

Arts Funding Review

D2N2 compared to England and the English regions
Nottingham compared to other English 'Core Cities'

8 April 2024

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Introduction

This brief, unfunded study was designed to give an objective view of the current investment in the arts in the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) area.

It reveals that the region as a whole and Nottingham as its 'Core City' is not receiving the national or local funding for the arts that it would expect.

We hope that the Mayoral Elections for the East Midlands Combined County Authority will provide an opportunity to highlight both the major role the arts are currently playing throughout the region in supporting communities and changing lives, and what more could be achieved if the region received an equitable share of investment.

Headlines

D2N2 compared to the English regions¹

- Since the National Lottery began in 1995, the amount of arts funding distributed in D2N2 has been £10 per head less than the average for the English regions. This equates to **over £21 million of lost funding** to the region.
- Arts Council England distributes £11.5 million of revenue funding to a total of 25 organisations in D2N2 every year. That equates to £5.21 per person. The average for the English regions is £6.14. If D2N2 received the English average, the region would receive **over £2 million in additional national funding every year**.
- The 19 Local Authorities in D2N2 collectively annually invest £8.3 million in the arts. That equates to £3.79 per person. The average for the English regions is £7.14. If D2N2 authorities matched the English average, **the arts would receive an additional £7.4 million in local funding every year**.

Nottingham compared to other English 'Core Cities'²

- Nottingham has historically received **less arts lottery funding per capita than the average for English 'Core Cities'**. This has continued to be the case in recent years, although the gap has narrowed considerably.
- Nottingham is **home to fewer nationally revenue-funded arts organisations than all but one other English 'Core City'** and also receives less national funding per person than all but one.
- Nottingham was already the **lowest 'Core City' investing authority in the arts** before the decision to cut arts funding by 100% on 5 March 2024.
- When compared with a further ten unitary authorities, Nottingham was already the **lowest investing authority in the arts** before the decision to cut arts funding by 100%.

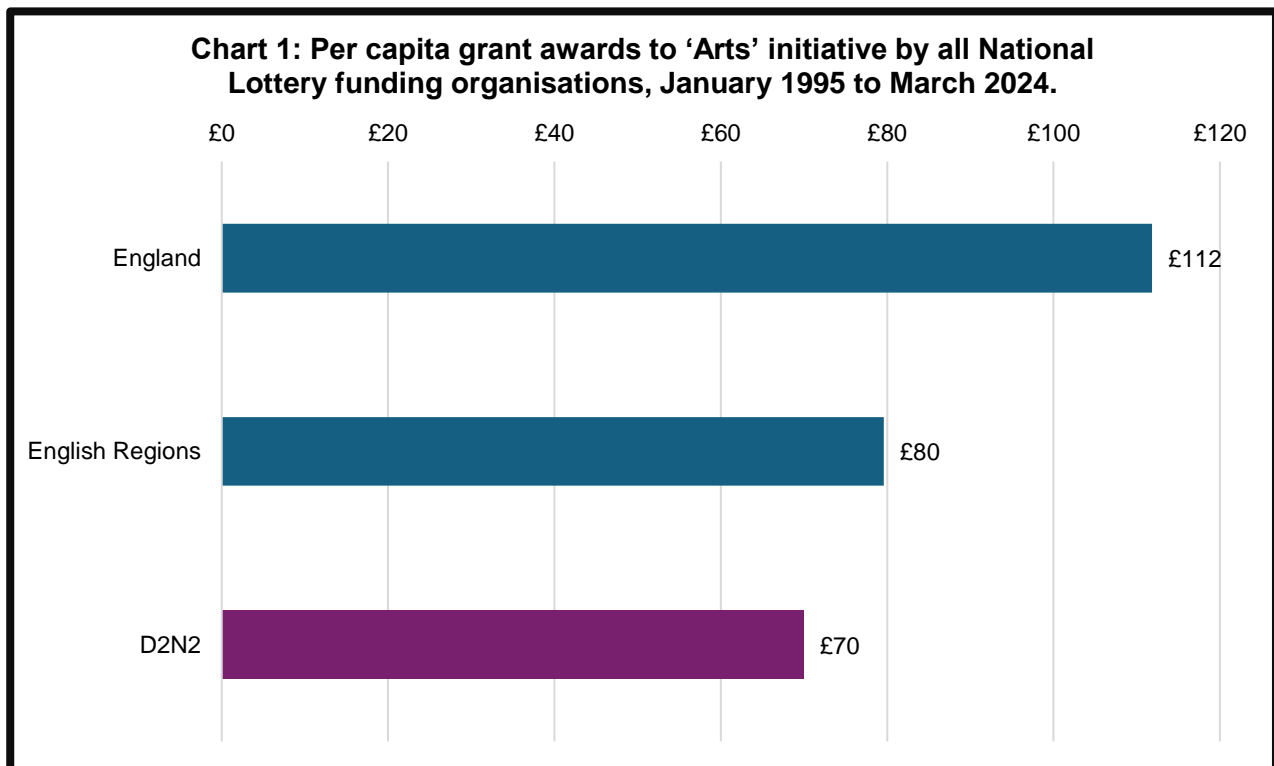
¹ Our definition of the 'English Regions' is the historic Government Office Regions excluding Greater London (South East, South West, West Midlands, North West, North East, Yorkshire and the Humber, East Midlands, East of England).

