

The voice of the Voluntary Arts

How to make sure your group is still here in ten years' time

'Sustainability' is a buzzword that has come to mean many things – at its simplest it just means 'continuing to exist' or 'sticking around'. This briefing takes a holistic look at some of the things voluntary arts groups might want to think about to help ensure that they are still here in ten years' time.

During times of economic growth and prosperity, many groups find success a lot easier. Whether they are self-funding or reliant upon grants or sponsorship, they make enough money to keep afloat, and perhaps even a little extra that they can re-invest in the group to help improve its facilities and widen participation.

However, relying on a constantly growing economy can be 'unsustainable' – a mistake for many groups. When an economy ceases to grow, or begins to contract, it can become harder for groups to survive.

There are a lot of things you can do to help avoid relying on the fortunes of the economy. Many of them might seem to be quite small, but taken together they can make the difference between a group that manages to survive for years to come, and one that doesn't quite make it.

A. Funding and finance

It is always important to be frugal and to make cost savings where you can, but if you want to ensure your group is around in ten years' time it is worth considering a broader range of measures.

- **Manage financial risks** – typical financial risks for voluntary arts groups might be loss of income, inaccurate financial information, inadequate reserves and cash flow, inadequate diversity of income sources, increased competition for funds, difficulty complying with funding rules, fraud and theft. To protect your group from financial risks, first you need to identify the potential risks (VAN Briefing 78 features a 'risk brainstorm' to get you started).
- **Try to estimate their likelihood and what the consequences would be if they happened. Prioritise the risks in order of importance and then decide what action to take to help reduce the chance of them happening. Put these actions down in writing in the form of financial policies and procedures. See VAN Briefings 72 – Risk management for charities; and 78 – Creating a financial risk policy.**
- **Don't rely too heavily on one source of income** – what happens if that one pot of money runs out or is taken away? Having to find alternative income sources at the last minute can be stressful and de-motivating, and the longer you take to find the money the less chance your group will survive. A much better approach is to plan ahead and investigate a range of potential sources of income for your group's short and long-term future. Try to keep a range of options open, to spread the risk and provide a cushion to enable you to continue work even if your main source of income is withdrawn. See VAN Briefings 87 – Applying to trustfunds; and 91 – How to write a successful funding application.
- **Retain an appropriate level of cash in reserve** – cash reserves buy you time to adapt should anything unexpected happen such as a loss of income or a change in the marketplace. There is no absolute guidance on the level of reserves a group should have – it depends on your circumstances. Use your financial risk procedures to estimate what would be needed to maintain your levels of voluntary arts provision in different outcomes. Create a reserves policy to explain the need for your chosen level of cash reserves to your supporters, funders and/or regulators.
- **Keep your cashflow forecast up-to-date** – a cashflow forecast is a simple and powerful tool, enabling you to plan ahead, identify problem areas and reduce uncertainty. Peaks and troughs in cashflow are to be expected for any group, but if your forecast shows that you'll be consistently overdrawn you will have to look at bigger issues – is your forecast accurate? Why are you overspending? Is it a larger structural issue? See VAN Briefing 89 – Cashflow forecasts.



