The Long View: A Situational Analysis of Surrey Hills Arts
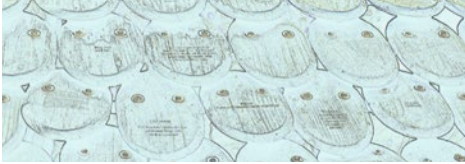
Part A: Analysis

Dawn Langley, Alchemy Research & Consultancy
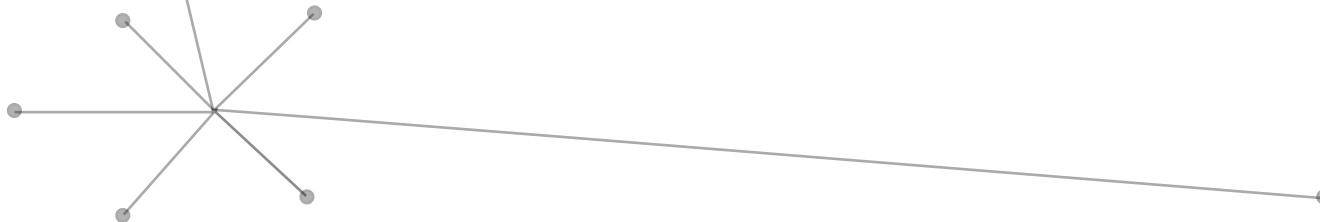
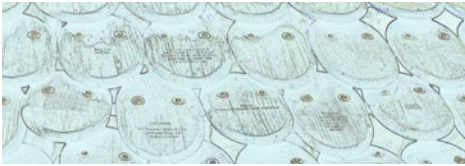May 2022

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Contents

Please note Part A outlines the situational analysis of Surrey Hills Arts and should be read in conjunction with Part B, which provides more detailed recommendations and implementation guidance.

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Acknowledgements

Conditions of use

This situational analysis has been prepared on the basis that the information supplied to Alchemy is complete, accurate and reliable. The report is supplied on the understanding that it is solely for the use of Surrey Hills Arts, Surrey County Council, Surrey Hills Area of Outstanding Natural Beauty and partners. No other person may rely on it for any purpose whatsoever.

Executive Summary

Surrey Hills Arts (SHA) has established itself as an important cultural asset in Surrey, building relationships that allow it to span sectors from tourism to health. It has delivered wide ranging projects and through the Inspiring Views programme has created a permanent presence in the form of a sculpture trail across the Surrey Hills. The programme is managed as a partnership between Surrey Arts (SA) and Surrey Hills Area of Outstanding Natural Beauty (SHAONB) with the Programme Manager (0.8 FTE) being employed by Surrey County Council (SCC). This situational analysis has been commissioned to consider the most appropriate governance and business model to take SHA into its next phase of development.

Like many arts and cultural organisations SHA has had to adapt in the face of the pandemic. It continues to operate in a volatile and uncertain external context, making the need for clarity of purpose and partnership working ever more important. Despite its many achievements SHA is regarded by some as a hidden gem, an indication of the lack of capacity to maintain its profile at the same time as developing and managing significant projects.

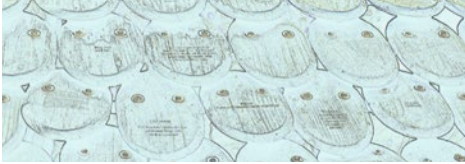SHA is currently delivering against a set of extensive aims that fall into three categories:

1. Programme and artist development
2. Public engagement: art, landscape and communities
3. Organisational development and sustainability

While project evaluations have been undertaken a more detailed strategic framework would help SHA understand how well it is delivering against its aims, manage expectations and prioritise. It would also help identify those pilot projects that can be scaled or after the pilot phase. In addition it would allow SHA to clearly identify opportunities for strategic alignment with SCC, SHAONB, Arts Council England (ACE) and other partners.

SHA is currently operating three business models which align with its purpose but have implications for its capacity and sustainability. The Programme Manager is having to generate programme funding; develop, deliver and promote the projects; evaluate the work and grow and maintain partnership relationships. As the programme matures it is advisable to think in terms of depth rather than breadth of activity.

Constitutionally, SHA sits within a multi-layered governance structure and operates in both a hierarchical and matrix organisational design. This offers benefits in terms of access to a range of expertise and wider resources, but also has implications around clarity of reporting lines.

Its current structure may also limit the ability to fundraise from the widest range of sources, and raises issues of diversity. In considering the future governance structure an organisational design analysis has been used which proposes appropriate design criteria and five development options.

Three options are explored in more detail and the analysis suggests that the closer SHA can get to an independent model, with public benefit objectives, the more flexibility it is likely to have in developing its financial and business model.

In order to address its future challenges and opportunities it is recommended that SHA develops a three to five year strategy.

Recommendations

These recommendations should be read in conjunction with 'Part B: Recommendations and Implementation Guidance,' which gives more detailed information on implementation approaches.

Short-term: refining

1. Develop a 3-5 year strategy that includes:

    a. A clear strategy tree: vision, mission, values, aims

    b. A programme plan that reflects the strategy tree

    c. An organisational development plan

    d. A financial plan

    e. A monitoring and evaluation framework

2. Clarify and update the programme's governance arrangements

3. Undertake a phased organisational development programme implementing the 'As Is' refined option moving to 'As Is+' over the next twelve months

4. Monitor progress regularly and review quarterly

Mid-term: development

The mid-term phase will, in part, be dependent on funding levels and the governance route that is chosen. This phase is likely to include:

1. Managing any transition processes

2. Recruiting additional capacity

3. Implementing the agreed strategy

4. Monitoring progress

Background & scope

Background

Initiated in 2015, following two years of development, SA and SHAONB entered into a three year partnership agreement with the result that the service sits across SCC and SHAONB. The initial agreement included resources for salaries and a programme. As a result of successful delivery, the programme was extended in 2018, with aims to build audiences, have an economic and cultural impact, work in partnership, develop local artists and create a sustainable business model.

SA (with agreement of the partners) is commissioning consultancy support to undertake a situational analysis of SHA to inform its future development. The analysis is to include recommendations on the future strategy, governance, structure, management and resourcing. Several outcomes are sought from the development work:

1. Strengthening governance and management, including diversifying workforce and board

2. Meeting local needs and strategic alignment

3. Increased capacity

4. Strengthening partnerships

5. Increasing and maximising resources, including staffing

This work will feed into the wider strategic review of SA and strategic development being undertaken by SHAONB.

The situational analysis was conducted by Dawn Langley (Alchemy Research & Consultancy) during April 2022 and has focused on:

> Governance, management and organisational design (people, processes, structure, and culture)
> Workforce development needs assessment
> Business model/s
> Service development taking account of local need and wider strategic context
> Stakeholder management

An organisational business model and design approach has been taken to gain an understanding of the dynamic interaction between purpose, structure, culture and systems.

The review process included an initial familiarisation, consultations with relevant stakeholders, research of comparable or alternative structures and the development of a range of options for future operating models (Appendix One gives more detail on the approach and methods).

