Music Education Hubs 2018–20
External Investment Process Guidance

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Introduction
This guidance will support you in successfully navigating the 2018–20 Music Education Hub (MEH) investment process and negotiating and completing funding agreements. The investment process timeline can be found here.

1 Stage one: Summer progress meetings (May–July 2017)
As outlined in our emails to you in April and May, we confirmed we will fund existing Hub lead organisations during 2018–20, subject to submission of satisfactory mandatory documents.

During May, June and July 2017, your Relationship Manager held a meeting with you to look at your progress since 2012, and to discuss your forward-looking vision for music education in your local area.

These progress meetings will inform our approach to negotiating Hub funding agreements for 2018–20.

Please note that:
• your meeting should have taken place by 10 July 2017
• following the Progress Meeting your Relationship Manager should have sent you Progress Meeting Feedback via email

1.1 Ensuring Quality
Our Ensuring Quality guidance will continue to be followed where areas requiring support and challenge are identified. Ahead of entering the funding negotiation period, we want to work with all Hubs to improve delivery across England, and to support each Hub's drive for excellence; Ensuring Quality outlines the support that we can provide to Hubs.

1.2 Core and extension role guidance
In light of the Secretary of State's confirmation that core and extension roles will remain as set out in the National Plan for Music Education, the descriptions in this role guidance document have been compiled to outline what good practice looks like for each role, and should act as a benchmark for Hubs to consider how to deliver their roles.

2. Stage two: Support and development (July 2017 –March 2018)
Following the progress meeting we may recommend that a Hub addresses certain areas of development.

Arts Council funds have been allocated in 2017/18 to support MEH improvement as part of the review process taking place before the new investment period.
The funds will enable all Hubs to address development areas identified with their Relationship Manager by engaging with one or more of the following:

### 2.1 Peer Development Programme

The current peer development programme facilitated by Arts Council England enables 2–3 MEHs to work together for a limited time exploring (by observation, discussion, data analysis, document reading) a small number of development challenges for the MEH.

So far, the programme has engaged over 30 Hubs in three years. A range of high-performing and low-performing Hubs have benefited and support the continuation of the programme. This fund we will enable all MEHs to access this programme, and to drive organisational and strategic development across all Hubs.

Learning from the pilots and the previous year of the programme enables us to implement the following timeline:

- **12 July 2017** – open call to all hubs to register interest via email with their Relationship Manager using Appendix A at the back of the Peer Development Briefing document
- **5pm, Thursday 7 September 2017** – deadline for Hubs to register interest
- **12 September 2017 Peer Development launch meeting** – Hub staff attend the session to learn about the programme, undergo a process of peer matching and skills training aimed at supporting the participants to engage in the most meaningful way possible. Past participants will share their experiences
- **groups form and undertake initial conversations to establish structure and plan sessions together**
- **September 2017–March 2018** – participants undertake development work
- **March 2018** – Reflection session to feedback

Time as well as financial cost have been important considerations in the design of the Peer Development Programme. The Arts Council has assigned budget to cover expenses for travel and overnight stays, as per our expenses policy for non-staff, of up to £800 per participating Hub. This does not include reimbursement for a participant’s time. This allowance is an increase from the last financial year, the Arts Council hopes this will remove barriers to participation and serve to encourage cross-region working and sharing as part of the programme. The Arts Council’s expenses policy for non-staff gives detailed information on what can be claimed for and the process for submitting your invoice and expense claim form. All expenses relating to this programme must have been booked and an expense claim submitted by 23 February 2018. Expenses submitted after this will not be eligible. All costs associated with this programme must be incurred in the 2017/18 financial year. Your Relationship Manager will be able to share the expenses policy and other documentation when you start the programme.
Paul Roberts has been engaged in facilitating the Peer Development Programme, including the pilots. He has previously led the launch and reflection meetings and will continue to do so in 2017/18.

**2.2 Mentoring Programme**

Unlike peer development, mentoring will enable one to one working, with a mentor providing expertise to tackle specific issues for the MEH by working with the Hub leader, chair or a nominated senior staff member focusing on personal leadership development.

