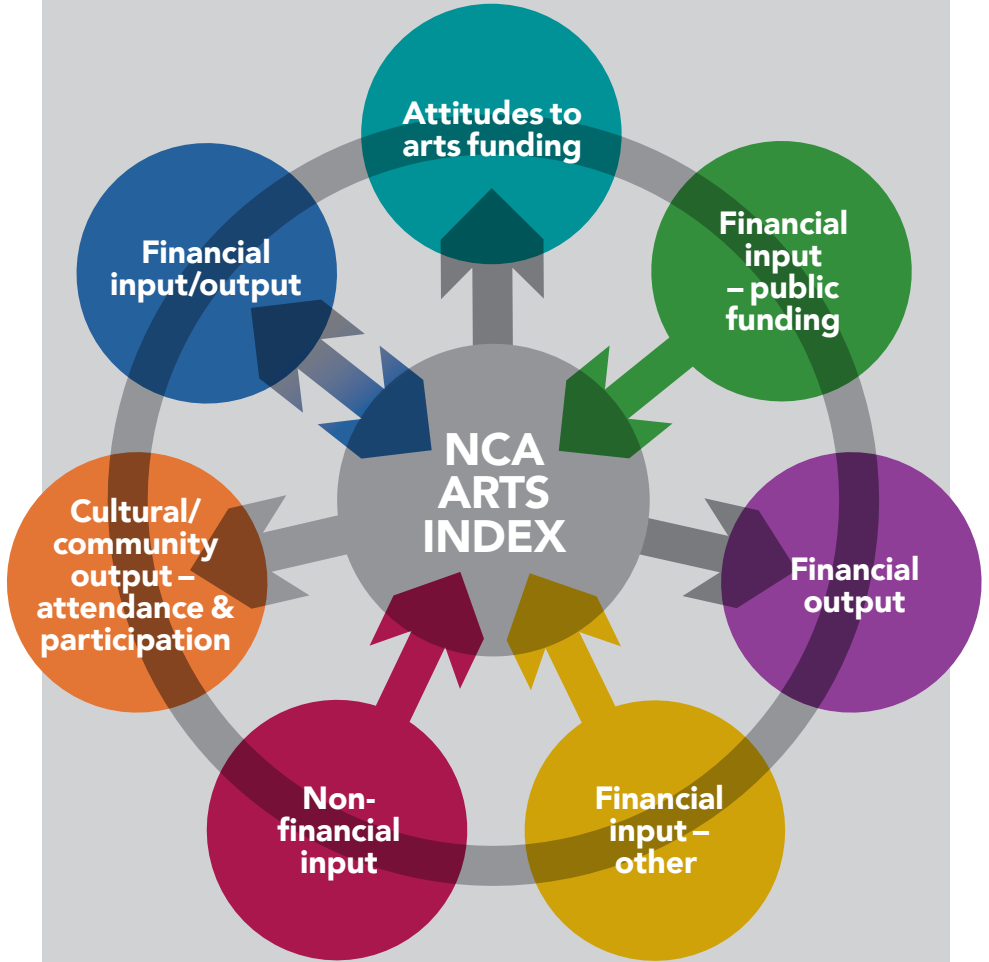


ARTS INDEX

ENGLAND 2007–2018



Chair's introduction

Welcome to the new edition of the Arts Index, produced by the National Campaign for the Arts.

In Boris Johnson's first speech as Prime Minister, he put the arts front and centre:

"We know the enormous strengths of this economy in life science, in tech, in academia, in music, the arts, culture..."

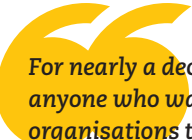
The NCA was delighted. The arts trigger so many economic multipliers. Our creative industries are the UK's second fastest growing sector, increasing at twice the rate of the wider economy. Their GVA has just hit £111 billion.

But it's not just about money. It's widely acknowledged now that artistic creativity makes people physically and mentally better, fighting isolation, depression and addiction. The arts don't just change lives, they save them.

Since the EU Referendum, the UK has become a disunited Kingdom. An empathy deficit threatens to split the country down the middle. The worldview that produced the Olympic opening ceremony, the last decade's best piece of theatre, is turning inward and parochial. We need more places for imagination, self-expression and safe dissent. In a divided country, the arts can be social glue. Through them we can become happier, healthier, more ourselves. We can become a nation.

It's no secret that the great majority of creative people want to stay in the European Union. Our food and drink is collaboration, our currency ideas, which cross borders less easily when the people that have them can't easily travel. The need to move people fast, at short notice, in large numbers, for brief periods, is essential for a world leader in the creative industries. In our sector, high levels of skill don't always equal high salaries. We need a flexible, points-based immigration system. The salary-based model proposed by the government is not the broad outward-facing one we need to attract international creative talent.

There are other clouds on the horizon. The number of children studying an instrument is lower than at any time since records began. The Times recently reported that the number taking English 'A' Level fell 8.4% in 2019. 'A' Level Drama and Theatre



For nearly a decade, the Arts Index has been an essential tool for anyone who wants to take this country's cultural pulse, from arts organisations trying to make the case for the difference their daily work makes, to those in Whitehall corridors. The Arts Index gives an independent, objective picture of the contribution that art and culture make to our nation.

In an era of fake news, the Arts Index is a welcome antidote to misinformation. I applaud the National Campaign for the Arts for producing this vital piece of research.

Sir Philip Pullman FRSL
Writer



entries went down by nearly a quarter last year; all figures which have yet to be reflected in the Index. It remains to be seen how these problems will affect future editions.

The Figures

We publish the Arts Index as a health check of the arts. Of course the arts can never be reduced simply to a set of figures - assessing the health of any organism is complex. But policymakers need independent, objective analysis. The Arts Index provides it. The overall Index this year has hit a record high. Cautious cheers. We should celebrate arts organisations' efforts to survive and adapt in extremely challenging circumstances.

Since we began producing the Arts Index ten years ago, the funding landscape has changed beyond recognition. Overall funding has fallen more than a third since 2010. Organisations are working relentlessly to increase their earned income but there is now no more fat to cut.

Local government funding is down 43% from its 2008 peak, the biggest fall in the Index. Historically, local government was a major arts funder, councils ran venues and employed arts development teams who made amazing things happen. Following huge central government cuts, many councils have cut their arts budgets to zero, and Arts Development Officers are now so rare that since the last edition of the Index, their professional association has been forced to close.

Business contributions too have dropped, down more than a third since 2012, and philanthropic giving has fallen 10% in the last three years; a particular worry given the Government's stated policy of increasing philanthropy.

Trusts and foundations do great work to support the sector. Their rise in contributions is the largest in the Index, but goes only a small way towards plugging the gaps caused by the decline in government grants and philanthropy. And while we continue to be grateful to the millions of Lottery players for their support, in this edition of the Index, Lottery funding has also fallen drastically.

So it's not just state funding that's crashed, almost all giving and investment is down. And yet the Index is up. What's going on?

The answer is that, in addition to dramatically cutting their costs, arts organisations are coping with the impact of austerity by increasing their earned income. They're doing so mainly by raising average ticket prices; the only quick fix there is. While it's great that some people can pay more, the NCA believes that everyone deserves affordable access to the arts, no matter how much money they have.

The arts have taken a bigger hit than most sectors in the drive for austerity. Government tax relief is welcome but it's no substitute for sustained investment, of the kind that made possible the Prime Minister's pride in our world-leading creativity. We're in danger of sliding towards a form of cultural apartheid, where thousands of ordinary people this government pledged to support will lose out.

There are other drivers behind the overall increase in the Index. 2017 was a great year for West End revenues, and (although not part of this report), 2018 was even better. And there's other good news. Since our last edition, creative and cultural GVA has risen by 15% and cultural employment by 21%. In the circumstances, why this Government does not recommend a STEAM-based education remains a mystery to us.

Our creative industries will not maintain their extraordinary level of success if they do not have access to a diverse mix of talented people. The proportion of Black and minority ethnic adults taking part in the arts hasn't grown since 2008, and with new definitions in place has probably even fallen. Against this backdrop, where are the next generation of British world-beating creatives going to come from?

Two cheers, then, for a resilient and growing sector, continually creative adults and children, and the wonderful work of trusts and foundations. Things are looking okay - but for how much longer? Like many, we are doing more with less. We've got much better at the things government asked us to do. But it can't go on; it isn't sustainable. As a world-leading sector, the creative industries are so often the canary in the coalmine - leading the way, taking risks, making the country healthier and wealthier. In 2020, the canary is beginning to look a bit queasy.

Samuel West

Chair of the National Campaign for the Arts
forthearts.org.uk/support-us

The NCA board

The National Campaign for the Arts is run by a board of unpaid trustees:

Samuel West (Chair),
Actor and director

Cassie Chadderton,
Chief Executive, World Book Day

Sarah Gee,
Managing Partner, Indigo-Ltd &
Chief Executive, Spitalfields Music

Kim Grant (Company Secretary),
Theatre consultant

Rosie Luff,
Government Affairs and Public Policy Manager, Google

Peter Manning,
Conductor and violinist

Julia Payne,
Director, the hub

Michael Smith,
Director, Cog Design

Leonora Thomson,
Interim Chief Executive, Anthem – Music Fund Wales

The National Campaign for the Arts is supported by a circle of celebrity Champions. These like-minded individuals lend their presence to our work so more people sit up and listen. In this edition of the Index, some of our Champions have contributed a reflection on one of the indicators, an expression of their hopes and fears for the arts over the next few years. The comments are personal to them and do not necessarily reflect the views of the NCA Board or of the organisations we work for.

Data analysis for this edition of the Arts Index has been donated to the National Campaign for the Arts (Registered Charity number 1079313) by Brownlee Consulting.

About the Index

What is an index?

'A measure of the value of a variable relative to its value at some base date or state' - The Oxford Dictionary of Statistics.

An index allows us to understand how something being observed has changed. In the Arts Index, this change has now been measured over an eleven-year period.

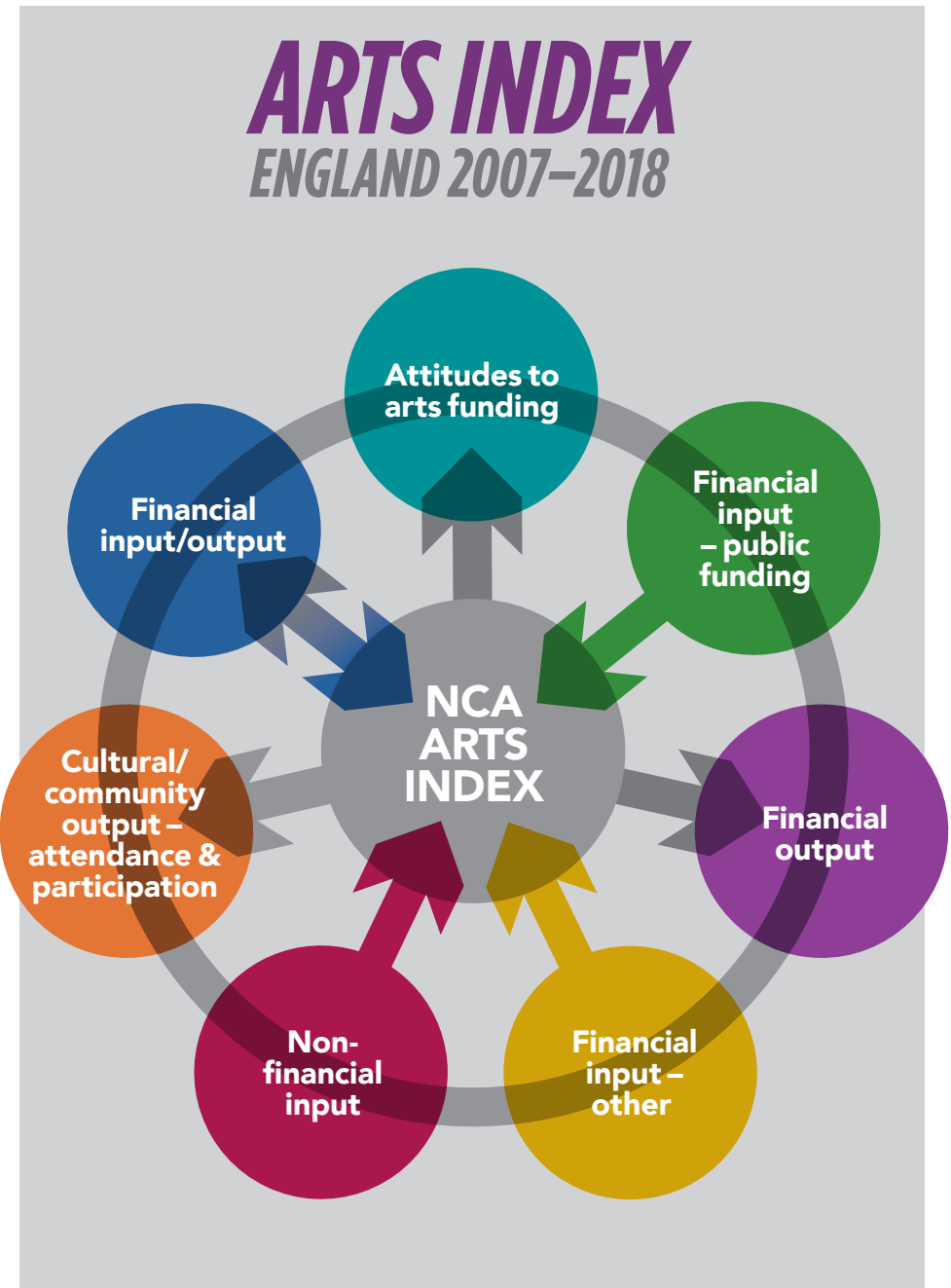
An index also allows people to compare a number of different sources of information on the same scale, often set so that its base value is 100. That is the approach used here.

