



Headway Arts

Development and Business Plan 2011-15

Prepared by

ArtReach
CONSULTANTS Ltd

February 2011



NORTHUMBERLAND
COUNTY COUNCIL

places for everyone

Contents

1. Executive Summary
2. Building the Development Plan - Context
3. Consultation process
4. SWOT/PEST Analysis
5. Headway Arts vision
6. Key Aims
7. Facility requirements and Headway Arts base
8. People and other resource requirements
9. Marketing Strategy
10. Partners and stakeholders
11. Fundraising and income generation
12. Finance, assumptions and risks
13. Development work/Action Planning

Appendices

- A. Detailed Facilities Requirements Report
- B. Financial spreadsheets (2011-15)
- C. Headway schools survey results
- D. Headway individuals survey results

1. Executive Summary

Background

Headway Arts was incorporated in 1995 as Headstrong Productions and established as a registered charity based in Blyth. The company focuses on participatory arts, providing creative opportunities for people to gain access to and through the arts, enabling personal development and social inclusion. It has a particular aim to engage those who are socially excluded, with a focus on and special expertise at working with young people/adults with learning disability.

Headway Arts delivers an award-winning programme which includes an annual *Come on Down Festival* to celebrate work created by learning disabled people. It manages and leads a permanent learning disabled theatre company (Seven Stars) and runs an ongoing youth theatre (Random) which provides opportunities for disadvantaged and hard to reach young people (particularly from Blyth Valley).

The company develops and delivers performances, festival events and participatory workshops either at its own initiative (seeking funding from a range of sources) or in response to commission. It is also engaged in international collaborative work with support from the European Union, and since 2009 has been successful in attracting Grundtvig funding for partnership work linking with community and arts initiatives in Malta, Portugal, Slovenia, Spain and Ireland.

Headway Arts initiated a Feasibility and Development Study (funded by ACE, NCC and PNE) in autumn 2010 in order to create a detailed, new, long-term Development and Business Plan to 2015 including exploring the need for, requirements of, and opportunity to develop a new base in Blyth.

Future Direction

Development work identified some organisational development requirements especially around articulation of the company's mission and wider marketing issues. It also identified considerable County wide need and demand for Headway's specialist skills, with the potential for increased focus on partnership working with the four key Northumberland venues (Queen's Hall Hexham, Alnwick Playhouse, Berwick Maltings and Phoenix Theatre Blyth) and their associated resident companies (where appropriate). The need for a new Company base was strongly articulated and the direction to take forward these aspirations was explored, with an initial route map created. The premises aspirations form an important ingredient of long term strategic aims.

Headway Arts is committed to developing its base in Blyth and to continuing to provide high quality arts participation opportunities for communities in Blyth Valley. However, it is also determined to build on its County wide work in Northumberland and especially to share its special expertise/experience at engaging disadvantaged groups.

The company aspires to play a fuller role with Queen's Hall Hexham in supporting arts development across the County that will include more traditionally excluded groups. This County wide potential for involvement is supported by the County Council. In early 2011 there was an opportunity for Headway Arts to submit a Portfolio Funding bid to Arts Council England to seek resources for the period 2012-15 that would facilitate this enhanced role.

The Financial Plan attached to this document presents two scenarios. The first assumes Portfolio Funding is achieved and that Headway Arts is able to develop its County wide role further. Scenario 2 provides a contingency in event this application is not successful. Either way, given a strong track record of success, Headway Arts can maintain itself as a viable and sustainable company going forwards. Development and delivery sums for the purposes of new base development are not included in the current financial analysis.

2. Building the Development Plan - Context

Headway Arts (Headstrong Productions) was formally incorporated in 1995 (originally as Headway Theatre Company) and established as a registered charity, having emerged from the Theatre Station Blyth initiative that operated from The Old Fire Station in Union St.

The company objects are to “advance education for the public benefit by the promotion of the arts, in particular but not exclusively the art of drama”. Headway Arts focuses on participatory arts, providing creative opportunities for people to gain access to and through the arts enabling personal development and social inclusion. The organisation has a particular aim to engage those who are socially excluded, with a focus on and special expertise at working with young people and adults with learning disability.

Since 1995 Headway Arts has maintained a Blyth base, moving in turn from the old Drill Hall building to shop/office space on Bridge Street and finally to its current home on Quay Rd. It has, in the past, operated a “workshop in a bus” facility which it was able to tour to Festivals and events. The current Headway Arts base comprises:

- Small lobby and downstairs storage area
- First floor meeting and modest workshop space
- Open plan office space and meeting area
- Separate office accommodation for two people
- Kitchen/rest area
- Toilet

The company delivers an award-winning programme which includes an annual *Come on Down Festival*, presented in Blyth to celebrate work created by learning disabled people. It manages and leads a permanent learning disabled theatre company (Seven Stars), which currently meets four days a week engaging ten permanent members, and runs an ongoing youth theatre (Random) which provides opportunities for disadvantaged and hard to reach young people (particularly from Blyth Valley).

Headway Arts develops and delivers performances, festival events and participatory workshops either at its own initiative (seeking funding from a range of sources as appropriate) or to commission. A particular success was achieved in 2009 with its production and tour of the short drama *Lives Worth Living*, along with an accompanying workshop programme. With support from the Community Foundation and Sherburn House Charity the production was toured free of charge to twenty secondary schools across the north east giving particular profile to the exceptional and unusual work of Headway Arts.

A range of other participatory and performance projects are delivered by the company encompassing work in different parts of Northumberland (including Wansbeck, Alnwick, Berwick and Hexham) and beyond. Headway Arts has particularly strong working relationships with Northumberland County Council, Northumberland Care Trust,

Northumberland College, Blyth Valley Arts and Leisure, county day centre provision, special education and mainstream education provision in Blyth Valley.

