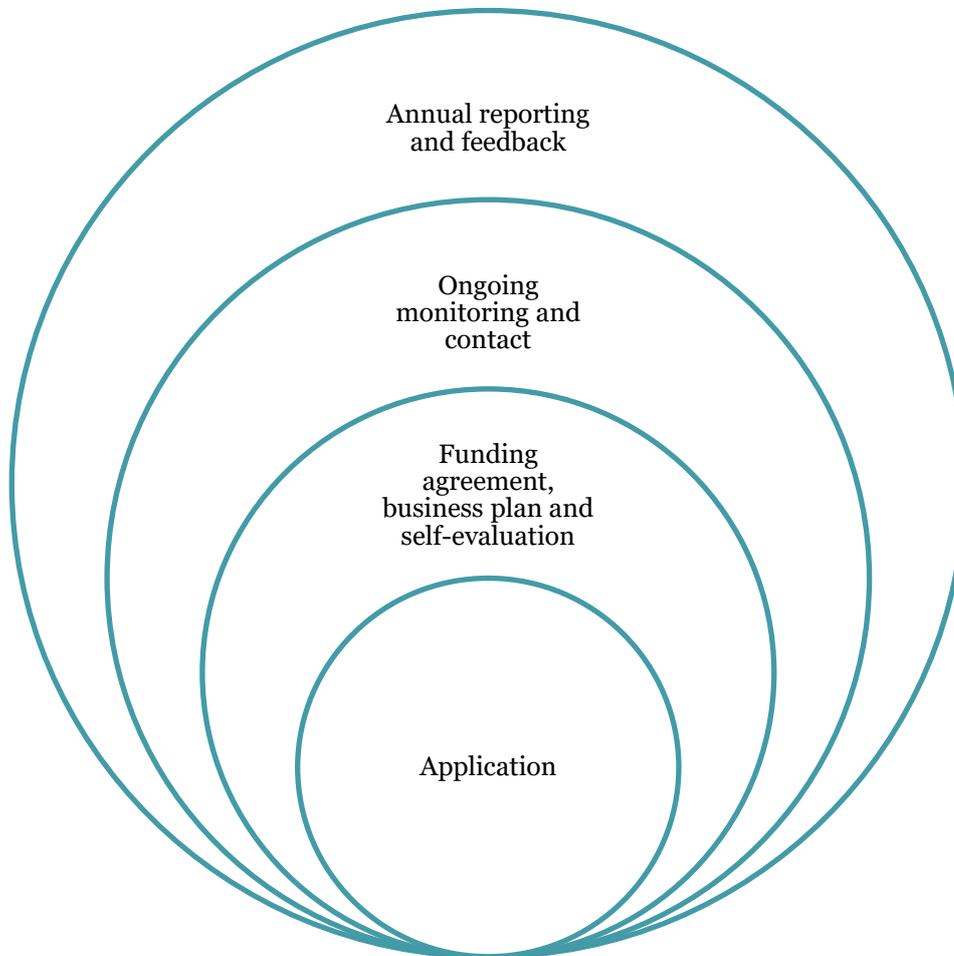
We do not expect to see supporting information in your mandatory documents, describing exactly how you will do this, but you may wish to provide this. No national targets will be set, as each Hub will work to support children and young people in response to its local needs analysis. However, we would like to hear

about any work you are doing to support the Cultural Education Challenge and contribute to Local Cultural Education Partnerships and therefore there will be a question in the annual survey relating to this.

For information on the Cultural Education Challenge, Artsmark and Arts Award and how Music Education Hubs could engage with these programmes please see the supporting document [here](#), or visit the following websites, [Cultural Education Challenge](#), [Artsmark](#) and [Arts Award](#).