If a particular figure increases over time then the corresponding index will increase, and if a figure decreases the index will drop. From the index you can gauge the extent of change. For example, if the index increases from 100 to 125 then this represents a 25% increase; if it drops to 75, this represents a drop of 25%.

Building an index about our arts sector

The first UK Arts Index covered three financial years from 2007/08 to 2009/10. It brought together a number of different sources of information, in a way that allowed comparisons to be made between these years across the English regions, across the four nations and across the UK as a whole.

There are twenty separate indicators that feed into the Index, each of which has been chosen because it gives us insight into the health and vitality of the arts sector. The indicators are grouped together into seven categories. The diagram on the opposite page shows the relationship between these different financial, economic, cultural and community inputs and outputs.



How these indicators are used in the NCA Arts Index

To arrive at the score for each indicator, the figures behind them have been compared to the base figures for 2007/08.

Where this data wasn't available, two rules have been applied:

1. The earliest year available for the data is the base year. In most cases this is 2007/08.
2. If data is available from an earlier year but gaps exist in later years then the data has been brought forward to fill the gaps. This keeps the Index as comparable as possible across the years.

Where either of the above rules has been applied, we note and elaborate on this. This approach means that the Index has been built using best practice, while acknowledging that the data is not complete in every area.

We aspire to use the most accurate and appropriate data possible in the Index. This means that when new datasets are available or when data providers revise their figures we will update the Index with the improved figures. This means that some of the figures in this Index do not exactly match those in previous editions and it is highly likely that the figures in this publication will be refined still further in future editions.

Weighting the Index

We have considered the following specific variables when creating the Index:

Population at each geographical level has been taken into account so that areas can be compared 'like for like'.

Financial figures across the years have been adjusted to take account of inflation using the Consumer Price Index (CPI).

There is no weighting applied to the data in terms of how the twenty indicators are combined to create the overall Index; each of the indicators contributes an equal 1/20 of the input.

The 2019 Index

The original Index was published in 2011 after a year of complex research and analysis across the four UK nations by the NCA, Audiences UK and, in the latter stages, Audiences London.

An anecdotal indicator of the changes in the arts sector in recent years is the changes in these organisations: Audiences UK has closed, the NCA's team is much reduced in size and Audiences London is now part of The Audience Agency.

The research for this updated English edition of the Index has been produced by David Brownlee of Brownlee Consulting, who as the former Chief Executive of Audiences UK led the work on the original Index.

NCA Board members have provided additional editorial input and design services, and we are very grateful to our partners, King's College London and the Creative Industries Federation, for their support in producing the 2019 Arts Index and associated launch events.

The original Index reported across the four UK nations as well as at a regional level in England. The NCA aspires to produce the Index in this level of detail in the future, but requires additional financial resources to do so.

Glossary

We are aware that interest in this Index won't be limited to people who are embedded in the world of arts and culture funding and policy, so on page 70 we have included a glossary of some of the terms and acronyms used in the Index.

The overall Index for England

While overall changes across the twenty indicators have been slight, there have been major fluctuations in many individual indicators.



Summary of changes in England since the previous edition was published

6	Trusts and foundations contributions to the arts per person	+44
10	Combined reserves of revenue funded organisations per person	+22
12	Adults participating in an arts activity as a percentage of the population	+16
4	Earned income by revenue funded arts organisations per person	+14
13	Proportion of Black and minority ethnic adult population taking part in the arts	+8
17	Income from West End theatre	+6
8	Higher education students studying creative arts as a percentage of population	+5
9	Proportion of creative arts GCSEs being entered as a proportion of all GCSEs	+4
18	Combined expenditure of revenue funded organisations per person	+3
19	Gross Value Added (GVA) of creative industries and cultural sector (UK figures)	+3
11	Adults attending an arts activity as a percentage of the population	+3
14	Proportion of adult population with a long-standing illness or a disability taking part in the arts	+1
20	Cultural sector employment (UK figures)	+1
5	Business contributions to the arts per person	-3
3	Local government funding for the arts per person	-5
1	Treasury funding to Arts Council England per person	-5
15	Proportion of the public supporting funding of arts and culture from taxes	-9
16	Proportion of the public supporting funding of arts and culture from the National Lottery	-10
7	Individual giving to the arts per person	-18
2	Arts funding from the National Lottery per person	-31

FINANCIAL INPUTS – PUBLIC FUNDING

This category contains three indicators:

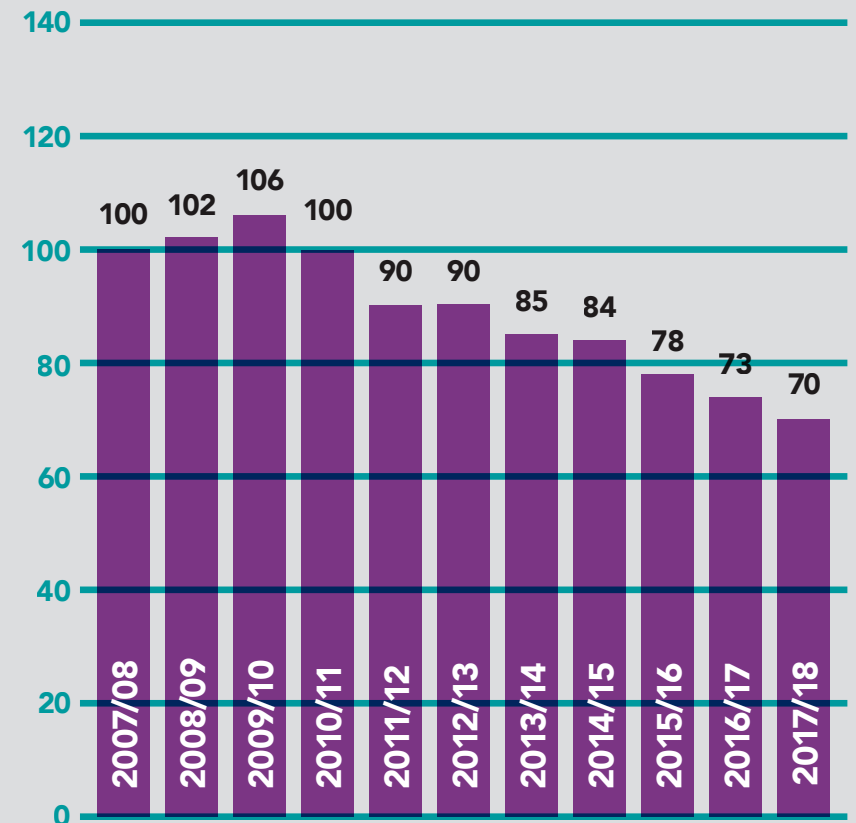
1. Treasury funding to Arts Council England per person
2. Arts funding from the National Lottery per person
3. Local government funding for the arts per person

Combined score for this category

The combined score is worked out by adding together the funding per head for each year across the three indicators and comparing it to the 2007/08 figure.

In England the cumulative amount per person invested from these three sources continued to grow until 2009/10, when it reached an inflation adjusted figure of £20.67. It then fell by £1 to £19.51 in 2010/11 and then more than £2 to £17.48 in 2011/12. The combined figure stabilized for a year in 2012/13 before five further years of decline. In real terms the combined public figure has fallen 35% from 2009/10.

Financial inputs – public funding



1 Treasury funding to Arts Council England per person

What the indicator tells us

After remaining relatively constant for the first three years, inflation adjusted 'core revenue' funding of Arts Council England has fallen almost every year from 2010/11 onwards. From a high of £8.14 per person in 2009/10, the inflation adjusted figure dropped to £5.61 in 2012/13: a 31% decline, despite the addition of Museums and Libraries to Arts Council England's core responsibilities. After stabilising in 2013/14 and 2014/15, annual declines recommenced in 2015/16. The 2017/18 figure fell to £4.78, a 41% decline from the 2009/10 peak.

Calculating the score

The score is based on money per person per year. For this and the last edition of the Index the 2007/08 baseline was calculated by taking 'core revenue' Grant in Aid figures from Arts Council England's annual report and accounts, divided by the English population that year (based on UK National Statistics). Financial values stated are adjusted so that they are comparable with 2007/08 prices, using the Consumer Price Index. It should be noted that this does not represent the entirety of national government investment in the arts in England as the Department for Digital, Culture, Media & Sport makes direct grants to a number of institutions and Arts Council England also received other restricted funding in addition to its 'core revenue' grant.

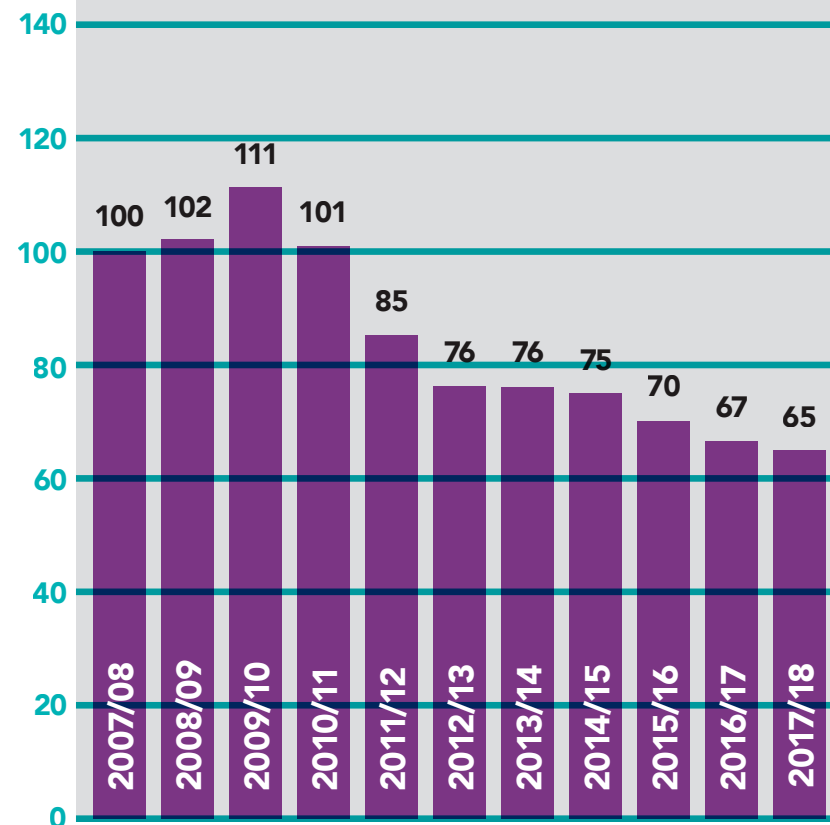
Has any country in the world seen national cuts to arts funding on this scale in the last ten years? Time for a new government to follow the example of enlightened nations like Canada and make the increase in investment in our cultural wellbeing a priority.

Howard Goodall, Composer and Broadcaster

It should also be noted that Arts Council England's remit expanded during 2010/11 to also encompass Museums and Libraries. Its 'core revenue' grant was increased (or rather decreased less) to allow it to cover these increased areas of responsibility.

Indicator 1

Treasury funding to Arts Council England per person



2 Arts funding from the National Lottery per person

What the indicator tells us

There are various ways to track Lottery funding of the arts, all of which give a partial picture of the health of this key element of the arts ecology. For this edition of the Index we have tracked the amount of Lottery funding drawn down from the Good Causes distribution fund by Arts Council England for distribution and to cover its own administration costs each year.

This measure of Lottery funding saw steady and significant rises in the early years of this study, with a sharp peak in 2012/13 (Olympic year). 2016/17 saw a sharp decline back to pre-Olympic levels and there was a further reduction in 2017/18.