Headway Arts is also engaged in international collaborative work with support from the European Union and since 2009 has been successful in attracting Grundtvig funding for partnership work linking with community and arts initiatives in Malta, Portugal, Slovenia, Spain and Ireland.

Despite currently having no core Local Authority or public sector funding an impressive range of funding partners encompassed the following sources of support in 2009/10:

- BBC Children in Need
- Northern Rock Foundation
- Coalfields Regeneration Trust
- BT Community Connections
- BIG Lottery Young People's Fund
- The Co-operative Society
- Communities 4 Health
- The Community Foundation
- Ecotec
- European Social Fund
- Grundtvig
- Lloyds TSB
- The Rathbone Society
- The Transformation Fund

In 2010 two particular challenges faced Headway Arts:

1. The limitations imposed by its current base, which does not provide sufficient space for effective in-house workshop activity or for expansion of local, Blyth based activity. Nor does the base provide an appropriate facility to profile the quality work delivered by the company.

2. The implications of change arising from Local Authority reorganisation, public sector funding cuts and transformation of care provision.

Maintaining an entrepreneurial approach Headway Arts determined to seek specialist external support to review need and potential for establishing a new base and to develop a robust and detailed long-term Development and Business Plan. Funding was secured from Arts Council England, Northumberland County Council and PNE and ArtReach appointed (following a tender process) to deliver the required support. The outputs from the ArtReach input are a Facilities Requirements Report and Action Plan (attached as an Appendix to this document) and a Development and Business Plan to 2015. In addition work on the Plan has led to a decision for Headway Arts to apply to Arts Council England for Portfolio Funding, a process which has also been supported by ArtReach.

The development work undertaken by ArtReach has involved:

- Detailed discussions and debate with Trustees and the core team
- Focus group sessions involving Seven Stars, Random Youth Theatre, a Bedlington Day Centre group, community representatives and local arts/cultural group representatives
- A series of partner discussions involving key personnel from Northumberland County Council, Arts Council England, Northumberland College, Northumbria University,

Arcadea, BRIC, Ashington CVS, Northumberland Community Development Network, Northumberland Care Trust, Queen's Hall Hexham, Phoenix Theatre Blyth and Blyth Valley Arts and Leisure

- A questionnaire survey disseminated to teaching staff in mainstream and special education and using Survey Monkey for on-line completion
- A questionnaire survey disseminated to a range of individuals through the community and using Survey Monkey for on-line completion
- Exploration of site/location/building options for a new Headway Arts base
- Development of Facilities Requirements Report
- Review of budgets and income requirements looking ahead to 2015

This document provides a route map (including financial predictions and contingencies) for the next four years and through the narrative provides a focused description of the company aspirations and an explanation of the thinking that has informed the plans and budgets proposed.

3. Consultation process

Some clear patterns emerged from the partnership meetings and focus groups with respect to the future development of Headway Arts:

- The value of retaining a base in Blyth
- A need to more effectively articulate and market the work of the company
- A desire to see Headway Arts undertake more regular and intensive residency and workshop projects
- The company's specialist work is in demand and highly valued
- Considerable opportunity to extend the company's work across the County
- Opportunity to work in greater collaboration with key Northumberland arts venues and arts organisations
- The need for better facilities and resources if the company is to deliver more and better work within its home base in Blyth

A detailed summary of the focus group and partnership discussions around facility requirements is provided in the attached Facilities Requirements Report.

The full analysis of the teacher survey and individual survey is attached as Appendix C and D. The teacher survey (30 respondents) encompassed schools from both mainstream and special education and from a geographic reach across the County of Northumberland. 85% of respondents indicated a need for more drama and arts input for their pupils. There was a particularly useful response from schools to a question inviting people to share the arts input they would prioritise. The results are provided below:

Please indicate your preference(s) for Headway input (assuming resources would allow). If you would like different kinds of input please indicate these in order of importance (1 being most important and 4 being least)

Answer Options	1 (Most important)	2	3	4	Neither Important nor Unimportant	Rating Average	Response Count
One-off drama workshops	3	9	3	2	0	2.24	17
One-off visual arts/design or making projects	4	9	2	0	1	1.87	16
Regular workshop projects	7	2	7	0	1	2.00	17
Intensive short residency projects	4	5	4	3	2	2.38	18
Performances	5	4	3	3	2	2.27	17
Staff training	3	1	5	4	2	2.77	15
Other	0	0	0	0	2	0.00	2
(please specify)							1
<i>answered question</i>							21
<i>skipped question</i>							9

Schools want a range of arts input but there is a clear indication that more regular provision (projects and residencies) features as an important aspiration as further highlighted below:

How frequently (assuming resources allow) would you value Headway input?

Answer Options	Response Percent	Response Count
Once a year	23.8%	5
Two or three times a year	52.4%	11
Regularly	19.0%	4
Other	4.8%	1
(please state)		2
<i>answered question</i>		21
<i>skipped question</i>		9

67% of teacher respondents would prefer Headway Arts to provide input in school and 91% indicate that lack of financial resources is the biggest obstacle in purchasing more input. There is a clear opportunity indicated from the results of this survey in terms of meeting need and demand for County wide arts participation in schools and in particular for an entrepreneurial approach, where the visiting arts organisation is involved with securing the required financial resources. This is perhaps not surprising given the recent cessation of funding to Creative Partnerships.

The individual survey (83 respondents) encompassed a wide range of ages and involvement with different types of community group (covering all age ranges). With an emphasis on respondents from Blyth Valley there was nevertheless some response also from people from other parts of the County (and beyond) who had become aware of the survey through the cascading process. 37% of those answering the leadership question indicating they had a leadership role within a local community organisation. The survey clearly reached many with a strong interest in community and community development. Nearly 50% of respondents had previous experience of Headway Arts' work.

