Future Arts Centres

Sector Insight Report
2023/24

Introduction

This report provides an updated picture of the UK's arts centre sector, building on the 2022/23 Insight Report. It draws on financial data from 124 arts centres across three years – 2021/22, 2022/23, and 2023/24 – alongside selected case studies that highlight the sector's unique contribution to communities, the economy, and public life.

The analysis confirms a familiar story: arts centres are entrepreneurial, resilient organisations, recovering strongly from the shocks of COVID-19, the cost-of-living crisis and high inflation. Their mixed-income models underpin this resilience. Yet the sector remains structurally underfunded, with thin margins and high risk. With strategic investment, arts centres could deliver even greater economic impact and healthier, more connected communities.

A striking feature of the sector's business model is the significant return on public investment. In 2023/24, arts centres received around £29.2m in public subsidy from Arts Councils and local authorities, yet generated total income of £205.7m. This means that for every £1 of public funding, arts centres leveraged over £6 from trading, philanthropy, and other sources. This shows that public subsidy in arts centres acts as a vital catalyst that enables entrepreneurial activity and community impact on a much larger scale.

This is due to the way arts centres operate as mixed-income social enterprises. Unlike many cultural organisations, their earned income often exceeds 70% of turnover. Revenue is drawn not only from ticket sales but also from food & beverage operations, venue hire, creative classes and workshops, consultancy, and tenancy arrangements. Alongside this, they receive a blend of public subsidy (from Arts Councils and local authorities), trust and foundation grants, and philanthropic donations. This breadth of activity ensures both financial resilience and a wide civic reach, enabling arts centres to act simultaneously as cultural venues, community hubs, and engines of local social and economic regeneration.

Future Arts Centres works with members and partners to support developments in all these areas.

GOSFORTH CIVIC THEATRE
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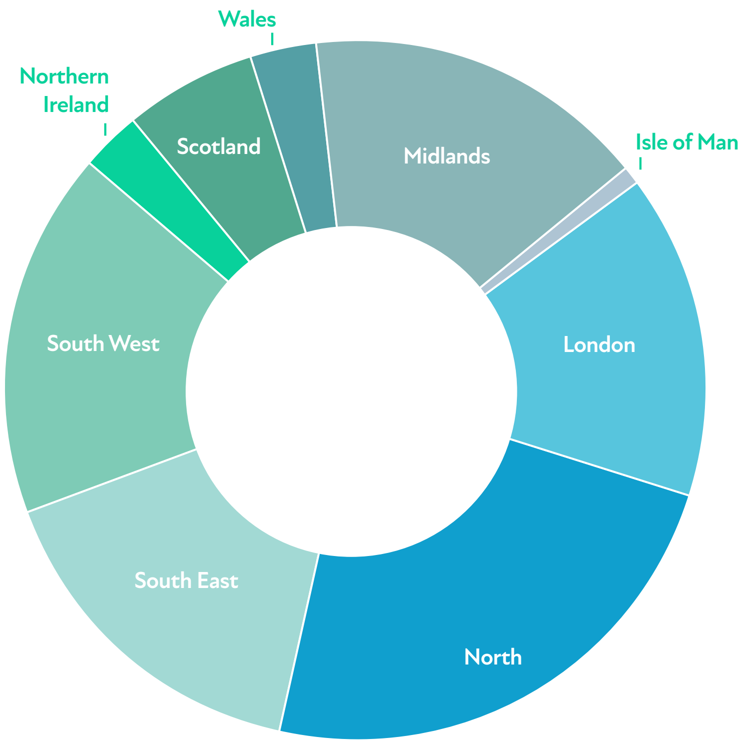
The Arts Centre Sector

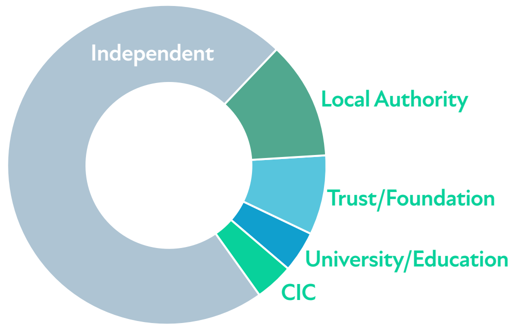
Future Arts Centres currently has more than 180 members across the UK. While definitions vary, arts centres are typically multi-artform, public-facing venues, combining performance, exhibitions, participatory programmes, and community-led activity. They operate as social enterprises, embedded in their places, with a broad reach across education, health, wellbeing, social care, and local regeneration.