Calculating the score

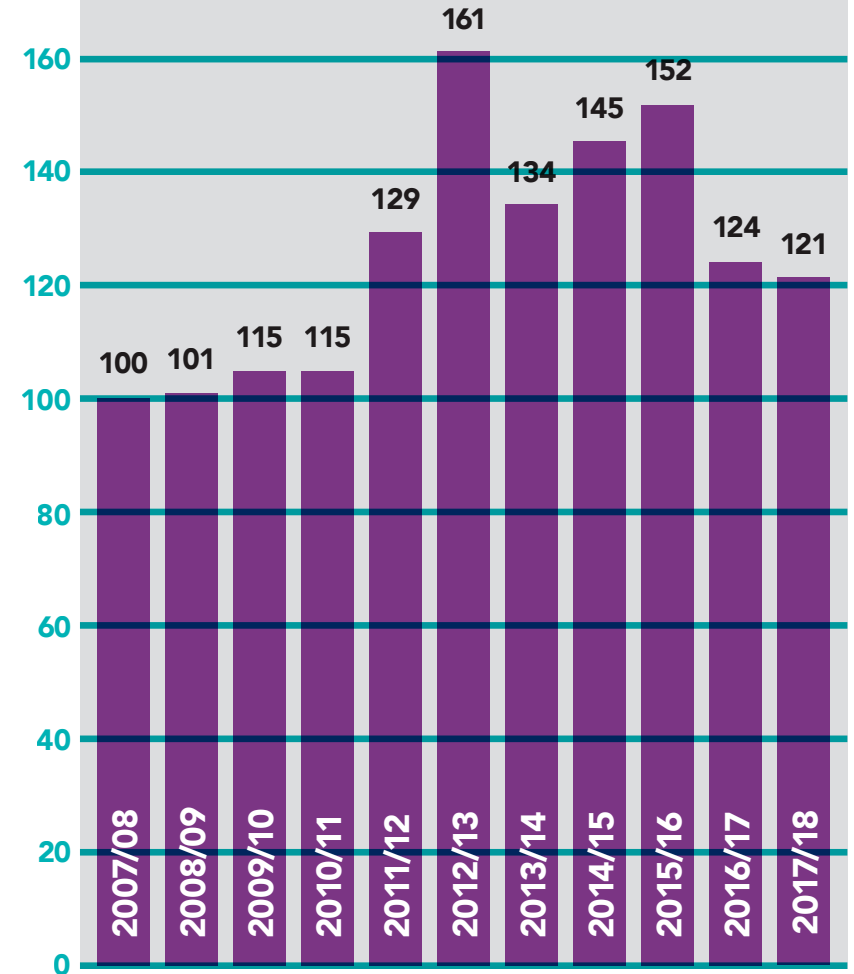
The score is based on money per person per year. For this and the last edition of the Index the 2007/08 baseline was calculated by taking 'Share of proceeds from the National Lottery Distribution Fund' from Arts Council England's annual report and accounts, divided by the English population that year (based on UK National Statistics). Financial values stated are adjusted so that they are comparable with 2007/08 prices, using the Consumer Price Index. It should be noted that this does not represent the entirety of Lottery investment in the arts in England as other Lottery distributors also make arts grants.

The sustainability of the arts sector in England is now dependent on the popularity of lottery balls and scratch cards. We know that if the economy improves, the popularity of the National Lottery falls. Surely there must be a way to ensure that the arts and audiences don't lose out if there is an economic upturn?

Les Dennis, Actor, Comedian, TV Presenter

Indicator 2

Arts funding from the National Lottery per person



3 Local government funding for the arts per person

What the indicator tells us

At its peak in 2008/09, the inflation adjusted amount invested in the arts by local government amounted to £9.59 per person. In 2017/18 this had dropped to £5.43. This is a 43% reduction; this indicator has fallen the most of all twenty in the Arts Index.

Calculating the score

The types of funding that were used to create the 2007/08 UK baseline were: arts development and support / museums and galleries / theatres and public entertainment.

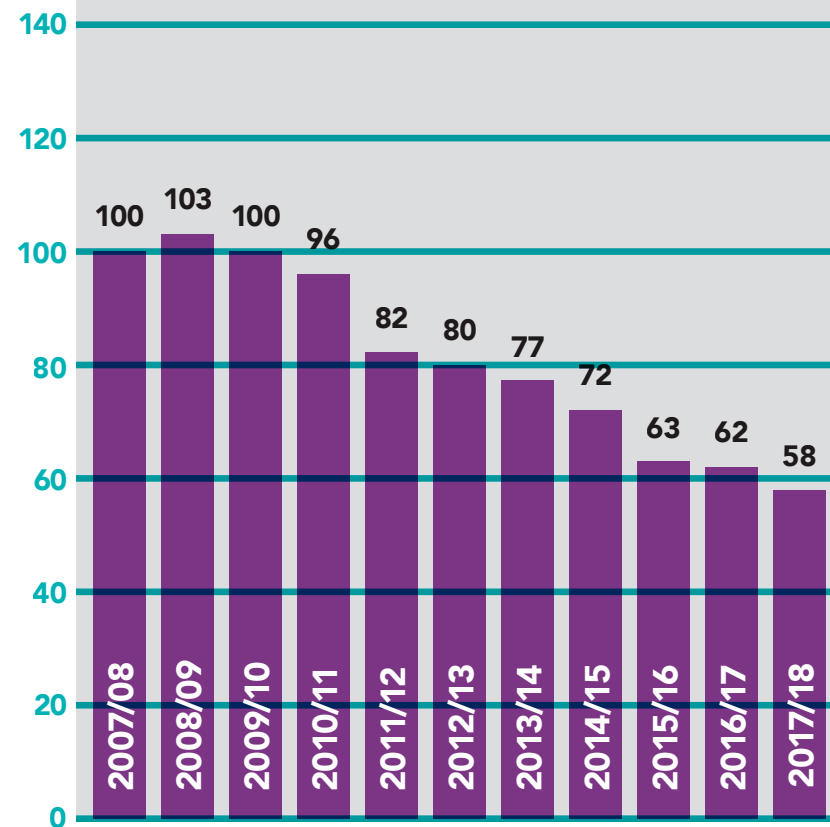
We used Revenue Outturn data published by the Department of Communities and Local Government for net expenditure, excluding capital charges to calculate the baseline and annual changes, dividing this by the population numbers in that year.

The NCA's Hearts for the Arts Awards highlight the amazing work that is being led by councils that really understand the value of culture in their community. It chimes with our core belief that as a society we will only grow if we value education, creativity and lifelong learning. Despite financial pressures, these councils are proving that investing in the arts delivers a whole host of cultural, educational and health benefits for their communities. It is a hopeful and beautiful thing.

Carys Nelkon, Head of Programmes, Arts Emergency

Indicator 3

Local government funding for the arts per person



FINANCIAL INPUTS – OTHER

This category contains four indicators:

4. **Earned income by revenue funded arts organisations per person**
5. **Business contributions to the arts per person**
6. **Trusts and foundations contributions to the arts per person**
7. **Individual giving to the arts per person**

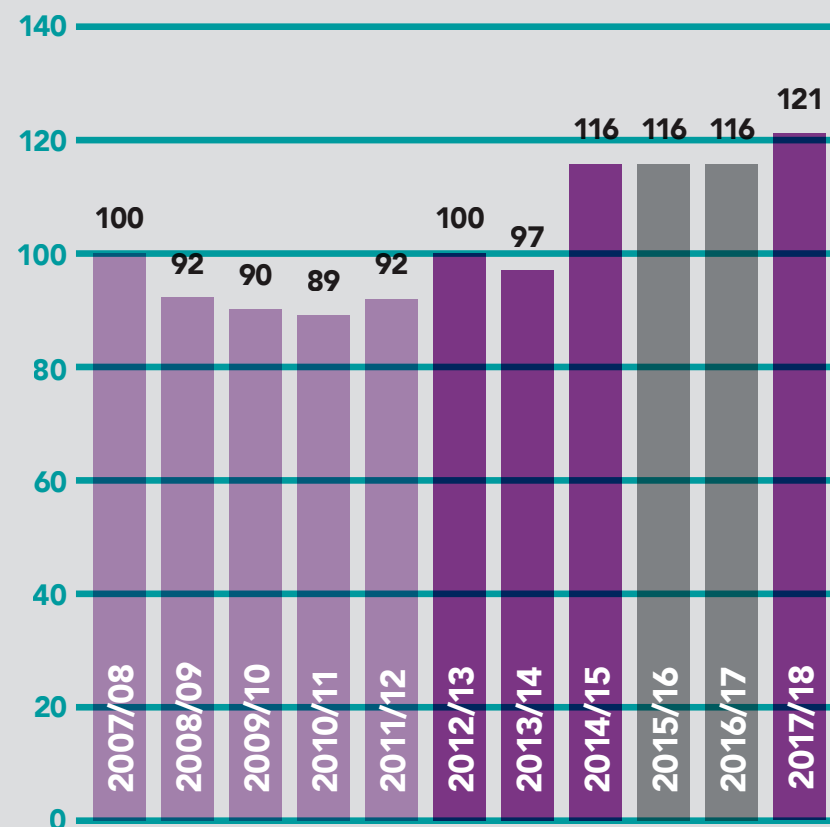
Combined score for this category

The combined score is worked out by adding together the income in England per head for each year across indicators 5, 6 and 7 and comparing it to the 2007/08 figure for the UK. (We do not include indicator 4 in this summary as it relates just to Arts Council England revenue funded clients.)

During the baseline year (2007/08) there was a combined total of £12.09 per person. This fell sharply the following year and then varied little for the next three years.

As explained on page 28, changes to the methodology for collection of data led us to reset the Index for these indicators in 2012/13. The increase in 2014/15 was almost entirely thanks to a major increase reported in the amount of individual giving. No data was collected in 2015/16 or 2016/17. The increase in 2017/18 from 2014/15 was due to a substantial increase in reported funding from trusts and foundations.

Financial inputs – other



4 Earned income by revenue funded arts organisations per person

What the indicator tells us

'Earned income' represents box office sales and venue hires along with secondary income from bars, catering, merchandising etc. Despite the challenging financial climate, the Index has risen for the last six years. Using inflation adjusted figures, in 2017/18 the amount of earned income per person for revenue funded organisations in England was £13.72, compared to £9.34 in the baseline year; a rise of 47%.

Calculating the score

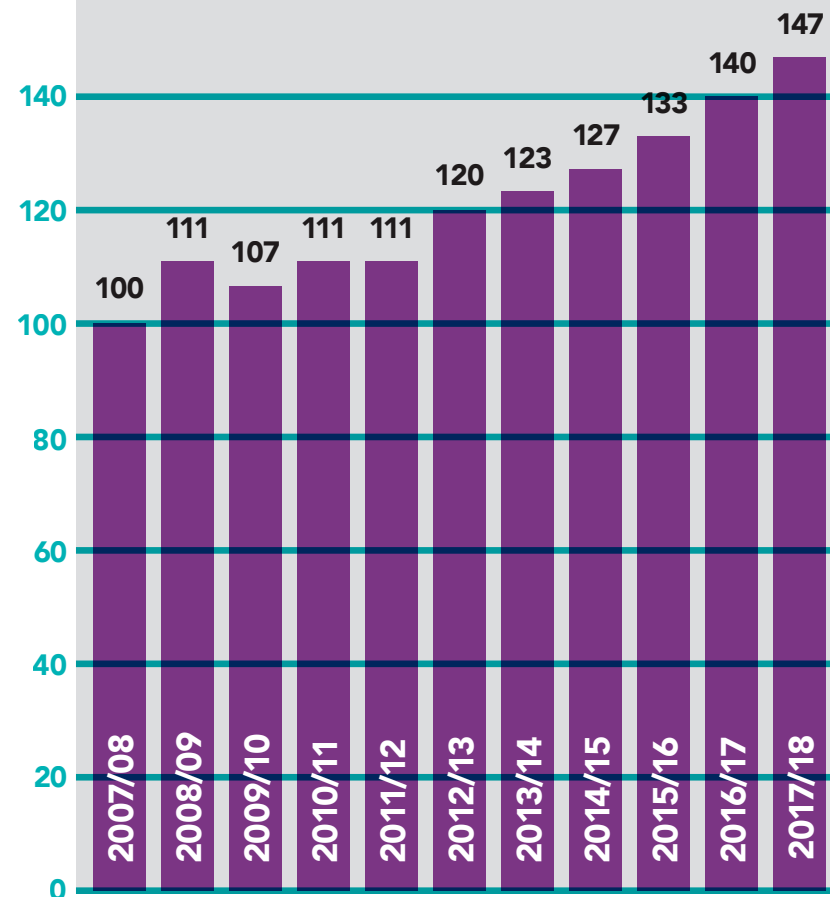
Arts Council England releases the aggregated totals of a survey of its revenue funded clients every year. We used the published combined figure for total earned income for the entire portfolio and then divided this by national population for each year.

In 2017/18, the level of earned income amongst Arts Council England's revenue funded arts organisations outstripped the funding they received via the National Lottery, Treasury and Local Government combined. While this is testimony to the resourcefulness of our arts managers, it coincides with a big increase in average ticket prices. How long can we expect this growth to continue if the arts are to remain affordable and accessible to all?

Chi-chi Nwanoku, Founder and Artistic Director, Chineke!, Double Bassist, Broadcaster

Indicator 4

Earned income by revenue funded arts organisations per person



5 Business contributions to the arts per person

What the indicator tells us

Until 2011/12 Arts & Business conducted an annual survey on private giving to arts and culture. No robust data was subsequently gathered until 2016 when Arts Council England commissioned a new survey from MTM. While largely following the Arts & Business methodology, some data was excluded from the new survey that meant the results from the two surveys are not comparable (e.g. removal of National Trust data).

We have taken the pragmatic decision not to remove the historic data from this section of the study but instead reset the Index to 100 in 2012/13.

Both surveys reported substantial declines in business support for the arts. The new MTM survey highlighted a drop of over a third in just two years to 2014/15. There was a further decline when the survey was repeated for 2017/18.