Would you rate the Headway projects you have experienced as:		
Answer Options	Response Percent	Response Count
Excellent	58.1%	18
Very good	32.3%	10
Average	6.5%	2
Poor	0.0%	0
Very Poor	0.0%	0
Varied	3.2%	1
	<i>answered question</i>	31
	<i>skipped question</i>	52

Many positive comments and strengths were identified, including:

- The expertise in both dealing with special needs children, their drama skills and making my child feel valued and important
- The attitude of Headway staff to the client group is always extremely positive
- Headway is incredibly inclusive and produce excellent work
- The people carrying out the workshop were amazing. Very approachable and fun to work with
- 100% involvement of the group
- Gentle approach to individual and group creativity and real value of everyone's potential
- Relationships, personal interest of facilitators, facilitation skill, commitment to region, Northumberland and Blyth
- Their work is good and accessible - very down to earth but not unique - I have seen many companies around the country doing this sort of work. I think the most attractive thing about the company is its homely accessible community way of doing things

There were also weaknesses identified, including:

- All publicity and promotional materials always seem to be of a very high quality, but I don't always come across them until the last minute, which probably says more about me than anybody else
- Can at times be a (little) disorganised - but in community arts terms, not so disorganised!
- I think the company is probably poorly funded and this contributes to its slightly haphazard way of working. It is often difficult to communicate with them and I found it quite difficult at first to find out what exactly they were doing now. I would find them easier to talk up to others and recommend (which I would) if they had a clearer offer and mission statement that could be shared

97% of respondents answering the question felt there was a need for more creative opportunities for local people. The nature of need is illustrated in the table of responses below.

Please indicate what you feel there is a need and demand for in the community (Please number in priority order with number 1 as most important)							
Answer Options	1 (Most important)	2	3	4	5 (least important)	Rating Average	Response Count
Community events such as festivals/ carnivals	26	12	15	5	2	2.08	60
Exhibitions of work by local people	22	17	9	8	3	2.20	59
Theatre shows/ music performances	22	12	14	2	6	2.25	56
Theatre shows/performance by local community	21	16	16	6	0	2.12	59
Creative projects for local community	28	19	7	6	1	1.90	61
Other exhibitions	8	15	12	3	6	2.64	44
Other (please specify)	5	1	0	0	1	1.71	7
(please specify)							6
<i>answered question</i>							62
<i>skipped question</i>							21

Barriers identified that prevent engagement with and participation in arts activity were particularly pertinent to future Headway planning.

What barriers do you or your group currently face in accessing arts facilities in your local area?		
Answer Options	Response Percent	Response Count
Lack of financial resources	69.1%	38
Accessibility	20.0%	11
Lack of arts facilities relevant to your own interests	34.5%	19
Location of arts facilities, i.e. difficult to travel to	43.6%	24
Other	20.0%	11
(please specify)		16
<i>answered question</i>		55
<i>skipped question</i>		28

The need for activity that can come to where people and communities are located is clear. Two final comments are relevant and helpful in informing future thinking:

Headway Arts' work is excellent, but needs a firmer foundation in resources and equipment.

There is a great demand for these projects in all areas of Northumberland as it is difficult for people to travel very far due to poor transport links and difficulty in accessing public transport involving changes with a learning disability

4. SWOT/PEST Analysis

Strengths, weaknesses opportunities and threats (SWOT) and an assessment of potential external influences from political, economic, social and technological factors (PEST) have

been informed by discussions with Trustee, staff, partners, stakeholders, community representatives and users.

Often weaknesses represent another side of a corresponding strength, and this is reflected in the layout presented below with strengths and weaknesses associated where appropriate.

Strengths	Weaknesses
1. Strong core team with a long track record of working together	1. Lack of clarity (to the outside world) of the company's core mission and aims
2. Project activity that is highly valued by participants	2. Some perception that Headway Arts is expensive and that it does not always meet expectations
3. A number of key community champions and advocates	3. Some negative perceptions amongst community representatives
4. Success at achieving a broad range of project funding support	4. Lack of regular, secure funding in particular to support overheads
5. Achievements in securing European funding and recognition	5. Image and profile is not high in the sub region or County
6. Effectiveness in supporting key partner delivery e.g. National Trust activity and Renewable Festival	6. Headway Arts brand lost beneath the partner promotion
7. Award achievements	7. Marketing inadequate because of capacity and resource limitations
8. Long established in Blyth	8. Not high profile within the wider Blyth community
9. Area of specialism in work with learning disability and excluded groups which fulfils an acknowledged local need	9. Perception that the company is only about art and disability work
10. Funding secured from health and social care sector	10. Lack of capacity to further exploit opportunities through this sector
11. Commitment to participation is embedded in all aspects of Headway Arts' work	11.
12. Integrity of approach particularly in focusing on process	12. The perception of the company is negative in some quarters perhaps where process is not recognized as much as output, and there is lack of knowledge about the quality of process in others
13. Effectiveness of practice	13. Missed partnership opportunities

<p>14. Headway Arts is achieving significant measurable outputs both quantitatively and in terms of qualitative achievements</p>	<p>14. Inadequate base and facilities both in terms of fitness for purpose and image the base presents</p> <p>15. The company has not the capacity to effectively evaluate and disseminate outputs achieved</p> <p>16. Lack of engagement and strong governance role of Trustee group</p>
<p>Opportunities</p>	<p>Threats</p>
<p>1. New or enhanced collaboration/partnership with Phoenix Theatre Blyth and/or other venues in Blyth Valley e.g. Isabella Centre</p> <p>2. Potential role in partnership with Queen's Hall Hexham and wider arts development/participation delivery across the county – linked into the strategic developments within the County Council delivery of culture (new Cultural Strategy and fully integrated cultural/arts support/development service)</p> <p>3. New Arts Council funding programme</p> <p>4. Personal care budget changes</p> <p>New opportunities to deliver activity/projects through the health and social care sector</p> <p>5. Big Society and need for training for new community volunteers/community development activists</p> <p>6. Development of new facilities in Wansbeck may mean a potential increase in activity in Ashington and surrounding area</p> <p>7. Development/regeneration of Blyth Quayside (including potential heritage initiative)</p>	<p>1. Inability to secure better facilities in the short/medium term</p> <p>Inability to resolve inadequate base issue prevents Headway Arts development in some areas of its work (but not outreach)</p> <p>2. Competition from other providers e.g. The Forge and Taking Part Workshops</p> <p>Loss of support from County Council if changes in personnel</p> <p>3. Reduction in ACE funding means more arts clients seeking support from other Trusts that Headway Arts has previously accessed</p> <p>4. Lack of information provided to potential clients and therefore insufficient referrals.</p> <p>Possible perception of clients that engagement with Headway is too expensive or that they have better alternatives</p> <p>5. Loss of many Headway Arts community contacts and advocates as a result of shrinking public sector</p>