The elements of the relationship

There are a series of components that, taken together, form the funding relationship:



The application

Our funding decisions are based on the original 2012 application and the funding agreement for 2021-22 investment period. Applications were submitted by a lead organisation, the 'Hub lead', in collaboration with a number of partners. Here they set out, on behalf of their partnership: their proposals for delivery of music education in their area; how they intended to demonstrate value for money; their ability to successfully manage themselves and their activity; and evidence of their track record in delivering high quality music education.

The funding agreement

The funding agreement is a high-level agreement that sets out the investment you will receive for each year of the agreement. The allocation for 2021-22 is indicative and may be subject to some change to reflect changes in pupil numbers. As your business plan is embedded into the funding agreement, it includes your own SMART objectives, showing how you will achieve the core and extension roles.

We may occasionally place extra requirements or conditions in funding agreements as part of our monitoring responsibilities, either at the start or during the investment period. Such changes will always be made in writing with sufficient notice. We may also agree to change payment conditions or funding agreements where circumstances require it.

The funding agreement also reflects the fact that the Arts Council is accountable to the Department for Education when distributing these funds.

Please note that in the 2021-22 financial year, Business Stabilisation Plans will take the place of business plans and supporting documents. Please refer to Business Stabilisation Plan guidance on the Arts Council's [website](#) for details of required content. Updates to your stabilisation plans will be required as part of quarterly reporting. The following sections on Needs analysis, Business plans, Programmes of activity and Budgets reflect our usual expectations and are retained here as a reference point.

Needs analysis

On an annual basis every Hub must submit a **needs analysis** which:

- responds to your duty to support equality, diversity and inclusion in provision, workforce and governance.
- is robust, detailed and show how you will collect and collate data on an ongoing basis to audit provision and undertake self-evaluation.
- takes on board a broad range of views, including consultation with young people, schools and parents, staff and workforce, school agencies/partners, and other stakeholders such as youth org.
- sets out realistic steps you can take as part of your business plan.

Ongoing needs analysis enables evidence-based decisions which positively impact on all areas of Hubs' work, supporting a vibrant culture of musical participation. Your needs analysis must clearly form the rationale for your business plan and programme of activity.

Full needs analysis guidance is published [here](#).

Business plans

Music Education Hubs are required to submit annually updated business plans that cover your mid to long-term strategic aims and include specific detail regarding your planned activity and budget assumptions for the coming financial year for which funding has been agreed. Your business plan should include a needs analysis, risk register, communications strategy and financial information and meet all the requirements set out in the funding agreement. The business plan should describe management and governance arrangements. We expect to clearly see how the core and extensions roles will be delivered, partnership arrangements and SMART objectives.

Robust business planning that includes clear SMART objectives will allow Hubs to establish what data and information they need in order to plan, evaluate and measure their progress and assist in gathering data to fulfil the annual reporting requirements (see 'Annual reporting').

Business plans are owned by the partnership of organisations/Music Education Hub and should be approved and monitored at board level. Board minutes and reports submitted quarterly must clearly reflect this. While we do not approve business plans, we will agree as to whether the SMART objectives are acceptable and ensure that the plan reflects the activity and aspirations of the Hub, and that risks have been appropriately identified and mitigated. We also expect to receive any relevant monitoring reports or updates.

Through the business plan we seek to understand the context and environment the Music Education Hub is operating in and the goals it has set itself to achieve as a partnership. We ask for a copy of the business plan at the start of the funding relationship, with updates at the beginning of each financial year, so that we can understand and monitor the Hub's delivery. We have published updated guidance on creating a [business plan](#), which you may wish to refer to.

Programme of activity and budgets

On an annual basis every Music Education Hub will need to provide a detailed programme of activity for the financial year and an accompanying budget. We have published guidance on developing a programme of activity as well as a [budget](#) template which you must use (unless another suitable comparative format has been agreed with your Relationship Manager).

Your overheads, management fees, administrative costs and any other recharges must relate directly to the amount of time spent on the agreed activity. You must show how these have been calculated. These costs must be reviewed and agreed by

your Relationship Manager as part of the 1st payment request in April and can only be increased after this point in exceptional circumstances.