- **Use your public profile as a showcase for business sponsors** – working with sponsors provides you with another source of income, and can give you a good business relationship to draw upon in the future. In slow economic times, you may be able to work out a mutually beneficial agreement where they supply you with goods or services in lieu of payment. However, it is still important (perhaps even more so) that the agreement is set down in writing so each party knows where they stand. See *VAN Briefing 115 – Attracting business sponsors*.
- **Consider bartering goods and skills rather than money** – having a relationship with local suppliers whereby goods and skills are exchanged in lieu of payment can be greatly beneficial, cushioning you from monetary shortages. For example, you could provide some event tickets to a local printer in full or part-payment of the printing of some flyers. It's important to be above-board about this, for tax purposes and to prevent any potential conflicts of interest. Make sure you get agreements in writing, so that if one party reneges on an agreement then the other has recourse in the law. You can barter with individual partners, or join a local scheme such as LETS (Local Exchange Trading Systems or Schemes – www.letslinkuk.org) or Freeconomy (www.justfortheloveofit.org).
- **Save money on IT** – by getting your computers from organisations that supply reconditioned IT equipment to charities, and by using free and low-cost open source software. See *VAN Briefing 123 – Free and low-cost IT tools*.
- **Make sure your governing documents are right** – without a constitution your group is unlikely to be able to access any kind of public or charitable funding. Constitutions map out the structure of a group, enabling it to grow and develop within a well-defined framework that makes sure it continues to do what it set out to do. See *VAN Briefing 55 – Constitutions clarified*.
- **Keep your management committee fresh** – changing the structure and membership of a committee is often essential to enable your group to grow and change. This will need to be handled sensitively as you may have to say goodbye to members who are no longer serving the group well. To keep a committee focused, it can be useful to create job descriptions for the Chair and other senior officers and to prepare action plans for the committee as a whole. See *VAN Briefing 57 – Effective management committees*.
- **Ensure good communication between the management committee and the staff** – consider setting up a management team that meets regularly to decide how best to inform the committee of everything it needs to know in a clear and concise way. The team can also decide how to communicate the committee's strategic decisions to the rest of the staff and volunteers, and ultimately how to put those recommendations into practice.

B. Strategy and governance

An effective management committee with a clear and focused strategy can make the difference between the success and failure of a voluntary arts group.

- **Invest time in strategic planning** – having a strategic plan doesn't mean you can't change direction at short notice if the need arises, as long as the change is a strategic decision based on reliable information. Reacting to every change in the marketplace without being clear of what effect this may have on your group as a whole can mean you end up losing direction and missing the opportunities these changes can provide. See *VAN Briefing 58 – Participatory planning*.
- **Be clear about your aims** – having a 'mission statement' or 'statement of purpose' is an essential step in the process of developing a strategic plan. It states your reason for existing and informs all of your group's activities. See *VAN Briefing 125 – Statement of purpose – your mission*.
- **Be aware of your strengths and weaknesses** – a common way of analysing your group, to help you plan strategically, is the 'SWOT analysis'. This is used to evaluate the Strengths, Weaknesses, Opportunities and Threats involved in your group. It is particularly helpful in identifying areas for development. Think of ways in which you can capitalise on your strengths, improve your weaknesses, exploit each opportunity and mitigate each threat.
- **Develop and retain staff** – if you are a group with paid staff, a stimulated and motivated workforce is essential. It is often better value to spend money at the outset upskilling your staff, rather than constantly having to buy in freelance expertise, or being tied to one supplier who can raise their prices with little notice. In addition, spending time and money developing staff skills through continuing professional development and training is invariably better than running the risk of them becoming out of their depth or demotivated and bored. If they leave you will have to spend a lot more money recruiting and training replacements. See *VAN Briefings 47 and 48 – Taking on paid staff*.
- **Develop a strong network of volunteers** – few voluntary arts groups would exist without the involvement of volunteers. Don't think of volunteers as just a free labour-force. Treat them in a similar way to paid staff, with opportunities for professional development and continual appraisal and constructive feedback. Think about what they are getting from the relationship – not just something to go on their CV, but the pleasure of working in a team and of contributing to something that benefits their community. By creating long-lasting relationships based on mutual benefit, you can ensure a stronger foundation for your group going forward. See *VAN Briefing 125 – Fostering a long-term relationship with occasional volunteers*.

C. Paid staff and volunteers

Staff and volunteers are the lifeblood of your group and the measure by which it will stand or fall.



D. Networking and participation

One of the best ways to help ensure your continued survival is to establish your group as a vital part of your local community, valued by people from all walks of life. Evidence that local people want the services you offer will make you more attractive to those with resources to support you.