<p>8. Potential link up with Narec and the renewable industry with its focus on Blyth</p> <p>9. Chance to deliver increasing placement/internship opportunities in collaboration with Further and Higher Education</p> <p>10. Opportunity to identify a portfolio of new offers with defined target markets</p> <p>11. Other fundraising options building on the significant success achieved to date</p>	<p>6. Headway Arts is unable to maintain fundraising momentum in current economic climate (through lack of capacity or increased competition) and faces loss of resources and potential spiral of decline</p>
---	---

It is particularly noticeable that the SWOT Analysis highlights so many opportunities, particularly in relation to current changes that might have been perceived as potentially negative. There are also a number of key weaknesses that can all be addressed but do require prioritising within the Business Plan aims.

PEST:

Political factors that will impact particularly focus on decreasing resources available to and from Northumberland County Council and the continuing fall-out from the establishment of the Unitary Authority and loss of the previous Boroughs/Districts.

In addition there is the uncertain impact of the drive towards Big Society. Securing strong political support from communities and elected politicians should remain an important strategic objective.

Economic impact will continue to be felt from the recession with Charitable Trusts under more pressure in terms of the resources they have available, and with Trusts increasingly encouraged to operate a partnership strategic approach to protect services. Until there is light at the end of the economic downturn it is unlikely that regeneration and redevelopment activity will be initiated, delaying the potential for Headway Arts to benefit from any redevelopment activity on Blyth Quayside.

Social changes will include likely increases in unemployment which reinforces the need for Headway Arts' work. The biggest impact will come from changes to the health service and systems of personal care allowance which will place significantly greater emphasis on personal decision making. Whilst this may be advantageous for Headway Arts (which can demonstrate its service is provided more cheaply than some current day care provision), there are also potential repercussions in terms of competition from poor quality providers that could have a negative impact on the work.

Technological change may offer opportunities, especially with the increasing interest in and search for environmentally friendly alternatives. There are also artistic opportunities through technical innovation and use of digital arts/new media plus web-based communication/marketing opportunities which may be a way of reaching new users/participants and engaging with them creatively in different ways.

5. Headway Arts Vision

The Vision, Mission and Key Aims for Headway Arts have been articulated following a wide process of intensive discussion and consultation. The Key Aims are critical and will provide the strategic direction for the organisation over the next three to five years.

Vision

Headway Arts aims to be the organisation of choice for quality arts participation in Northumberland; to provide exemplary facilities and opportunities for arts participation in Blyth – creating a centre of excellence for arts and social inclusion; and to have a UK wide and international reputation for the quality and innovation of its work.

Mission

From a base in Blyth Headway Arts provides high quality, creative, arts participation opportunities for communities in Northumberland and beyond, with particular expertise in engaging and including disadvantaged people, specifically but not exclusively those who are learning disabled.

Values

- Everyone is different and everyone is equal
- Participation in the arts enables personal development and social inclusion
- Participation in the arts is an entitlement for everyone
- Creative contribution is of high value irrespective of the circumstances or background of the individual
- Participants have a right to make choices and determine their creative engagement

6. Key Aims

Key Issues

In response to the internal discussion, consultation work and SWOT/PEST Analysis developed, there are a number of key opportunities and organisational weaknesses that need to inform the determination of Key Aims for the next few years. These are:

1. The need for clarity and consistency of organisational mission and aims, with a strong, cohesive and focused vision (actively supported by partners) that accommodates the USP and learning disability/excluded group specialism whilst promoting all areas of the work. This will partly be addressed through completing this Business and Development Plan.
2. The need to define the products and services the company offers and to ensure that customers are offered (and perceive) value for money experiences
3. The need to resolve the inadequacy of the current base both as a functioning workshop facility and as the promotional face of Headway Arts.

4. The need to build new and wider partnerships (partly in response to changes in community networks and personnel) and to ensure that Headway Art's work is more widely valued and understood.
5. The opportunity to build on a positive working relationship with Northumberland County Council and Queen's Hall Hexham to play a more active and high profile role in County arts development, particularly utilising Headway Arts' areas of specialist expertise.
6. The need for an effective Marketing Strategy that builds the profile and actively promotes the effectiveness and success of the company
7. The need to maximise fundraising opportunities and secure more stable sources of income.
8. The need to develop the Trustee group and effectiveness of Trustee governance.
9. The opportunity to play a role in Blyth's regeneration and redevelopment and to be aligned to the renewable industry and environmental progress.
10. The opportunity to develop the training role and remit of the company.

Key Aims

The Key Aims developed have been particularly informed by weaknesses, opportunities and threats identified, and by a response to the issues highlighted above. They should form the broad statements of aim, each of which can be translated into specific SMART objectives with clear lines of staff responsibility and benchmarking to evaluate delivery.