You must ensure that staff (including freelance) are properly and fairly paid. Further guidance on fair pay and other staffing matters has been produced by Music Mark and the Musicians' Union [here](#).

Current and future funding

Our funding agreement with Music Education Hubs will state that the amounts offered are indicative. Arts Council England can only guarantee future instalments of the grant as long as sufficient funds from the Government are available to it. It is possible that the indicative amounts may therefore be reduced for future instalments.

Self-evaluation and monitoring

The significance of self-evaluation

We expect all lead organisations and their Hub boards to ensure that regular self-evaluation of the Music Education Hub is carried out. This provides the opportunity to identify ways to improve performance. It is a valuable process, enabling your Music Education Hub to decide where it has succeeded and how it wants to do things differently. The outcomes of self-evaluation should help your business planning.

You may choose to use the [self-evaluation toolkit](#) we have published. You are not obliged to use our toolkit, but it is considered good practice to demonstrate at least one form of regular self-evaluation.

Contact with the Arts Council

Relationship Managers are the main point of contact between us and Music Education Hubs. As well as maintaining communication, they lead our monitoring of Hubs and make judgements that inform our funding decisions.

Relationship Managers are critical friends, providing feedback on a Hub's performance and suggesting other sources of advice and support. However, they cannot provide legal, financial or other specialist professional advice.

It is the responsibility of the directors, other officers, or those directing a Hub's affairs to ensure that it properly fulfils its legal duties under the laws of England at all times.

Your Hub can expect to have formal contact with your Relationship Manager on a termly basis to discuss progress, opportunities and challenges. Frequency would increase in proportion to the risk rating. The Relationship Manager will determine the nature of the contact and monitoring.

Contact may include:

- a scheduled telephone conversation
- observing a board meeting
- a meeting for a specific purpose
- experiencing some of the Hub's work with children and young people
- attending a joint meeting with other Hub stakeholders
- email correspondence

We expect that Hubs will still have ongoing informal 'development' contact with Relationship Managers, which may take various forms. If you have any issues, concerns or simply want to discuss something, you can make contact at any time.

Our relationship with your staff and board (or equivalent)

We recognise that the governing structures of Music Education Hubs vary but will usually include a board or equivalent advisory group of externally appointed, independent stakeholders who work strategically to ensure the Hub meets its core and extension roles, remains financially sustainable, and makes fair and transparent decisions. We acknowledge that some Hubs don't have boards. In those cases, the equivalent body needs to be independent (i.e. not solely local authority), strategic and accountable.

Our main point of contact within a Music Education Hub is the representative of the lead organisation, for example Music Service Head or Chief Executive. The Hub lead and board (or equivalent) is ultimately accountable for the performance, management, value for money and sustainability of the Music Education Hub.

We have the right to attend board meetings as observers. This helps us to gain a clearer picture of the way your Hub runs, what issues are important to you, how you monitor your business plan, how business is conducted and the manner in which decisions are reached. We may also attend board meetings to provide our feedback.

We expect that your board will be proactively interested in your Hub's relationship and funding agreement with us and that conversations about the performance of

the Hub will be discussed at board meetings. We recognise that the board is ultimately accountable for the performance of the Hub and we will not interfere in the board's decision-making process.

It may also be appropriate for Arts Council to attend some Hub partner meetings.

Further information about Hubs and governance can be found [here](#).

When you make senior appointments within the Hub

If you are making a new senior appointment, whether replacing an existing staff member or board member or creating a new Hub role, Arts Council England reserves the right to be consulted in the process of recruitment and invited to attend interviews. We can contribute information and comments for Music Education Hubs to consider in decision-making, but we will not take part in the decision itself.

Hub leads should inform their Relationship Manager of any proposed processes for appointing the Chair of the board (or equivalent), the Chief Executive (or equivalent), or other similar or new posts.

The reason we ask to have a role in making new appointments is to help provide transparency about the appointment process. By helping to ensure strong recruitment processes for senior leaders, we fulfil our obligation to safeguard public funds.