² Core Cities UK is an alliance of eight English cities (Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield) as well as Belfast, Cardiff and Glasgow

a) D2N2 compared to the English regions

1) Lottery Funding

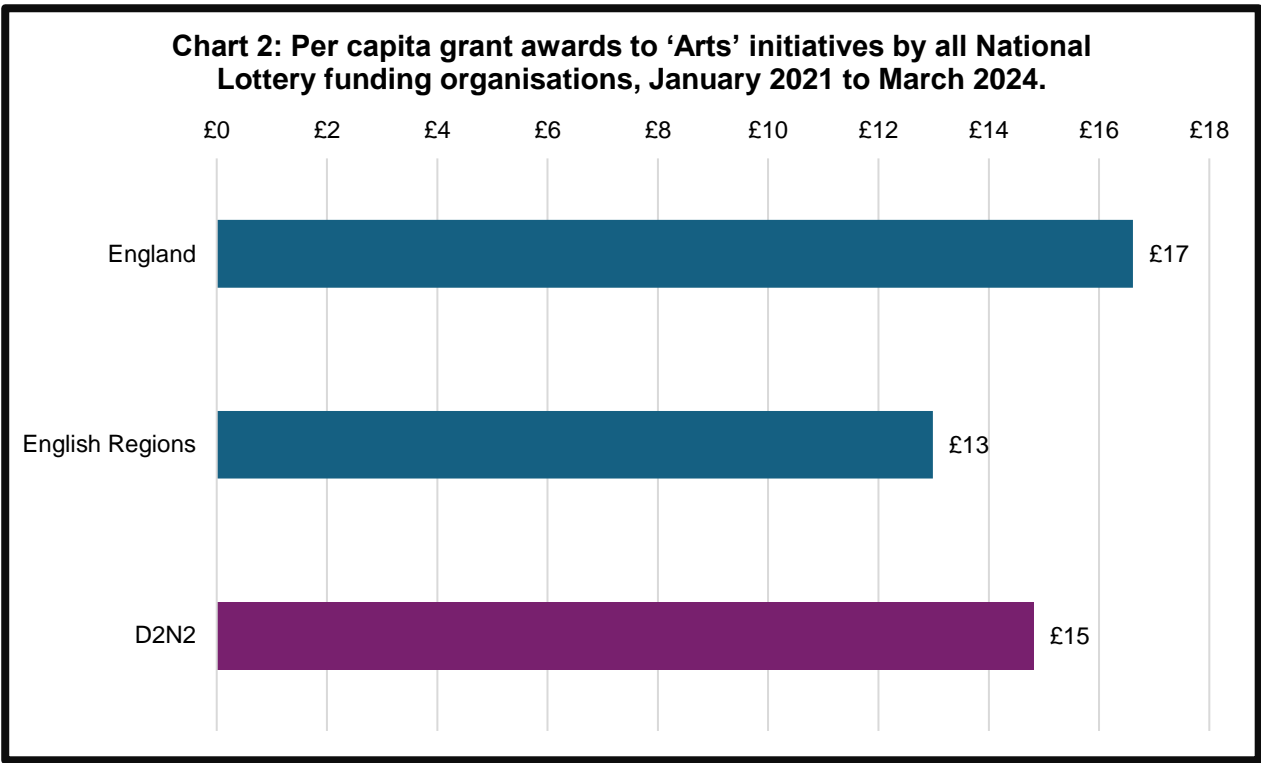
Data comes from the [DCMS Lottery Database](#)³. All grants for the ‘good cause: Arts’ were selected across all funding organisations. ‘England’ totals include national grants not allocated to a single region. ‘English Regions’ totals are based on the total for the eight English regions (excluding London). Data was downloaded at the beginning of March 2024. Population figures come from the Office for National Statistics (ONS) from the 2021 Census.



Since the National Lottery began in 1995, the amount of arts⁴ funding distributed in D2N2 has been £10 per head less than the average for the English regions. This equates to over £21 million of lost funding to the region.

³ <https://nationallottery.dcms.gov.uk/charts>

⁴ It should be noted that Nottingham also received a ‘sport’ grant of £22.5 million for the National Ice Centre in 1998. Over half the Arena’s content is now cultural, including music, comedy and family shows.

