

Arts Council England,  
Grant-in-Aid and National Lottery  
Distribution 2024/25



# Annual Report & Accounts

For the year ended 31 March 2025





ARTS COUNCIL ENGLAND

ANNUAL REPORT AND ACCOUNTS 2024-2025

For the period 1 April 2024 to 31 March 2025

Presented to the Parliament pursuant to sections 34(3) and 35(5) of the National Lottery Act 1993 (as amended by the National Lottery Act 1998 and National Lottery Act 2006).

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# Trustees Annual report

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# Chair's report



**The principle that everyone should have access to the very best in art and culture is the foundation of our strategy Let's Create. It is writ large in the Arts Council's successive Royal Charters. It is also a principle that underpinned the influential White Paper on arts and culture published 60 years ago this year by the first Arts Minister, Jennie Lee.**

Excellence and access do not exist in isolation from each other and are not mutually exclusive. In the best of creativity and culture they combine to form a catalyst which sparks innovation, ambition and dynamism. Together they can create the conditions that can thrill audiences everywhere, nurture talent wherever it is found, and allow our artists, arts organisations, museums and libraries to flourish across the country.

This annual report is the second to cover our 2023-26 National Portfolio, comprising nearly 1,000 organisations that show what excellence and access working in harmony can bring to communities across England. There is a limit to the number of examples of brilliant work we can highlight in a single annual report. I therefore want to thank all the individuals and organisations we invest in, and work with, who bring outstanding performances and exhibitions to audiences living across England every single day.

The reach of that work is clear from the insights gained from our audience data platform **Illuminate**, which published its first findings this year. These show that more than 73 million people attended over 84,000 events

put on by the arts organisations, museums and libraries we invested in during 2023/24. To put those numbers into perspective, it is the equivalent of filling Old Trafford, the largest Premier League football ground, a total of 984 times. Data from **Illuminate** also indicates that our National Portfolio Organisations presented events and activities in every local authority area of England throughout 2023/24. Our partnership with the Department for Culture, Media and Sport on the **Participation Survey** shows that more than nine out of 10 adults (91 per cent) engaged with the arts – for example by reading a book, playing a musical instrument, or attending a performance. Evidence, whether gathered through **Illuminate**, the **Participation Survey**, or our other data sources and research, helps to build a strong case for public investment in arts and culture and shows the enjoyment people gain from the creative activities and cultural experiences that funding helps to provide.

This year has seen us look back at the measures for success set out in our **Delivery Plan 2021-24**. I am pleased to say that despite the challenges during that period, whether from the effects of the global pandemic, cost-of-living crisis or the pressures on local government finances, tangible progress was made. The review of the **Delivery Plan** highlighted, among other things, that in its first year the new National Portfolio generated £2 billion of income and that 850 organisations have expressed an interest in All In – our new access scheme for disabled people which began its pilot in Leeds at the start of 2025. I am pleased to say the number of organisations expressing an interest in All In has since risen to 1050. It also showed the breadth of our commitment to international working. This included our support for



“

The new National Portfolio generated £2 billion of income and that 850 organisations have expressed an interest in All In – our new access scheme for disabled people which began its pilot in Leeds at the start of 2025. It also showed the breadth of our commitment to international working.

”

WOMEX, the World Music Expo, held in Manchester in 2024, the annual Future Arts and Culture showcase at South by Southwest in Austin, Texas, curated by British Underground, and a pavilion curated by Shape at the Venice Biennale last year.

The new **Delivery Plan** sets out how we will strive to make the ambition of **Let's Create** a reality, as well as how the Arts Council's strategy and work aligns with the five missions of the new Government. There is much across all five of those missions that is reflected in our own role and work as the champion, advocate and development agency for creativity and culture in England. The Arts Council believes that this is particularly true in the areas of economic growth and in breaking down the barriers to opportunities. Our cultural and creative sector is one of our country's economic success stories. Its continued vitality is essential to the Government's plans to kickstart economic growth and it is also crucial to our soft power as a nation in an increasingly uncertain world. The vibrance of our sector can only be maintained if it is able to draw on talent wherever it exists. The opportunity for everyone to experience outstanding creativity and culture from their early years is essential if we are to inspire the next generation of artists, performers, curators, technicians and audiences.

This is not a novel principle. It is an indelible part of our history, and it must continue to guide our ambitions for the future.

**Sir Nicholas Serota CH**  
Chair, Arts Council England



# Chief Executive's report



**In these pages we celebrate just a fraction of the many creative successes that Arts Council**

**England investment plays a part in bringing to life. However, the positive outcomes of this investment of public money do not happen effortlessly or automatically. Our cultural sector continues to experience huge challenges on a local, national and international scale. Many of the achievements we celebrate here defy the odds. They are the product of extraordinary dedication, resilience and sheer hard graft by two groups of people: the creative professionals who make, curate and perform across England, and those who work behind the scenes in leadership, technical and support roles in our cultural organisations, ensuring that they continue to excel every day. These are not easy jobs. We owe all who undertake them an immense debt of gratitude.**

Over the past ten years, as I have travelled the length and breadth of England, I have come to know and understand how our creative ecology works, and I believe we are on the way to realising a vision in which everyone everywhere can have equal access to the best performances, exhibitions and artistic events close to where they live. This belief is at the very heart of Arts Council England's 10-year strategy **Let's Create**.

As we mark the halfway point of the strategy, it is important to pause to recognise the immense amount that has been achieved so far by our artists, arts organisations, museums and libraries. But our collective job here is not yet done. I have seen and heard for myself the scale of ambition of the creative professionals with whom we work every day. Despite financial and societal challenges, they have a hunger to do more. By nature, they are future facing, embracing a sense of what is possible and what more might be achieved. And they do this not in service of themselves, but in service of the audiences and communities with whom they work.

Across England I have visited exciting new venues, many of which have been helped into being through major capital investments made by Arts Council England and using taxpayers' and National Lottery funds: among them, Storyhouse – the library, theatre and cinema in Chester; Shakespeare North Playhouse – a theatre that has sparked regeneration in the centre of Prescott; the Fire Station – fast becoming the must-visit music venue in Sunderland; and The Box – the gallery, archive and museum in Plymouth.

I've seen works of ambition and innovation: from exhibitions of new art at Nottingham Contemporary to the technology embraced by the creative community at Pervasive Media Studio at Watershed in Bristol; from work presented by young people at Burnley Youth Theatre to the terrific writing, acting and production values of *The Children's Inquiry*, created by Helen Monks and Matt Woodhead from the wonderful Barnsley-based Lung Theatre.

Everywhere you go in England, you will find brilliant art breaking out in unexpected places,

with traditional art forms being presented in daring and innovative ways by highly creative professional performers, producers and directors.

Take opera as an example: I was at Leeds Grand Theatre for Opera North's stunning production of Mozart's *Magic Flute*. It was an utterly magnificent occasion. New generations of audiences are discovering opera presented at this scale, with our major opera companies continuing to create and innovate across England with new commissions and new versions of much-loved favourites. I absolutely loved an intimate performance, just as artistically excellent but much smaller in size, of Wagner's *The Flying Dutchman* at the Invisible Wind Factory in Liverpool, produced by Southampton-based OperaUpClose in partnership with musicians from Manchester Camerata. I caught an excellent performance of *Windrush: The Journey* playing to an extremely appreciative audience at the Bristol Beacon. Showcasing a rich tapestry of music and storytelling, and celebrating Black classical composers of the past, present and future, the production was created by Pegasus Opera Company, whose mission specifically champions under-represented voices in opera.

And who could have failed to have been completely blown away by Birmingham Opera Company performing Tippett's dystopian *New Year* with the City of Birmingham Symphony Orchestra, conducted by Alpesh Chauhan in a big top pitched on a car park in Birmingham city centre? The audience was free to move around the tent during the performance, with the action happening all around us. Truly, this was Birmingham Opera Company living up to the creative ideals of its founder, the late Sir

Graham Vick, and to its tagline: 'Not what you expect from opera'.

This year has also seen the announcement of a raft of new plans for English National Opera's move to Manchester. At a special event at Manchester Metropolitan University to preview what's to come over the next couple of years, I was struck by the warmth of the welcome for ENO and a palpable sense of excitement from audiences, artists and cultural leaders that the company is to be based in the city. There were heartfelt speeches from the Greater Manchester mayor Andy Burnham, the leader of Manchester City Council Bev Craig, the mayor of Salford Paul Dennett and the vice-chancellor of Manchester Metropolitan University Malcolm Press.

ENO's chief executive Jenny Mollica and Artistic Director Annilese Miskimmon both spoke inspiringly of their plans. At their heart: the thrilling prospect of opera performances to come at Aviva Studios, the Lowry and the Bridgewater Hall. Excellent and innovative work on stage is central to all our great performing companies such as ENO, but the ambitions of Jenny Mollica and Annilese Miskimmon are not limited to the stage. Their vision embraces the people of Greater Manchester in everything they do. ENO's creative, education and community partners include Factory International, Improbable, Walk the Plank, the Halle Orchestra, the BBC Philharmonic Orchestra, the Royal Northern College of Music, Greater Manchester and Blackburn with Darwen Music Hub, the University of Manchester and NHS Greater Manchester. The plans and programme announced by ENO are truly electrifying, in scale, scope and ambition. It's thrilling to anticipate this innovative, exceptional work being staged in Manchester



“

In the past year, it has been gratifying to see for myself visible evidence of the positive effect of this investment in places as far apart as Ashfield, Barrow in Furness, Crawley, Enfield, Gosport, Great Yarmouth, Grimsby, Mansfield, Portsmouth, Rochdale, Rotherham, the Tees Valley, Wigan and Wolverhampton.

”





– and to know that this work will reach out to touch audiences around the world. It’s exciting to see how Arts Council England’s investment in ENO will benefit audiences not only in the cities of Manchester and Salford – but also in the surrounding towns. This is nothing less than the people of Greater Manchester deserve.

The best of innovation and the best of tradition thrive alongside each other in a consistent celebration of all that is best about our national culture, whether that’s the newly opened Hopetown Museum celebrating 200 years of the railway in Darlington; the remarkable BBC Proms concerts in consecutive years by the Aurora Orchestra conducted by Nicholas Collon, when the musicians performed Stravinsky’s *Rite of Spring* and Beethoven’s Ninth Symphony completely from memory; James Graham’s powerfully devastating play *Punch* directed by Adam Penford at Nottingham Playhouse; the internationally successful *Black Sabbath – The Ballet* commissioned by Carlos Acosta at Birmingham Royal Ballet; or Indhu Rubasingham’s newly announced opening season in the first year of her tenure as director and co-chief executive of the National Theatre.

Over recent years, we have focused a significant investment in artists, arts organisations, museums and libraries in 54 priority places around the country. These were places where cultural investment has previously not been at a high enough level. In the past year, it has been gratifying to see for myself visible evidence of the positive effect of this investment in places as far apart as Ashfield, Barrow in Furness, Crawley, Enfield, Gosport, Great Yarmouth, Grimsby, Mansfield, Portsmouth, Rochdale, Rotherham,

the Tees Valley, Wigan and Wolverhampton. The benefits for people living in these towns and cities is evident with a renewed cultural infrastructure and a growth in the number of high-quality artistic and cultural happenings on their doorsteps. Our Creative People and Places projects successfully operate in many of our priority places. We continue to learn so much from the co-curated model of creativity that is central to each of these projects. The positive effect of professional artists, performers and curators working in surprising new ways in local neighbourhoods is clear to see.

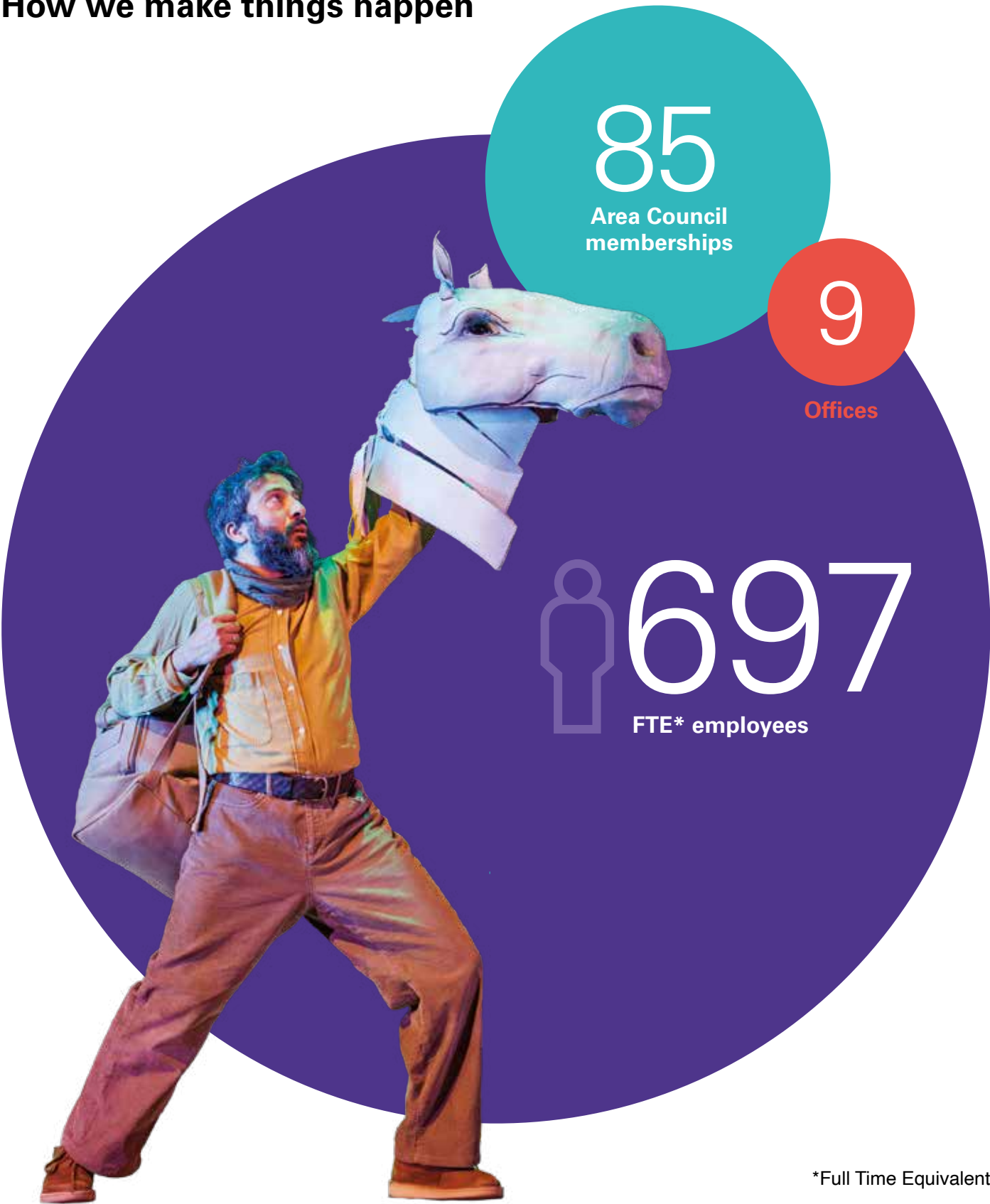
Added together, our National Portfolio Organisations, our Creative People and Places projects, and the individual artists and organisations funded through National Lottery Project Grants make up a wonderfully interconnected cultural ecology that extends across our villages, towns and cities. And, separately, each of them also shows the value of public investment in culture and creativity. It is this investment of public funds that enables our artists, performers, writers, directors, producers and curators to imagine and invent, to innovate and originate, to design and build. We forget the value and impact of that investment at our peril.

### **Dr Darren Henley CBE**

Chief Executive, Arts Council England

# Our organisation

## How we make things happen



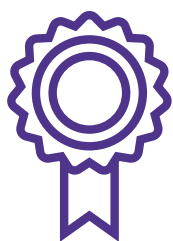
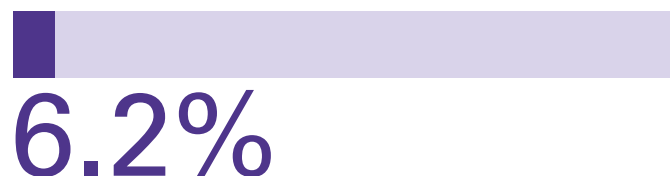
\*Full Time Equivalent

## Our Employees

Over the last 5 years, the number of Disabled staff **has increased** from



**Voluntary leaver rate** in 2024/25



**Investors in People (IIP)** awarded Arts Council England the **Gold Standard**

**81.2%**

of respondents in Our Investors in People staff survey agreed that **Arts Council England is a great place to work**

**91.9%**

agreed it has a **positive impact on society**



## National & Area Council memberships

### 5 Area Councils

Covering North, Midlands, South West, London and South East

### 70 Area Council Members

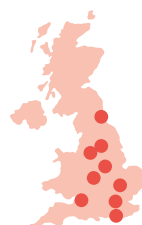
Across these five areas



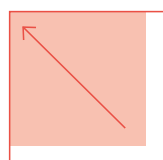
National Council members



Successfully completed the relocation of our largest office (Manchester) into a **smaller, greener, better-quality space**



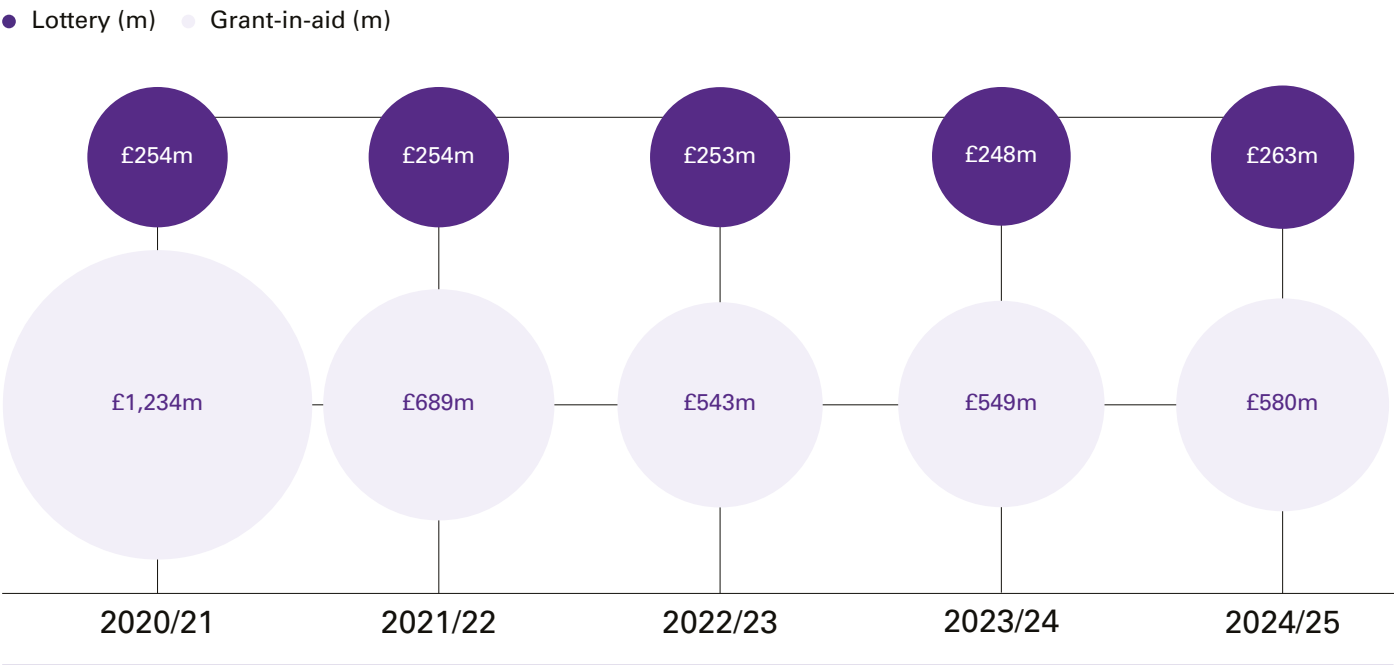
**Majority of workforce located outside of London and the South East**, and we maintain a meaningful local presence in regional centres in England



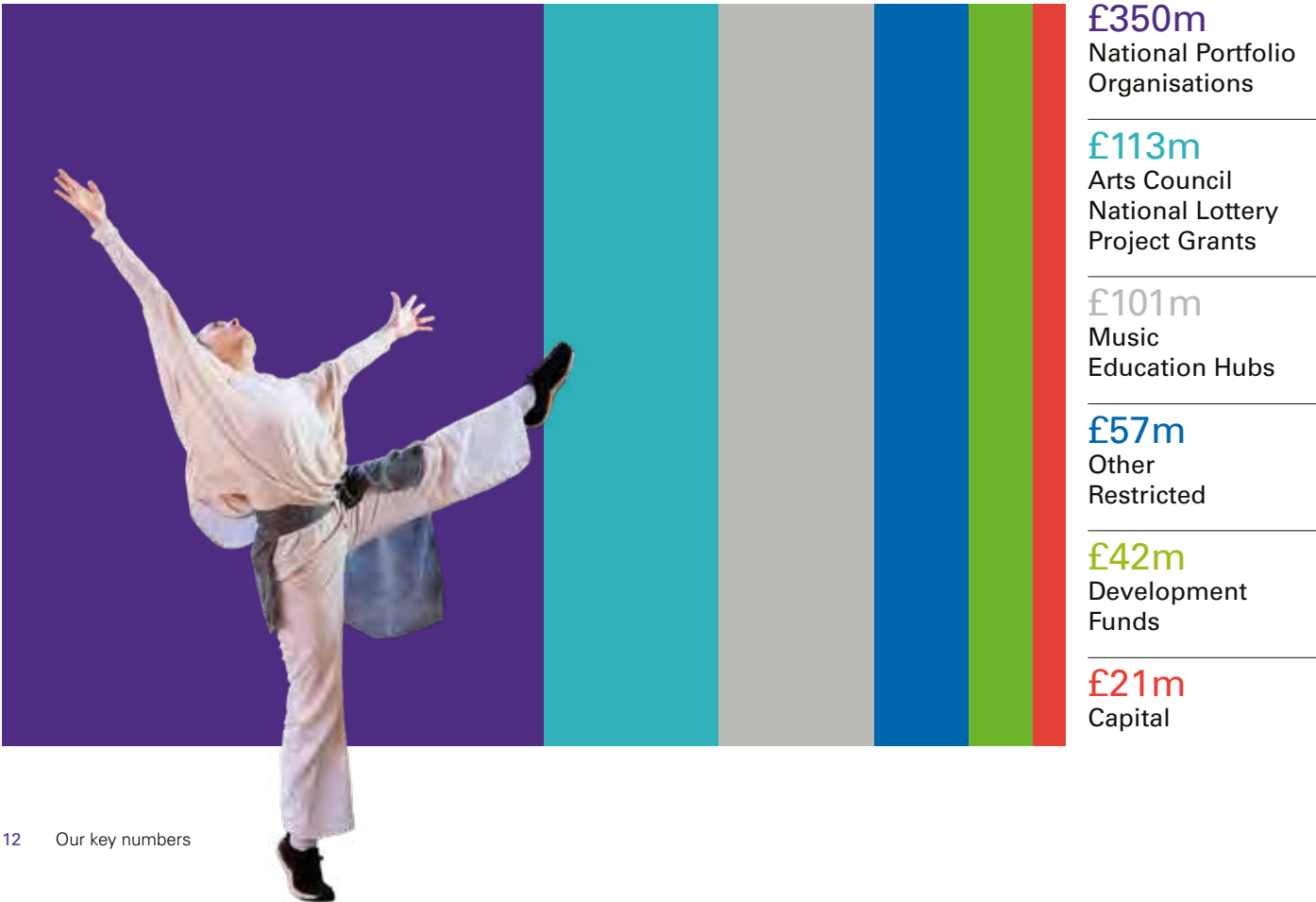
**Office utilisation efficiency has improved** from 5.71m<sup>2</sup> to **4.8m<sup>2</sup>** space per FTE as a result of space rationalisation

# Our key numbers for 2024/25

## Our total income (£m)



## Our expenditure 2024/25 (£m)



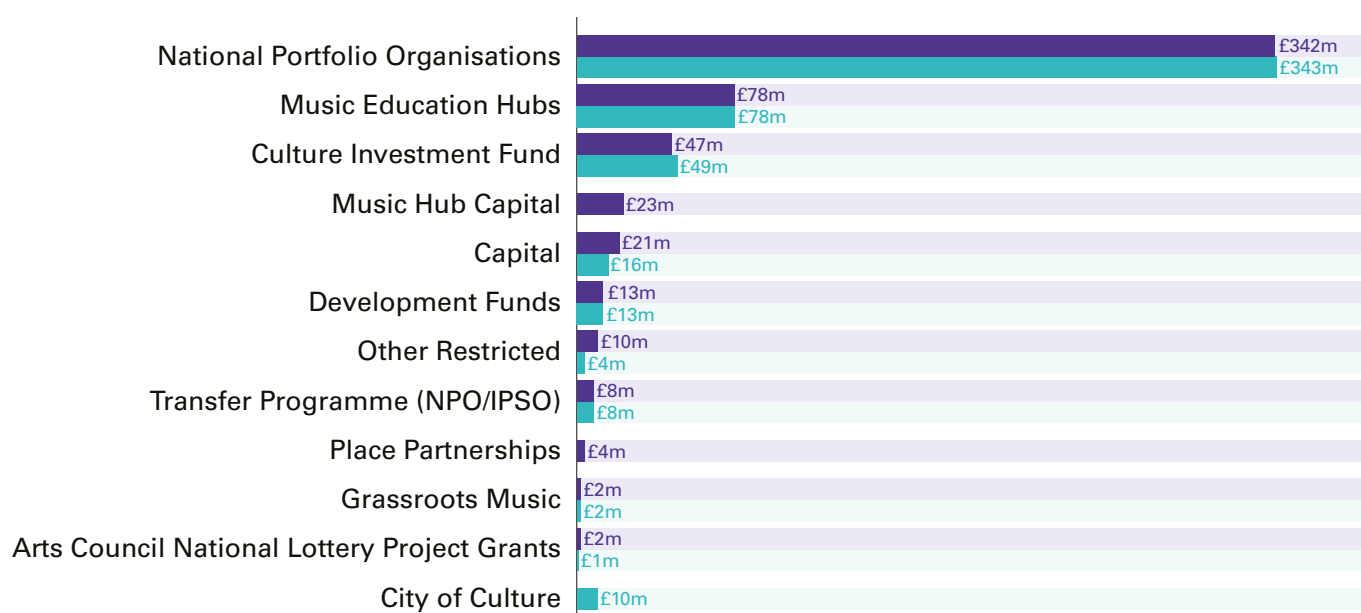


## Grant-in-Aid expenditure

Grant-in-Aid awards made by Arts Council England during 2024/25 were as follows:

### Grant-in-Aid expenditure (£m)

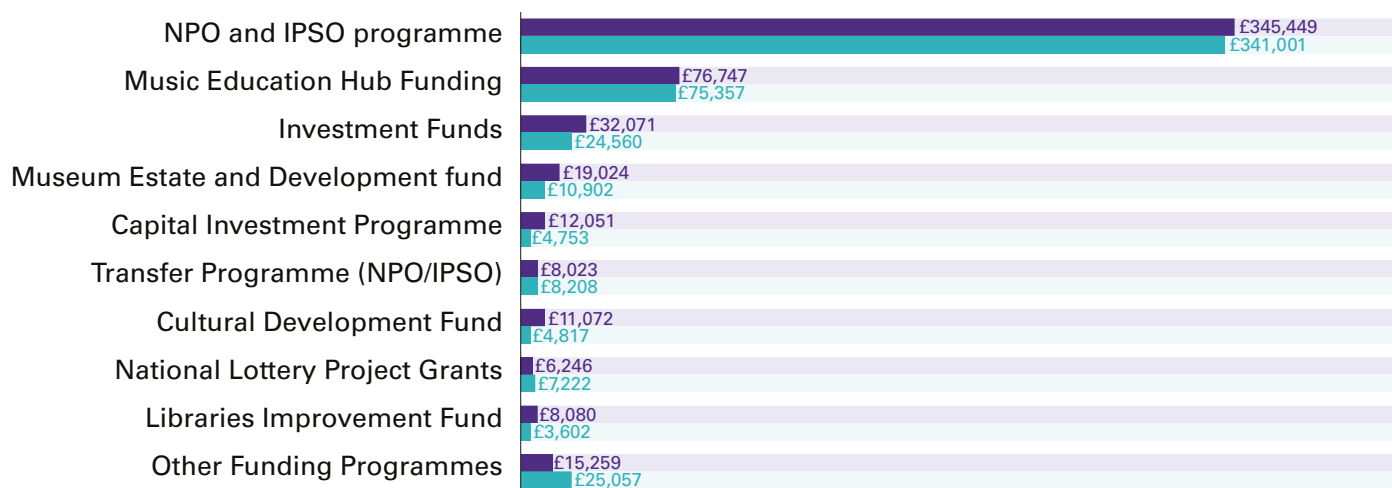
● 2024/25 ● 2023/24



The above graph shows the value of Grant-in-Aid grants awarded during 2023/24 and 2024/25. In terms of cash paid out our figures are as follows:

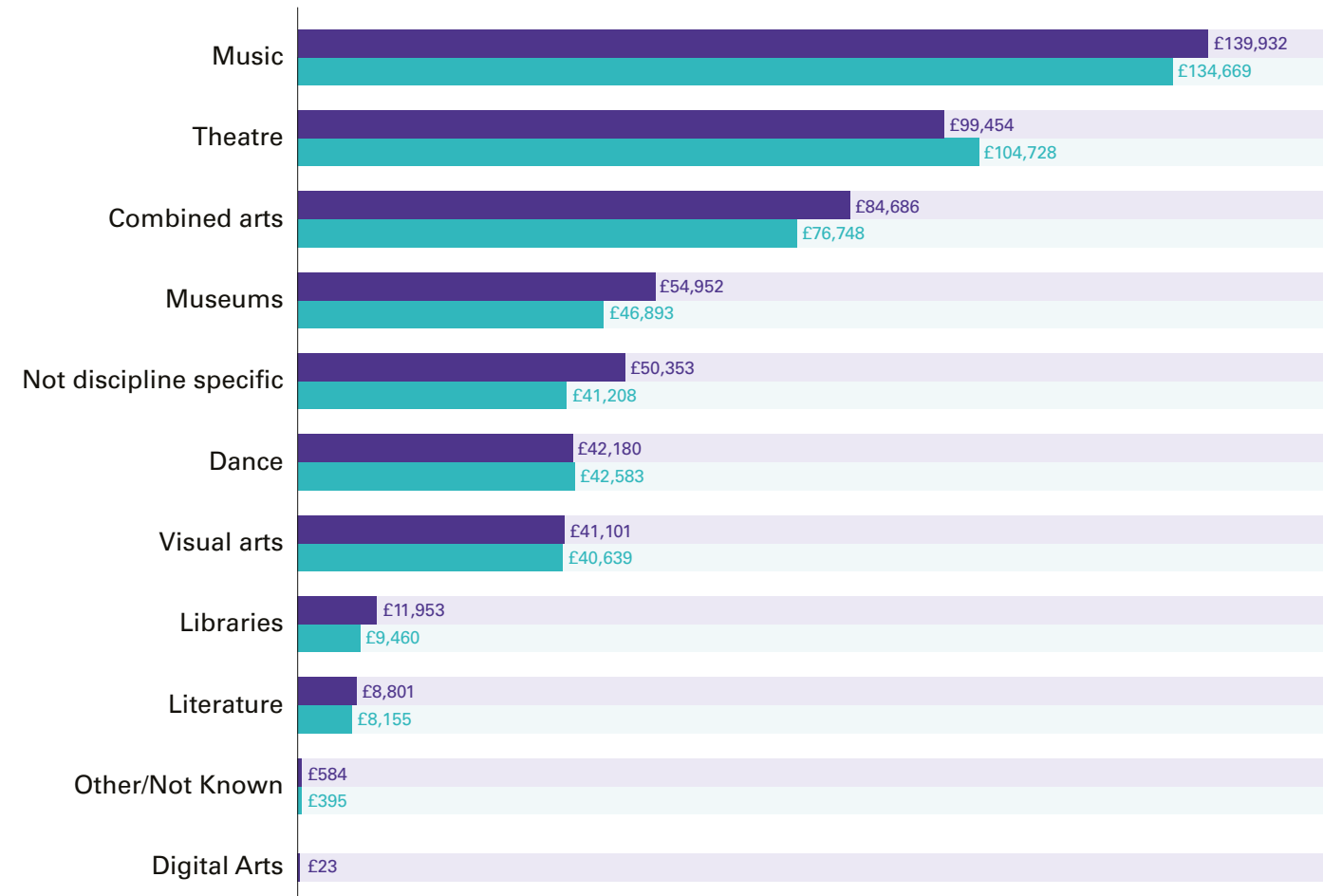
### Cash paid out by Funding programme (£'000s)

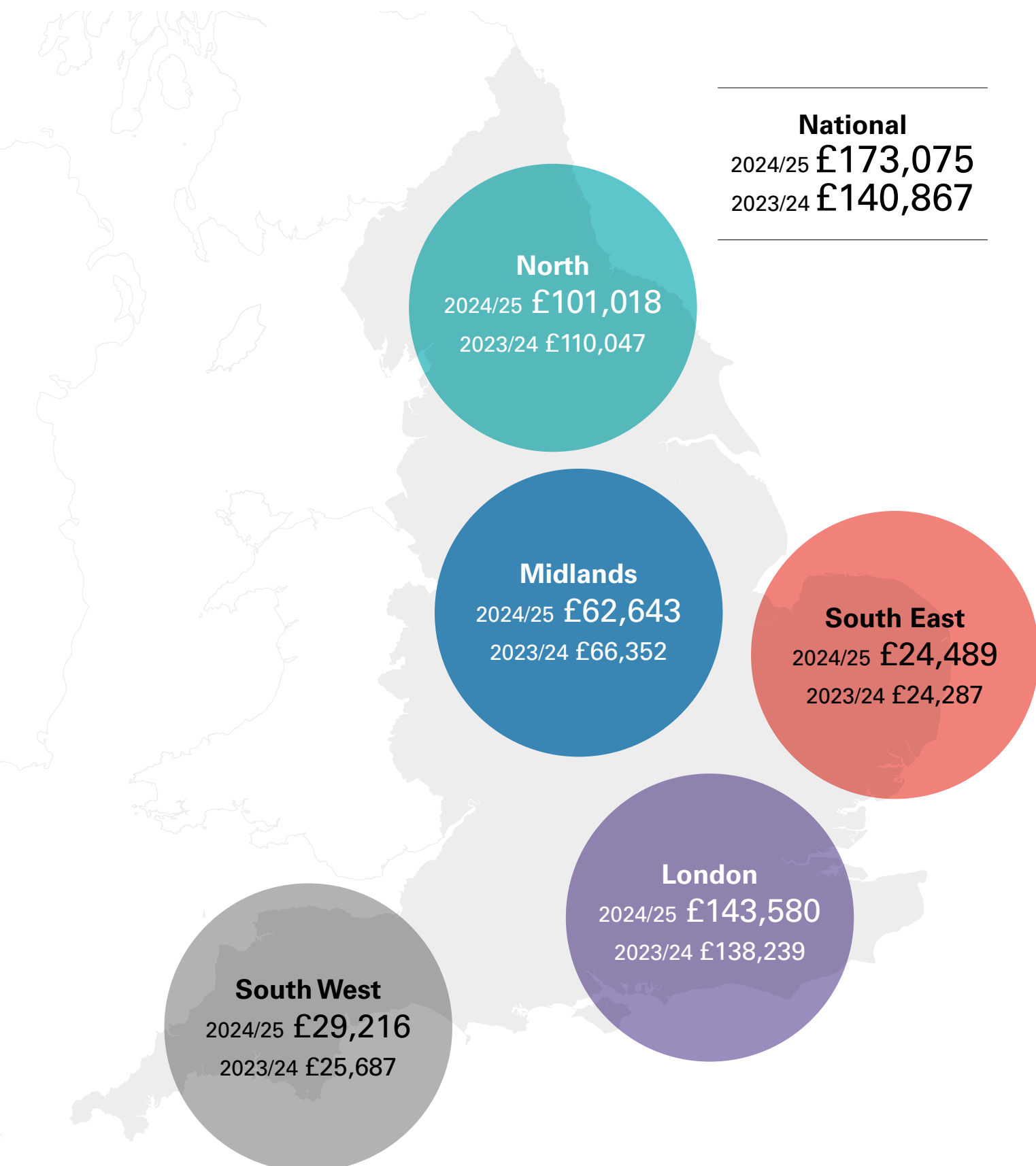
● 2024/25 ● 2023/24



Grant-in-Aid cash paid out by Artform (£'000s)

2024/25 2023/24



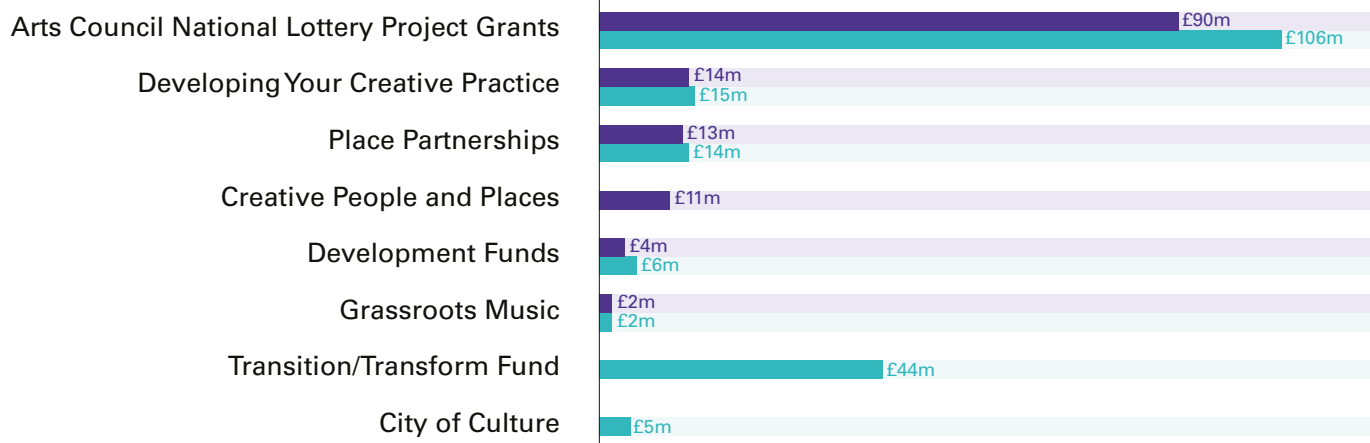
**Grant-in-Aid cash paid out by Area (£'000s)**

## National Lottery expenditure

Lottery grants made by Arts Council England during 2024/25 were as follows:

### Lottery Grants expenditure (£m)

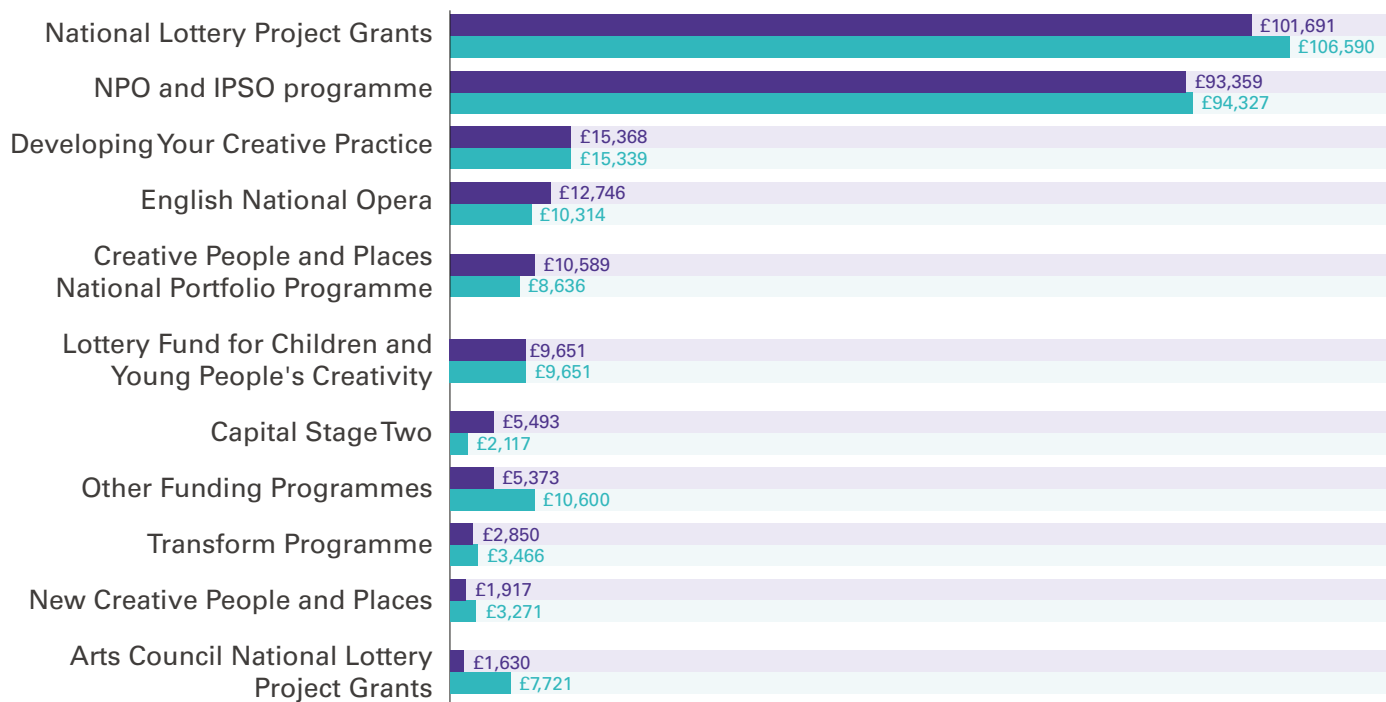
● 2024/25 ● 2023/24



In terms of cash paid out our figures are as follows:

### Lottery cash paid by programme (£m)


● 2024/25 ● 2023/24







Lottery cash paid out by Project Discipline (£'000s)




Music

2024/25	2023/24
£56,511	£53,032




Theatre

2024/25	2023/24
£48,273	£54,774




Combined Arts

2024/25	2023/24
£48,482	£51,606




Visual Arts

2024/25	2023/24
£30,725	£34,554




Dance

2024/25	2023/24
£20,257	£21,761




Not Discipline Specific

2024/25	2023/24
£19,125	£19,079




Literature

2024/25	2023/24
£18,078	£19,322




Museums

2024/25	2023/24
£13,525	£14,216



Libraries

2024/25	2023/24
£4,387	£3,206



Digital Arts

2024/25	2023/24
£969	-



## Lottery cash paid out by Area (£'000s)

### UK-wide

2024/25		£67,088
2023/24		£67,433

### London

2024/25		£35,246
2023/24		£39,397

### Midlands

2024/25		£36,025
2023/24		£36,626

### North

2024/25		£53,643
2023/24		£54,880

### South East

2024/25		£44,529
2023/24		£45,548

### South West

2024/25		£24,136
2023/24		£28,149









# Performance report

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# Performance report

## Performance Overview

This **Performance Overview** outlines our aims, activities and how we performed during the year. It also outlines the key risks to our objectives and signposts where to find information on our future plans. It is followed by a **Performance Analysis** which highlights progress made towards our strategic outcomes and our Government-set Key Performance Indicators.

### Objectives

- **Our purpose:** Arts Council England is the national development agency for creativity and culture. In 2020, we set out our 10-year strategic vision in **Let's Create**.
- **Our vision:** By 2030, we want England to be a country in which the creativity of each of us is valued and given the chance to flourish, and where every one of us has access to a remarkable range of high-quality cultural experiences. We invest public money from the Government and the National Lottery to help support the sector and to deliver this vision.
- **Our strategic Outcomes:**
  - **Creative People:** Everyone can develop and express creativity throughout their life
  - **Cultural Communities:** Villages, towns and cities thrive through a collaborative approach to culture
  - **A Creative & Cultural Country:** England's cultural sector is innovative, collaborative and international

In 2024/25 we published our **Delivery Plan 2024-27** which sets out the steps we will take to deliver our 10-year strategy **Let's Create** over this three-year period. Our **Delivery Plans** are refreshed annually. Further information on our 10-year strategy and how we are structured is available from our [website](#).

### Our performance

This performance report highlights some of our work from 2024/25 where our investments, development work and other activity have directly enabled creativity and culture to flourish across the country.

Our work in 2024/25 is reported under the following headings:

- Our Investment Programme
- Supporting Collections and Cultural Property
- Advocacy for the Creative and Cultural Sector
- Data, Research and Insights
- Reflecting on change – delivering the Government's missions and our transformation highlights
- Overview of key challenges, key risks and future uncertainties
- Our 100 highest funded organisations
- A look at Bradford 2025: UK City of Culture
- Performance Analysis: delivering against **Let's Create**

## Delivering our investment programmes in 2024/25

**Number of grant applications processed**

**18,677**

**2024/25**  
(16,541 in 2023/24)<sup>1</sup>

**Grants awarded<sup>2</sup>**

**4,320**

**2024/25**  
(4,875 grants in 2023/24)

**Total number of organisations in receipt of Arts Council England funding in 2024/25**

**2,683**

**2024/25**  
(2,942 in 2023/24)

**Number of queries dealt with by Customer Services through calls, emails and live chats**

**143,922**

**2024/25**  
(149,325 in 2023/24)

**Number of requests from applicants for Access Support**

**4,407**

**2024/25**  
(3,175 in 2023/24)

**Percentage spent on administration as a percentage of total turnover**

**5.04%**

**2024/25**  
(5.1% in 2023/24)

<sup>1</sup> Application/funding figures for 2023/24 in this Performance Section differ slightly from figures for the same period published in the 2023/24 Annual Report and Accounts due to withdrawn applications or funding agreement changes. Figures are based on decision year.

<sup>2</sup> Some organisations received funding across multiple projects in different funding programmes during these funding years. Figures are based on decision year.

We have six main funding streams which make up our investment programme:

### The Arts Council's National Portfolio investments provide regular support to outstanding arts organisations, museums and libraries across England

2024/25 was the second year of the Arts Council's 2023-26 portfolio, a combined investment of over **£450 million** per year. National Portfolio Organisations, such as the Royal Shakespeare Company, Booktrust, and Norfolk Museums Service, play a vital role in delivering our three strategic Outcomes, and the Government's priorities for the Arts Council. Our Investment Principles Support Organisations, like Brass Bands England and the Association of Independent Museums also play a central role in helping us deliver **Let's Create**. They support other organisations and individuals to become more ambitious, dynamic, environmentally responsible, more inclusive and relevant. Our five Arts Council Area teams continue to monitor the level of risk in the portfolio as a result of the challenging financial climate, making sure that we receive the best value for money for our investment.