MEHs who have been identified by Senior/Relationship Managers as demonstrating best practice in one or more areas, will be approached to support other MEHs to improve through mentoring. Where there are gaps in MEH expertise, other organisations (eg where appropriate Bridges, NPOs and business consultants with experience of mentoring) will be commissioned to provide input. MEHs can put forward up to two people for the mentoring programme; one staff member and one board, steering group member.

We have commissioned experienced consultant, Vivienne Tyler from Business in the Arts: North West to develop a framework for the mentor programme with us, assist with establishing mentor partnerships (Arts Council England will suggest pairings based on identified development needs) and administer the process so we can monitor outcomes.

We will provide launch sessions for both mentors and mentees on 15 September 2017, in order to equip participants with the necessary skills to take part in mentoring effectively.

The following timeline is expected:

- 12 July 2017 – open call to all Hubs to apply
- 5pm, Thursday 7 September 2017 deadline for Hubs to submit applications by completing a mentor or mentee application form and emailing to Vivienne Tyler at viv@businessinthearts.co.uk
- August 2017 – Vivienne Tyler and Arts Council England undertake peer matching
- 15, 21, 22, 29 September 2017 Mentoring Programme launch meetings – Hub staff and mentees attend one of the sessions offered to learn about the process of mentoring and understand skills involved. Matched pairs to meet and plan sessions together
- September 2017–March 2018 – participants undertake mentoring work
- March 2018 – reflection session to feedback on outcomes
2.3 Consultancy
Relationship Managers will identify where direct consultancy support would be particularly beneficial and constructive for their Hubs, especially in cases where we have serious cause for concern or are considering a transfer of leadership.

Each case will be reviewed by the national Children and Young People (CYP) team to ensure that consultancy will accomplish one or both of the following:

- address risk factors for Hubs with a risk rating of 8 and above
- address one or more serious concerns as outlined in Ensuring Quality, eg supporting hubs in the implementation of milestone plans following intervention from Arts Council England

The Arts Council is also interested in requests for consultancy support that have the potential to be of benefit to or provide useful intelligence for a group of or all Hubs.

Where it is agreed that an external consultant’s expertise would be beneficial in addressing serious concerns and risk, a finance report will be produced by an Arts Council Finance and Risk Analysis colleague in the Investment Centre (where the issue is finance related) and an increased monitoring and milestone plan and brief will be developed by the Relationship Manager and Senior Manager Music Education in collaboration with the Hub.

The Arts Council will then appoint an appropriate consultant. The consultant’s brief will be discussed with the Hub – the Hub lead and/or Chair will be able to influence the brief provided that the focus remains on protecting Arts council and Department of Education (DfE) investment in the organisation.

Responsibility for decision making and monitoring contracts would lie with the Senior Manager Music Education, and Senior Manager Funded Organisations, in accordance with our Scheme of Delegation.

When the consultancy report has been received, its recommendations would be considered by the Director for Children and Young People or Music Hub Relationship Manager and Senior Manager Music Education.

Guidance on how to access the Peer Development and Mentoring opportunities will be issued to Hubs on 12 July 2017.

The potential for Arts Council to engage consultancy support is already highlighted to Hubs in our Ensuring Quality guidance, we will continue to be transparent about this area of work, but it is not an open fund that all Hubs can apply for.
3.1 The funding agreement
Your funding agreement for is made up of an offer letter and terms and conditions.

When the Department for Education (DfE) has informed us of the funding allocations for each MEH we will send an email to you to:
- communicate the overall grant amount (your 2019–20 figure will be indicative, based on the 2018–19 figure and subject to DfE allocation confirmation- exact allocations can only be confirmed annually)
- confirm the 2018–19 allocation
- share a draft standard offer letter with terms and conditions
- reiterate the final timeline and process for agreeing funding agreements
- remind you to create a user account and applicant profile on Grantium no later than 31 January 2018. Guidance can be found here

3.2 Approach to mandatory documents for 2018–20
When you submit the first draft of your mandatory documents for the 2018–20 period (17 November 2017), we expect them to clearly demonstrate your approach to meeting the expectations of Hubs, detail action taken towards any improvement and to address any ongoing issues raised in your progress meeting. Peer support opportunities will be on offer to assist the strategic development of all MEHs but