The strength of the Inspiring Views project is that it is not only about excellent art, but the accompanying landscape improvement and conservation work provides a lasting benefit to the Surrey Hills. The Surrey Hills Trust Fund is committed to ensuring that the necessary maintenance of all the Inspiring Views locations is carried out on a regular basis. (SHAONB Annual report 2020)

Context

External Environment: unpredictable and uncertain

SHA operates in a world of continual and increasingly unpredictable change, in which volatility, uncertainty, complexity and ambiguity are ever present. Key areas of impact in the external operating context include (Appendix Two gives more details):

> Pandemic: ongoing focus on health and well-being
> Climate emergency: importance of protection and restoration of the natural environment
> Cost of living crisis: Inflation rising, significant price increases across most goods and services including essentials
> Mental health crisis: growing rates of anxiety and depression (ONS)
> Public funding strategies: Levelling Up and Priority Places (DCMS, ACE, NAONB, SHAONB, SCC)
> Global uncertainty: war in Europe; global interdependencies shifting; the rise of populism

Several factors can help SHA respond to this turbulent environment:

1. Vision: SHA has a clear sense of what it does and would benefit from a well-articulated vision that illustrates why it does what it does

2. Understanding: SHA has significant expertise in its field that has been recognised at a national level. It's breadth of partners have enabled the development of a wide network of cross sectoral support. This is a significant achievement given its capacity. Links into communities and the private sector could be developed further with additional support

3. Clarity: there is a strong shared sense of the importance of SHA across its core partners. Developing a longer-term strategy will help ensure the clarity of purpose is understood and communicated.

4. Adaptability: given its scale SHA has potential to adapt quickly, however, being located within the umbrella of SCC and SHAONB means that decision making can take time and processes may not always be clear. An additional challenge is balancing being reactive with an ability to be proactive

Internal environment: change, capacity and messiness

Internally, SHA has also been navigating a number of factors:
> Staffing changes at SA and a sense of disruption
> Wider review of SA and potential for future changes
> Partnership arrangements and managing multiple policies/priorities
> Multi-layered line management and ownership of SHA
> Access to wider resources within SCC and SHAONB not being fully optimised

> Driven by the energy, expertise and vision of an individual working part time.

These contextual factors represent ongoing challenges for SHA, but there are also factors that have created opportunities that would strengthen the value of its work:

> Public engagement with issues of climate change continues to grow
> Increased public engagement with local environments stimulated by the pandemic
> Increased cultural policy concerns with diversity, representation and engagement
> Emphasis on developing networks, partnerships and collaboration to maximise resources
> Recognition of the role arts and culture can play in health and well-being agendas and improvement, including a focus on social prescribing
> Growing focus on how connections between artists and scientists can support improved science communication

Motivation & direction

"Surrey Hills Arts engages and inspires people in the outstanding natural landscape through an imaginative arts programme promoting heritage, health and tourism." (SHA website)

The SHA programme has an extensive set of eleven aims (Appendix Three) that span economic impact, health and well-being and artists' support. The aims could be summarised into three categories:

1. Programme and artist development
2. Public engagement: art, landscape and communities
3. Organisational development and sustainability

The current purpose statement says more about what SHA does than why it does what it does. Discussion with SHA and the Advisory Board suggest a range of drivers that inform SHA's current purpose:

> Connecting people to the landscape through the art
> Pride of place
> Wellbeing (mental and physical)
> Engaging people through the language of art
> Helping people slow down and draw breath
> Supporting communities through co-creation – growing confidence and improving communication
> Innovative ways to experience nature and art
> Offering experiences (art and environments) and building memories
> Capacity building for artists. Pathways into the arts and building sustainable careers

> Particular focus on those who might not feel they would ordinarily have access to arts or the landscape
> Expanding and engaging – new audiences
> Creating interest in arts and artists

This is a useful starting point to develop an evaluative framework (such as a Theory of Change) that specifies the difference the programme wants to achieve; its intended impact. The extent of the current aims imply SHA has been trying to be all things to all people, which even given the extensive partnership relationships is a significant ask of the programme and its Manager.

Business models

Consideration of SHA's business model, how it creates and delivers value, gives an insight into its organisational design needs. SHA is currently operating three interlinked models (Figure One).

Operating more than one business model is not uncommon but does add to the complexity of how SHA operates. Each of the models requires a different emphasis and skills set, which is a lot to ask of a single role. It means either more capacity is needed, partnerships have to work harder or capitalising on technology. What is clear from the three models is that they are all relational rather than transactional.

"Art is a mechanism to engage people who might not otherwise engage."

"Place-making. Creating a sense of belonging and purpose. Surrey has a strong cultural heritage and SHA keeps all of it alive."

"...ways of looking at the world differently."

Model	Characteristics	Implications
Hidden revenue	Relies on funding from a third party to pay for the offer to beneficiaries/ customers who might not or could not pay full price. SHA core funding is provided by SCC and SHAONB	> Need to deliver against funder priorities > Subject to changing policies and priorities > Pressure on Depts./organisations to broaden funding base > Needs capacity and infrastructure to research opportunities, prepare applications, undertake monitoring and deliver timely, accurate reporting
Experience selling	Focus on a holistic offer that exploits projects fully. e.g the guided walks and podcasts	> Requires personal relationships and partnership building > Requires strong beneficiary insights – knowing needs, wants and behaviours > Needs an infrastructure capable of selling > Strategic cost control and clear target setting
Orchestrator & solution provider	Requires SHA to focus on its core competencies. At its crudest it involves an outsourcing service at its best it is based on a strong partnership model	> Clarity on core purpose and key activities > Well networked > Developed partnerships > Knowing the needs of partners > Collaborative values and behaviours

Figure 1 SHA business models characteristics and implications

All three models rely on the development and maintenance of personal relationships, goodwill and sound communication. There are other models that are common in the arts and cultural sector, notably:

> Direct selling: ticket sales, merchandise, cafes and bars etc (e.g. theatres, arts centres, and festivals)
> Membership: member benefits such as information, advice and guidance, opportunities, promotion, networks and events etc (e.g., Artists Information Company (an), Hampshire Sculpture Trust, Axis, Visual Artists Association)

These models have also been taken into account in the consideration of future options for the development of SHA. Moving to a direct selling model would require a significant change in emphasis and resourcing and would be relatively risky during a cost of living crisis. A membership model would require considerable planning, resourcing and maintenance and is unlikely to yield sufficient benefits in the short term. This might be reconsidered as a donor model in future.

Performance & delivery

SHA runs an annual programme of projects and associated events, ranging from digital practice to permanent works. The programme is guided by an overarching statement of intent that has evolved over the years. The programme is artist led and has a strong commitment to artist development as part of its impact. All projects have a set of stated aims and internal evaluations are undertaken to draw out any learning points. There is scope for more in-depth research in future through work with the University for the Creative Arts and the University of Surrey. A more defined evaluation framework would allow for consistent project reporting.

The programme is set out at the beginning of each year, the last two years included:

2019

> Surrey Unearthed
> Inspiring Views
> Heathland Artworks
> Harvest

2021-2022

> Inspiring Views
> Habitat
> Dance 21
> Heathlands Artworks
> Symposium
> Techne placements
> Creative Health Walks
  (subject to funding)

As a result of the outdoor nature of much of the work it is not easy to ascertain reach. Evaluation reports show attendances range from 40 participants in Walking for Health (2017) to 8,183 attendances for Surrey Unearthed (2018/19). Surrey Unearthed was also featured in Surrey Matters with a distribution to residents of 174,000.

The Programme Manager has a clear sense of the audiences and participants the programme is trying to engage, and these include geographic communities, communities of interest and communities of practice. Engagement encompasses wide ranging demographics from local residents to people with experience of the mental health system. The partnership model in use has enabled SHA to access groups and communities who might not otherwise have felt the natural landscape or art was for them.

Ensuring diversity of those that engage with SHA is an ongoing challenge and it is something the Programme Manager is committed to addressing. Engaging diverse artists with commissions is a point of focus and guidance has been sought from advisers; targeted calls for submissions will be developed in future.

Marketing and PR is the least developed aspect of SHA's work and while the website is clear and easy to navigate the programme's social media presence has scope for growth. This is an area where SA resources and the expertise of the Advisory Board could be better utilised. Engaging SHAs artist alumni could also add capacity.