- Our **985** National Portfolio Organisations delivered activities in **every local authority area** in the country

### National Lottery Project Grants programme: individuals and organisations can apply at any time for support for their creative and cultural projects

National Lottery Project Grants is our open-access funding programme for arts, museums and libraries projects. It supports a wide range of individuals and organisations, professional companies, and non-professional groups to undertake projects ranging from small-scale research and development through to large national tours. We also use National Lottery Project Grants to provide a universal offer to support our place-based ambitions across England.

In 2024/25 we awarded **over £113 million** of National Lottery funds through this programme into **2,744** creative projects spanning all our disciplines, which reached audiences, participants, visitors and readers across the country. Demand for the programme remains high: in 2024/25 we received **9,332** eligible applications from **4,490** individuals and **4,842** organisations, with a success rate of **29.4%**.<sup>3</sup>

- **2,744** Projects funded through National Lottery Project Grants
  - **£41,401** Average grant amount
  - **29.4%** Success rate
- (3,078 funded projects, £40,316 average grant amount, and 36.6% success rate in 2023/24)

<sup>3</sup> Success rates (National Lottery Project Grants and Developing Your Creative Practice) only capture the numbers of applicants who have been able to make a full, eligible application.

## Developing Your Creative Practice programme: supporting creative practitioners to develop their skills and experience

Our Developing your Creative Practice programme funds the development of independent creative and cultural practitioners to take the next step in their practice. We continue to see a very high demand for Developing your Creative Practice grants. In 2024/25 we received **7,360** applications with **1,220** individuals receiving grants totalling **£14.2 million**, a success rate of **17.2%**.

- **1,220** Artists/creatives that received Developing Your Creative Practice awards
- **£11,649** Average grant award
- **17.2%** Success rate

(1,274 awards, £11,416 average grant award and 20.9% success rate in 2023/24)

## Music Hubs programme which we manage on behalf of the Department for Education (DfE), working in partnership to deliver high-quality music education for all children and young people in and outside of schools

Following the competitive investment process we ran during the 2023-24 academic year, our 43 new Music Hubs began delivering high-quality music education in every part of England in September 2024. We made changes to the way we work this year and focussed on development and collaboration with the Hubs. We co-designed and published a refreshed Performance Framework with Music Hub leaders, learning and responding to feedback. It builds a greater shared understanding of the Music Hub network's performance, shows the impact of the Department for Education's investment, and articulates Music Hubs' individual and collective strengths across the country.

## Capital Investment Programme: providing investment to England's cultural estate

We delivered three programmes with the Department for Culture, Media & Sport in partnership with Historic England and the National Lottery Heritage Fund in 2024/25. The Cultural Investment Fund (a package of three funds made up of the Cultural Development Fund, Museum Estate and Development Fund and Libraries Improvement Fund) invested **£41 million** of vital capital funding for museums, libraries and arts organisations in 2024/25<sup>4</sup>. We supported 33 cultural organisations to adjust buildings and equipment so they can operate safely post-pandemic, improve access, take up digital opportunities, and reduce environmental impact. The funding benefitted museums across the country, including investment which will allow urgent structural work to Tamworth Castle making sure it remains safe to the public, and funds to restore the Great Engine House at London Museum of Water and Steam. In 2024/25 the programme included:

<b>Museum Estate and Development Fund</b> (round 4)	<b>£24.8 million</b> investment for 29 local museums across England
<b>Cultural Development Fund</b> (round 4)	<b>£16.2 million</b> for four cultural projects in England

<sup>4</sup> Round 3 of the Libraries Improvement Fund was included in Arts Council England's 2023/24 Annual Report and Accounts. Round 4 will be reported on in 2025/26.



## Supporting collections and cultural property

We want as many people as possible to be able to enjoy the important cultural items and collections our museums offer. On behalf of the Department for Digital, Culture, Media & Sport we administer the export licensing scheme for cultural goods – the Government Indemnity Scheme which provides fee-free cover for loss or damage for loans, and the Acceptance in Lieu and Cultural Gift Schemes which enables individuals to donate important cultural, scientific or historic objects and archives to the nation in lieu of tax<sup>5</sup>.

- **5,360** Export Licence Applications Processed (5,207 in 2023/24)
- **757 Indemnities (26,433 items)**  
Issued through ACE-administered Government Indemnity Scheme (754 Indemnities and 37,500 items in 2023/24)
- **31** Acceptance in Lieu cases completed in 2024/25
- **22** Cultural Gift Scheme cases received in 2024/25<sup>6</sup>

Each year we publish a report on the on the Cultural Gifts and Acceptance in Lieu schemes, which details the cases accepted for the nation in that financial year. The annual reports are available on our website [here](#).

**We continue to invest in museum development.** Our major-funded partnership **Museum Development Programme** supported over 1,300 museums to survive and thrive as vital community assets through workforce development, small grants, brokering and networking, data and advocacy. Our specialist national Museum Development Programme roles within Arts Council England amplified its value as business-to-business development support for museums across the country. Read more about our Museum Development work on page [49](#).



<sup>5</sup> Arts Council England administers the Government Indemnity Scheme on behalf of the Department for Media, Culture & Sport and the relevant assets and liabilities are not recognised in the Arts Council's financial statements.

<sup>6</sup> Methodology for recording Acceptance in Lieu cases and Cultural Gift Scheme cases has changed for 2024/25 therefore these numbers should not be directly compared with previous Annual Report and Accounts.



## Our advocacy work raising issues affecting the creative and cultural sector

A key part of the Arts Council's role is its advocacy to Government, local and mayoral combined authorities, and other key partners at a national and local level highlighting the importance of creativity and culture to people, places and economic growth.

In 2024/25 we have continued to make the case for public funding for Arts and Culture in the Autumn 2024 Budget and as part of the 2025 Comprehensive Spending Review. Highlights of our advocacy work in 2024/25 include:

- Working with the **Department for Culture, Media & Sport** on the business case for a funding package which will boost growth and opportunity, benefitting arts venues, museums, libraries and arts organisations across the country. The result is an additional **£139 million** for the sector. The Arts Council will administer three new funds: the Creative Foundations Fund (£85 million), Museum Renewal Fund (£20 million), and four cultural education programmes (£3.2 million). Investment in two returning funds was also announced: round 5 of the Museum Estate and Development Fund (£25 million) and round 4 of the Libraries Improvement Fund (£5.5 million). Delivery of these programmes will form a key part of our work in 2025/26.
- Working with the **Local Government Association** to deliver a multi-faceted Leadership Improvement Programme, supporting over a hundred cultural leaders in councils to champion and deliver the vital cultural services in their places. Leaders across England have built their networks and developed confidence as a result of this programme, which the Arts Council will continue to support. Area teams work closely with Local Authorities to build resilience against risk and develop area-specific opportunities.
- Working with the **Department for Business and Trade** over the impact of the Subsidy Control requirements on the arts and culture sector.

## Data, Research and Insights

We have continued to gather data, evidence and carry out research into the challenges and opportunities for our sector. Our research combined with our expertise in the arts, museums and libraries, and the intelligence we gain from our national and local presence means we can design programmes and interventions to help the sector to address key opportunities and risks. We are also able to share those insights with the Government, the sector and our other stakeholders to inform their own policies and approaches.

### In 2024/25 we:

- Collected robust data in all 296 Local Authorities for the first time in our Participation Survey in partnership with the Department for Culture, Media & Sport – giving us meaningful data about adults' engagement with culture across England.
- Published the findings of the Cultural Freelancers Study 2024, learning from over 5,000 freelancers about the current challenges and opportunities experienced by creative and cultural practitioners in England.
- Reflected on the progress made during our **Delivery Plan 2021-24**, in particular the breadth and depth of the cultural sector's achievements in a very challenging period which included pandemic recovery, the first year of our 2023-26 Investment Portfolio, and a cost-of-living crisis.
- In partnership with youth theatre organisations, commissioned the Youth Theatre Census which showed how youth theatres meet the complex challenges that young people feel today. Youth theatre provides a space for creativity, self-expression and wellbeing for young people and serves as an important gateway into professional theatre.
- Commissioned and published research with the Bookseller's Association about the activities offered by independent bookshops in their communities (often in partnership with libraries) – ranging from author talks, festivals, schools programmes, arts and crafts events, hosting reading or poetry groups and touring writers.
- Published an Equality, Diversity and Inclusion Review for 2018-23. 2025 marked ten years since we began publishing annual reports on equality, diversity and inclusion – and the reflection we published looked back on our 2018-23 National Portfolio. See more about the changes we've seen in the workforce of our regularly funded organisations on page [52](#).
- We continued to publish the Libraries Location Data set (previously known as Basic Dataset) which is intended to capture permanent instances of libraries, local history libraries, archives, and mobile libraries. The data gives a national overview of the number of libraries and archives within local authorities in England, and some basic information about them.
- We worked with our partners in sector support organisations (The British Library, CILIP, Local Government Association, Community Managed libraries Network, the ASCEL – Association of Senior Children's and Educational Librarians, and Libraries Connected) to produce a survey which collected activity data such as issue figures, visitor figures and computer usage to provide data that would be useful locally, regionally and nationally.



## Reflecting on change in 2024/25

One of the most significant changes for the Arts Council as a public body has been the election of a new Government in July 2024. Here we reflect on some of the impacts of the change in Government for the Arts Council, and the improvements we are making as an organisation as part of our transformation programme.

### Delivering against the Government's missions

- The new Government set out five clear missions and a [Plan for Change](#). There is strong alignment between our strategy **Let's Create** and the Government's five national missions, which collectively seek to develop a country in which growth and opportunity are evenly distributed and accessible to all, regardless of geography or social class. We believe that the wider cultural sector is already playing an important role in advancing these missions and realising the Government's ambitions for this country's creative and cultural industries – and that it has the potential to go even further. Within a difficult fiscal context, investment in creativity and culture can play a vital role in producing a strong return across the missions. More about how we are supporting the five missions is included in our [Delivery Plan 2024-27](#).
- The Autumn Budget Statement provided clarity on our grant-in-aid budgets for 2024/25 and 2025/26. It also delivered positive news for our sector, particularly around the extremely welcome confirmation of cultural tax reliefs at their higher levels, and the announcement of a package of infrastructure funding (see page 27). The Government has announced a 'zero-based' Spending Review for the period for 2026-2029 and we are working closely with the Department for Culture, Media & Sport over their submission to the HMT Spending Review for Arts and Culture.

## Highlights from our Transformation work 2024/25:

In our ten-year strategy **Let's Create**, we committed to making key changes to the way we work. This section highlights some of the innovations we introduced in 2024/25:

- We launched a £5 million pilot **Incentivising Touring scheme** to help theatre and dance productions to tour across England. These productions would otherwise be considered too great a financial risk for commercial investors in the current climate but can demonstrate the potential to generate a financial return with our investment. Producing, touring and presenting high-quality work on a big scale relies on an interdependent ecology of commercial, independent and publicly funded organisations, and we co-designed this pilot with representatives from across the industry.
- In **Let's Create** we committed to collecting and using data dynamically and responsibly and said that we would make the data and research we collect available to everyone. Our interactive [Culture & Place Data Explorer](#) launched, mapping our investment in culture and creativity across England and shows where our funding reaches, and where opportunities to improve access and engagement are. We also launched [Illuminate](#) – our platform to collect and help analyse data about creative activities, cultural experiences, and the makeup of audiences. It shows the sort of things our investment makes happen – such as theatre shows, gigs, talks, craft activities and all sorts of other events – as well as where they happen, and who goes or takes part. The data we collected and published in 2024/25 came from **278,000** audience members and is helping the sector understand their audiences better, share their own impact, and build a stronger case for investment in artists, arts organisations, museums and libraries.
- We launched a new digital portal to apply for and issue **export licences** for works

- of art and objects of cultural interest. The portal is simple and easy to use and was designed in consultation with users. Since launching in August we have processed over 3,800 applications and issued over 3,500 licences through it. The new portal replaces the need for paper licences to be posted out and hosts the entire process in one digital space from application through review to the final decision, making a better experience for exporters and expert advisers who assess the applications. The digital system’s development was supported by the Department for Culture, Media & Sport and is run by the Arts Council on behalf of the UK Government.
- As part of the design of our next National Portfolio Investment Process we have been considering how we can simplify and improve the way we work with National Portfolio Organisations. As a next step will be testing these proposals with National Portfolio Organisations in 2025-26 with a view to rolling them out to the whole portfolio from 1 April 2026.
  - Our vision is to place environmental responsibility at the heart of all we do. This year we produced our first Net Zero Transition Plan, pledged net zero by 2040 and reviewed our Environmental Responsibility Policy to align with updated government intermediary targets. Read more about this in the Sustainability Section (page 83).

## Overview of challenges faced in 2024/25:

The main external challenge we faced this year was the continued financial precarity of the sectors we support. The cumulative impact of the last few years – the combination of post-pandemic uncertainty around audience behaviour, pressures on local authority budgets, and inflationary price rises across the board – has placed real strain on practitioners and organisations. This has meant that:

- We have needed to spend more time monitoring the level of risk in the investment portfolio. Given the difficult fiscal environment, particularly for local authorities, we are being as flexible as we can around changes to our funding agreements with them.
- We are seeing increasing demand for Arts Council funding due to financial precarity in the sector and reduction in sources of funding. This increase in demand is placing pressure on our staffing capacity and resources. We can see this in the increase in demand for National Lottery Project Grants and Developing Your Creative Practice programmes over the past three years:

### Number of applications processed:

	National Lottery Project Grants		Developing Your Creative Practice	
2022/23	8,791	24.3% increase	6,677	10.2% increase
2023/24	9,636		6,305	
2024/25	10,931		7,360	

### Amount requested:

	National Lottery Project Grants		Developing Your Creative Practice	
2022/23	£232,753,941	32.3% increase in three years	£60,067,349	33.1% increase in three years
2023/24	£274,018,740		£67,282,964	
2024/25	£307,885,999		£80,333,859	



## Key Risks and Future Uncertainties

The key risks and uncertainties the Arts Council is managing are:

- Insufficient programme and administrative budget:** Our total income forecast indicates that programme funds have been and continue to be under pressure. Uncertainty around the outcome of the next Spending Review means that we will not be able to undertake medium term planning until later in 2025/26. We continue to demonstrate the impact of our investments on people, places and England's track record for high quality arts and culture and an innovative sector as part of our Spending Review submissions. In our Performance Analysis below we share examples of the impact of the innovative sector that we invest in (A Creative & Cultural Country, pages 42-52), the places and communities where people live (Cultural Communities, pages 53-59) and participating in creative activities (Creative People, pages 60-65).
- Arts Council England Review:** The government has appointed Baroness Margaret Hodge to conduct an independent review of the Arts Council covering strategic objectives, working relationships and partnerships, and the relationship between Arts Council England and Government. We welcome the review and look forward to receiving its recommendations in 2025/26.
- Responding to Climate Change:** Increasing impacts from adverse weather events, caused by climate change, are affecting the organisations and individuals we fund. This poses a risk to the delivery of **Let's Create** as audiences, visitors and communities may increasingly face barriers to accessing high-quality cultural experiences. As the national development agency for creativity and culture Arts Council England looks to support, guide and strengthen those that we fund, and

the wider sector against the growing risk of climate change. See [page 86](#) [sustainability] for more about the Taskforce for Climate-Related Disclosures.

- Devolution may impact our ability to deliver Let's Create:** the [English Devolution White Paper](#) commits to increasing the number of strategic authorities as new regional tiers of government across England. At the time of publishing, it is unclear how devolution will affect the work of the Arts Council and the sector we support. Our five Area teams are working in collaboration with local government and mayoral combined authorities in their areas, and we are working closely with the Department for Culture, Media & Sport on approaches to devolution.

Further detail on the processes and governance structures we use to manage risk can be found on [page 104](#).

## Looking ahead

We look forward in 2025/26 to continue to deliver our strategy **Let's Create** alongside ministerial priorities following the Spending Review. We will review how we work in response to the English Devolution Legislation and deepen our collaboration with local communities and Mayoral Combined Authorities. We will continue supporting the Arts Council England Review and will respond speedily to the recommendations. We will continue with our modernisation programme which aims to drive innovation in the way in which we work and place the needs and views of citizens and our customers at the heart of everything we do. We will design a simpler programme for the next National Portfolio investment programme which is made up of nearly 1,000 organisations of all scales, artforms and in all areas of the country. Changes to our current grant portal are planned for 2025/26. Our plans for the future and 'Going Concern' statement are included in the Strategic Report section ([page 130](#) strategic report).

## Our investments

We invest money from Government and the National Lottery to support creativity and culture across England so that everyone, wherever they live, can lead a happy, healthy and creative life.

**The 100 organisations we invested the most funding in 2024/25 were<sup>7</sup>:**

	Name of organisation	Location of base	2024/25 received
1	Royal Ballet & Opera	Westminster	£24.12 million
2	National Theatre	Lambeth	£22.64 million
3	Southbank Centre	Lambeth	£21.07 million
4	Royal Shakespeare Company	Stratford-on-Avon	£15.26 million
5	English National Opera	Westminster	£12.75 million
6	Opera North Limited	Leeds	£10.04 million
7	The National Foundation for Youth Music	Southwark	£9.65 million
8	Factory International	Manchester	£9.41 million
9	Birmingham Royal Ballet	Birmingham	£8.17 million
10	English National Ballet	Tower Hamlets	£6.01 million
11	Bolton Music Service	Bolton	£5.87 million
12	BookTrust	Leeds	£5.77 million
13	Welsh National Opera	Cardiff	£5.56 million
14	English Touring Opera Ltd	Southwark	£4.26 million
15	North Music Trust	Gateshead	£3.71 million
16	Bradford Music & Arts Service	Bradford	£3.64 million
17	Tyne & Wear Archives & Museums	Newcastle upon Tyne	£3.55 million
18	Brighton Dome & Festival Limited	Brighton and Hove	£3.49 million
19	Kent Music	Maidstone	£3.33 million
20	Tullie House Museum and Art Gallery	Cumberland	£3.26 million
21	Essex Music Services	Chelmsford	£3.13 million
22	Baltic Flour Mills Visual Arts Trust	Gateshead	£3.04 million
23	Sadler's Wells	Islington	£2.99 million
24	Entrust Support Services	Stafford	£2.92 million

<sup>7</sup> This list shows the 100 organisations awarded the most funding in the 2024/25 financial year. These funding amounts may have been paid to these organisations across multiple projects across different funding programmes or may be for a single award. For multi-year funding programmes like National Portfolio Organisations, Music Hubs etc, the funding amount shown is the amount paid in 2024/25 only, not the full award amounts for those projects. The organisation totals in this list are made up of separate projects for both multiyear and non-multiyear funding programmes. For non multi-year projects, the entire award amount for projects with decisions made in 2024/25 goes toward this organisation total (irrespective of when the actual payments are scheduled / paid). For multiyear projects, the amount paid out in 2024/25 only is what goes toward this organisation total. These funding amounts may include all Arts Council England funding programmes; however, this list does not include the four Cultural Development Fund Round 4 projects that were awarded in 2024/25 (Harmony Works, Newcastle City Council Culture, North Somerset Council and Sunderland Culture). These four projects are not included because although they were awarded in 2024/25, the funding for these projects will be paid out in upcoming financial years on demand as drawn down by the applicants. The local authority included is based on the applicant's postcode.

	<b>Name of organisation</b>	<b>Location of base</b>	<b>2024/25 received</b>
25	WFMS (Waltham Forest Music Service)	Waltham Forest	£2.83 million
26	Services For Education Ltd	Birmingham	£2.81 million
27	Northern Ballet Limited	Leeds	£2.79 million
28	Norfolk Museums Service	Norwich	£2.73 million
29	London Museum of Water & Steam	Hounslow	£2.63 million
30	North Tyneside Music Education Hub	North Tyneside	£2.62 million
31	Royal Liverpool Philharmonic	Liverpool	£2.61 million
32	Bournemouth Symphony Orchestra	Bournemouth, Christchurch and Poole	£2.60 million
33	City of Birmingham Symphony orchestra	Birmingham	£2.59 million
34	Rambert	Lambeth	£2.57 million
35	Bletchley Park Trust	Milton Keynes	£2.45 million
36	Lancashire Music Service	Chorley	£2.40 million
37	Hertfordshire Music Service	Welwyn Hatfield	£2.40 million
38	Royal Exchange Theatre Company Ltd	Manchester	£2.37 million
39	Crafts Council	Islington	£2.33 million
40	Hampshire Music Service	Winchester	£2.31 million
41	Surrey Arts	Guildford	£2.30 million
42	Norfolk County Council	Norwich	£2.29 million
43	The Royal Borough of Kensington and Chelsea	Hammersmith and Fulham	£2.21 million
44	Hallé Concerts Society	Manchester	£2.12 million
45	Culture, Learning and Libraries (Midlands) – Nottinghamshire Music Hub	Nottingham	£2.10 million
46	SEL Music Education Ltd	Croydon	£2.08 million
47	York Museums Trust	York	£2.08 million
48	Southwest London Music	Merton	£2.05 million
49	Gloucestershire Music Education Hub	Gloucester	£2.04 million
50	Dudley Metropolitan Council – Dudley Performing Arts	Dudley	£2.04 million
51	Philharmonia Limited	Southwark	£2.03 million
52	Leeds Museums and Galleries	Leeds	£2.02 million
53	London Symphony Orchestra	City of London	£1.98 million

	<b>Name of organisation</b>	<b>Location of base</b>	<b>2024/25 received</b>
54	Wolverhampton City Council	Wolverhampton	£1.97 million
55	Nottingham City Museums and Galleries	Nottingham	£1.96 million
56	Leicester-Shire Schools Music Service	Blaby	£1.95 million
57	Leicester Theatre Trust Ltd	Leicester	£1.95 million
58	Bristol Music Trust	City of Bristol	£1.91 million
59	Derby & Derbyshire Music Partnership	Derbyshire Dales	£1.89 million
60	London Philharmonic Orchestra	Lambeth	£1.88 million
61	Birmingham Repertory Theatre	Birmingham	£1.87 million
62	Liverpool City Region Combined Authority	Liverpool	£1.85 million
63	Contemporary Dance Trust	Camden	£1.83 million
64	Coventry Music	Coventry	£1.81 million
65	TheSpace C.I.C.	Birmingham	£1.80 million
66	South Yorkshire Mayoral Combined Authority	Sheffield	£1.79 million
67	Haringey Music Service	Haringey	£1.78 million
68	Chichester Festival Theatre	Chichester	£1.77 million
69	Devon Music Education Hub	Mid Devon	£1.77 million
70	Manchester City Galleries	Manchester	£1.76 million
71	Berkshire Music Trust	Reading	£1.74 million
72	Buckinghamshire Music Trust	Buckinghamshire	£1.73 million
73	Tamworth Borough Council	Tamworth	£1.72 million
74	Colchester Borough Council	Colchester	£1.69 million
75	Liverpool & Merseyside Theatres Trust Ltd	Liverpool	£1.68 million
76	Future Arts Centres	Stockton-on-Tees	£1.66 million
77	Stoke on Trent & North Staffordshire Theatre Trust	Newcastle-under-Lyme	£1.65 million
78	Northern Stage (Theatrical Productions) Ltd	Newcastle upon Tyne	£1.59 million
79	Whitechapel Gallery	Tower Hamlets	£1.57 million
80	Leeds Theatre Trust Limited	Leeds	£1.54 million
81	Inspiring Music Education Hub	Central Bedfordshire	£1.54 million
82	Cambridgeshire Music	Huntingdonshire	£1.53 million
83	Northamptonshire Music and Performing Arts Trust	West Northamptonshire	£1.51 million
84	Hull Music Service	City of Kingston upon Hull	£1.51 million



	<b>Name of organisation</b>	<b>Location of base</b>	<b>2024/25 received</b>
85	Love Music Trust	Cheshire East	£1.50 million
86	BCP Council (Russell-Cotes Art Gallery and Museum)	Bournemouth, Christchurch and Poole	£1.50 million
87	FABRIC	Birmingham	£1.49 million
88	English Stage Company Limited	Kensington and Chelsea	£1.49 million
89	Britten Pears Arts	East Suffolk	£1.43 million
90	Young Vic Company	Lambeth	£1.42 million
91	Sheffield Theatres Trust Ltd	Sheffield	£1.41 million
92	Ironbridge Gorge Museum Trust	Telford and Wrekin	£1.41 million
93	Lincolnshire Music Service	Lincoln	£1.41 million
94	Museum of London	City of London	£1.41 million
95	Artswork	Southampton	£1.39 million
96	Unicorn Theatre London Ltd	Southwark	£1.39 million
97	Headlong Theatre Ltd	Southwark	£1.38 million
98	Nottingham Playhouse	Nottingham	£1.38 million
99	Nothe Fort	Dorset	£1.37 million
100	Bristol Museums	City of Bristol	£1.36 million





Bradford, and its surrounding towns and villages, are hosting almost 1,000 events as UK City of Culture in 2025. The programme includes performances, exhibitions and activities from artists, arts organisations, museums and libraries from Bradford, the UK and the rest of the world.



## Bradford 2025 – UK City of Culture: inspirational, ambitious and exceptional creativity for all

Bradford 2025 is a celebration of the stories, creativity, energy and diversity of the people of Bradford, its dynamic contemporary arts and culture scene and its rich creative heritage. Bradford, and its surrounding towns and villages, are hosting almost 1,000 events as UK City of Culture in 2025. The programme includes performances, exhibitions and activities from artists, arts organisations, museums and libraries from Bradford, the UK and the rest of the world. We have worked closely over many years with City of Bradford Metropolitan District Council and partners in creative and cultural, community and other sectors to help shape and invest in a long-term vision for the city and its surrounding villages and towns.



## Our commitment to Bradford 2025

**Only through sustained public investment could Bradford 2025 become a reality**

Complementing Arts Council England and UK Government investment is funding from City of Bradford Metropolitan District Council, National Lottery Heritage Fund, National Lottery Community Fund, West Yorkshire Combined Authority and several organisations, trusts, foundations and corporate sponsors. Through this collective, collaborative funding partnership:

<b>£45 million</b>	Arts Council England total investment over three years in Bradford's creativity and cultural sector <b>since it was named the next UK City of Culture in 2022</b> <sup>8</sup>
<b>£5 million</b>	National Lottery funding through Arts Council England for Bradford 2025 <sup>9</sup>
<b>£15 million</b>	of investment for Bradford 2025 from Department of Culture, Media and Sport administered by Arts Council England

### Bradford 2025 in figures<sup>10</sup>:

- 23,000 people attended RISE Bradford 2025 two-night opening event
- 3.3 million visitors estimated to attend all Bradford 2025 events
- £136.9 million estimated boost to Bradford's economy from visitors over 2025
- 130 staff and 1,600 volunteers make up the Bradford 2025 team

<sup>8</sup> Arts Council England's total investment in Bradford since April 2022 (the beginning of financial year 2022/23).

<sup>9</sup> Bradford UK City of Culture 2025 funding (£5 million through the National Lottery and £15 million through the Department of Culture, Media & Sport) was awarded in the 2022/23 and 2023/24 financial years. This £20 million is included in the 'ACE investment in Bradford since April 2022' total above but will not be included in any funding total figures for the 2024/25 financial year elsewhere in this document.

<sup>10</sup> Figures correct as of April 2025.





“

***Nationhood: Memory and Hope*** celebrates identity through the eyes of communities in Bradford to Belfast, Cardiff and Glasgow. Curated by Impressions Gallery, the exhibition brings together bold new photography that captures how place, culture and community shape who we are.

”

### **“RISE – sell-out event starts Bradford 2025’s year”**

RISE a truly dazzling spectacular held in Bradford’s City Park, was the sell out opening event of Bradford 2025. Over two nights in January, a 200 strong cast made up of professionals and the people Bradford wowed a total crowd of 23,000. It included performances by acrobats, local young people, rappers, and a community choir and orchestra. RISE ended each night with magician Stephen Frayne, formerly known as Dynamo, astounding the audience with his illusions. Stephen began his career doing street magic in the very same spot in City Park as a teenager.

## **Bradford 2025 for all**

### **DRAW! – Hockney inspires us all to become artists**

DRAW! started in January with the Bradford born artist David Hockney asking the public to draw “something you find beautiful” and share it on social media. It is part of Bradford 2025’s commitment to get as many people involved in creative activities during the year. Each month a new artist and theme is announced. So far that included people being asked to draw their favourite thing, a portrait or self portrait, and what they see out of a window. A selection of the drawings is displayed on the [Bradford 2025 website](#). An exhibition of some of the drawings will take place at the end of the year.

### ***Nationhood: Memory and Hope – what it means to belong***

Launched at Impressions Gallery as part of the opening weekend of Bradford 2025 UK City of Culture, ***Nationhood: Memory and Hope*** celebrates identity through the eyes of communities in Bradford to Belfast, Cardiff and Glasgow. Curated by Impressions Gallery, the exhibition brings together bold new photography that captures how place, culture and community shape who we are. With contributions from internationally renowned artist Aïda Muluneh and seven emerging UK photographers, the project creates a vibrant visual conversation about representation, hope, and what it means to belong.

### **The Beacon – the venue that travels to its audiences**

The Beacon describes itself as a “venue like no other”. A pop-up performance space that can literally be built and rebuilt anywhere. Working with the people of Bradford it has created a series of bespoke programmes in each of the four parks that will be its home for a month at a time throughout Bradford 2025. That includes music, comedy and weekend festivals as well as classes, family activities and neighbourhood get-togethers. In doing so it will make sure everyone has the chance to get involved in the year-long UK City of Culture.

“

**DRAW!** started in January with the Bradford born artist David Hockney asking the public to draw “something you find beautiful” and share it on social media. It is part of Bradford 2025’s commitment to get as many people involved in creative activities during the year.

”





## Performance Analysis

Each year we look at the progress we are making towards the three Outcomes of our strategy **Let's Create** – Creative People, Cultural Communities and a Creative & Cultural Country.

Our Performance Analysis provides some examples of how the money we invest from taxpayers and National Lottery players is benefiting audiences and visitors, artists and creative practitioners of all kinds, and arts organisations, museums and libraries across the country.

Our investment of public money is about making sure that innovative, ambitious and exceptional art and culture of all kinds is available to see, take part in and enjoy in our villages, towns and cities. We want more people in more places to see, to have

the chances and choices take part in and enjoy the best creative activities and cultural experiences.

We champion, develop and invest in our creative and cultural sector in lots of different ways. It could be through supporting skills and developing artists and creative practitioners, encouraging ambition and innovation and through our advocacy for our arts and culture to Government.

Whether you are an avid theatre goer or an occasional festival goer, whether you work in arts and culture or in a different sector, or if you are someone who cares passionately that your community thrives because you live and work there – here we set out how our investment, advocacy and support made a difference to our nation's creative and cultural life in 2024/25.



## A Creative & Cultural Country

England’s cultural sector is innovative, collaborative and international

We worked with the sector to deliver **Let’s Create** through collaboration and innovation, promoting growth through an internationally significant programme of festivals, productions, workshops and more. We encouraged the sector to collaborate, to promote research and development, to drive innovation, and to develop new business models. Through sustainable local, national and international partnerships, we saw creative and cultural organisations support each other, sharing professional learning, breaking down barriers to opportunity and boosting growth, skills, capacity and resilience in the sector.

A Creative & Cultural Country in numbers 2024/25		
In 2023 our investment in arts, museums and libraries supported a direct Gross Value Added contribution of <b>£1.35 billion</b> for the economy – a 17% increase since 2019 <sup>11</sup>	In 2023 the arts and culture sector employed <b>251,500 people</b> – a 0.6% increase in jobs since 2019	Creative health interventions for mental health conditions delivered an average return on investment of <b>£2.30 for every £1 spent</b>
<b>113</b> National Portfolio Organisations reported international activity in 2023/24 reaching <b>5.9 million people</b> <sup>12</sup>	Every region of England had at least one organisation involved in delivering international activities in 2023/24	Since 2001, our international collaborations have secured <b>£1.3 million</b> in additional investment, engaged <b>489</b> artists and organisations and formed <b>133</b> new international partnerships
<b>£42.3 million</b> awarded to creative practitioners and individuals in 2024/25	<b>2,298</b> organisations supported through our Digital Culture Network – with <b>12.6%</b> of these in Priority Places	Museum Development programme supported <b>1,300</b> local museums to survive and thrive as vital community assets

<sup>11</sup> Figures taken from *Spillover impacts in the publicly funded arts and culture sector* published April 2025.  
<sup>12</sup> 2023/24 engagement figures are taken from our data platform Illuminate. 2024/25 figures will be reported in our 2025/26 Annual Report and Accounts



## Five inspirational, astounding, exceptional performances, exhibitions, and events supported by Arts Council England in 2024/25

1. Multi award-winning VR experience ***In Pursuit of Repetitive Beats*** toured cultural venues across the UK, selling out all 172 performances at the Brighton Dome during its first week.
2. At £4.3 million, the 2,584 Norman pennies of **Somerset's Chew Valley Hoard** is the largest and most valuable Treasure acquisition recorded to date. It was secured for public display by **The South West Heritage Trust** and will be displayed at the British Museum before touring museums across the UK.
3. In 2024, the legendary Chaka Khan welcomed tens of thousands of people to **Meltdown Festival**, transforming the **Southbank Centre** into a joyous celebration of love, music and community, featuring Emeli Sandé, Lady Blackbird, Bruce Hornsby and Incognito.
4. **Royal Ballet and Opera** adapted Thomas Vinterberg's cult film into a bold, new Olivier Award-nominated opera in the world premiere of **Festen**.
5. Manchester's **Factory International** hosted events including Complicité's *Figures in Extinction*, Laurie Anderson's *ARK United States V* and *David Hockney: Bigger and Closer*. Public funding helped unlock major private investment, supporting the creation of Factory International's home Aviva Studios, which is projected to generate £1.1 billion for the city's economy and create 1,500 jobs.



## Our Creative & Cultural Country story in 2024/25

### **Punch – high-quality drama made possible through our investment**

Award winning writer James Graham's latest critically acclaimed play **Punch** was produced by a team that included two of our National Portfolio organisations Nottingham Playhouse and the Young Vic.

*Punch* is based on the true-life story of the aftermath of the death of Jacob Hodkinson who was killed after being punched once by a stranger in Nottingham.

After a sell-out opening run at the Nottingham Playhouse it transferred to the Young Vic for another sell-out season.

*Punch* has ignited public debate about violent crime, justice and rehabilitation including in the House of Commons. The play received a five-star review from *WhatsOnStage* and *The Times* and moves to the Apollo Theatre West End later in 2025.

It comes hot on the heels of James Graham's Olivier Award winning examination of nation and game **Dear England** which returned to National Portfolio Organisation the **National Theatre** ahead of a 16-venue tour in 2025/26.

### **New technology to create new art**

We are supporting artists based in the UK to develop their creative practice through our **Immersive Arts** programme. This is a £6.5 million collaboration with the Arts and Humanities Research Council, Arts Council of Wales, Creative Scotland and Arts Council of Northern Ireland and includes a £1.5 million Arts Council England contribution over three years. Immersive Arts will provide funds for artists to experiment and use virtual, extended and augmented realities and related technology in their work. It includes a commitment to skills development,

production support, and annual showcases to share learning and celebrate the work created.

In parallel with Immersive Arts, Watershed in Bristol was awarded almost £360,000 through our National Lottery Project Grants to launch Undershed. The new bespoke venue is the only one of its kind outside London in England that will specialise in making immersive art accessible to the public.

We are supporting Undershed to work with other venues across the UK to form a national and international distribution network for immersive art. We also invested £222,000 in the digital production company East City Films to tour the award winning **In Pursuit of Repetitive Beats** VR experience around the UK, in the process supporting venues to build skills, networks, infrastructure and business protocols that will underpin the next generation of immersive art projects.

A further example of our support for artists experimenting using technology to tell stories in new ways is our funding of award winning Karen Palmer. Her mobile phone based interactive story *Consensus Gentium* was showcased at the SXSW festival in Austin, Texas as part of our investment in Future Art and Culture, which helps artists working with technology to gain the opportunity to meet peers from around the world, share knowledge, develop relationships and reach new audiences with their work. Our cultural sector then benefits from increased international interest in UK artistic work, and the creative and commercial opportunities this can generate. **Consensus Gentium** was then supported with an Arts Council grant to tour to shopping centres, targeting young, underrepresented audiences in towns with low cultural engagement.

"[We] are trying to figure out how to move into this kind of international scene after the success we've had nationally. **We want to understand how to amplify the message, take it across borders, take it to the community, but also, of course, make it work as a business.**



[We] are discovering it as we go. We're really excited to do something innovative with distribution as well. In this regard, the support of the Arts Council is crucial. They're extraordinary partners."

– Karen Palmer

### Venice Biennale success for Shape Arts

We invested in Shape Arts, a disabled-led arts organisation and one of our National Portfolio Organisations, to create an internationally significant showcase for the Venice Biennale 2024. **Crip Arte Spazio: The Disability Arts Movement** in Venice was a joyous and exuberant celebration of the Disability Arts Movement – a group which campaigned for the rights of disabled people and against their discrimination and marginalisation in the arts. Including both historic work and new commissions the showcase continued on a UK tour which opened at the Attenborough Arts Centre in Leicester.

### Showcasing talent in New York

**Under the Radar** is New York City's premiere annual festival of experimental theatre. We supported a group of artists and producers to attend the 2025 edition of the festival as part of a collaboration between Here & Now – Performance Created in England, Under the Radar, and Factory International. Artists BULLYACHE, Luca Rutherford, Ziza Patrick and Wet Mess, along with producers Nancy May Roberts and Hattie Gregory, attended the festival to develop their international profile and contacts, connect with key members of the live performance industry, and attend key shows and events. This included the annual Under the Radar Symposium, which brought together over 350 arts presenters, producers, service organisations, funders and artists. The festival also included Arts Council supported showcases of Benji Redi's *Find Your Eyes* and Dan Daw's *The Dan Daw Show*.







## WOMEX 2024

Manchester Music City hosted the 30th edition of WOMEX, Worldwide Music Expo, the biggest conference of the global music scene and a major international industry festival. Over four days in October 2024, WOMEX featured a trade fair, films, talks and showcase concerts. Music professionals came together to embrace music including folk, roots, jazz, urban, electronic and that based in the traditions of cultures from around the world and their diaspora communities.

Our investment in WOMEX 2024 added to the rich mix on offer. It included a bursary scheme for 45 English promoters, 20 of which were based in the North of England, and most of whom were attending WOMEX for the first time. We also supported the publication of *Routes* – a 52-page printed guidebook highlighting the best of England’s live music scene and sector for those attending the conference.

The delivery partners for the 2024 edition of WOMEX included our National Portfolio Organisations and Investment Principles Support Organisations Brighter Sound, English Folk Expo (now known as Soundroots), Attitude is Everything, and Black Lives in Music. This large UK and Ireland delegation was presented through a single point of contact and promotion for UK and Irish artists, known as the Horizons partnership. It brings together Arts Council England, Arts Council of Wales, in association with Wales Arts International and Tŷ Cerdd, Creative Scotland, Arts Council of Northern Ireland, Arts Council Ireland, the British Council and the Arts InfoPoint and produced by National Portfolio Organisation, British Underground. The partnership was formed the last time the UK hosted WOMEX in 2013.

“

The delivery partners for the 2024 edition of WOMEX included our National Portfolio Organisations and Investment Principles Support Organisations Brighter Sound, English Folk Expo (now known as Soundroots), Attitude is Everything, and Black Lives in Music.

”

A major ambition of our investment and the hope of Manchester Music City was the legacy of the event for Manchester and its people. The National Portfolio Organisations rooted in global music who came together at WOMEX will continue to meet up this year to support grassroots music venues to collaborate and host global music performers through developing new toolkits, and work in association with Bradford 2025.

### WOMEX 2024 in numbers:

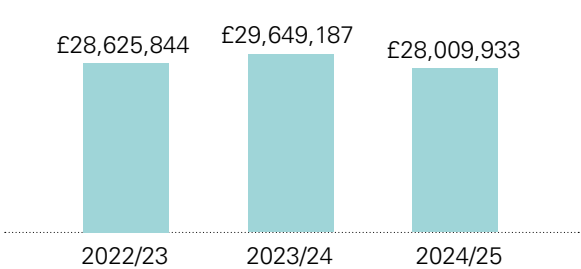
- **2,850** music professionals from **118** countries **attended**
- **738** companies from **56** countries **exhibited** in the trade fair
- **290** musicians from across the globe **presented 61** showcase acts over **7** stages
- Conference featured **88 speakers** from **22** countries

Our continuing support for individual creative practitioners

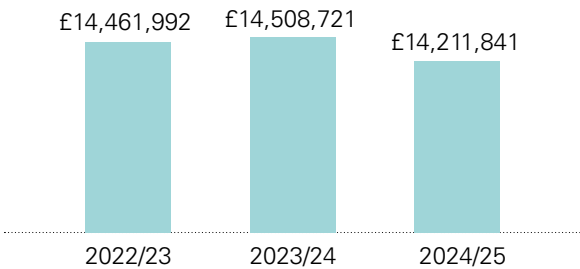
October 2024 saw the launch of the *Cultural Freelancers Study 2024*. Commissioned by us, the study was carried out by researchers from the University of Essex. The three-part study was made up of a literature review, a survey which had more than 5,000 respondents, and a series of focus groups and interviews in which 200 participants took part. The ambition of the large-scale longitudinal study was to give us a deep understanding of the lives of freelancers and will be repeated every three years. The study highlighted as well as the

opportunities, the real challenges of those working in the artforms we support. We take those challenges seriously which is why we are strengthening our staffing resource and our understanding, support and advocacy for freelancers. Our support for individual creative and cultural practitioners also includes eligibility to apply for investment through our National Lottery Project Grants, which they can apply for at any stage of their projects, and our Developing Your Creative Practice Fund, which supports individuals to focus on their development and take them to the next stage of their practice:

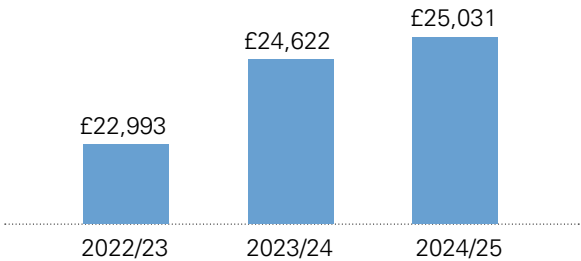
NATIONAL LOTTERY PROJECT GRANTS:  
AMOUNT AWARDED TO INDIVIDUALS:



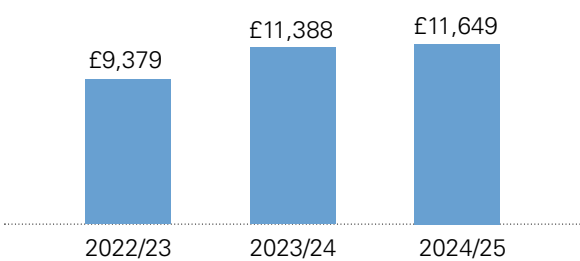
DEVELOPING YOUR CREATIVE PRACTICE:  
AMOUNT AWARDED



NATIONAL LOTTERY PROJECT GRANTS:  
AVERAGE GRANT AWARDED TO INDIVIDUALS:



DEVELOPING YOUR CREATIVE PRACTICE:  
AVERAGE GRANT AWARDED



## Libraries finding answers to the big questions of our time

Arts Council England is the national development agency for libraries in England, and we work with a range of library services that operate within a wider framework of library provision and local and national government services, and those that do not. The Europe Challenge 2024 brought libraries communities across Europe to tackle the big social issues of our age. The project looked at challenges such as low voter turnout and democratic participation, climate change and poor mental health. Through our investment, the programme engaged and supported 10 English libraries through mentoring, peer learning and networking with colleagues in libraries in Europe, and resulted in 10 English projects reaching 4,900 people. It has resulted in a network of library staff from across Europe. They are working to build upon the work of Europe Challenge 2024 and create further collaborations in the future.

### Europe Challenge Initiative: The Gatherers

In rural North Devon, barriers like transport issues and lack of disposable income hinder community participation. The Gatherers, a collaboration between Braunton Library and local creative charity Honeyscribe, connects people and place through plants and stories, tackling social isolation and loneliness – including people who are not digitally connected, people with long-term disabilities, new parents, new arrivals to the area, unemployed people and those who have been recently bereaved – in five rural North Devon libraries. Activities include making flower presses from old library books, creating bookmarks and cards, and planting seasonal flowers. Drop-in workshops inspire conversations and co-creation, while wildflower walks are helping local connections to flourish.

## Connecting Stories – helping everyone to discover the pleasure of reading

We have invested National Lottery funds so the National Literacy Trust can develop 14 Connecting Stories Hubs across England. The hubs, which fully launched throughout 2024/25, work to raise the reading and writing skills of children and young people and give greater access to books in places in most need of that support. The Trust's wider Connecting Stories campaign launched in 2020 with help from our investment. Since then, it has been supported by large, small and independent publishers and worked with 120 authors to deliver activities that reached 200,000 people. Throughout the last year more than 800 Literacy Champions worked with The National Literacy Trust to promote and celebrate the joy of reading and its benefits on wellbeing and educational attainment. One of this year's highlights for the Literacy Champions was a Clarence House reception by Royal patron Queen Camilla.

## Developing our nation's museums

We play a vital role in supporting museums nationally through our funded programme of Museum Development. We have invested £600,574 to more than 200 museums through small grants with a further investment of £200,000 coming from the charity Art Fund. We have also provided training, published reports to give greater insight to the museum sector, and funded the 'Seeds for Action' national environmental programme.

### Our area partners for Museum Development announced in 2024 are:

- **London:** delivered by Museum of London
- **Midlands:** delivered by Ironbridge Gorge Museum Trust and Leicestershire County Council
- **North:** delivered by Yorkshire Museums Trust in partnership with Manchester Museum and Tyne & Wear Archives and Museums

- **South East:** delivered by Norfolk County Council and Brighton & Hove
- **South West:** delivered by Bristol City Council

We also awarded £569,077 to museums in small grants covering the whole of England, from the Isles of Scilly Museum to Lady Waterford Hall in Northumberland. Grants ranged from £45 to the Frogmore Paper Mill in Hemel Hempstead to attend the **Take Care: Putting Collections at the Heart of Climate Change Work** conference to £8,950 to the American Museum in Britain which is in Bath for their **Diverse Histories, Diverse Voices: Updating the Period Room Interpretation** work.

### Centre of Excellence for Music and Dementia

This year saw the launch of the first Centre of Excellence for Music and Dementia in Greater Manchester

To establish the centre, **Manchester Camerata** was awarded more than £1 million investment through the Power of Music Fund, including a £250,000 grant from Arts Council England. The programme is led by the National Academy for Social Prescribing, Arts Council England and The Utley Foundation. It worked with the Alzheimer's Society to recruit, develop and train a volunteer community workforce of 300 Music Champions. These champions will deliver the Music Cafes, helping to support over 1,000 people living with dementia in Greater Manchester.

This partnership has the potential to consolidate understanding of benefits of music in healthcare, specifically for people living with dementia. Part of the Power of Music ambitions is to develop a learning network, for Music for Dementia providers and practitioners. This network now has 115 members nationally, who have met eight times throughout the last year to share learning and best practice.