Monitoring payment conditions and making payments

The full monitoring schedule, including dates and conditions for each payment, can be found in your funding agreement.

Payment conditions are used to ensure:

- public money is being spent according to our funding agreement
- that Hubs are working effectively
- that we are knowledgeable and able to assist in our on-going monitoring and supportive role

We are looking for evidence as to how effectively a Hub is being managed, delivering core and extension roles, and managing change. Each payment condition has been set in order to demonstrate a particular aspect of the overall Music Education Hub management. Examples of payment conditions include:

- management accounts: these allow us to see how effectively you are managing the funds, how financially resilient your Hub is and how easy it is for your Hub board (or equivalent) to see the financial position of the Hub. The clarity of the management accounts is just as important as the information they contain. Management accounts should be easily understandable.
- board papers (or equivalent): these allow us to see how effectively your board (or equivalent) is operating, how decisions are being made, and what information the Hub lead is sharing with its stakeholders and governance groups. Board papers should include minutes and agendas as well as any paperwork or other documentation shared with the group.
- programme of activity: this is your comprehensive programme of music activity in and out of school for the full financial year ahead. It should clearly relate to your needs analysis, business plan and School Music Education Plan and identify the core and extension activities funded or subsidised through the grant, or alternatively funded. It should be shared and agreed with the Hub senior management team and the board/ advisory group. The programme of activity is not your internal plan for management and development of your Hub, this should be included in the Hub business plan.
- needs analysis: this allows us to see whether your business plan is driven by evidence-based decisions and how well your activities support equality, diversity and inclusion in provision, workforce and governance. It should be robust, detailed and show how you will collect and collate data on an ongoing basis to audit provision and undertake self-evaluation. It should take on board a broad range of views, including consultation with young people, schools and parents, staff and workforce, school agencies/partners, and other stakeholders such as youth organisations. It should set out realistic steps you can take as part of your business plan.

We may use information obtained through payment conditions when reporting back to the Department for Education to highlight risks and monitor performance.

If you have any questions regarding payment conditions or if you cannot provide a particular payment condition you should speak to your Relationship Manager.

Repeat late or non-submission of payment conditions will trigger Arts Council's Criteria for intervention as outlined in [Ensuring Quality](#).

Risk

Every grant that we make carries an element of risk and it is in our interests as a distributor of public funds to understand that risk. When monitoring your organisation, we consider various factors and a variety of evidence to determine the degree of risk to the delivery of the funding agreement and our investment. Specifically, we will look at three key areas:

Music Education Hub delivery:

- how well is the Music Education Hub delivering the core and extension roles as measured by its milestones and SMART objectives?
- are there strong strategic and delivery partnerships in place resulting in high quality, inspiring and engaging musical and progression opportunities for children and young people?
- how is the lead organisation ensuring that the musical opportunities delivered across the Music Education Hub are high quality?
- does the annual data return demonstrate good reach, progression and standards for Music Education Hub activities?

Leadership, governance and management:

- is a clear, strong business plan in place?
- does the Hub leadership demonstrate an appropriate range of skills and experience?
- what arrangements have been made to ensure quality, accountability and reporting within and across partnerships?
- is the process of decision-making clear?

Value for money and financial resilience:

- are efficiencies enabled through partnership?
- are resources being used effectively?
- how well does the Music Education Hub bring in additional funding (based on the quarterly management accounts)?
- what controls are in place to ensure appropriate financial management?
- is the budget realistic in relation to the proposed activity?

In order to respond to the impact of the Pandemic, there are two new risk types that Relationship Managers can utilize as needed, these include:

1. Insolvency – organisations reporting that they are at risk of insolvency, or in the instances of Local Authority based Hubs this might be Hubs who are reporting severe financial challenges that could negatively impact on their budget and are unlikely to be covered by their LA.
2. Redundancy - organisations considering redundancy, in the process of carrying out a redundancy consultation process or announcing redundancies.