Ownership remains dominated by independent charitable trusts (72%), with a smaller proportion run by local authorities or universities.

Future Arts Centres currently has 181 members across the four nations[1]:

159	5	11	5	1
ENGLAND	NORTHERN IRELAND	SCOTLAND	WALES	ISLE OF MAN





Location of FAC members

16% Midlands
17% South West
15% London
24% North
16% South East
1% Isle of Man
6% Scotland
3% Wales
3% Northern Island

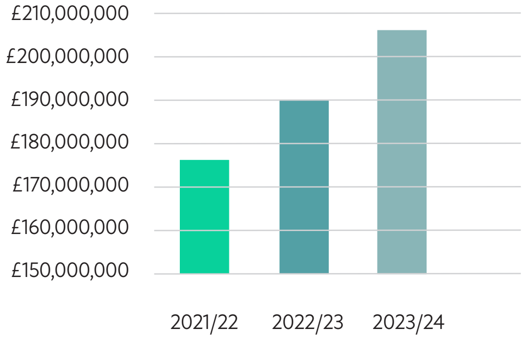
Ownership Type

12% Local Authority
4% University/Education
8% Trust/Foundation
4% CIC
72% Independent

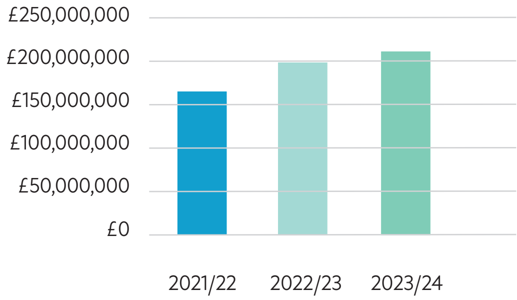
Financial & Economic Contribution

In 2023/24, the arts centre sector continued to demonstrate both resilience and vulnerability. Overall income reached £205.7m, representing a 9% increase on the previous year and a 15% increase since 2021/22. This growth illustrates the sector's ability to rebuild after the shocks of the pandemic, despite ongoing inflationary pressures. Average income per arts centre was around £1.66m, though the range is wide, from smaller centres such as Crediton Arts Centre (£45k) to major venues such as Brighton Dome & Festival (£16m+).

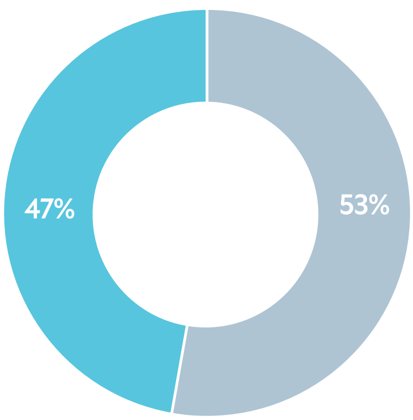
Total Income

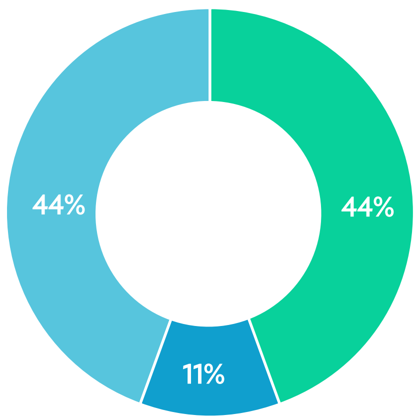


Total Expenditure



47% of FAC members received regular funding from their relevant arts council in 2023/4. 44% of members received local authority funding and a further 11% of members were local authority owned.