### English National Opera and Greater Manchester: working together to reach new audiences

A major new three-year partnership between English National Opera (ENO) and the city region of Greater Manchester was announced in November 2024. It will involve the creation of a new Greater Manchester Youth Opera Company and Perfect Pitch, a collaboration exploring the impact of mass singing on the performance of Greater Manchester's football teams – a collaboration with Salford's outdoor arts company Walk the Plank. English National Opera will be firmly established within Greater Manchester by 2029 and is part of Arts Council England's transfer of investment to areas outside of London.

### Europe's biggest celebration of Black literature

**The Black British Book Festival** is the largest in Europe and in 2024 was funded through National Lottery Project Grants. The programme of events included workshops, keynote speakers, panels, and a festival attended by **5,500 people** at the London's Barbican. It celebrated established authors and nurtured emerging talent and contributes to creating a more inclusive and representative literary landscape. Its year-round programme includes library and school events in our Priority Places as well as communities across England.

### Get Ready for Business Growth – igniting our nation's creative economy

Get Ready for Business Growth is a programme funded by the Arts Council and the British Library, offering scale-up support for small and medium creative businesses to increase growth, build business skills, and increase capacity and resilience. It also offers mentoring and start-up streams for smaller creative businesses. In January 2024, the findings of 'Get Ready for Business Growth: Igniting Creativity across the Nation' were published – they revealed that the programme offered exceptional personal, professional, business, economic and social value.





In 2024/25, over **120** creative individuals and businesses, including **103** individuals from underrepresented groups, in England and Scotland were supported to increase their business knowledge, creating **26** new jobs and **51** new products, processes or services. This programme is a good illustration the benefits that have come out of National funding initiatives.

‘We wouldn’t have scaled so quickly without the confidence and advice from the programme. It’s given us the tools to grow effectively, and we’ve already hit this year’s turnover target in Q3.’

– Get Ready for Business Growth graduate

### **Making our creative and cultural sector environmentally responsible**

During 2024/25, a **Green Events Code of Practice (GECOP) pilot** was launched as part of our funding for Julie’s Bicycle and Vision for Sustainable Events (formerly Vision: 2025). The pilot is made up of ten local authorities trialling new environmental standards for events. The Code demonstrates best practice and creates consistency. It looks at seven key areas where positive environmental change

can be achieved: governance, energy, travel & transport, food & drink, waste, water, and influence. 60 events with over 2.3 million visitors took part in the pilot assessment, from small community events to large festivals like Parklife and Reading. The pilot’s results provide clear evidence that a local authority-led assessment of events against minimum environmental expectations can create tangible and measurable improvements in environmental practices.

#### **Key numbers:**

- **60%** of event organisers have implemented new direct measures as a result of the pilot
- **92%** said they’d adopt even more sustainable practices next year
- **7 out of 10** participating local authorities made changes to policy or procedures

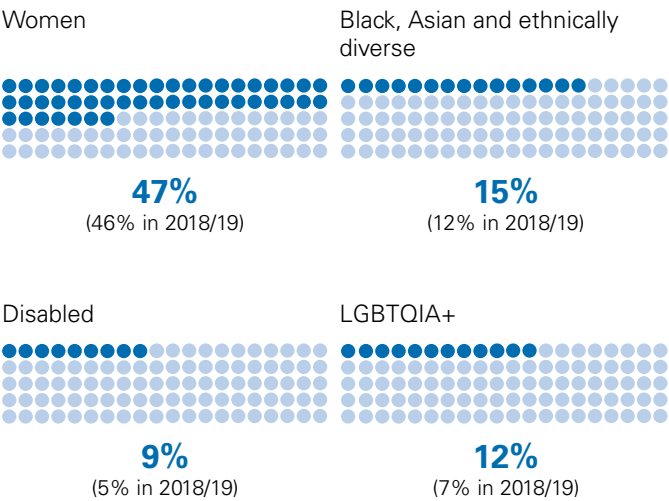
2024/25 also saw us support the development and UK dissemination of the second edition of the **Theatre Green Book**, a significant sector-wide initiative that provides a framework and guidance for UK theatres and theatre practitioners to make their work more environmentally sustainable. Our funding enabled the launch and related learning events, as well as providing support for the training and development of wider Theatre Green Book networks.

### **Helping important collections enrich people’s lives**

We are passionate about collections held in our museums, libraries and archives and their ability to impact upon our lives and deepen our understanding of the world around us. Our **Designation Scheme** identifies and celebrates outstanding collections of national and international importance based on their quality and significance – and we currently have 162 Designated Collections in England. Collections held in non-national museums, libraries and archives across England can

apply for **Designated status**. It recognises the collections which play a significant role in deepening our understanding of our country, our planet and our shared cultural heritage. In 2024/25, we relaunched the Designation Scheme with refreshed criteria and resources to help museums, libraries and archives raise the profile of significant collections. Following the relaunch, which included three webinars with Museum Development partners and enhanced accessible web resources and content, we received the highest volume of Stage 1 applications since 2001 – highlighting the Scheme’s continued relevance to the sector.

Total workforce 2022/23



Read more about our continuing work in our [Delivery Plan 2024-27](#).

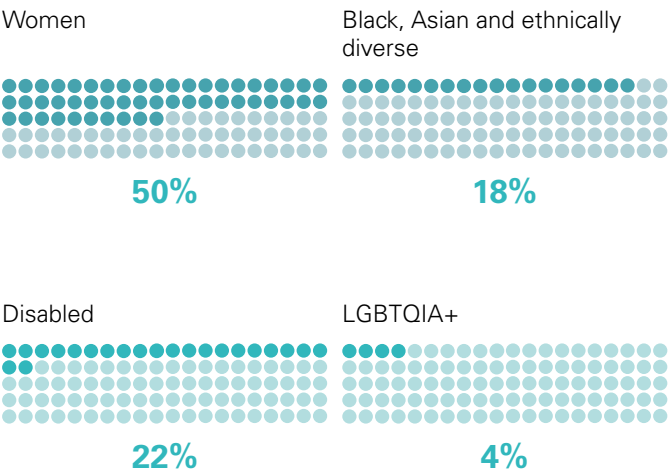
Supporting exceptional talent wherever it is found

Our [Equality, Diversity and Inclusion Review 2018-23](#) was published in February and looked at the workforce of the five years of our last National Portfolio.

Of the 661 organisations that consistently provided data during this time, we saw that the proportion of women, Black, Asian and ethnically diverse, disabled, and LGBTQIA+ people represented in the total workforce of those organisations increased over the investment period:

Office for National Statistics

Figures for the whole working age population for a comparable period



## Cultural Communities

### Villages, towns and cities thrive through a collaborative approach to culture

We want creativity and culture to play its full part in making our villages, towns and cities better places to live, work and play. We talk to, consult and listen to more communities to allow them to decide what kind of culture they want to experience on their doorstep. In particular, our National Lottery Project Grants Place Partnership projects seek to make a long-term difference to the creative and cultural lives of local communities.

Local authorities are the biggest funders of creativity and culture in England. Faced by a challenging financial environment, many responded with imaginative and innovative ideas about how they can continue their vital support for arts and culture. One of our key focuses in the last year was to continue to work in partnership with local government to make sure that our investment in culture is successful and sustainable. By doing this we help to remove barriers and improve access so that arts and culture can have a deep and lasting effect on people and communities across England.

Cultural Communities in numbers 2024/25		
<b>73.6 million people</b> attended <b>84,000</b> events hosted by <b>1,000</b> organisations that we invested in 2023/24. <sup>13</sup>	<b>122%</b> increase in the Arts Council's investment in National Portfolio Organisations based in Priority Places in 2024/25 compared to our previous National Portfolio (2018-22)	<b>82.8% increase</b> in the number of National Portfolio Organisations based in Priority Places in 2024/25 compared to the previous National Portfolio (2018-22)
Arts Council funded activities took place in every Local Authority area in England in 2024/25	<b>£17.4 million</b> invested in <b>30</b> Place Partnership projects in 2024/25	Over <b>£42.3 million</b> total investment through Place Partnership Fund since the programme launched in 2021
Since launching in 2021, <b>33</b> Place Partnership Fund projects have taken place in Priority Places ( <b>47.1%</b> )	Over <b>£2.6 million</b> National Lottery Project Grants awarded to Library projects	Over <b>£1.3 million</b> National Lottery Project Grants awarded to Museum projects

<sup>13</sup> 2023/24 engagement figures are taken from our data platform Illuminate. 2024/25 figures will be reported in our 2025/26 Annual Report and Accounts

## Our Cultural Communities story in 2024/25

### All In – Everyone's Welcome

All In is a creative and cultural access scheme for deaf, disabled and neurodivergent people. It is designed to remove barriers and improve their experience as audience members, participants and visitors at theatres, museums, galleries, festivals, libraries, and more across the UK and Ireland. All In has so far received 1,050 expressions of interest from the creative and cultural sector. Leeds became the pilot city for All In in December 2024 – with the Leeds Heritage Theatres, Leeds Museums and Galleries, Leeds Playhouse and Opera North trialling the scheme. Arts Council England has invested £2 million to create All In, working in partnership with **Arts Council Ireland, Arts Council of Northern Ireland, Arts Council of Wales and Creative Scotland**. A disabled-led team developed All In and the project's work is guided by two advisory groups. One made-up of deaf, disabled and neurodivergent members and the other formed of creative and cultural organisations of all shapes and sizes from across the sector.

"Opera North is delighted to be part of the All In pilot as we look to ensure that everyone attending our performances gets the best possible experience from the point of booking through to the visit itself. We strongly believe that the arts are for everyone which is why we have introduced more matinees, English subtitles at all operas, relaxed performances for people who prefer a less formal theatre environment and BSL interpretation, audio description and touch tours on selected dates. We also continue to innovate with our new production of Handel's *Susanna* featuring integrated Visual Vernacular at every performance. By taking part in this pilot, we are looking forward to working collaboratively with other organisations, sharing data and insights to enhance this offer still further and to ensure that culture is genuinely open and welcoming to all."

– Emily Simpson, Director of Audiences, Opera North







### “A home for poetry”

The **National Poetry Centre** in Leeds is the visionary, flagship project of Simon Armitage’s decade long tenure as the UK’s Poet Laureate. The centre will house archives and a poetry library, writing rooms and a performance space and be an inspirational resource for poets throughout the country and a venue of international significance. We helped secure £5 million of government investment towards the project’s capital development through our collaboration with Leeds City Council, Leeds University, and West Yorkshire Combined Authority. We have also invested an additional £305,000 into a National Young Poets Laureate programme. It will work with 120,000 young people in 1,000 schools to nurture and give a platform to young poets across the country. It will also see 120 young poets given professional mentoring to further develop their craft and confidence.

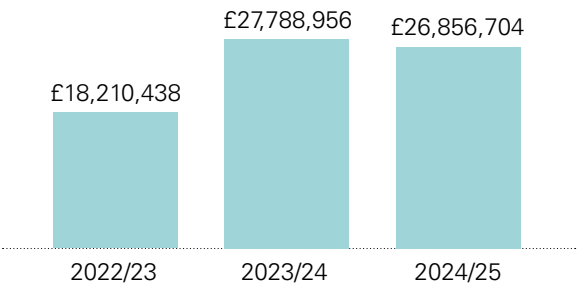
### Building and developing best practice in public art

We invested in think tank **ixia** to create a Public Art Support Pilot in Barnsley, Darlington and St Helens. The ambition of the pilot was to support best practice in public art commissioning and production including artist recruitment, governance and how to get the community more involved in projects of this kind. Each of the local authorities in those areas was matched with an expert adviser who guided and supported them through the early stages of the public arts projects that were made possible through Levelling Up funding. The pilot led to better knowledge, improved approaches to commissioning public art and shared learning across the different areas. ixia also delivered several webinars and events to help Arts Council staff in their development roles, and Local Authorities, practitioners and partners involved in making art with and for communities.

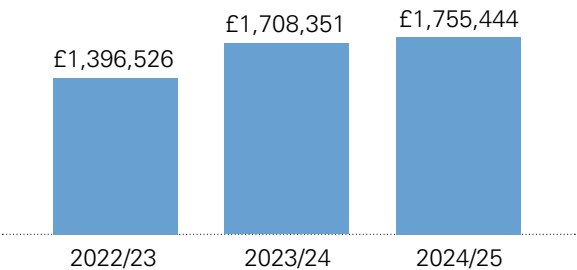
Our pledge to Priority Places

In our most recent **Delivery Plan**, we renewed our commitment to support our 54 Priority Places until the end of 2026/27. It will see us continue our work and working alongside others to make sure that more of our communities share in the benefits, including economic regeneration and growth, that investment in creativity and culture can bring. We are committed to creating a common vision by working with local stakeholders on how that can be achieved. It means we can bring about meaningful and real changes for the lives of people and communities, who in the past have fewer chances and choices to take part in creative activities and cultural experiences.

NATIONAL LOTTERY PROJECT GRANTS: TOTAL AMOUNT INVESTED IN PRIORITY PLACES



DEVELOPING YOUR CREATIVE PRACTICE: TOTAL AMOUNT INVESTED IN PRIORITY PLACES



Our Priority Places investment over the last three years includes:

Our total National Lottery Project Grants investment in Priority Places remains significantly higher than 2022/23. In 2024/25 we invested over £9 million through Place Partnership Fund projects in priority places. There was a reduction overall in 2024/25 compared to 2023/24 due to lower investment in this year for our under £30,000 strand of the National Lottery Project Grants programme.

Rochdale – one of our priority places

We have invested more than £11.7 million in Rochdale since financial year 2018/19. Our increased investment has led to festivals like Wild Wanders, held during the October 2024 half-term holidays. It saw more than 3,500 people exploring a nighttime nature trail and offered families in Rochdale an inclusive, free and magical experience.

It also allowed M6 Theatre to run drama projects for children and young people waiting to access the Child and Adolescent Mental Health Service. An evaluation of the project reported an increase in the wellbeing of children who had taken part.

We are also delivering long term cultural and creative change in Rochdale through our investment, and by building trust and meaningful relationships with individual artists and local arts organisations. It includes the formation of a local artists’ network and supporting partnerships between creative practitioners and community groups to test new and exciting ways to connect people, and encourage more people who live in Rochdale to take part in creative and cultural activities. Our strong relationships with the Rochdale Development Agency as well other arm’s length bodies, such as Historic England and National Lottery Heritage Fund, enabling joined up working on our co-investments.

"I am keen to engage those who have lots of talent but don't fit into the education system as it is, these children and young adults fall through the net sometimes through no fault of their own. And miss out on so much. And I feel with the funding and support we get from the Arts Council, we are on our way to doing this. As most of them will engage in soft learning like arts, local history and culture, and cooperation. Things that they just don't teach in most schools. And what makes it even better is these activities are led by local role models, this can make a huge difference on their lives."

– Councillor Susan Smith, Rochdale Metropolitan Borough Council

### The New Forest: unlocking "wonderful" creativity and culture through our investment

We have invested more than £2 million in the New Forest, one of 11 Priority Places in the South West area, since 2018. Our total investment in the New Forest in 2024/25 was

£393,266 – an increase of 100.6% compared to 2018/19. This funding includes our support for Creative People and Places programme **Culture in Common**. Formed two years ago, it is made up of a partnership of New Forest and Hampshire based charities, community and arts organisations, New Forest District Council and the area's national park authority. Since beginning their programme of events, Culture in Common's creative and cultural activities have reached more than 49,000 people. Throughout 2024 they worked with Platform 4, an artist-led company based in Winchester, on the **Alice Project**. This saw 40 children and adults called Alice – who ranged in age from a newborn baby girl to a 79 year-old come together at the New Forest Heritage Centre. They took part in making Alice bands, playing *Alice in Wonderland* card games and using a 'Menu of Conversation' while having tea and cake with each other. It was a creative celebration of the links the area has with the real-life inspiration for Lewis Carroll's *Alice in Wonderland* – Alice Liddell. These conversations have been woven into a sound piece with music and text from Lewis Carroll's work which will tour the UK later this year.





Bringing communities together through culture

The Creative People and Places programme gives people a say in what kind of creative activities take place where they live. It’s aimed at places in the country where involvement in the creativity and culture is significantly below the national average. In 2024/25 we awarded £11.6 million to Creative People and Places programmes across the country, from Down to Earth in Wigan to Seed in Sedgemoor, and have extended the programme for another year to March 2026.

More about our Creative People and Places portfolio:

38 Creative People & Places programmes took place in 57 local authorities <sup>14</sup>
33 of our Creative People and Places programmes are in the Arts Council’s Priority Places
90% of audiences are from low-to-medium engaged groups
Over £120 million will have been invested in Creative People and Places between 2012 and 2026
Over 14,200 arts and culture experiences delivered and over 18 million people engaged with Creative People and Places since 2012
Over 26,000 volunteers have made Creative People and Places programmes happen since 2012

Throughout 2024, one of our Creative People and Places programmes **The Cultural Spring**, worked in partnership with 10 community venues to provide creative and cultural activities in Washington and the surrounding Coalfields area. Called **A Space to Create** and funded through Sunderland City Council’s Warm Spaces fund, it developed its

programme through consultation with people living locally. It led to a series of workshops which meant those taking part could learn how to create and sell artwork made from low-cost or recycled materials.

The groups worked with experienced artists and developed skills in a range of artforms and to learn about creative enterprise – pricing and selling products. Those taking part in the workshops have continued creating and selling their artwork online and at craft fairs.

“I have learnt not only how to decoupage but also how to price and sell the items that I make. I have set up a facebook page where I sell some of the pieces I make so that I can buy new materials to make more. I have already sold a number of pieces which I’m so chuffed about – I never thought before this that people would buy something I had made.”  
– The Cultural Spring Participant

**Rosehill Theatre – supporting Whitehaven’s people and communities**

Rosehill Theatre was traditionally a receiving venue for touring productions. But in recent years it has reinvented itself, putting working with communities and place-making at the heart of what it does. **KIND**, its community programme, uses creativity and culture to create safe and supportive spaces for people to come together. We increased our National Portfolio investment in Rosehill Theatre 258% in 2023 – from £63,433 to £208,523 annually. This meant a new social prescribing programme could be launched as part of KIND, it could create commissions for local freelancers, and put on events to promote a sense of belonging, togetherness and greater community spirit in Whitehaven – building on the success of its annual Harbourfest and its existing family programmes.

<sup>14</sup> Number of local authorities covered is based on the boundaries that were in place in 2017/18, when the Active Lives survey was used to determine eligibility for the Creative People and Places Programme. We recognise that, due to boundary changes, several Local Authority areas in which Creative People and Places programmes are being delivered are now part of larger Local Authority areas, which may result in a reduced total number.



In the first three quarters of 2024/25 Rosehill Theatre almost doubled the number of workshops and participants at its community workshops compared to the previous year – from 98 workshops in 2023/24 to 175 in 2024/25, and 3,619 people to 6,921 people. Its audiences also rose from 5,086 to 7,000 in the same time period. The theatre sits on the Cumbria Arts & Culture Network and is a consortium partner of the West Cumbria Creative People and Places project, Everyone Here. Whitehaven is the former administrative centre of Copeland, one of our 54 Priority Places and the previous name of the district council before local government in Cumbria was restructured in 2023.

“Rosehill has been an integral part of the delivery of our social inclusion programme by enabling and facilitating the delivery of activities and interventions that promote the health, wellbeing, and inclusion of our communities by utilising arts and culture to enhance people’s lives. Our social inclusion programme is so much richer and more diverse with the support of Rosehill.” – Emma Williamson, Deputy Leader and Children’s Services, Family Wellbeing and Housing Portfolio Holder (Statutory Lead Member for Children’s Services) Cumberland Council

### **Place Based Peer Learning programme – helping culture and community to work together**

When the cultural sector works closely with community partners, we know that the activities that happen in those places are richer and more relevant, resources go further, and there are greater civic and social benefits. Our **Place Based Peer Learning programme** helps them to work together and share knowledge. It supports the building of partnerships and networks between Creative People and Places (CPPs), Local Cultural Education Partnerships (LCEPs), and Cultural Compacts, allowing them to do just that. The key element of the programme is to support and allow communities to take part in decision-making around their own cultural experiences. In 2024/25 we invested £200,000

in delivering 21 events around community-led monitoring and evaluation, involving children and young people in research, data visualisation and collection, and influencing and advocacy. We produced four podcasts showcasing best practice in place-based working in Barrow in Furness, Stoke on Trent, Rotherham and the South West and launched a digital networking platform to build networks and collaboration.

### **Derbyshire Makes – a place partnership story**

Our National Lottery Project Grants Place Partnership fund is investing in projects which are making real and significant changes to the creative and cultural opportunities of our communities. Successful bids are strategic, place-based interventions that will have a long-term positive impact on the creative and cultural life of our communities.

Derbyshire Makes celebrates making in all its forms, shining a spotlight on the county’s extraordinary making heritage and creative and cultural industries. Derbyshire County Council secured £780,000 from our Place Partnership fund to deliver this three-year cultural programme. Activities so far have included artist talks, craft demonstrations, hands-on workshops, exhibitions, performances and a mass-participation event, led by High Peak-based maker and former contestant on the BBC’s *The Great British Sewing Bee*, Alex Murphy. The programme brings the region’s diverse communities together by bringing together local makers and residents, strengthening community connections and boosting the region’s creative and cultural landscape.

“It’s great to see the range of activities and events planned across communities for our first ever Derbyshire Makes festival, inspired by our proud history of making. We’re keen to ensure that as many people as possible can get involved in making in all its forms and celebrate our heritage as well as the role making plays in Derbyshire now and in the future.”

– Councillor Barry Lewis, Leader of Derbyshire County Council

Investing in creative health in our combined authority regions

We invested in the creation of a Creative Health Network Lead for England’s metro mayor-led combined authorities in 2024. This investment was matched with funding from 10 of the devolved metro mayor-led authorities. The network will help with exchanging information, learning and best practice about

helping to put creative health at the centre of strategy and policy making. Creative health interventions have been shown to be highly cost effective. Our investment and that of the metro mayors will allow for a better understanding of the needs and preferences of communities and how creativity and culture can be effective in supporting everyone’s health and wellbeing.

Creative People  
Everyone can develop and express creativity throughout their lives

Our investment throughout 2024/25 broke down barriers to opportunity by increasing the chances and choices for everyone, whatever their age, to develop and take part in high-quality creative activities and cultural experiences.

We know increased access to the best in art and culture is crucial for developing imagination, self-expression and creativity in our children and young people.

We are proud of our work in 2024/25, and our long track record, in creating opportunities which values, encourages and allows the creativity of all our children and young people whatever their background to shine.

The future health and vitality of our economically important creative and cultural sector is dependent on drawing on talent wherever it is found.

Data from the [Participation Survey](#) shows that there are opportunities for more people to take part in arts activities, as 21 % of people surveyed did not participate in an arts activity in 2023/24.

Creative People in numbers 2024/25		
Estimated <b>4,987,600</b> project participants in National Lottery Project Grants-funded work in 2024/25 (in both physical space and digitally) <sup>15</sup>	<b>1,572</b> successful National Lottery Project Grants projects offered opportunities for creative participation (57 % of eligible applications)	<b>1,095</b> National Lottery Project Grants delivered or will deliver Creative People activity
<b>79%</b> of adults participated in an arts activity in 2023/24 <sup>16</sup>	<b>17%</b> of adults did photography as a hobby in 2023/24	<b>19%</b> of adults engaged in crafts activities in 2023/24
<b>10%</b> of adults wrote, practised or performed music in 2023/24	National Youth Music Organisations delivered <b>657 outreach sessions</b> , reaching approximately <b>20,000</b> young people	<b>33,799</b> young people took part in Discover! Creative Careers week

<sup>15</sup> This figure is an estimate based on data provided at the point of application by the applicant before the activity had taken place. In November 2023 we changed the questions we ask Project Grants applicants about the beneficiaries of their planned activity when we updated our online application form. This means this figure for Project Grants 2024/25 estimated audiences should not be directly compared with any estimated Project Grants audience figures previously published.

<sup>16</sup> This figure from the [Participation Survey](#) includes activity that Arts Council England does not strictly consider within its footprint including: designed or programmed video games including on a smartphone or tablet, made films or videos as a hobby including original animations, and read news in a printed newspaper.

## Our Creative People story in 2024/25

### **Talent 25: exploring how creativity shapes our lives from birth to adulthood**

400 babies born in Leicester since 2019 are part of Talent 25 – a unique 25-year long research programme funded by Arts Council England and delivered by De Montfort University.

It is tracking the children from birth until their 25th birthdays looking at the effects that early participation in creative and cultural activities has on their lives. February 2025 marked the fifth anniversary of the project.

Early findings show how important cross-sector partnerships are for a good creative and cultural start in life. It also highlighted the need for professional development for people working in early years settings. The report looked at the essential role that creative activities play in tough times including supporting family wellbeing and connections during the pandemic.

### **Revolutionising creative chances for young people – Wolverhampton: City of Youth Culture**

This year saw the start of Wolverhampton: City of Youth Culture. We have invested £846,940 through our National Lottery Place Partnership fund to support this ambitious three year-long mix of festivals, events, art trails and career development programmes. Designed with, by and for young people, led by Newhampton Arts Centre and delivered by a partnership of arts organisations, its ambition is to revolutionise the creative and culture opportunities for the city's young people.

**We invested £850,000 through the Place Partnership Fund for three years of festivals, events and career development with, by and for young people.**

It will give them the chance learn new skills, take part in creative experience and opening up career choices in the creative industries. In turn the benefits to Wolverhampton's young people will be felt well beyond the project's lifetime.







### **Otherham Winter Light Festival; co-created with the children of Rotherham**

The first major event of Rotherham's year as the world's first Children's Capital of Culture, Otherham Winter Light Festival took place across two evenings in January 2025. The stunning trail of light and sound projections was inspired by the storytelling of the borough's young residents. Children and young people were involved in every stage of the planning and creation. The festival was led by Flux Rotherham, one of our Creative People and Places projects, two of our National Portfolio Organisations – Rotherham's Grimm & Co and Lancaster-based imitating the dog – Rotherham Metropolitan Borough Council Events and the Children's Capital of Culture. To create the ideas for Otherham, Flux Rotherham and imitating the dog ran a six-week writing programme for young people aged 12-16. The young writers reimagined Rotherham as an otherworldly place, with their stories directly inspiring the projection designs. To celebrate Rotherham's young filmmaking talent, Flux also partnered with Children's Capital of Culture, imitating the dog, and Studio Bokehgo to work with schools and young creators to produce four short films which were showcased in the 'Cinema of Future Films'. A song written by young people working with Grimm & Co was also featured as part of the projections. Audiences in the Town Centre were up by **72%** during the event compared to the previous week.

"Thoroughly enjoyed the full experience with my family. Something that Rotherham really needed and we do hope to see more of these events in the future. I don't drive so this was just a bus ride away for me and my family which made it helpful."

– Otherham participant



## Music Hubs – delivering music lessons in schools and beyond

Over £101 million of funding for a new generation of Music Hubs was announced in May 2024. Music Hubs deliver music lessons in and outside of schools for children from all backgrounds across the whole of England. We are the fundholder for the programme on behalf of the Department for Education. Music Hubs are led by our 43 Hub Lead Organisations who work in partnership with schools, local authorities and educational, creative and communities organisations to bring musical activities to children everywhere. £25 million of the funding announced was earmarked to buy new musical instruments, equipment and technology for children including those with special education needs or disabilities.

## Putting creativity at the heart of teaching and learning: Creativity Collaboratives

Creativity Collaboratives is a programme that looks at testing innovative practices for teaching for creativity. By building networks of schools who can share approaches, it hopes to bring about a system-wide change. Teachers and pupils who took part in the pilot, which ended in July 2024, said teaching for creativity increased engagement, confidence and ownership in learning, and brought about positive changes in teaching practices.

Findings from the pilot phase of the programme showed the positive impact that Teaching for Creativity has on teachers and pupils supporting increased engagement, confidence and ownership in learning as well as positive changes in teaching practices. More than four fifths of pupils (84%) said they were more interested in learning when they are being creative, while 82% thought that they had learned skills that might help them in the future. The Legacy Phase of the Creativity Collaboratives programme was launched in October 2024 with a **£1.5 million** Arts Council investment for two more years.

So no matter what you do in the future, from us learning it now and teaching it to everyone else, it's going to affect you, and help you grow. And also, it'll just help you as a person with just having a bigger character, and being able to use all these skills to improve and just like, help yourself, like to live.

– Creativity Collaboratives pupil



## Take Two Pilot Project – world class art in more ways than one...

2024 saw the conclusion of the Arts Council Collection's Take Two Pilot Project. This was a collaboration with 15 schools in Yorkshire, Coventry and Lambeth to bring world-renowned artworks from the Arts Council Collection into their classrooms.

Over **9,000** students, staff, visitors and parents took part in the programme, which led to better engagement and understanding about art and artists, including resources for children with special educational needs and disabilities. Operating as a 'museum without walls', the Arts Council Collection is the largest national loan collection of modern and contemporary British art in the world, and includes examples by some of the UK's most prominent artists. It is the most widely circulated of all of Britain's national collections and can be seen in museums and galleries in the UK and abroad. The Arts Council Collection also lends to numerous public buildings across the UK,

including schools, universities, hospitals and charitable associations. Schools responded to the artworks by planning specific activities and using them as a way to talk about wider issues. Students were encouraged to question ideas and try new techniques and materials in their own art.

**“Each stage of the process from selecting to working with artworks has created a buzz a sense of pride and excitement”**  
– Participating teacher in Take Two

### **National Youth Music Organisations – creating chances for young musicians to shine**

In 2023 we more than doubled the number of our National Youth Music Organisations. It now means we support a total of 15 organisations, working closely with our Investment Principles Support Organisation Music Mark. The expansion meant 6,176 children and young people – an increase of around 3,000 from the academic year 2022/23 – could access high-quality opportunities to pursue their musical interests, explore their potential, and develop skills and experience as performers. These opportunities are open to children and young people from all backgrounds and span a wide range of musical genres including contemporary (commercial) and Black music, English folk, jazz, Indian classical, choral and orchestral, and musical theatre. National Youth Music Organisations provide children and young people with the chance to take part in large-scale performances, inclusive music programmes, residencies, workshops, and to gain industry experience.

Last year all National Youth Music Organisations delivered large-scale outreach programmes, reaching around 20,000 young people. Roughly nine of out ten (89%) of which were delivered in partnership with schools, which for the first time included key stage 1 pupils. As of this year, Special Educational Needs and Disabilities (SEND) schools now make up 10% of all the

educational settings who take part. Thousands of young people continued their music journey when they leave their National Youth Music Organisations through mentoring schemes, youth advisory boards and ambassador roles. National Youth Music Organisations continue to play an important role in the music education landscape, with strong sector engagement – by 2024, almost all (99%) Music Hubs were collaborating with National Youth Music Organisations to support programme delivery, recruitment and/or auditions.

### **Discover! Creative Careers: helping young people find a career in our sector**

33,799 young people took part in careers activities with hundreds of creative industry employers across England as part of Discover! Creative Careers Week 2024 in November.

**16,817** young people took part in in-person activities – an increase of **256.7%** (12,103 people) since 2023/24. The programme, supported by Arts Council England and the Department for Culture, Media & Sport, inspires and informs young people about careers in the creative industries. As well showcasing the vast array of creative careers on offer, it also explained the skills and qualifications needed to succeed in them. Many of our National Portfolio Organisations were involved in Discover! Creative Careers, including National Theatre, Lighthouse (Poole Arts Trust) and English National Ballet. The programme has received additional support in the Autumn Budget 2024 to expand it in the future.

**“Young people need as much information as they can get about the creative industry and its ever-evolving size, directions and disciplines. They should be able to learn about the good things, the bad and everything in-between! I felt it important to share the highs and the lows that I’ve experienced because wherever possible, I would hope that I can help someone else to achieve success by passing on this type**

of knowledge.” – Martin Rose, Freelance Illustrator and Printmaker and participant in Discover! Creative Careers Week 2024

### National Gallery – Art Road Trip

Art Road Trip is the National Gallery’s travelling art studio programme. It is a partnership with Creative People and Places running until May 2025 to mark the gallery’s bicentenary year. Visiting 18 places across the UK its aim is to create community-led arts projects inspired by the National Gallery’s collection.

October 2024 saw the studio on wheels stop in Doncaster. Workshops were held at family hubs, the Stirling Smile Group – which is for adults with learning disabilities, the Conversation Club – for people seeking asylum and new refugees, the Doncaster & District Deaf Society and several schools.

Arcade – the digital agency that created the National Gallery app ‘The Keeper of Paintings’ – visited the children of Atlas Primary School in Doncaster as part of the Art Road Trip. They delivered workshops to two Year 5 classes and demonstrated a new app in development. They offered the children the chance to use the app and share feedback to help shape its development.

Pupils from Atlas Primary School have since visited The National Gallery with the Right Up Our Street team, aided by Doncaster Town Ward Councillor David Shaw. For many, it was their first trip to London. During the visit, the students took part in a workshop exploring paintings, expanding their drawing skills and being inspired to create their own artwork.

**9 out of 10 (93%)**  
of Art Road Trips  
participants rated  
the experience as  
excellent.

### Using creativity and culture to change homeless people’s lives

Investment Principles Support Organisation Arts and Homelessness International worked with Swale and Medway Councils in Kent, in partnership with Creative People and Places programme Ideas Test, to deliver a legislative theatre project. Legislative theatre is a method which uses theatrical techniques including role playing to shape policy making. Working with people with lived experience, they co-created the council’s homelessness strategy and delivered the Arts and Homelessness International Summit which explored issues including how to create Homelessness Friendly Cultural Spaces.

### Creative Ageing Peer Learning Programme Steering Group – shaping the future of creativity for older people

Representatives from the arts and culture sector, health and social care, education and research, and creative practitioners joined our new Creative Ageing Peer Learning Programme Steering Group. This programme involves older adults in creative activities – bringing joy as well as promoting wellbeing and social connection and enhancing quality of life as people age. We have worked with the steering group to create an events programme to support the delivery of creative and cultural projects by, for, and with older people.



## Department for Culture, Media & Sport Key Performance Indicators

The Secretary of State for Culture, Media & Sport (DCMS) sets priorities and key performance indicators (KPIs) for Arts Council England. These performance indicators may be reviewed over the duration of the Arts Council's management agreement with the Department for Culture, Media & Sport. The data for the first four Key Performance Indicators (KPIs 1-4) reflect 2023/24 due to the schedule in which we collect data from our National Portfolio Organisations.<sup>17</sup>

### KPI 1: Contributed and earned income in National Portfolio Organisations

Earned income has continued a growth trajectory since pre-pandemic levels and the low of 2020, though the viability of sector organisations has been affected by overall economic issues in 2024/25. Contributed income – for example money secured via donations, sponsorship and trust and foundation grants continues to show growth with a 9.7% increase over the last financial year. While it is positive to see this growth, we know that sector organisations are still recovering from 2020/21 closures and ongoing economic and inflationary pressures.

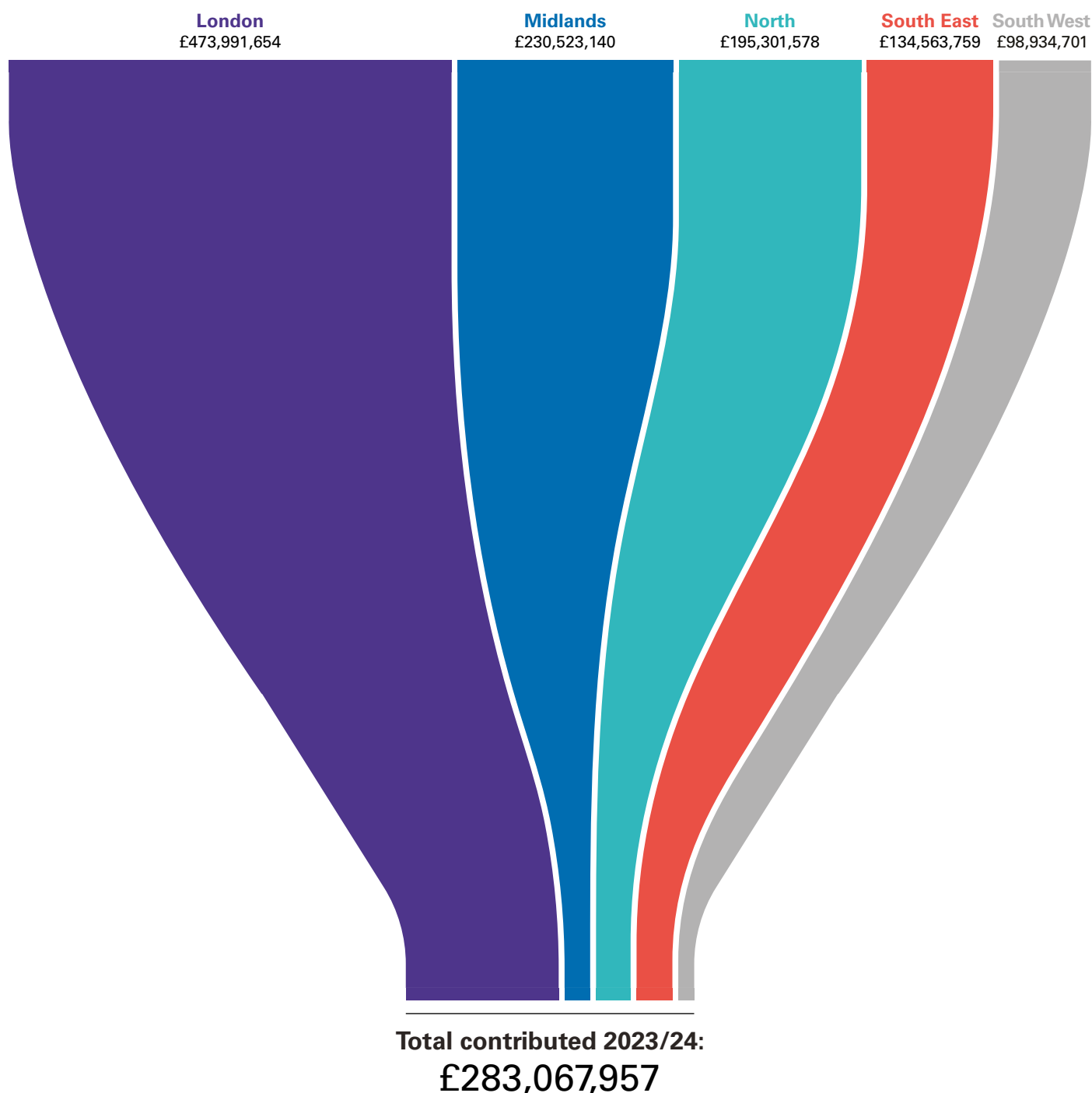


<sup>17</sup> Each year, data is pulled from our servers to update the Annual Report and Accounts. This may mean on occasion an update is made to previous years data. This may happen for a couple of reasons: In some cases, this is where applications have been withdrawn, or funding agreements have been changed since the data was originally pulled; and I (delete the I) some organisations operate on a multi-funding year agreement (e.g. NPOs), which may, in some circumstances, not be reflected in the original data and has been updated since. Updating previous data is considered best practice (under ONS statistical guidance) where that data has changed (e.g. a grant has since been withdrawn) or where data may have been based on projections (e.g. an award was made in principle, with a projected award amount, but that £ was altered after the figures were produced). There are also occasions where reporting has improved/systems have been updated which may mean data is processed slightly differently in one year than it had been previously. Best practice in this case would be to ensure comparable data be maintained where possible, so re-running the 'baseline' is required.



## Earned and contributed income

Total earned 2023/24:  
£1,133,314,832



KPI 2: Percentages for each protected characteristic (Black/Asian/Ethnically Diverse, LGBTQ+, Female, Disabled, Age) and a breakdown by socio-economic background across National Portfolio Organisation (NPO) Leadership teams and permanent workforces

The following charts show the demographic and socio-economic breakdown of senior leadership positions, boards, and permanent workforces of National Portfolio Organisations.

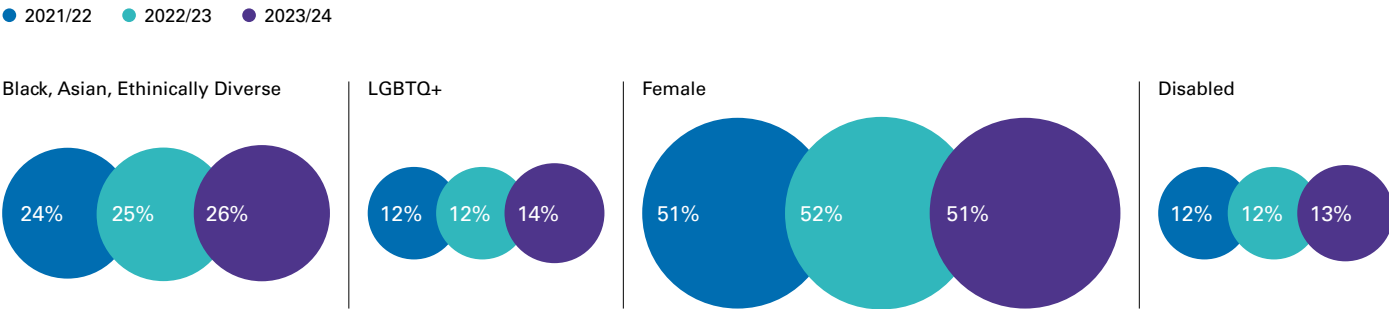
The charts show continued progress and improvement in the representation of people

of Black, Asian and Ethnically Diverse heritage, LGBTQ+ communities, Disabled people and Women on National Portfolio Organisation boards and across the permanent workforce compared to 2022/23.

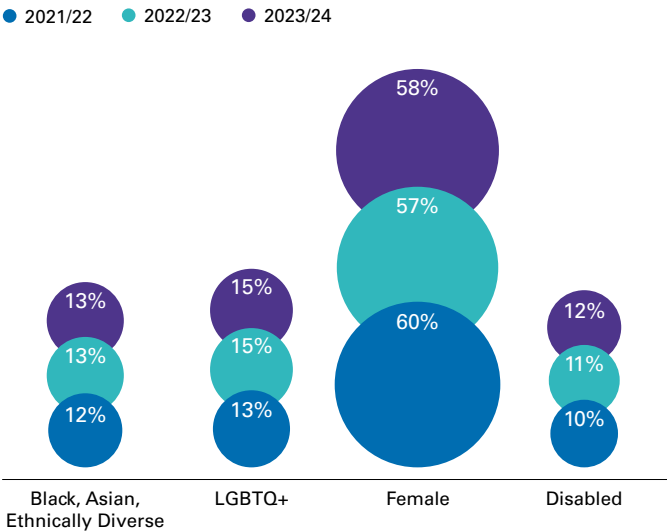
For the first time, we are also reporting on socio-economic background representation. In 2023/24 people from lower socio-economic backgrounds comprised 17% of National Portfolio Organisation boards and 16% of the permanent workforce.

Data for the Arts Council’s workforce can be found in the Staff Report on page 119.

National Portfolio Organisations: Board



National Portfolio Organisations: Workforce

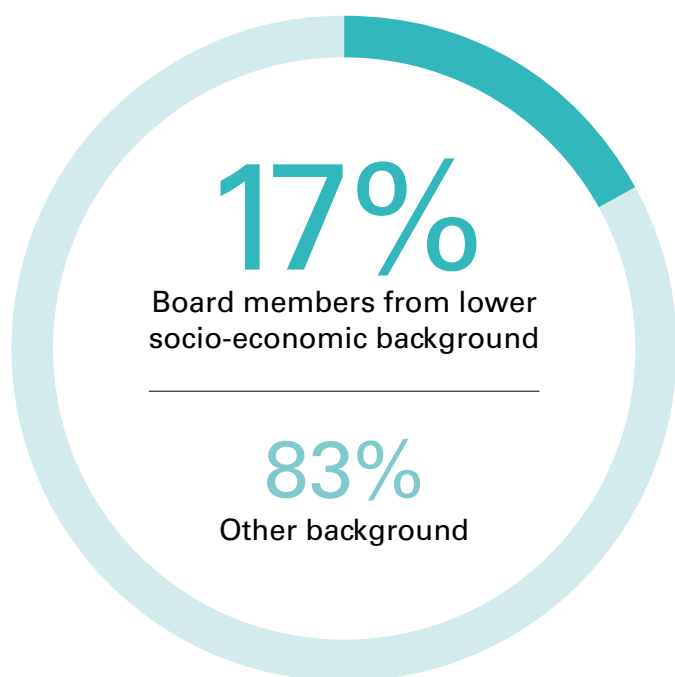


National Portfolio Organisations: Workforce (age)

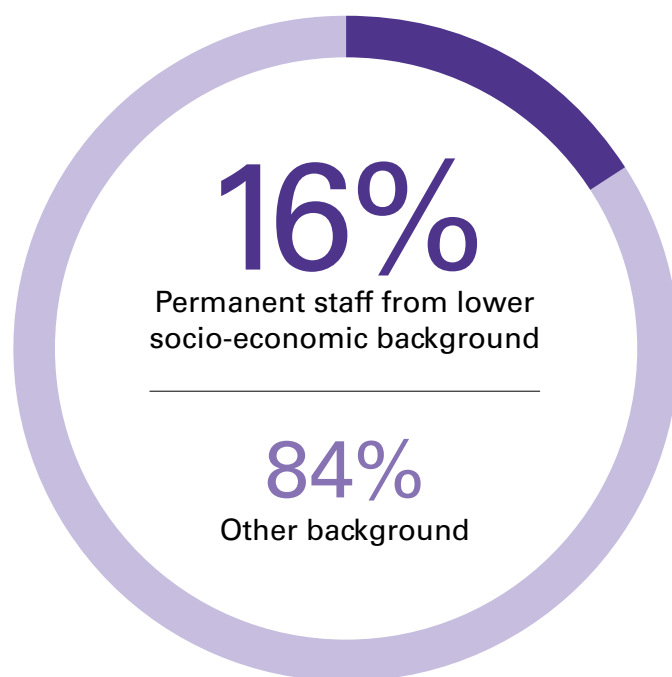
	2021/22	2022/23	2023/24
0-19	1%	4%	1%
20-34	35%	36%	34%
35-49	32%	32%	31%
50-64	23%	23%	22%
65-74	3%	3%	3%
75+	0%	0%	<1%
Prefer not to say	1%	3%	2%
Not known	3%	4%	5%

**National Portfolio Organisations:**

Board members from lower socio-economic background

**National Portfolio Organisations:**

Permanent staff from lower socio-economic background

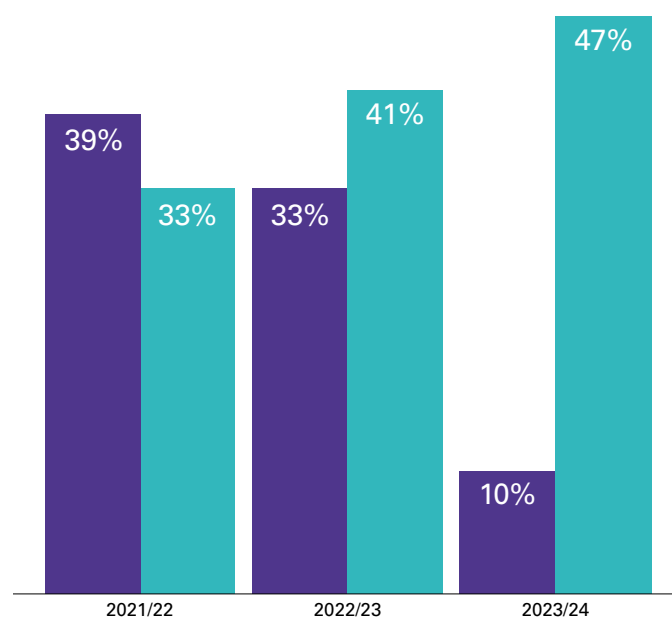
**KPI 3: Proportion of international engagements undertaken by National Portfolio Organisations**

We have noted a decrease in international engagements. This is partly to do with changing reporting requirements and transition to a new data collection system. This is the first year of our new data collection method, and we are working through the data from all sources to understand what all of these issues might be and what we can do to support improvements going forward.