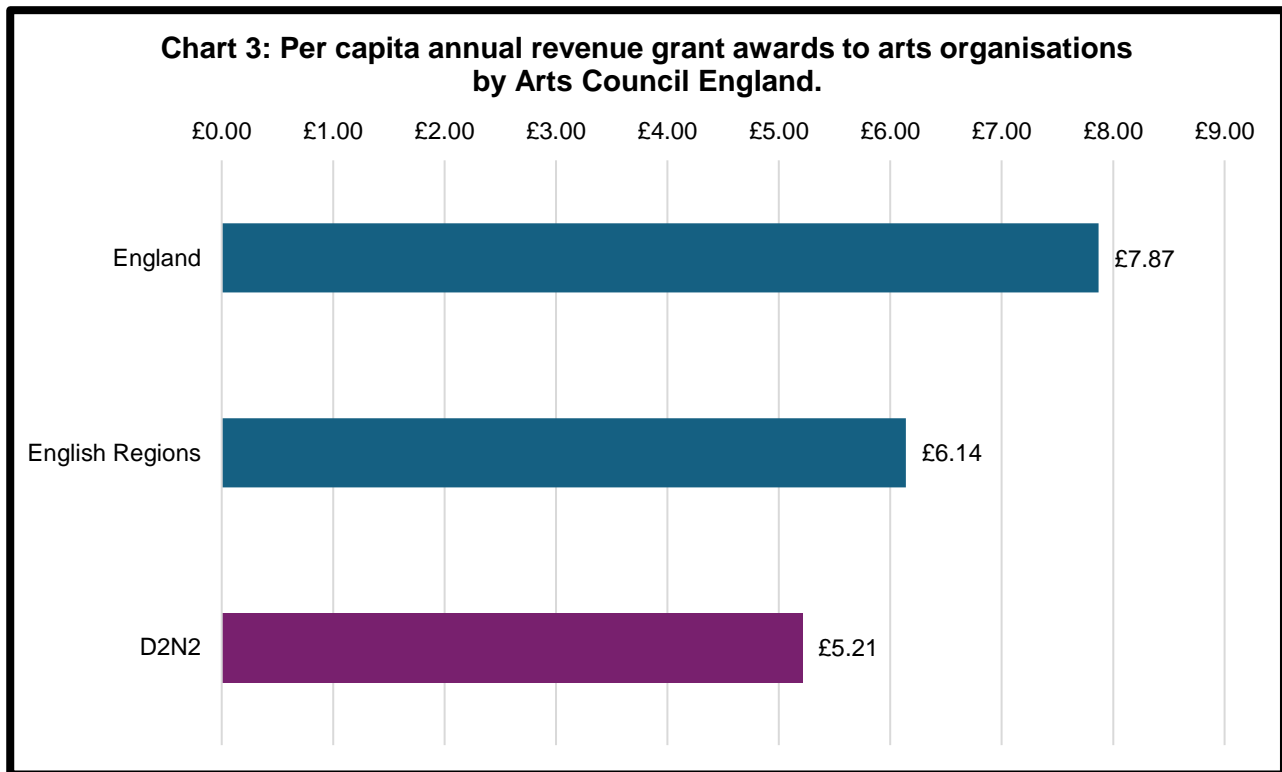


From the start of 2021 to the time of analysis (March 2024), National Lottery arts grants in D2N2 exceeded the average for the English regions by £2 per person.

This is the only metric in the study where D2N2 (and Nottingham) is receiving more than the average for England excluding Greater London.

2) Arts Council England Revenue Funding

Data comes from Arts Council England's '[2023-26 Investment Programme: Data](#)⁵'. It includes all 985 organisations that have been funded as 'National Portfolio Organisations (NPOs), Investment Principles Support Organisations (IPSOs), and Transfer NPOs and IPSOs for the funding period 2023-26'. Per capita figures are calculated using the data for '2023-26 Annual Funding (Offered 4 Nov 2022)' and ONS population data (Census 2021).



Arts Council England distributes £11.5 million of revenue funding to a total of 25 arts organisations in D2N2 every year. That equates to £5.21 per person. The average for the English regions is £6.14. If D2N2 support matched the English average (excluding Greater London), the region would receive over £2 million in additional national funding every year.