Calculating the score

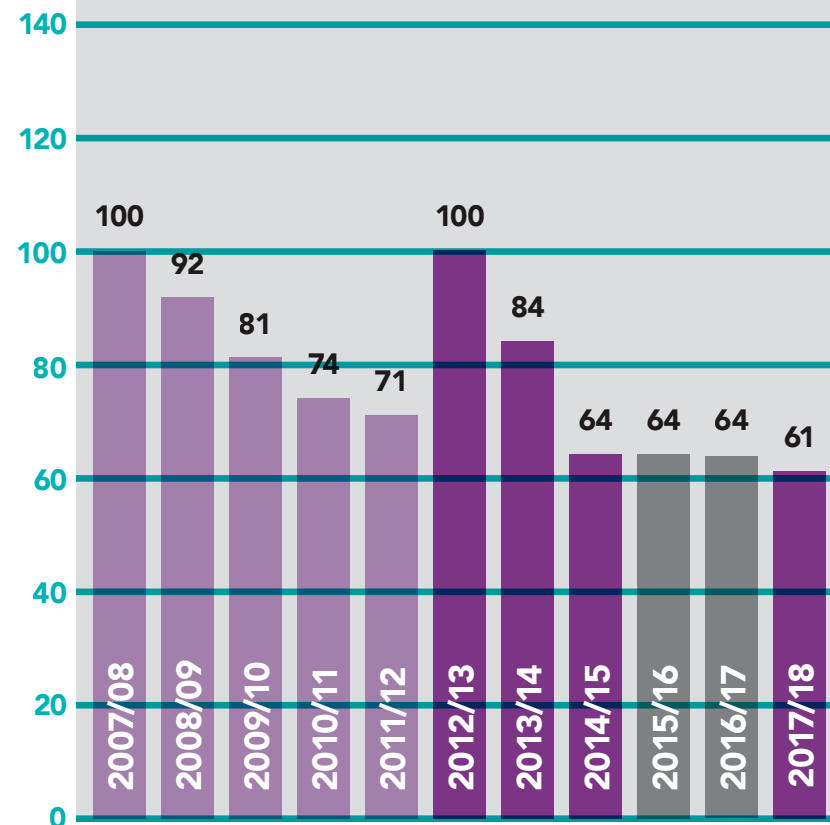
The data for establishing this benchmark came from Arts & Business' Benchmarking Tool for the UK, dividing the overall figure by the UK population. This data refers to contributions made not just to the arts, but also to heritage, libraries and archives. Data from 2012/13 onwards comes from MTM's Private Giving Survey, dividing the overall figure by the English population.

Arts organisations have become more business-like but fewer businesses are supporting the arts. Government could help to reverse the trend by introducing a tax incentive for corporate sponsorship.

Rufus Hound, Turn

Indicator 5

Business contributions to the arts per person



6 Trusts and foundations contributions to the arts per person

What the indicator tells us

As explained on page 28, we have reset the Index to 100 in 2012/13 due to changes in the methodology of collecting this data. In the early years of the Index there was substantial real term growth in arts funding from trusts and foundations. There was also growth in 2013/14 and 2014/15 and a sharp increase in 2017/18 after a two year gap in data collection.

Both surveys reported significant growth in funding from trusts and foundations over time. Using the previous methodology, trusts and foundations accounted for 21% of all private giving in 2007/08. In 2017/18, using the new methodology, trusts and foundations accounted for 38% of all private giving.

Calculating the score

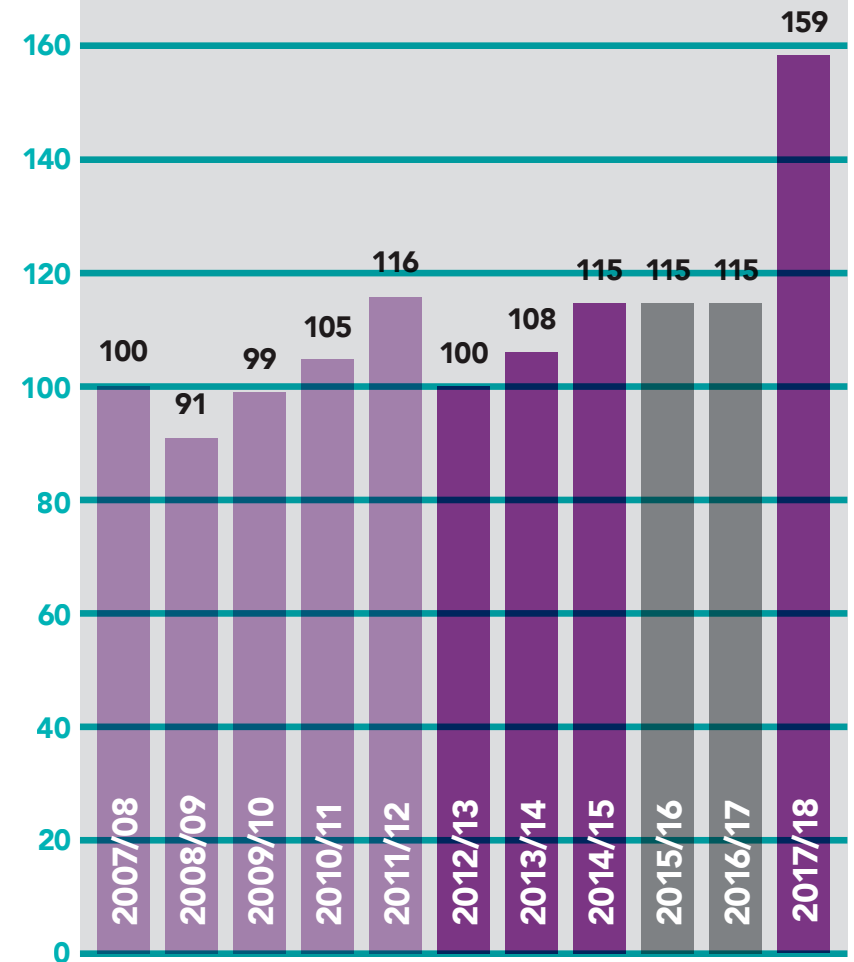
The data for establishing this benchmark came from Arts & Business' Benchmarking Tool for the UK, dividing the overall figure by the UK population. This data refers to contributions made not just to the arts, but also to heritage, libraries and archives. Data from 2012/13 to 2014/15 comes from MTM's Private Giving Survey, dividing the overall figure by the English population.

The Arts Index makes clear the importance of trusts and foundations in the arts' funding landscape and shows that giving in this area has almost doubled in a decade. This investment is not just a welcome and valued contribution to art - it is also farsighted in that it channels resources into the places and communities those organisations serve.

Baroness Bull,
Vice President & Vice-Principal (London)
King's College London

Indicator 6

Trusts and foundations contributions to the arts per person



7 Individual giving to the arts per person

What the indicator tells us

As explained on page 28, we reset the Index to 100 in 2012/13 due to changes in the methodology of collecting this data. In the early years of the Index there was a decline in individual giving in England.

The new data collected by MTM in 2016 showed substantial growth in 2014/15, with the contribution per capita rising by 67%. This increase was not sustained in the 2017/18 survey, although the figure remains substantially higher than in 2013/14.

Using the previous methodology, individual giving accounted for 57% of all private giving in 2007/08. In 2014/15, using the new methodology, individual giving accounted for 43% of all private giving.

Calculating the score

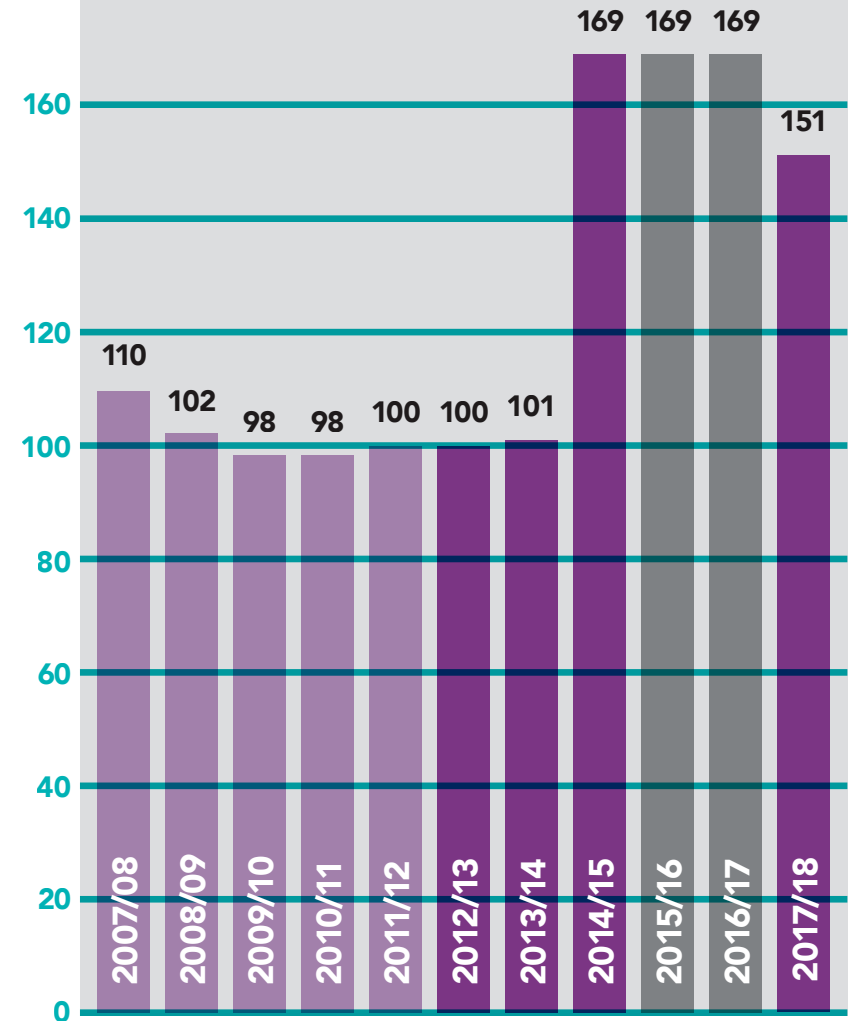
The data for establishing this benchmark came from Arts & Business' Benchmarking Tool for the UK, dividing the overall figure by the UK population. This data refers to contributions made not just to the arts, but also to heritage, libraries and archives. Data from 2012/13 to 2014/15 and 2017/18 comes from MTM's Private Giving Survey, dividing the overall figure by the English population.

Political leaders, funders and arts organisations have made individual giving a priority in the last ten years; philanthropy is clearly more important to many organisations than it was. Despite this support being a preferred model for the Government, the big growth in giving of 2014/15 has not been sustained. It will take many more years of hard work and investment to match levels of philanthropy we see in the USA.

Dame Hilary Mantel, Writer

Indicator 7

Individual giving to the arts per person



NON-FINANCIAL INPUTS

This category contains two indicators:

- 8. Higher education students studying creative arts as a percentage of population
- 9. Proportion of creative arts GCSEs being entered as a proportion of all GCSEs

Combined score for this category

The combined score is worked out by adding the Index for both indicators together and dividing by two.

Non-financial inputs



8 Higher education students studying creative arts as a percentage of population

What the indicator tells us

The popularity of creative arts subjects at UK universities was hit hard by increased tuition fees and is only slowly recovering.

Our indicator tracks the proportion of the English population as a whole studying creative arts subjects. The decline in the Index for this measure since 2011/12 reflects the overall decline in numbers studying in Higher Education Institutions. In 2011/12, 4.5% of those studying had chosen creative arts subjects. In 2017/18 this had actually risen slightly to 4.8%.

Calculating the score

These figures come from the Higher Education Statistics Authority and include student numbers for the following subjects: programmes broadly-based within the creative arts and design / fine art / design studies / music / drama / dance / film and photography / crafts / imaginative writing.

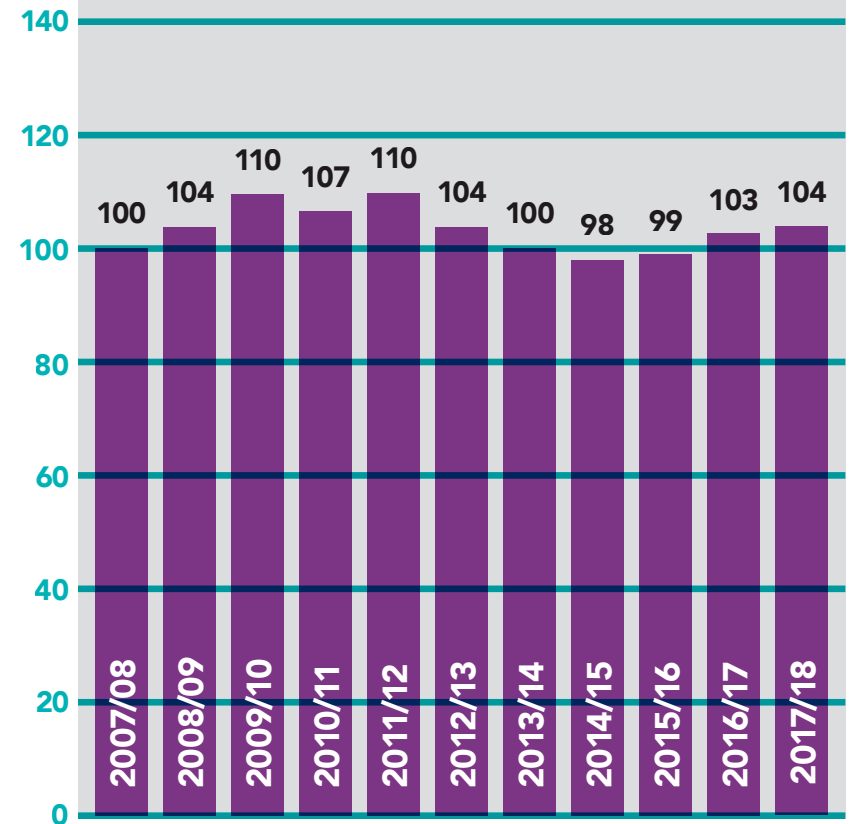
Figures include all full-time and part-time postgraduate, first degree and other undergraduate students.