SHA's turnover is variable dependent on the scale of activity each year, understandably it has reduced in 2019/20 and 2020/21 as a result of the impact of the pandemic.

Figure 2 SHA income & expenditure 2018/19 - 2020/21
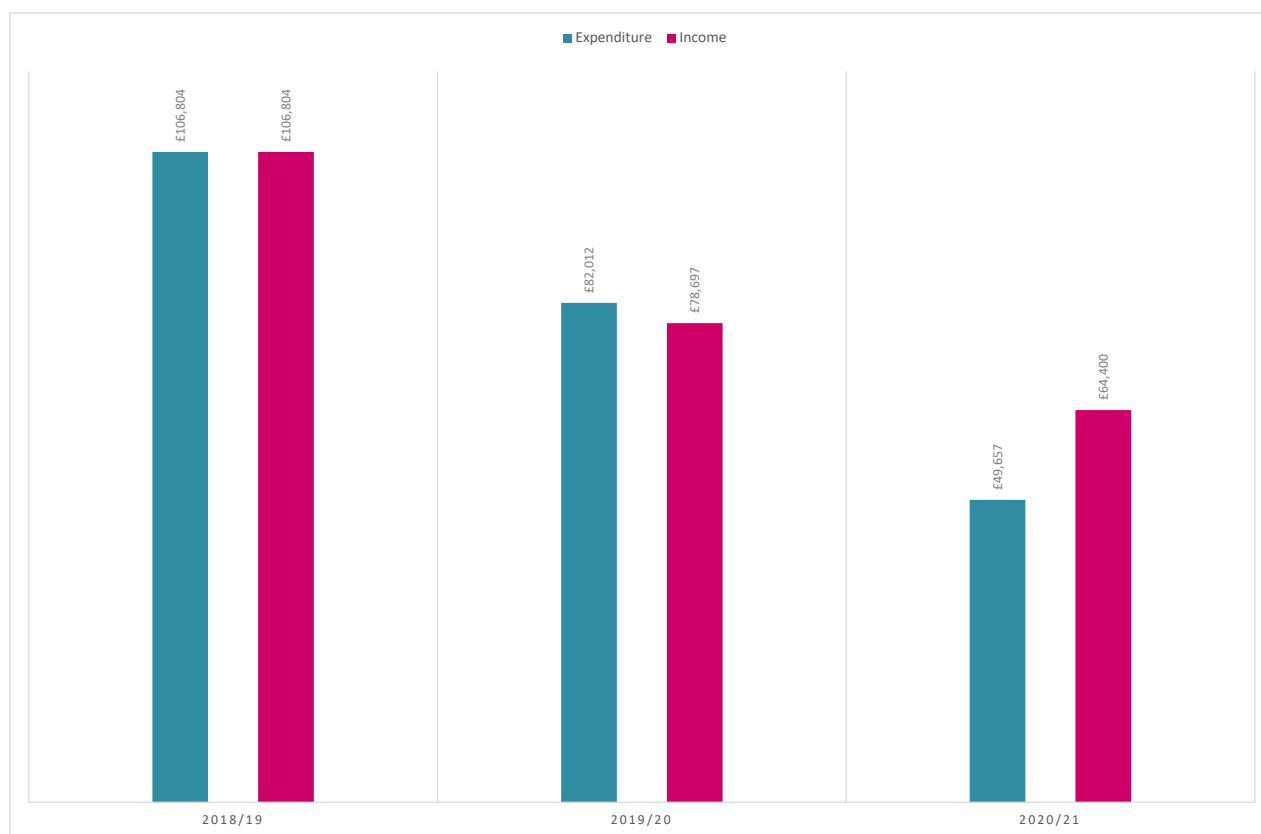
The highest turnover in recent years was £106,084 in 2018/19 as a result of the Surrey Unearthed programme (Figure Two). Salaries have remained fixed for the last two years in the region of £40,000 including on costs.

Given the programme is run primarily by one three quarters time post, the extent of the work is to be commended. This is, however, a good point to reassess the breadth of work and perhaps focus on delivering fewer projects in more depth. It is understood that this is a challenge for a project based programme where funders are often reluctant to fund existing work and want to see additionality, forcing a vicious cycle of continuous new work.

Achieving longer term funding would enable the programme to ensure pilot projects have an opportunity to become embedded and develop further.

Organisational design

Constitutionally, SHA sits within a multi-layered governance structure, (Figure Three) it is directly accountable to SCC as the employer of the Programme Manager and therefore falls within its publicly elected governance structures. It is also responsible to SHAONB as co-funder of the post. In addition, an SHA Advisory Board of 11 members provides information, advice and guidance.

The Advisory Board has an agreed Terms of Reference that outlines its advisory status (Appendix Four). Current Advisory Board members bring a high degree of expertise, commitment and oversight.

Advisory Board meetings work to well recognised governance practices including the appointment of a Chair, receipt of papers, clear agendas and minute taking.

SHA has been operating a hybrid hierarchical and matrix organisational design model. The Programme Manager (referred to as Arts Development Officer in the SA organogram) is directly line managed by the Head of SA (as a result of a vacancy for an Arts Development Manager within the SCC structure).

Figure 3 SHA nested governance structure
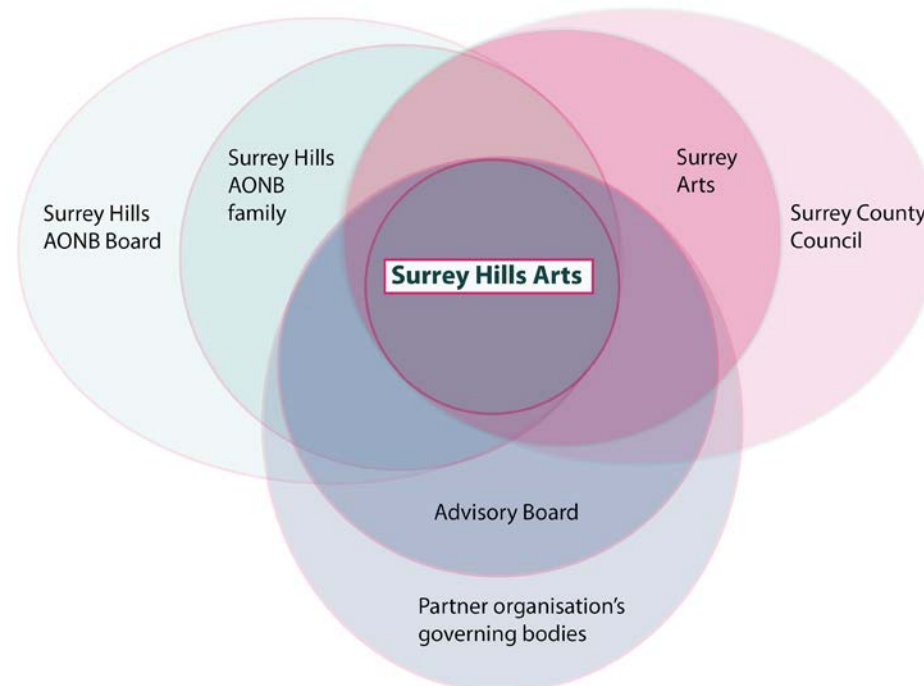
Recent changes within the staffing of SA has caused some confusion, disruption and discomfort. The Programme Manager role also answers into the Director of the Surrey Hills Board.

Hierarchical management is a long-established model and allows for the grouping of expertise, function specific role descriptions and areas of responsibility, and is simple to understand and operate. Matrix working allows for more collaboration and flexibility, encourages multidimensional open communications, and helps the service keep responsive. It can, however, lead to a lack of clarity of roles, tensions between functional and project managers, and slower decision making.