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>By Friday 16 Feb 2018</td>
<td>All funding agreements to be agreed and signed off internally</td>
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<tr>
<td>By Friday 23 February 2018</td>
<td>Deadline for all MEHs to have submitted final mandatory documents via email to their Relationship Managers</td>
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<tr>
<td>Monday 26 February to Friday 2 March 2018</td>
<td>Relationship Managers to upload mandatory documents to Grantium to create funding agreements</td>
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<tr>
<td>From Monday 5 March to Wednesday 7 March 2018</td>
<td>Areas to review funding agreements in Grantium</td>
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<tr>
<td>By Friday 8 March 2018</td>
<td>funding agreements issued and available in organisation’s Grantium front office for acceptance</td>
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<tr>
<td>By Monday 19 March 2018</td>
<td>Deadline for MEHs to accept their funding agreements via Grantium</td>
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<tr>
<td>Tuesday 3 Apr 2018</td>
<td>Deadline for MEHs to submit first 18–20 payment request via Grantium</td>
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where serious concerns remain, we may choose not to offer a two year funding agreement and we may also consider a Transfer of Leadership.

We will make our judgement by considering how well your mandatory documents meet the original application prompts that you were asked to apply against in 2012 and respond to the Core and Extension Role Guidance we issued in May 2017.

We anticipate three funding agreement length options:
1. where a Hub has addressed any concerns we raised following their progress meeting and demonstrates a proactive approach to continuous improvement that is acceptable to us, we will offer a two year funding agreement

2. where a Hub has made some progress in addressing concerns but not enough for us to feel confident in issuing a two year funding agreement we will offer them a one year funding agreement including additional milestones for improvement in the conditions and payment schedule

3. where we choose to pursue a transfer of leadership we may offer the existing Hub a six month funding agreement to give us time to agree an exit strategy with them and complete the transfer of leadership process whilst maintaining continuous music education hub provision in the particular area affected

Relationship Managers will inform you which length of funding agreement we propose to offer within the 16/17 annual letter which will be issued on 8 December 2017. Relationship Managers will give full feedback on your draft mandatory document submissions by 22 December 2017.

Arts Council’s Executive Board will review and agree our funding agreement decisions at the end of December 2017. On 8 January 2018 Area Directors will write to any Hubs that are being disinvested, or who are taking on additional geographic areas, to formalise our approach.

In terms of the content and quality of mandatory documents, we have the following baseline expectations:
• mandatory documents for the 2018–20 must clearly demonstrate the hubs approach to meeting the expectations of Hubs and actions taken towards addressing any ongoing issues raised in the progress meeting
• that the 80 per cent (frontline delivery)/20 per cent (administration) budget split is maintained and clear
• meeting the core roles and extension roles is clearly articulated – as are the accompanying Key Performance Indicators (KPIs) in business plans
• that all mandatory documents are informed by a recent and robust needs analysis
that the MEH has appropriate governance in place

The mandatory documents that need to be submitted to your Relationship Manager on 17 November 2017 are:

- A copy of your business plan for 2018-20
- A copy of your signed partnership agreement(s) with all partners involved in delivering the core roles for 2018-20
- An outline programme of activity for 2018-20
- A copy of your budget for 2018-20 (clearly showing a maximum of 20% on administration and a minimum of 80% on frontline delivery)

The quality of leadership, management, teaching and learning is critical to the success of Music Education Hubs and positive outcomes for children and young people. Mandatory documents are expected to demonstrate how the Hub is meeting the expectations outlined in our Ensuring Quality document.

Detail within the documents is expected to span the full two-year funding period. Where activity plans and exact budgets are not confirmed far enough in advance, Hubs are expected to give full detail on year one and indications of what they expect to achieve in year two.

If improvements need to be made to your mandatory documents, your Relationship Manager will discuss this with you and feedback our requirements by email no later than 22 December 2017.

You must ensure that these improvements are made and updated documents are submitted to your Relationship Manager via email by 23 February 2018.