The three above key risk areas are a starting point for the Relationship Manager’s regular conversations with Hub leaders and will be used to make judgments on the impact and likelihood of risk to a Hub. We reach a conclusion about the level of risk for each Music Education Hub based on various factors:

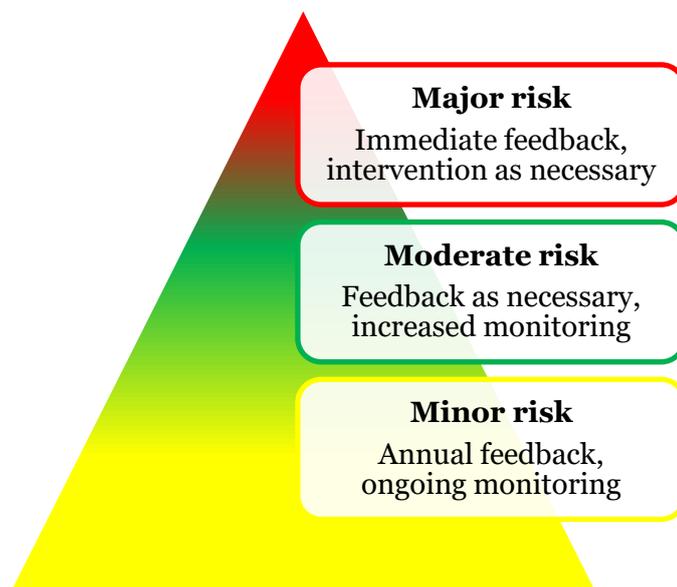


Relationship Managers assess risk to our investment in each Hub at least quarterly and may update their assessment at any time in response to new information. Relationship Managers use prompts to identify factors that indicate that an organisation may not be able to deliver on its funding agreement (see Appendix 1). For each risk factor, we judge the impact this could have on the organisation’s ability to deliver its funding agreement, and the likelihood of this happening, taking into account actions already agreed to reduce the risks. A scoring system which combines a score for impact (scored from 1 to 5) and score for likelihood

(from 1 to 6) measures is used to determine the overall risk rating and severity of risk: minor (2-6), moderate (7-8) or major (9-11). Each organisation's overall risk rating is the **highest** combined impact and likelihood rating that has been applied to an individual risk factor

I	5	Minor	Moderate	Moderate	Major	Major	Major
M	4	Minor	Minor	Moderate	Moderate	Major	Major
P	3	Minor	Minor	Minor	Moderate	Moderate	Major
A	2	Minor	Minor	Minor	Minor	Moderate	Major
C	1	Minor	Minor	Minor	Minor	Minor	Moderate
T		1	2	3	4	5	6
L I K E L I H O O D							

This graphic illustrates categories of risk and our consequent levels of engagement for overall risk ratings which are minor (scored 2-6), moderate (7-8) or major (9-11).



We expect many Music Education Hubs will present minor risks to the investment. We will use the risk level to determine whether any change in our relationship or additional intervention is required.

Relationship Managers will prioritise their time to focus on Hubs we consider carry a major degree of risk to the investment.

Arts Council, the Department for Education and the Department for Digital, Culture, Media and Sport will discuss risk ratings of Music Education Hubs when they meet on a monthly basis; this includes sharing the causes of the risk and the mitigations in place. Greater detail may be shared for those that are risk rated 8 and above.

Music Education Hubs with an overall risk rating of moderate or major will be supported via mutually agreed mitigations based on our criteria for intervention which can be found on page 6 of our [Ensuring Quality](#) document.

The risk rating will be communicated to Hubs in the annual feedback letter, but Hubs may request their current risk rating at any time.

Annual return and feedback

Annual return

The Arts Council reports formally to the Department for Education on an annual basis. To inform this reporting, the Hub lead partner will be asked to complete an annual data return containing statistical data and written information relating to the activity of the Music Education Hub. This will be submitted in October of each year with information about the preceding academic year.