This management framework has allowed the Programme Manager a high degree of autonomy to determine, develop and manage projects as appropriate. However, this model has also reportedly led to some role confusion on occasion, with authority for decision making becoming unclear.

In order to consider the future organisational structure options for SHA a design approach has been taken, which has employed six design criteria:

> Financial viability: affordable and sustainable financially
> Increased capacity: with a focus on exploiting current and future opportunities
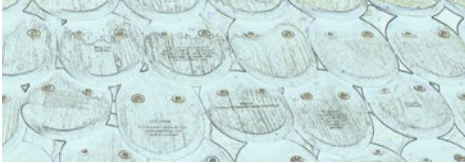> Agility: ability to move quickly

> Programme development: building on the current foundations
> Collaboration and partnership: working with others, drawing on a range of expertise and perspectives
> Access to diverse funding and resources: spreading risk and working to longer term funding

These criteria have been developed through conversations with review participants and the Advisory Board members, and each has different implications (Appendix Five).

Comparable and alternative models

A set of 18 comparable and alternative operating models have been researched to inform possible options for SHA (Appendix Six). They include Local Authority visual arts National Portfolio Organisations (NPOs), individual artist led project based arts organisations (ALO), art and landscape organisations and partnership/consortia examples. The comparable modes were identified on the basis they would provide some relevant insights; they are intended to illuminate options rather than represent exact comparators.

The reviewed organisations are a maximum variation sample including a mix of urban and rural, artform and social purpose, building based and hybrid.

Local authority visual arts NPOs:

There are 829 organisations in the 2018 – 2022 (with a one-year extension to 2023) national portfolio of the Arts Council, of these 38 (4%) are local authority NPOs. The 38 local authority NPOs currently funded are predominantly museums, with only six being visual arts focused. All of the visual arts organisations currently funded are building based. None are in the Arts Council defined Southeast region and only one is in the South West. Annual grants range from £43,000 to £890,000. One of the group (Eastside Arts) is a registered charity but receives its NPO as part of its partnerships with Birmingham City Council and University of Birmingham. Of the remaining five all sit within a culture related department and three have some form of associated advisory group. Southampton City Council has a separate trust, the Chipperfield Bequest Trust, which holds the assets of the collection.

Individual artist led organisations:

Four ALOs were reviewed to give an insight into models used by small scale independent arts organisations. Turnover ranges from £60,000 to £140,000 (Figure Three. Source: 2020/21 statutory accounts). One has one core employee and the others have two, all use freelance support (from two to seven people). Two are NPOs.

Figure 4 Individual led organisations turnover and NPO grant level
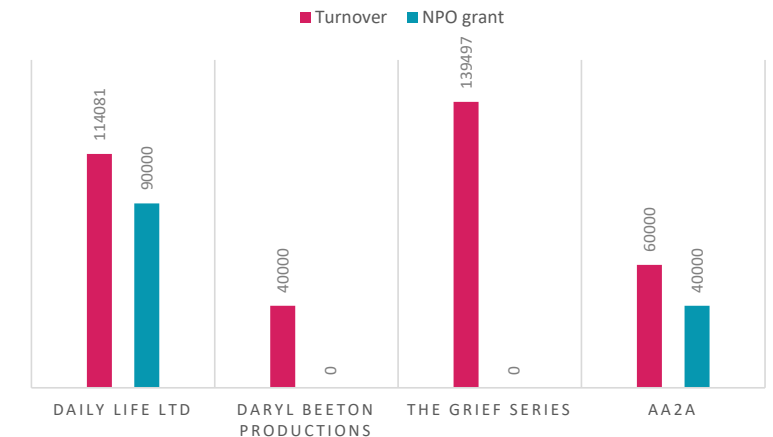
All four organisations have different governance structures, which include a Registered Charity, Company Ltd by Shares, Unincorporated Association and Community Interest Company. All four have visions that recognise a social as well as an intrinsic value of art.

Arts and landscape organisations:

It is notable that there are no direct comparators to SHA in this field, the closest probably being Pendle Hill Landscape Partnership, which includes arts as part of its four year Heritage Lottery funded programme. The programme is managed by Forest of Bowland AONB, with a staff team of seven. It also has an extensive resources database which may be helpful for informing SHA's strategic development (pendlehillproject.com/reports-and-downloads).

Grizedale Arts runs a programme and has a building, Activate Performing Arts (Inside Out Dorset) operates a festival model. Grizedale has a core team of four and Activate has 13. Both Grizedale and Activate receive NPO funding (Figure Four), are registered charities, and their core business models are based on hidden subsidy.
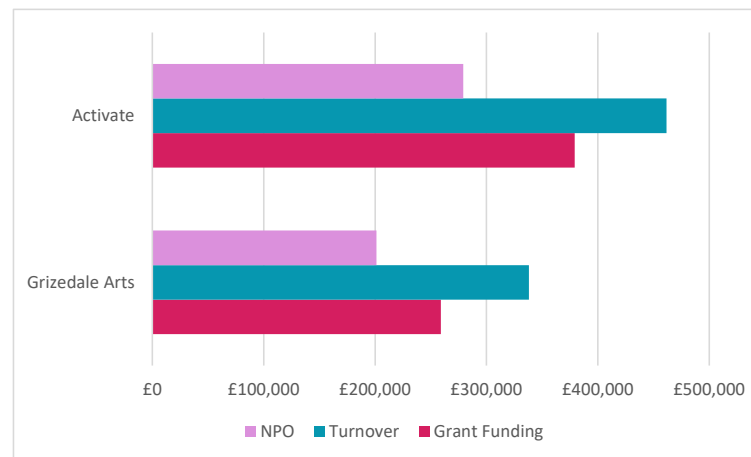
Figure 5 NPO Art and Landscape financial models 2020/21

Partnerships and Consortia:

There are multiple partnership models within and beyond the cultural sector. The MEHs and CPP models may have particular relevance in terms of their use of partnership agreements and collective governance structures. What Next?, has a national reach and operates a loosely federated model with a core team of three freelancers, it is constituted as an unincorporated association but is about to undertake a governance review.

Within Surrey the Arts Partnership model is an alliance of nine local councils and Surrey Outdoor Learning and Development (SOLD) is part of SCC and appears to operate as an arm's length body.

SHA management and governance options

There are various management and governance options available to SHA in future, which are dependent on its future vision and purpose, and resourcing. These options range from immediate improvements to significant change:

1. As Is refined: strategic planning, refine current management arrangements, clarify roles, develop the Advisory Board Terms of Reference further and build capacity

2. As Is+ : Change of employment host to SHAONB and build capacity

3. Twin Head: build capacity by adding a further senior level post and separate artistic and operational functions (employers could be either SCC or SHAONB)

4. Line management transfers to an independent existing vehicle such as one of the SHAONB family

5. Independent SHA: a new company is created either as a Community Interest Company or Charitable Incorporated Organisation

'This was a first for me. As a new graduate, this is my first exhibition. It was also the only showing of my graduate work in this peculiar year.'
    Helen Long, MA Ceramics.

'I have found all stages of the project useful. The lecture was very well organised and inspiring; it gave me an insight about the opportunities of outdoor installation. Our site visit contributed to understanding of the future installation environment. And the tutorials were helpful as a guideline for the design and installation ideas development.'
    Irina Prolygina, MA Glass

Heathland Artworks student feedback, 2020

Each option has different resourcing governance and organisational development requirements, which will influence the chosen approach (Appendix Seven).