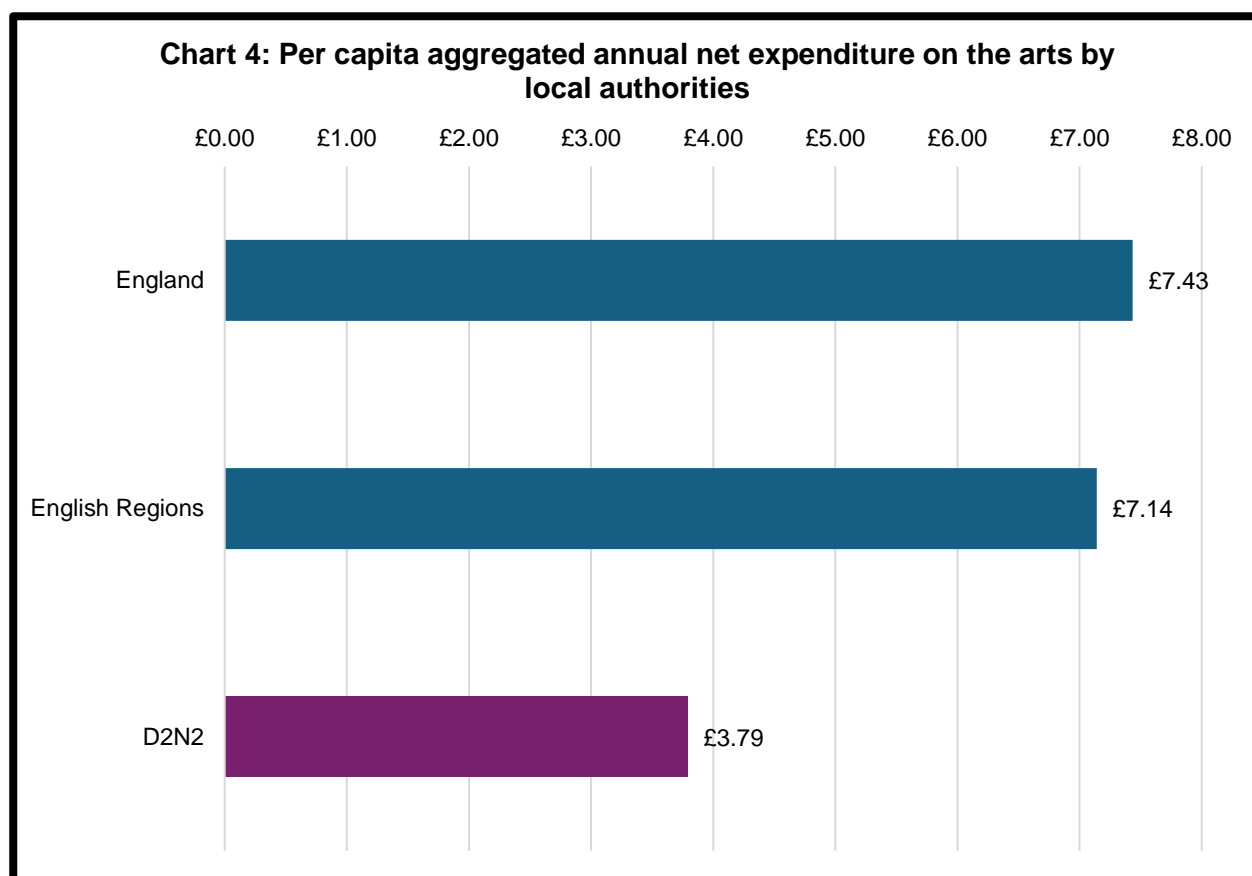
⁵ <https://www.artscouncil.org.uk/how-we-invest-public-money/2023-26-Investment-Programme/2023-26-investment-programme-data>

3) Local Government Arts Funding

Data comes from the Department for Levelling Up, Housing and Communities' ['Local authority revenue expenditure and financing England: 2022 to 2023 individual local authority data – outturn'](#)⁶. The specific source is ['Revenue outturn cultural, environmental, regulatory and planning services \(RO5\) 2022 to 2023'](#)⁷. Arts figures are calculated by aggregating the revenue for three services:

Service category code	Service category description
112	Arts development and support
114	Museums and galleries
115	Theatres and public entertainment

Full descriptions of each are included in the [General fund revenue account outturn: specific guidance notes](#)⁸. Per capita figures are calculated by dividing the 'Net Current Expenditure' by ONS population data (Census 2021).



The 19 Local Authorities in D2N2 collectively invested £8.3 million in the arts in 2022/23. That equates to £3.79 per person. The average for the English regions was £7.14. If D2N2 authorities matched the English average, the arts would have received an additional £7.4 million in local funding.