However, if this data is representative of a real terms decrease in international touring, it is possible that the range of additional costs (visas, carnets, work permits, freight) and barriers (cabotage, 90/180, A1 form delays, lack of tax amnesty with European Union partners) have discouraged many organisations from re-engaging with touring into Europe.

**Proportion of international engagements undertaken by National Portfolio Organisations**

- % touring internationally
- % with international dimension



#### KPI 4: The total number of children and young people attending events and activities provided by Arts Council England National Portfolio Organisations in areas of low cultural engagement<sup>18</sup>

		Performance	Exhibitions	Screening	Festivals	Total
2021/22	Known	612,963	235,998	25,602	13,186	887,749
	Estimated	69,385	168,693	1,722	14,502	254,302
	<b>Total</b>	<b>682,348</b>	<b>404,691</b>	<b>27,324</b>	<b>27,688</b>	<b>1,142,051</b>
2022/23	Known	827,412	230,702	30,205	28,170	1,116,489
	Estimated	252,441	339,163	479	2,165,231	2,757,314
	<b>Total</b>	<b>1,079,853</b>	<b>569,865</b>	<b>30,684</b>	<b>2,193,401</b>	<b>3,873,803</b>
2023/24	Known	236,620	5,871	267	1,830	244,588
	Estimated	109,657	638,209	0	2,801	750,667
	<b>Total</b>	<b>346,277</b>	<b>644,080</b>	<b>267</b>	<b>4,631</b>	<b>995,255</b>

As noted in key performance indicator (KPI) 3, the apparent decrease in children and young peoples' engagement may relate to our migration to a new data platform, and we are analysing all data sources to confirm this. Enhancements to the Illuminate platform should see improvements in reporting against CYP activities and events. Data gathered from National Portfolio Organisation activity forms demonstrates that more portfolio organisations than ever before are delivering work for children and young people; 80% (749) of organisations in the 23-26 portfolio cohort are delivering work for children and

young people compared with 73% (611) of organisations in the previous cohort. Similarly, in our National Lottery Project Grants funding strand, we have seen an increase in funding for projects targeted to CYP; in 2022/23 we awarded 1,263 projects clearly identified as reaching children and young people audiences/participants, an investment of £45,846,555, which increased in 2023/24 to 1,398 projects representing a £57,777,690 investment in work for children and young people.

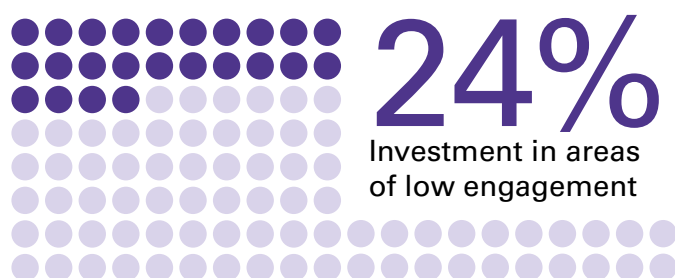
**Note on Illuminate data:** As we described in the key performance indicators above, this is our first year using the new data platform Illuminate. Illuminate is the Arts Council's Audience Data platform, a free tool that helps organisations gather and analyse data on their audiences and participants.

For our funded organisations, some audience and activity data previously collected through the Annual Survey is now brought into Illuminate too. This is part of our journey to improve our data collection and the insights it can provide. We are learning a lot from this process and working to make continuous improvements. We are looking forward to further refining the data and working with organisations to build a strong data set.

<sup>18</sup> Data taken from known and estimated attendances at children and young people specific activities (England only) in National Portfolio Organisations based in the bottom 33% from Active Lives 2019/20 (question reference QD1 in annual survey - attendance at Children and Youth People events). Local Authority boundaries have changed so some are assigned to 'best fit'. Data taken from Illuminate; event are self-classified and include more event types.



### KPI 5: Percentage of overall Arts Council funding spent in areas of low engagement as defined by the Active Lives Survey



This Key Performance Indicator is based on the bottom 33% engagement levels as defined by the Active Lives survey (2018). This survey has now been discontinued and there have been many Local Authority boundary changes since then. We will be working closely with the Department for Culture, Media & Sport to define a data set which addresses this change in the coming year.

### KPI 6: The number of organisations and individuals engaging with the Digital Culture network (breakdown by five Arts Council Areas)<sup>19</sup>

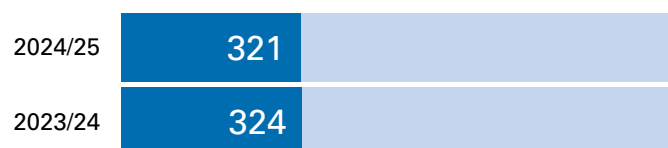
Support cases by the Digital Culture Network are up by 13.3% in 2024/25 compared to 2023/24. In the past year, we have built in extra capacity, allowing us to broaden our reach and to vary the work completed by the Tech Champions. We also started to see far greater demand from within the sector for in-person skills sessions – whilst these varied in size and scope the numbers increased and demand remains steady.

### Engagement with the Digital Culture Network (DCN) by Arts Council Area

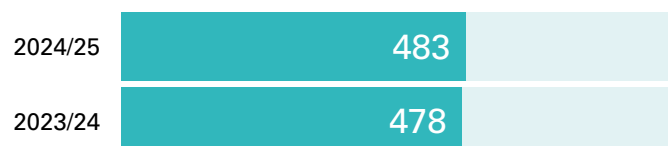
#### London



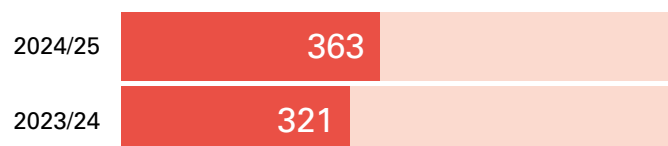
#### Midlands



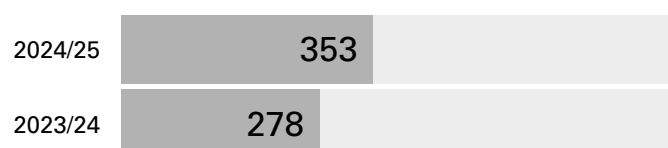
#### North



#### South East



#### South West



#### Other



#### Total

2,298 | 2024/25 | 2,028 | 2023/24

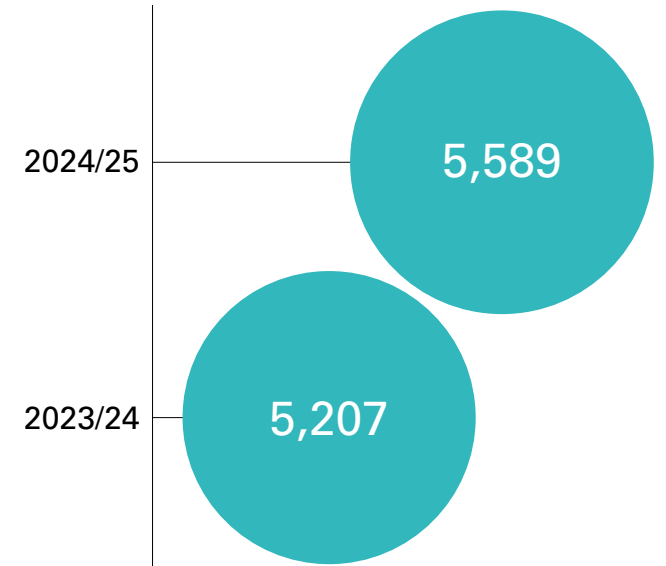
<sup>19</sup> The 2023/24 numbers can vary compared to what was declared in last year's Annual Report and Accounts given that we have merged some organisations in Arts Council's Customer Relationship Manager (CRM) system. Where there are decreases in the "other" categories, it means we have been able to gather more complete data to accurately classify areas.

KPI 7: The Arts Council’s delivery of Cultural Property functions

**A: Issue export licences within five working days of the Arts Council receiving the application (unless information is missing from the application, the application needs to be referred to an Expert Adviser, or further enquiries need to be made in respect of the object’s provenance).**

Of the total 5,589 applications for export licences received this year, 100% were issued within five working days of receipt of the application, compared to 98.9% in 2023/24. For more information on our new digital export licensing system, see page [24](#).

Number of applications



**B: Report to the Department for Culture, Media & Sport on the applications considered at each Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest (RCEWA) meeting within two weeks of the meeting.**

2024/25	19	100%	100%
2023/24	9	56%	100%



**C: KPI: Submit Government Indemnity Scheme claims with recommendation to the Department for Culture, Media & Sport within two weeks of receipt of all paperwork.**

No new claims submitted in 2024/25.





## WORKS OF ART – ARTS COUNCIL COLLECTION

Unlike our other fixed assets there is no *de minimis* capitalisation threshold for Works of Art. All Works of Art (except those that are donated) are capitalised even if they are valued at under £2,000.

The Arts Council Collection has been built up since 1946 and consists of 8,241 items on 31 March 2025. The purpose of the collection is to broaden the appreciation and public awareness of modern and contemporary British art and to encourage good practice relating to painting, sculpture, photography, drawing, printmaking, mixed and new media, film and video. The Collection is based in London and at Longside in Yorkshire (located at the Yorkshire Sculpture Park). The Collection is managed on behalf of Arts Council England by the Southbank Centre.

### Acquisition and disposal policy

The Arts Council Collection purchases innovative work by artists living in Britain with a focus on the work of younger and emerging artists. Acquisitions are made through the Acquisitions Committee comprising eight individuals who are the Director, Arts Council Collection, Director of Visual Arts, Arts Council England, Director, Hayward Gallery, plus four external advisers who are usually an artist, a writer and two curators. The committee is currently chaired by a member of the Arts Council's National Council. The external advisors to the committee are appointed for a fixed two-year tenure. Artists may apply to have their work considered for acquisition. Otherwise works are acquired through the recommendations of the committee members. To be eligible, artists must live in Britain (or their work must demonstrate a relevance to British contemporary art practice), cannot be students, and have to be able to demonstrate their commitment over several years by providing information about the exhibitions of their work that have taken place and are planned. The acquisitions are funded from an allocation within the Arts Council England budget. Any offers of gifts to the Arts Council Collection are brought to the attention

of the Acquisitions Committee which decides on their suitability.

The procedure for the loss or destruction of works of art is implemented if an item is irretrievably lost or damaged beyond repair. This requires the Director of the Arts Council Collection to report details to the Director of the Hayward Gallery (in cases of vandalism or theft), and the Director, Visual Arts, of Arts Council England who then seeks approval from the Arts Council England National Council to write off the item. The write off in accounting records is implemented by the Director of Finance of Arts Council England who takes into account any insurance claims. Funds claimed in this way are paid into the Arts Council Collection acquisition allocation and earmarked to replace the lost items depending on the advice of the current purchasers. If it is not possible to replace a work because the artist is deceased, there are no suitable replacements or equivalent works have become too expensive, the funds are transferred into the acquisition fund.

### Preservation

The condition of the work is checked on receipt, before going out on loan and on return from loan. Master condition files are maintained and kept at Winchester House and Longside (for sculpture) and copies of the latest version are made when loans go out. Normally, required restoration is carried out by fully accredited conservators, either at their studios or at Longside or Winchester House. Any unfitting of frames or restoration carried out away from Winchester House or Longside must be authorised by the Director of the Arts Council Collection or Head of Collection Care. Artists are consulted and involved in restoration when possible and practical. Each year a number of works on paper, photographs, paintings and sculpture are conserved as a matter of course. All conservation is reported annually to the Arts Council England National Council in the form of the Collection's annual report on activities.



## Collection management

The Director of the Arts Council Collection reports to the Director of the Hayward Gallery on day-to-day matters and is responsible to the Director, Visual Arts, at Arts Council England on policy. Arts Council Collection staff salaries are paid by the Southbank Centre from the management grant from Arts Council England to the Southbank Centre. A ring-fenced fund within the Southbank Centre and Arts Council England covers the operational costs of the Arts Council Collection's activities.

## Access

The Arts Council Collection was established in 1946 by CEMA (the Council for the Encouragement of Music and the Arts). Formed around a small group of paintings, it began with the goal of establishing a national collection for the UK. Today it is the most widely circulated national loan collection of modern and contemporary British art in the world.

The Arts Council Collection continues to build and preserve the British public's art collection for its use and enjoyment. Access to the

national collection is achieved through working in collaboration on its broad range of work that includes an extensive lending programme of artwork across the UK and abroad, Arts Council Collection exhibitions, learning and engagement, and research and scholarship. Work is loaned to museums and galleries, and public institutions such as universities, libraries, hospitals and schools. Marketing and communication increases visibility and accessibility through the Collection's website and social media such as Twitter, Instagram and Facebook.

## Partnerships

The Arts Council Collection collaborates with University of the Arts London's Decolonising the Art Institute in understanding legacies embedded in collections through: collection languages, narratives, acquisition histories and questions of care; the collections curatorial research programme; and the proposed AHRC-funded project, Transforming Collections: Re-Imaging Art, Nation and Heritage.

Further information on the valuation of heritage assets can be found on page [156](#).



# Sustainability report

**The Sustainability Report covers the whole organisation and the costs have been apportioned to both Grant-in-Aid and Lottery distribution accounts.**

## OVERALL PERFORMANCE (2024-25)

The gross figures for waste show a further reduction on the 2023/24 performance. The increase in costs is due to a combination of inflationary pressures associated with Service Charge increases applied by our landlords and our contractors where we have a direct relationship.

The combined emissions from gas and electricity have reduced. The increase in electricity and reduction in gas is as result of moving our Manchester office into a smaller footprint with electricity as the energy source in November 2024. The full year effect of this change will be reflected in our next annual report.

The reported increase in water consumption is an anomaly arising from how emissions for a single multi-tenanted building are apportioned to tenants in an office the Arts Council occupies. We plan to work with our landlord to improve the accuracy of reporting going forward.

The recently completed relocation of the Manchester office into smaller, greener and better office space means we've secured a significant reduction in the size of the office estate and reduced the environmental impact.

As a result of downsizing the Manchester office, our efficiency ratio has improved from 5.71m<sup>2</sup>/FTE in 2023/24 to 4.8m<sup>2</sup>/FTE in 2024/25.

In 2025/26 we expect to examine further opportunities to reduce the size of our estate arising from the growth in hybrid working.

Business travel remains our largest cause of CO<sub>2</sub> related emissions. The period 2024/25 saw a moderate increase in travel emissions due to increased activity. Most of our travel continues to be by rail, the most sustainable method and this year we saw a slight decrease in car travel. There has been an increase in air travel this year, compared to 2022/23 and 2023/24 which were significantly lower and remained steady. This is due to a slightly higher number of long-haul flights associated with our development role. We have included a 10 per cent emissions reduction target in business travel by 2026/27 (compared to our 2023/24 footprint) in our Net Zero Transition Plan (discussed later).



TRAVEL		2022/23	2023/24	2024/25
CO <sub>2</sub> (tonnes)	Rail	38	61	<b>74</b>
	Air	11	15	<b>32</b>
	Car	27	48	<b>41</b>
	<b>Total</b>	<b>77</b>	<b>124</b>	<b>147</b>
Cost (£)	Rail	245,517	411,363	<b>431,459</b>
	Air	9,096	11,784	<b>20,596</b>
	Petrol	46,222	70,727	<b>61,265</b>
	<b>Total</b>	<b>300,835</b>	<b>493,874</b>	<b>513,320</b>
Miles	Rail	670,984	1,067,135	<b>1,186,741</b>
	Air	72,018	71,618	<b>169,039</b>
	Car	115,556	176,885	<b>153,182</b>
	<b>Total</b>	<b>858,557</b>	<b>1,315,638</b>	<b>1,508,962</b>

WASTE		2022/23	2023/24	2024/25
Non-financial indicators (tonnes)	<b>Total</b>	27.03	29.14	<b>21.24</b>
	Landfill	0.41	5.55	<b>2.72</b>
	Reused/ recycled	26.62	23.59	<b>18.52</b>
Financial indicators (£)	<b>Total</b>	7,653	6,297	<b>8,858</b>
	Landfill	2,050	1,973	<b>3,030</b>
	Reused/ recycled	5,603	4,323	<b>5,828</b>

GREENHOUSE GAS EMISSIONS		2022/23	2023/24	2024/25
CO <sub>2</sub> (tonnes)	Total Gross Emissions (CO <sub>2</sub> )	113	95	<b>90</b>
	Gross Emissions Scope 1 (Direct)	56	47	<b>37</b>
	Gross Emissions Scope 2 (Indirect)	58	48	<b>53</b>
Energy Consumption (kWh)	Electricity	271,644	226,649	<b>256,582</b>
	Gas	303,768	257,962	<b>200,405</b>
Financial Indicators (£)	Expenditure Energy	100,542	92,091	<b>88,433</b>

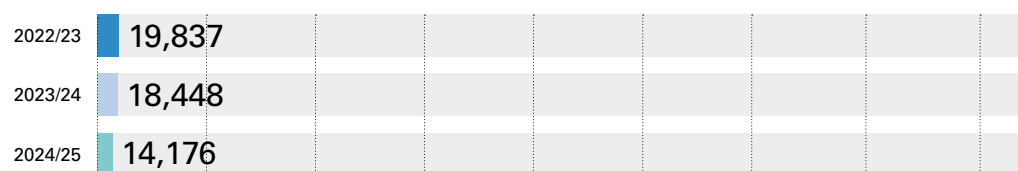
FINITE RESOURCE CONSUMPTION		2022/23	2023/24	2024/25
Non-financial (m3)	Supplied	2,611.02	1,347.83	<b>2,825.03</b>
	Per Full Time Equivalent (FTE)	4.34	2.24	<b>4.70</b>
Financial Indicators (£)	Water Supply Costs (Office Water)	6,347	5,168	<b>5,228</b>



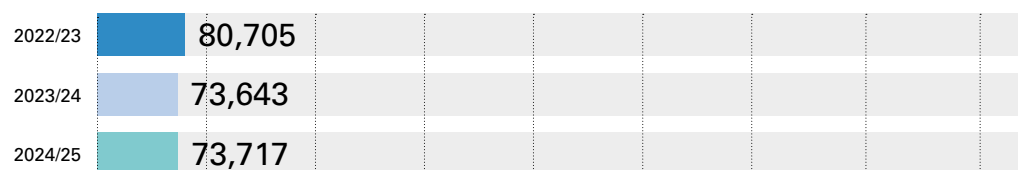


## Financial Expenditure (£)

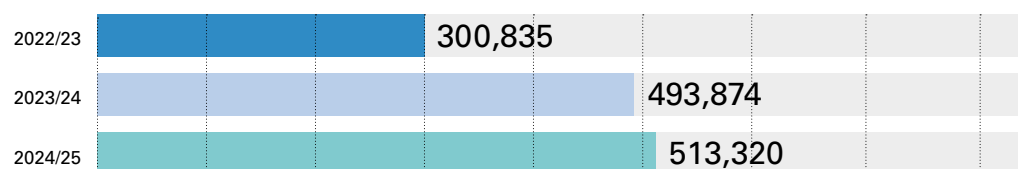
### SCOPE 1 (GAS)



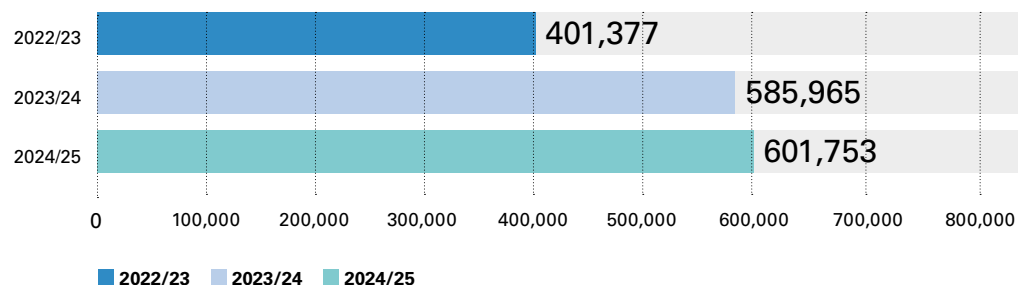
### SCOPE 2 (ELEC)



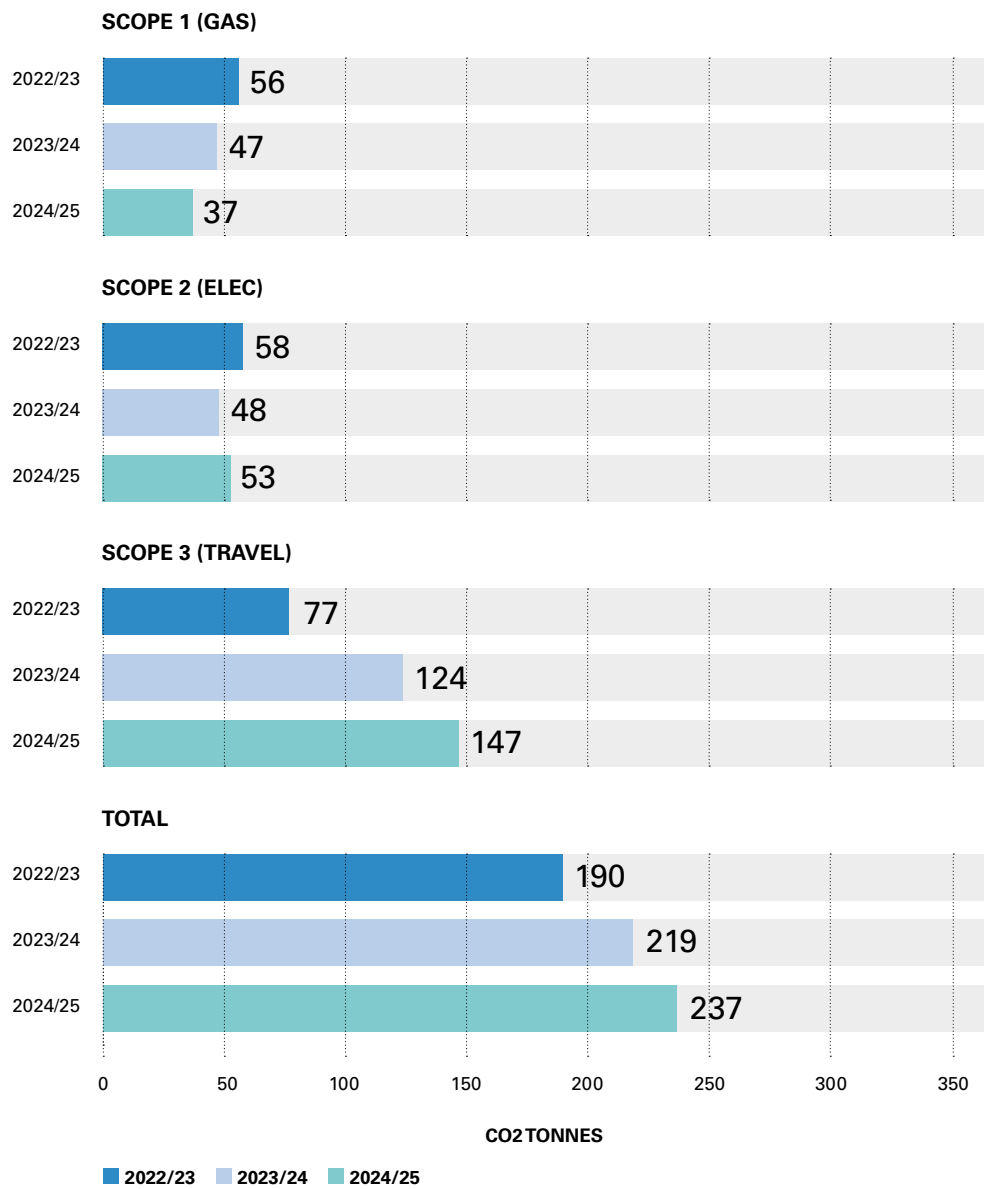
### SCOPE 3 (TRAVEL)



### TOTAL

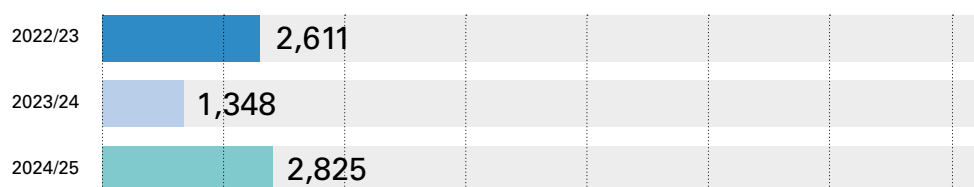


CO2 Whole Estate (Tonnes)

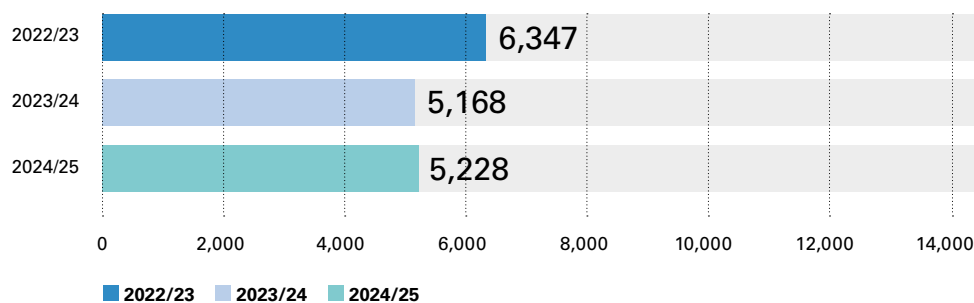


## Water Usage (m3) and Expenditure (£)

### WATER (m3)

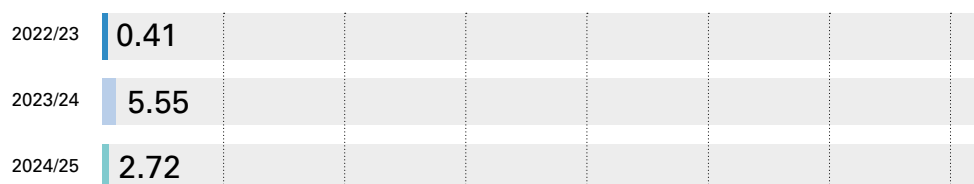


### WATER COST (£)

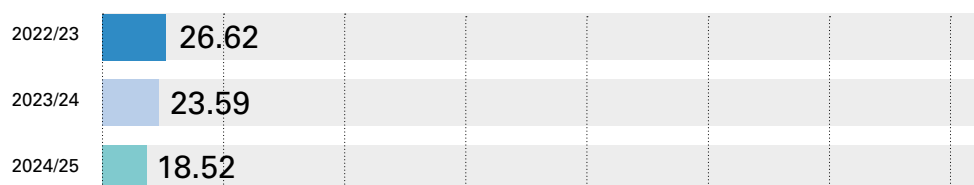


## WASTE – NON FINANCIAL (TONNES)

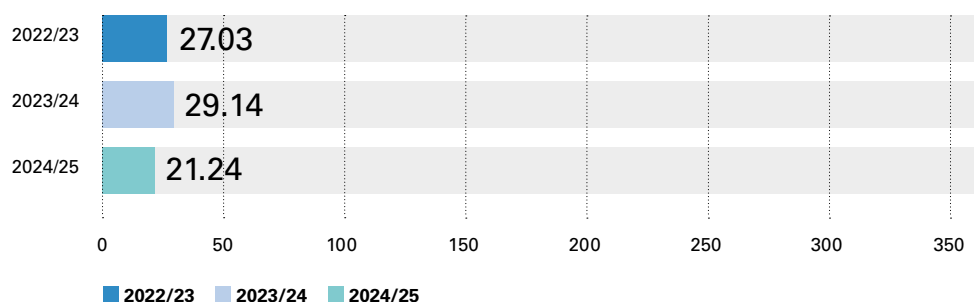
### LANDFILL WASTE



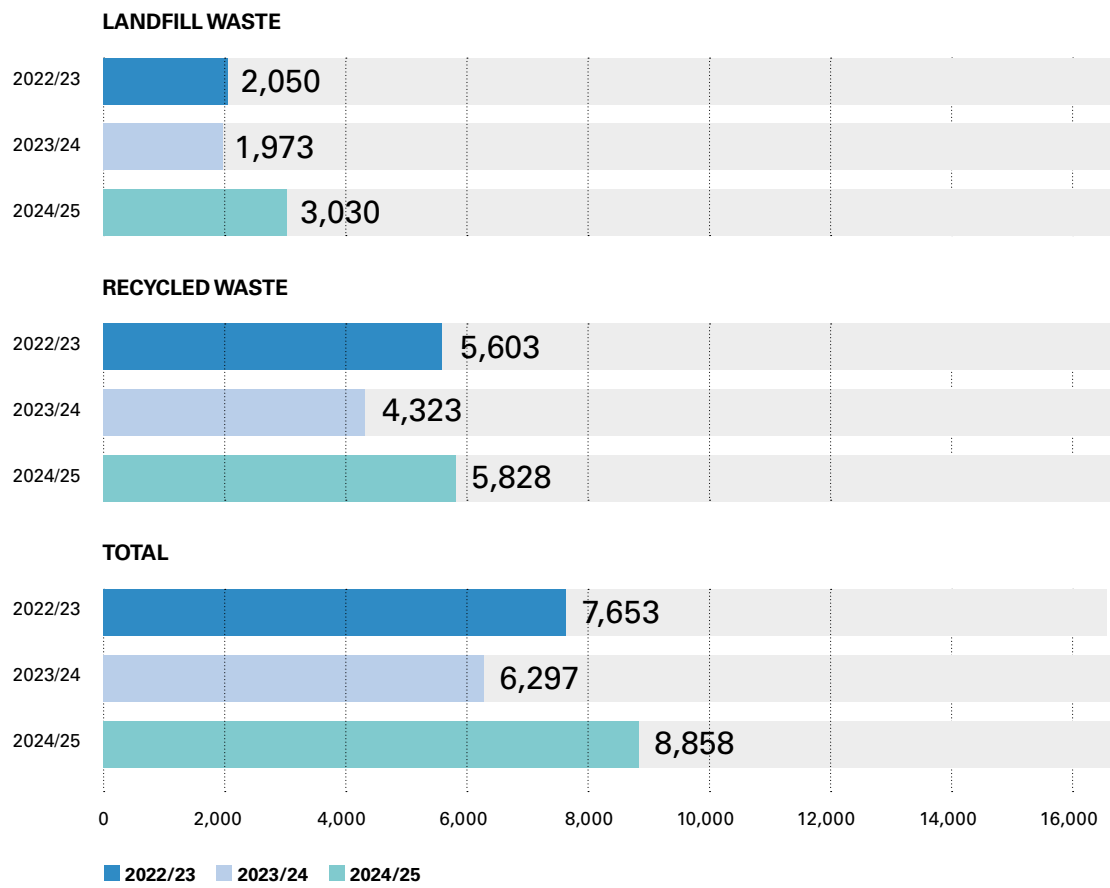
### RECYCLED WASTE



### TOTAL



Waste – Financial Indicators (£)





Most of the data used in the preparation of this report is based on the information provided by our suppliers. However, at the time of writing (April 2025), data for some of the locations was not available. In line with HM Treasury guidance, estimates have been made based on the previous quarter's actuals. All conversion factors used to produce CO2 outputs have been taken from those produced by DEFRA, except for air and rail travel where the emissions data has been taken directly from information provided by our travel management system.

We published our most recent carbon footprint for 2023/24 in November 2024. This footprint is more expansive than the sustainability reporting above as it includes wider Scope 3 impacts, procurement of goods and services, staff commuting, and staff homeworking. Our carbon footprint for 2024/25 is due to be published in Autumn/Winter 2025. We have committed to publishing our carbon footprint annually, which includes a review of our carbon

reduction targets and longer-term aims. We also review and update the scope of our carbon footprint on a yearly basis, to increase its accuracy and inform our decision making.

We have updated and published our Environmental Responsibility Policy (April 2025) to reflect new government net zero targets to reach 81 per cent reductions by 2035. Our policy also sets out our key environmental commitments and priority areas, aligned with ISO14001.

We have developed our first Net Zero Transition Plan (NZN plan), published in April 2025. In this plan, we make a pledge to reach net zero by 2040, setting a target ahead of Government guidance/legislation. We also pledge intermediary targets in line with Government legislation and our Environmental Responsibility Policy.

Our NZN plan also covers the shorter-term actions that we will take that will result in carbon reductions or other positive



environmental impacts. We intend to focus on our identified priority areas that cover: digital and technology; estates and facilities; procurement; business travel; and staff engagement. Central to this plan is the role of governance and leadership. It will enable us to track our progress and more effectively report against the Taskforce for Climate-related Financial Disclosures (TCFD). We discuss monitoring, reporting and governance in more detail in the TCFD section of this Annual Report below.

For 2024/25, we purchased 201 reams of paper or 530kg by weight (that includes 190 reams of A4 and 11 reams of A3). This is a significant reduction from the previous year (2023/24) when we purchased 361 reams or 952kg by weight (that included 17 reams of A3, 343 reams of A4, and one ream of A5). This is also a significant drop from 2019/20, when we first reported data on our paper use, that shows that we purchased 3,400kg of paper.

While information and communication technology (ICT) purchases are largely made through government frameworks, there is still space for us to make positive change. Equinix, our data centre provider for services including Grantium (our online grant management software), provides an annual report on associated energy use and has confirmed that this continues to come from 100% renewable energy. Our website is green hosted. All IT equipment is disposed of through the IT department and adheres to Waste Electrical and Electronic Equipment (WEEE) regulations. End-of-life laptops are donated, where possible, for re-use to local schools. In 2024/25, 80 Surface Pros were donated to schools in Manchester, and a further 20 were donated to charities in Sierra Leone. In 2024, we encouraged staff to choose the offer of a mobile phone allowance instead of a separate work handset. This led to 15 handsets being returned for re-issue and we were able to avoid purchasing new ones. We have made progress moving our file storage from on-premises to the cloud and have a dedicated project to improve our digital and technological

efficiencies, including digital storage, in 2025/26 ('Our Digital Workplace').

In November 2024, we achieved a 43 per cent reduction in the size of our Manchester office by relocating to a smaller suite within the same building, reducing the floor space from 1641m<sup>2</sup> over three floors to 937m<sup>2</sup> on one floor. Much of our existing furniture has either been re-used in our new office or recycled by our Furniture Removals contractor. This, together with re-using furniture and partition layout and floor finishes, reduced the carbon impact of our relocation. We have a system which seeks to avoid sending surplus furniture and equipment to landfill. Any remaining surplus items were advertised for re-use within the public sector through the Cabinet Office Furniture Clearing House. Those items which remained available at the end of this process were either distributed to charitable organisations, sold, or broken up and the materials recycled through an appropriately accredited Crown Commercial Services (CCS) supplier.

We remain committed to removing CSUPs (Consumer Single Use Plastics) from our operations and estates. We make every effort in our procurement practices across all offices to ensure that we are purchasing goods with little or no CSUPs. Any purchased CSUPs are limited to stationery and teabags, which involve very low spend. Some purchased goods are delivered in plastic packaging, but our waste management means that only a small amount of waste across our offices ends up in landfill. We do not actively make purchases that are plastic, always opting wherever possible for alternatives, paper or glass for example, or other reusables and recycled materials. We have also changed some suppliers for this reason: as an example, we changed our catering provider in Birmingham for deliveries of food packaged in card and paper, as opposed to plastic.

Arts Council England has an annual procurement spend of approximately £14 million on goods and services, and we make use of CCS and other public sector

Frameworks wherever feasible. While procurement is the largest area of our organisation's carbon footprint (76 per cent in 2023/24) and is therefore a priority for future action, most of this expenditure is on the supply of services, particularly professional services (research, evaluation and legal). We are continuing to engage with our top suppliers, identified by spend, following on from a survey of their environmental responsibility policies and action plan commitments last year. For our own procurement activity, the Arts Council seeks to ensure relevant sustainability criteria are included in specifications and quality questions. Social Value criteria should now be included in our procurements over £75,000 in value.

Most of the Arts Council's goods requirements are purchased via CCS frameworks so GBS (Government Buying Standards) should have been considered by CCS at the time the framework was put in place. For purchased goods, the main energy consuming items are our IT equipment and multi-functional devices (MFDs) which are purchased via CCS Frameworks. The MFD contract was extended for 12 months in December 2024, but with a smaller number of machines due to downsizing the accommodation across our main offices, and therefore energy consumption will be reduced. The downsizing in accommodation has also reduced our office cleaning requirements by about a quarter. The Arts Council spends very little on furniture and other timber related products, unless there is an office refurbishment, but this expenditure tends to be via CCS or other public sector frameworks.

Our Environmental Programme with Julie's Bicycle has completed its second year supporting the 2023-27 National Portfolio Organisations as well as other individuals and organisations that we fund, freelancers, and the wider sector. The programme supports organisations to respond to our Environmental Responsibility Investment Principle with free tools, resources and programmes.

One of the core tools provided through our Environmental Programme is the Creative Climate Tools (CCTs) platform that enables organisations to record, measure and analyse their carbon footprint. The CCTs platform was further developed in 2024/25 with updates that have included the production of bitesize user guides as well as improved methodology for calculating emissions from waste. In 2023/24, 591 organisations reported to the Arts Council using the CCTs platform. They are important in supporting the sector to understand their environmental impacts and identify where changes can be made. The 2023/24 annual sector environmental report on the first year of our 2023-27 portfolio was published in November 2024 and is [available here](#).

The 2023-27 programme introduced several strands focusing on decarbonisation, resilience, justice and governance. Strands delivered in 2024/25 were: **Transforming Energy** which supports building-based organisations to decarbonise their buildings and operations with participants receiving advice and information to advance their organisations towards net zero. Our **Board Environmental Champions** offers training, resources and peer networking to build knowledge, skills and confidence to embed environmental responsibility at governance level. **Creative Climate Accelerator** offers training for emerging climate leaders from diverse backgrounds. **Creating Now for the Future** is also aimed at individuals, supporting freelancers to make their practice more sustainable.

Finally, **Leading Resilience** aims to develop an understanding of adapting and supporting organisations to build resilience to future changes in the climate. The first element, 'Resilient Horizons', is working with a cohort engaged through the Arts Council's Creative People and Places programme to explore creative, community-led resilience and adaptation. The second element, 'Adapting Culture', includes webinars and workshops for the wider sector to build an understanding of adaptation in the context of place-making, nature and biodiversity, and venues.



As part of our new environmental programme, Julie's Bicycle have developed climate literacy e-learning. This is a free learning resource that is now available to Arts Council staff and organisations we fund through our National Portfolio Organisations.

We have not reported on 'Nature recovery and biodiversity action planning' as this target is not relevant to Arts Council England.

### TASKFORCE FOR CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

Arts Council England is reporting on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance which interprets and adapts the framework for the UK public sector. The Arts Council has complied with the TCFD recommendations and disclosures around:

#### Phase 1

- Governance (all recommended disclosures)
- Metrics and Targets (b)

#### Phase 2

- Risk Management and Metrics and Targets (all recommended disclosures)

Disclosures are included within the Sustainability Reporting section of this Annual Report, and this TCFD section. This is in line with the central government's TCFD-aligned disclosure implementation timetable.

Arts Council England plans to make disclosures for Strategy in future reporting periods in line with the central Government implementation timetable.

As previously set out in the Arts Council's annual report 2023/24, climate related issues and climate related work are described as Environmental Responsibility (ER) at Arts Council England. As the national development agency for creativity and culture in England, Environmental Responsibility is one of Arts Council England's four Investment Principles, to help us deliver our 10-year Strategy, **Let's Create** (2020-30).

Arts Council England's work is underpinned by the pillars of the Environmental Responsibility Investment Principle: Understand the Data; Plan, Action and Change; and Influence, Educate and Advocate. National Council, equivalent to the organisation's board, are responsible for approving the strategy.

To deliver the 10-year strategy, Arts Council England develops three-year Delivery Plans and reviews progress and updates on an annual basis. The **Delivery Plans** include updates regarding ongoing ER work and programmes alongside new actions and projects. The **Delivery Plans** are approved by National Council, who receive regular updates on progress. National Council also review and sign off the Annual Report and Accounts which include the Sustainability Reporting section and this Taskforce for Climate-Related Financial Disclosures section.

To further ensure that National Council is fully aware of Arts Council England's ER work, the ER team made a presentation to National Council members in February 2025.

From November 2024, Arts Council England's strategic risk register formally included a climate-related risk. The register describes the risk to the delivery of **Let's Create** through the impact of climate change on the sector and the organisations that the Arts Council supports.

The strategic risk register is reviewed quarterly by Executive Board, followed by a quarterly review by Performance and Audit Committee (a sub-committee of National Council), followed by an annual review by National Council (see the Accountability Report, page 91 Arts Council England's Non-Executive Governance Structure, page 96 The Performance and Audit Committee, page 101 Executive Management). DCMS also review the risk register on a quarterly basis as part of Arts Council England's partnership meetings.

The ER team work with the Governance and Planning team on a quarterly basis to update, refine and expand the climate-related strategic risk as necessary.



Operational climate-related risks are currently managed through the ER team's risk register with a quarterly review by the Enterprise and Innovation directorate Senior Leadership Group, followed by a quarterly review by Arts Council England's Management Board (a sub-group of Executive Board). Operational risks cover access to data, the decarbonisation of the sector's capital infrastructure and buildings, delivery of the Arts Council's Environmental Programme and Net Zero Transition Plan (NZT plan), resourcing and skills, and the impact on the Arts Council's operations and delivery due to adverse weather conditions from climate change. The risk to our operations, most particularly our nine Area offices, will be further developed during 2025/26 and become part of the Arts Council's Corporate Services risk register. The Arts Council's Estates and Facilities team consider flood risk in relation to our existing offices/properties and through the due diligence reports that are commissioned prior to the acquisition and/or lease of any new property.

The Director, Environmental Responsibility and Innovation, reports directly to the Executive Director, Enterprise & Innovation, and the Chief Financial Officer who sit on Executive Board and report directly to the CEO of Arts Council England. These roles oversee and sign off all aspects of ER work with a further level of scrutiny provided by Management Board. Management Board formally reviews and signs off all Arts Council policies including the ER policy, which the ER team are responsible for. The ER policy is reviewed and updated as necessary on an annual basis. It was last updated in Spring 2025 to reflect new Government net zero targets to reach 81 per cent carbon emissions reductions by 2035. Our policy sets out Arts Council England's key environmental commitments and priority areas aligned with ISO14001. The ER team report on a quarterly basis to Arts Council England's Management Board on all of our internal work, that being the policy, carbon footprint and NZT plan.

The ER team, working with colleagues across the business, is responsible for developing targets, monitoring, and reporting on Arts Council England's carbon footprint which is published in Autumn/Winter each year. This is a more expansive footprint than the footprint supplied in the Sustainability section (see pages 76-83) as it also covers additional Scope 3 impacts: procurement of goods and services, staff commuting and staff homeworking. The baseline year for our full carbon footprint is 2019/20 (pre-Covid-19). We calculate our carbon footprint using the Creative Climate Tools. These tools have been created by Julie's Bicycle for the Creative and Cultural sector and are used by many of the organisations that the Arts Council funds. We also receive technical support from an external energy and carbon analytics consultancy regarding the calculation of our emissions from the procurement of goods and services, alongside a verification of our full carbon footprint calculations.

The ER team has been monitoring progress against the Arts Council's Environmental Responsibility Action Plan which is delivered through working with colleagues across our six priority areas (people, place, travel, technology, procurement and pension). Arts Council England's ER Action Plan has been further developed and expanded throughout 2024/25 into a full NZT plan which was published in Spring 2025 (see the Sustainability section page 83 and below for more detail). The NZT plan includes governance actions to ensure accountability, culture-shift and a shared responsibility that supports "management's role in assessing and managing climate-related issues".

Risks to the Creative and Cultural sector and to the Arts Council's own operations are identified by the ER team, working with colleagues across the business and through regular meetings with our environmental partner Julie's Bicycle, other external partners such as other arm's-length bodies, and DCMS. Relevant research and reports are also taken into consideration.

The Arts Council assesses and manages risks at three levels: strategic, departmental and at a programme/project level. Climate-related risks feature on our risk registers at both a strategic and operational (departmental and programme/project) level. The strategic risk focuses on climate-related risks to the arts and culture sector as sector resilience in the face of climate change is vital to the achievement of our strategy, **Let's Create**, and achievement of our charitable mission. The risk references a range of climate impacts such as flooding, heat waves, and coastal erosion which may impact the sector's organisations but also their visitors, audiences and communities.

The climate-related strategic risk (at the time of writing) is one of 12 strategic risks and had an initial rating as 'high', which has been mitigated to a 'medium' level, within our risk tolerance. The relative significance of the climate-related risk in relation to the other strategic risks is assessed through Arts Council England's appetite categorisation and a scoring matrix. All risk registers are closely monitored as the risk landscape can change quickly. For more information on our Risk Management see page [104](#) of the Accountability Report.

The key operational risks relate to the implementation and delivery of our NZT plan. Such risks are monitored on a quarterly basis by the Chief Finance and Resources Officer working with the Corporate Services Senior Management Team, the ER team, and by our Management Board via quarterly risk reports.

In September 2024, Arts Council England responded to the Climate Change Committee's call for evidence for the 4th iteration of the independent Climate Change Risk Assessment which will in turn inform the 4th iteration of the National Adaptation Programme that the Government develops.

Our response to the call for evidence proposed an expansion of the definition of "cultural heritage" to fully encompass the wider Creative and Cultural Sector which includes both venue-based organisations as well as outdoor events and festivals.

The ER team have worked with the Governance and Planning team throughout 2024/25 to ensure that climate-related risks and opportunities and environmental considerations are streamed through the Arts Council's governance arrangements as necessary. To that end the ER team reports on a quarterly basis to Management Board (see earlier) and our annual carbon footprint became a measure in our Operational Measures Framework in Autumn 2024. The Operational Measures Framework is managed by the Governance and Planning team and reported through Management Board on an annual basis.