Regularly funded by national arts councils

Regularly funded
Not regularly funded

Local Authority Funding

Regularly funded - Independent
Regularly funded - Local authority owned
Not regularly funded

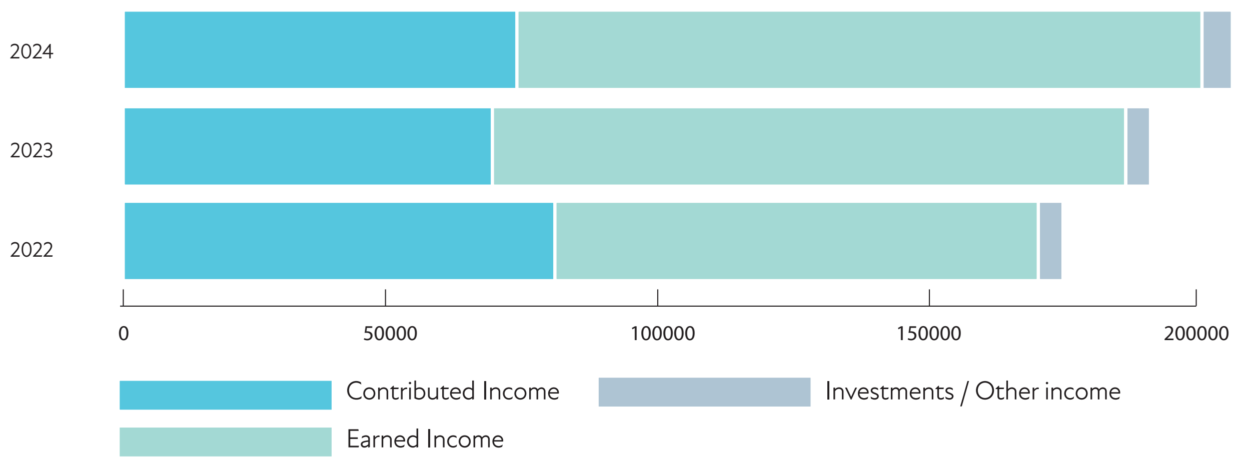
Expenditure also rose. Total spending in 2023/24 was £210.7m, up 5% on the previous year and 20% across two years. Staffing costs remain the highest area of expenditure for most arts centres, accounting for 41% of turnover with very little variation in percentage terms between small and large organisations.

While the sector remains loss-making overall, the gap between income and expenditure narrowed. Total trading losses reduced by half to around £5m, suggesting a cautious return towards break-even.

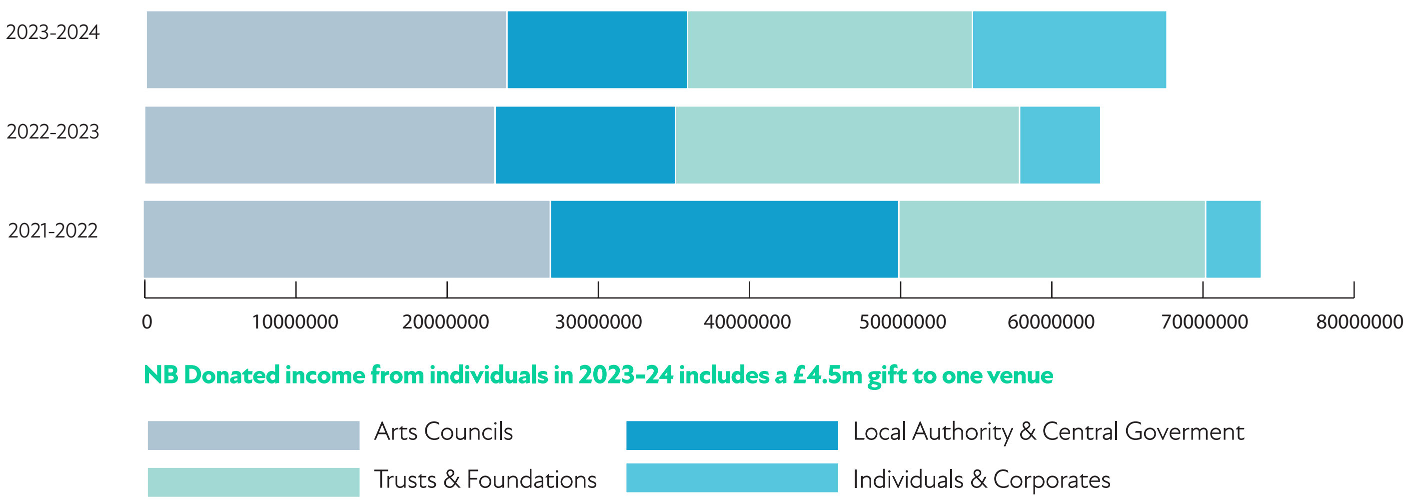
The composition of income has shifted in notable ways:

- Earned income grew by 8%, underscoring the continuing recovery of box office, food & beverage, hires, workshops, and other earned strands.
- Trust and foundation income fell by 21% – a reduction of around £5m – taking it from 13% to 10% of total income. This points to increased competition and tightening priorities among funders.
- Local authority contributions remained static at about £12m, equating to 6% of overall income. This stability masks significant pressure, as arts centres continue to rely on councils at a time of shrinking municipal budgets. The majority of funded venues are on standstill funding at best, 25% have reported reductions in LA funding in the last two years (since 23/24) and a further 35% expect their funding to reduce in 26/27[4]
- Individual giving showed a promising trend, rising from around £6m to £10m (excluding one exceptional legacy). This demonstrates potential for arts centres to grow their philanthropic base, an area where they have historically lagged behind the wider cultural sector.

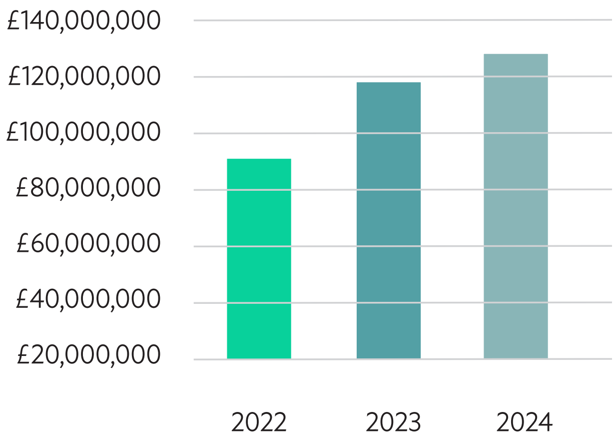
Breakdown of total income



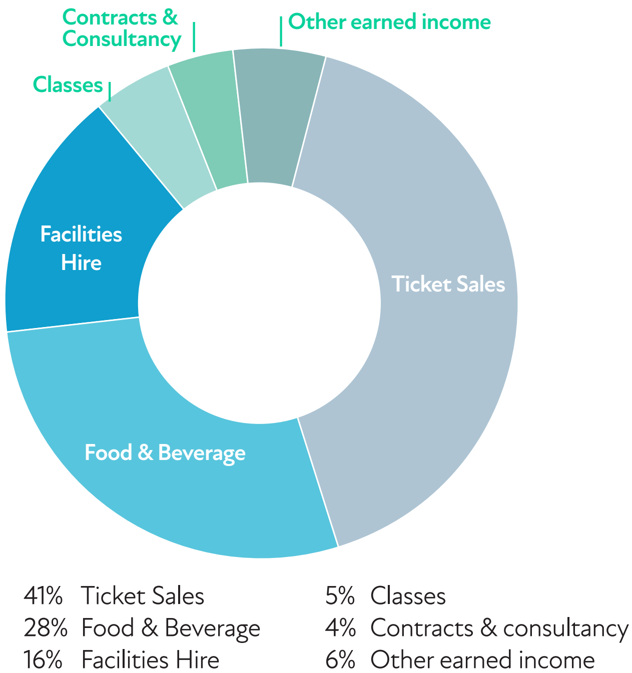
Breakdown of contributed income



Earned income



Earned income breakdown



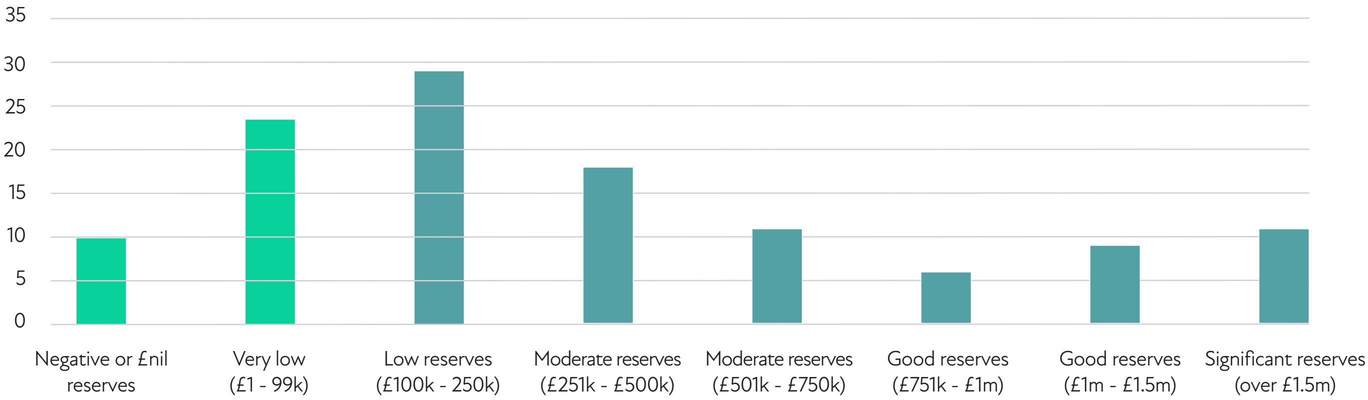
Further research in 2024 with members provided some additional insight into earned income. Approximately 40% of earned income comes from ticket sales, with 60% drawn from other sources. In theatres, the opposite is more common: 60% from ticket sales, and 40% from other sources. The largest earned income streams for arts centres aside from ticket sales are food & beverage (27%), facility hire (16%), classes and workshops (5%) and contracts/consultancy (4%)[3].

Reserves also strengthened modestly in 2023/24. Unrestricted reserves rose 15% to £70m across the cohort, with an average of £570k per centre. However, the picture remains uneven: ten centres now hold negative reserves (up from four in 2022/23), while a further 23 have less than £100k. For these organisations, even small shocks could prove destabilising.

© ARC

The apparent contradiction between an overall annual sector loss (c£5m) and a 15% increase in unrestricted reserves reflects the uneven distribution of results across the cohort. While many arts centres ran deficits, a smaller number recorded significant surpluses or received exceptional unrestricted income, which lifted the aggregate reserves. Reserves are cumulative and can also be affected by one-off gains or reclassifications, so they do not always move in line with annual operating results.

2023/24 Unrestricted Reserves