- **Bridge the generation gap** – appealing to young and old is a great strategy to bring the community together around your art or craft form. One mark of a fully-functioning and sustainable community is how well the generations interact with each other to provide mutual support. Having a wide age distribution in your group also means that support and enthusiasm will be passed on to the next generation, when your young members grow up and have children of their own. See *VAN Briefing 90 – Young adults and the voluntary arts*; and *104 – Older people and the voluntary arts*.
- **Maximise your potential audience** – as well as unconscious age discrimination, other factors – such as ethnicity, religion, social class or disability – can make potential participants feel alienated from the opportunities you provide. As well as being an important ethical consideration, maximising your potential audience is hugely beneficial in helping to ensure your group's survival, as it opens you up to new sources of income. See *VAN Briefings 94 – Cultural diversity and the voluntary arts*; *111 – How inclusive are you?*; *110 – Including disabled and deaf people in your management committees*; *113 – Welcoming people with a disability*; and *122 – Reaching out to new audiences*.
- **Be as accessible as possible** – even if you do have a large proportion of the community wanting to be involved in your group, another barrier that you need to overcome is accessibility. There are two areas where this is particularly pertinent – information and venues. See *VAN Briefings 53 – Creating clear print*; *86 – Making your website for everyone*; *114 – The latest developments in web technology* – *VAN Briefing 114* and www.voluntaryarts.org/13518 for information on providing accessible venues.
- **Involve the community in your decision-making** – as well as ensuring that your committee, paid staff and volunteers are a diverse mix, it is also a good idea to consult a true cross-section of your community, including, but not limited to, representatives of traditionally excluded groups. In this way, the needs of the community and the aims and capabilities of your organisation will be more closely aligned. Consider a variety of means of consultation, including focus groups, staff and volunteer meetings, word of mouth, questionnaires and surveys and published consultation papers. See *VAN Briefing 58 – Participatory planning involving your stakeholders*; *96 – Networking, not just nattering*; and *98 – Consultation, making it work for you*.

- **Lobby** – surviving isn't always about matching your group to the wider environment; sometimes it is about affecting change in that environment to match the aims of your group! Lobbying is the process of educating and informing key decision-makers and opinion formers so that they can produce policy and legislation that better fits your needs. See *VAN Briefing 99 – Lobbying politicians and policymakers*.

E. Reputation and ethics

Maintaining a good reputation is essential for any voluntary arts group. Bad publicity can spread quickly by word-of-mouth or the local media and participation in your group can diminish rapidly, putting your survival into question.

- **Get your marketing and PR right** – as well as an investment in your short term-goals – e.g. getting people to a workshop or event – marketing and PR also contribute to your long-term goal of creating a public profile and reputation that will stand you in good stead in years to come. Your annual report is a useful – and often under-used – marketing tool, giving you the opportunity to set out your stall as an ethical and sustainable group. See *VAN Briefings 74 – Publicity explained*; *75 – Planning a marketing campaign*; *77 – How to write a press release*; and *107 – Annual reports*.
- **Be people-friendly** – the way you relate to people has an important bearing on your reputation. As well as providing a good working environment for your staff and volunteers, try to align your work with the interests and concerns of the community. If there is a particular issue people are interested in, such as the plight of a local hospice, why not organise a joint fundraising event? Properly thought out, this type of thing can provide valuable publicity and improve your reputation no end. Be wary of appearing party-political however, as you never know who you may be alienating, and who may be in control of your local council after the next elections! See *VAN Briefings 63 to 66 – Recruit, retain, reward, recognise*; and *100 – Recognising and rewarding our worth*.
- **Be eco-friendly** – in a climate of rising electricity, gas and oil prices, switching to greener lighting, re-using and recycling materials and reducing energy consumption will save you money, after a small initial outlay. Running a local group gives you an ecological advantage in that people don't have to travel miles to join in. But becoming a green group can improve the reputation of your organisation even more – it shows your group to be caring and forward thinking. This progressive approach will be attract many people. For more information on reducing your environmental impact, visit the Every Action Counts website at www.everyactioncounts.org.uk.

F. Legislation and safety

Keeping at the forefront of new requirements and changes in legislation, and ensuring the safety and wellbeing of your colleagues and participants, is absolutely vital if your group is to keep going.