Measures for risks and opportunities for the Arts Council's own Environmental Responsibility are set out in our recently published NZT plan. This includes a set of targets around key aspects of our footprint such as procurement of services, business travel and digital services alongside the longer-term commitment to a 2040 Net Zero target. We will develop further metrics and targets around key aspects of our footprint as we review and develop the plan on an annual basis.

The Sustainability Section of this report includes our Scope 1 and 2 emissions for 2024/25 (see page [76](#)) in accordance with Greening Government Commitments. The Arts Council's full carbon footprint for 2023/24, including Scope 1, 2 and 3 GHG emissions (which are externally verified) was published in Winter 2024. Our full carbon footprint for 2024/25 will be published in Autumn/Winter 2025. As set out above, this is a wider footprint than the footprint supplied in the Sustainability section (see pages 76-83) as it covers additional Scope 3 impacts. We aim to improve our data capture and expand our footprint as far as possible year on year. As stated in our NZT plan: "We expect to see an increase in our footprint as we expand our scope to include digital impacts and the Arts Council Collection in the first instance. We know it is important for our footprint to be as accurate as possible and to reflect the broadest scope of all our

operations, thus we recognise we will see it go up as well as down in some scope areas”.

Arts Council England’s largest impact area is procured services (for 2023/24, 76 per cent of our footprint) so risks lie around our ability to improve the calculation of our Scope 3 emissions, given that currently procurement footprint is calculated by spend not emissions. As set out in our NZT plan, our pathway to Net Zero by 2040 will involve considerable work on our four key areas of focus: our procurement of goods and services, our estates and facilities, our business travel, and our digital workplace.

#### OUR NZT PLAN SETS OUT THE FOLLOWING:

In terms of procurement, through 2025/26, we will develop a Supplier Engagement Climate Programme to establish the sustainability performance of our most carbon-intensive suppliers and/or our suppliers of highest spend. We are aiming to increasingly work with suppliers who can demonstrate a strong commitment to positive environmental actions.

For our offices we will work to make all our operations single-use plastic free and to maximise the energy efficiency of our offices as far as possible. In the longer term, we will work towards making our estate fossil fuel free.

For business travel, our ambition is to reduce emissions by 10 per cent by 2027. This will be supported by a new business travel policy, which we will develop in 2025/26 to ensure we achieve a continual reduction in emissions.

With regards to technology, we will roll out our digital workplace that will promote the most sustainable solutions for our digital software, cloud-based services and data storage, to minimise our digital footprint.

The NZT plan has a series of actions for 2025/26 to ensure that the Arts Council achieves short-term change which will then support longer-term progress with more accurate carbon data and more specific carbon reduction targets.

Metrics for climate-related risks and opportunities for the Creative & Cultural sector will be developed in due course once methodologies to gather and analyse data regarding climate impacts have been researched.

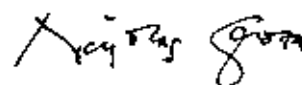
In summary, the Arts Council’s targets are in compliance with the Greening Government Commitments and our ER policy commits us to working to meet the UK’s interim Net Zero targets (50 per cent reduction by 2030; 81 per cent reduction by 2035). Our recently published NZT plan commits us to a Net Zero target of 2040 and sets out the actions, risks and opportunities of the Arts Council achieving this target.

Climate-related operational risks and strategic risks are monitored and reviewed as set out above and the process for identifying, assessing and managing climate-related risks is now fully integrated into the Arts Council’s overall risk management process as set out above.



**Dr Darren Henley CBE**  
**Chief Executive**

9 JULY 2025



**Sir Nicholas Serota CH**  
**Chair**

9 JULY 2025







# Accountability report

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# Trustees' report and management commentary

## GOVERNANCE STATEMENT

Arts Council England was established by Royal Charter on 13 March 1994, taking over those responsibilities in England previously discharged by the Arts Council of Great Britain. The Arts Council of England, trading as Arts Council England, is a registered charity, charity registration number 1036733.

This is a single trustees' report and management commentary which covers both the Grant-in-Aid accounts and the Lottery distribution accounts during the period 1 April 2024 to 31 March 2025.

## ROLE, MISSION, OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The current objects of Arts Council England as stated in its Royal Charter are to:

- develop and improve the knowledge, understanding and practice of the arts
- increase accessibility of the arts to the public in England
- advance the education of the public and further any other charitable purpose which relates to the establishment, maintenance and operation of museums and libraries (which are either public or from which the public may benefit) and to the protection of cultural property
- advise and co-operate, where it is appropriate to do so, with Departments of our Government, our Scottish administration, the Northern Ireland Executive and the Welsh ministers, local authorities, the arts councils and equivalent organisations in the museums and libraries sector for Scotland, Wales, and Northern Ireland (or their successors) and other bodies on any matter related to the objects

The Royal Charter is at the core of our mission as reflected in our strategic framework, **Let's Create**.

Information about our strategic framework, our Outcomes and activities to achieve these, as well as our funding programmes can be found on pages 22 to 75.

## ARTS COUNCIL ENGLAND'S GOVERNANCE FRAMEWORK

Arts Council England is an arm's-length non-departmental public body. It is also a registered charity. Accountability to Ministers is managed through the usual control mechanisms for arm's-length bodies.

Arts Council England is regulated in accordance with a Framework Agreement agreed with the Secretary of State for Culture, Media and Sport. As a registered charity and a chartered body, Arts Council England is also subject to a range of obligations and accountabilities set out in regulations and law. We prepare our accounts for Grant-in-Aid and Lottery distribution separately to comply with accounts directions issued by the Secretary of State and Charity Commission regulations.

Arts Council England is fully compliant with relevant principles around governance best practice for public service and charitable bodies as set out in the *Corporate governance in central government departments: Code of good practice 2017*.

## National Council

Meet National Council, our non-executive board who hold overall responsibility for the governance of the Arts Council.



**Abigail Pogson**  
National Council  
Member



**Deborah Shaw**  
National Council  
Member



**Phil Stokes**  
Chair, Performance and  
Audit Committee and  
Chair, Remuneration  
Committee



**Andrew Lovett OBE**  
National Council  
Member



**Helen Birchenough**  
South West Area Chair  
Trustee of Wiltshire  
Creative, Non-executive  
director of Messums  
Wiltshire



**William Bush CBE**  
National Council Member



**Andrew Miller MBE**  
National Council  
Member



**Sally Shaw MBE**  
South East Area Chair  
Director of Firstsite,  
Colchester



**YolanDa Brown,  
OBE DL**  
National Council  
Member



**Annabel Turpin**  
National Council  
Member and  
North Area Chair



**Sukhy Johal MBE**  
Midlands Area Chair



**David Bryan CBE**  
Chair, London  
Area Council  
Founder and Director,  
Xtend (UK) Ltd.



**Sir Nicholas Serota CH**  
Chair  
Arts Council England



## Senior leadership team

Meet our Senior Leadership Team, comprising of senior directors, and our Executive Board members.



**Abid Hussain**  
Director, Diversity  
(Senior Director)



**Ian Matthews**  
Director, Human  
Resources and Estates  
(Senior Director)



**Michelle Walker**  
Area Director, London  
(Senior Director)



**Ruth Alaile**  
Director, Governance  
and Planning  
(Senior Director)



**Catherine Nesus**  
Director, Business  
Transformation



**Irene Constantinides**  
National Director of  
Communication  
(Senior Director)



**Navees Rahman**  
Chief Finance and  
Resources Officer  
(Senior Director)



**Sanj Jagait**  
Chief Data Officer  
(Senior Director)



**Dr Darren Henley CBE**  
Chief Executive  
(Executive Board  
Member)



**Laura Dyer MBE**  
Deputy Chief Executive  
Places, Engagement  
& Libraries (Executive  
Board Member)



**Peter Knott**  
Area Director, Midlands  
(Senior Director)



**Sathya Poduri**  
Chief Digital and  
Information Officer



**Emmie Kell**  
Director of Museums  
and Cultural Property  
(Senior Director)



**Mags Patten**  
Executive Director  
Public Policy and  
Communication  
(Executive Board  
Member)



**Phil Gibby**  
Area Director, South  
West (Senior Director)



**Simon Mellor OBE**  
Deputy Chief  
Executive, Arts and  
Museums (Executive  
Board Member)



**Hazel Edwards**  
Area Director,  
South East  
(Senior Director)



**Michelle Dickson**  
Director, Strategy  
(Senior Director)



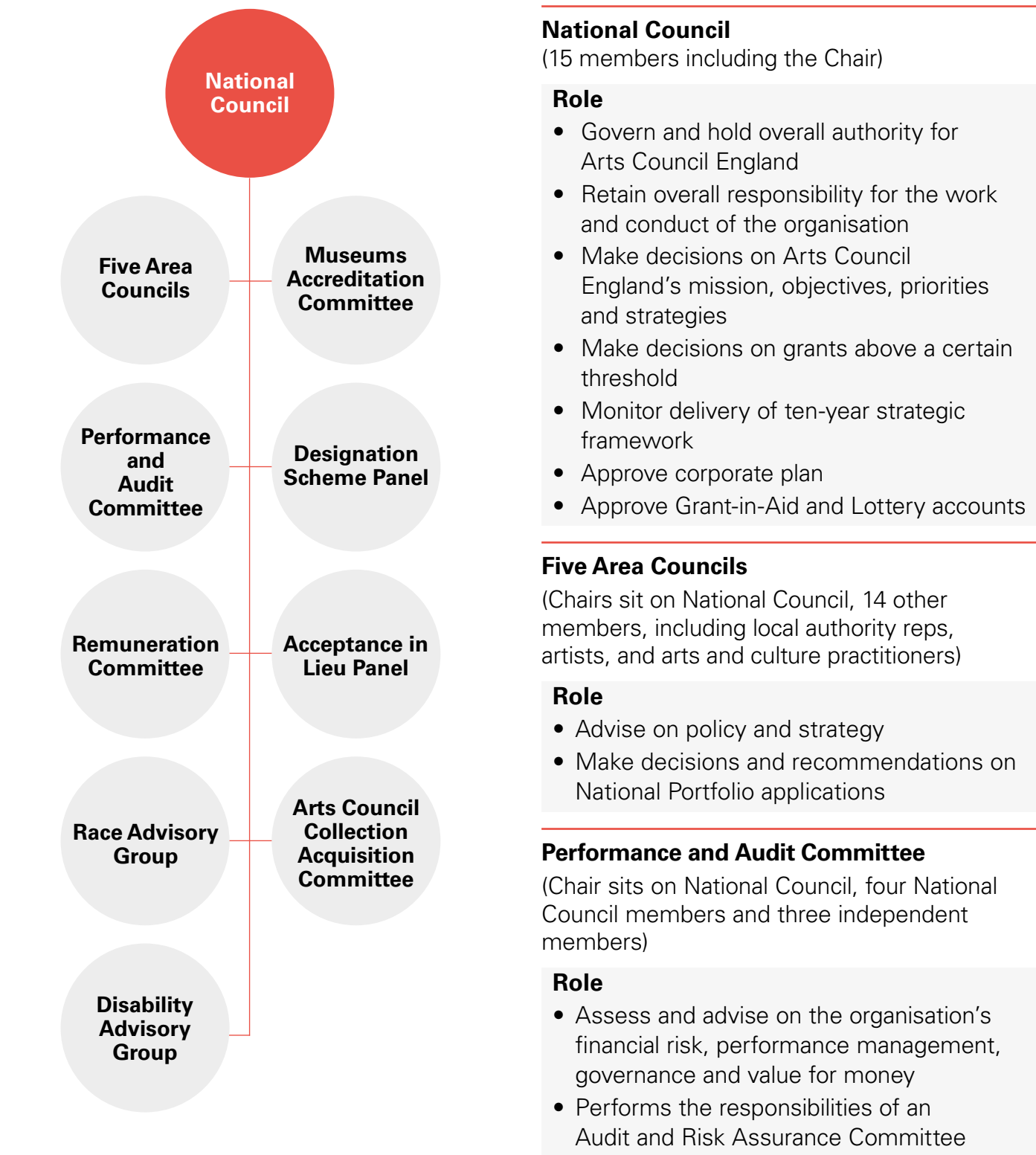
**Richard Russell**  
Chief Operating Officer  
(Executive Board  
Member)



**Tonya Nelson**  
Executive Director,  
Enterprise & Innovation  
(Executive Board  
Member)

# Arts Council England’s Non-Executive Governance Structure

Arts Council England’s governance framework consists of a National Council, five Area Councils, an Executive Board, and a number of committees and panels. National Council has delegated responsibilities to Area Councils, panels and committees as shown below:



## Remuneration Committee

(Chair sits on National Council, four other National Council members)

### Role

- Make decisions on senior executive salaries, bonuses and other terms and conditions

## Race Advisory Group

(Chairs sit on National Council/Area Council, Membership open to all National and Area Council members of Black, Asian or Ethnically diverse heritage, two reps from each area.

### Role

- To advise Executive Board and National Council as it seeks to implement new strategy
- To highlight emerging issues and challenges for individuals of Black, Asian and Ethnically diverse heritage in the arts and culture sector and work with Executive Board and National Council to address them
- To review and monitor the impact of the Arts Council's policies, decisions and other actions

## Disability Advisory Group

(Chair sits on National Council, Deputy Chair from an Area Council, Membership open to all National Council and Area Council members with lived experience of disability, deafness and/or neuro-divergence)

### Role

- To advise Executive Board and National Council as it seeks to implement new strategy
- To highlight emerging issues and challenges for D/deaf, neuro-divergent and disabled people in the arts and culture sector including conscious and unconscious ableism, and work with the Executive Board and National Council to address these
- To review and monitor the impact of the Arts Council's policies, decisions and other actions on D/deaf, neuro-divergent and disabled people

## Museums Accreditation Committee

(16-20 members)

### Role

- Make decisions on Accreditation status and applications from museums and galleries in the UK
- Provide quality assurance
- Advocate for the Scheme

## Designation Scheme Panel

(10 members)

### Role

- Make decisions on Designation applications from museums, libraries and archives
- Provide quality assurance
- Advocate for the Scheme

## Acceptance in Lieu Panel

(6-24 members)

### Role

- Advise on items offered to the Nation in lieu of Inheritance Tax or through the Cultural Gifts Scheme, on Conditional Exemption and on Immunity from Seizure

## Arts Council Collection Acquisition Committee

(8 members)

### Role

- Advise on new additions to the Arts Council Collection with reference to the Acquisitions and Disposal and Collections Development policy

# Non-Executive Governance

## NATIONAL COUNCIL

### MEMBERSHIP OF NATIONAL COUNCIL

Members of National Council are appointed by the Secretary of State for Culture, Media and Sport who seeks to ensure that National Council has an appropriate range of knowledge, skills and experience. Members commit to the Nolan principles and adherence to a Code of Conduct on appointment and receive an induction and regular briefings on key strategic issues.

The composition of National Council in 2024/25 was as follows:

**Sir Nicholas Serota CH**

(CHAIR)

**Helen Birchenough**

(SOUTH WEST AREA COUNCIL CHAIR)

**David Bryan CBE**

(LONDON AREA COUNCIL CHAIR)

**Sukhy Johal MBE**

(MIDLANDS AREA COUNCIL CHAIR)

**Sally Shaw MBE**

(SOUTH EAST AREA COUNCIL CHAIR)

**Annabel Turpin**

(NORTH AREA COUNCIL CHAIR)

**YolanDa Brown OBE**

**William Bush CBE**

**Andrew Miller MBE**

**Elisabeth Murdoch**

(UNTIL 31 MAY 2024)

**Abigail Pogson**

**Paul Roberts OBE**

(UNTIL 30 NOVEMBER 2024)

**Deborah Shaw**

**Phil Stokes**

(FROM 1 DECEMBER 2024)

**Andrew Lovett OBE**

(FROM 1 DECEMBER 2024)

**Baroness Fleet CBE (Veronica Wadley)**

### NATIONAL COUNCIL PERFORMANCE AND REVIEW OF EFFECTIVENESS IN 2024-25

National Council undertakes an evaluation of its effectiveness each year. Once every three years the review is led by an external facilitator. The next external facilitated review is due in 2025/26. This year's Board Effectiveness Review was led by the Chair of National Council. It comprised of three elements:

- A consideration of progress on previously agreed actions
- A discussion of its effectiveness at a meeting, prompted by the 15 areas identified in the Cabinet Office Guidance<sup>[1]</sup>
- A review of National Council's Terms of Reference.

During the discussion National Council reflected on the context that the Arts Council had been operating in 2024/25 and how it had responded to the contextual environment. Such as the ongoing financial and other pressures facing the arts, museums and libraries; the change in government; the Autumn budget settlement for the sector and the Arts Council; the impending Comprehensive Spending Review, the Arts Council England Review, and the Devolution White Paper.

It was noted that an appraisal of the Chair had been undertaken in November 2024 ahead of the Chair's re-appointment. In addition, during the year effectiveness reviews had also been undertaken by National Council's Performance and Audit Committee and the five Area Councils. National Council had also considered the next steps for the time limited Race and Disability Advisory groups that it had set up in 2020, and in view of their significant

<sup>[1]</sup> <https://www.gov.uk/government/publications/arms-length-body-boards-guidance-on-reviews-and-appraisals/board-effectiveness-reviews-principles-and-resources-for-arms-length-bodies-and-sponsoring-departments>



contributions to date, and important ongoing role it decided to make them permanent standing committees of National Council.

Items considered by National Council over the year had included:

- The National Portfolio Programme: design and timing of the next round and the approach to National Portfolio extensions
- Income Forecasts, Programme Budgets and Lottery Balance Policy
- Opportunities for Enterprise & Innovation
- Quarterly Investment Risk Reports
- **Delivery Plan 2021-24 Report**
- Music Hubs
- Priority Places Evaluation
- Creative People and Places Programme
- Devolution White Paper
- Supporting Governance & Leadership in the Sector
- The **Delivery Plan** for 24-27, which outlined how the Arts Council can contribute to the Government's 5 missions
- Update on the Inclusion Review and Transformation proposals
- Outcome of the Art's Council's Inclusion work over the last 5 years
- Simplification of the Arts Council's Processes and Transformation proposals
- Incentivising Touring
- Arts Council Collection Management with a visit to the Arts Council Collection Stores
- Arts Council Donations & Sponsorship Policy

National Council concluded that it was continuing to provide effective leadership, support and scrutiny to the Executive team. Material produced to inform decision making was also considered to be well-written, comprehensive and well-supported by data. Priorities for 2025-26 were identified as: continuing to implement **Let's Create**; championing the intrinsic value of arts and culture, the transformative effect it can have on our communities and its contribution to economic growth; responding to the Arts Council England Review; adapting to local and regional government changes; recruiting 4 new members and eventually a new Chair for National Council.

## National Council attendances

National Council normally meets six times a year; however in 2024/25 there were additional meetings to accommodate decision making for the next National Portfolio Organisation investment process.

NATIONAL COUNCIL ATTENDANCES	NATIONAL COUNCIL	PERFORMANCE AND AUDIT COMMITTEE*	REMUNERATION COMMITTEE
Sir Nicholas Serota CH	9/9	–	1/1
Helen Birchenough	9/9	4/4	1/1
YolanDa Brown OBE	8/9	–	–
David Bryan CBE	9/9	–	–
William Bush CBE	9/9	4/4	1/1
Sukhy Johal MBE	8/9	–	–
Andrew Miller MBE	9/9	–	–
Elisabeth Murdoch	0/1	–	–
Andrew Lovett OBE	3/3	–	–
Abigail Pogson	9/9	4/4	1/1
Paul Roberts OBE	5/6	3/3	1/1
Deborah Shaw	9/9	–	–
Sally Shaw MBE	9/9	–	–
Phil Stokes	3/3	1/1	–
Annabel Turpin	9/9	–	–
Veronica Wadley CBE	8/9	–	–
INDEPENDENT MEMBERS OF PERFORMANCE AND AUDIT COMMITTEE			
Penny Ciniewicz CB	–	2/4	–
Guillaume Fleuti	–	3/4	–
Clive Parritt	–	2/2	–
Tracy Staines	–	2/2	–
Claire Harvey	–	2/2	–
Julie Parker	–	2/2	–

ELISABETH MURDOCH AND PAUL ROBERTS BOTH LEFT NATIONAL COUNCIL IN 2024, AND ANDREW LOVETT AND PHIL STOKES JOINED IN DECEMBER 2024. THEIR TOTALS ABOVE THEREFORE REFLECT THE NUMBER OF MEETINGS THEY ATTENDED DURING THEIR PERIOD OF SERVICE.

\* Performance and Audit Committee attendance is inclusive of four meetings from 11 June 2024 to 6 March 2025. Clive Parritt and Tracy Staines left the Performance and Audit Committee in September 2024. Claire Harvey and Julie Parker were appointed in September 2024.

## COMMITTEES AND SUB-COMMITTEES

### Area Councils

There are five Area Councils covering the breadth of England and reflecting Arts Council England's operational structure, appointed to assist National Council in developing, championing and investing in the arts and culture.

They support and promote the organisation's mission and objectives by providing advice on draft policies, making funding decisions and acting as advocates for the arts and culture, and creating a live connection at an area level.

Each Area Council consists of 15 members including the Chair who is also a member of National Council. Area Councils meet up to five times a year. The Chairs also meet collectively at least once per year with the National Council Chair.

### Performance and Audit Committee

National Council has appointed a Performance and Audit Committee to review and report on the systems of risk and internal control, governance and performance management.

The Performance and Audit Committee was chaired by Paul Roberts, a member of National Council until 30 November 2024. Phil Stokes assumed the role of Chair on 1 December 2024 when he was appointed as a member of National Council. All National Council members receive papers and minutes of Performance and Audit Committee meetings. The Chair of the Performance and Audit Committee provides a report to National Council following each meeting, and as he deems necessary. The Performance and Audit Committee also provides a full report to National Council on its performance once a year. The Performance and Audit Committee is comprised of four National Council members and four independent members.

The Committee holds four meetings a year. Performance and Audit Committee provides assurance on internal audit, management accounts and risk. The Committee also gives

scrutiny to annual reports on health and safety, grant withdrawals, investment risk, information security risk, HR and fraud, as well as to operational performance management.

The Performance and Audit Committee planned to review their priorities for 2024/25, including: upholding its independence through an annual standing item for committee members and auditors to hold discussions without the Executive present; maintaining the balance of skills within the Committee; continuing to develop the progress made on the Performance remit of the Committee through deep dives on the agenda; ensuring the quality of reports presented is maintained; and using the proposed away day to further reflect on how the Committee can improve. An additional priority for the Committee was to provide assurance that the structure and methodology for the next National Portfolio Organisations (NPO) round had been finalised.

The Performance and Audit Committee undertook an annual self-evaluation of its effectiveness in March 2025. The self-evaluation incorporated reflective work the Committee had undertaken at an away day in October 2024. Members were appreciative that outcomes from the review in March 2024 had been addressed. Again, for this review the National Audit Office Audit and Risk Assurance Committee effectiveness tool was provided for use as a framework. The priorities for the upcoming year 2025/26 will include: carrying out effectiveness work at an away day using the NAO ARAC Effectiveness Tool; reviewing the Performance and Audit Committee Terms of Reference to confirm and refresh how the Committee's delegated authority works in practice and how the relationships between the Arts Council and the Department for Culture, Media and Sport, and National Council, Area Councils and Performance and Audit Committee operate; considering the wider narrative communicated by the public and organisations served by the Arts Council to continue to build on the performance aspect of the Committee; providing a perspective on

the strategic risks and opportunities which accompany the Arts Council England Review; and to continue to receive updates on the National Portfolio Investment Process to aid in the consideration of any developing problems or risks.

### Remuneration Committee

National Council has appointed a Remuneration Committee to deal with the matters set out in the Remuneration Report. The Remuneration Committee normally meets annually. Further details on this committee can be found in the Remuneration Report.

### Acceptance in Lieu Panel

The Acceptance in Lieu (AIL) Panel is a subcommittee of the Arts Council's National Council. It provides expert advice to UK Ministers on the suitability of objects offered under the Acceptance in Lieu (AIL) and Cultural Gifts Schemes (CGS) and on the pre-eminence of objects proposed for Conditional Exemption. The Panel also advises the Ministers on the appropriate allocation of items accepted under AIL and CGS, other than manuscripts, to museums and galleries across the United Kingdom. Importantly, the Panel is responsible for assessing the financial value of objects offered under the AIL and CGS schemes and advising on their condition. The AIL scheme is one of the Statutory Functions delivered by the Arts Council on behalf of DCMS, and the Arts Council is accountable to DCMS for the AIL scheme.

### Race Advisory Group

The Race Advisory Committee was set up to advise the Arts Council as it seeks to deliver **Let's Create**, to challenge racism and promote race equality within the sector and support sector recovery in response to continued inequalities exacerbated by the Pandemic. The Committee continues to support our work across our **Delivery Plans**, our Inclusivity & Relevance Investment Principle, our 2024-27 equality objectives and investment programmes, and to monitor the impact of our policies and decisions on race equality.

### Disability Advisory Group

The Disability Advisory Committee was set up to advise the Arts Council as it seeks to deliver **Let's Create**, to examine and respond to the issues and challenges facing disabled, neurodivergent and deaf people working across the arts and culture sector, and to support the continued recovery of the sector in response to identified inequalities in the wake of the Pandemic. As with the Race Advisory Committee it continues to support our work across our **Delivery Plans**, our Inclusivity & Relevance Investment Principle, our 2024-27 equality objectives and investment programmes, and to monitor the impact of our policies and decisions on disabled people.

### Executive management

National Council has delegated responsibilities for the implementation of its strategy and operational matters to the Chief Executive and Executive Board. The Chief Executive has been authorised by National Council to undertake the day-to-day administration and management of the business and staff of the organisation and is responsible to National Council for those matters.

As Arts Council England's Accounting Officer, the Chief Executive is responsible for its overall efficiency and effectiveness and has responsibility for reviewing the effectiveness of the system of internal control. This review is informed by the internal auditors, the Deputy Chief Executives, and Executive Directors within Arts Council England, and comments from the external auditors in their management letter and other reports. The Accounting Officer may, on occasion, be required to give evidence to Parliament's House of Commons Public Accounts Committee.

Executive Board comprises of the Chief Executive, two Deputy Chief Executives, and four other Executive Directors. The Chief Executive is appointed by National Council with the approval of the Secretary of State for Culture, Media and Sport (DCMS).



Executive Board meets formally throughout the year to consider key policy, strategic and operational matters, and to provide advice to National Council. It also oversees the financial performance and risk management of Arts Council England as a whole. Appropriate management structures have been created throughout the organisation to assist Executive Board members to oversee their respective departments and areas of responsibility.

Executive Board is supported by a Management Board, a Transformation Board and a National Investment Panel, whose membership includes a Deputy Chief Executive and the five Area Directors, and other panels and decision-making groups.

There are written terms of reference and procedures for National Council and its sub-committees and Executive Board.

## MEMBERSHIP OF EXECUTIVE BOARD IN 2024/25

NAME	JOB TITLE
Dr Darren Henley CBE	Chief Executive
Laura Dyer MBE	Deputy CEO, Places, Engagement & Libraries
Simon Mellor OBE	Deputy Chief Executive, Arts & Museums
Mags Patten	Executive Director, Communication & Public Policy
Navees Rahman	Chief Finance and Resources Officer
Richard Russell	Executive Director and Chief Operating Officer
Tonya Nelson	Executive Director, Enterprise & Innovation



## RISK MANAGEMENT AND INTERNAL CONTROL

### Risk management

National Council ensures there are effective arrangements for internal control including risk management at Arts Council England. The system of internal control is based on an ongoing process designed to identify and prioritise risks to the achievement of Arts Council England's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and yet economically.

The Arts Council takes the view that the absolute mitigation of all risk is neither possible nor desirable. We believe that it is important that we support and encourage innovation and can take managed risks in support of our mission.

We identify and manage risk at three levels:

- strategic: the principal risks, opportunities and uncertainties affecting the achievement of our mission and strategic outcomes
- operational: risks to the delivery of the themes set out in our **Delivery Plan**
- programmes/projects risk: risks to the delivery of individual programmes, projects and to particular areas of our work

Our system of risk management and internal control is designed to manage risk to an acceptable level rather than eliminate all risk of failure to achieve requirements and objectives.

The Arts Council's appetite for risk varies according to the nature of the activity. The level of risk that we are willing to take is one of the key factors we consider when making decisions on how best to invest, develop and champion arts and culture.

We seek to minimise exposure to financial, legal, compliance and reputational risk.

The Arts Council has a high appetite for artistic and creative risk. We value creativity, originality and ambition. None of these can be achieved without experimentation and innovation. We want to offer artists and arts and culture organisations the commitment and freedom that allows them to experiment and take risks. In our investment decisions we carefully weigh the opportunities and potential benefits of projects alongside possible risks.

Acceptance of risk is always subject to ensuring that potential benefits and opportunities – and risks – are fully understood before decisions are made, and that sensible measures to mitigate risk are established.

### System for managing risk

The Department for Culture, Media and Sport (DCMS) has designated the Chief Executive of Arts Council England as Accounting Officer, with clear responsibility and accountability for maintaining a sound system of internal control within the organisation. Internal audit provides the Accounting Officer with an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. Risk management forms part of the organisation's ongoing activity and is addressed as a matter of standard practice in its corporate programme and project plans. It continues to be a key element of how Arts Council England monitors its corporate policies and initiatives and is integrated into business planning across the organisation.

Arts Council England has in place a wide range of policies dealing with control issues for corporate governance, financial management (including counter fraud), project management, health and safety, training and development, information technology, and risk management, all of which are reviewed and updated periodically as part of the organisation's business planning process.

Arts Council England operates a range of controls over the funding programmes it operates to ensure the grant funding provided is used for the purposes intended. These controls are designed to be commensurate with the level of risk associated with each funding programme and the organisation's appetite for risk. The controls include ensuring signed funding agreements are in place, monitoring payment conditions before payments are released, reviewing activity returns and regularly monitoring risks to funded organisations.

The risk management process is facilitated and monitored by the Governance and Planning Department. The management of key risks is subject to independent review and assurance through the internal audit process, which reports to management as well as the Performance and Audit Committee. National Council reviews the strategic risk register annually. Our Risk management process aligns closely to the Orange Book principles with no significant deviations.

During 2024/25, Arts Council England continued to manage risk at the strategic, operational, and individual project and programme levels. Strategic risks are identified through periodic workshops with senior staff, through escalation from operational risk registers, or as they arise. They are then agreed by Executive Board and assigned an Executive Board lead and risk owner or 'manager' who manages mitigating actions and controls thereafter. The process is also iteratively improved across each year, exemplified in 2024/25 by the increasing role of data in consideration of risks, improved flow between the operational and strategic register, and an emerging process of managing opportunities alongside certain risks as we gain a better understanding of risks and opportunities across our operations and the sector.

We reported quarterly to Executive Board and Performance and Audit Committee on progress in implementing relevant controls and mitigating actions on strategic risks. Operational risks are also monitored on a regular basis, with progress on implementing relevant controls and mitigating actions reported to the Management Board. Programme and project level risks are monitored by the relevant programme lead or project board on a timescale appropriate to the programme or project.

Details of key risks and uncertainties affecting our organisation and the sector can be found on page [31](#).

### **Data security and personal data**

Arts Council England continues to maintain its performance in responding effectively to information requests, identifying opportunities to proactively disclose information, and embedding good information handling behaviours across the organisation.

During 2024/25, there were 34 incidents reported involving data at the Arts Council. All of these were considered to be minor incidents which did not require escalating to the Information Commissioner's Office (ICO). The Arts Council dealt with all incidents immediately after they were identified; each was investigated to see if any changes needed to be made to the Arts Council's systems and processes.

Our Senior Information Risk Owner chairs the Information Governance Subcommittee which oversees the framework and processes in place to monitor information assets and associated risks along with developing a culture of awareness among all staff. The subcommittee is supported in its work by the Data Protection Officer who assists the organisation to monitor internal GDPR compliance and inform and advise on our data protection obligations.



## Whistleblowing policy

Arts Council England's whistleblowing policy is derived from the Public Interest Disclosure Act 1998 (PIDA) which exists to protect any members of staff who make disclosures in good faith about wrongdoing or activity which is against the public interest. The policy is made available to all permanent and temporary staff and is published on our intranet. There were no whistleblowing claims made during 2024/25.

## UK sanctions against Russia and Belarus

As a result of the war in Ukraine, Government departments were asked to review their business arrangements to ensure that they were not involved in any contracts or transactions which would breach the sanctions placed on certain individuals who were deemed to have close links with the Russian government. Arts Council England reviewed its finance and grants systems and confirmed that no transactions had taken place with sanctioned individuals or organisations. The Arts Council issued a statement on the Russian invasion of Ukraine on 11 March 2022 which can be read [here](#).

## Cyber Security

Arts Council England continues to invest in Cyber Security to manage the risk posed to its operations by cyber attacks. In the 2024/25 financial year, this involved the appointment of a full time dedicated Cyber Security Officer who is responsible for managing cyber capabilities including phishing, penetration testing, cyber risk management and assurance, and establishing a dedicated cybersecurity programme to implement the Government Cyber Security standards including Cyber Essentials, GovAssure and Secure by design.

## Compliance with Government Functional Standards

Government functional standards are a suite of 15 management standards that

set expectations for functional work across all Government departments, including Arm's-Length Bodies, and provide a stable basis for assurance, risk management and capability improvement. Formulated by the Cabinet Office, these standards are intended to form a framework to support the efficient and effective delivery of public services. Compliance with the standards is assured through the multi-year internal audit programme, which ensures that over several years there is an audit of all functional standards. Any areas of non-compliance identified are raised as actions within the audit report and the discharge of the actions monitored by the audit committee.

## Conflicts of interest

As a public body we have a code of ethics that makes sure all staff adhere to the Seven Principles of Public Life, the Bribery Act 2010 and the Government rules on code of conduct in non-departmental public bodies. In particular, staff are required:

1. to act, and be seen to act, with independence and impartiality while working for the Arts Council
2. to take steps to avoid conflicts of interest, by registering and declaring any conflicts between personal interests and the work of the Arts Council as they arise.

A register of interests for all National Council and Executive Board members is available at the following link:

**<https://www.artscouncil.org.uk/national-council/national-council-register-interests>**

In March 2021 the Government also issued the *12 Principles of Governance for all Non-Executive Directors of Public Bodies*.

**<https://www.gov.uk/government/publications/public-bodies-non-executive-director-principles/12-principles-of-governance-for-all-public-body-neds>**



## Internal audit

The annual programme of internal audit work is carried out by an external firm of accountants to standards defined in the Public Sector Internal Audit Standards. The work of internal audit is informed by the risk register, an assessment of the assurance requirements – particularly on the most significant risks facing Arts Council England – and the key day-to-day processes and systems in place. The annual internal audit plan is based on this analysis. It is endorsed by Management Board and approved by the Performance and Audit Committee. The internal auditors receive all Performance and Audit Committee papers and attend the Performance and Audit Committee meetings.

They provide periodic progress reports including the findings of follow-up reviews, building up to an annual report on internal audit activity. This annual report includes the internal auditors' opinion on the overall adequacy and effectiveness of the systems that internal audit have reviewed. The Performance and Audit Committee reviews and discusses the progress report and the annual assurance report. Internal audit services are being provided by RSM.

In their 2024/25 annual report, RSM stated that, in their opinion:

"The organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal controls to ensure that it remains adequate and effective."

## Counter Fraud

Arts Council England is committed to protecting public funds against all attempts made to perpetrate fraud, bribery and corruption within its finances, grant

programmes and operations, both internally and externally. Minimising fraud, bribery and corruption (including error) is essential to ensure our resources are used for delivery of our essential work supporting cultural individuals and organisations. Our strategy and policy shows our determination to ensure that every penny we spend is used for the purposes intended. It is a living document with continual adaptation (reviewed every two years) to ensure we have an integrated, organisation-wide approach to tackling fraud.

The strategy and policy applies to:

- all Arts Council England employees
- all staff placed through agencies, eg interims, contractors, temporary staff
- all Arts Council England suppliers
- any other parties who have a business relationship with Arts Council England

The strategy aims to provide Arts Council employees and other businesses associated with the Arts Council a guide on what fraud and bribery is, what their responsibilities are to prevent fraud, bribery and corruption, and how to report it. The overall aims of

this policy are to:

- improve the knowledge and understanding of fraud and bribery for everyone at the Arts Council, irrespective of their position
- emphasise the zero-tolerance approach taken by the Arts Council with regards to fraud, bribery and corruption
- build and promote an open culture and environment where employees feel able to raise their fraud and bribery concerns
- ensure appropriate action is taken against fraud and bribery utilising a risk-based approach, which includes prevention, deterrence, detection, measurement, investigation and sanctions

- highlight key risks the Arts Council faces in relation to fraud and bribery, and how these risks are managed
- define how the Arts Council measures success in its fight against countering fraud and bribery

One case of confirmed fraud was detected in the 2024/25 financial year totalling £22,500, 46 cases of applicant error totalling £213,171.38 and one case of Arts Council England error totalling £31,731. Corrective action has been or is being taken in all cases. The Counter Fraud Team issued 16 grant withdrawals totalling £1,050,435. Arts Council England utilise internal reports and analytics to identify fraud, in addition to intelligence received from a range of other sources including the public and other Government bodies. In addition, fraud risk assessments are drawn up for all grant schemes to identify risks, controls, and implement new countermeasures where necessary to alleviate risk and strengthen controls. In addition, in August 2024 the Arts Council onboarded CIFAS to improve fraud prevention and detection capabilities.

### Review of effectiveness of internal control

The Accounting Officer and the Chair of Council, as the representatives of the Trustees, have responsibility for reviewing the effectiveness of the system of internal control. This review of the effectiveness of the system of internal control is informed by the work of the internal auditors, the executive managers within Arts Council England who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

### Assessment of the effectiveness of internal control during 2024/25

The effectiveness of the Arts Council's internal controls is monitored through a set of operational metrics reviewed by Executive Board and the Performance and Audit Committee. This is supported by a programme of internal audit reviews.

For 2024/25, internal audit completed reviews of the following areas:

1. Mystery Shopper
2. Creative People and Places
3. Employee Wellbeing
4. Assurance Framework
5. NPO Data Reporting
6. National Lottery Project Grants
7. Payroll
8. Follow up
9. Government Functional Standard – Grants
10. Government Functional Standard – Project Delivery

Where weaknesses have been identified during the course of internal audit's work, the findings and the action that management have taken to address key weaknesses have been reported to the Performance and Audit Committee. Throughout 2024/25 we monitored our strategic, operational and project risks in accordance with our risk management policy. We also continued to revise and refine our risk management policies and procedures.

### Parliamentary Accountability & Audit Report

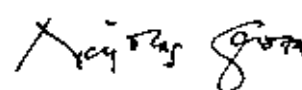
To comply with the requirements of the Government Financial Reporting Manual (FreM) we have disclosed the following items elsewhere within the Annual report & Accounts.

- (i) (Losses & Special payments (pages [163](#) and [215](#)))
- (ii) Certificate of Comptroller & Auditor General (pages [133](#) and [187](#))



**Dr Darren Henley CBE**  
**Chief Executive**

9 JULY 2025



**Sir Nicholas Serota CH**  
**Chair**

9 JULY 2025

## GRANTS TO LOCALLY GOVERNED ORGANISATIONS

All grants awarded by Arts Council England are subject to funding agreements with clearly laid out terms and conditions. We satisfy ourselves that relevant conditions are met before payment is made.

## PUBLIC SECTOR INFORMATION

On 1 April 2009 Arts Council England became a provider of official statistics under the extended scope of the Statistics and Registration Act 2008. This means that when Arts Council England produces, manages and disseminates official statistics we strive to abide by the Code of Practice for Official Statistics published by the UK Statistics Authority in January 2009.

The code sets out a number of important principles and practices to ensure that the official statistics meet the needs of Government and society and are both trustworthy and trusted.

## BETTER PAYMENT PRACTICE CODE

We attempt to abide by the Better Payment Practice Code, and in particular pay bills in accordance with our contracts. Invoices are normally settled within our suppliers' standard terms, usually 30 days, and we aspire to settle valid invoices within 10 days. During 2024/25, 100 per cent of invoices were paid within 30 days (2023/24: 100 per cent) and we paid 98 per cent per cent of invoices within five days (2023/24: 97 per cent).

## CORPORATE INFORMATION

### Principal address as at 31 March 2025

The Hive  
47 Lever Street  
Manchester  
M1 1FN

### Banker

Government Banking Service  
National Westminster Bank plc  
Premier Place  
Devonshire Square  
London  
EC2M 4BA

### Auditor

Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

### Administrators, actuaries and investment advisers to the Arts Council Retirement Plan

Hymans Robertson LLP  
20 Waterloo Street  
Glasgow  
G2 6DB

### Administrators, actuaries and investment advisers to the West Yorkshire Pension Fund

Aon Hewitt  
25 Marsh Street  
Bristol  
BS1 4AQ

### Solicitors

A number of specialised solicitors have been appointed to our external solicitor pool.







# Remuneration and staff report

## 1 April 2024 – 31 March 2025

### PART-AUDITED INFORMATION

**The remuneration report covers the whole organisation and the costs have been apportioned to both Grant-in-Aid and Lottery distribution accounts. The salary and pension disclosures for senior staff, the disclosures required by the Hutton Review and the Compensation scheme – Exit Packages have been audited.**

#### THE REMUNERATION COMMITTEE

Arts Council England has a Remuneration Committee for specific matters relating to the remuneration and performance of its Chief Executive and Executive Directors. The committee operates within written terms of reference, and usually meets once during the year to agree annual pay increases and performance bonuses for the Executive Board. The Chief Executive makes reward recommendations to the committee in respect of those staff on Executive Board who report directly to him, but any salary increases and bonus payments to the CEO and Executive Directors must be approved by the Remuneration Committee. At the meeting on 20 November 2024 where decisions were taken about Executive Board and CEO salary increases for 2024/25 and bonus payments in respect of performance in 2023/24, the

members of the committee were Sir Nicholas Serota, Paul Roberts (Chair), William Bush, Abigail Pogson, and Helen Birchenough.

Executive Board and CEO pay decisions are governed by HMT guidance for the approval of senior pay. The Remuneration Committee makes performance bonus decisions on the basis of a verbal report by the CEO on the performance of Executive Directors and a verbal report by the Arts Council Chair on the performance of the CEO. With regard to consolidated annual pay increases awarded to the CEO and Executive Directors, consideration is also given to aligning this within the amounts permissible in the annual public sector pay remit applicable to the wider staff body.

The Remuneration Committee reviews the Register of Interests for the Executive Board twice per year and can provide advice to the Chief Executive and the Chair of National Council on any conflict of interest issues. In the year, it did not find any conflict of interest.

#### COUNCIL MEMBERS' REMUNERATION (AUDITED)

Our supplemental charters issued in 2002 and 2006 provide us with the authority to remunerate our National Council members,

who are also Area Council Chairs, and our National Chair. Remuneration amounts are set by the Department for Culture, Media and Sport (DCMS) and agreed by the Charity Commission.

Those members of National Council who are also Chairs of Area Councils were entitled to remuneration of £7,525 each per annum during 2024/25 (2023/24: £7,167). During 2024/25, five members of National Council served as Area Council Chairs. The Chair’s salary for the period 2024/25 was £40,000 (2023/24: £40,000). Remuneration and expenses paid to National Council members are shown in the table on the next page.



NATIONAL COUNCIL MEMBERS	POSITION	SALARIES	EXPENSES	TOTAL 24/25	TOTAL 23/24
Sir Nicholas Serota CH	Chair of the Arts Council	£40,000	£2,718	£42,718	£42,417
Sally Shaw MBE	Chair – South East Area Council	£7,525	£298	£7,823	£2,389
Annabel Turpin	Chair – North Area Council	£7,525	£1,216	£8,741	£2,429
David Bryan CBE	Chair – London Area Council	£7,525	£107	£7,632	£7,167
Helen Birchenough	Chair – South West Area Council	£7,525	£1,590	£9,115	£10,167
Sukhy Johal MBE	Chair – Midlands Area Council	£7,525	£1,511	£9,036	£8,705
Andrew Lovett OBE	Member (started 1 December 2024)	£0	£0	£0	£0
Andrew Miller MBE	Member	£0	£1,787	£1,787	£1,045
Elisabeth Murdoch	Member (resigned 31 May 2024)	£0	£0	£0	£0
Paul Roberts OBE	Member (resigned 30 November 2024)	£0	£0	£0	£1,156
Bill Bush CBE	Member	£0	£0	£0	£0
YolanDa Brown OBE	Member	£0	£0	£0	£0
Abigail Pogson	Member	£0	£784	£784	£427
Deborah Shaw	Member	£0	£0	£0	£0
Baroness Fleet, Veronica Wadley CBE	Member	£0	£576	£576	£362
Professor Roni Brown	Member (resigned 30 November 2023)	£0	£0	£0	£4,954
Phil Stokes	Member (started 1 December 2024)	£0	£194	£194	£0
Kate Willard OBE	Member (resigned 30 November 2023)	£0	£0	£0	£4,877
Other expenditure		–	£8,465	£8,465	£16,983
		<b>£77,625</b>	<b>£19,246</b>	<b>£96,871</b>	<b>£103,078</b>

MEMBERS RESIDE IN DIFFERENT PARTS OF THE COUNTRY AND THEREFORE THEIR EXPENSES WILL VARY ACCORDINGLY THERE IS CURRENTLY ONE VACANCY FOR NATIONAL COUNCIL MEMBER.

**EXECUTIVE DIRECTORS' REMUNERATION – (AUDITED)**

For 2024/25, the Arts Council's Remuneration Committee awarded a 5 per cent consolidated annual salary increase for the Executive Board. This is in line with the annual pay increase awarded to staff for the year. The Remuneration Committee also agreed a non-consolidated performance bonus of £2,000 for each Executive Director who had completed a full year of service in 2023/24. However, they opted to take only £270 of this (this is in line with the bonus awarded to other staff in the year) and the remainder of the balance from the £2,000 was donated to the Arts Council's Staff Development Fund. The CEO was awarded a non-consolidated performance bonus of £17,499 for 2023/24, which he opted not to receive. £12,000 of this sum was distributed to the First Generation scholarship fund at Manchester Metropolitan University. The First Generation scholarship fund is a scheme which supports young people from backgrounds where it is unusual to enter higher education. The remaining amount was distributed to the Arts Council's Staff Development Fund.