Arts centres' resilience lies in their mixed-income models. High levels of earned income distinguishes them from many cultural organisations and spreads risk across multiple income sources.

Yet the sector is also precarious:

- Heavy reliance on trusts and foundations makes centres vulnerable to changes in grant-making priorities.
- Local authority funding, while static, remains higher proportionally than for other cultural organisations, leaving centres exposed to forthcoming council budget cuts.
- Philanthropy is underdeveloped relative to the wider arts sector, meaning centres often cannot fall back on donor income.

Critically, financial pressures are reducing arts centres' ability to invest in their buildings. This leaves many exposed when it comes to undertaking essential repairs and maintenance, and even more so when seeking to upgrade facilities to keep pace with audience and artist expectations. As highlighted in the Future Arts Centres and Arup report on capital investment (2025), without targeted support the sector risks falling behind.

Together, the data shows a sector that is rebuilding and adapting, but still operating with fragile margins and highly exposed to external risks.

Social and Artistic Contribution

While financial resilience underpins survival, arts centres' value is best expressed in their social and artistic contributions. Through their extensive arts and cultural programmes, often creating new work, supporting artists and reaching the broadest range of communities in both rural and urban settings, they strengthen communities, promote wellbeing, nurture talent, and open doors for children and young people. Together, these activities align directly with public priorities such as health, education, and regeneration.

Children, Young People and Skills

Arts centres open pathways into the creative industries, offering skills, progression, and paid opportunities for young people.

> Case Study
> **The Albany, London**
> The Albany's free training in lighting and sound gives 16–25 year olds industry-standard skills. Graduates move directly into paid technical roles at major events, including Glastonbury. In 2023/24 alone, the Albany provided 740 hours of paid work for under-25s, proving how training translates directly into employment.
>
> Case Study
> **Bradford Arts Centre (previously Kala Sangam)**
> Schools Takeover Week brings 12 local primaries – many from the disadvantaged BD3 ward – into the arts centre for seven days of creative learning. Teachers report transformative impacts on confidence and self-expression, especially among quieter pupils. The project demonstrates how arts centres raise aspiration in areas facing entrenched disadvantage.