⁶ <https://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2022-to-2023-individual-local-authority-data-outturn>

⁷ https://assets.publishing.service.gov.uk/media/65a018d0e8f5ec000f1f8c00/RO5_2022-23_data_by_LA_Live.ods

⁸ <https://www.gov.uk/government/publications/general-fund-revenue-account-outturn/general-fund-revenue-account-outturn-specific-guidance-notes#ro5-cultural-environmental-regulatory-and-planning-services>

b) Core Cities Comparison

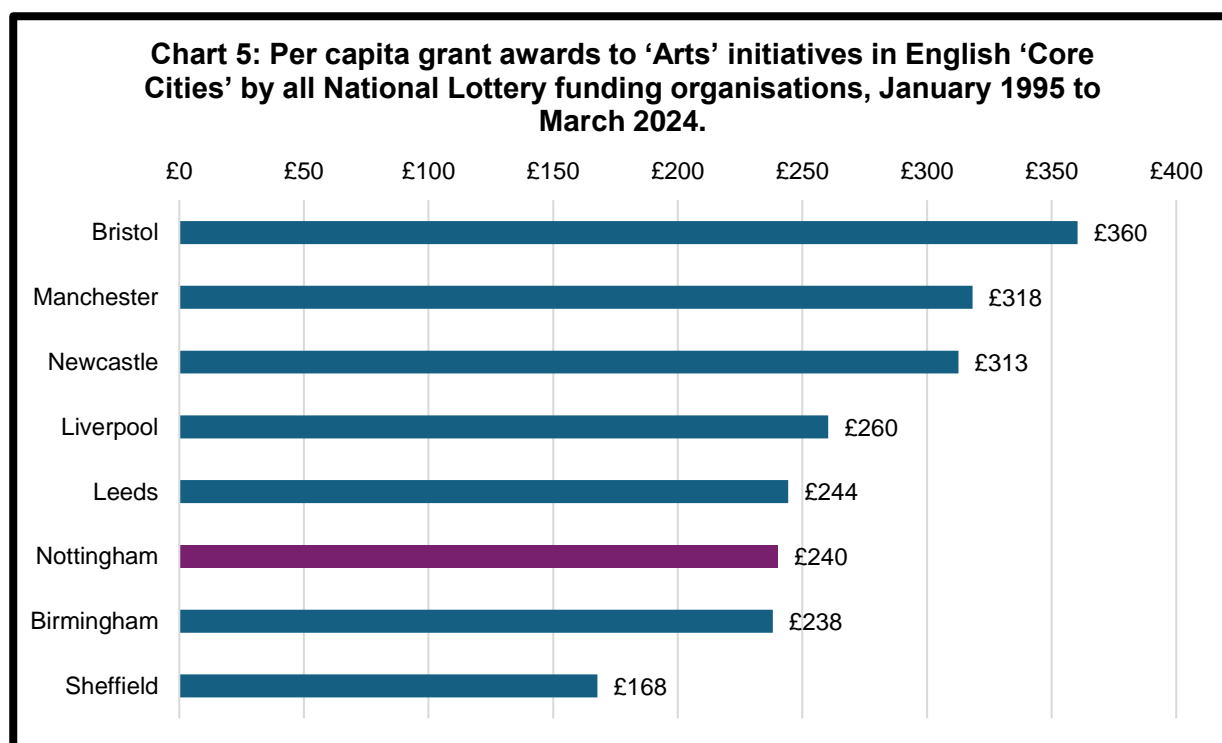
Core Cities UK is an alliance of eight English cities (Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield) as well as Belfast, Cardiff and Glasgow.

In 2015 they published the [UK Cities Culture Report](#)⁹, which examined the cities' position as cultural capitals and the importance of arts to their city economies.

There are different conventions on how funding data is collected, categorised and reported around the UK. For this study we are comparing Nottingham solely with its English peers.

1) Lottery Funding

Data comes from the [DCMS Lottery Database](#)¹⁰. All grants for the 'good cause: arts' were selected across all funding organisations. Data was downloaded at the beginning of March 2024. Population figures come from the Office for National Statistics (ONS) from the 2021 Census.