The creative sector outperforms the economy as a whole in GDP and employment growth. Young people should be encouraged to study high quality creative arts courses at university. They're enjoyable, they offer great career prospects and they help create the imaginative and well-rounded individuals this country needs.

Riz Ahmed, Actor, Writer, Musician, Activist

Indicator 8

Higher education students studying creative arts as a percentage of population



9 Proportion of creative arts GCSEs being entered as a proportion of all GCSEs

What the indicator tells us

Changes in education policy in recent years have led to a widespread belief in the arts sector that creative subjects are being categorised as less important than the 'core' curriculum of science, technology, English and maths.

In 2007/08, 6.7% of entries to GCSEs were for creative arts subjects. In 2013/14 this had reduced to just 5.2%. The rapid decline recorded in 2013/14 did not prove to be the start of a continuing trend, but it should be noted that the growth reported in 2017/18 is based on provisional data.

Calculating the score

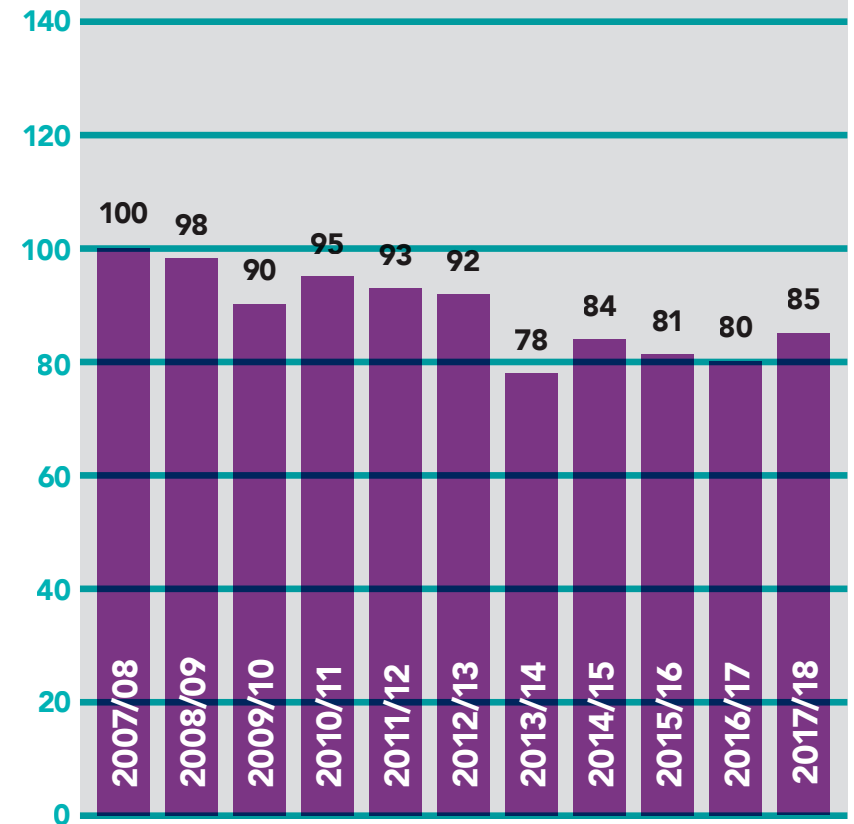
This data comes from the Department for Education.

Should we be encouraged by the rise in the proportion of creative arts GCSEs being taken in 2017/18? The Government's figures are provisional; even if the increase is confirmed, it's from the second worst year on record. While government policy continues to treat creative arts subjects as second rate, we risk no longer being world leaders in culture and creativity.

Juno Dawson, YA Author

Indicator 9

Proportion of creative arts GCSEs being entered as a proportion of all GCSEs



FINANCIAL INPUT / OUTPUT (RESERVES)

There is just one indicator in this category:

10. Combined reserves of revenue funded arts organisations per person

10 Combined reserves of revenue funded arts organisations per person

What the indicator tells us

Reserves are a good way of measuring arts sustainability. Thanks to the publication of more granular data by Arts Council England we can now isolate the true amount of unrestricted, undesignated 'cash' funds held by revenue funded arts organisations since 2011/12. Prior to this our figures were based on the balance sheet of organisations and therefore included capital assets as part of the reserve.

It's good to see that across the sector, reserves are not falling. But these emergency funds are not spread evenly. In 2017/18, 29% of ACE's National Portfolio reported they had no reserves at all. Many arts organisations must be operating with considerable risk to their long-term viability.

Sheku Kanneh-Mason, Cellist, BBC Young Musician Of The Year

We have included the historic data using the previous methodology for 2007/08 to 2010/11 for information with this indicator but it is not used to calculate the overall Index for those years.

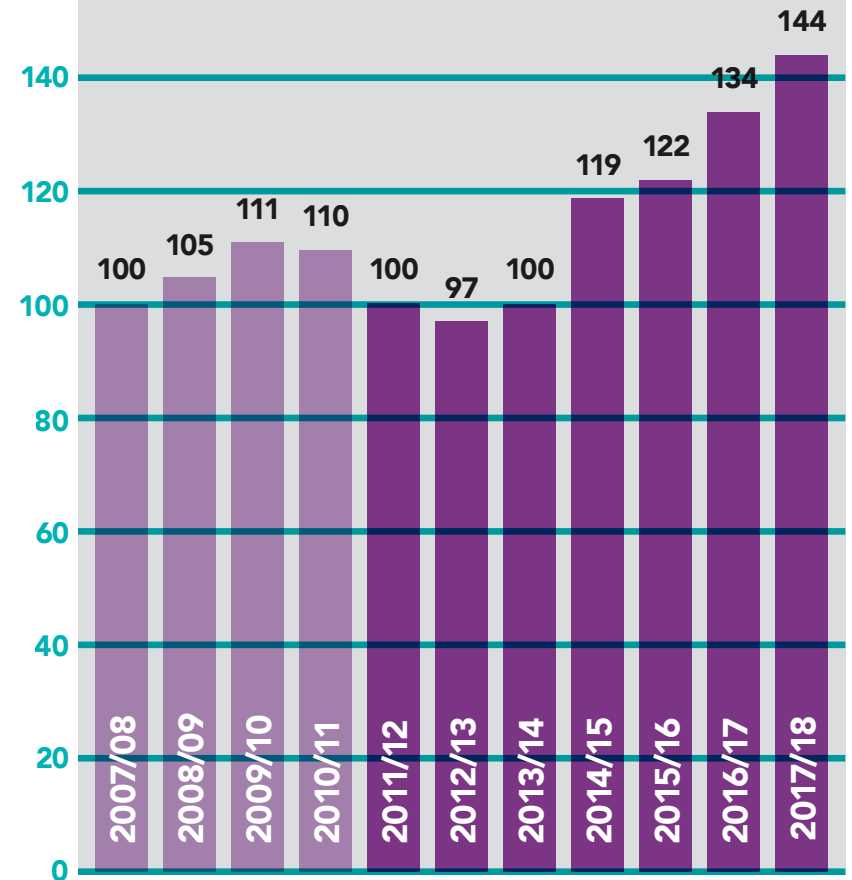
Arts Council England publishes these figures twice: first as provisional figures reported by funded organisations and then a year later as certified figures. In the last Index we used the provisional aggregate figure for 2014/15. The certified figure was over £23 million better, which increased the Index for this indicator by fourteen points. Reserves continued to grow for the following three years.

Calculating the score

For 2011/12 to 2014/15 we have calculated the total 'unrestricted undesignated' funds for all National Portfolio Organisations (provided to Arts Council England in their Annual Submissions) and then divided the overall figure by the English population.

Indicator 10

Combined reserves of revenue funded arts organisations per person



CULTURAL / COMMUNITY OUTPUTS – ATTENDANCE & PARTICIPATION

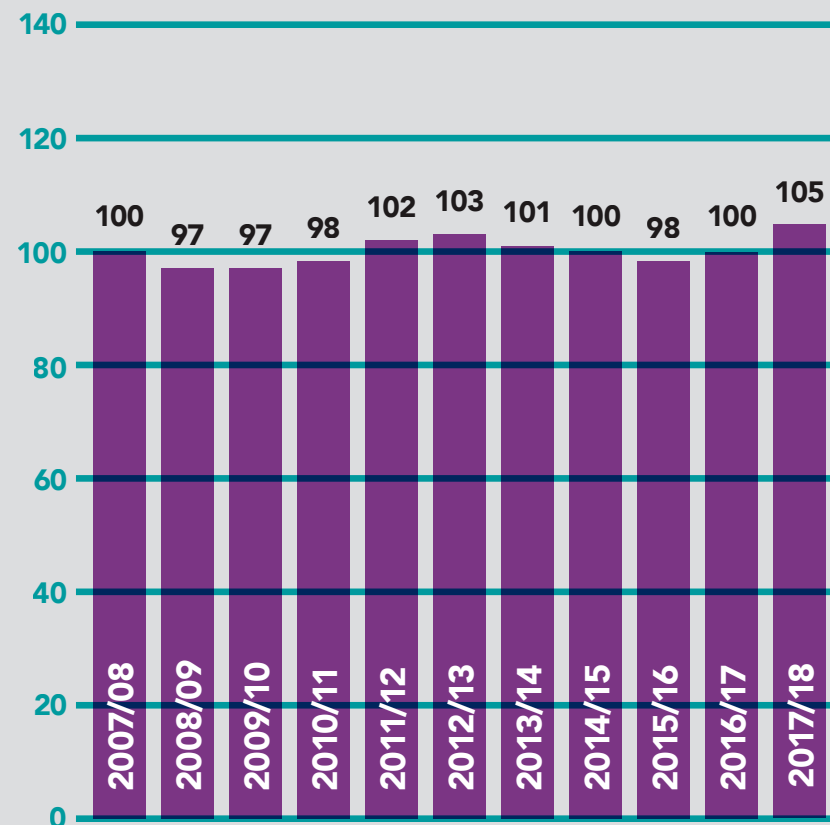
This category contains four indicators:

11. Adults attending an arts activity as a percentage of population
12. Adults participating in an arts activity as a percentage of population
13. Proportion of Black and minority ethnic adult population taking part in the arts
14. Proportion of adult population with a long-standing illness or a disability taking part in the arts

Combined score for this category

The combined score is calculated by adding together and averaging the individual indicator scores for each year. The record high for the combined score is likely in part to be due to changes in the definition of arts attendance and participation.

Cultural/ community outputs – attendance & participation



11 Adults attending an arts activity as a percentage of population

What the indicator tells us

Between 67% and 69% of adults in England reported attending an arts event in every one of the last eleven years. The scores for the last two years may have been mildly inflated by a change in the way the data is gathered (see below).

Calculating the score

The figures used to establish the 2007/08 baseline were from the Department for Digital, Culture, Media & Sport's Taking Part Survey. Attendance figures for 2013/14 were not publicly published so an estimate has been made based on the combined figure for adult attendance and participation ('arts engagement'). In April 2016, "A screening of a live arts event, such as a theatre show or opera, in a cinema or other venue" was added as response option in the arts attendance questions.

Of all the indicators in the Index, attendance at arts events has varied less than any other over the eleven years the NCA has tracked. Given the financial challenges facing the nation and many households over the last decade, it's great to see that people continue to value the arts as an inspiring and enjoyable part of their lives - as I do.

Gary Lineker, TV Presenter,
Ex-England Footballer

Indicator 11

Adults attending an arts activity as a percentage of population



12 Adults participating in an arts activity as a percentage of population

What the indicator tells us

The proportion of adults participating in an arts activity in England ranged from 45% to 49% for every year of the Index, until 2017/18. The record figures in 2017/18 (53%) are likely to be the result of changing the survey response options (see below).

Calculating the score

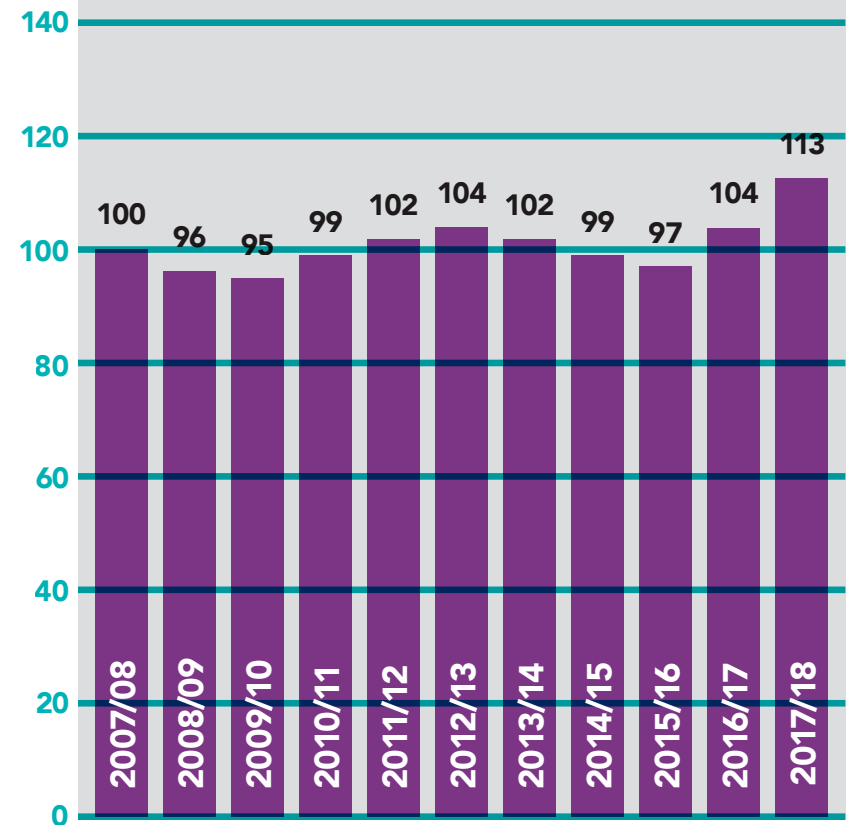
The figures used to establish the 2007/08 baseline were from the Department for Digital, Culture, Media & Sport's Taking Part Survey. In April 2016, "Sang as part of a group or taken singing lessons" was added as response option in the arts attendance questions.

