

## Additional conditions – Music Education Hubs 2021 - 22

1

### Business Stabilisation requirements

In light of the continued challenges of the Covid-19 pandemic, Music Education Hubs should continue to adapt provision as needed whilst continuing to fulfil the aims and outcomes of the National Plan for Music Education. These outcomes are based on the core and extension roles and due to Covid-19, have been redefined for the 2021-22 funding period as follows:

Music Education Hubs are to ensure that 5-18-year olds in England;

- Are offered the opportunity to learn a musical instrument (other than voice);
- Are offered the opportunity to make music with others, and to perform from an early age;
- Are offered affordable opportunities to progress to excellence in music making;
- Are offered regular singing opportunities.

Music Education Hubs are to:

- Offer 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 a range of high-quality music experiences for pupils, working with professional musicians and/or venues where possible

We require a **Business Stabilisation plan**, which should:

- **Ideally cover 6 months** of delivery (i.e. April 2021 to September 2021). We will accept a minimum of 3 months (April 2021 to June 2021) for the April payment. Updates will be a requirement of each quarterly payment throughout 2021-22;
- **Identify the needs** of children & young people, families, schools, partners and any other key stakeholders in your Hub area, including the needs of those from disadvantaged backgrounds;
- 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; you should demonstrate your understanding of the educational landscape in your areas and describe how you will engage with and support all schools in your area to achieve the highest quality outcomes for young musicians possible.
- Identify the most significant **risks** to your operations, staffing, finances and programmes, and outline potential mitigations;

	<ul style="list-style-type: none"> <li>• Set out how you will draw on your Hub board, advisory board, steering group or equivalent to <b>support and challenge strategic decisions</b>, 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 2;</li> <li>• Provide a <b>cash flow forecast/budget modelling</b> (ideally for 6 months; minimum 3 months) which scenario plans for: <ol style="list-style-type: none"> <li>1. <b>‘expected case’</b> - based on realistic levels of income and expenditure using the knowledge and information you have at the time;</li> <li>2. <b>‘worst case’</b> - which considers potential changes or risks to the operating context. For example, if there are local lockdowns or new restrictions are re-introduced.</li> </ol> </li> </ul>
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<b>2</b>	<p><b>Governance and management requirements</b></p> <ul style="list-style-type: none"> <li>• As part of your Business Stabilisation plan and subsequent updates you must demonstrate appropriate management, <b>staffing and governance arrangements are in place</b></li> <li>• You must ensure that your organisation is taking action, through any ongoing recruitment, to ensure that your organisation’s <b>workforce</b> (including volunteers) reflects the diversity of the individuals and communities you are working with and working to reach, including membership from protected characteristic groups (for example, ethnicity, disability and sex and across socio-economic backgrounds).</li> <li>• a <b>Terms of Reference</b> (or equivalent) for your Hub governance structure (by <b>1 July 2021</b>). The Terms of Reference, along with any appropriate supporting narrative contained within the business plan as appropriate, should: <ul style="list-style-type: none"> <li>○ make sure your <b>Hub board, advisory board, steering group or equivalent</b> is enabled to support and challenge strategic decisions, for example on expenditure, focus areas, needs analysis and development of the business plan. The relationship between your organisation and advisory board must be clearly defined within the <b>terms of reference</b>, ensuring the purpose of the group is clearly communicated internally and externally.</li> <li>○ <b>manage conflicts of interest</b> between the Hub board or equivalent group and senior leadership team, ensuring objectivity and impartiality of decision-making is upheld. Good practice entails that a chair should be independent from the chief executive/senior management of the Hub lead organisation.</li> <li>○ make sure your Hub board or equivalent group has the necessary skills and experience to meet your aims and objectives. The Arts Council expects <b>broad and diverse representation</b> on Hub boards (or equivalent), demonstrating a range of perspectives, skills and protected characteristics. Representation should reflect key stakeholders in the area and beyond, including youth voice,</li> </ul> </li> </ul>
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strategic partners, the wider arts/cultural, youth and music industry/sector, not just education. Full guidance on governance can be found [here](#)<sup>1</sup>.

### 3 Financial requirements

By **1 April 2021**, you must provide:

- an outline budget for a period of at least 3 months, though ideally 6 months from 1 April 2021, using our published MEH budget template<sup>2</sup> (or another comparative format agreed by your Relationship Manager). We recognise that your budget may change in response to the local circumstances and challenges presented by the Covid-19 pandemic. Please therefore provide as much detail as you can in April 2021. Updates on your forecast for 2021-22 will be required as part of the submission of your quarterly management accounts during the year. The outline budget must ensure:
  - efficiencies are enabled through partnership working.
  - overheads, management fees, administrative costs and any other recharges 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 by **1 April 2021 payment condition** and can only be increased after this point in exceptional circumstances. Note that we will not accept overheads and recharges which are set out as flat percentages without a strong rationale for how this level relates to the amount of time spent on the Agreed Activity.
  - staff (including freelance) are properly and fairly paid. Further guidance on fair pay has been produced by the Musicians' Union and Music Mark [here](#)<sup>3</sup>.
- In recognition of the ongoing challenges of the Covid-19 pandemic on Hub finances, the Department for Education has agreed that we can take a more **flexible approach to the 80/20 split of the Hub grant** during the 2021-22 funding period. We normally require a maximum of 20 per cent of the Hub grant be spent on back office functions, and a minimum of 80 per cent on front line expenditure. Every effort should continue to be made to adhere to this 80/20 split of the grant. For the 2021-22 funding period, requests for additional overheads and administrative costs above the 20 per cent will be considered on a **case by case basis**. They must relate directly to the amount of time spent on the Agreed Activity, as per the funding agreement, and you must clearly