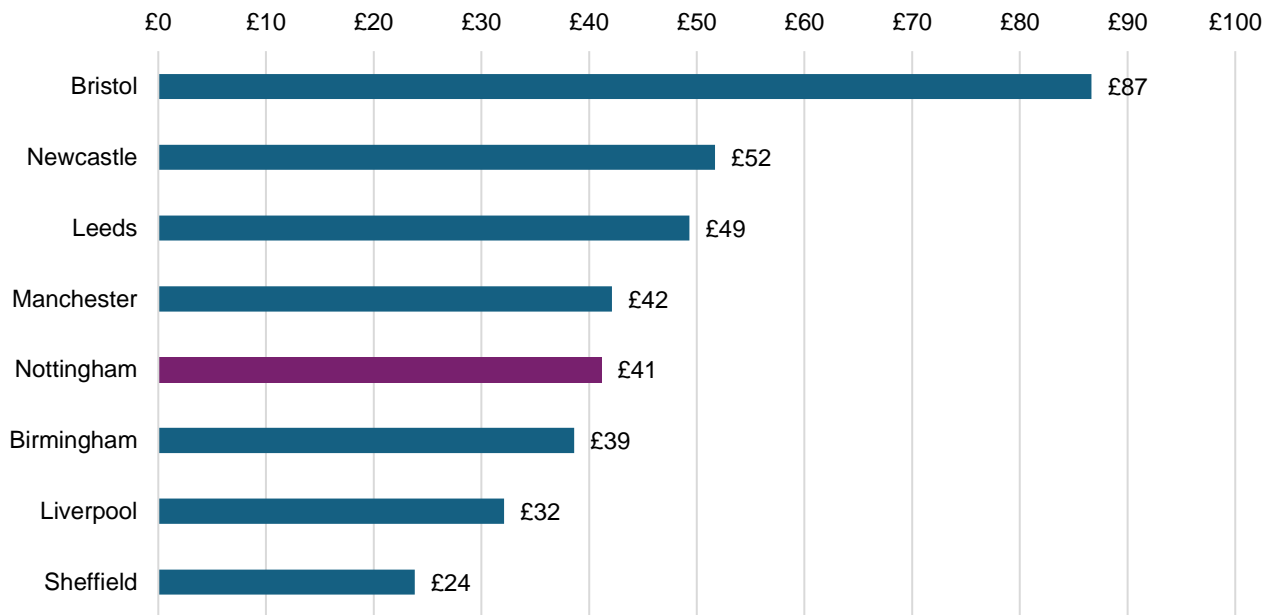


Since the National Lottery began in 1995, the amount of arts funding distributed to projects in Nottingham is £20 per person below the average for English 'Core Cities'. This equates to £6.4 million less funding to Nottingham compared to the average.

⁹ <https://www.corecities.com/publications/cities/cities/cardiff/uk-cities-culture-report-2015>

¹⁰ <https://nationallottery.dcms.gov.uk/charts>

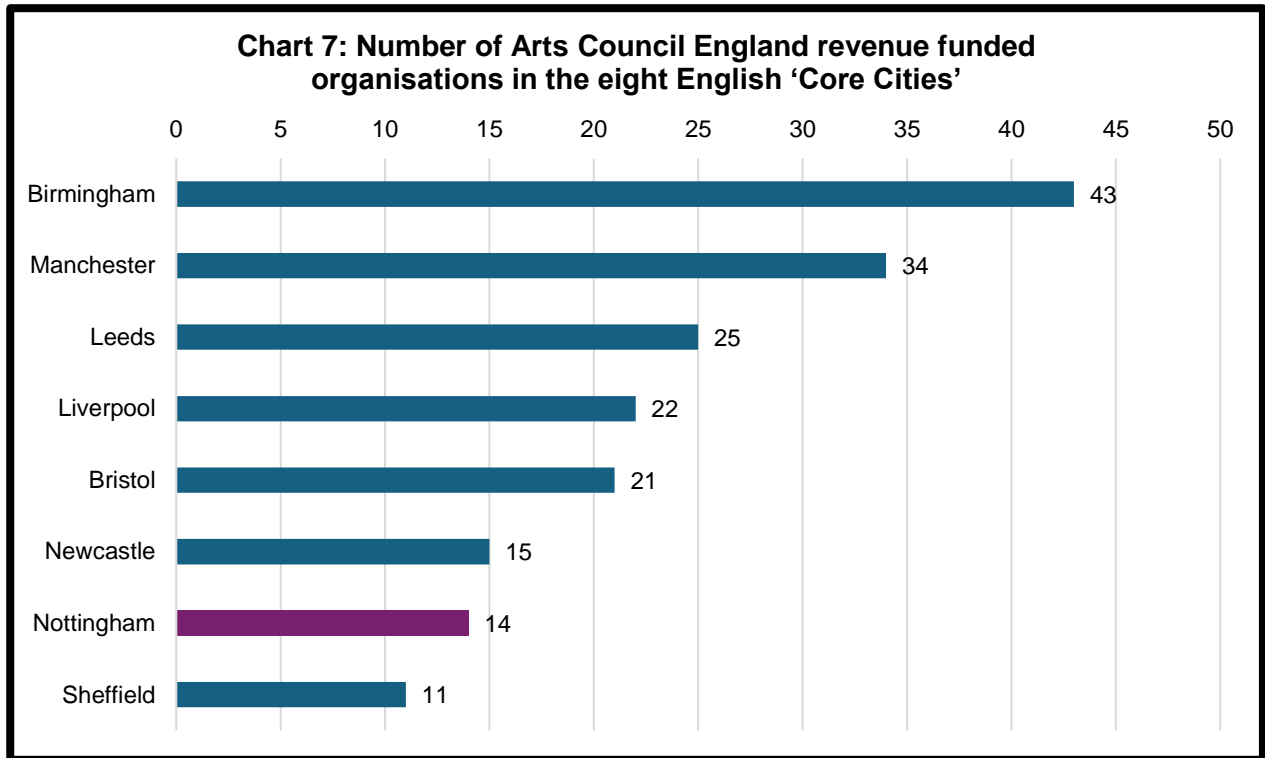
Chart 6: Per capita grant awards to 'Arts' initiatives in English 'Core Cities' by all National Lottery funding organisations, January 2021 to March 2024



In recent years per capita arts Lottery funding to Nottingham (£41) has been close to the mean across the 'Core Cities' (£44).