**EXECUTIVE DIRECTORS' REMUNERATION – (AUDITED)**

MEMBER		SALARY £000s	SALE OF ANNUAL LEAVE	VARIABLE PERFORMANCE PAYMENT £000s	EMPLOYERS' PENSION CONTRIBUTIONS £000s	TOTAL REMUNERATION £000s
Dr Darren Henley CBE Chief Executive	<b>2024/25</b>	158	–	–	30	<b>188</b>
	2023/24	150	–	–	28	<b>178</b>
Laura Dyer MBE Deputy CEO (Places, Engagement & Libraries)	<b>2024/25</b>	140	–	–	26	<b>166</b>
	2023/24	134	–	–	25	<b>159</b>
Simon Mellor OBE Deputy CEO (Arts & Museums)	<b>2024/25</b>	140	–	–	26	<b>166</b>
	2023/24	134	–	–	25	<b>159</b>
Tonya Nelson* Executive Director (Enterprise & Innovation)	<b>2024/25</b>	125	–	–	23	<b>148</b>
	2023/24	92	2	–	17	<b>111</b>
Navees Rahman Chief Finance & Resources Officer	<b>2024/25</b>	125	–	–	23	<b>148</b>
	2023/24	120	–	–	22	<b>142</b>
Mags Patten Executive Director (Public Policy & Communications)	<b>2024/25</b>	125	–	–	23	<b>148</b>
	2023/24	120	–	–	22	<b>142</b>
Richard Russell Chief Operating Officer	<b>2024/25</b>	124	–	–	23	<b>147</b>
	2023/24	120	–	–	22	<b>142</b>

\* TONYA NELSON'S 2023/24 SALARY RELATES PARTLY TO HER EXEC BOARD ROLE AND PARTLY TO HER PREVIOUS AREA DIRECTOR ROLE.

**FAIR PAY DISCLOSURES (SUBJECT TO AUDIT)**

The Hutton Review asks organisations to disclose the median salary of Arts Council England's staff and the ratio between this and the salary of the highest paid Director. The following calculation is based on the full-time equivalent staff number at the reporting period end date on an annualised basis and compares this to the normal annual remuneration of the Arts Council's CEO, Darren Henley.



## FAIR PAY DISCLOSURES

	2024/25 £	2023/24 £
Highest paid Director's salary	<b>157,223</b>	149,736
Percentage increase from previous year	<b>5.0%</b>	0%
Median salary	<b>36,987</b>	35,225
Percentage increase from previous year	<b>5.0%</b>	4.5%
Ratio	<b>4.25</b>	4.25
Upper quartile	<b>49,045</b>	46,709
Percentage increase from previous year	<b>5.0%</b>	4.5%
Ratio	<b>3.21</b>	3.21
Lower quartile	<b>32,163</b>	30,633
Percentage increase from previous year	<b>5.0%</b>	2.6%
Ratio	<b>4.89</b>	4.89
Performance Bonus	<b>270</b>	266
Percentage increase from previous year	<b>1.5%</b>	6.4%

THE RANGE OF STAFF SALARY DURING THE YEAR WAS £22,932 TO £157,223 (2023/24: £21,840 TO £149,736). THE HIGHEST PAID DIRECTOR'S SALARY INCREASED BY 5 PER CENT COMPARED WITH 2023/24 IN LINE WITH THE 5 PER CENT PAY AWARD WHICH ALL STAFF RECEIVED.

## STAFF COSTS (SUBJECT TO AUDIT)

	TOTAL £000s	RESTRICTED £000s	LESS CHARGED TO LOTTERY £000s	TOTAL 2024/25 £000s	TOTAL 2023/24 £000s
Staff costs comprise:					
Salaries and wages	28,256	2,773	-12,111	13,372	12,333
Employer's National Insurance	2,971	293	-1,276	1,402	1,260
Employer's pension contributions	4,862	499	-2,076	2,287	2,149
Redundancy Costs	43	38	-3	2	208
Agency staff	240	17	-119	104	114
	<b>36,372</b>	<b>3,620</b>	<b>-15,585</b>	<b>17,167</b>	<b>16,064</b>

**EMOLUMENTS BY BANDS (SUBJECT TO AUDIT)**

The number of employees whose remuneration, including redundancy pay, exceeded £60,000 for the year is detailed below.

EMOLUMENTS FOR THE YEAR	PENSION SCHEME			TOTAL 2023/24	TOTAL 2023/24
	DEFINED BENEFIT	DEFINED CONTRIBUTION	NO PENSION		
£60,000-£69,999	<b>34</b>	–	–	<b>34</b>	30
£70,000-£79,999	<b>6</b>	<b>1</b>	–	<b>7</b>	9
£80,000-£89,999	<b>6</b>	<b>1</b>	–	<b>7</b>	7
£90,000-£99,999	<b>10</b>	–	–	<b>10</b>	9
£100,000-£109,999	<b>1</b>	–	–	<b>1</b>	–
£110,000-£119,999	–	–	–	–	1
£120,000-£129,999	<b>4</b>	–	–	<b>4</b>	3
£130,000-£139,999	<b>2</b>	–	–	<b>2</b>	2
£140,000-£149,999	–	–	–	–	1
£150,000-£159,999	<b>1</b>	–	–	<b>1</b>	1
				<b>66</b>	63

**COMPENSATION SCHEME – EXIT PACKAGES (AUDITED)**

Details of redundancies and other exit packages agreed during 2024/25 are as follows:

EXIT PACKAGE COST BAND	2024/25			2023/24		
	NUMBER OF COMPULSORY REDUNDANCIES	NUMBER OF OTHER DEPARTURES AGREED	TOTAL EXIT PACKAGES DURING 2024/25	NUMBER OF COMPULSORY REDUNDANCIES	NUMBER OF OTHER DEPARTURES AGREED	TOTAL EXIT PACKAGES DURING 2023/24
< £9,999	2	–	<b>2</b>	1	–	1
£25,000 – £49,999	–	–	–	2	–	2
£50,000 – £99,999	1	–	<b>1</b>	2	–	2
<b>Total number of exit packages by type</b>	<b>3</b>	–	<b>3</b>	<b>5</b>	–	<b>5</b>
Total resource cost £000s	71	–	<b>71</b>	208	–	208

Redundancy and other departure costs have been paid in accordance with the provisions of the Arts Council's job security policy. The Arts Council pays exit costs when employment ends but provides for exit costs at the point when there is sufficiently detailed information to do so.

#### **TAX ARRANGEMENTS OF PUBLIC SECTOR APPOINTEES**

In accordance with HM Treasury guidance on disclosure, the following disclosures set out the number of interim staff and the assurances given about tax status.

There were no new off-payroll engagements during 2024/25 for more than £245 per day.

There was one existing off-payroll engagement which reached six months in duration, between 1 April 2024 and 31 March 2025, for more than £245 per day.

It is Arts Council England's policy to only employ people off payroll once the relevant assurances have been received. There were no off-payroll engagements of Board members and/or senior officials with significant financial responsibility between 1 April 2024 and 31 March 2025.

Number of off-payroll engagements of Board members and/or senior officials with significant financial responsibility, during the financial year	–
Number of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility', during the financial year	9

#### **TRANSFER VALUES (ACRP SCHEME)**

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A transfer value is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The calculation of the pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Arts Council Retirement Plan. They also include any additional pension benefits accrued to the member as a result of buying additional pension benefits at their own cost. Transfer values are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction resulting from Lifetime Allowance Tax which may be due when the pension benefits are taken.

## INCREASE IN TRANSFER VALUE (NET OF INFLATION) (AUDITED)

MEMBER	ACCRUED PENSION (LUMP SUM) AT 31 MARCH 2025 £000s	INCREASE IN PENSION (LUMP SUM) IN YEAR (NET OF INFLATION) 2024/25 £000s	TRANSFER VALUE AT 31 MARCH 2025 £000s	INCREASE IN TRANSFER VALUE (NET OF INFLATION) 2024/25 £000s	TRANSFER VALUE AT 31 MARCH 2024 £000s
<b>Dr Darren Henley CBE</b> Chief Executive	30 (89)	3 (8)	248	12	255
<b>Laura Dyer MBE</b> Deputy CEO (Places, Engagement & Libraries)	64 (191)	4 (11)	775	34	786
<b>Simon Mellor OBE</b> Deputy CEO (Arts & Museums)	31 (94)	3 (8)	493	32	486
<b>Tonya Nelson</b> Executive Director (Enterprise & Innovation)	9 (28)	2 (7)	79	9	68
<b>Mags Patten</b> Executive Director (Public Policy & Communications)	30 (90)	3 (8)	284	11	291
<b>Richard Russell</b> Chief Operating Officer	55 (166)	3 (10)	689	31	692
<b>Navees Rahman</b> Chief Financial & Resources Officer	3 (10)	2 (5)	20	0	12

The above table shows the increase in transfer value that is funded by the employer net of the increase in accrued pension due to inflation. This increase also includes contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement or purchased via an Additional Voluntary Contribution contract) and uses common market valuation factors for the start and end of the period.



## STAFF REPORT

In the year to 31 March 2025, the Arts Council staff headcount grew from 679 to 697. The full-time equivalent staff number changed from 629 to 649. Of these, 282 staff were based in area teams – for London, South East, Midlands, North and South West (working from nine offices across these areas to support the local arts and culture ecology) – and 415 were based in national teams (which include Communications, Corporate Functions, Arts and Culture specialist teams and the organisation's Investment team).

The organisation's voluntary leaver rate fell from 9.8 per cent in 2023/24 to 6.2 per cent in 2024/25. This year's figure is in line with general voluntary leaver levels for the organisation across the longer term. There were 43 voluntary leavers in 2024/25 and 17 non voluntary leavers – most of whom were the result of temporary roles coming to an end. During 2024/25 the staff sickness rate was 2.36 per cent (or 5.9 days per employee). This was slightly lower than in 2022/23 (2.53 per cent) and 2023/24 (2.40 per cent)

Looking at how these figures break down by different protected characteristic groups, the numbers of D/deaf or disabled colleagues stands at 16.6 per cent – which is the highest proportion since our records began in 2008. In 2022, our commencement of asking staff to self-report neurodiversity brings the total to 22.5 per cent if this is included. 18.7 per cent of colleagues identify as Lesbian, Gay, Bi, Queer or other sexual orientation – again the highest proportion since our records began. 12.2 per cent of staff were recorded as Black, Asian or Ethnically Diverse – which marks a small decrease in numbers on the previous year.

Nearly 71 per cent of our people are female. Our gender pay gap reporting works to the previous year end (which in this case was for 2023/24). The median gender pay gap increased from 4.7 per cent at 2023 year-end to 6.0 per cent at 2024 year-end. This reflects a higher proportion of female staff joining the organisation in pay grades at the lower end of our pay scales, while their proportions in the

upper half of the pay bands remain relatively unchanged. While female staff represent 70.2 per cent of the headcount, they only represent 58.1 per cent of the highest pay quartile. This is a reflection of recruitment and promotion trends rather than any disparities between those employed in the same roles.

Both our mean and median ethnicity pay gap scores for 2023 were negative – meaning that the average pay for Black, Asian & Ethnically Diverse staff exceeds that for White British and European staff by 7 per cent and 5 per cent respectively. The Arts Council has to work within the public sector pay guidance by the Cabinet Office, which allowed a maximum consolidated staff pay increase of 5 per cent in 2024/25 (and this amount was paid to all staff). The organisation continues to be accredited as a Living Wage Employer and employed nine apprentices. The average learning and development spend per head was approximately £645, with 176 staff attending courses that formed personal development requests and 960 places filled on corporate-wide training courses. Possibly our most significant corporate course launch of the year was a line manager training programme ('We Lead') and 84 colleagues with line management responsibilities attended this. Important courses, with an approximately 90 per cent completion rate, included ones covering counter-fraud/anti-bribery, cyber security, diversity and inclusion, General Data Protection Regulations, sexual harassment awareness, and the social model of disability. Our Introduction to Data Literacy had a 73 per cent completion rate.

At the end on 2024/25 the organisation received its triennial Investors in People ('IiP') review and, as a result, it was re-accredited at Gold Standard. The review commented that noticeable improvements have been demonstrated in:

- a refreshed and energised leadership team
- a Transformation Board focussing on delivering more effective and efficient support to the sector

- investment in technology to enable greater accessibility and faster processing
- a refreshed performance management process

Reflecting on the liP survey and interviews with colleagues, the reviewer made the following summary comments:

- 92 per cent of your people believe that the Arts Council has a positive impact on society. People are proud of the impact that their organisation has on the sector and the communities they support.
- Your people appreciate that there is a more inclusive and empowering culture and that recognition, feedback, communication, and consultation throughout the Arts Council has improved. The focus on performance management has seen the biggest improvement in survey results. 93 per cent of people feel they have agreed objectives with their line manager in the past 12 months, which is almost 20 per cent higher than three years ago.
- You have responded exceptionally well to the challenge of Government and minister changes in the past three years; maintaining the focus and motivation of the majority of staff.
- Your culture has become more consultative and collaborative, people are more aware of, and focused on, helping the Arts Council meet its aspirations. Email updates of EB meetings and Spotlight Sessions updating on recent discussions with the sector and Government are well received.
- Your communication is improving with a variety of interactions including:
  - Spotlights
  - Team chats
  - Transformation Board
  - Regular updates of consultation with DCMS
- People appreciate the flexible working culture at the Arts Council which enables them to balance work and life.

- Your people appreciate the friendly nature of the Arts Council and feel they are treated as individuals and cared for if they have personal challenges. Several employees have been with the Arts Council for many years, whilst more recent starters are unanimously impressed with the variety and responsibility they have experienced in comparison to their previous employers.
- A well designed and delivered management development programme, We Lead, is being rolled out effectively and followed up with action learning sets.
- There continues to be a strong culture of learning at the Arts Council with leadership role modelling development themselves.
- You show considerable commitment to your wider community, both as a committed supporter of the creative sector, and through a well-embedded ethos, which has Diversity, Equality & Inclusiveness at its core, reinforced by a recent Inclusion review
- You provide excellent opportunities for staff to build their career at the Arts Council, as is reflected by the large number of employees who progress and flourish during their tenure.
- The continuous improvements over the past three years are an illustration of how the Arts Council has absorbed feedback to become a high performing one in several themes and thoroughly deserves its continued Investors in People Gold recognition.

The audited staff numbers in this report are disclosed within Note 5 of the Grant-in-Aid accounts.

## TRADE UNION FACILITY TIME

The Trade Union (Facility Time Publication Requirements) Regulations 2017 took effect on 1 April 2017 and mean that public sector employers are now required to publish certain information on trade union officials and facility time in their annual report.

Facility time covers duties carried out for the trade union or as a union learning representative – for example, accompanying an employee to a disciplinary or grievance hearing. It will also cover training received and duties carried out under the Health and Safety at Work Act 1974.

The information for Arts Council England is as follows:

### Relevant union officials

What was the total number of Arts Council England employees who were relevant union officials during the relevant period?

NUMBER OF EMPLOYEES WHO WERE RELEVANT UNION OFFICIALS DURING THE RELEVANT PERIOD	FULL-TIME EQUIVALENT EMPLOYEE NUMBER
14	13.1

### Percentage of time spent on facility time

How many of Arts Council England employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

PERCENTAGE OF TIME	NUMBER OF EMPLOYEES
0%	–
1-50%	14
51%–99%	–
100%	–

### Percentage of pay bill spent on facility time

The figures below show the percentage of Arts Council England's total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

Total cost of facility time	£21,382
Total pay bill	£36,088,946
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.06%

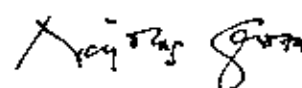
### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%
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**Dr Darren Henley CBE**  
Chief Executive

9 JULY 2025



**Sir Nicholas Serota CH**  
Chair

9 JULY 2025







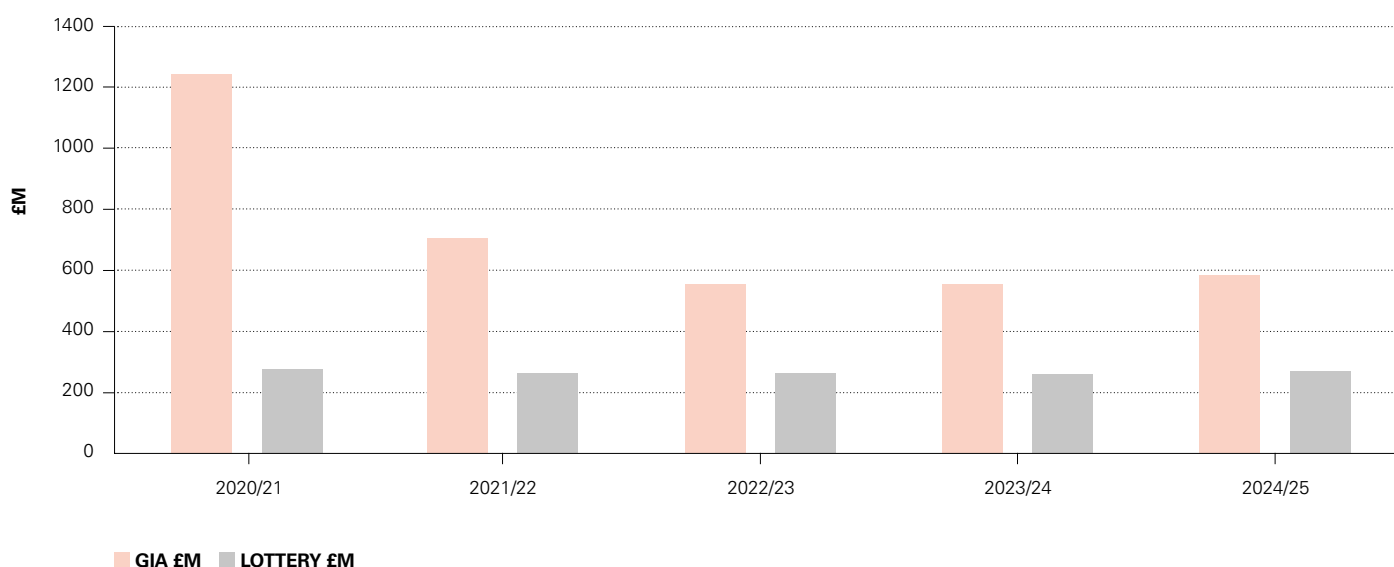
# Strategic report

## STRATEGIC REPORT GRANT-IN-AID

### Our income

Arts Council England receives Grant-in-Aid from the Department for Culture, Media and Sport (DCMS). DCMS provided Grant-in-Aid of £578 million for the year (2023/24: £548 million), which included £394 million for various revenue grants programmes and £56 million of capital funds to allocate as grants. It also included funding from the Department for Education of £81.8 million (2023/24: £81.2 million) to support plans for music and cultural education. The graph below shows our total income from both Grant-in-Aid and the National Lottery over the last five years. Lottery income has remained fairly level throughout the period; Grant-in-Aid income stayed at broadly the same level between 2023/24 and 2024/25.

### OUR INCOME (£m)



## GRANT-IN-AID RESTRICTED INCOME

The Arts Council received funding specifically for the following programmes and projects during 2024/25:

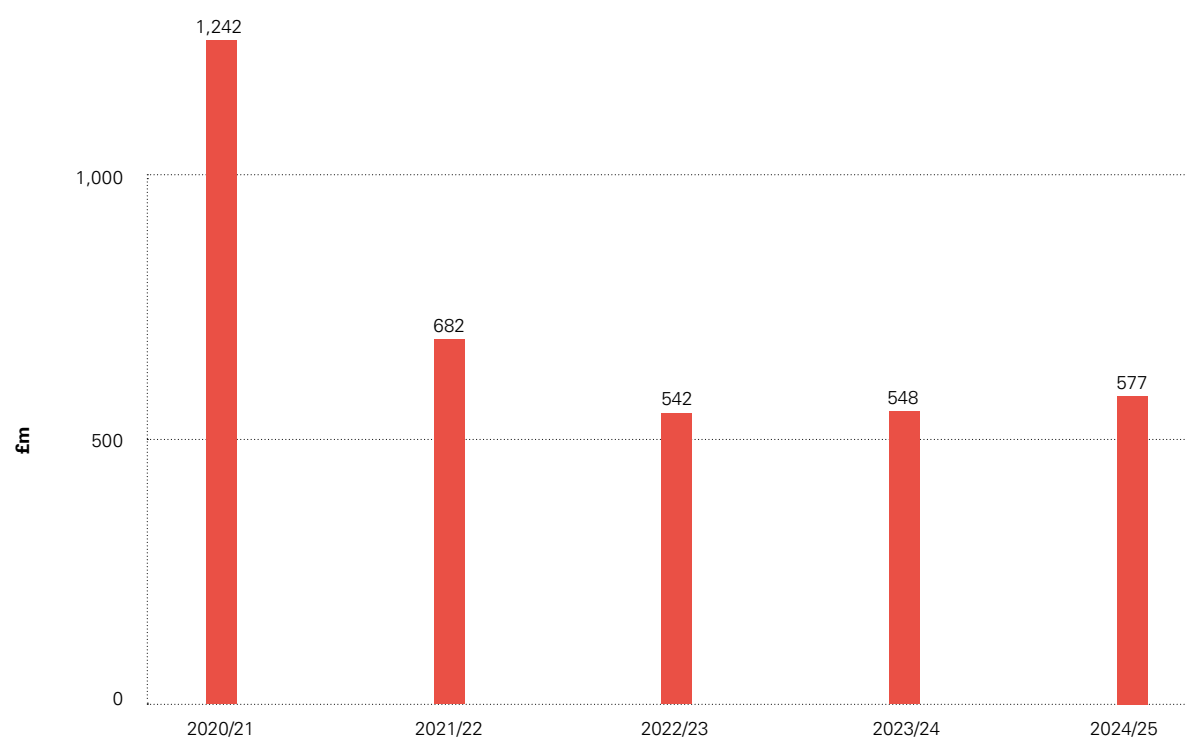
PROGRAMME	REVENUE FUNDING £MILLION	CAPITAL FUNDING £MILLION
National Youth Dance Company	0.20	–
National Art & Design Saturday Club	0.13	–
Museums and Schools	1.20	–
Music Education Hubs	79.61	22.50
National Youth Music Organisations	0.52	–
Capital Investment Programme	–	11.36
City of Culture	3.50	0.50
Cultural Development fund	1.45	14.76
Museum Estate and Development fund (MEND)	–	23.78
Libraries Improvement Fund (LiF)	–	5.50
National Theatre	0.17	5.45
Regional Theatres, RTYDS	0.50	–
VE day Fund	3.00	–
Cultural Recovery Fund – admin	0.95	–
Competent Authority	0.05	–
Grassroots Music	2.29	–
Sadler's Wells Fund	3.53	–
	<b>97.10</b>	<b>83.85</b>

## GRANT-IN-AID EXPENDITURE

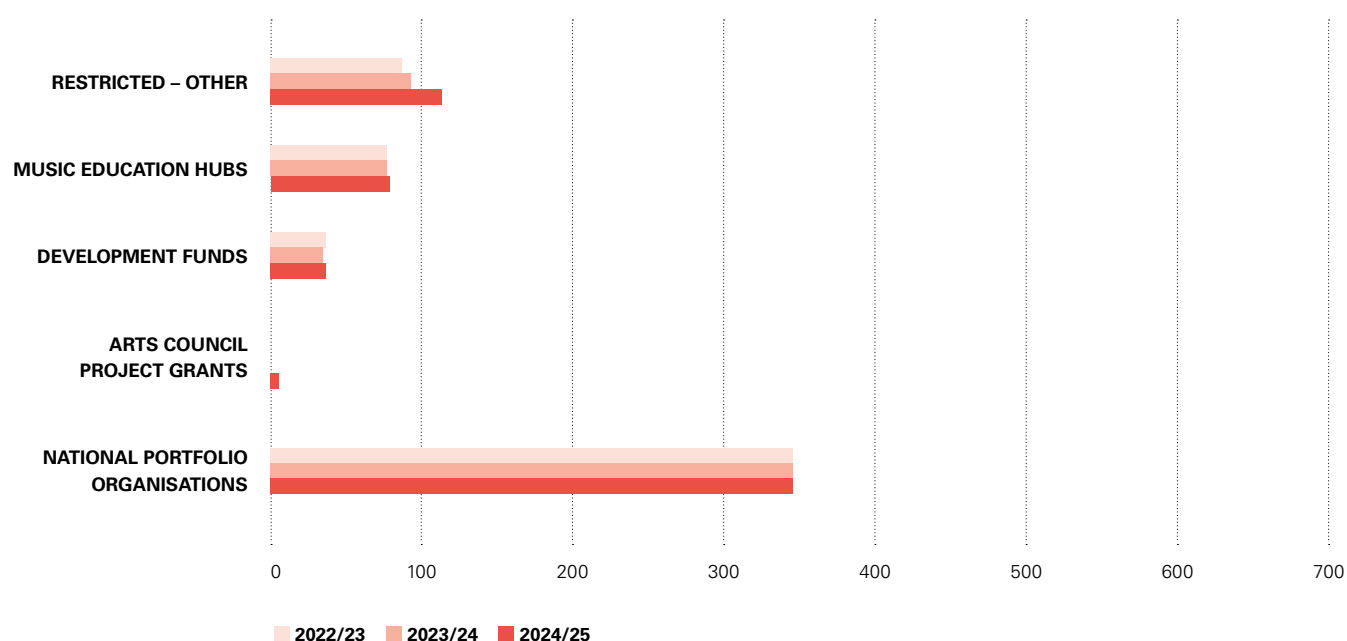
Our expenditure during 2024/25 increased by approximately £30 million compared to the previous financial year. This was mainly due to additional capital funding that we received from the Department for Education (DfE) for Music Education Hubs.

During 2024/25, £347 million was awarded to National Portfolio Organisations (2023/24: £347 million), £79 million to Music Education Hubs (2023/24: £78 million) and £114 million in other Restricted grants (2023/24: £94 million).

## GRANT-IN-AID EXPENDITURE 2021-2025 (£m)



## GRANT-IN-AID EXPENDITURE (£m)



As a non-departmental public body, we have a duty to stay within our departmental expenditure limits (DEL) budgets set by DCMS, irrespective of how the financial statements then translate when prepared under the Charities SORP.

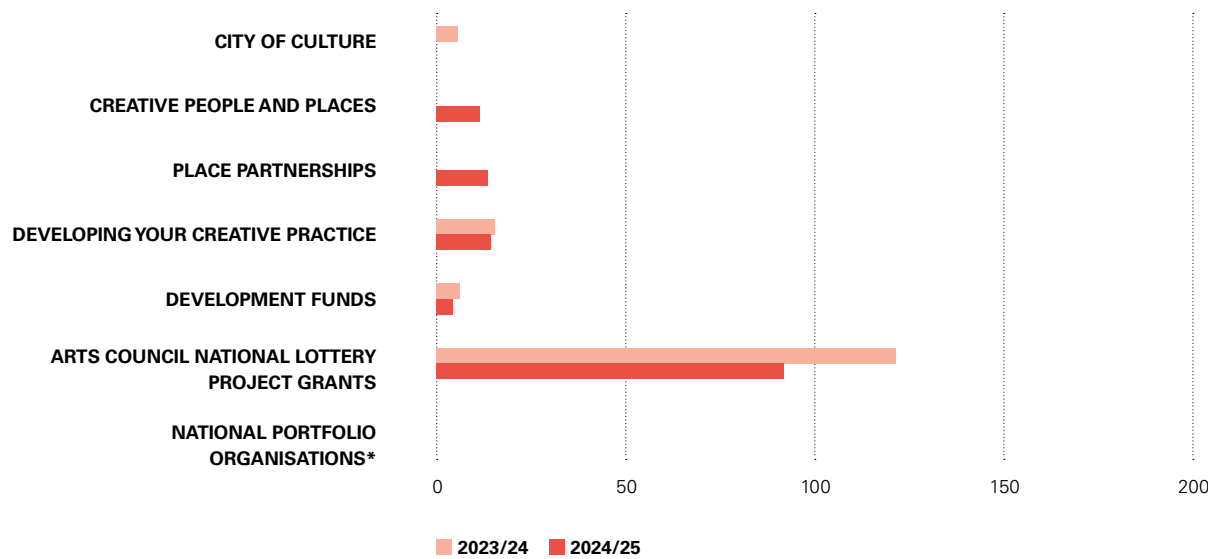
Our out-turn against our revenue DEL budgets, set by DCMS, is a £541,000 underspend (2023/24: £446,000 underspend). However, the Statement of Financial Activities shows net income for the year of £3,736,000 (2023/24: net income of £1,853,000).

The difference between performance against our DEL and the net expenditure for the year is attributable to adjustments related to Capital expenditure, the treatment of provisions and depreciation. This does not match the accounting treatment but is consistent with HM Treasury’s consolidated budgeting guidance. Further information and a reconciliation are available in Note 28 of the Grant-in-Aid accounts.

At 31 March 2025, Arts Council England had unrestricted reserves of £2,244,000 (2023/24: £1,581,000) together with £11.4 million (2023/24: £11.1 million) restricted income funds and endowment capital funds reserves. Our policy on reserves has been to ensure that we hold sufficient funds to maintain liquidity, to cover unforeseen short-term cash requirements and to cover planned future expenditure. We review this policy and our reserves position annually. However, our use of reserves is restricted by the Government’s budgetary controls, which means that we would require HM Treasury approval to use our reserves if it were necessary to do so.

Fees paid to the National Audit Office for Grant-in-Aid audit services during 2024/25 were £85,000 including VAT (2023/24: £83,000 including VAT). Full details in relation to financial instruments are given in Note 26 to the Grant-in-Aid accounts.

LOTTERY EXPENDITURE (£m)



\*NATIONAL PORTFOLIO ORGANISATIONS (NPO) WHICH ARE BEING FUNDED THROUGH THE LOTTERY DISTRIBUTION ACCOUNTS SHOWED THE FULL FOUR-YEAR COMMITMENT IN 2022/23 OF £428 MILLION, FOR ACTIVITY AND PAYMENTS WHICH WILL TAKE PLACE OVER THE PERIOD 2022-26. THIS IS WHY NO NPO GRANTS ARE SHOWN IN THE CHART ABOVE.



Arts Council England is one of the bodies designated to distribute funds from the National Lottery by the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998). New Lottery grant commitments in the year totalled £136 million (2023/24: £192 million).

At year-end, a total of £212 million (2023/24: £339 million) accepted grant commitments remained outstanding and awaiting payment. This compares with a balance in the National Lottery Distribution Fund, plus bank balances, of £157 million (2023/24: £175 million). We monitor levels of Lottery income closely, and the level of outstanding grant commitments is considered sensible, based on past and projected income flows, given that our £212 million of Lottery grant commitments are known to be spread over a four-year period from 1 April 2025 to 31 March 2029.

Actual proceeds from the National Lottery received in 2024/25 were £250 million, higher than the £241 million received in 2023/24.

Our Lottery balance policy states that we should maintain a cash reserve (including funds held within the NLDF bank account) of between £50 million and £80 million in each year over the period to March 2026. This is the equivalent of approximately one month's worth of income, which we feel is sufficient to mitigate the risks involved while ensuring that we continue to commit to as high a value of Lottery grant programmes as possible as the sector recovers from the pandemic. Our Lottery balance exceeds this amount at year-end due to the need to hold cash for grants with longer-term cashflow requirements beyond 31 March 2025.

Further details of the activities and policies of Arts Council England are included in the National Lottery report 2024/25 (see pages 217 to 227).

Full details in relation to financial instruments are given in Note 19 of the Lottery distribution accounts.

Fees payable to the National Audit Office for Lottery external audit services during 2024/25 were £71,000 (2023/24: £69,000).

## CONSOLIDATED ACTIVITIES

We prepare separate accounts for our Grant-in-Aid and Lottery distribution as required by the Secretary of State for Culture, Media and Sport. We do not prepare a full set of consolidated accounts due to the differing accounting policies we are required to follow under the two separate accounts directions. However, to give a better understanding of our activities, we have prepared the following illustrative results for the two accounts combined for the 2024/25 and 2023/24 financial years.



	2024/25 £000s	2023/24 £000s
<b>INCOME</b>		
Grant-in-Aid income	<b>578,077</b>	548,207
Share of the National Lottery Distribution Fund	<b>250,259</b>	240,513
Investment returns on the Distribution Fund	<b>12,035</b>	11,719
Other income	<b>2,691</b>	2,627
<b>Total income</b>	<b>843,062</b>	803,066
<b>EXPENDITURE</b>		
Net Grant-in-Aid grant commitments	<b>542,459</b>	518,657
Other Grant-in-Aid arts expenditure	<b>11,081</b>	8,165
Net Lottery grant commitments	<b>133,290</b>	187,871
Lottery Invoiced Arts expenditure	<b>1,100</b>	1,164
Support costs	<b>43,155</b>	40,433
<b>Total expenditure</b>	<b>731,085</b>	756,290
Net gains/(losses) on investments	<b>61</b>	(43)
<b>Net income/(expenditure)</b>	<b>112,038</b>	46,733
Actuarial gains/(losses) on defined benefit pension schemes	<b>(927)</b>	(762)
	<b>(927)</b>	(762)
<b>Net movement in funds</b>	<b>111,111</b>	45,971
<b>Consolidated reserves brought forward</b>	<b>(152,346)</b>	(198,317)
<b>Consolidated reserves carried forward</b>	<b>(41,235)</b>	(152,346)

Administration costs are 5.04 per cent of income (2023/24: 4.93 per cent). Grant-in-Aid administration (excluding one-off IT costs) totalled £22.6 million, which is 3.89 per cent of income (2023/24: 3.83 per cent). Lottery administration (excluding one-off IT costs) totalled £19.94 million, which is 7.59 per cent of income (2023/24: 7.34 per cent). The split over the two income streams continues to reflect the level of activity in Lottery investment compared to Grant-in-Aid.

### PLANS FOR THE FUTURE

Our strategy, **Let's Create**, describes our vision that by 2030, England will be a country in which the creativity of each of us is valued and given the chance to flourish and where everyone has access to a remarkable range of high-quality cultural experiences.

To help us achieve this vision, we periodically publish **Delivery Plans**. These set out in more detail the steps we will take to deliver **Let's Create** and how we will resource them. The first **Delivery Plan** covered 2021-24, and our second was published in November 2024, covering 2024-27. Its publication was delayed from April 2023 by the General Election. The **Delivery Plan 2024-27** is structured around our three Outcomes from **Let's Create**: Creative People, Cultural Communities, and A Creative and Cultural Country, as well as How the Arts Council Will Change. We will continue to update the Plan each year.

We also published an End of **Delivery Plan 2024-27 Report**, which takes stock of the progress we made towards our first **Delivery Plan's** Themes and towards realising **Let's Create**.

### GOING CONCERN ASSESSMENT

The Trustees confirm that the Financial Statements have been prepared on a 'Going Concern' basis. This assumption is based on the funding agreement agreed with the Department for Culture, Media and Sport for 2025/26 and the current income forecasts relating to the National Lottery Distribution Fund.

### STATEMENT OF TRUSTEES' AND CHIEF EXECUTIVE'S RESPONSIBILITIES

Under both the Royal Charter and the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998), Arts Council England is required to prepare a statement of accounts for the financial period in the form and on the basis directed by the Secretary of State for Culture, Media and Sport, with the consent of HM Treasury. The accounts are to be prepared on an accruals basis and to show a true and fair view of Arts Council England's state of affairs at the year end and of our incoming resources, resources expended and cash flows for the financial year.

The Grant-in-Aid accounts are also prepared so as to comply with the Charities SORP 2019, and the Lottery distribution accounts are prepared in line with the Government Financial Reporting Manual. Both sets of accounts are also expected to:

- observe the accounts directions issued by the Secretary of State which set out accounting and disclosure requirements, apply suitable accounting policies on a consistent basis, and make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Charity Statement of Recommended Practice or Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- be prepared on a going concern basis, unless it is inappropriate to presume that Arts Council England will continue in operation



The Principal Accounting Officer of DCMS has designated the Chief Executive as Arts Council England's Accounting Officer. The responsibilities of the accounting officers for Grant-in-Aid and Lottery distribution arm's-length bodies are set out in chapter three of *Managing Public Money*. Formally the Accounting Officer is the person who Parliament calls to account for stewardship of its resources.

The Accounting Officer signing off these accounts has gained assurance in the following ways:

- a meeting with the Chief Finance and Resources Officer to go through the financial controls
- attending Performance and Audit Committee meetings where internal audit reports are reviewed and other internal control matters are scrutinised

The Accounting Officer confirms that, as far as he is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgement required for determining that it is fair, balanced and understandable.

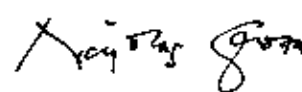
In approving these accounts, the Trustees have complied with their duty under section 11 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

A copy of the Grant-in-Aid and Lottery distribution accounts directions are available from the Accounting Officer, Arts Council England, The Hive, 47 Lever Street, Manchester, M1 1FN.



**Dr Darren Henley CBE**  
**Chief Executive**

9 JULY 2025



**Sir Nicholas Serota CH**  
**Chair**

9 JULY 2025



# Grant-in-Aid accounts

## THE REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE TRUSTEES OF THE ARTS COUNCIL ENGLAND AND THE HOUSES OF PARLIAMENT

### OPINION ON FINANCIAL STATEMENTS

I have audited the financial statements of the Arts Council England (Grant-in-Aid accounts) for the year ended 31 March 2025.

The financial statements comprise the Arts Council England (Grant-in-Aid accounts):

- The Balance Sheet as at 31 March 2025;
- Statement of Financial Activities and Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the Arts Council England (Grant-in-Aid accounts) affairs as at 31 March 2025 and its total income/(expenditure) before other recognised gains and losses for the year then ended;
- have been properly prepared in accordance with the Royal Charter and Charities Act 2011 and Secretary of State directions issued thereunder.

### OPINION ON REGULARITY

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### BASIS FOR OPINIONS

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Arts Council England (Grant-in-Aid accounts) in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, I have concluded that the Arts Council England's (Grant-in-Aid accounts) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Arts Council England's (Grant-in-Aid accounts) ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustees and Chief Executive with respect to going concern are described in the relevant sections of this report.

## OTHER INFORMATION

The other information comprises information included in the Performance Report and Accountability Report, but does not include the financial statements and my auditor's report thereafter. The Trustees and Chief Executive are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial

statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## OPINION ON OTHER MATTERS

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Royal Charter and Charities Act 2011.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions issued under the Royal Charter and Charities Act 2011; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## MATTERS ON WHICH I REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Arts Council England (Grant-in-Aid accounts) and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Arts Council England (Grant-in-Aid accounts) or returns adequate for my audit have not been received from branches not visited by my staff; or



- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Performance Report and Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the Royal Charter and Charities Act 2011 have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.
- preparing financial statements, which give a true and fair view, in accordance with the applicable financial reporting framework;
- preparing the Performance Report and Accountability Report, which includes the Remuneration and Staff Report, in accordance with HM Treasury's Government Financial Reporting Manual; and
- assessing the Arts Council England (Grant-in-Aid accounts) ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and the Chief Executive either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

## RESPONSIBILITIES OF THE TRUSTEES AND CHIEF EXECUTIVE FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Trustees' and Chief Executive's Responsibilities, the Trustees and the Chief Executive are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Arts Council England (Grant-in-Aid accounts) from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My responsibility is to audit and express an opinion on the financial statements in accordance with the Royal Charter and Charities Act 2011.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud, is detailed below.

### **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Arts Council England (Grant-in-Aid accounts) accounting policies;
- inquired of management, the Arts Council England (Grant-in-Aid accounts) head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council England (Grant-in-Aid accounts) policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Arts Council England (Grant-in-Aid accounts) controls relating to the Arts Council England (Grant-in-Aid accounts) compliance with the Royal Charter, Charities Act 2011 and Managing Public Money;

- inquired of management, the Arts Council England (Grant-in-Aid accounts) head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Arts Council England (Grant-in-Aid accounts) for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions, bias in management estimates and regularity of grant expenditure. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override of controls.

I obtained an understanding of the Arts Council England (Grant-in-Aid accounts) framework of authority and other legal and regulatory frameworks in which Arts Council England (Grant-in-Aid accounts) operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Arts Council England (Grant-in-Aid accounts). The key laws and regulations I considered in this context included the Royal Charter, The Charities Act 2011, Managing Public Money, employment law and pensions legislation.

I considered the controls in place at the Arts Council England (Grant-in-Aid accounts) to prevent, detect and correct material irregularity of grant expenditure.

## Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Performance and Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the National Council and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I tested a sample of grant expenditure to gain assurance that grants had been spent on intended purposes.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my report.

## Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

### Gareth Davies Comptroller and Auditor General

10 JULY 2025

**National Audit Office**  
157–197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDING 31 MARCH 2025

	NOTE	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	ENDOWMENT FUNDS £000s	TOTAL 2024/25 £000s	TOTAL 2023/24 £000s
<b>INCOME AND ENDOWMENTS FROM:</b>						
Donations and legacies	2a	400,131	177,947	–	578,078	548,207
Investments	2b	–	–	22	22	21
Charitable activities	3	1,179	1,030	–	2,209	2,158
Other: Lottery distribution accounts	4	20,061	–	–	20,061	18,764
<b>Total income and endowments</b>		<b>421,371</b>	<b>178,977</b>	<b>22</b>	<b>600,370</b>	569,150
<b>EXPENDITURE ON:</b>						
Charitable activities (including Governance costs)	4	397,474	179,124	36	576,634	548,490
Other: Support costs attributable to Lottery distributions accounts	4	20,061	–	–	20,061	18,764
<b>Total expenditure</b>		<b>417,535</b>	<b>179,124</b>	<b>36</b>	<b>596,695</b>	567,254
Net gains/(losses) on investments	9	–	–	61	61	(42)
<b>Total income/(expenditure) before exceptional items</b>		<b>3,836</b>	<b>(147)</b>	<b>47</b>	<b>3,736</b>	1,854
<b>Total income/(expenditure) before other recognised gains and losses</b>		<b>3,836</b>	<b>(147)</b>	<b>47</b>	<b>3,736</b>	1,854
<b>OTHER RECOGNISED GAINS/LOSSES</b>						
Actuarial gains/(losses) on defined benefit pension schemes	7	(927)	–	–	(927)	(763)
<b>Net movement in funds</b>	17	<b>2,909</b>	<b>(147)</b>	<b>47</b>	<b>2,809</b>	1,091
<b>RECONCILIATION OF FUNDS</b>						
Balance brought forward at 1 April		14,075	1,032	757	15,864	14,773
<b>Total funds carried forward at 31 March</b>		<b>16,984</b>	<b>885</b>	<b>804</b>	<b>18,673</b>	15,864

ALL AMOUNTS STATED IN THE STATEMENT OF FINANCIAL ACTIVITIES RELATE TO CONTINUING ACTIVITIES. THE NOTES ON PAGES 141 TO 185 FORM PART OF THESE ACCOUNTS.



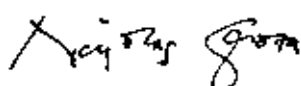
## BALANCE SHEET AS AT 31 MARCH 2025

	NOTE	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	ENDOWMENT FUNDS £000s	TOTAL 31 MARCH 2025 £000s	TOTAL 31 MARCH 2024 £000s
<b>FIXED ASSETS</b>						
Tangible assets	10	5,064	–	–	5,064	3,155
Heritage assets – Works of Art Collection	10	9,677	–	–	9,677	9,339
Investments	9	–	–	804	804	757
<b>Total fixed assets</b>		<b>14,741</b>	<b>–</b>	<b>804</b>	<b>15,545</b>	<b>13,251</b>
<b>CURRENT ASSETS</b>						
Debtors	12	2,186	180,102	–	182,288	174,218
Due from Arts Council Lottery accounts		4,490	–	–	4,490	4,139
Grants paid in advance	13	3,755	–	–	3,755	4,753
Cash and cash equivalents		16,862	8,772	–	25,634	32,773
<b>Total current assets</b>		<b>27,293</b>	<b>188,874</b>	<b>–</b>	<b>216,167</b>	<b>215,883</b>
<b>LIABILITIES:</b>						
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>						
Grants outstanding		17,534	185,731	–	203,265	204,907
Creditors	15	6,348	2,258	–	8,606	7,263
<b>Total creditors: amounts falling within one year</b>		<b>23,882</b>	<b>187,989</b>	<b>–</b>	<b>211,871</b>	<b>212,170</b>
<b>Net current assets</b>		<b>3,411</b>	<b>885</b>	<b>–</b>	<b>4,296</b>	<b>3,713</b>
<b>Total assets less current liabilities</b>		<b>18,152</b>	<b>885</b>	<b>804</b>	<b>19,841</b>	<b>16,964</b>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>						
Provisions for liabilities and charges	16	1,168	–	–	1,168	1,100
<b>Net assets excluding pension liability</b>		<b>16,984</b>	<b>885</b>	<b>804</b>	<b>18,673</b>	<b>15,864</b>
Defined benefit pension scheme liability	7	–	–	–	–	–
<b>Net assets including pension liability</b>		<b>16,984</b>	<b>885</b>	<b>804</b>	<b>18,673</b>	<b>15,864</b>
<b>THE FUNDS OF THE CHARITY</b>						
<i>Represented by income funds</i>						
Unrestricted fund	17	2,244	–	–	2,244	1,581
Restricted fund	17	–	885	–	885	1,032
<i>Represented by capital funds</i>						
Endowment funds		–	–	804	804	757
Designated fund		9,677	–	–	9,677	9,339
Donated asset reserve		–	–	–	–	–
Capital reserve		5,063	–	–	5,063	3,155
Pension reserve	7	–	–	–	–	–
<b>Total charity funds</b>		<b>16,984</b>	<b>885</b>	<b>804</b>	<b>18,673</b>	<b>15,864</b>

THE NOTES ON PAGES 141 TO 185 FORM PART OF THESE ACCOUNTS.


Dr Darren Henley CBE  
Chief Executive

9 JULY 2025


Sir Nicholas Serota CH  
Chair

9 JULY 2025

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

	NOTE	2024/25 £000s	2023/24 £000s
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>			
Funds received from the Department for Culture, Media and Sport		<b>569,534</b>	495,330
Other cash receipts		<b>22,396</b>	21,872
Grants paid to arts organisations and other bodies		<b>(543,104)</b>	(493,601)
Cash paid to and on behalf of employees		<b>(37,299)</b>	(35,283)
Other cash payments		<b>(16,039)</b>	(13,199)
<b>Net cash provided by/(used in) operating activities</b>	18	<b>(4,512)</b>	(24,881)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received on short-term cash deposits		<b>11</b>	9
Dividends received		<b>12</b>	12
Purchase of tangible fixed assets		<b>(2,663)</b>	(459)
<b>Net cash provided by/(used in) investing activities</b>		<b>(2,640)</b>	(438)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Endowment Income/(Investments)		<b>14</b>	(21)
<b>Net cash provided by/(used in) financing activities</b>		<b>14</b>	(21)
<b>Change in cash and cash equivalents in the reporting period</b>	19	<b>(7,138)</b>	(25,340)
Cash and cash equivalents at the beginning of the reporting period		<b>32,772</b>	58,112
Cash and cash equivalents at the end of the reporting period		<b>25,634</b>	32,772

THE NOTES ON PAGES 141 TO 185 FORM PART OF THESE ACCOUNTS.

## NOTES TO THE GRANT-IN-AID ACCOUNTS

### 1a. BASIS OF ACCOUNTS

We have prepared these accounts in accordance with the Accounts Direction issued by the Secretary of State for Culture, Media and Sport in April 2024. The accounts are presented in accordance with the Charities SORP 2019 issued by the Charity Commission in 2019.