We expect Music Education Hubs that cover one or more local authority area/s to be able to account for their expenditure and impact in each area. However, when submitting data, we request that these figures be combined.

The annual return will largely remain the same each year. Questions may be nuanced, or additional questions may be added to provide the Arts Council and Department for Education with detailed information on Music Education Hub impact and performance. We aim to inform Hubs of any changes as early as possible.

Annual return guidance notes are available [here](#). Please read them carefully as it is vital that Hubs provide an accurate picture of the data reflecting the guidance. If you experience any difficulty accessing them, please contact your Relationship Manager or our enquiries team.

We will review this information to help us determine the impact of investment in Music Education Hubs, inform our reporting to the Department for Education and provide each Hub lead with feedback for their Music Education Hub in the form of an annual feedback letter. We expect Hub leaders to use this information for self-improvement and to learn from peers.

We will publish national Music Education Hubs annual return data following approval from the Department for Education.

In between the annual returns, it is the responsibility of Hubs to inform us of any changes to their activity or business by contacting their Relationship Manager.

Annual feedback

We will provide written feedback to the Hub lead on an annual basis at minimum. This will take place in the third quarter of every financial year and will be based on the annual report provided to us and our ongoing monitoring and contact, as well as other evidence. We may provide more urgent and frequent feedback, dependent on the organisation's risk rating and information received.

The feedback will set out how well we consider the Music Education Hub to be delivering the core and extension roles, how successfully they are managing themselves and their activity, and value for money and financial resilience. It will also highlight where we have identified risks in these areas and proposed mitigating actions.

Our feedback letter is not only to identify concerns. It is also an opportunity to give feedback where we believe there is good practice and to encourage Hubs to share such practice with peers and the sector. Feedback is intended to be constructive and a tool for continuous improvement.

The feedback letter will be written by your Relationship Manager and cover the following elements:

Hub performance and assessment of risk	How the Hub is meeting the criteria for Music Education Hub delivery, value for money, and leadership, governance and management, with a low-moderate- major risk rating.
Monitoring plan	We will highlight any concerns and will propose the monitoring and/or intervention to be carried out by the Relationship Manager in the following year.
Key strengths and areas for development.	Constructive feedback to aid continuous improvement based upon discussions, information gathered throughout the year, board papers and the data return.

Keeping to the terms and conditions of the funding agreement

The funding agreement between us and the Music Education Hub Lead Organisation sets out the investment the Music Education Hub will receive for each year of the agreement.

The funding agreement contains your business plan, setting out how you will achieve the core and extension roles and contribute to *The Importance of Music: A National Plan for Music Education*.

The funding agreement also contains our standard terms and conditions and additional conditions. If the Music Education Hub is not meeting the requirements set out in the funding agreement, our first step will be to give you appropriate feedback (usually through the Relationship Manager) and discuss this with you, so we can all understand and agree what the problems may be.

We expect the Music Education Hub board (or equivalent) to be informed about any concerns we express, either in discussion at a meeting or in writing. We also expect that the board, working with the lead organisation's executive officers, will deal with the relevant issues and provide prompt and constructive advice on how you can meet the requirements set out in the funding agreement.

We will take action if you break any of the terms and conditions of the funding agreement.

In addition to the feedback and discussion outlined above (which would always be a first-stage measure), we can initiate one or more of the following measures:

- action plans: we may ask for and agree an action plan for improvement in response to concerns. Within this plan, you might want to consider your staff roles, perhaps changing your key officers, both executive and non-executive to ensure most suitably placed staff are available to support development and drive change. You will be responsible for this plan and we will monitor its effect
- increased monitoring and reporting: we may ask that your executive officers or chair (or both) meet with our senior officers to confirm that areas of concern we identified are being dealt with, for instance if requirements relating to goals are not being met. We can also ask for reports in writing more frequently on certain issues
- payment conditions: we may place extra conditions on our grant payments if you have not met the terms and conditions set out in the funding agreement