Record-breaking figures for arts participation may be driven more by a change in definition than by a massive rise in ballet, but the increase is still worth celebrating. Singing clearly reaches parts of the population that some art forms don't and brings a sense of wellbeing and joy to many thousands.

Joan, Baroness Bakewell,
Journalist, TV Presenter

Indicator 12

Adults participating in an arts activity as a percentage of population



13 Proportion of Black and minority ethnic adult population taking part in the arts

What the indicator tells us

Changes to the definition of arts engagement in 2016/17 (see below) may be at least in part responsible for the increase in score that year. While the 2017/18 score now matches the score in 2007/08, with a broader definition now in place it still suggests the proportion of the adult BAME population taking part in the arts has fallen.

Calculating the score

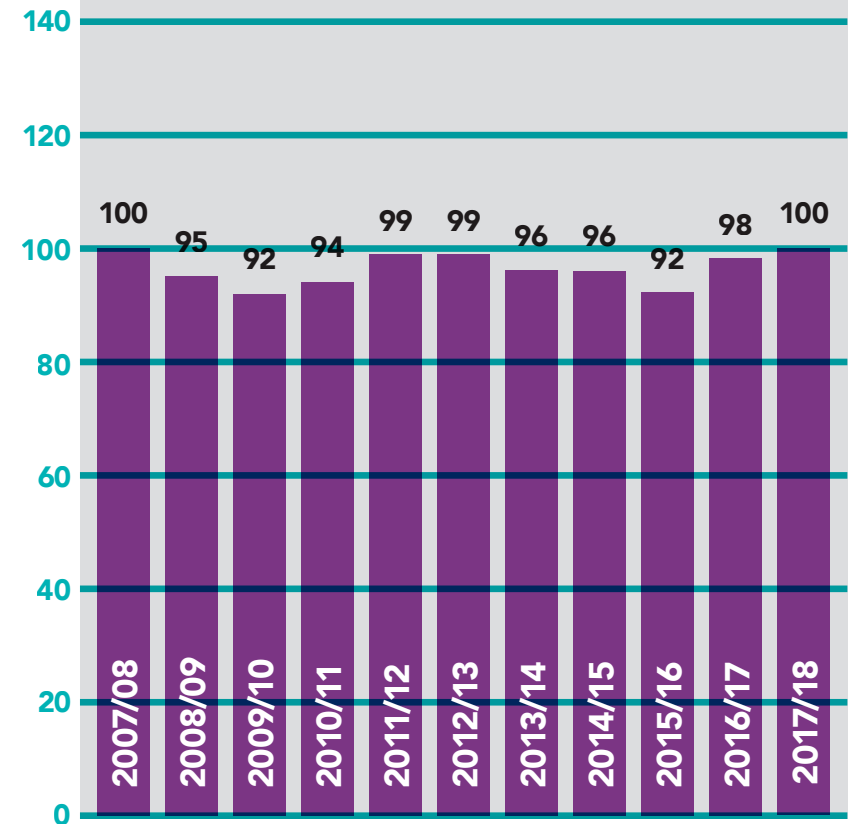
Data comes from the Department for Digital, Culture, Media & Sport's Taking Part Survey in England. In April 2016, "Sang as part of a group or taken singing lessons" and "A screening of a live arts event, such as a theatre show or opera, in a cinema or other venue" were added as response options in the arts engagement questions.

Even with the inclusion of new categories, Black and minority ethnic engagement in the arts in England is still below average and shows no signs of growth. It's crucial that our arts organisations reflect and amplify the voices of the diverse communities they serve. This representation may have been a priority for the sector for years, but clearly much more needs to be done.

Noma Dumezweni, Actress and Director

Indicator 13

Proportion of Black and minority ethnic adult population taking part in the arts



14 Proportion of adult population with a long-standing illness or a disability taking part in the arts

What the indicator tells us

In 2007/08, 79.5% of the non-disabled adult population attended or participated in the arts compared to 69.8% of the adults with a long-standing illness or disability. By the end of 2015/16 the Department for Digital, Culture, Media & Sport reported that this gap had halved (77.5% compared to 72.9%). The sudden dip reported in 2016/17 seems surprising, particularly given the changes to the definition of arts engagement in 2016/17 (see below).

With changes to definitions of arts attendance and participation, we might expect a rise in this indicator, but in fact the 2017/18 figure is almost the same as that the NCA reported in 2015/16. Ensuring that people with disabilities are better-represented in our audiences and as participants must be a priority for the next ten years.

Stephen Fry, Comedian, Actor, Writer, Presenter, Activist

Calculating the score

Data comes from the Department for Digital, Culture, Media & Sport's Taking Part Survey in England. In April 2016, "Sang as part of a group or taken singing lessons" and "A screening of a live arts event, such as a theatre show or opera, in a cinema or other venue" were added as response options in the arts engagement questions.

Indicator 14

Proportion of adult population with a long-standing illness or a disability taking part in the arts



ATTITUDES TO ARTS FUNDING

This category contains two indicators:

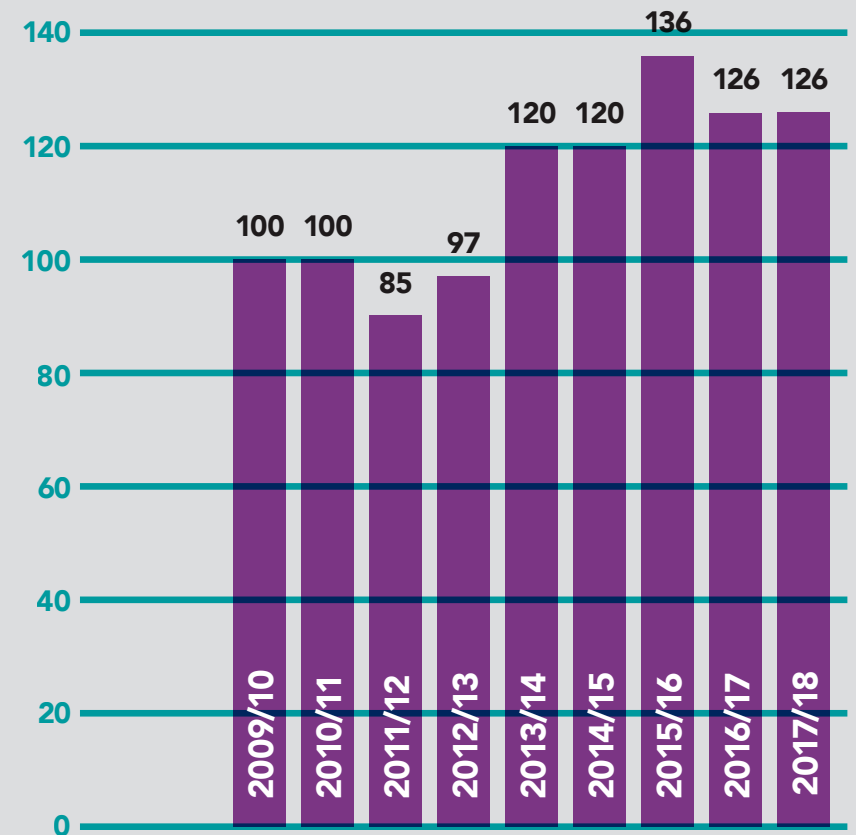
- 15. Proportion of the public supporting funding of arts and culture from taxes
- 16. Proportion of the public supporting funding of arts and culture from the National Lottery

The public attitude to arts funding reflects a variety of factors including the strength of the economy and the perceived importance of investing in the arts compared to other public services.

Combined score for this category

The combined score is worked out by adding the Index for both indicators together and dividing by two.

Attitudes to arts funding



15 Proportion of the public supporting funding of arts and culture from taxes

It is apparent that how and when you ask the question affects how likely someone is to express support for the arts being funded from taxes. In many other countries such a question would be unthinkable: ensuring that all have access to a wide range arts and culture is just what 'civilised' societies do. Arts funding in England probably delivers more cultural, social, educational and economic return on the investment than anywhere else in the world. We need to be doing far more to tell the public about the value and impact of their support.

Phill Jupitus, Comedian, Actor, Poet, Cartoonist

What the indicator tells us

In 2009/10, 52% of respondents were in favour of funding the arts through public taxation. This dropped to 44% in 2011/12 before rising to 55% in the year after the Olympics (2013/14). Polling data from 2014/15 has proved unreliable (see below for explanation). In the last three years around 60% of respondents have expressed support for funding of the arts from taxes.

Calculating the score

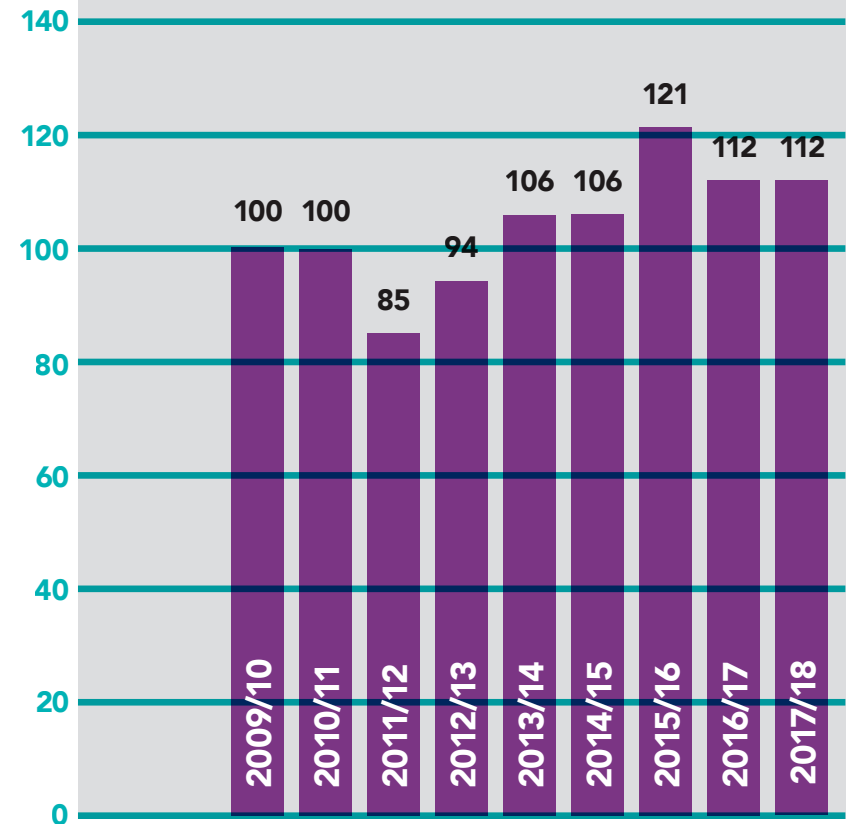
The data comes from Stakeholder surveys commissioned by Arts Council England.

A large fall in 2014/15 prompted a hypothesis that it was to do with changing the ordering of the questions. In 2015 two polls were conducted both of which included the same questions, one of which copied the order from 2014 and one which replicated the pre-2014 polls. The results supported the hypothesis.

In the last edition of the Index we used the results of the 2014 methodology for 2015/16. We have replaced the figure with the poll results that used the pre-2014 order.

Indicator 15

Proportion of the public supporting funding of arts and culture from taxes



16 Proportion of the public supporting funding of arts and culture from the National Lottery

What the indicator tells us

This data was first collected in 2012/13 when just under half the respondents (49%) supported Lottery funding of the arts. This grew in 2013/14, rising to 66%. Polling data from 2014/15 has proved unreliable (see below for explanation). In the last three years around 70% of respondents have expressed support for funding of the arts from the National Lottery.

Calculating the score

The data comes from Stakeholder surveys commissioned by Arts Council England.

A large fall in the 2014/15 poll for support for taxes prompted a hypothesis that it was to do with changing the ordering of the questions. In 2015 two polls were conducted both of which included the same questions, one of which copied the order from 2014 and one which replicated the pre-2014 polls. The results supported the hypothesis.