1. Establish a robust and ambitious Business and Development Plan for 2011-2014 that provides a clear strategic route map and tool for development work and that is regularly updated.
2. Build an engaged Trustee group that acts as valuable advocates for Headway Arts, bring skills and experience that enhance the work and provides critical friends for the core staff team.
3. Establish a changing portfolio of high quality products and services, including training programmes and placements, that fulfil the company's mission whilst maximising opportunities for earned income and fundraising.
4. Establish fit for purpose facilities that enable Headway Arts to grow and maximise its potential.
5. Secure a specialist County wide role for which Headway Arts is valued and indispensable.
6. Build a working relationship with the renewable industry to position the company to be involved in local redevelopment and regeneration.
7. Develop and deliver an effective Marketing Strategy that enables effective promotion of Headway Arts.

8. Maximise the fundraising potential of Headway Arts to build resources and secure a sustainable future.
9. Build local and regional partnerships.
10. Effectively document and evaluate the work of Headway Arts to ensure an evidence base for development work.

7. Facility requirements and Headway Arts base

See the attached detailed Facilities Requirements Report (Appendix A).

An analysis of optimum and minimum facility needs was undertaken and the need/demand evidenced.

There are three broad options for Headway Arts in order to meet its identified facilities need:

1. Development of a new build capital project
2. Acquisition of an existing building for conversion
3. Partnership with another organisation to share facilities

New build capital project

On the basis of an average cost of £3,500 per square metre the optimum Headway Arts base would require a budget, in today's terms of circa £1,750,000. This would not include any purchase costs associated with a site (and any demolition/ground preparation costs involved). This figure is comparable with the project being developed by Strange Cargo in Folkestone.

A new build clearly requires a suitable site and there are two pieces of brown field land, of appropriate dimensions, on Blyth Quayside in close proximity to Headway Arts' current base. The land is in the ownership of Northumberland County Council and was earmarked as part of the master plan redevelopment and regeneration of Blyth Quayside. This project is on hold for the foreseeable future but at some time will almost certainly be revisited. When it is there may be considerable scope for joint working and a partnership approach to development (including delivery of shared facilities).

The site of the former Nautical School in Blyth remains undeveloped and in the ownership of the Wellesley Trust, who is keen to sell to release monies in order to fulfil their charitable objectives. To date sale of the land has stalled along with residential redevelopment. Development of a Headway base on that site might, however, support the aspirations of the Wellesley Trust and this presents an opportunity to be explored.

There may be other potential sites in Blyth Valley but none have been identified as optimum sites for a new creative arts venue and the Quayside location, in close proximity to Blyth town centre, remains an attractive option.

Despite the obstacles Headway Arts is keen to see a landmark new build option kept on the table and to explore whether NCC or another partner can provide a commitment to a site which might present a platform for fundraising.

Acquisition of an existing building

The conversion of an existing building would clearly present a cheaper option to new build, although a substantial budget may still be required. One advantage of conversion is the opportunity to undertake work in stages as resources become available, and to use the platform of a secure base as a starting point for fundraising. However, the building must be fit for purpose for the functions the company currently needs to deliver.

A budget can't be placed on conversion without understanding the status and condition of a proposed building. However, comparator experience would suggest that anything from £250,000- £500,000 might be required in the longer term (based on £500-£1,000 per sq metre). Acquiring an existing building may present a compromise between developing the facilities needed as against being based in the optimum location.

Partnership with another organisation

Whilst there are one or two emerging/developing local arts organisations that have premises (e.g. Seaton Delaval Arts Centre and North East Music Factory) none appears to offer the opportunity for partnership that would provide the capacity requirements needed by Headway Arts.

The exception to this is The Phoenix Theatre, Blyth. The Phoenix has a main workshop/rehearsal space that meets the optimum size requirement and a smaller practice/meeting room. It also has a bar/foyer area with exhibition space and of course a fully functioning professional theatre. The Phoenix appears to be unused during the daytime and also has some evening capacity (though that may be more variable). Attractions of partnership with the Phoenix are the opportunity it brings to utilise a professional performance space and the opportunity to move into an existing, operating building that requires no redevelopment or refurbishment.

There is also an opportunity to use such partnership to enable both Headway Arts and the Phoenix to better link into wider arts development initiatives and collaboration that is being delivered in response to the changing face of local government support for the arts and new Arts Council England strategic aims.

However, there are other issues with respect to partnership with the Phoenix around the ability of the latter to provide open access and to embrace an entirely new method of operation. These issues have been highlighted following a thorough attempt to engage with the Phoenix in autumn 2010 as part of the Headway Arts development work. Despite initial enthusiasm the Phoenix was unable to respond in a way that would suggest partnership presents any real credibility.

In the light of the options highlighted above the route forwards is proposed as follows:

1. Maintain an open and continuous dialogue with Northumberland County Council to ensure that any collaborative opportunity to redevelop land on Blyth Quayside can be a priority. The dialogue should also ensure that Headway Arts becomes immediately aware of any potentially suitable buildings becoming redundant to NCC use.

2. Test out whether the Wellesley Trust may perceive any synergy between its aims and the work of Headway Arts, and therefore be open to a discussion about use of land on the former Nautical School site.

3. Continue to be open to exploring potential partnership opportunity with the Phoenix in the light of the funding decisions to be made by Northumberland County Council (before March 2011) and the Portfolio Funding decisions that will be made by ACE in late March 2011.

4. Continue to explore other options available for building conversion. Given the commitment to Blyth, the company has a clear geographic limit on where it wants to be based. This provides the parameters for ongoing search of suitable property.

In the short term development work may be further galvanized by a positive outcome to the ACE Portfolio Funding process. Alternatively Headway Arts may simply need to maintain an ongoing low-level awareness of opportunities in order to be ready to take development work forwards once a suitable opportunity arises. Premises development forms part of one of the strategic company aims for the next three years.

8. People and other resource requirements

Facility improvements are clearly not the only development requirements as Headway Arts moves forward over the next three years. The work involved in supporting the development of this Plan has not included a detailed organisational review and so there is assumption (certainly borne out by the activity delivered) that the current staffing complement and structure is appropriate.