- **Health and safety** – see *VAN Briefings 61 – Health and safety for voluntary organisations; 67 – Risk assessment for event organisers; 103, 105 and 108 – Health and safety in offices.*
- **Protecting children and vulnerable groups** – see *VAN Briefing 109 – Child protection part III.*
- **Preventing inequality and discrimination** – for more information, visit the *Equality and Human Rights Commission website at www.equalityhumanrights.com* and see *VAN Briefings 44 Disability Discrimination Act part III; and 45 – How do I create an equal opportunities policy.*
- **Music and alcohol licensing** – see *VAN Briefing 101 – What's happening with the Licensing Act 2003?*
- **Data protection** – see *VAN Briefing 46 – Data Protection Act 1998.*
- **Insurance** – see *VAN Briefing 118 – Insurance for voluntary arts groups.*

Indicators of sustainability – how do you measure up?

- Long-lived groups have planned-in-advance programmes which enthuse the groups' members and attending community.
- They have an excellent understanding of how to raise funds and find resources in their art form/locality, and to effectively manage these resources.
- They have the flexibility to stay afloat in the face of unexpected external and internal changes.
- They have the foresight through excellent planning and connections to know what changes are on the horizon.

Further Resources

VAN resources

- **The VAN website** – features a range of information and signposting resources, including links to umbrella organisations and local voluntary sector support bodies. The Running Your Group section is designed to answer the most common questions you will have when setting up and running a voluntary arts group – www.voluntaryarts.org or www.runningyourgroup.org.
- **VAN Briefings** – good-practice guides available to download for free from www.voluntaryarts.org/briefings.
- **Way Ahead Workpack** – organisational development workpack for voluntary arts organisations – email info@voluntaryarts.org for more information.
- **Mapping the Future** – guide to business planning for small arts organisations – email info@voluntaryarts.org for more information.

Other resources

- **Sustainable Funding Project (England)** – www.ncvo-vol.org.uk/sfp
- **Sustainable Funding Cymru** – www.sustainablefundingcymru.org.uk
- **The Sustainable Sun Needs-analysis Tool** – www.ncvo-vol.org.uk/uploadedFiles/Sustainable_Funding/Support_for_Infrastructure/Sun_Tool_pages.pdf

Articles

- **'It's about survival, not prosperity'** (NESTA) – www.nesta.org.uk/it-s-about-survival-not-prosperity
- **'Go the extra mile for your customers'** (NESTA) – www.nesta.org.uk/go-the-extra-mile-for-your-customers

Information contained here may go out of date and you are therefore advised to check its currency. Updated information may be available on the VAN website: www.voluntaryarts.org

Disclaimer: Reasonable precautions have been taken to ensure the information in this document is accurate. However, it is not intended to be legally comprehensive; it is designed to provide guidance in good faith at the stated date but without accepting liability. We therefore recommend you take appropriate professional advice before taking action on any of the matters covered herein.

© **Copyright notice:** Unless otherwise stated, all material published by VAN is subject to copyright.

However, we do encourage members of the voluntary arts sector to copy and disseminate this material for non-commercial purposes.

Prior to doing so, please send details of your requirements to info@voluntaryarts.org.

We also require that you acknowledge VAN wherever such material is used.

Do you need this publication in an alternative format?
Contact T: 029 20 395 395 E: info@voluntaryarts.org

VOLUNTARY ARTS NETWORK



VOLUNTARY ARTS WALES
CELFYDDYDAU GWIRFODDOL CYMRU



VOLUNTARY ARTS IRELAND
EALAÍONA DEONACHA ÉIREANN
VOLUNTAR AIRTS AIRLANN



VOLUNTARY ARTS LINK



VOLUNTARY ARTS SCOTLAND
EALAIN SAOR-THOILEACH AN ALBA



VOLUNTARY ARTS ENGLAND

The Voluntary Arts Network, Ground floor, 121 Cathedral Road, Pontcanna, Cardiff CF11 9PH
T: 029 20 395 395 E: info@voluntaryarts.org W: www.voluntaryarts.org

The Voluntary Arts Network is registered in Scotland as Company No. 139147 and Charity No. SC 020345.

VAN acknowledges funding from the Arts Councils of England, Northern Ireland, Scotland and Wales.

Registered office: 2nd Floor, 54 Manor Place, Edinburgh EH3 7EH.