- consultants: we may appoint consultants to provide us with detailed information on areas of concern. This may be because we need more information, because we need specialist input, or because we want to support you to develop and improve
- stakeholder review: we may hold a joint review meeting with other investment partners and discuss areas that can be improved or developed
- withholding payment: if the Music Education Hub has not met the conditions of our funding agreement within an appropriate period, we may decide to withhold payment of a grant instalment (or part of a payment) until you have met the conditions
- repayment: in cases where you have clearly continued not to keep to the terms and conditions, we may ask you to repay the investment
- withdrawing investment: in extreme cases we may decide that continued investment is not in the best interest of public funds, and will discontinue funding. We would not take such a decision lightly and would base it upon the evidence available, interventions we have made and the progress against the Music Education Hub's action plan.

If we decide to do any of the above, we will tell you beforehand. We will take one or more of the measures outlined above in all cases. Full information on the **intervention process** for Hubs can be found in our [Ensuring Quality](#) document.

Novation process

Music Education Hubs may, in rare occasions, find themselves in the position where they feel it necessary or desirable to transfer the leadership role of the lead organisation to a new lead organisation. For example, this may happen when a Hub lead organisation spins out of the local authority. In these cases, the existing grant can be transferred from the existing Music Education Hub to another organisation if all parties, including the Arts Council, agree.

The Arts Council will consider each request to transfer the grant on a case-by-case basis. We will request mandatory core documents, such as a business plan, a needs analysis and a budget for the remaining funding period in order to satisfy us (at our absolute discretion) that the new lead organisation will be able to continue to deliver the activity that the Arts Council has agreed with the current organisation through the original 2012 application process and funding agreement for the 2021-22 investment period. The original assessment prompts used to assess applications in 2012 will be used to determine the new organisation's ability to meet the following four criteria:

- proposed Music Education Hub delivery
- value for money
- leadership, governance and management
- track record in high quality music education delivery

Additional conditions can be placed on the funding agreement with the new lead organisation by the Arts Council to mitigate against any risks identified to our investment. For example, the submission of a monthly cash flow for the first year may be requested if the new organisation is recently constituted and does not have a financial track record.

The new funded Music Education Hub must accept the terms and conditions of the funding agreement (and any existing liabilities).

Appendix 1: Music Education Hub monitoring and risk assessments

We will use the following list of prompts to determine the degree of risk to the delivery of our funding agreements with Hubs.

Core roles and expectations

- a) Is the Lead organisation ensuring that **every child aged 5-18** within the Hub area has the opportunity to learn a musical instrument (other than voice) through **whole-class ensemble teaching** programmes for ideally a year (but for a minimum of a term) of weekly tuition on the same instrument?
- b) Is the Lead organisation ensuring there are opportunities within the Hub to play in **ensembles and to perform** from an early age?
- c) Is the programme driven by evidence from **needs analysis** and ensuring **equality of opportunity** for all pupils, regardless of race; gender; where they live; their levels of musical talent; parental income; whether they have special educational needs or disabilities; and whether they are looked after children?
- d) Is the Lead organisation ensuring that **clear progression routes** are made available and are affordable to all young people within the Hub area?
- e) Has the Lead organisation ensured there is a **singing strategy** in place to ensure that every pupil sings regularly, and that choirs and other vocal ensembles are available in the Hub area?
- f) Has the Lead organisation ensured there is a **School Music Education Plan** in place that demonstrates how the Hub will develop ongoing strategies to engage, support and challenge every school in its area?
- g) Does the Hub support the **Cultural Education Challenge** and contribute to **Local Cultural Education Partnerships** and/or similar local partnership working? Is the Hub developing a working relationship with the local **Bridge Organisation**, and supporting **Artsmark**, **Arts Award**, and other accreditation frameworks that recognise children and young people's achievement?