As Headway Arts moves forward however, and seeks to deliver the development aims identified, there are additional personnel requirements that need to be factored into financial planning and fundraising. The focus of the key aims (especially aims 6-9) will impact on the work of the Chief Executive and Development Officer and highlights the need for additional, focused marketing support

What is clear is that there is a need for additional resources for Headway Arts to effectively develop and deliver the following:

- Fundraising activity (to maximize current success, to respond to wider opportunities and to keep ahead of the competition)
- Research and development (to creatively initiate, develop and plan new products and services and to undertake partnership discussions to develop support for new projects)
- Effective marketing (encompassing web site and social network activity, database development, relationship marketing, project documentation, case study dissemination etc)

All of these activities become more critical in a time of intense competition and in backing up any drive to establish resources and support in order to create a new Headway HQ base. The following personnel requirements have been identified:

- Increase the Development Officer role from 2 to 4 days a week and make this a core member of the team (on a PAYE basis)
- Establish a half time Marketing Officer post, possibly as a job share with another organization to create a full time position
- Recruit an additional Drama/Support Worker if the portfolio of work increases or numbers participating in Seven Stars and Random increase, in order to ensure effective capacity for project delivery

The first two personnel requirements identified above are the immediate priority.

There is also an urgent need, in parallel with the aspiration to create fit for purpose operating facilities, to secure resources which sustain the core company and provide a sustainable and secure medium to long term future.

The success of Headway Arts in achieving a broad portfolio of funding support needs to be consolidated by achieving some regular funding commitments that protect overhead and staffing requirements. This is especially the case if the company is to successfully enter a new phase of operation with the achievement of inspiring new facilities.

Board development

Currently Headway Arts has seven Trustees who meet on a minimum quarterly basis. The Trust is chaired by Bernard Pidcock with Stuart Morland as Vice Chair. During the development process there has been five Trustees involved in consultation with three particularly active in engagement. Trustees and staff have both identified a need for change within governance of the organisation as it moves forward with a strong vision for its future development. In particular there is a need to:

- Ensure Trustees are fully conversant with the detail of Headway Arts' future plans in order to act as more effective advocates for the organisation and critical friends to the core team
- Identify the roles and specific input that can be delivered by individual Trustees to maximise the experience and support they can bring
- Ensure that there is an appropriate forum for Trustees to debate policy and future plans with staff informed by a thorough understanding of the issues and context (Trustees may benefit from input that enables them to explore and understand the work of comparator organisations)
- Build a stronger sense of unified team integrating staff and Trustees
- Identify skills gaps on the Board and recruit enthusiastic new Members who bring specific expertise and experience relevant to the forward plans of the organization

In order to pro-actively respond to the Board development needs it is proposed that two Trustee and staff "away days" are planned for 2011 as a focus to build on endorsement of the Development and Business Plan. At least one of these days might involve a visit to a comparator organisation such as Mind the Gap.

9. Marketing Strategy

Weaknesses in Headway Arts marketing have been clearly identified in the consultation and development work undertaken. In particular there is a clear need to:

- Effectively disseminate the company mission and plan
- Achieve a profile and impact commensurate with the record of achievement and value placed on the work
- Reach new potential partners and clients
- Better document projects undertaken
- Develop the image of the company
- Improve the company database

There is a commitment to the branding and style of promotion and publicity that is currently delivered. These are felt to effectively reflect the values of the organisation. The weakness is a consequence of lack of capacity and investment in marketing budget.

In order to address this issue a part time marketing post has been included in the proposals for Portfolio Funding and a marketing budget within the Scenario 1 financial spreadsheet. A detailed Marketing Plan needs to be developed to provide for:

- Enhancement to the Headway Arts web site (to fully utilise the pages and structure available).
- More effective use of social networking (development of activity on Face Book and with Twitter) with a focus on opportunities for learning disabled people.
- Preparation and dissemination of an effective Annual Report aimed at the wider public and providing an accessible and attractive view into the world of Headway Arts and its projects.
- Development of a comprehensive and flexible database (including press contacts)
- Improved and pro-active press relations
- Consistent creation, delivery and distribution of high quality publicity material
- Involvement of core participants in users in the publicity and marketing machine
- Effective project documentation (through still and moving image)

If Portfolio Funding is not achieved there will need to be a commitment to securing and focusing some resources on marketing to ensure the ongoing development of the company is not compromised.

10. Partners and stakeholders

Headway Arts has strong working relationships with Northumberland County Council, Northumberland Care Trust, Northumberland College, Blyth Valley Arts and Leisure, county day centre provision, special and mainstream education provision, The National Trust, and Tyne and Wear Museums Service. Its engagement with international collaborative work has involved partnerships with community and arts initiatives in Malta, Turkey, Sweden, Lithuania, Italy, Belgium, Spain and Ireland.

The development work has, however, indicated that there are considerably more opportunities for partnership than are currently being realised and a desire from many sectors of the community, and from around the County, to have more engagement with Headway Arts.

Northumberland County Council indicated it strongly values the work of Headway Arts and recognises the role it plays and can further develop in the County infrastructure. The current and planned work of the company strongly supports key aims in the NCC Sustainable Community Strategy including objectives under participation in cultural activity, healthier lifestyles, environment, and getting involved and bringing about change.

The County Council has stated that “NCC is keen to encourage resilience which is reflected in the support it has given to the Headway Arts Development Study undertaken by ArtReach. The Council’s principle investment into the arts is through the County’s cultural venues and Headway has demonstrated a good understanding of this context and the opportunities for future development and collaboration this presents. NCC is currently working to ensure opportunities to access the arts are maximised in South-East Northumberland and Headway Arts is well placed to contribute to this aim.”