The accounts are prepared on a going concern basis and the historic cost basis. The Accounts Direction requires the inclusion of fixed assets at their value to the business by reference to current costs. However, for Arts Council England, the value of fixed assets (excluding heritage assets) expressed in current cost terms are not materially different to historic costs. Therefore these fixed assets are shown at historic cost on the balance sheet.

Arts Council England does not own any freehold land and buildings. All of our offices are leased. The lease commitments are disclosed within Note 21 of the Grant-in-Aid accounts.

Separate accounts have been prepared for Arts Council England's Lottery distribution, in accordance with the directions issued by the Secretary of State, which follow different accounting policies. Due to the different accounting policies used in the preparation of Grant-in-Aid and Lottery accounts, in the opinion of the Trustees, it is not possible to prepare full consolidated accounts covering both Grant-in-Aid and Lottery activities as it would not provide a fair view of the application of Arts Council England's resources. In this respect, we have not been able to comply with paragraph 24.5 of the SORP issued by the Charity Commission in 2019. However, we have included a summary of the consolidated figures for our combined activities in the management commentary on page [129](#).

### 1b. INCOME

Grant-in-Aid from the Department for Culture, Media and Sport (DCMS) is taken to the Statement of Financial Activities in the year to which it relates. All other income is accounted for once entitlement is probable.

### 1c. EXPENDITURE

Grant expenditure is charged to the Statement of Financial Activities in the year in which the grant is offered and in which funding for the grant is received from DCMS. In most circumstances this will be the same as the year in which the funded activities take place. However, in some cases grant expenditure is recognised in the accounts where the funded activity is due to take place in future years. Any amounts unpaid from grants at the year end are shown in the balance sheet as creditors. Grant commitments made in the year relating to future years' activity as disclosed in Note 14 of the accounts are not charged to the statement of financial activities, as we cannot recognise Grant-in-Aid income to match against these commitments before we have received the Grant-in-Aid allocation. Any advance payments to funded organisations in anticipation of grants to be charged in the following financial year are shown as assets in the balance sheet.

Expenditure classified as activities undertaken directly relates to expenditure supporting the arts other than grants. This includes the cost of delivering major arts policies and projects. Support costs comprise operational expenditure, including staff costs, directly attributable to charitable activities.

Governance costs comprise an apportionment of general administration expenditure based on an estimate of staff time and direct costs such as the cost of administering National Council and external and internal audit.

## 1d. DEPRECIATION AND FIXED ASSETS

**Tangible fixed assets (excluding heritage assets)**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset systematically over its expected useful life as follows:

- leasehold buildings: life of the lease
- fixtures and fittings: five years
- motor vehicles: five years

A full year's depreciation is provided in the year of an asset's acquisition, and none in the year of its disposal. Software costs are written off in full in the year of acquisition. All individual assets valued greater than £2,000 are capitalised.

**Heritage assets**

Arts Council England is guardian and trustee over a collection of heritage assets which is held in furtherance of our mission to champion, develop and invest in artistic and cultural experiences that enrich people's lives. The collection is accounted for as follows:

**Works of Art Collection**

The Works of Art Collection is accounted for on the historic cost basis. The collection is treated as a non-operational heritage asset and is not held for the purpose of re-sale. The items in the collection are deemed to have indeterminate lives, so the Trustees do not consider it appropriate to charge depreciation. Additions to the collection are made by purchase or donation. Purchases are recorded at cost and donations are recorded with a nil value to represent the financial investment in the works. There is no *de minimis* limit for the capitalisation of purchased heritage assets.

## 1e. LEASES

Costs in respect of operating leases are charged to the statement of financial activities on a straight line basis over the life of the lease. Lease incentives (eg rent free periods) are recognised as an integral part of the total lease expense, over the term of the lease.

## 1f. TAXATION

Arts Council England, as a registered charity (1036733), is considered to pass the tests set out in paragraph 1, schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 10 Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen in the year.

## 1g. PENSIONS

We provide a defined benefit pension scheme for our employees (the Arts Council Retirement Plan 1994) and are a participating employer in the West Yorkshire Pension Fund. The Arts Council Retirement Plan is a multi-employer scheme and we cannot identify our share of the underlying assets and liabilities. As the Scheme does not monitor individual asset shares, there is no consistent reliable way of allocating the assets between employers. We have therefore accounted for this scheme as if it were a defined contribution scheme, in accordance with Charities SORP (FRS102), with the costs of the scheme charged to the statement of financial activities. The West Yorkshire Pension Fund is also a multi-employer scheme, but, as a local government pension scheme, we are able to identify our share of the underlying assets and liabilities and have therefore accounted for this scheme as a defined benefit scheme in line with Charities SORP (FRS102).

All employers are legally required to enrol their staff onto a workplace pension scheme. As such we now also provide a defined contribution scheme for staff who are automatically enrolled (via The People's Pension) if they choose not to join the Arts Council Retirement Plan.



## 1h. APPORTIONED COSTS

Arts Council England incurs administration costs that relate to activities funded from Grant-in-Aid and the National Lottery Distribution Fund. We are required to apportion these costs between the two areas on a full cost basis in accordance with good accounting practice.

In accordance with the Charities SORP we have apportioned administration costs between our different activities. We have recharged both pay and non-pay expenditure using staff time spent on each activity as a basis for calculating the apportionment. The notes to the statement of financial activities will show the costs apportioned to Arts Council England Lottery distribution accounts where appropriate.

## 1i. CHANGE IN ACCOUNTING POLICY

There have been no changes in accounting policy during 2024/25.

## 1j. FINANCIAL INSTRUMENTS

We have adopted Charities SORP (FRS102) on financial instruments. Further information on our financial instruments is disclosed within Note 26.

## 1k. SECURITY FOR CAPITAL GRANTS

Since January 2018, the standard conditions for Grant-in-Aid and Lottery capital grants for building projects of between £500,000 and £5 million give the Arts Council the option to seek security over land or buildings to prevent the assets being sold, mortgaged or put to an alternative use without the Arts Council's consent. For grants below £1 million, Arts Council England would request a deed of covenant and restriction on title. For grants above £1 million, Arts Council England would register a legal charge over the asset. Arts Council England has not needed to exercise these options during 2024/25.

# 2 INCOME

## 2a. VOLUNTARY INCOME

	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	ENDOWMENT FUNDS £000s	TOTAL 2024/25 £000s	TOTAL 2023/24 £000s
<b>DONATIONS AND LEGACIES</b>					
<b>CASH GRANT-IN-AID VOTED BY PARLIAMENT AND PAID IN FULL</b>					
Core funding – revenue	<b>380,837</b>	–	–	<b>380,837</b>	373,781
Administration	<b>16,246</b>	<b>5,039</b>	–	<b>21,285</b>	20,584
Core capital	<b>3,047</b>	–	–	<b>3,047</b>	417
Ring-fenced funds	–	<b>172,908</b>	–	<b>172,908</b>	153,425
	<b>400,130</b>	<b>177,947</b>	–	<b>578,077</b>	548,207
<b>OTHER DONATIONS AND LEGACIES</b>					
Donations/Bequests	<b>1</b>	–	–	<b>1</b>	–
<b>Donations and Legacies income</b>	<b>400,131</b>	<b>177,947</b>	–	<b>578,078</b>	548,207

## 2b. INVESTMENT INCOME

	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	ENDOWMENT FUNDS £000s	TOTAL 2024/25 £000s	TOTAL 2023/24 £000s
<b>INVESTMENT INCOME</b>					
Bank interest received	–	–	<b>11</b>	<b>11</b>	9
Dividend income	–	–	<b>12</b>	<b>12</b>	12
<b>Investment income</b>	–	–	<b>23</b>	<b>23</b>	21

## 3. INCOME FROM CHARITABLE ACTIVITIES

	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	TOTAL 2024/25 £000s	TOTAL 2023/24 £000s
<b>GRANTS, SPONSORSHIPS AND DONATIONS RECEIVED</b>				
Local Authorities	<b>35</b>	<b>95</b>	<b>130</b>	87
Other central Government bodies	<b>1,081</b>	<b>338</b>	<b>1,419</b>	1,321
Public Corporations	–	–	–	5
Sundry	<b>63</b>	<b>597</b>	<b>660</b>	744
<b>Net incoming/(outgoing) resources for the year</b>	<b>1,179</b>	<b>1,030</b>	<b>2,209</b>	2,157

## 4. ANALYSIS OF EXPENDITURE

Directions issued by the Secretary of State require that costs incurred which relate to both Grant-in-Aid and Lottery activities should be apportioned between the two in accordance with good accounting practice. Consequently, we have apportioned them accordingly, based on an assessment of time spent on each activity. As a proxy for this, we use the proportion of Grant-in-Aid and Lottery payments during the year as the basis of the apportionment.

## 4a. EXPENDITURE ON CHARITABLE ACTIVITIES

	ACTIVITIES UNDERTAKEN DIRECTLY £000s	GRANT FUNDING OF ACTIVITIES £000s	NET SUPPORT COSTS £000s	TOTAL 2024/25 £000s	TOTAL 2023/24 £000s
National Portfolio Organisations	–	342,305	4,235	<b>346,540</b>	346,798
Arts Council National Lottery Project Grants	–	6,169	165	<b>6,334</b>	1,474
Development and investment funds	11,081	21,218	5,524	<b>37,823</b>	34,993
Music Education Hubs	–	76,105	2,769	<b>78,874</b>	78,083
Restricted – Other	–	103,392	10,400	<b>113,792</b>	93,689
Lapsed and revoked commitments	–	(6,729)	–	<b>(6,729)</b>	(6,547)
	<b>11,081</b>	<b>542,460</b>	<b>23,093</b>	<b>576,634</b>	548,490

National Portfolio Organisations are those organisations of strategic importance with which the Arts Council has long-term, multi-year funding agreements. Development funding and activities are those specific projects funded by grants and direct arts expenditure. They provide essential leverage for national, regional and local partnerships, and act as investment in seed funding, research and development for the arts in England.

Arts Council National Lottery Project Grants is an open-access programme offering grants of between £1,000 and £100,000 for arts, museums and libraries projects. Arts Council National Lottery Project Grants supports a broad range of projects that create new work and sustain quality to help new audiences across England to engage with arts and culture.

Music Education Hubs are groups of organisations – such as local authorities, schools, other hubs, arts organisations, community or voluntary organisations – working together to create joined-up music education provision, respond to local need and fulfil the objectives of the Hub. Hubs are coordinated by the Hub Lead Organisation, which takes on responsibility for the funding and governance of the Hub. The total amount of funding from the Department for Education in 2024/25 was £78.87 million (2023/24: £78.08 million).

Other restricted funds are those specific projects delivered through funds provided by partners as detailed in notes 2a and 3. These are also disclosed in the Strategic Report on page [123](#).

## 4b. ANALYSIS OF SUPPORT COSTS

Directions issued by the Secretary of State require that costs incurred which relate to both Grant-in-Aid and Lottery activities should be apportioned between the two in accordance with good accounting practice. Consequently, we have apportioned them accordingly, based on an assessment of time spent on each activity.

	TOTAL SUPPORT COSTS 24/25 £000s	LESS CHARGED TO LOTTERY £000s	TOTAL GRANT-IN-AID 2024/25 £000s	TOTAL GRANT-IN-AID 2023/24 £000s
Staff costs	33,532	(15,583)	<b>17,949</b>	17,096
Indirect staff costs	1,005	192	<b>1,197</b>	946
Premises	1,941	(1,066)	<b>875</b>	844
Supplies & Services	3,156	(1,527)	<b>1,629</b>	1,319
Travel & Subsistence	941	(413)	<b>528</b>	503
Professional Fees	2,377	(707)	<b>1,670</b>	1,149
Central Costs	(434)	(185)	<b>(619)</b>	(429)
Depreciation	414	–	<b>414</b>	300
Other recharges	–	(653)	<b>(653)</b>	(250)
IT project costs	222	(119)	<b>103</b>	192
	<b>43,154</b>	<b>(20,061)</b>	<b>23,093</b>	21,670
Corporate governance costs included above	–	–	<b>1,373</b>	1,329

## 4c. ANALYSIS OF GRANTS BY RECIPIENT

	GRANTS TO INSTITUTIONS £000s	GRANTS TO INDIVIDUALS £000s	TOTAL 2024/25 £000s	TOTAL 2023/24 £000s
National Portfolio Organisations	342,305	–	<b>342,305</b>	342,652
Arts Council National Lottery Project grants	4,988	1,181	<b>6,169</b>	1,440
Development and investment funds	21,121	97	<b>21,218</b>	21,606
Music Education Hubs	76,105	–	<b>76,105</b>	76,049
Culture Recovery Funds	–	–	<b>–</b>	–
Restricted – Other	103,392	–	<b>103,392</b>	83,457
Lapsed and revoked commitments	(6,729)	–	<b>(6,729)</b>	(6,547)
	<b>541,182</b>	<b>1,278</b>	<b>542,460</b>	518,657

A detailed breakdown of all grant commitments can be found at:

**[www.artscouncil.org.uk/our-organisation/expenditure-data](http://www.artscouncil.org.uk/our-organisation/expenditure-data)**



## 5a. STAFF COSTS

	TOTAL £000s	RESTRICTED £000s	LESS CHARGED TO LOTTERY £000s	TOTAL GRANT-IN-AID 2024/25 £000s	TOTAL 2023/24 £000s
<b>STAFF COSTS COMPRISE</b>					
Salaries and wages	28,256	2,773	(12,111)	<b>13,372</b>	12,333
Employer's National Insurance	2,971	293	(1,276)	<b>1,402</b>	1,260
Employer's pension contributions	4,862	499	(2,076)	<b>2,287</b>	2,149
Redundancy Costs	43	38	(3)	<b>2</b>	208
Agency staff	240	17	(119)	<b>104</b>	114
	<b>36,372</b>	<b>3,620</b>	<b>(15,585)</b>	<b>17,167</b>	16,064

The average number of full-time equivalent employees during the year was made up as follows:

	PERMANENT STAFF	AGENCY STAFF	2024/25	2023/24
Direct delivery of programmes	5	–	<b>5</b>	8
Support & corporate governance	646	3	<b>649</b>	617
	<b>651</b>	<b>3</b>	<b>654</b>	625

The average number of employees (headcount) during the year was made up as follows:

	PERMANENT STAFF	AGENCY STAFF	2024/25	2023/24
Direct delivery of programmes	5	–	<b>5</b>	9
Support & corporate governance	694	4	<b>698</b>	670
	<b>699</b>	<b>4</b>	<b>703</b>	679

## 5b. EMOLUMENTS BY BANDS

The number of employees whose remuneration, including redundancy pay, exceeded £60,000 for the year is detailed below.

PENSION SCHEME				
EMOLUMENTS FOR THE YEAR	DEFINED BENEFIT	DEFINED CONTRIBUTION	TOTAL 2024/25	TOTAL 2023/24
£60,000-£69,999	34	–	34	30
£70,000-£79,999	6	1	7	9
£80,000-£89,999	6	1	7	7
£90,000-£99,999	10	–	10	9
£100,000-£109,999	1	–	1	–
£110,000-£119,999	–	–	–	1
£120,000-£129,999	4	–	4	3
£130,000-£139,999	2	–	2	2
£140,000-£149,999	–	–	–	1
£150,000-£159,999	1	–	1	1
			66	63

## 5C COMPENSATION SCHEMES – EXIT PACKAGES

EXIT PACKAGE COST BAND	2024/25			2023/24		
	NUMBER OF COMPULSORY REDUNDANCIES	NUMBER OF OTHER DEPARTURES AGREED	TOTAL EXIT PACKAGES DURING 2024/25	NUMBER OF COMPULSORY REDUNDANCIES	NUMBER OF OTHER DEPARTURES AGREED	TOTAL EXIT PACKAGES DURING 2023/24
< £9,999	2	–	2	1	–	1
£25,000-£49,999	–	–	–	2	–	2
£50,000-£99,999	1	–	1	2	–	2
<b>Total number of exit packages by type</b>	<b>3</b>	<b>–</b>	<b>3</b>	<b>5</b>	<b>–</b>	<b>5</b>
Total resource cost £000	71	–	71	208	–	208

## 5d. CONSULTANCY FEES

The total consultancy fees for 2024/25 were £2,144,410 (2023/24: £416,531).

## 6. COUNCIL MEMBERS' EXPENSES

It is part of Council members' duties to assess artistic work. The cost of their tickets for attendance at performance and events is met by the Arts Council. In 2024/25, the total cost of tickets purchased for this purpose was £1,733.95 (2023/24: £1,218). All our Council members are able to claim back their travel and subsistence costs. The total amount reimbursed for travel and subsistence in the year is shown in Note 8. Salaries and expenses paid to National Council members are disclosed within the Remuneration Report.

## 7. PENSIONS

We are a participating employer in the Arts Council Retirement Plan (1994) and the West Yorkshire Pension Fund (WYPF) and also contribute to a group personal pension arrangement.

All transactions generated as a result of the FRS102 report are charged initially to the Grant-in-Aid accounts. The costs are then recharged across to the Lottery accounts in the same ratio as other salary costs. This ensures that both Grant-in-Aid and Lottery are correctly charged with their proportion of the overall pension charges. However, the assets and liabilities of the West Yorkshire Pension Fund are shown only in the Grant-in-Aid accounts.

## WESTYORKSHIRE PENSION FUND

We are an admitted member of the West Yorkshire Pension Fund. This fund provides pensions to over 323,000 members in 409 mainly local government organisations. The actuaries of the fund are Aon Hewitt. In the year ending 31 March 2025, seven Arts Council staff participated in the scheme. The scheme is a defined benefit scheme and is accounted for in accordance with Charities SORP (FRS102).

The disclosures below relate to the funded liabilities within the West Yorkshire Pension Fund (the 'Fund') which is part of the Local Government Pension Scheme (the 'LGPS'). The funded nature of the LGPS requires Arts Council England and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension's liabilities with investment assets.

### Assumptions

The latest actuarial valuation of Arts Council England's liabilities took place as at 31 March 2025. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the roll-forward approach. The principal assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:

## PRINCIPAL FINANCIAL ASSUMPTIONS

	31 MARCH 2025	31 MARCH 2024	31 MARCH 2023
Discount rate	<b>5.8%</b>	<b>4.8%</b>	4.8%
CPI inflation	<b>2.5%</b>	<b>2.6%</b>	2.7%
Rate of increase to pensions in payment	<b>2.5%</b>	<b>2.6%</b>	2.7%
Rate of increase to deferred pensions	<b>2.5%</b>	<b>2.6%</b>	2.7%
Rate of general increase in salaries	<b>3.75%</b>	<b>3.85%</b>	3.95%

## MORTALITY ASSUMPTIONS

	31 MARCH 2025	31 MARCH 2024
<b>Males</b>		
Pensioner member aged 65 at accounting date	<b>20.9</b>	21.0
Active member aged 45 at accounting date	<b>21.8</b>	22.3
<b>Females</b>		
Pensioner member aged 65 at accounting date	<b>24.1</b>	24.2
Active member aged 45 at accounting date	<b>24.8</b>	25.2

## ASSET ALLOCATION

	VALUE AT 31 MARCH 2025 %	VALUE AT 31 MARCH 2024 %
Equities	<b>79.6%</b>	79.4%
Property	<b>2.8%</b>	2.8%
Government bonds	<b>8.3%</b>	8.5%
Corporate bonds	<b>3.9%</b>	4.2%
Cash	<b>2.9%</b>	1.8%
Other	<b>2.5%</b>	3.3%
<b>Total</b>	<b>100%</b>	100%

## RECONCILIATION OF FUNDED STATUS TO BALANCE SHEET

	VALUE AS AT 31 MARCH 2025 £millions	VALUE AS AT 31 MARCH 2024 £millions	VALUE AS AT 31 MARCH 2023 £millions
Fair value of assets	<b>54.149</b>	54.805	48.741
Present value of funded liabilities	<b>(28.973)</b>	(33.787)	(34.272)
Unrecognised asset*	<b>(25.176)</b>	(21.018)	(14.469)
<b>Pension liability recognised on the balance sheet</b>	<b>0.000</b>	0.000	0.000

\* PARAGRAPH 28 OF FRS102 STATES THAT AN ENTITY CAN RECOGNISE A SCHEME SURPLUS ONLY TO THE EXTENT THAT IT IS ABLE TO RECOVER THE SURPLUS EITHER THROUGH REDUCED FUTURE CONTRIBUTIONS OR THROUGH REFUNDS FROM THE PENSION SCHEME. AS ARTS COUNCIL ENGLAND ARE NOT ABLE TO DO EITHER, THE SURPLUS HAS NOT BEEN RECOGNISED ON OUR BALANCE SHEET.



## AMOUNTS RECOGNISED IN INCOME STATEMENT

	PERIOD ENDING 31 MARCH 2025 £millions	PERIOD ENDING 31 MARCH 2024 £millions
<b>OPERATING COST:</b>		
Current service cost	<b>0.082</b>	0.094
Past service cost	<b>0.000</b>	0.000
<b>FINANCING COST:</b>		
Interest on net defined benefit liability/(asset)	<b>(1.009)</b>	(0.706)
Interest on unrecognised asset	<b>0.000</b>	0.695
<b>Pension expense recognised in other comprehensive income</b>	<b>(0.927)</b>	0.083

## AMOUNTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	PERIOD ENDING 31 MARCH 2025 £millions	PERIOD ENDING 31 MARCH 2024 £millions
Asset gains/(losses) arising during the period	<b>(1.384)</b>	5.095
Liability gains/(losses) arising during the period	<b>4.615</b>	0.692
Adjustment in respect of paragraph 28.22 FRS102	<b>(4.158)</b>	(5.854)
<b>Total amount recognised in other comprehensive income</b>	<b>(0.927)</b>	(0.067)

CHANGES TO THE PRESENT VALUE OF THE DEFINED  
BENEFIT OBLIGATION DURING THE ACCOUNTING PERIOD

	PERIOD ENDING 31 MARCH 2025 £millions	PERIOD ENDING 31 MARCH 2024 £millions
Opening defined benefit obligation	<b>33.787</b>	34.272
Current service cost	<b>0.082</b>	0.094
Past service cost	<b>0.000</b>	0.000
Interest expense on defined benefit obligation	<b>1.578</b>	1.610
Contributions by participants	<b>0.029</b>	0.032
Actuarial (gains)/losses on liabilities	<b>(4.615)</b>	(0.692)
Net benefits paid out	<b>(1.888)</b>	(1.529)
<b>Closing defined benefit obligation</b>	<b>28.973</b>	33.787

## CHANGES TO THE FAIR VALUE OF ASSETS DURING THE ACCOUNTING PERIOD

	PERIOD ENDING 31 MARCH 2025 £millions	PERIOD ENDING 31 MARCH 2024 £millions
Opening fair value of assets	<b>54.805</b>	48.741
Interest income on assets	<b>2.587</b>	2.316
Remeasurement gains/(losses) on assets	<b>(1.384)</b>	5.095
Contributions by the employer	<b>0.000</b>	0.150
Contributions by participants	<b>0.029</b>	0.032
Net benefits paid out*	<b>(1.888)</b>	(1.529)
Net increase in assets from disposals/acquisitions	<b>0.000</b>	0.000
<b>Closing fair value of assets</b>	<b>54.149</b>	54.805

\* CONSISTS OF NET BENEFITS CASH FLOW OUT OF THE FUND IN RESPECT OF THE EMPLOYER, INCLUDING AN APPROXIMATE ALLOWANCE FOR THE EXPECTED COST OF DEATH IN SERVICE LUMP SUMS.

## ACTUAL RETURN ON ASSETS

	PERIOD ENDING 31 MARCH 2025 £millions	PERIOD ENDING 31 MARCH 2024 £millions
Interest income of assets	<b>2.587</b>	2.316
Gain/(loss) on assets	<b>(1.384)</b>	<b>5.095</b>
<b>Actual return on assets</b>	<b>1.203</b>	7.411

Amounts due to the West Yorkshire Pension Fund at 31 March 2025 were £2,351 (31 March 2024: £15,759).

The Scheme continues to consider the potential impact of the High Court & Court of Appeal judgments in the Virgin Media (VM) litigation. The VM litigation relates to amendments made to private sector and not public service schemes and as a result it does not expressly deal with whether s 37 confirmations are required for relevant amendments made to public service schemes.

Public service scheme amendments during the relevant period would have been made by legislation (i.e by primary legislation or regulations) . The general position in public law is that legislation remains valid law until it is revoked or repealed by subsequent legislation or in the case of regulations specifically declared void by a court. The Scheme therefore continues to administer benefits and recognise liabilities in accordance with the relevant scheme regulations currently in force.

### ARTS COUNCIL RETIREMENT PLAN (1994)

The scheme is a defined benefit scheme. Other employers contributing to the scheme are the Arts Council of Wales, Creative Scotland and Tŷ Cerdd – Music Centre Wales. Because it is a multi-employer scheme and we are unable to identify our share of the underlying assets and liabilities we have accounted for the scheme as if it were a defined contribution scheme, in accordance with Charities SORP (FRS102). The actuaries of the fund are Hymans Robertson.

The scheme is financed by payments made by Arts Council England and employees, together with those by the other employers and their employees, into a trustee-administered fund independent of Arts Council England's finances. These contributions are invested by leading fund management companies. The net market value of the scheme's assets at 31 March 2025 was £236.1 million (2024: £232.1 million).

An actuarial valuation of the pension fund takes place at least every three years. At the last valuation on 31 March 2022, the actuarial value of the assets using the projected unit method was sufficient to cover 93 per cent of the value accrued to members, a deficit of £18,300,000. On the advice of the actuary, with effect from 1 April 2023, we are paying employer's contributions of 18.8 per cent of pensionable salary for Arts Council England employees and 25.4 per cent of pensionable salary for certain employees who transferred to Arts Council England from the Museums, Libraries and Archives Council.

The main long-term assumptions used for the actuarial valuation were as follows:

Retail prices (RPI) inflation rate	Bank of England RPI curve, less 0.3% p.a.
Consumer prices (CPI) inflation rate	RPI inflation, less 1.0% p.a. prior to February 2030 and less 0.1% p.a. from February 2030
Long-term rate of pay increases	In line with CPI inflation
Rate of pension increases	In line with CPI inflation
Discount rate (past service)	Bank of England gilt yield curve, plus 1.5% p.a
Discount rate (future service)	Bank of England gilt yield curve, plus 2.5% p.a

Arts Council England is a participating employer in the Arts Council Retirement Plan (1994) together with three other separate organisations. There is no legal separation of the Plan's assets or liabilities and as such there is a certain amount of inevitable cross subsidy between participating employers depending on the experience of their own members. Under the Plan's rules there is also no requirement or discretion to segregate the assets of the scheme in the event of the cessation of a participating employer. As such it is a 'last man standing' arrangement and the remaining employers would become liable for meeting the pension obligations of other participating employers who cease participation.

Amounts due to the fund at 31 March 2025 were £552,467 (31 March 2024: £512,326).

THE PEOPLE’S PENSION

If employees do not wish to become members of either of the two Defined Benefit schemes mentioned above, Arts Council England gives people the option of paying into The People’s Pension. This is a Stakeholder Defined Contribution Pension Scheme operated by B&CE, and new employees who choose not to join the Arts Council Retirement Plan are automatically enrolled into this scheme instead, in line with the Government’s workplace pension legislation. Amounts due to The People’s Pension as at 31 March 2025 were £10,799 (31 March 2024: £10,198).

The Arts Council Retirement Plan and The People’s Pension are both treated as defined

contribution schemes for the purposes of the accounts. Payments to both schemes are charged to the Statement of Financial Activities as and when they fall due. Employer contributions into the Arts Council Retirement Plan during 2024/25 were £4,739,549 (2023/24: £5,532,288 (including a lump-sum deficit reduction payment of £1,233,000)). Employer contributions to The People’s Pension during 2024/25 were £94,559 (2023/24: £92,288).

Employer contributions made to the West Yorkshire Pension Fund during 2024/25 were £0 due to the scheme being in surplus (2023/24: £144,722).

8. NET EXPENDITURE FOR THE YEAR

Total income of £3,735,644 (2023/24: £1,852,981) is stated after charging:

	TOTAL 2024/25 £000s	TOTAL 2023/24 £000s
Auditors’ remuneration	85	83
Operating leases	1,208	1,127
Council members' travel, subsistence and hospitality for the 15 serving members during the year	19	27
Insurance: trustees' and senior officers' indemnity	15	12
Depreciation	414	300
Impairment	–	–

NO FEES WERE PAID TO OUR AUDITORS FOR NON-AUDIT SERVICES. AUDIT FEES ARE INCLUSIVE OF VAT.

9. LEGACY BEQUESTS

Arts Council England is the beneficiary of two legacies: the Compton Poetry Fund and the Thornton Fund. The Compton Poetry Fund bequest was made in 1964 and the Thornton Fund bequest was made in 1950. Both legacies consist of a mixture of stocks/shares and cash. The Compton Poetry Fund consists of £414,000 in shares and £46,000 cash, and the Thornton Fund consists of £70,000 in shares and £81,000 cash. Both legacies were incorporated into Arts Council England’s

accounts during 2013/14. The values of the stocks and cash are disclosed on the balance sheet and the dividends received during the year disclosed within Note 2b (investment income).

During 2019/20, the Arts Council received a bequest from the Estate of Eileen McCann. The value of this is currently £125,000 and consists entirely of cash. There are three other legacies with a total value of £68,000.



	COMPTON POETRY FUND £000s	THORNTON FUND £000s	MCCANN FUND £000s	OTHER LEGACIES £000s	TOTAL £000s
Opening balance – 1 April 2024	430	140	121	66	<b>757</b>
Income received in-year	10	6	4	2	<b>22</b>
Gains/(losses) on investments	56	5	–	–	<b>61</b>
Expenditure	(36)	–	–	–	<b>(36)</b>
<b>Closing balance – 31 March 2025</b>	<b>460</b>	<b>151</b>	<b>125</b>	<b>68</b>	<b>804</b>

REPRESENTED BY:	COMPTON POETRY FUND £000s	THORNTON FUND £000s	MCCANN FUND £000s	OTHER LEGACIES £000s	TOTAL £000s
Cash	46	81	125	68	<b>320</b>
Investments	414	70	–	–	<b>484</b>
<b>Closing balance – 31 March 2025</b>	<b>460</b>	<b>151</b>	<b>125</b>	<b>68</b>	<b>804</b>

## 10. HERITAGE ASSETS AND TANGIBLE FIXED ASSETS

	LEASEHOLD IMPROVEMENTS £000s	EQUIPMENT, FIXTURES AND FITTINGS £000s	TOTAL TANGIBLE ASSETS £000s	HERITAGE ASSETS: WORKS OF ART 24/25	TOTAL FIXED ASSETS £000s
Cost or valuation at 1 April 2024	8,960	4,847	<b>13,807</b>	9,339	<b>23,146</b>
Additions	1,799	526	<b>2,325</b>	338	<b>2,663</b>
Revaluations	–	–	–	–	–
Less: disposals	(3,204)	(2,507)	<b>(5,711)</b>	–	<b>(5,711)</b>
<b>Cost or valuation at 31 March 2025</b>	<b>7,555</b>	<b>2,866</b>	<b>10,421</b>	<b>9,677</b>	<b>20,098</b>
Depreciation at 1 April 2024	5,972	4,681	<b>10,653</b>	–	<b>10,651</b>
Less depreciation on disposals	(3,204)	(2,504)	<b>(5,708)</b>	–	<b>(5,708)</b>
Impairment	–	–	–	–	–
Provided for 2024/25	218	196	<b>414</b>	–	<b>414</b>
<b>Depreciation at 31 March 2025</b>	<b>2,985</b>	<b>2,372</b>	<b>5,357</b>	–	<b>5,357</b>
<b>Net book value at 31 March 2025</b>	<b>4,570</b>	<b>494</b>	<b>5,064</b>	<b>9,677</b>	<b>14,741</b>
<b>Net book value at 31 March 2024</b>	<b>2,988</b>	<b>166</b>	<b>3,154</b>	<b>9,339</b>	<b>12,493</b>

## WORKS OF ART – ARTS COUNCIL COLLECTION

**Valuation**

Unlike our other fixed assets there is no *de minimis* capitalisation threshold for Works of Art. All Works of Art are capitalised, even if they are valued at under £2,000. The Works of Arts Council Collection has been built up since 1946 and consists of 8,241 items on 31 March 2025. The Arts Council Collection is held on the historic cost basis. The collection consists of purchased and donated assets. There are 406 donated items on 31 March 2025 which are valued at nil as per the historic cost basis.

Any works selected for exhibition or loan or for the Arts Council Collection's touring exhibitions are valued when they go out on loan as this provides the valuation for insurance requirements. A register of works is maintained by the Curator of the Arts Council Collection which is amended to reflect acquisitions and items removed from the register, such as pieces damaged beyond repair, throughout the year and records the year end valuation figure. The register supports the entries in the Arts Council's annual accounts and this is provided to the auditors for review.

The Arts Council Collection heritage assets are reported at historic cost in the table below:

	2024/25 £000s	2023/24 £000s	2022/23 £000s	2021/22 £000s	2020/21 £000s
Cost or valuation at 1 April	<b>9,339</b>	9,058	8,825	8,525	8,179
Additions	<b>338</b>	281	233	300	346
Donations	–	–	–	–	–
Revaluations	–	–	–	–	–
Less: impairment	–	–	–	–	–
Less: disposal	–	–	–	–	–
<b>Cost or valuation at 31 March</b>	<b>9,677</b>	9,339	9,058	8,825	8,525

Further information on the heritage assets collection, preservation and management can be found on page 74.

## 11. COSTS APPORTIONED TO ARTS COUNCIL ENGLAND LOTTERY DISTRIBUTION ACCOUNTS

Directions issued by the Secretary of State require that costs incurred which relate to both Grant-in-Aid and Lottery activities should be apportioned between the two in accordance with good accounting practice. We have recharged both pay and non-pay expenditure between Grant-in-Aid and Lottery using staff time as a basis for calculating the apportionment. As at 31 March 2025, £4,489,826 was owed by Lottery to Grant-in-Aid (2023/24: £4,139,434).

## 12. DEBTORS

	31 MARCH 2025 £000s	31 MARCH 2024 £000s
Trade debtors	<b>100</b>	95
DCMS debtors	<b>180,003</b>	171,458
Other debtors	<b>214</b>	129
Prepayments and accrued income	<b>1,971</b>	2,535
	<b>182,288</b>	174,218

## 13. GRANTS PAID IN ADVANCE

The Arts Council permits organisations to draw down cash from a future year's funding agreement to cover short-term cash flow requirements. Advances of £3,755,312 were made during 2024/25 (2023/24: £4,753,091).

#### 14. GRANT OFFERS – FUTURE YEARS

The Arts Council has entered into four-year funding agreements with 829 National Portfolio Organisations commencing in 2023/24. Commitments are recognised for each year, with the funding agreements making clear that continued funding is dependent on Grant-in-Aid being available to Arts Council England in those future years and that the organisation continues to deliver its agreed programme of activity as set out in the funding agreement. Forward funding at 31 March 2025 mainly represents allocations for National Portfolio Organisations and Music Education Hubs and the figures disclosed are the cash value; they have not been discounted to present value.

FORWARD FUNDING:	31 MARCH 2025 £000s	31 MARCH 2024 £000s
2024/25	–	411,555
2025/26	<b>408,522</b>	348,693
2026/27	<b>50</b>	50
	<b>408,572</b>	760,298

#### 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

FORWARD FUNDING:	31 MARCH 2025 £000s	31 MARCH 2024 £000s
Trade creditors	<b>4,743</b>	3,784
Other creditors including taxes and social security	<b>81</b>	63
Accruals	<b>1,800</b>	1,866
Deferred income	<b>1,982</b>	1,550
	<b>8,606</b>	7,263



## 16. PROVISIONS FOR LIABILITIES AND CHARGES

	DILAPIDATIONS £000s	TAX £000s	TOTAL £000s
At 31 March 2024	1,099	1	<b>1,100</b>
Arising during the year	67	2	<b>69</b>
Used during the year	–	(1)	<b>(1)</b>
Reversed unused	–	–	–
<b>At 31 March 2025</b>	<b>1,166</b>	<b>2</b>	<b>1,168</b>
<b>EXPECTED TIMING OF CASH FLOWS</b>			
Provisions due within one year	828	2	<b>830</b>
Provisions due in more than one year	338	–	<b>338</b>

## DESCRIPTION OF PROVISIONS

**a) Dilapidations**

Provision for dilapidations for leased premises (to cover the costs of any necessary reinstatement and repairs to the property at the termination of the lease).

**b) Tax**

Provision for payroll taxes owed to HMRC for any expenses and benefits paid to employees where tax has not been deducted at source.



## 17. RECONCILIATION OF MOVEMENT IN FUNDS

	AT 31 MARCH 2024 £000s	INCOME £000s	EXPENDITURE £000s	GAINS AND LOSSES £000s	TRANSFERS £000s	AT 31 MARCH 2025 £000s
<b>Endowment funds</b>	757	<b>22</b>	<b>(36)</b>	<b>61</b>	–	<b>804</b>
<b>Restricted funds</b>	1,032	<b>178,977</b>	<b>(179,124)</b>	–	–	<b>885</b>
<b>Unrestricted income funds</b>	1,581	<b>418,709</b>	<b>(417,122)</b>	<b>(924)</b>	–	<b>2,244</b>
<b>CAPITAL FUNDS</b>						
Designated funds	9,339	<b>338</b>	–	–	–	<b>9,677</b>
Capital reserve	3,155	<b>2,324</b>	<b>(414)</b>	<b>(3)</b>	–	<b>5,064</b>
<b>Pension reserve</b>	–	–	–	–	–	–
	15,864	<b>600,370</b>	<b>(596,695)</b>	<b>(866)</b>	–	<b>18,674</b>

## DESCRIPTION OF FUNDS

**Endowment funds**

Arts Council England is the beneficiary of various legacies including the Compton Poetry Fund, the McCann Fund, and the Thornton Fund.

**Restricted funds**

The Arts Council receives specific ring-fenced Grant-in-Aid as well as grants, sponsorship and donations from various other sources for specific activities. Any such income and associated expenditure is identified separately.

**Unrestricted income funds**

Grant-in-Aid is received from the Department for Culture, Media and Sport (DCMS). This is the Arts Council's main source of income and is supplemented by other income. This fund is applied to grants expenditure and the running costs of the Arts Council. Use of these funds in subsequent years is restricted by the Government's budgetary controls.

**Capital funds****a) Designated funds**

This fund relates to capital expenditure on works of art allocated from the unrestricted fund.

**b) Capital reserve**

The capital reserve represents the balance of tangible assets.

**c) Pension reserve**

The pension reserve reflects the movements in the West Yorkshire Pension Fund defined benefit scheme.

## 18. CASH FLOW RECONCILIATION

RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2024/25 £000s	2023/24 £000s
Net income/(expenditure)	<b>3,736</b>	1,853
Interest receivable	<b>(11)</b>	(9)
(Profit)/loss on disposal of Fixed Assets	<b>3</b>	–
Dividends received	<b>(12)</b>	(12)
Depreciation and impairment charges	<b>414</b>	300
(Gains)/losses on investments	<b>(61)</b>	43
Decrease/(increase) in debtors and prepayments	<b>(8,420)</b>	(51,926)
Decrease/(increase) in grants paid in advance	<b>998</b>	(4,753)
Increase/(decrease) in grants outstanding	<b>(1,642)</b>	29,809
(Decrease)/increase in creditors	<b>1,343</b>	1,664
(Decrease)/increase in provisions	<b>68</b>	(1,086)
<b>(Decrease)/increase in defined benefit liability</b>	<b>(927)</b>	(762)
<b>Net cash provided by/(used in) operating activities</b>	<b>(4,511)</b>	(24,880)

## 19. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN CASH

	2024/25 £000s	2023/24 £000s
(Decrease)/increase in cash and cash equivalents in the year	<b>(7,138)</b>	(25,340)
Cash at 1 April 2024	<b>32,772</b>	58,112
<b>Cash at 31 March 2025</b>	<b>25,634</b>	32,772

## 20. ANALYSIS OF NET CASH

	1 APRIL 2024 £000s	CASH FLOW £000s	31 MARCH 2025 £000s
Cash at bank (GBS)	32,772	(7,138)	<b>25,634</b>

## 21. LEASES

At 31 March 2025, the Arts Council had annual commitments under non-cancellable operating leases as set out below.

LAND AND BUILDINGS OPERATING LEASES WHICH EXPIRE:	31 MARCH 2025 £000s	31 MARCH 2024 £000s
within one year	<b>1,047</b>	565
within two and five years inclusive	<b>2,660</b>	2,287
over five years	–	–
	<b>3,707</b>	2,852

THE LEASES RELATE PRIMARILY TO THE NINE OFFICES THAT ARE OCCUPIED BY ARTS COUNCIL ENGLAND.

## 22. SOUTHBANK CENTRE LEASE

The Arts Council owns the freeholds of the National Film Theatre, the Museum of the Moving Image, the Hayward Gallery, the Queen Elizabeth Hall, the Purcell Room and the Royal Festival Hall, which are leased to the Southbank Centre. Since the lease is long term and we derive no income from the freeholding, the value of the asset is immaterial and has therefore not been included in these accounts.

## 23. ROYAL NATIONAL THEATRE LEASE

The Arts Council owns the freehold of the Royal National Theatre, which is leased to and occupied by the Royal National Theatre Board Limited. Since the lease is long term and we derive no income from the freeholding, the value of the asset is immaterial and has therefore not been included in these accounts.

## 24. CAPITAL COMMITMENTS

As at 31 March 2025, the total value of capital commitments was £nil (2023/24: £nil).



## 25. LOSSES AND SPECIAL PAYMENTS

Losses can be cash losses, losses arising from theft, or fruitless payments. Losses can also related to overpaid grant payments which Arts Council England has not been able to recover. Special payments are payments which would not normally be made in the course of business. Examples of such payments are lease exit payments, compensation payments or ex-gratia payments.

	2024/25 £000s	2023/24 £000s
Total value of losses and special payments	<b>119</b>	43
Total number of losses and special payments	<b>3</b>	6

THE ABOVE LOSSES WERE WITHIN ARTS COUNCIL ENGLAND'S DELEGATED LIMITS AND DID NOT REQUIRE DCMS APPROVAL.

## 26. FINANCIAL INSTRUMENTS

FRS102 has a concept of basic financial instruments (such as cash, trade debtors and trade creditors) and other financial instruments (such as interest rate swaps and forward foreign currency contracts). All Arts Council England's financial instruments are categorised as basic. As the cash requirements of the Arts Council are met largely through Grant-in-Aid received from the Department for Culture, Media and Sport (99.62 per cent) (2023/24: 99.6 per cent) financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with the Arts Council's expected purchase and usages requirements, or the issue of grants (96.64 per cent) (2023/24: 96.69 per cent). This means the Arts Council is exposed to little credit, liquidity or market risk.

Arts Council England is the beneficiary of several legacies including the Compton Poetry Fund, the Thornton Fund, and the McCann Fund. The total value of all legacies is £804,000 and is held in a mixture of cash and stock market investments. Details of all legacies are disclosed in Note 9.

### 26a. LIQUIDITY RISK

The Arts Council signed a new management agreement with the Department for Culture, Media and Sport (DCMS) in 2018. This agreement covers the majority of Arts Council's funding and ensures that any liquidity risk is negligible.

In the past 12 months, 0.38 per cent of funding was received from sources other than DCMS and 0.00 per cent was generated from cash balances. This means that 99.62 per cent of funding is sourced through cash drawn down and agreed monthly with the DCMS, based on the predicted need for the month ahead.

### 26b. INTEREST RATE RISK

As an Arms-Length Body of the Department for Culture, Media and Sport, our bank accounts are with the Government Banking Service, which is operated by RBS NatWest. This means that surplus daily cash balances are offset against overall Government debt by HM Treasury, thereby reducing the amount of interest which is paid by the Government. However, this means that no credit interest is received by Arts Council England.

### 26c. FOREIGN CURRENCY RISK

Our exposure to foreign currency risk is not significant as less than 1 per cent of transactions by value are processed in currencies other than sterling.

## 26d. FINANCIAL ASSETS BY CATEGORY

	31 MARCH 2025 £000s	31 MARCH 2024 £000s
DCMS debtor	<b>180,003</b>	171,458
Trade debtors	<b>100</b>	95
Other debtors	<b>214</b>	129
Accrued income	<b>1,971</b>	2,535
Due from Arts Council Lottery accounts	<b>4,490</b>	4,139
Cash at bank and in hand	<b>25,634</b>	32,772
	<b>212,412</b>	211,128

In our view the book value of the assets is the same as the fair value.

## 26e. FINANCIAL LIABILITIES BY CATEGORY

	31 MARCH 2025 £000s	31 MARCH 2024 £000s
Grants outstanding	<b>203,265</b>	204,907
Trade creditors	<b>4,743</b>	3,784
Other creditors including taxes and social security	<b>81</b>	63
Accruals	<b>1,800</b>	1,866
Deferred income	<b>1,982</b>	1,550
	<b>211,871</b>	212,170

In our view the book value of the assets is the same as the fair value.

## 27. RELATED PARTIES

## 27a. COUNCIL MEMBERS

We maintain publicly available registers in which council members declare their interests, including any direct interests, in grant applications made to, and commercial relationships with, the Arts Council. The declared interests in grant recipients along with amounts

awarded for the year ended 31 March 2025 are detailed below. This includes the disclosure of relationships which are above and beyond the definition of related parties per the Charities SORP (FRS 102).