2) Arts Council Funding

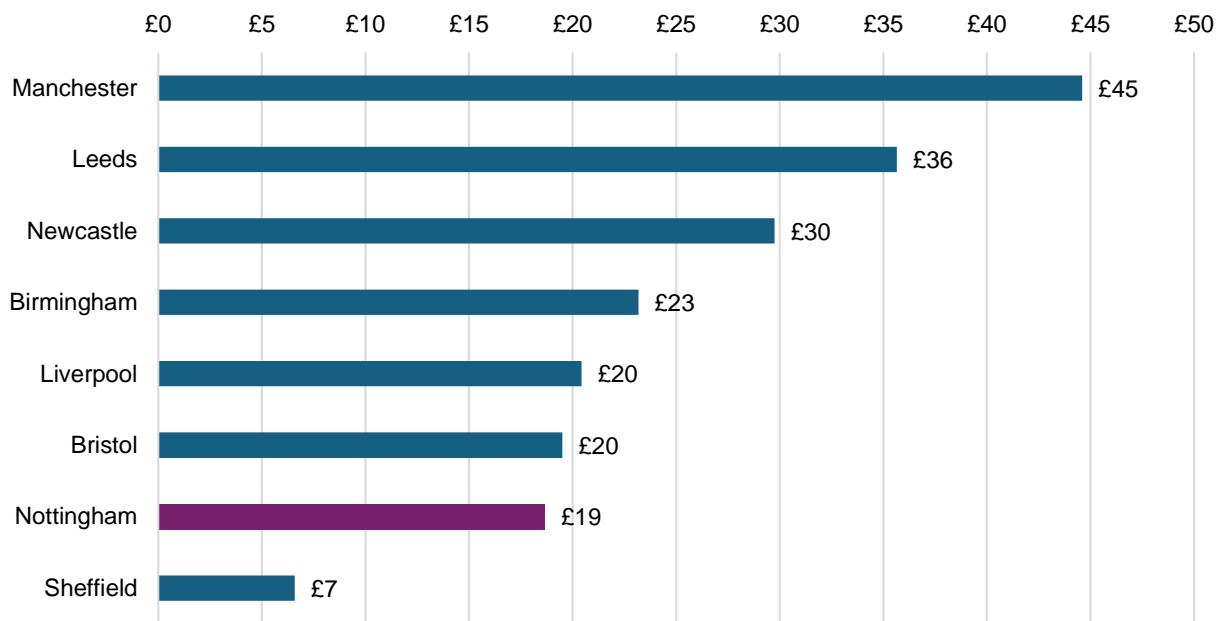
Data comes from Arts Council England's '[2023-26 Investment Programme: Data](#)¹¹'. It includes all 985 organisations that have been funded as 'National Portfolio Organisations (NPOs), Investment Principles Support Organisations (IPSOs), and Transfer NPOs and IPSOs for the funding period 2023-26'. Per capita figures are calculated using the data for '2023-26 Annual Funding (Offered 4 Nov 2022)' and ONS population data (Census 2021).



On average each 'Core City' is home to 22 nationally funded arts organisations. Only 14 organisations in Nottingham receive revenue funding from Arts Council England.

¹¹ <https://www.artscouncil.org.uk/how-we-invest-public-money/2023-26-Investment-Programme/2023-26-investment-programme-data>

Chart 8: Per capita annual revenue grant awards to arts organisations in the eight English 'Core Cities' by Arts Council England.