Over the coming year there will be a particular focus on:

- Exploring a potential working relationship with Blyth Phoenix
- Developing a strong and active working relationship with Queen’s Hall Hexham
- Building the relationship with the other core venues in Alnwick and Berwick and supporting the work of their resident companies (discussions already held with Northumberland Theatre Company)
- Work with Woodhorn Colliery Museum supporting its activities across the County
- Developing the partnership with Northumbria University
- Increased collaborative working with the National Trust (Seaton Delaval Hall)
- Working with Arcadea

Partnership work will specifically seek to extend Headway Arts’ influence across Northumberland and to facilitate engagement with other organisations where exciting new programmes of work can be developed.

11. Fundraising and income generation

Fundraising has been a significant strength of Headway Arts, enabling it to remain as a viable and sustainable organisation over many years without regular or core funding. Despite this success the company is very aware that there is considerable untapped potential, primarily because of a lack of capacity to fully exploit its opportunities.

Fundraising development for Headway Arts requires considerably more than a process of bid writing. It is about developing and shaping projects, nurturing partnerships, and identifying the work most suited to the Headway skills portfolio and resource availability, and that will best integrate with other strands of the company's work.

The achievement of some core funding, potentially through the ACE Portfolio Funding route, would significantly enhance the capacity of the company to maximise project development and fundraising, and so potentially result in considerably more leverage.

Options that have been identified for future exploitation include:

- Heritage Lottery Fund (one or more production ideas in development are strong propositions for HFL)
- BIG Lottery – Reaching Communities (and other strands that may re-emerge or come on stream e.g. Young People's Fund)
- Other EU funds, especially Culture 2007-13 (particularly attractive now European partnerships have been so successfully established)
- Additional Grundtvig projects (several projects can be live at the same time)
- A range of charitable Trusts and Foundations including Esmee Fairbairn, the JP Getty Trust, Greggs Trust, the Eranda Foundation and the James Knott Trust

In the event that Portfolio Funding is not achieved from ACE then an immediate priority would be submission of a Grants for the Arts request potentially for two years support (the company will not be eligible for G4A if it achieves Portfolio Funding).

Headway Arts has not had a successful track record in securing corporate money and this is an area it can carefully explore in future, in conjunction with achieving a higher profile through enhanced marketing. Corporate relations may be a focus for development through the renewable industry (e.g. Narec) and opportunities to forge a niche role working with NCC to actively engage communities with the sector.

The company is also aware of its development needs in respect of an ability to consistently and effectively tender. There are increasing opportunities for Headway Arts as a result of changes in social and personal care policy and the company needs to be business ready to take advantage. There may also be increasing opportunities to respond to cultural tenders and the planned investment in marketing will help Headway effectively respond to such opportunities.

12. Assumptions and risks

Summary

This Business Plan has been created at a time of challenge and opportunity. Whilst 2010-11 has seen a difficult Comprehensive Spending Review with wide ranging Local Authority and public sector cuts, there are also a number of important new opportunities for Headway Arts:

- The opportunity to develop a wider County role in arts development, working with Queen's Hall, Hexham to provide specialist arts participation engagement for disadvantaged and excluded groups. This opportunity may be extended by the number of new suggestions for project work (and new strands of work) that have come out of partnership discussions through the Development Feasibility work
- The opportunity to apply to the "open" Arts Council England Portfolio Funding stream to support Headway's ongoing and excellent work in facilitating "great art for everyone"
- The opportunity to make progress in developing plans for a new Headway Arts base that can provide an appropriate home for the company for the long-term

It has been determined to submit an application for Portfolio Funding which if successful will facilitate an important period of growth and increasing profile and impact for the company. Portfolio Funding commences in April 2012 (although a decision will be given in spring/early summer 2011). With a successful Portfolio Funding application Headway Arts will be able to develop its core team as hoped and to increase the scope of its work. If the application is unsuccessful there may be other routes (e.g. ACE G4A that can still enable all or some of the proposed developments to take place). On that basis the four year Financial Plan for the company has been developed in two alternative scenarios:

Scenario 1 assumes Portfolio Funding is achieved and there is an increased staffing complement and scope of work.

Scenario 2 assumes there is no additional funding either through the Portfolio stream or an equivalent and therefore provides the contingency budget for the company going forwards. However, even with Scenario 2 it is important for Headway Arts to respond to the work undertaken in the preparation of this Development and Business Plan and to especially respond to weaknesses and opportunities identified in the SWOT Analysis. Responding in this way still requires some additional resources and the potential for achieving these has been explored (and sources identified) in Section 10 on fundraising and income generation.

At this stage plans for the development of a new Headway base are still in infancy. A Facilities Requirement Brief has been developed and the option explored for potential partnership with Phoenix Theatre Blyth. A further process of identifying potential sites and buildings in Blyth is underway and is likely to be an ongoing activity for the time being. As it seems likely that the much needed establishment of a new base will not be achieved (or the form/location determined) in the immediate future, the budgetary implications have not formed part of this Development and Business Plan and will need to be integrated at such time as a clear plan of action can be agreed. In the meantime it is feasible for Headway Arts to expand its outreach County wide activities and to develop membership of Seven Stars despite the ongoing challenge of the existing premises. The Scenario 1 finance plan is therefore valid even should the company remain in its existing base throughout the period of the Plan.

Staffing

The largest overhead for Headway Arts is clearly core staffing costs. The team of six has two full time posts (Creative Director and Project Worker) with the Chief Executive, Administrator and Project Support Worker each contracted four days a week. The Development post is currently a 2 day a week freelance contract. In 2010-11 the core team salaries are as follows:

Chief Executive
Creative Director
Project Support Worker
Project Worker
Administrator
Development Worker

There is an assumed 2% annual inflation rise built into the staffing costs each year.

In Scenario 1 it is assumed that from April 2012 it will be possible to contract the Development Worker onto the payroll on the basis of a 4 day a week post at a starting salary commensurate with the existing freelance rate. On-costs will be required in addition. Given that an ACE commitment will be made in spring 2011 then it may be possible for the company to take this initiative earlier to give additional development activity a further boost. However, this additional time is not currently included in the 2011-12 budget.