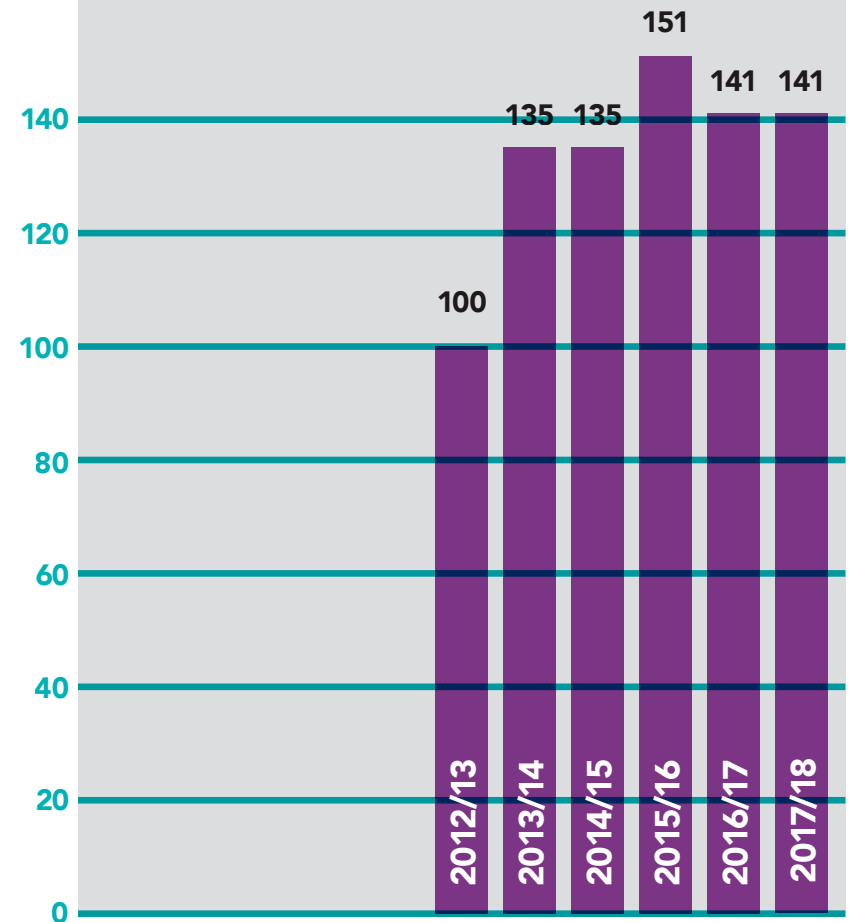
In the last edition of the Index we used the results of the 2014 methodology for 2015/16. We have replaced the figure with the poll that results that used the pre-2014 order. This order was also used in subsequent years' polling.

It's good to see levels of support for Lottery funding of the arts holding steady. The National Lottery was created to provide additional funds for the arts (as well as other good causes); two thirds of people believe the National Lottery should support the arts and this has helped to transform the cultural sector over the last 25 years.

Lee Hall, Dramatist

Indicator 16

Proportion of the public supporting funding of arts and culture from the National Lottery



FINANICAL OUTPUTS

This category contains four indicators:

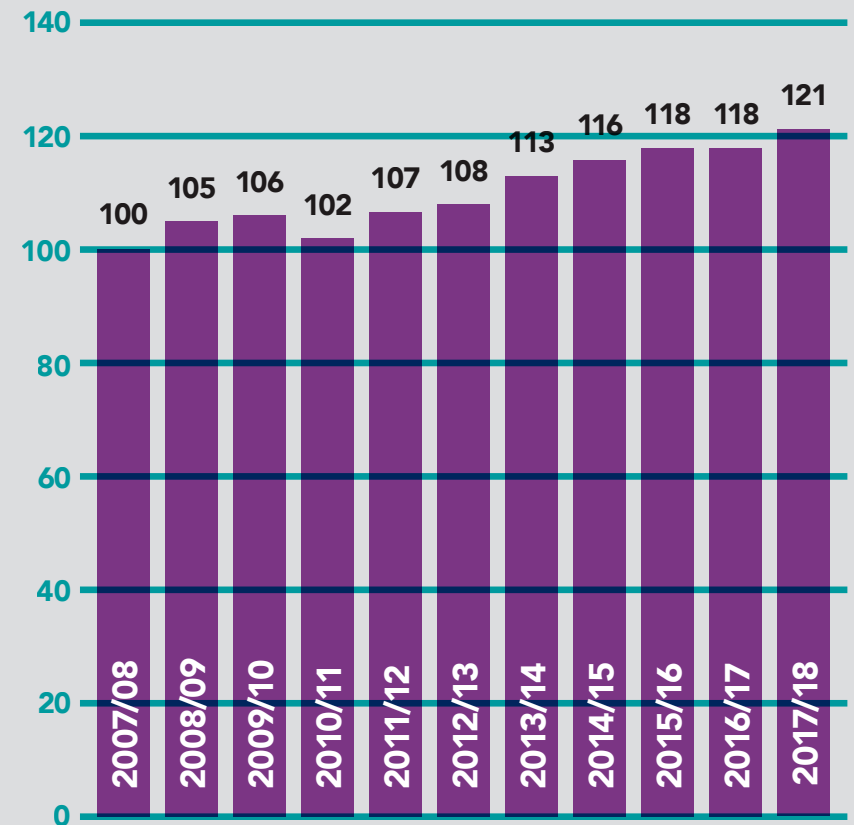
- 17. Income from West End theatre
- 18. Combined expenditure of revenue funded arts organisations per person
- 19. Gross Value Added (GVA) of creative industries and cultural sector as a proportion of the economy as a whole
- 20. Cultural sector employment (UK figures)

Combined score for this category

The combined score is worked out by adding together and calculating the average indicator scores for each year. There has been a steady upward trend in the score for combined financial outputs since 2011/12.

This set of indicators reflects some of the ways in which the arts contribute back into the economy. The set is not exhaustive, but provides a balanced mix of indicators to monitor ongoing changes.

Financial outputs



17 Income from West End theatre

What the indicator tells us

While West End theatre does not represent all the commercial arts, it is a good proxy in a sector that is generally considered to be sensitive to changes in the financial climate. Data about the West End has also been collected for a considerable period.

The data suggests that the health of the West End was relatively unaffected by economic downturn, although it did not see significant growth above inflation until 2013. Big increases in revenue in 2013 and 2014 were sustained in 2015 and 2016. 2017 was another year of significant growth.

Calculating the score

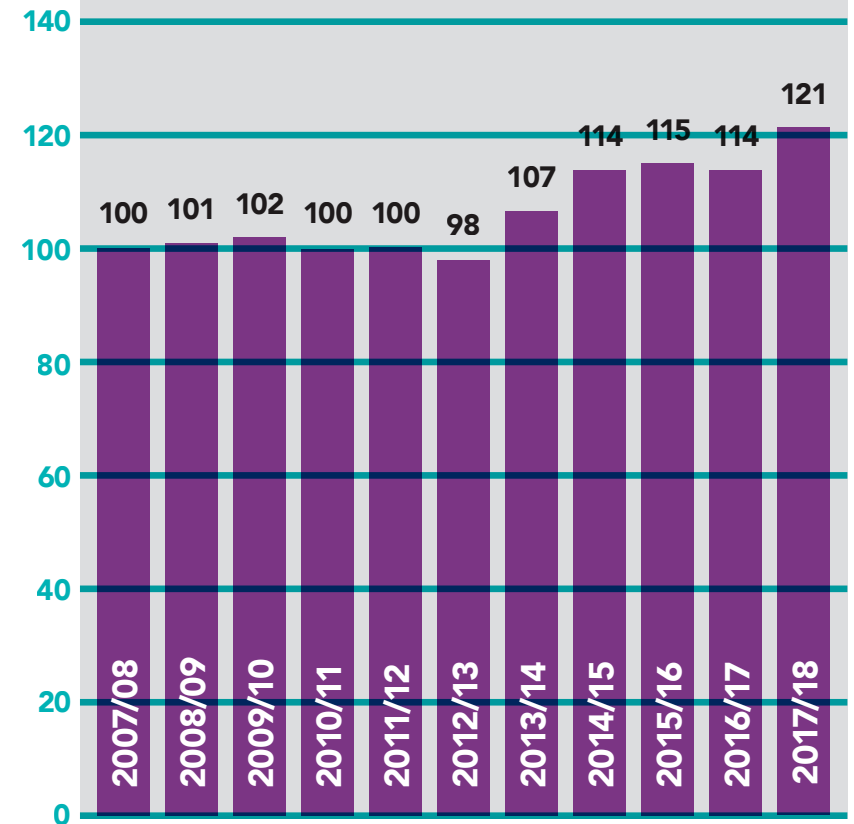
Figures come from the Society of London Theatre, and refer to total revenue (including VAT) across all West End theatres. Figures are published by calendar year, so 2007/08 relates to 2007, 2008/09 relates to 2008, etc.

The West End weathered the financial storm of 2008 remarkably well and since 2013 has seen revenue grow in real terms practically every year. The phenomenal success of our commercial theatre feeds from and back to artists and stories that have grown and developed in the funded sector. No other nation benefits to the same degree from this symbiotic relationship. Long may it continue.

Meera Syal, Actress, Novelist, Screenwriter

Indicator 17

Income from West End theatre



18 Combined expenditure of revenue funded arts organisations per person

What the indicator tells us

As levels of public funding fall we might expect funded organisations to spend less and for the sector to contract and contribute less to the economy. This is not what we have seen in England, where the combined expenditure of revenue funded organisations has grown, from just over £1 billion in 2007/08 to £1.8 billion in 2017/18. Our calculations take into account inflation and growth in population, but even allowing for this the Index rose 28 points across the study period.

Calculating the score

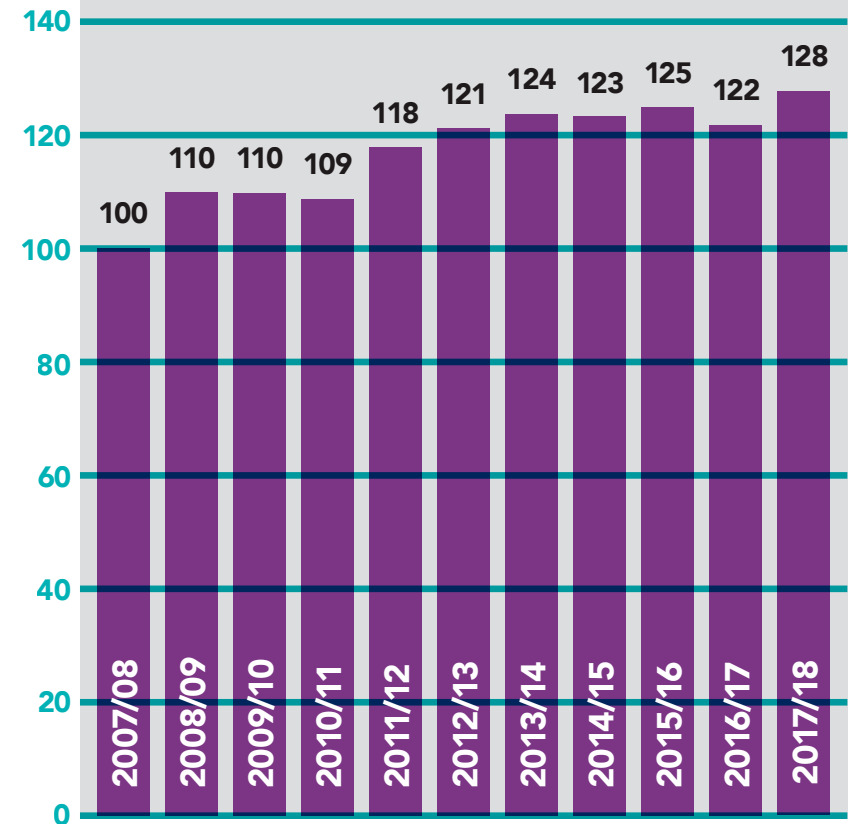
The data to establish the 2007/08 baseline came from Arts Council England's Annual Submission. The figure used is the entire expenditure reported by all revenue funded organisations in each year divided by the population in that year.

In 2007/08, earned income made up 47% of the total income of regularly funded arts organisations. Ten years later it had risen to 54%. Arts organisations have had to become entrepreneurial, and managed to drive growth in the sector despite massive cuts to local and national funding. Our arts organisations are now lean and fit and could deliver far more for the nation if only they were given increased resources.

Grayson Perry, Artist

Indicator 18

Combined expenditure of revenue funded arts organisations per person



19 Gross Value Added (GVA) of creative industries and cultural sector as a proportion of the economy as a whole

What the indicator tells us

GVA tells us about the net profit generated by the sector. In 2010, the creative industries and cultural sector (including everything from art to architecture to advertising) accounted for 6.8% of all of England's GVA.

The creative industries and cultural sector proportion of GVA has grown every year and in 2017 stood at 7.8%.