Building Communities

Arts centres are everyday civic spaces, creating connection and belonging across generations and communities.

Case Study
Meet Me at the Albany, London
This award-winning programme reimagines day centres for older people, offering creative workshops, performance, and social activities. Participants rediscover agency and friendship, showing how arts centres combat isolation and contribute to healthier ageing.

Case Study
Derry Playhouse
The Playhouse has spent three decades using art for peacebuilding in Northern Ireland. Its Making Peaceful Change programme brings people together across divides, fostering empathy and reconciliation in a post-conflict context. This demonstrates the deep civic role arts centres can play where other interventions falter.

Case Study
Old Fire Station, Oxford
The Old Fire Station in Oxford demonstrates how an arts centre can integrate cultural programming with social purpose. Through its Hidden Spire Training Scheme, it partners with Crisis Skylight Oxford to provide training and employment opportunities for people experiencing homelessness. Participants gain skills in creative production, technical theatre, and project delivery, while also building confidence and pathways into work. This initiative highlights how an arts centre's mixed business model can leverage resources to deliver social outcomes and tangible economic value.

Artist and Sector Development

Arts centres provide the backbone for cultural ecosystems, nurturing emerging artists and sustaining local creative industries.

Case Study
ARC Stockton
ARC leads the Tees Valley New Creatives network, supporting early-career artists with mentoring, commissions, and platforms to present their work. Alumni describe the programme as career-defining, while regional leaders praise it for retaining talent. ARC exemplifies how arts centres underpin regional cultural infrastructure.

Health and Wellbeing

Arts centres increasingly deliver programmes with measurable health outcomes. By embedding creativity in daily life, they reduce loneliness, promote active lifestyles, and contribute to preventative health agendas.

Case Study

Forest Arts Centre, Hampshire

Forest Arts runs Elevate dance classes for people living with Parkinson's and MS. These sessions improve mobility, coordination, and confidence, while also providing vital social connection. Carers report respite and new networks, highlighting how arts centres can support whole households. Elevate exemplifies the role of cultural activity in local health strategies.

Case Study

Pound Arts, Corsham

Pound Arts' SPARK Festival addresses rising youth mental health needs. Delivered with schools and counsellors, it combines workshops, performances, and creative activities for every Year 9 student locally. With three music therapists now embedded on site, the centre has become a key partner in youth wellbeing provision.

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Conclusion

The evidence confirms that arts centres are:

- **Resilient** – through diverse income streams and entrepreneurial business models that spread risk.
- **Recovering** – income is growing, losses narrowing, reserves strengthening.
- **Underfunded** – public subsidy is static or falling, margins are thin, and a significant minority remain vulnerable, despite a high level of financial return cannot fall back on donor income.

Financial resilience is only part of the story. The case studies show how, despite precarious margins, arts centres deliver extraordinary social and artistic value: improving health, building communities, nurturing talent, and creating pathways into work. They illustrate the catalytic role of public funding, which leverages more than six times its value in other income streams and enables centres to sustain wide-ranging impacts.

With targeted investment, arts centres could scale these contributions even further – driving both economic growth and social renewal. They are uniquely positioned to align with local and national priorities, from health and education to regeneration and place-based growth.

With the right support, arts centres will thrive as cultural venues – entrepreneurial, inclusive, and impactful – delivering healthier communities and stronger local economies.

Data sources

All data has been taken from financial statements of arts centres which are publicly available via Companies House and/or Charities Commission and/or OSCR for periods ending in 2022, 2023 and 2024, with the exception of:

1. **Future Arts Centres membership data (as at August 2025)**
2. **Arts Council England data for National Portfolio Organisations (2023-24)**
3. **Survey completed by 37 Future Arts Centres members (June 2024)**
4. **Survey completed by 43 Future Arts Centres member (Sept 2025)**

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Future Arts Centres

Future Arts Centres is a UK network of 180+ members that exists to champion the unique importance of arts centres at a local, regional & national level. We believe that by offering outstanding artistic experiences for all in our communities & operating as robust social enterprises, arts centres present a fantastic model for the cultural venues of tomorrow.

futureartscentres.org.uk

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