In Scenario 1 it is also assumed that a half time Marketing post at a pro rata starting salary of £22,000 can be appointed from April 2012 in addition to a second full time Drama/Project Support Worker at £22,000.

Scenario 2 also includes the additional time for the Development Worker post and retains a budget for marketing. However, the half time Marketing post is not included and it is assumed the marketing budget might partly be used to contract freelance input.

Other costs

In Scenario 1 there is an increase in staff travel costs to take account of wider scope for County delivery. There is also a budget line for project costs to cover a proposition for specific additional project work in each part of the County. Finally, a sum of £20,000 per annum has been included for creation and delivery of a touring show. The assumption is that this sum would be raised from a specific source each year e.g. Heritage Lottery Fund.

A marketing budget has been introduced in each Scenario.

Income generation

The significant track record of Headway Arts fundraising activity enables the company to plan ahead with justifiable confidence, even in a challenging economic climate.

Grundtvig funding, as indicated in the budget spreadsheets, is secured.

In both Scenarios 1 and 2 there is an assumption that a bid already submitted to Northern Rock Foundation will have a successful outcome in early 2011, ensuring an important follow on three year funding commitment, securing the future of Seven Stars.

There is also an assumption that consistent support from Children in Need will continue, although this requires an annual application. Lloyds TSB require a twelve month gap following the last award before a further application can be submitted. However, this is targeted, with a degree of confidence, for an application in late 2011.

There are two important income assumptions in Scenario 1:

- It is assumed that the appointment of an additional Drama Worker will bring additional capacity to facilitate an increase in commissioned projects (sales) The predicted increase is more modest in 2012/13 but builds in 2013/14, thereafter remaining stable. The increased sales will partly be generated as a result of increased capacity for development work and marketing
- It is assumed that the increased time for the Development Work post will mean greater capacity for fundraising and therefore “other fundraising” income is shown to increase in 2012/13 and then again the following year. These increases also include the smaller one-off sums currently raised on a regular basis so are not entirely a new line of income

In Scenario 2 there is an assumption for a much more modest increase in commissioned work (sales) as there is less additional capacity to deliver (no additional Drama Worker post). However, the increased fundraising target is retained as the Development Worker post is still increased to 4 days a week.

An important change incorporated in each Scenario spreadsheet is a reflection of both the aspiration to increase the number of regular Seven Stars participants and the opportunity for increasing Seven Stars membership as a result of the changes in personal care provision/funding. It is assumed that from April 2011 Seven Stars membership increases to an average 15 bringing correspondingly increased day care revenue. Although the target is to reach 20 members capping income at 15 allows for a potential reduction in daily rate should that be necessary in response to competition once participants have full control over their personal care allowances.

An increase in membership does bring additional room hire requirement which is reflected in the budget from April 2011.

Impact and risks

In Scenario 1 there is a potential leaner year in 2011-12 before Portfolio Funding (or an alternative) kicks in. In this first year there is a deficit which is covered by existing carried forward reserves. Thereafter the company can achieve a modest annual surplus which will help build the reserves to an appropriate level again (target of £60,000 which equals three months operating costs). In effect there is some appropriate contingency should any one fundraising target or earned income aspiration fail to deliver.

Clearly the big risk with Scenario 1 is that there is no Portfolio Funding or equivalent. However, the company will receive a decision from ACE in sufficient time to look at alternative options or if necessary to revert to the Scenario 2 budget.

Scenario 2 equally shows a deficit covered by reserves in 2011-12. Thereafter the scope of work does not increase as substantially as in Scenario 1 but assuming other fundraising is successful there can still be a modest surplus in 2012/13 and 2013/14. However, the surplus does not substantially build reserves and the company will be more vulnerable to any other funding source falling through.

In Scenario 2 there is a financial hole in the final year (2014/15) when potentially the next tranche of Lloyds TSB funding comes to an end. The budget currently shows a deficit for the year which eats existing reserves completely. Clearly that financial year is four years away and is appropriate to leave the position as it appears at this stage. The figures simply highlight the need for a number of regular reasonably substantial funding contributions from sources such as Northern Rock and Lloyds TSB.

13. Development work/action planning

A Portfolio Funding application has been prepared and submitted to ACE. An initial decision will be given at the end of March/early April 2011.

Other key development work for the immediate future comes under the following headings:

- Fundraising (with a focus on three year applications for support, and project support for 2011/12, meeting budget needs as identified in the attached financial spreadsheets).
- Development work to further explore premises/base opportunities – initial work concludes with discussion of the final Development and Business Plan at a Trustee meeting in February 2011. Thereafter, depending on opportunities available and the outcome of the Portfolio Funding application, there may be a short/medium term plan of action required to progress development plans.
- Trustee/governance development work – a key subject for discussion in February leading to a planned programme of development from March – September 2011.
- Partnership development – building on work initiated as part of the Development Plan consultation and preparation of the Portfolio Funding application.
- Project development – pursuing opportunities for new programmes and enhanced strands of work that have emerged from development discussions in autumn 2010.
- Focus on marketing – in the first instance to ensure opportunities to enhance Headway Arts' work and earned income are maximised within the changes taking place in social and personal care arrangements.

Once a response has been received in April to the Portfolio Funding application it will be appropriate for Headway Arts to develop a detailed Action Plan leading to the commencement of a new status in April 2012 (should the application be successful). Such a response would give added confidence to investing resources in development planning and personnel time.

If the Portfolio Funding application is not successful and Scenario 2 is followed then action planning will focus more directly on enhanced fundraising and securing project resources for the medium term. **(Ends)**

Further copies of this report can be downloaded from our website

HEADWAY ARTS

21 Quay Road

Blyth

Northumberland

NE24 2AS

U.K.

T: +44 (0) 1670 351962

E: headwayt@aol.com

www.headwayhq.co.uk