Calculating the score

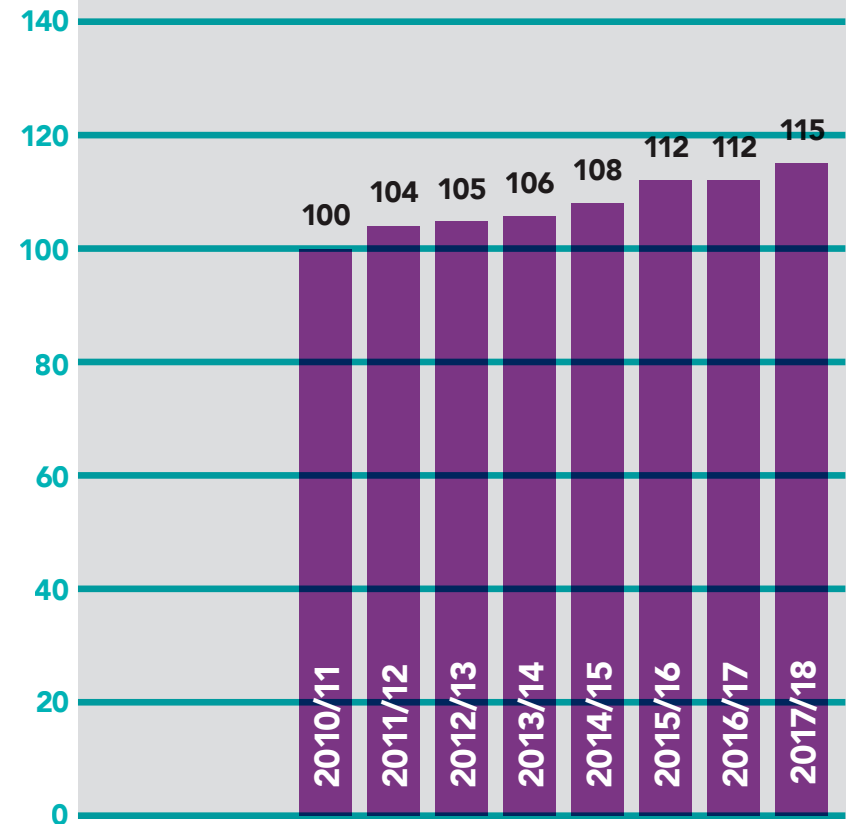
For this edition of the Index we have used the Department for Digital, Culture, Media & Sport's Sectors Economic Estimates - Regional Gross Value Added (GVA). We have totalled the GVA in the nine English regions for the sector titles Creative Industries and Cultural Sector and totalled the published figure for All Sectors. Figures are published by calendar year, so 2007/08 relates to 2007, 2008/09 relates to 2008, etc.

These figures from the DCMS show the increasing importance of the Creative Industries and Cultural Sector to our overall economy since 2009. They do not take account of the impact of the roles played by skilled creatives across our all other sectors of our economy. Creativity is a key part of our national USP and will be crucial for our national success in the years ahead.

Caroline Norbury, Chief Executive, Creative Industries Federation

Indicator 19

Gross Value Added (GVA) of creative industries and cultural sector as a proportion of the economy as a whole



20 Cultural sector employment (UK figure)

What the indicator tells us

Employment in the cultural sector (in the UK) has grown every year since 2011, until 2017 when a small decrease was reported.

The cultural sector's growth in employment of 21% compares well to DCMS' sector average (13%) and the economy as a whole (10%).

Calculating the score

For this edition of Arts Index we have used the DCMS Employment Index which it publishes annually as part of its Sector Employment Estimates. The Index covers the whole of the UK, not just England.

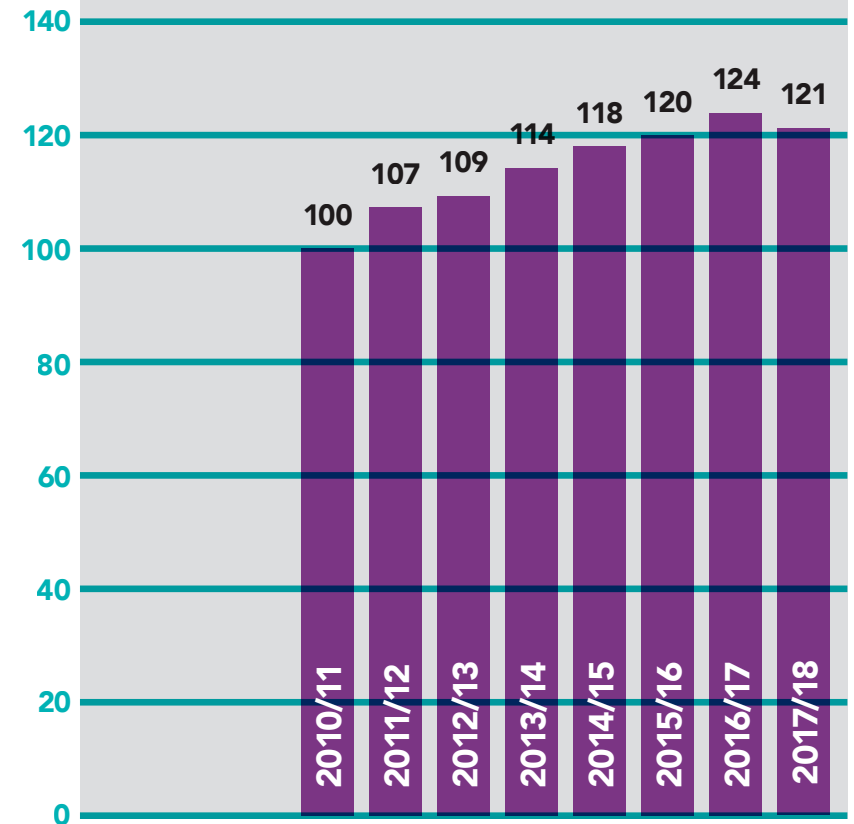
Figures are published by calendar year so 2007/08 relates to 2007, 2008/09 relates to 2008, etc. Figures have yet to be released for 2018.

Employment in the cultural sector is so important for our identity and success as a nation. Since 2011, the rate of growth is triple the average for all sectors and now accounts for 6.2% of all jobs in the UK. Let's hope the small drop in the 2017 figures is just a blip.

Sir Michael Palin, Actor and Broadcaster

Indicator 20

Cultural sector employment (UK figure)



Glossary

Annual Business Survey

Survey conducted by the Office for National Statistics (ONS) collecting financial information, include turnover, purchases and approximate gross value added (GVA).

Arts & Business

Not-for-profit organisation that works to connect companies, communities and individuals to cultural organisations. Now part of Business in the Community.

Arts councils

The public bodies funded by government, with responsibilities towards the funding, development and promotion of the arts. These comprise: Arts Council England (ACE), Arts Council Northern Ireland (ACNI), Arts Council of Wales (ACW) and Creative Scotland.

Audiences London

An agency helping the arts sector to understand and develop audiences in London. Now part of The Audience Agency.

Audiences UK

Not-for-profit organisation supporting a national network of agencies helping the arts sector to understand and develop audiences. Now closed.

Capital charges

The way local government accounts for the cost of fixed assets including buildings.

Capital funding

Funding for buildings and equipment rather than running costs and funding performances or other activity.

Consumer Price Index (CPI)

The official measure of inflation of consumer prices of the United Kingdom.

Core portfolio

Collective of arts organisations that expect to receive revenue funding on an on-going basis.

Creative Arts and Design

Subject coding used by HESA that includes all visual and performing arts subjects.

Department for Digital, Culture, Media & Sport (DCMS)

UK Government Department with responsibility for the arts and culture in England.

Grant in Aid

Money coming from central government for a specific project.

Gross Value Added (GVA)

A measure in economics of the value of goods and services produced in an area, industry or sector of an economy.

Higher Education Statistics Agency (HESA)

The official agency for the collection, analysis and dissemination of quantitative information about higher education in the United Kingdom.

Inflation adjusted

Figures that have been adjusted to reflect the changes in value caused by inflation (as measured by the CPI).

Local government funding

Funding by local authorities (as opposed to central government) for services and grants to external bodies.

Lottery funding

Proportion of the national lottery Good Causes fund that is apportioned for the arts (currently 20% of all the funds distributed to good causes).

National lottery

State-franchised national lottery in the United Kingdom and the Isle of Man operated by Camelot Group.

National Portfolio Organisation (NPO)

Arts Council England's current term for organisations in their core portfolio.

Net expenditure

Money spent by an organisation less any income from external grants, sales to the public, etc.

Regularly Funded Organisation (RFO)

Arts Council England's previous term for organisations in their core portfolio.

Revenue funding

Funding to support core and overheads costs, not additional projects or activities.

Spending Review

The process by which the UK government decides how to allocate future funds and sets fixed limits for expenditure.

Standard Industrial Classification (SIC) codes

A way of classifying different types of businesses for statistical purposes, first established in the UK in 1948.

Sustain

Sustain was an Arts Council England initiative. Funding was available for arts organisations affected by the recession. The fund is now closed.

Taking Part Survey

A major, continuous survey of cultural and sport participation in England, commissioned by the DCMS.

The Audience Agency (TAA)

Not-for-profit organisation helping the arts sector to understand and develop audiences across England.

Treasury funding

Money coming directly from central government.

About the National Campaign for the Arts

We are the National Campaign for the Arts, a charity that campaigns for more public funding and investment in the arts because life is better for having the arts and culture as part of it. We are not complaining nay-sayers, we are positively For The Arts.

Our aims

To promote and celebrate the arts as essential in themselves and important to improving mental and physical health, happiness, empathy and educational achievement.

To campaign for greater public investment in order to give everyone affordable access to the arts, regardless of who they are, where they were born and how much money they have.

Underpinning all our work is a set of core beliefs and values:

1. The arts benefit everyone: from pre-school development to a longer, healthier, happier old age. The UK is a richer place in every sense when the arts are funded and supported.
2. Everyone should benefit from and be able to enjoy the arts, so we advocate for both opportunity and affordability.
3. The arts are valuable, financially and socially; artists and crafts people should be recognised and valued for their contribution.
4. The arts can be multifaceted and contradictory – accessible and obtuse, entertaining and educational, uplifting and heartbreaking, superficial and cerebral, free to offend and disturb.
5. The arts require long-term investment. The cultural ecosystem is complex and fragile; it needs to be protected and nurtured.

What we do and how we do it

We currently have three main areas of activity:

Hearts for the Arts

Since 2017, our annual Hearts for the Arts Awards have shone a spotlight on and celebrated the unsung heroes of Local Authorities and Cultural Trusts who champion the arts, often within a climate of severe financial challenges. Anyone can nominate someone they know and respect for a Hearts for the Arts Award. They're awarded annually on Valentine's Day, with winners being selected by a panel of artists and other arts professionals. You can find out more at: forthearts.org.uk/campaigns/hearts-for-the-arts/

Arts Index

The Arts Index is a snapshot report of the health of England's arts and culture provision. The Index pulls together data from a multitude of sources and compares year on year figures for twenty key indicators (from public participation to West End revenues). We've published the Arts Index roughly every two years, since 2011, and this edition is the fifth edition we've produced. You can see more about the Arts Index here: forthearts.org.uk/publications/arts-index-2019/

The Arts public campaign

We are scoping a large-scale, public facing campaign designed to encourage and enable the public at large to demonstrate their support for the arts. When the NHS is under threat patient power can make a real difference. We want to empower the public to make their voice heard in support of the arts.

Like what you've seen?

Then help us produce the next Arts Index by donating now...

The NCA is a small charity (Registered Charity no. 1079313), run almost entirely by a volunteer board who donate huge amounts of time and expertise because they believe in our work. Together, they do all of the NCA's fundraising, design work, financial management and a lot of the project management – all for free.

We have to pay for some expenses that come with running a charity – accountant's fees for instance – but most of our spending goes on direct campaigning costs.

We're a really lean organisation, but even so, to keep our campaigning work going we rely on donations from people who care about the arts. People like you, or the people around you.

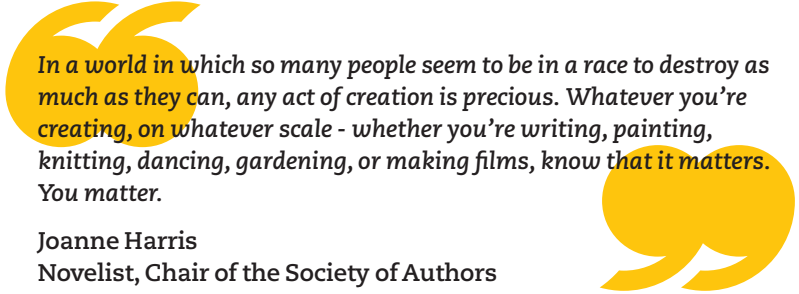
So if you think that public investment in the arts is a good thing, and want to help protect it, please think about donating to the NCA.

- With a small monthly donation of just £3 you can become a Registered Supporter, helping us spread the message that the arts are worth funding and fighting for.
- For a little more – from £7 per month – you can join one of our Supporter tiers to help us shout louder. You'll be supporting specific campaigns that provoke action from those who decide where our taxes are invested.

And because our overheads are so small you can be sure that your support will go directly towards project costs, and not be swallowed up into some big corporate machine.

Want to make a difference, and help us shout more loudly about the arts? That's brilliant. Thank you! Head to our support us page (forthearts.org.uk/support-us/) now to seal the deal.

Thank you.



In a world in which so many people seem to be in a race to destroy as much as they can, any act of creation is precious. Whatever you're creating, on whatever scale - whether you're writing, painting, knitting, dancing, gardening, or making films, know that it matters. You matter.

Joanne Harris
Novelist, Chair of the Society of Authors

The Arts Index is a snapshot of the health of England's arts and culture provision. It pulls together data from a multitude of sources and compares year-on-year figures for twenty key indicators, from public participation to West End revenues.

The National Campaign for the Arts has published the Arts Index roughly every two years since 2011. This edition is the fifth we've produced.

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ENGLAND**