Extension roles

- a) Is the lead organisation ensuring there are **continuing professional development opportunities** for school staff, particularly in supporting schools, to deliver music in the curriculum?
- b) Is the lead organisation ensuring an **instrument loan service** is provided by the Hub, with discounts or free provision for those on low incomes?
- c) Is the lead organisation ensuring there is access to **large scale and/or high-quality** music experiences for pupils, working with professional musicians and/ or venues? This may include undertaking work to publicise the opportunities available to schools, parents/carers and students.

Governance and management

- a) Does the board include **broad and diverse representation**, demonstrating a range of perspectives, skills, experience and protected characteristics? Does **representation reflect key stakeholders** in the area and beyond, including youth voice, strategic partners, the wider arts/cultural, youth and music industry/sector, not just education?
- b) **Are conflicts of interest** managed between the advisory board/steering group and senior leadership team, including appointing an **independent Chair of the advisory** board? Does the advisory board/steering group effectively **support and challenge strategic** decisions, for example on expenditure, focus areas, needs analysis and development of the business plan? Are **decision making processes effective**?
- c) Is the relationship between the Hub lead organisation and advisory board clearly defined within its **terms of reference**, ensuring the purpose of the group is clearly communicated internally and externally?

- d) Does the Hub act to ensure, through any ongoing recruitment, that the organisation's **workforce** (including volunteers) reflects the diversity of the individuals and communities they are working with and working to reach, including membership from protected characteristic groups (for example, ethnicity, disability and sex and across socio-economic backgrounds)?
- e) Is the lead organisation aware of the **risks to stability** and successful programme delivery, including considerations of **external threats**? Is there evidence that the organisation has identified appropriate ways of reducing these risks and is regularly considering and taking action to implement these?
- f) Are the organisation's **management structure, governance arrangements, planning processes and monitoring and reporting** suitable, including scheduled meetings and details of succession planning for key officers and board members?
- g) Are there plans to **change** the Hub business model or governance structure? (if yes, please consult our Music Education Hub [Ensuring Quality](#) for further guidance).
- h) **Is there a clear communications strategy** which demonstrates how they will communicate the offer effectively to individuals, audiences and stakeholders? Does the Hub clearly publish information about any **remissions or subsidies** available? Does the Hub use **technology** and a range of platforms effectively, including prominent web presence, social media and other online communications?
- i) How appropriate and effective are **partnerships**? Are there credible plans for **maintaining or developing** local, regional and national partnerships, including with Bridge Organisations and/or National Portfolio Organisations?
- j) Are partnerships underpinned by **strong partnership agreements** and clear memorandums of understanding? Are roles clearly articulated? Do **all partners adhere to the terms and conditions** of the grant including branding guidelines?
- k) Is there a clear, appropriate approach to managing **instrument storage, purchasing and maintenance**?

Financial

- a) Is the organisation successfully **building on existing earned/contributed** income and actively looking for **new sources of income** to meet the music education needs of the children and reach the widest possible range of schools within the local area?
- b) Is the organisation actively **maximising their efficiency**? For example, seeking **competitive quotes** for services, **sharing assets and resources** or achieving back office cost savings?
- c) Do overheads, management fees, administrative costs and any other recharges **relate directly to the amount of time spent on the agreed activity**? Does the Hub lead organisation clearly show how these have been calculated?
- d) Is the lead organisation spending **at least 80%** of Department for Education funding **on front line delivery** or continuing professional development of music educators engaged in delivering the Hub's core and extension roles to children and young people?
- e) Are **financial controls, monitoring and reporting** suitable? Is the **quality of financial documents** submitted to the board appropriate and using the Arts Council's published template or another comparative format agreed with the Relationship Manager? Is **progress monitored** against plans and are adverse trends factored into decision making and planning?
- f) Is the lead organisation effective at maintaining and building **reserves**? Does the lead organisation have an appropriate **reserves policy** that is adhered to? If not, does it have clear plans in place to rectify this? Are reserves clearly shown within financial reporting?