<sup>1</sup> <https://www.artscouncil.org.uk/music-education/music-education-hubs#section-5>

<sup>2</sup> <https://www.artscouncil.org.uk/music-education/music-education-hubs#section-5>

<sup>3</sup> <https://www.musicmark.org.uk/marketplace/a-guide-to-employment-status-contract-law-holiday-pay-dbs/>

	<p>show how they have been calculated. Your request must be reviewed and agreed by your Relationship Manager before the expenditure can occur.</p> <ul style="list-style-type: none"> <li>• <u>As per 3.6.1 of the standard terms and conditions the grant <b>cannot be used</b> for marketing and advertising, or for any costs associated with the maintenance, technical development or updating of existing websites or for the development and/or creation of new websites</u></li> <li>• An accompanying <b>financial narrative</b> which sets out: <ul style="list-style-type: none"> <li>○ how your <b>budget might need to flex</b> in response to any potential changes or risks to your programme of activity and operations, including relevant contingency plans.</li> <li>○ appropriate considerations and actions for the short, mid and longer-term <b>financial viability and resilience</b> for both the lead organisation and the Hub overall. Guidance on organisational resilience, including in relation to Covid-19, can be found on Music Mark’s website <a href="#">here</a>.<sup>4</sup></li> </ul> </li> </ul>
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<p><b>4</b></p>	<p><b>Partnership agreements</b></p> <p>We require that you provide updated <b>partnership agreement/s</b> with key delivery partners (<u>i.e those where part of the Arts Council’s grant is used to pay for the partner’s involvement in the project</u>) to be approved in writing by the Arts Council prior to the first grant payment on <b>1 April 2021</b>.</p> <p><b>Partnership agreements</b> must:</p> <ul style="list-style-type: none"> <li>• cover all or part of the period 1 April 2021 – 31 March 2022;</li> <li>• refer to, or preferably include, the terms and conditions of the funding agreement;</li> <li>• state that if there is any conflict between the interpretation of the Arts Council’s terms and conditions of the Funding Agreement and the terms of the partnership agreement, the Arts Council’s will always take precedence.</li> </ul> <p>You do not need to routinely submit (but the Arts Council reserves the right to request sight of and comment on these if deemed necessary) partnership agreements, Service Level Agreements and delivery contracts for:</p> <ul style="list-style-type: none"> <li>• openly procured organisations</li> <li>• organisations which do not receive any part of the grant as payment but contribute to the Agreed Activity</li> </ul>
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<p><b>5</b></p>	<p>We require that you complete an <b>annual survey</b> in Autumn 2021 for activity delivered in the 2020-21 funding period (the exact deadline will be confirmed to</p>
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<sup>4</sup> <https://www.musicmark.org.uk/resources/developing-organisational-resilience-a-guide-for-music-education-hubs/>

you in writing) which details participant numbers and characteristics, staffing and board statistics, core and extension role activities, income and expenditure. The data must be submitted in accordance with our reporting requirements and standards for data capture and analysis which will be published annually. The survey will include narrative qualitative questions to enable you to demonstrate to the Arts Council the progress you made against your core and extension roles across the year. We require confirmation that all the data in your annual reporting is accurate, verifiable and acknowledged by your board.

The Arts Council will publish information from the annual survey on its website.

**6** We require that your **board regularly monitors and reports** on progress against your SMART objectives to the Arts Council, providing us with **copies of your board papers** (or equivalent) and **financial reports** (latest management accounts) every three months in a format acceptable to the Arts Council.

**7** Show how you 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 Organisation, and supporting Artsmark, Arts Award, and other accreditation frameworks that recognise children and young people's achievement. Further guidance can be found [here](#)<sup>5</sup> and we encourage all Hubs to find out more about the Arts Council's strategy Let's Create and associated Delivery Plans once published.

Through your School Music Education Plan (if applicable) and/or Business Stabilisation plans, Music Education Hubs should show how you intend to support the Department for Education's new **Model Music Curriculum** through your delivery, communications and support for schools, where appropriate, when this is published in 2021.

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<sup>5</sup> [https://www.artscouncil.org.uk/sites/default/files/download-file/Supporting\\_information\\_MEHs\\_and\\_CEC\\_o.pdf](https://www.artscouncil.org.uk/sites/default/files/download-file/Supporting_information_MEHs_and_CEC_o.pdf)