Analysis of the options was undertaken in relation to the design criteria (Appendix Eight), general feasibility and likely level of risk in the short to medium term. While an independent company could to provide the greatest flexibility, particularly with public benefit objectives, it is the option with the greatest level of risk now.

This may be a long-term possibility for SHA but the current entity is not ready for such a step change. Equally, while there may be benefits to be gained from a dual leadership model the timing is not right given existing resources and the need to clarify reporting lines. This too may be a future option.

As such three options were considered in more detail, the analysis suggests that the closer SHA can get to an independent model, with public benefit objectives, the more flexibility it is likely to have in developing its financial model. However, that would depend on the two core funding partners, SCC and SHAONB continuing their investment in some form of new configuration.

It is recognised that staying within a host organisation has benefits in terms of providing additional below the line support and risk management.

If this continues there is a need to:

> Clarify decision making processes
> Provide some strategic planning support to the Programme Manager
> Increase project management capacity
> Clarify expectations and priorities

Taking the long view

In the seven years since its inception SHA has achieved some significant outcomes given its scale and capacity. An expanding trail of permanent works has been created, large public events have been held, artists have been offered a range of opportunities and substantial cross sector partnerships have developed.

In organisational growth terms it has been in a creativity phase as the programme has developed. This has relied on the energies of the Programme Manager and her ability to fundraise and develop projects and is generally typified by pilot projects and testing the operating context. SHA has developed some important partnerships and is clearly respected and trusted by the artists it works with. It has successfully run several events to engage different communities and is seen as an asset to the county.
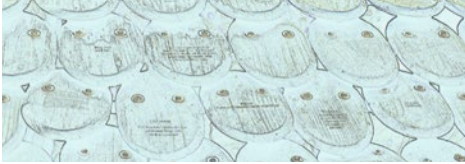
There appears to be a consensus from review participants that SHA is at an important development point, marking a need for more clarity in terms of its future direction. Participants in the review recognise that SHA has been working on a project by project basis (as a result of capacity and available resources), which has established its value and built a strong portfolio of delivery that could be exploited further. This indicates the need for a three to five year strategy to allow SHA to take a longer view of its future direction. Mapping a longer term plan will help achieve an increased clarity of purpose, roles and reporting.

SHA faces several challenges as it looks to the future, which a new strategy will need to address:

> The speed and unpredictability of changes in the external operating environment
> Limited capacity
> Potentially limited access to a breadth of funding because of its location within SCC
> All aspects of delivery being the responsibility of the Programme Manager
> Developing an appropriate strategic framework that provides clarity at the same time as allowing flexibility of response – continuing to be enterprising at the same time as being more systematic
> Perceptions of Surrey as a wealthy county
> Increasing the diversity of people involved in the programme and its governance

The programme does have several strengths to address these challenges:

> Expertise and commitment to its work
> The support of a wide range of partners from different sectors with shared values and concerns
> A programme that is aligned with a range of policy imperatives including health and wellbeing, public engagement, improved science communication, protecting and enhancing the natural environment etc.
> Agility and ability to respond to need
> National recognition

Whichever organisational design is considered going forward, if a more strategic approach is to be developed additional capacity will be needed.

Other small scale arts ALOs tend to have two members of staff with a support network of freelancers. This allows for the individuals involved to work to their strengths.

One of the aspects of this review is the question of whether Surrey Hills Arts is in a position to apply to become an Arts Council NPO. Overall, given the percentage of local authority funded NPOs in the past, the current governance position with SHA and the highly competitive nature of this funding round the likelihood of success may be limited. However, going through a strategic planning process with added capacity through external consultancy support provided by the review may be beneficial in resolving some of the issues raised in this analysis and help strengthen SHA for the future.

Recommendations

These recommendations should be read in conjunction with 'Part B: Recommendations and Implementation Guidance,' which gives more detailed guidance on implementation approaches.

Short-term: refining

1. Develop a 3-5 year strategy that includes:

    a. A clear strategy tree: vision, mission, values aims

    b. A programme plan that reflects the strategy tree

    c. An organisational development plan

    d. A financial plan

    e. A monitoring and evaluation framework

2. Clarify and update the programme's governance arrangements

3. Undertake a phased organisational development programme implementing the 'As Is' refined option moving to 'As Is+' over the next twelve months

4. Monitor progress regularly and review quarterly

Mid-term: development

The mid-term phase will, in part, be dependent on funding levels and the governance route that is chosen. This phase is likely to include:

1. Managing any transition processes
2. Recruiting additional capacity
3. Implementing the agreed strategy
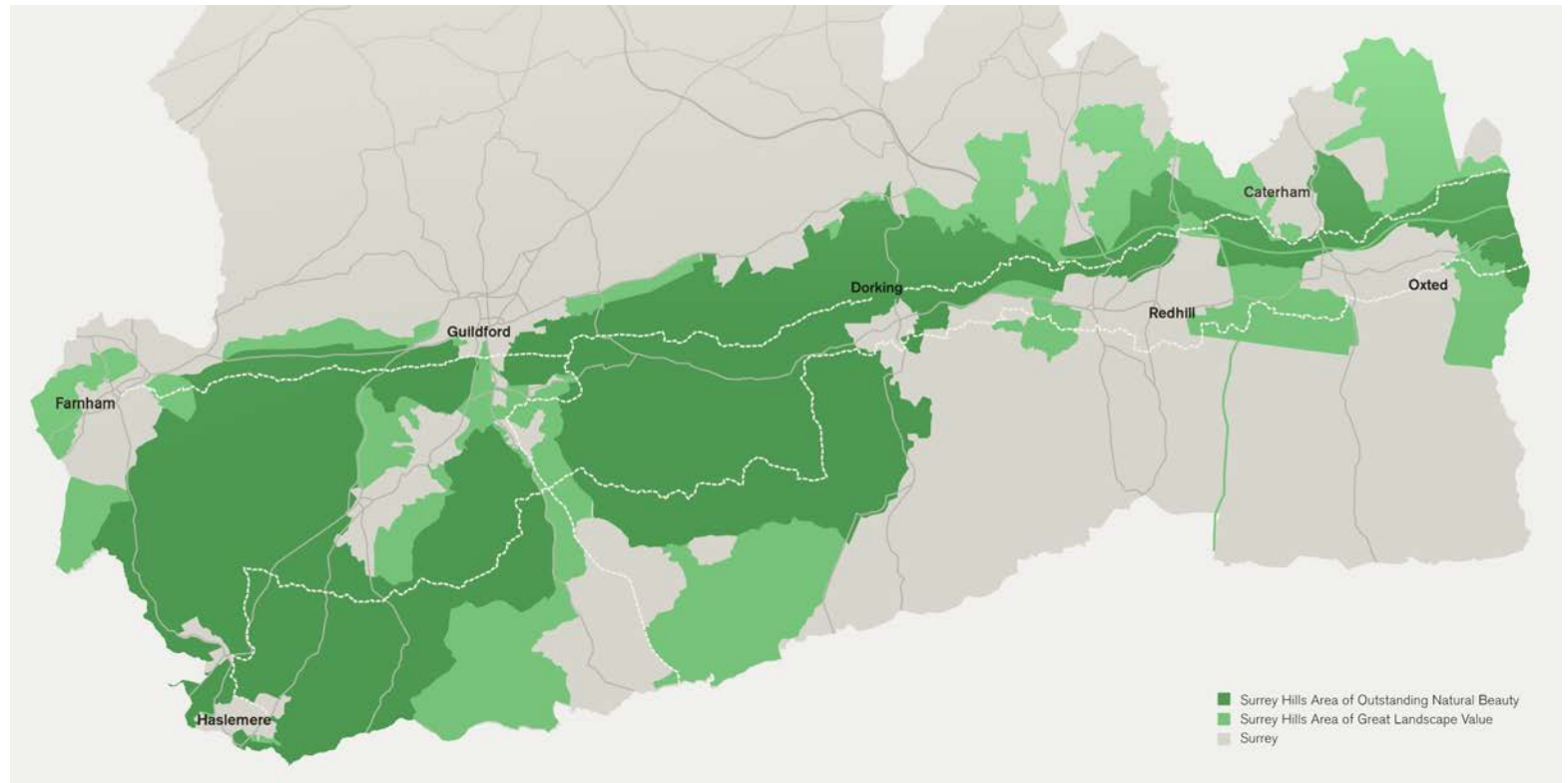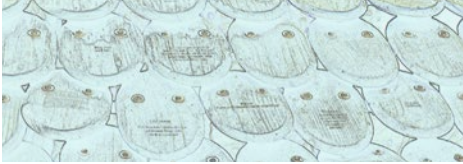4. Monitoring progress