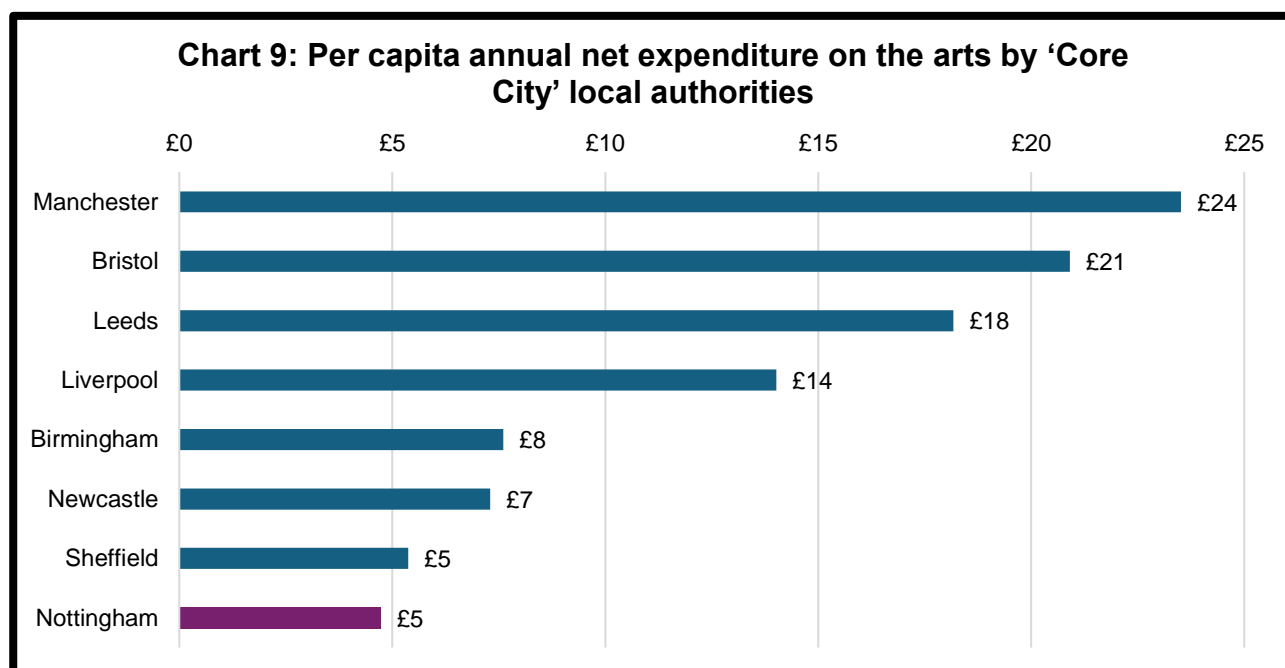
On average each 'Core City' receives the equivalent of £25.37 per person in revenue funding from Arts Council England to arts organisations. Nottingham receives just £18.67. If Nottingham received the average this would bring over £2.1 million in additional national funding every year.

3) Local Government Arts Funding

Data comes from the Department for Levelling Up, Housing and Communities' ['Local authority revenue expenditure and financing England: 2022 to 2023 individual local authority data – outturn'](#)¹². The specific source is ['Revenue outturn cultural, environmental, regulatory and planning services \(RO5\) 2022 to 2023'](#)¹³. Arts figures are calculated by aggregating the revenue for three services:

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Full descriptions of each are included in the [General fund revenue account outturn: specific guidance notes](#)¹⁴. Per capita figures are calculated by dividing the 'Net Current Expenditure' by ONS population data (Census 2021). Funding data is not yet available for Birmingham for 2022/23 so the published figures for 2021/22 have been used instead.



The average per capita annual net expenditure by 'Core City' authorities in 2022/23 was £12.75. Nottingham was the lowest at £4.73¹⁵. If Nottingham had matched the English average, the arts would have received an additional £2.6 million in local funding. On 5 March 2024 Nottingham City Council agreed to cut arts funding by 100%.

¹² <https://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2022-to-2023-individual-local-authority-data-outturn>

¹³ https://assets.publishing.service.gov.uk/media/65a018d0e8f5ec000f1f8c00/RO5_2022-23_data_by_LA_Live.ods

¹⁴ <https://www.gov.uk/government/publications/general-fund-revenue-account-outturn/general-fund-revenue-account-outturn-specific-guidance-notes#ro5-cultural-environmental-regulatory-and-planning-services>

¹⁵ It should be noted that Nottingham's figures for 'Theatres and public entertainment' in 2022/23 include a 'negative investment'. This is because the Theatre Royal and Royal Concert Hall (owned and run by Nottingham City Council) generated a net surplus that contributed to the local authority's funds.

Chart 10: Per capita annual net expenditure on the arts by selected unitary authorities	
Local Authority	Net Arts expenditure per capita
Kingston upon Hull, City of	£29.11
Ipswich	£26.07
Leicester	£18.43
Portsmouth	£18.25
Brighton and Hove	£16.68
Wolverhampton	£15.26
Southampton	£14.43
Derby	£9.45
Bournemouth, Christchurch and Poole	£7.91
Coventry	£4.91
Nottingham	£4.73

Using the same source data and methodology used to calculate Nottingham in comparison to other 'Core Cities' in Chart 9, we then analysed a further ten major English cities (chosen as cities with a reputation for a strong cultural offer and/or their vicinity to Nottingham). Per capita expenditure in 2022/23 varied greatly, but every authority exceeded the £4.73 net investment made by Nottingham.

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