It’s important that final mandatory documents are submitted to us by 23 February 2018 so that funding agreements can be set up and April payments may be processed via Grantium on time.

Guidance notes and templates for MEHs are available on our website here and have been updated to support this process. These documents can be used to support you in meeting our expectations and providing what we expect to see in your mandatory documents. You do not have to use any of the templates provided if you already have processes in place to provide the information that we require, but you should use the
guidance to inform the development of your mandatory documents. New guidance has been created to detail our minimum expectations of appropriate governance, and our new document providing descriptions of our expectations for each of the core and extension roles is also intended to support you in your business planning.

3.3 Options for changing Hub leadership as part of the 2018–20 Music Education Hub investment process.

During the last two funding agreement roll over processes we were able to consider requests to sign agreements with new organisations without utilising the full novation process. We will offer this during the 2018–20 investment process also.

Agreeing to do so is not guaranteed and potential changes to leadership should be discussed with your Relationship Manager as soon as possible. If you feel that a change of entity is required as you progress through the investment process timeline (perhaps as a result of addressing concerns or participating in peer development, mentoring or benefiting from consultancy support), you should discuss this with your Relationship Manager during the development of the first draft of your mandatory documents for the 2018–20 period. After this date (17 November 2017) the full novation and transfer of leadership process may need to be followed.

Where there is a change of entity request we will also need written confirmation from the original applicant that their original application (and all supporting documentation) has been passed on to the new organisation and that they are satisfied that the new organisation will continue to perform over the extended period on the basis of that original application.

We will only agree to a change of leadership if the new organisation can meet the original assessment prompts from 2012 (these can be found here) and the Core and Extension Role Guidance we issued in May 2017.

Where this is not possible, perhaps due to lack of track record in financial management and governance, the existing lead organisation would be asked to continue as fund holder and pass the grant on to the new organisation via a service level agreement until the new organisation has a track record. The novation process would then be followed at a later date.

We will look at any additional conditions required for transition arrangements as required on a case by case basis.

We have identified four different leadership scenarios for the 2018–20 MEH process:

1. same entity – organisation remains the same as per the original 2012 application; precedent offer letter attached
2. new entity – new organisation proposed, but mandatory documents submitted on the basis of the original organisation’s 2012 application; precedent offer letter attached

3. partnership entity – two organisations have come together, but remain separate legal entities. One will be nominated the lead organisation and will be accountable for the grant, partnership agreement will need to be in place to show effective working to cover the extended geographical area and mandatory documents submitted on the basis of both original organisations’ 2012 application but by the lead organisation; precedent offer letter attached

4. merged new entity – two or more organisations have come together to create a new legal entity (likely to have a new encompassing name) and mandatory documents submitted on the basis of all original organisations’ 2012 application. Mandatory documents should show coverage of the extended geographical area and that the merger is solid, ie not conditional; precedent offer letter attached

The MEH standard terms and conditions and additional conditions will also be refreshed for the 2018–20 period with input and guidance from our legal team and the Department of Education.

4 Stage four: Completing final offer letters
2018–20 funding agreements will be negotiated off-line with your Relationship Manager and generated on Grantium in February 2018.

You should have registered and created a Grantium profile by 31 January 2018. Guidance can be found here

4.1 The payment schedule and standard conditions
Your offer will letter consist of the same standard annual payment schedule and conditions as in previous years. These conditions cannot be deleted from the payment schedule and will not be waived when we are monitoring the funding agreement, but Relationship Managers may agree with to move certain conditions to a more appropriate payment date for you.

4.2 Additional payment conditions
Relationship Managers can add additional payment conditions to the payment schedule. This would for example be:
• conditions to mitigate against on-going risk
• conditions that relate to the business plan, where elements are not fully developed by the time we require an acceptable plan
• conditions that relate to any of the mandatory documents we expect to see from Music Education Hubs, such as needs analyses or programmes of activity, where they are not developed to an acceptable standard.

The option to add additional payment conditions allows us to address risk and enables a degree of flexibility.

4.3 Generating and issuing final offer letters on Grantium
Full external Grantium guidance on notifications, accepting funding agreements and managing your relationship with us via Grantium will be issued in January 2018.