+ Appendices

Image: SHA website

➕ Appendix 1: Approach & methods

Scope and limits of the situational analysis
Scope:

1. Strengthening governance and management, including diversifying workforce and board

2. Meeting local needs and strategic alignment

3. Increased capacity

4. Strengthening partnerships

5. Increasing and maximising resources, including staffing

In order to complete the review in time to inform the NPO application decision it has been undertaken quickly in a timeframe that included Easter. It is accepted that a limitation of the analysis is that consultations have been held with a core group of participants. Nonetheless, there has been sufficient consistency in the responses for the findings to be trustworthy.

Methods and approach
The review has included a mixed methods approach in order to provide qualitative and quantitative insights, Including:

> Interviews
> Attendance at an Advisory Board meeting
> Experiencing some of the permanent works
> Document review
> Comparable model review
> Desk research – popular and academic materials

Review population
The focus of the review has been SHA as the programme provider, SCC and SHAONB as the programme partners and hosts, and the SHA Advisory Board.

Timeframe and focus
The review took place in April 2022.

Interviews
Interviews were undertaken with the Programme Manager, Head of Service (SA), Director (Surrey Hills Board) and Advisory Board Members. They were conducted on a semi-structured basis.

Desk Research
Programme documents, commissioned publications, research and academic papers, and social media have been reviewed as part of the data set for the analysis. Where possible data has been gathered from at least two different sources for each of the areas reviewed to ensure consistency in the findings.

Analysis
Where figures have been used, they have been rounded up or down to the nearest decimal point. Feedback from participants is represented as far as possible in their original words, the extracts used have been subject to selection by the reviewer. Feedback from participants has been used to develop the thematic areas in the analysis.

Appendix 2: External Context

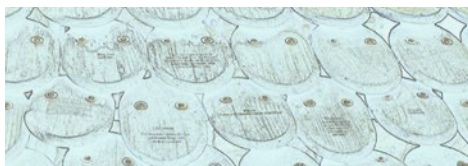| Context	Trends	Implications
COVID Pandemic	> Increased NHS waiting lists and hidden health issues > Long Covid > Educational achievement gaps (students globally estimated at 8 months behind (McKinsey) > Around 1 in 7 (14%) reported both working from home and travelling to work in the past seven days (13% in the previous period) > One-third (33%) reported that, compared with before the coronavirus pandemic, they are more likely to work from home if they have a cold (32% in the previous period) Source ONS Opinions and Lifestyle Survey 1/4/22	> Growth in social prescribing > Need for health and well-being interventions > Focus on children and young people > Interest in local amenities > Continuing hybrid working > Reassessment of personal priorities and work life balance > Need to support young people to reengage with education and learning > Growing need for arts and health initiatives
Climate emergency	> Faster and bigger emissions cuts > Phasing out fossil fuel subsidies > 'Just transition' that is green and socially fair > Extreme weather and accelerating climate change impacts > Protecting natural systems and biodiversity Source: Thompson Reuters	> Changing individual attitudes and behaviours > Need for resources, training and awareness raising > Natural environment management issues > Changing travel habits > Developing technology and increasing innovation > Need for variety of science communication methods > Decarbonisation and infrastructure investment
Cost of living crisis	> Nearly 9 in 10 (87%) reported that their cost of living had increased; this is an increase compared with 83% in the previous period and 62% when this measure was first recorded (over the period 3 to 14 November 2021) > Among these adults, the most common reasons reported were an increase in the price of food (88%), an increase in gas or electricity bills (83%) and an increase in the price of fuel (77%) > Among those who pay energy bills, 4 in 10 (43%) said they found it very or somewhat difficult to pay their bills Source ONS Opinions and Lifestyle Survey 1/4/22	> Significantly reduced disposable income > Uneven impact and growing wealth inequalities > Food and fuel poverty > Community and local area responses > Psychological impact – stigma and shame > Potential for civil unrest and protest > Need for free or low cost leisure activities

Context	Trends	Implications
Mental health crisis	> Covid PTSD > Covid brain fog in the general population > Projections showing that 10 million people in England, including 1.5 million children and teenagers, will need new or additional support for their mental health over the next three to five years (NHS Confederation) > Mental health problems cost the UK economy at least £117.9 billion annually (LSE/Mental Health Foundation)	> Growth in social prescribing > Need for health and well-being interventions > Focus on children and young people > More cross sector collaboration and partnerships > Growing need for arts and health initiatives > Need for ongoing research and evidence based practice > Training opportunities for artists
Public policy	> Central government Levelling Up agenda > Arts Council 'Let's Create' strategy > Arts Council Priority Places > NAAONB Art in the Landscape Strategy > SCC Library and Cultural Services Strategy 2020-20225 > SCC Surrey 2030 vision > SHAONB Nature Recovery Strategy	> Wide ranging policy fit for SHA across the policy landscape > Need to engage closely with stakeholders to understand policy developments and changes > Possible development of a more specific Arts & Culture strategy in Surrey > Review of SA
Global uncertainty	> Rising prices and production/supply chain issues > Recessions or stagflation > Increasing inflation > Reduced GDP growth > Ongoing impact of armed conflict in Europe – disproportionate impact across the globe Sources: KPMG Global Economic Outlook, Apr 2022	> Rising anxiety levels contributing to mental health crisis > Rising cost of living > Challenges of living with uncertainty and events beyond our control > Ongoing lack of stability > Need for psychological support and relief

Appendix 3: SHA aims

The Surrey Hills Arts programme aims to:

1. Inspire new audiences & raise Surrey's profile and sense of place through public art

2. Deliver inclusive arts projects that connect people to the landscape and strengthen Surrey communities

3. Boost the local economy by attracting an arts interested audience

4. Proactively build and engage with a diverse audience including remotely through digital engagement.

5. Promote the rich artistic and cultural heritage of the Surrey Hills within a contemporary context

6. Encourage outdoor activity for all promoting health & wellbeing

7. Enlighten visitors to environmental challenges and encourage positive action

8. Work in partnership with internal and external services to create new arts-led opportunities that achieve positive health, education and social outcomes

9. Support and develop local artists of all art forms in creating work relating to the Surrey Hills

10. Develop volunteering opportunities to support the programme

11. Pursue a diverse funding strategy to enable a sustainable future

This paper provides guidance for the Surrey Hills Arts Advisory Board to progress the priorities identified in the Surrey Hills Arts Programme.

Surrey Hills Arts engages and inspires people in the outstanding natural landscape through an imaginative arts programme promoting heritage, health and tourism.

The Surrey Hills Arts programme aims to:

> Inspire new audiences & raise Surrey's profile and sense of place through public art
> Deliver inclusive arts projects that connect people to the landscape and strengthen Surrey communities
> Boost the local economy by attracting an arts interested audience
> Proactively build and engage with a diverse audience including remotely through digital engagement.
> Promote the rich artistic and cultural heritage of the Surrey Hills within a contemporary context
> Encourage outdoor activity for all promoting health & wellbeing
> Enlighten visitors to environmental challenges and encourage positive action
> Work in partnership with internal and external services to create new arts-led opportunities that achieve positive health, education and social outcomes
> Support and develop local artists of all art forms in creating work relating to the Surrey Hills
> Develop volunteering opportunities to support the programme
> Pursue a diverse funding strategy to enable a sustainable future

Statement of Purpose

The role of the Advisory Board is to advise on the development, commissioning, funding and promotion of the programme to enhance the landscape for the enjoyment of local communities and visitors.

1. Membership

1.1 Membership represents the partnership between the Surrey Hills AONB family, Surrey Arts (SCC), the National Trust, the Watts Gallery, Gatton Park, the Hannah Peschar Sculpture Garden, Visit Surrey, the University for the Creative Arts and the University of Surrey.

1.2 The Advisory Board will suggest and select new members when required.

1.3 The Chair will provide overall leadership and advocacy for the Surrey Hills Arts programme.

1.4 The Advisory Board and Chair will be reviewed annually each October.

Current membership:

> Alistair Burtenshaw – Chair & Director Watts Gallery
> Andrea Gregson – University for the Creative Arts & Contemporary artist
> Ali Clarke – Programme Manager – Surrey Hills Arts
> Rob Fairbanks – Director, Surrey Hills AONB
> Penny Harris – Parker Harris Consultancy
> Holly O'Neill – Partnerships Manager, National Trust
> Marilyn Scott – Director of the Lightbox Gallery (retired)
> Sarah Lee – Head of Service, Surrey Arts, Surrey County Council
> Vikki Leedham – Curator, The Hannah Peschar Sculpture Garden Chris Howard – Surrey Hills Society/Visit Surrey
> Caroline Scarles - Head of School of Hospitality and Tourism, University of Surrey.

2. Responsibilities

2.1 The Surrey Hills Arts Programme Manager coordinates the Surrey Hills Arts Advisory Board. The Programme Manager reports back at regular intervals to the Advisory Board and calls quarterly meetings.
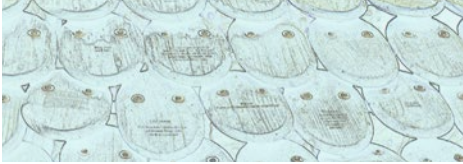
2.2 The Advisory Board will be expected to identify joint priorities and approve and advise on the programme, commissioning, evaluation, financial resources and risk management.

2.3 Individual members of the Advisory Board will advise on specific elements of the programme according to their expertise such as tourism, digital technology or sponsorship.

2.4 The Advisory Board will be able to make connections between the work of the programme and current work in the county, region or nationally.

2.5 In advance of meetings, the Programme Manager will discuss the agenda with the Chair. Any member wishing to add an agenda item must submit this to the Programme Manager to circulate to the members. Agendas, Minutes and actions of meetings will be distributed to the Advisory Board by the Programme Manager at least one week prior to meetings.

3. Funding

3.1 Surrey Hills AONB and Surrey Arts (SCC) jointly support the position of the Programme Manager financially.

3.2 Funding for the programme content will be secured from external sources including private sponsorship, trusts and funding organisations.

The Advisory Board will support the process in identifying funding and sponsorship opportunities for the programme, and secure additional resources.

3.3 The Programme Manager will monitor the budget and keep accurate financial records to be shared with the Advisory Board when relevant.

4. Marketing

4.1 The Programme Manager will work with Marketing Managers in the Surrey Hills family and Surrey Arts. The Advisory Board members will support the promotion of the programme through relevant events, online platforms, social media or publications. The Advisory Board will take advantage of joint marketing between the involved organisations.

5. Advisory Board Meetings

The Advisory group will meet quarterly. In between meetings, advice may be sought on specific items.
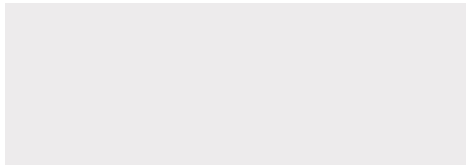
Appendix 5: Design criteria

Design criteria	Structure implications	Process/policy implications
Financial viability	> Ability to generate income > Some level of reliable funding	> Financial management and reporting – timely and accurate > Strategic planning > Reserves policy
Increased capacity	> Additional resourcing – admin, marketing/PR, project management and engagement	> HR & management > Hybrid working
Agility	> Stability at the core – expertise of the Programme Manager > Ability to move quickly > Responsiveness	> Quick decision making > Adaptable processes > External environment scanning
Programme development	> Idea generation > Audience development > Partnership development	> Identifying and understanding need > Data collection > Project management > Prioritisation models > Strategic planning
Collaboration and partnerships	> Responsibility for partnership development > Administrative and project management capacity	> Access to partners > Partnership agreements
Access to diverse funding and resources	> Appropriate constitution > Fundraising capacity	> Ethical fundraising > Fundraising strategy

Appendix 6: Comparable Models

Local Authority NPO	Local Authority	ACE region	NPO Grant (pa)	Dept.	Committees	Other
Southampton City Art Gallery	Southampton City Council	South West	£100,000	Culture and Tourism	Chipperfield Advisory Committee	Operates Chipperfield Bequest Trust
WalsallCity Art Gallery	Walsall City Council	West Midlands	£881,481	Libraries, Heritage and Arts	Critical Friends	Walsall Museums and Art Galleries Development Trust
Wolverhampton Art Gallery	Wolverhampton City Council	West Midlands	£167,755	Arts and Culture	None listed	None
Grundy Arts Gallery	Blackpool Council	North West	£43,122	Cultural Services	Steering Group, Exhibition Advisory Group	None
2021 Visual Arts Centre	North Lincolnshire	Yorkshire	£74,745	Arts Development	None listed	None
Eastside Arts	Birmingham City Council	West Midlands	£123,415	Culture, Arts & Heritage	Board	Charity – NPO with Birmingham City University

Individual led	Turnover	Staffing	Remit	Grant Funding	Approach	Vision	Constitution	Status
Daily Life (Bobby Baker)	£114,081	2 employees (7 freelance)	Performance	£109, 477 (£90,139 ACE NPO)	Project based	Creates powerful art that changes the way people think	Charity	NPO
Daryl Beeton productions	£40,000	2 (3 freelancers)	Performance	Not known - project funding	Project based	Daryl Beeton Productions is a Disabled-led company where collaboration and co-creation meet mischief and merriment, creating accessible theatre to delight young audiences.	Ltd Co	Independent
The Grief Series	£139,497	1 (2 freelancers)	Mixed artform	Not known - project funding	Project based	The Grief series is a quiet rebellion. It is a polite intervention. It aims to create a space where notions of bereavement or grief can be discussed openly.	Unincorporated Ass	Independent
AA2A	£60,000	2	Visual Arts	£40,000 NPO	Sector Support Organisation - artists placements	The AA2A project is a national set of schemes, providing visual artists and designer makers with the opportunity to undertake a period of research or realise a project, using workshop and supporting facilities in fine art and design departments of Higher and Further Education institutions.	CIC	NPO

Art & Landscape	Staffing	Grant Funding	Turnover	NPO status	Constitution	Vision	Comments
Pendle Hill Landscape Partnership	7	£2m HLF	n/a	n/a	Forest of Bowland AONB	A landmark of Pennine Lancashire, this iconic hill will become a focus for bringing town and country people together to understand, restore and celebrate the distinctive landscape and heritage of this much loved and inspiring place.	HLF four year project. Ran a small grants fund. £2000-£100,000 or up to £500 grants. Total package £28m
Grizedale Arts	4	£259,043	£338,082	£201,334	Reg Charity/Co Ltd by Guarantee	Underpinning our programme is a philosophy that art and artists can affect change and benefit wider culture and society. Over the last two decades **Grizedale Arts** has become an acclaimed and influential model for a new kind of art institution, one that works beyond the established structures of the contemporary art world. We are light-footed, unbureaucratic and responsive to opportunities for us to connect with like-minded organisations and people all over the world, whether these are artists and arts organisation or not.	Has capital assets
Inside Out Dorset (Festival)	13	£379,118	£461,620	£279,250	Reg Charity/Co Ltd by Guarantee	We celebrate Dorset and aim to promote our natural landscape and sense of place. Some of Dorset's most remarkable urban and rural spots are transformed with experiences that touch hearts and minds like nothing else. (Activate: To create a rich culture of performing arts in our region for our audiences and to be recognised nationally for creating a centre for excellence in producing and commissioning land-based outdoor arts.)	Runs Inside Out and other national festival events. Focus on performing arts

Appendix 7: OD options implications

Option	Organisational development (OD)	Governance structure	Implications	Cost of change (£ estimated)
1. As Is refined	> Review Programme Manager job description > Undertake job re-evaluation based on job description review > Increase capacity by at least 0.5FTE – Project Officer level > Review and revise partnership agreement between SCC & SHAONB > Update Partnership Board Terms of Reference > Create a three year business plan > Provide strategic planning support for the Programme Manager	> Create a Steering Group of core funders (Senior SCC & SHAONB staff and Board Chairs (as appropriate)) – meets quarterly) > Advisory Board becomes Partnership Board (meets quarterly) > Introduce Public Involvement Group (meets twice p.a.) > Create a task and finish group to support the strategy/ business planning process	> Additional funding required for Project Officer role > Will require dedicated strategic planning time > Clarify collaboration expectations between SHAONB and SCC > Develop a longer term strategic focus – projects to be brought within a strategic framework	> Project/Arts Officer pay in the region of PS7, 0.5FTE (incl. on costs) £17,000 - £20,000 > Longer term funding in the region of £100,000 - £120,000 p.a. > Strategic planning facilitation and support £2,000 - ££4,000 > Dedicated time from Partnership Board members and SHA/SCC/ SHAONB

Option	Organisational development (OD)	Governance structure	Implications	Cost of change (£ estimated)
2. As Is+	> Review Programme Manager job description > Undertake job re-evaluation based on job description review > Increase capacity by at least 0.5FTE – Project Officer level > Renegotiate partnership agreement to reflect new arrangement between SCC & SHAONB > Update Partnership Board Terms of Reference > Create a three year business plan > Provide strategic planning support for the Programme Manager	> Create a Steering Group of core funders (Senior SCC & SHAONB staff and Board Chairs (as appropriate)) – meets quarterly) > Advisory Board becomes Partnership Board (meets quarterly) > Introduce a Public Involvement Group (meets twice p.a.) > Create a task and finish group to support the strategy/ business planning process	> Additional funding required for Project Officer role > Will require dedicated strategic planning time > Increase and clarify collaboration between SHAONB and SCC > Develop a longer term strategic focus – projects to be brought within a strategic framework > Ensure business plan approach connects with strategies of core partners	> Project/Arts Officer pay in the region of PS7, 0.5FTE (incl. on costs) £17,000 - £20,000 > Longer term funding in the region of £100,000 - £120,000 p.a. > Strategic planning facilitation and support £2,000 - ££4,000 > Dedicated time from Partnership Board members and SHA/SCC/ SHAONB

Option	Organisational development (OD)	Governance structure	Implications	Cost of change (£ estimated)
3. Transfer to independent entity (SHAONB family or another cultural entity)	> Renegotiate core partnership agreement with SCC > Increase capacity by at least 0.5FTE – Project Officer level > Induct staff into new entity > Recruit and appoint Board members	> SHAONB or cultural entity relevant governing body > Advisory Board becomes Partnership Board (meets quarterly) > Create a task and finish group to support the strategy/ business planning process	> Additional funding required for Project Officer role > Will require dedicated strategic planning time > Renegotiate and clarify collaboration between SHAONB and SCC and/or the new host > Develop a longer term strategic focus – projects to be brought within a strategic framework > Ensure business plan approach connects with strategies of core partners	> Project/Arts Officer pay in the region of PS7, 0.5FTE (incl. on costs) £17,000 - £20,000 > Longer term funding in the region of £130,000 - £15000 p.a. > Consultancy support: legal etc £10,000 > Dedicated time from Partnership Board members and SHA/SCC / SHAONB
4. Independent SHA	> Agree most appropriate constitutional structure and apply for registration to appropriate regulator > Agree a transition plan and timeline > TUPE staff > Set up all necessary policies > Create a three year business plan	> Task and finish Board sub-groups as appropriate > Partnership Advisory Group (Meets twice p.a.)	> Renegotiate relevant partnership agreements > Recruit and appoint board members > Agree provision of core regulatory requirements: HR, H&S, finance etc > Relocate or renegotiate premises agreement with SHAONB/SCC	> 0.5FTE (incl. on costs) £17,000 - £20,000 > Longer term funding in the region of £150,000 - £200,000 p.a. > Registration fees up to £100 > Consultancy support: legal etc £10,000

This guidance could be helpful: Business Planning for Arts & Cultural Organisations

Appendix 8: Options analysis

Paired comparison

	As Is refined	As Is+	Twin Head	Transfer of management	Independent SHA
1. As Is refined: refine current management arrangements and build capacity		1(2)	1(2)	4(2)	5(2)
2. As Is+ : Change of host to SHAONB and build capacity			2(3)	4(2)	2(3)
3. Twin Head: split artistic and operational functions				4(2)	3(1)
4. Line management transfers to independent existing vehicle SHAONB CIC/Trust					4(2)
5. Independent SHA: a new company is created either as a CIC or					

	Score	Rank
Option 4	8	1
Option 2	6	2
Option 1	4	3
Option 5	2	4
Option 3	1	5

Scoring = 1 low - 3 high

Scoring based on fit to criteria and feasibility
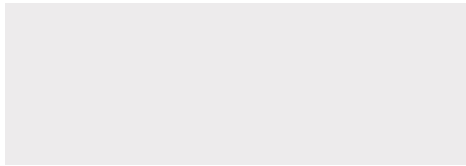
Weighted criteria assessment

	Criteria	Financial viability		Agility		Increased capacity		Programme Development		Collaboration & Partnership		Access to diverse funding		Total Raw	Total Weighted
	Weighting		4		4		4		3		3		4		
		Raw	Weighted	R	W	R	W	R	W	R	W	R	W		
As Is Refined		3	12	2	8	2	8	2	6	3	9	2	8	14	51
As Is +		3	12	3	12	3	12	3	9	3	9	3	12	18	66
Line Management transfers to existing independent		4	16	3	12	3	12	3	9	3	9	4	16	20	74

0 = low

4 = high

Impact assessment

	As Is Refined	As Is+	Line Management transfers to existing independent
Financial viability	◊	++	+++
Increased capacity	+	++	++
Agility	+	++	++
Programme Development	+	++	++
Collaboration & Partnership	+++	+++	+++
Access to diverse funding	--	++	+++

Grey = no impact

◊= negligible impact

-/--/-- = slight, moderate or large adverse impact

+/++/+++ = slight. Moderate or large beneficial impact