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025 £000s	BALANCE UNPAID AS AT 31 MARCH 2025 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2025 £000s	ORGANISATION	RELATIONSHIP TYPE
Sir Nicholas Serota CH	115	–	–	CoMA Contemporary Music for All	Family member is Trustee
	50	–	–	NMC Recordings Ltd	Family member is Donor/ Lender/Trustee
Abigail Pogson	3,577	–	–	North Music Trust	Managing Director
Andrew Lovett OBE	16	74	–	Association of Independent Museums	Chair
	760	–	–	Black Country Living Museum Trust	Chief Executive
Andrew Miller MBE	30	121	75	Arts Council of Wales	UK Arts Access Champion (Consultant)
	4,000	3,913	–	Bradford Culture Company Ltd	Advisor/Consultant
	–	–	3	British Film Institute	Other: Chair, Disability Screen Advisory Group (Consultant)
	151	5	–	British Youth Music Theatre	Family member is an employee
	194	5	–	Foundation for Community Dance t/a People Dancing	Advisor/Consultant
	445	445	–	Graeae Theatre Company Ltd	Advisor/Consultant
	165	421	–	Local Government Association (LGA)	Advisor/Consultant
	1	–	–	Paul Hamlyn Foundation	Advisor/Consultant
	15,260	750	–	Royal Shakespeare Company	Deputy Chair
	320	–	–	Screen South	Consultant: Creating for Change Museums Strategic Disability Network member
	250	–	–	Sense	Advisor/Consultant
	868	–	–	The Artangel Trust	Advisor/Consultant
	203	35	–	The Audience Agency	Advisor/Consultant
	555	10	–	The Clore Leadership Programme	Advisor/Consultant
	3	3	–	UK Theatre Association	Advisor/Consultant
	20	5	–	What Next? Culture Limited	Advisor/Consultant

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025 £000s	BALANCE UNPAID AS AT 31 MARCH 2025 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2025 £000s	ORGANISATION	RELATIONSHIP TYPE
Annabel Turpin	8	2	–	BookTrust	Executive Director is an acquaintance
	1,501	1,500	–	Future Arts Centres	Executive Director
	200	20	–	NCCH	Family member is a freelancer
	615	759	–	Oldham Council	Family member is employee
	372	1	–	Stockton Arts Centre Ltd	Executive Director
	5,635	5,006	–	Sunderland Culture	Board Member
	65	65	–	Tees Valley Combined Authority	Board Member
David Bryan CBE	707	–	–	Battersea Arts Centre	Chair
	2	50	–	Creative Lives Charity Limited	Chair
	700	–	–	Ovalhouse Theatre Ltd	Chair
Helen Birchenough	1,301	2	–	Wiltshire Creative	Board Member
Phil Stokes	–	–	3	British Film Institute	Governor
	–	56	–	Durham University	Commissioner
	591	435	–	PricewaterhouseCoopers LLP	Former partner in receipt of retirement annuities
Sukhy Johal MBE	1,297	197	–	Lincolnshire Music Service	Advisory Board Member
	70	7	–	Lincolnshire County Council	Advisory Board Member of Lincolnshire Music Service
	250	–	–	The University of Lincoln	Employee
	123	–	–	Threshold Studios	Family member is an employee
	–	800	–	UK Research & Innovation	Board Member



COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025 £000s	BALANCE UNPAID AS AT 31 MARCH 2025 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2025 £000s	ORGANISATION	RELATIONSHIP TYPE
Veronica Wadley	–	–	569,533	DCMS (Department for Culture, Media & Sport)	Chair, Advisory Panel for National Plan for Music Education 2022
William Bush CBE	2,130	5	–	English Touring Opera Ltd	Deputy Chair
YolanDa Brown OBE	–	–	–	BPI (British Recorded Music Industry) Limited	Chair
	1,830	–	–	London Philharmonic Orchestra	Advisory Board Member
	300	63	–	PRS for Music Foundation	Board Member
	18,358	2,268	–	Southbank Centre	Advisory Board Member
	–	3	–	The National Foundation for Youth Music	Chair
	279	3,511	–	University of Kent	Arts and Culture Chancellor



The declared interests in grant recipients along with amounts awarded for the year ended 31 March 2024 are detailed below.

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Sir Nicholas Serota CH	30	55	–	Britten Sinfonia	Family member is Board Member
	115	–	–	CoMA Contemporary Music for All	Family member is Trustee
	50	–	–	NMC Recordings Ltd	Family member is Donor/Lender/Trustee
	–	–	5	Tate Gallery	Curator
Abigail Pogson	3,577	63	–	North Music Trust	Managing Director
Andrew Miller MBE	25	91	65	Arts Council of Wales	Board Member and UK Arts Access Champion (Consultant)
	10,125	10,213	–	Bradford Culture Company Ltd	Advisor/Consultant
	–	–	8	British Film Institute	Chair, Disability Screen Advisory Group (Consultant)
	177	5	–	British Youth Music Theatre	Family member is a designer
	7	–	–	Cabinet Office	Appointed UK Disability Champion, Arts & Culture
	612	10	–	Clore Leadership Programme	Advisor/Consultant
	244	25	–	Foundation for Community Dance t/a People Dancing	Advisor/Consultant
	166	255	5	Local Government Association (LGA)	Advisor/Consultant
	16,010	750	–	Royal Shakespeare Company	Trustee and Governor
	320	–	–	Screen South	Consultant
	868	–	–	The Artangel Trust	Advisor/Consultant
	28	5	–	The Audience Agency	Advisor/Consultant
	15	5	–	The Space	Board Member and Advisor/Consultant
	4,000	–	–	Welsh National Opera	Trustee

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Annabel Turpin	374	–	–	Stockton Arts Centre Ltd	Executive Director of organisation
	642	–	–	Sunderland Culture	Board Member
	602	150	–	Tees Valley Combined Authority	Board Member
	1,179	794	–	Oldham Council	Partner is employee
David Bryan CBE	719	–	–	Battersea Arts Centre	Chair of organisation
	–	–	5	British Council	Chair of the British Council's Arts and Creative Economy Advisory Group
	–	200	–	Creative Lives Charity Limited	Chair of organisation
	700	–	–	Ovalhouse Theatre Ltd	Chair of organisation
Elisabeth Murdoch	–	2	–	a-n The Artists Information Company	Freelands Foundation Organisation, of which Elisabeth is Founder and Chair
	–	–	37	Art Fund	Freelands Foundation Organisation
	–	25	–	Artcore	Freelands Foundation Organisation
	1,013	–	–	Autograph ABP	Freelands Foundation Organisation
	25	3	–	Bath Spa University	Freelands Foundation Organisation
	307	60	–	Bernie Grant Centre Partnership	Freelands Foundation Organisation
	600	–	–	Camden Arts Centre	Freelands Foundation Organisation
	244	–	–	Cement Fields	Freelands Foundation Organisation
	168	–	–	Chisenhale Gallery	Freelands Foundation Organisation
	153	–	–	Create London	Freelands Foundation Organisation
	114	–	–	Cubitt Artists Ltd	Freelands Foundation Organisation

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Elisabeth Murdoch (continued)	466	–	–	Derby QUAD Ltd	Freelands Foundation Organisation
	2,236	–	17	English Stage Company Limited	Sister Group Ltd, founded by Elisabeth, funds this organisation
	–	413	–	Firstsite Ltd	Freelands Foundation Organisation
	219	–	–	Focal Point Gallery	Freelands Foundation Organisation
	212	20	–	Hastings Museum and Art Gallery	Freelands Foundation Organisation
	264	–	–	Institute of International Visual Arts	Freelands Foundation Organisation
	1,619	1,031	–	Leeds Museums and Galleries	Freelands Foundation Organisation
	274	–	–	MAIA	Freelands Foundation Organisation
	10	–	–	Manchester Metropolitan University	Freelands Foundation Organisation
	390	–	–	MK Gallery	Freelands Foundation Organisation
	2	1	–	National Art Collections Fund	Freelands Foundation Organisation
	35	71	–	Nesta Arts & Culture LLP	Freelands Foundation Organisation. Coinvestor with ACE in Arts & Culture Impact Fund, managed by this company
	1,269	–	–	New Art Exchange Ltd	Freelands Foundation Organisation
	1,024	–	–	Nottingham Contemporary	Freelands Foundation Organisation
	92	–	–	Open School East	Freelands Foundation Organisation
	66	–	–	Primary	Freelands Foundation Organisation
	578	578	–	Sheffield Museums Trust	Freelands Foundation Organisation
	320	–	–	Site Gallery	Freelands Foundation Organisation
	826	–	–	South London Gallery	Freelands Foundation Organisation
	68	–	–	Studio Voltaire	Freelands Foundation Organisation



COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Elisabeth Murdoch (continued)	–	–	5	Tate Gallery	Freelands Foundation Organisation
	868	–	–	The Artangel Trust	Freelands Foundation Organisation
	1,288	811	–	Towner Art Gallery & Museum	Freelands Foundation Organisation
	290	–	–	Triangle Arts Trust	Freelands Foundation Organisation
	682	–	–	Turner Contemporary	Freelands Foundation Organisation
	6,597	3,131	–	Tyne & Wear Archives & Museums	Freelands Foundation Organisation
	249	141	–	University of Wolverhampton	Freelands Foundation Organisation
	1,438	–	–	Whitechapel Gallery	Freelands Foundation Organisation
	185	185	–	Wysing Arts Centre	Freelands Foundation Organisation
Helen Birchenough	1,652	–	–	Wiltshire Creative	Board Member
Paul Roberts OBE	37	–	–	Department for Education	Group Member
	–	56	–	Durham University	Commissioner
	1,024	–	–	Nottingham Contemporary	Board Member
	18	–	–	Nottingham Trent University	Steering Group Member
Sally Shaw MBE	–	413	–	Firstsite Ltd	Executive Director
Sukhy Johal MBE	581	–	–	Lincolnshire Music Service	Advisory Board Member
	262	14	–	The University of Lincoln	Employee
	236	–	–	Threshold Studios	Family member is employee
Veronica Wadley	5,775	–	495,330	Department for Culture, Media and Sport	Chair, Advisory Panel for National Plan for Music Education 2022
	37	–	–	Department for Education	Chair, Advisory Panel for National Plan for Music Education 2022

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
William Bush CBE	2,180	–	–	English Touring Opera	Deputy Chair / Board Member
YolanDa Brown OBE	–	1,600	–	London Philharmonic Orchestra	Advisory Board Member
	330	330	–	PRS for Music Foundation	Board Member
	18,852	5,003	–	Southbank Centre	Advisory Board Member
	–	3	–	The National Foundation for Youth Music	Chair

## 27b. DIRECTORS AND SENIOR MANAGERS

Executive directors and senior managers in Arts Council England are also required to declare any direct interests in grant applications made to, and commercial relationships with, the Arts Council. The declared interests in grant recipients along with amounts awarded for the year ended 31 March 2025 are detailed below.

DIRECTOR OR SENIOR MANAGER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025 £000s	BALANCE UNPAID AS AT 31 MARCH 2025 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2025 £000s	ORGANISATION	RELATIONSHIP TYPE
Dr Darren Henley CBE	151	5	–	British Youth Music Theatre	Family Member is Artist/Practitioner
	279	–	–	Goldsmiths University	Family Member is an employee
	12	–	–	Manchester Metropolitan University	Financial donor
	–	78	–	University of Leeds	Advisor
Catherine Nesus	404	–	–	Boy Blue Entertainment	Friendship with GM
Emmie Kell	772	120	–	South West Museum Development	Partner Organisation
Laura Dyer MBE	–	3	1	Bath Spa University	Family member attends the university
	1,380	–	–	Nottingham Playhouse	Friend is an employee
	682	–	–	Turner Contemporary	Friend is an employee
Mags Patten	999	–	–	Paraorchestra and Friends	Friendship with CEO
Michelle Walker	2,221	–	–	City of Birmingham Symphony orchestra	Friendship with CEO
	165	–	–	Southwark Council	Employee of Southwark Council Arts Service

DIRECTOR OR SENIOR MANAGER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025 £000s	BALANCE UNPAID AS AT 31 MARCH 2025 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2025 £000s	ORGANISATION	RELATIONSHIP TYPE
Navees Rahman	6,498	552	–	Arts Council Pension Plan	Board Member
	279	–	–	Goldsmiths University	Family Member is a supplier
	244	–	–	National Justice Museum	Co-opted member of Finance and Audit Committee
Peter Knott	1,952	–	–	Leicester Theatre Trust Ltd	Partner is an employee
Rebecca Ball	5,634	5,007	–	Sunderland Culture	Employee
Richard Russell	400	–	–	Young Sounds UK	Donor/Lender
Ruth Alaile	–	1	–	Yinka Danmole	Family Member
Simon Mellor OBE	–	3	1	Bath Spa University	Partner is an employee
	307	–	–	Crying Out Loud	Friendship with CEO
	49	–	–	International Federation of Arts Councils and Culture Agencies (IFACCA)	Treasurer
	10	1	–	The Warren Youth Project	Friend is an employee
Tonya Nelson	1	–	–	ICOM UK	Chair

The declared interests in grant recipients along with amounts awarded for the year ended 31 March 2024 are detailed below.

DIRECTOR OR SENIOR MANAGER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Dr Darren Henley CBE	177	5	–	British Youth Music Theatre	Family member is artist/practitioner
	–	78	–	University of Leeds	Advisor
	25	3	–	Creative Industries Federation	Advisor
	10	–	–	Manchester Metropolitan University	Financial donor
Emmie Kell	565	10	–	South West Museum Development	Partner Organisation
Michelle Walker	232	–	–	Southwark Council Arts Service	Employee
Navees Rahman	244	36	–	National Justice Museum	Co-opted member of Finance and Audit Committee
Peter Knott	1,949	–	–	Leicester Theatre Trust Ltd	Partner is a freelancer
Ruth Alaile	–	1	–	Yinka Danmole	Family Member
Simon Mellor OBE	25	3	–	Bath Spa University	Partner is employee

The declared interests of National Council members and Executive Board are available at the following link:

**<https://www.artscouncil.org.uk/our-organisation/national-council>**

The Remuneration Report (page [111](#)) contains details of payments made to key personnel.





## 27c. OTHER GOVERNMENT BODIES

The Department for Culture, Media and Sport (DCMS) is the sponsoring department for Arts Council England and is regarded as a related party. At the year end, Arts Council England had the following balances outstanding with other Government bodies:

	CREDITOR 31 MARCH 2025 £000s	DEBTOR 31 MARCH 2025 £000s	CREDITOR 31 MARCH 2024 £000s	DEBTOR 31 MARCH 2024 £000s
Balances with other DCMS Government bodies	<b>623</b>	<b>180,062</b>	1,150	171,488
Balances with other central Government bodies	<b>896</b>	<b>1</b>	661	9
Balances with academies	<b>170</b>	<b>36</b>	79	30
Balances with local authorities	<b>104,003</b>	–	89,382	7
Balances with NHS Trusts	–	–	3	–
Balances with public corporations and trading funds	–	–	71	–

During 2024/25, Arts Council England had the following transactions with other Government bodies:

	EXPENDITURE Y/E 31 MARCH 2025 £000s	INCOME Y/E 31 MARCH 2025 £000s	EXPENDITURE Y/E 31 MARCH 2024 £000s	INCOME Y/E 31 MARCH 2024 £000s
Transactions with other DCMS Government bodies	<b>216</b>	<b>578,077</b>	690	548,678
Transactions with other central Government bodies	<b>8,837</b>	<b>1,227</b>	8,959	889
Transactions with academies	<b>455</b>	<b>243</b>	419	194
Transactions with local authorities	<b>120,767</b>	<b>275</b>	105,332	36
Transactions with NHS Trusts	–	–	1	–
Transactions with public corporations and trading funds	–	–	35	5

The Arts Council Retirement Plan and the West Yorkshire Pension Fund are both considered as related parties to Arts Council England.

## 28. RECONCILIATION OF OPERATING SURPLUS TO DEPARTMENTAL EXPENDITURE LIMIT

The Government budget that is allocated to and spent by Government departments is known as the departmental expenditure limit, or DEL. The Arts Council is not allowed to exceed its annual DEL budget. Due to differing accounting

treatments, there are certain transactions which are included in these accounts but which do not have an impact on our DEL budget. The Arts Council has a reported surplus of £2,809,000 but our overall DEL underspend for the year was £541,000 and the table below shows a reconciliation of the two amounts.

£000s AT 31 MARCH 2025	
Overspend/(Underspend as per SOFA)	(2,809)
<b>EXCLUDE NON-DEL TRANSACTIONS</b>	
FRS102 (Deficit)/Surplus	–
Gain on investments	61
Depreciation	(414)
Capital expenditure	2,663
Provisions adjustments	(28)
Legacy income	22
Donations	–
Legacy expenditure	(36)
<b>DEL Underspend (excluding Depreciation)</b>	<b>(541)</b>
<b>REPRESENTED BY :</b>	
RDEL underspend	(484)
CDEL underspend	(57)
	<b>(541)</b>

## 29. CONTINGENT LIABILITIES

As at 31 March 2025 there was one Employment tribunal case ongoing and four other cases of litigation. Due to the uncertainty of timing and the value of the estimated costs, no provision has been made in the Accounts.

## 30. POST BALANCE SHEET EVENTS

In accordance with the requirements of Charities SORP (FRS102), events after the balance sheet date, post balance sheet events, are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the independent auditor's report to the Trustees of Arts Council England.

There were no post balance sheet events between the year end and when the accounts were authorised for issue on the date the Comptroller and Auditor General certified the accounts. The financial accounts do not reflect events after this date.

**31 RECONCILIATION OF TRANSACTIONS WITH DELEGATE BODIES****31a VICTORIA & ALBERT MUSEUM**

The Victoria & Albert Museum is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	150	750
Grant commitment in the year	–	–
Grant payments in the year	(150)	(600)
<b>Closing grant creditor balance as at 31 March</b>	<b>–</b>	<b>150</b>

**31b BRITISH LIBRARY**

The British Library is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	340	2,612
Grant commitment in the year	–	–
Grant payments in the year	–	(2,272)
<b>Closing grant creditor balance as at 31 March</b>	<b>340</b>	<b>340</b>

**32c AWARDS FOR YOUNG MUSICIANS**

Awards for Young Musicians is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	–	–
Grant commitment in the year	–	348
Grant payments in the year	–	(348)
<b>Closing grant creditor balance as at 31 March</b>	<b>–</b>	<b>–</b>



## 31d FILM LONDON

Film London is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	–	–
Grant commitment in the year	–	328
Grant payments in the year	–	(328)
<b>Closing grant creditor balance as at 31 March</b>	<b>–</b>	<b>–</b>

## 31e OLDHAM BOROUGH COUNCIL

Oldham Borough Council is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	154	–
Grant commitment in the year	615	615
Grant payments in the year	(308)	(461)
<b>Closing grant creditor balance as at 31 March</b>	<b>461</b>	<b>154</b>

## 31f LEICESTERSHIRE COUNTY COUNCIL

Leicestershire County Council is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	6	60
Grant commitment in the year	–	–
Grant payments in the year	6	(54)
<b>Closing grant creditor balance as at 31 March</b>	<b>–</b>	<b>6</b>

## 31g THE BARING FOUNDATION

The Baring Foundation is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	2	–
Grant commitment in the year	–	20
Grant payments in the year	2	(18)
<b>Closing grant creditor balance as at 31 March</b>	<b>–</b>	<b>2</b>

## 31h THE NATIONAL ACADEMY FOR SOCIAL PRESCRIBING

The National Academy for Social Prescribing is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	220	–
Grant commitment in the year	–	250
Grant payments in the year	(97)	(30)
<b>Closing grant creditor balance as at 31 March</b>	<b>123</b>	<b>220</b>

## 31i YORK MUSEUM AND GALLERY TRUST

York Museum and Gallery Trust is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	–	–
Grant commitment in the year	703	–
Grant payments in the year	(562)	–
<b>Closing grant creditor balance as at 31 March</b>	<b>141</b>	<b>–</b>

## 31j NORFOLK COUNTY COUNCIL/MUSEUMS SERVICE

Norfolk County Council/Museums Service is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	–	–
Grant commitment in the year	853	–
Grant payments in the year	(427)	–
<b>Closing grant creditor balance as at 31 March</b>	<b>427</b>	<b>–</b>

## 31k BRISTOL CITY COUNCIL

Bristol City Council is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	–	–
Grant commitment in the year	638	–
Grant payments in the year	(638)	–
<b>Closing grant creditor balance as at 31 March</b>	<b>–</b>	<b>–</b>

## 31l FENLAND DISTRICT COUNCIL

Fenland District Council is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	15	–
Grant commitment in the year	–	25
Grant payments in the year	–	(10)
<b>Closing grant creditor balance as at 31 March</b>	<b>15</b>	<b>15</b>

## 31m MUSEUM OF LONDON

Museum of London is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	–	–
Grant commitment in the year	237	–
Grant payments in the year	(119)	–
<b>Closing grant creditor balance as at 31 March</b>	<b>119</b>	<b>–</b>

## 31n IRONBRIDGE GORGE MUSEUM TRUST LIMITED

Ironbridge Gorge Museum Trust Limited is a delegate body of Arts Council England in distributing Grant-in-Aid funds.

	2024/25 £000s	2023/24 £000s
<b>TRANSACTIONS RECORDED IN THE ACCOUNTS:</b>		
Opening grant creditor balance as at 1 April	–	–
Grant commitment in the year	571	–
Grant payments in the year	(457)	–
<b>Closing grant creditor balance as at 31 March</b>	<b>114</b>	<b>–</b>



## 32 STATEMENT OF FINANCIAL ACTIVITIES – PRIOR YEAR COMPARATORS

	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	ENDOWMENT FUNDS £000s	TOTAL 2024/25 £000s	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	ENDOWMENT FUNDS £000s	TOTAL 2023/24 £000s
<b>INCOME AND ENDOWMENTS FROM:</b>								
Donations and legacies	400,131	177,947	–	578,078	390,336	157,871	–	548,207
Investments	–	–	22	22	–	–	21	21
Charitable activities	1,179	1,030	–	2,209	1,086	1,072	–	2,158
Other: Lottery distribution accounts	20,061	–	–	20,061	18,764	–	–	18,764
<b>Total income and endowments</b>	<b>421,371</b>	<b>178,977</b>	<b>22</b>	<b>600,370</b>	<b>410,186</b>	<b>158,943</b>	<b>21</b>	<b>569,150</b>
<b>EXPENDITURE ON:</b>								
Charitable activities (including Governance costs)	397,474	179,124	36	576,634	389,865	158,625	–	548,490
Other: Support costs attributable to Lottery distributions accounts	20,061	–	–	20,061	18,764	–	–	18,764
<b>Total expenditure</b>	<b>417,535</b>	<b>179,124</b>	<b>36</b>	<b>596,695</b>	<b>408,629</b>	<b>158,625</b>	<b>–</b>	<b>567,254</b>
<b>Net gains/(losses) on investments</b>	<b>–</b>	<b>–</b>	<b>61</b>	<b>61</b>	<b>–</b>	<b>–</b>	<b>(42)</b>	<b>(42)</b>
<b>Total income/(expenditure) before exceptional items</b>	<b>3,836</b>	<b>(147)</b>	<b>47</b>	<b>3,736</b>	<b>1,557</b>	<b>318</b>	<b>(21)</b>	<b>1,854</b>
<b>EXCEPTIONAL ITEMS</b>								
Cost of fundamental reorganisation	–	–	–	–	–	–	–	–
<b>Net income/(expenditure)</b>	<b>3,836</b>	<b>(147)</b>	<b>47</b>	<b>3,736</b>	<b>1,557</b>	<b>318</b>	<b>(21)</b>	<b>1,854</b>
<b>TRANSFERS</b>								
Gross transfers between funds	–	–	–	–	–	–	–	–
<b>Total income/(expenditure) before other recognised gains and losses</b>	<b>3,836</b>	<b>(147)</b>	<b>47</b>	<b>3,736</b>	<b>1,557</b>	<b>318</b>	<b>(21)</b>	<b>1,854</b>
<b>OTHER RECOGNISED GAINS/LOSSES</b>								
Actuarial gains/(losses) on defined benefit pension schemes	(927)	–	–	(927)	(763)	–	–	(763)
<b>Net movement in funds</b>	<b>2,909</b>	<b>(147)</b>	<b>47</b>	<b>2,809</b>	<b>794</b>	<b>318</b>	<b>(21)</b>	<b>1,091</b>
<b>RECONCILIATION OF FUNDS:</b>								
Balance brought forward at 1 April	14,075	1,032	757	15,864	13,281	714	778	14,773
<b>Total funds carried forward at 31 March</b>	<b>16,984</b>	<b>885</b>	<b>804</b>	<b>18,673</b>	<b>14,075</b>	<b>1,032</b>	<b>757</b>	<b>15,864</b>

## 33 BALANCE SHEET – PRIOR YEAR COMPARATORS

	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	ENDOWMENT FUNDS £000s	TOTAL 31 MARCH 2025 £000s	UNRESTRICTED FUNDS £000s	RESTRICTED FUNDS £000s	ENDOWMENT FUNDS £000s	TOTAL 31 MARCH 2024 £000s
<b>FIXED ASSETS:</b>								
Tangible assets	5,064	–	–	5,064	3,155	–	–	3,155
Heritage assets – Works of Art	9,677	–	–	9,677	9,339	–	–	9,339
Investments	–	–	804	804	–	–	757	757
<b>Total fixed assets</b>	<b>14,741</b>	<b>–</b>	<b>804</b>	<b>15,545</b>	<b>12,494</b>	<b>–</b>	<b>757</b>	<b>13,251</b>
<b>CURRENT ASSETS</b>								
Debtors	–	182,288	–	182,288	–	174,218	–	174,218
Due from Arts Council Lottery accounts	4,490	–	–	4,490	4,139	–	–	4,139
Grants paid in advance	3,755	–	–	3,755	4,652	101	–	4,753
Cash and cash equivalents	19,048	6,586	–	25,634	20,522	12,251	–	32,773
<b>Total current assets</b>	<b>27,293</b>	<b>188,874</b>	<b>–</b>	<b>216,167</b>	<b>29,313</b>	<b>186,570</b>	<b>–</b>	<b>215,883</b>
<b>LIABILITIES</b>								
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>								
Grants outstanding	17,534	185,731	–	203,265	21,130	183,777	–	204,907
Due to Arts Council Lottery accounts	–	–	–	–	–	–	–	–
Creditors	6,348	2,258	–	8,606	5,502	1,761	–	7,263
<b>Total creditors: amounts falling due within one year</b>	<b>23,882</b>	<b>187,989</b>	<b>–</b>	<b>211,871</b>	<b>26,632</b>	<b>185,538</b>	<b>–</b>	<b>212,170</b>
<b>Net current assets</b>	<b>3,411</b>	<b>885</b>	<b>–</b>	<b>4,296</b>	<b>2,681</b>	<b>1,032</b>	<b>–</b>	<b>3,713</b>
<b>Total assets less current liabilities</b>	<b>18,152</b>	<b>885</b>	<b>804</b>	<b>19,841</b>	<b>15,175</b>	<b>1,032</b>	<b>757</b>	<b>16,964</b>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>								
Provisions for liabilities and charges	1,168	–	–	1,168	1,100	–	–	1,100
<b>Net assets excluding pension liability</b>	<b>16,984</b>	<b>885</b>	<b>804</b>	<b>18,673</b>	<b>14,075</b>	<b>1,032</b>	<b>757</b>	<b>15,864</b>
Defined benefit pension scheme liability	–	–	–	–	–	–	–	–
<b>Net assets including pension liability</b>	<b>16,984</b>	<b>885</b>	<b>804</b>	<b>18,673</b>	<b>14,075</b>	<b>1,032</b>	<b>757</b>	<b>15,864</b>
<b>THE FUNDS OF THE CHARITY:</b>								
<b>REPRESENTED BY INCOME FUNDS</b>								
Unrestricted fund	2,244	–	–	2,244	1,581	–	–	1,581
Restricted fund	–	885	–	885	–	1,032	–	1,032
<b>REPRESENTED BY CAPITAL FUNDS</b>								
Endowment funds	–	–	804	804	–	–	757	757
Designated fund	9,677	–	–	9,677	9,339	–	–	9,339
Donated asset reserve	–	–	–	–	–	–	–	–
Capital reserve	5,063	–	–	5,063	3,155	–	–	3,155
Pension reserve	–	–	–	–	–	–	–	–
<b>Total charity funds</b>	<b>16,984</b>	<b>885</b>	<b>804</b>	<b>18,673</b>	<b>14,075</b>	<b>1,032</b>	<b>757</b>	<b>15,864</b>

CHARITIES SORP (FRS102) REQUIRES PRIOR COMPARATIVE FIGURES TO BE SHOWN FOR EACH TYPE OF FUND FOR THE BALANCE SHEET AS WELL AS THE STATEMENT OF FINANCIAL ACTIVITIES. THIS NOTE DISCLOSES THE PRIOR YEAR COMPARATIVE FIGURES FOR ALL THREE TYPES OF FUNDS.

### 34. FUNDS HELD AS AGENT

The Culture Recovery Fund – Repayable Finance (CRF-RF) programme was designed to offer financial support for culturally significant organisations that were financially sustainable before Covid-19, but, due to the pandemic, were at clear risk of no longer trading viably by 31 March 2021 and had exhausted all other options for increasing their resilience. This is a DCMS Scheme which is being administered by Arts Council England who are acting as Agents on behalf of DCMS.

During 2024/25 transactions relating to the CRF-RF scheme were as follows:

	£000s
Repayments received during 2024-25	(17,972)
<b>Amounts repaid back to DCMS during 2024-25</b>	<b>16,207</b>
<b>CRF-RF bank balance as at 31st March 2025</b>	<b>3,552</b>







# Lottery distribution accounts

## THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

### OPINION ON FINANCIAL STATEMENTS

I certify that I have audited the financial statements of the Arts Council England Lottery Distribution Account for the year ended 31 March 2025 under the National Lottery etc Act 1993.

The financial statements comprise the Arts Council England Lottery Distribution Account's:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Arts Council England Lottery Distribution Account's affairs as at 31 March 2025 and its total comprehensive income for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

### OPINION ON REGULARITY

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### BASIS FOR OPINIONS

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Arts Council England Lottery Distribution Account in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



## CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, I have concluded that the Arts Council England Lottery Distribution Account's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Arts Council England Lottery Distribution Account's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustees and Chief Executive with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Arts Council England Lottery Distribution Account is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## OTHER INFORMATION

The other information comprises information included in the Performance Report and Accountability Report, but does not include the financial statements and my auditor's certificate thereon. The Trustees and Chief Executive are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## OPINION ON OTHER MATTERS

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc Act 1993.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## MATTERS ON WHICH I REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Arts Council England Lottery Distribution Account and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Arts Council England Lottery Distribution Account or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## RESPONSIBILITIES OF THE TRUSTEES AND CHIEF EXECUTIVE FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Trustees and Chief Executive's Responsibilities, the National Council and Chief Executive are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Arts Council England Lottery Distribution Account from whom the auditor determines it necessary to obtain audit evidence;

- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the National Lottery etc Act 1993;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the National Lottery etc Act 1993; and
- assessing the Arts Council England Lottery Distribution Account's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and Chief Executive anticipates that the services provided by the Arts Council England Lottery Distribution Account will not continue to be provided in the future.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

### **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Arts Council England Lottery Distribution Account's accounting policies.
- inquired of management, Arts Council England Lottery Distribution Account's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council England Lottery Distribution Account's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Arts Council England Lottery Distribution Account's controls relating to the Arts Council England Lottery Distribution Account's compliance with the National Lottery etc Act 1993 and Managing Public Money;

- inquired of management, Arts Council England Lottery Distribution Account's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Arts Council England Lottery Distribution Account for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions, bias in management estimates and regularity of grant expenditure. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Arts Council England Lottery Distribution Account's framework of authority and other legal and regulatory frameworks in which the Arts Council England Lottery Distribution Account operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Arts Council England Lottery Distribution Account. The key laws and regulations I considered in this context included National Lottery etc Act 1993 and Managing Public Money.

I considered the controls in place at the Arts Council England to prevent, detect and correct material irregularity of grant expenditure.

## Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Performance and Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the National Council and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I tested a sample of grant expenditure to gain assurance that grants had been spent on intended purposes.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

## Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

## Report

I have no observations to make on these financial statements.

**Gareth Davies**  
**Comptroller and Auditor General**

10 JULY 2025

**National Audit Office**  
 157–197 Buckingham Palace Road  
 Victoria  
 London  
 SW1W 9SP

## STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025

	NOTE	31 MARCH 2025 £000	31 MARCH 2024 £000
<b>INCOME</b>			
Share of proceeds from the National Lottery Distribution Fund	2	<b>250,259</b>	240,513
Investment returns on the Distribution Fund	2	<b>12,035</b>	11,719
		<b>262,294</b>	252,232
Other income	3	<b>459</b>	448
<b>Total income</b>		<b>262,754</b>	252,680
<b>EXPENDITURE</b>			
<b>Grant expenditure:</b>			
Grant commitments made in the year		<b>135,690</b>	191,522
Less: lapsed and revoked commitments		<b>(2,400)</b>	(3,651)
Net grant commitments	10	<b>133,290</b>	187,871
<b>Other expenditure:</b>			
Other operating costs		<b>15</b>	32
Invoiced Arts expenditure		<b>1,085</b>	1,132
Costs apportioned from Grant-in-Aid accounts	6	<b>20,061</b>	18,764
<b>Total expenditure</b>		<b>154,451</b>	207,799
<b>Total comprehensive expenditure for the year ended 31 March</b>		<b>108,303</b>	44,881

ALL INCOME AND EXPENDITURE DISCLOSED ABOVE RELATES TO CONTINUING ACTIVITIES.  
THE NOTES ON PAGES 195 TO 215 FORM PART OF THESE ACCOUNTS.



## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

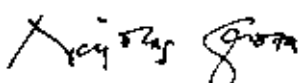
	NOTE	31 MARCH 2025 £000s	31 MARCH 2024 £000s
<b>CURRENT ASSETS</b>			
Trade and other receivables	9	<b>192</b>	11
Investments: balance in the National Lottery Distribution Fund	2	<b>156,557</b>	174,424
Cash and cash equivalents	14	<b>127</b>	1,050
<b>Total current assets</b>		<b>156,876</b>	175,485
<b>CURRENT LIABILITIES</b>			
Grant liabilities due within one year	10	<b>198,731</b>	203,034
Trade and other payables	11	<b>60</b>	83
Due to Grant-in-Aid accounts	19e	<b>4,490</b>	4,139
<b>Total current liabilities</b>		<b>203,281</b>	207,256
<b>Net current (liabilities)/assets</b>		<b>(46,405)</b>	(31,771)
<b>NON-CURRENT LIABILITIES</b>			
Grant liabilities due in more than one year	10	<b>13,501</b>	136,439
<b>Net Liabilities</b>		<b>(59,906)</b>	(168,210)
<b>EQUITY</b>			
General reserve		<b>(59,906)</b>	(168,210)
		<b>(59,906)</b>	(168,210)

THE NOTES ON PAGES 195 TO 215 FORM PART OF THESE ACCOUNTS.



**Dr Darren Henley CBE**  
Chief Executive

9 JULY 2025



**Sir Nicholas Serota CH**  
Chair

9 JULY 2025

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	NOTE	2024/25 £000s	2023/24 £000s
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Funds received from the National Lottery Distribution Fund	2	<b>280,161</b>	288,606
Other cash receipts		<b>278</b>	446
Grants paid	10	<b>(260,530)</b>	(267,954)
Cash paid to Grant-in-Aid accounts		<b>(19,710)</b>	(19,820)
Other cash payments		<b>(1,122)</b>	(1,190)
<b>Net cash inflow/(outflow) from operating activities</b>	12	<b>(923)</b>	88
<b>Net increase/(decrease) in cash and cash equivalents</b>	13/14	<b>(923)</b>	88
<b>Cash and cash equivalents at beginning of period</b>		<b>1,050</b>	962
<b>Cash and cash equivalents at end of period</b>		<b>127</b>	1,050

THE NOTES ON PAGES 195 TO 215 FORM PART OF THESE ACCOUNTS.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	GENERAL RESERVE 2024/25 £000s	TOTAL RESERVES 2024/25 £000s	TOTAL RESERVES 2023/24 £000s
Closing reserve position 31 March 2024	<b>(168,209)</b>	<b>(168,209)</b>	(213,090)
Transferred (to)/from the statement of comprehensive net expenditure	<b>108,303</b>	<b>108,303</b>	44,881
Closing reserve position 31 March 2025	<b>(59,906)</b>	<b>(59,906)</b>	(168,209)

THE NOTES ON PAGES 195 TO 215 FORM PART OF THESE ACCOUNTS

## NOTES TO THE LOTTERY DISTRIBUTION ACCOUNTS

### 1. ACCOUNTING POLICIES

#### 1a. BASIS OF PREPARATION

We have prepared these accounts in accordance with the National Lottery etc Act 1993 (as amended) and directions issued thereunder by the Secretary of State for Culture, Media and Sport with the consent of HM Treasury and the 2024/25 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate for the particular circumstances of the Arts Council Lottery distribution accounts for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Arts Council Lottery distribution accounts are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

Arts Council England continues to adopt the going concern concept in the preparation of the Lottery accounts. Grant commitments for future years have been entered into after taking account of income projections provided by Allwyn. Arts Council England assumes that the Lottery will continue to operate and the transfer of operations from Camelot to Allwyn will have no material impact on Lottery income.

Last year the Statement of Financial Position showed a deficit of £168 million. This year the position has moved to a deficit of £60 million. The reason for this is that, unlike Grant-in-Aid, the full amount of Lottery grant commitments are shown in the accounts in the year when the commitment is made. In 2022/23 we entered into our new four-year investment round, which meant those National Portfolio

Organisations which are being funded through the Lottery distribution accounts showed the full four-year commitment in 2022/23 of £428 million, for activity and payments which will take place over the period 2022-26. The deficit showing at the end of 2024/25 will be eliminated during 2025/26 as we make payments against the grants that were committed in 2022/23.

The accounts are prepared on a historic cost basis. Separate accounts have been prepared for the activities funded from Grant-in-Aid, in accordance with the directions issued by the Secretary of State. Full consolidated accounts have not been prepared.

#### 1b. RECOGNITION OF INCOME AND EXPENDITURE

All income and expenditure are accounted for on a receivable and payable basis. Income from the National Lottery is recognised in the Accounts when information is provided to Arts Council England by the National Lottery Distribution Fund. Grant commitments are recognised as expenditure in the Accounts when the offer is made to the grant applicants. Grant commitments payable within one year of the balance sheet date are recognised in the balance sheet as current liabilities. Those payable more than one year from the balance sheet date are shown as grant commitments over one year. Other expenditure is recognised in the Accounts when goods and services have been received or when there is a contractual obligation to pay.

#### 1c. NATIONAL LOTTERY DISTRIBUTION FUND

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport. However, the share of these balances attributable to Arts Council England is as shown in the accounts and, at the date of the statement of financial position, has been notified by the Secretary of State for Culture, Media and Sport as being available for distribution by Arts Council England for current and future commitments.

#### 1d. TAXATION

Arts Council England is considered to pass the tests set out in paragraph 1, schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Although the Lottery Accounts are prepared under IFRS rather than Charities SORP, Arts Council England is a registered charity (registration number 1036733) and therefore exempt from taxation.

Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen in the year.

#### 1e. PENSIONS

We provide a defined benefit pension scheme for our employees (the Arts Council Retirement Plan 1994) and are a participating employer in the West Yorkshire Pension Fund.

The Arts Council Retirement Plan is a multi-employer scheme and we cannot identify our share of the underlying assets and liabilities. As the Scheme does not monitor individual asset shares, there is no consistent reliable way of allocating the assets between employers. We have therefore accounted for this scheme as if it were a defined contribution scheme, in accordance with Charities SORP (FRS102), with the costs of the scheme being charged to the statement of financial activities. The West Yorkshire Pension Fund is also a multi-employer scheme, but, as a local government pension scheme, we are able to identify our share of the underlying assets and liabilities and have therefore accounted for this scheme in line with Charities SORP (FRS102).

All pensions adjustments are charged through the Grant-in-Aid accounts and recharged to the Lottery distribution accounts.

In order to meet the pension auto-enrolment requirements, we also provide a defined contribution scheme for staff who are automatically enrolled (via The People's Pension).

#### 1f. APPORTIONED COSTS

Arts Council England incurs indirect costs, which are shared between activities funded from Grant-in-Aid and activities funded from the National Lottery. We are required to apportion indirect costs properly between the two areas in accordance with good accounting practice. We have recharged both pay and non-pay expenditure using staff time spent on each activity as a basis for calculating the apportionment.

There is no material impact on the recharge to Lottery were IFRS a requirement for adoption for the Grant-in-Aid accounts.

#### 1g. FINANCIAL INSTRUMENTS

In accordance with the Lottery accounts direction, realised profits and losses on investments are recognised within the Statement of Comprehensive Net Expenditure (SoCNE).

#### 1h. POLICY ON RESERVES

Reserves held within the Lottery distribution accounts represent the difference between the amount allocated to Arts Council England and the amount committed.

#### 1i. STANDARDS ISSUED BUT NOT YET EFFECTIVE

IFRS 17: Insurance Contracts replaces IFRS 4: Insurance Contracts and is to be included in the FReM for mandatory implementation from 2025-26. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this Standard. Due to the type of activity carried out by Arts Council England, IFRS 17 is not expected to have a material impact on the accounts.

## 2. NATIONAL LOTTERY DISTRIBUTION FUND

	2024/25 £000s	2023/24 £000s
Balance at 1 April	<b>174,424</b>	210,799
Share of proceeds from the National Lottery Distribution Fund	<b>250,259</b>	240,513
Investment returns on the Distribution Fund	<b>12,035</b>	11,719
Cash drawn down	<b>(280,161)</b>	(288,606)
<b>Balance at 31 March</b>	<b>156,557</b>	174,424

THE BALANCE IN THE NATIONAL LOTTERY DISTRIBUTION FUND AT 31 MARCH 2025 IS BASED ON THE INTERIM CERTIFICATE ISSUED BY DCMS.

## 3. OTHER INCOME

GRANTS AND SPONSORSHIP RECEIVED	2024/25 £000s	2023/24 £000s
Other central Government bodies	<b>300</b>	—
Sundry	<b>159</b>	448
	<b>459</b>	448

Grants, sponsorship and donations are analysed as follows:

	2024/25 £000s	2023/24 £000s
<b>OTHER CENTRAL GOVERNMENT BODIES</b>		
National Endowment for Science, Technology and the Arts	<b>300</b>	—
<b>SUNDRY</b>		
Freelands Foundation	—	324
Other grants, sponsorship and donations	<b>159</b>	124
	<b>459</b>	448



#### 4. STAFF COSTS

No operating costs are directly charged to the Lottery accounts; all costs are initially charged to Grant-in-Aid and then recharged to the Lottery accounts based on the amount of time spent on Lottery-related activities. These are disclosed in Note 6 below.

#### 5. PENSIONS

Arts Council England are a participating employer in the Arts Council Retirement Plan (1994) and the West Yorkshire Pension Fund (WYPF) and also contribute to a group personal pension arrangement.

All transactions generated as a result of the FRS102 report are charged initially to the Grant-in-Aid accounts. The costs are then recharged across to the Lottery accounts in the same ratio as other salary costs. This ensures that both Grant-in-Aid and Lottery are correctly charged with their proportion of the overall pension charges. However, the assets and liabilities of the West Yorkshire Pension Fund are shown only in the Grant-in-Aid accounts.

#### 6. COSTS APPORTIONED FROM ARTS COUNCIL ENGLAND GRANT-IN-AID ACCOUNTS

	2024/25 £000s	2023/24 £000s
Staff costs	<b>15,583</b>	14,818
Indirect staff costs	<b>(192)</b>	(59)
Premises	<b>1,066</b>	1,030
Supplies and services	<b>1,646</b>	1,442
Travel & Subsistence	<b>413</b>	379
Professional Fees	<b>707</b>	734
Central Costs	<b>185</b>	169
Other Recharges – contribution to Capital	<b>653</b>	250
	<b>20,061</b>	18,763
Corporate governance costs included above	<b>1,532</b>	1,500

## 7. (DECREASE)/INCREASE IN LOTTERY FUNDS

	2024/25 £000s	2023/24 £000s
Stated after charging:		
(a) Auditors' remuneration	<b>71</b>	69
(b) Staff travel, subsistence and hospitality	<b>413</b>	379

The fee for the statutory audit in 2024/25 is £71,070 (2023/24: £69,000). There were no fees payable to the auditors for non-audit services.

## 8. NON-CURRENT ASSETS

Lottery accounts are charged their share of the depreciation of assets employed across all Arts Council activities. All tangible fixed assets are recognised on the Grant-in-Aid balance sheet and it is not possible to allocate them across accounts.

## 9. RECEIVABLES

	31 MARCH 2025 £000s	31 MARCH 2024 £000s
Other receivables	<b>192</b>	11
	<b>192</b>	11

## 10. GRANT COMMITMENTS

In line with the 2014/15 Lottery Directions, issued by the Secretary of State, commitments are now accounted for when the decision to award grants has been made and communicated to the grant recipient.

	31 MARCH 2025 £000s	31 MARCH 2024 £000s
Grant liabilities brought forward	<b>339,472</b>	419,556
Grant commitments made	<b>135,690</b>	191,522
Less: lapsed and revoked commitments	<b>(2,400)</b>	(3,651)
Grant liabilities paid	<b>(260,530)</b>	(267,954)
<b>Balance of grant liabilities outstanding carried forward</b>	<b>212,232</b>	339,472

AGEING OF GRANT LIABILITIES:	31 MARCH 2025 £000s	31 MARCH 2024 £000s
2023/24	<b>N/A</b>	203,034
2024/25	<b>198,731</b>	131,708
2025/26	<b>10,949</b>	4,530
2026/27	<b>1,714</b>	200
2027/28	<b>838</b>	–
	<b>212,232</b>	339,472

## 11. CURRENT LIABILITIES

	31 MARCH 2025 £000s	31 MARCH 2024 £000s
Trade payables	<b>47</b>	70
Other payables	<b>13</b>	13
	<b>60</b>	83

## 12. CASH FLOW RECONCILIATION

RECONCILIATION OF OPERATING SURPLUS/(DEFICIT) TO NET CASH FLOW FROM OPERATING ACTIVITIES	2024/25 £000s	2023/24 £000s
Operating surplus	<b>108,303</b>	44,881
Decrease in NLDF Balance	<b>17,867</b>	36,375
Increase in receivables and prepayments	<b>(181)</b>	(2)
Decrease in payables and grants outstanding	<b>(126,912)</b>	(81,165)
<b>Net cash inflow/(outflow)</b>	<b>(923)</b>	88

## 13. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN FUNDS

	2024/25 £000s	2023/24 £000s
Increase/(decrease) in cash and cash equivalents in the year	<b>(923)</b>	88
Funds at 1 April	<b>1,050</b>	962
Funds at 31 March	<b>127</b>	1,050

## 14. CASH AND CASH EQUIVALENTS

	1 APRIL 2024 £000s	CASH FLOW £000s	31 MARCH 2025 £000s
Cash at bank and cash equivalents	1,050	(923)	<b>127</b>
	1,050	(923)	<b>127</b>

## 15. LEASES

There were no commitments under non-cancellable operating leases at 31 March 2025 (31 March 2024: £nil).

## 16. CAPITAL COMMITMENTS

There were no contracted capital commitments as at 31 March 2025 (31 March 2024: £nil).

## 17. CHARGES ON ASSETS

Since January 2018, the standard conditions for Grant-in-Aid and Lottery capital grants for building projects of between £500,000 and £5 million give the Arts Council the option to seek security over land or buildings to prevent the assets being sold, mortgaged or put to an alternative use without the Arts Council's consent. For grants below £1 million, Arts Council England would request a deed of covenant and restriction on title. For grants above £1 million, Arts Council England would register a legal charge over the asset. Arts Council England has not needed to exercise these options during 2024/25.

## 18. RECONCILIATION OF TRANSACTIONS WITH DELEGATE BODY

### 18a. NATIONAL FOUNDATION FOR YOUTH MUSIC

The National Foundation for Youth Music (NFYM) is a delegate body of Arts Council England in distributing Lottery funds.

TRANSACTIONS RECORDED IN THE ACCOUNTS:	2024/25 £000s	2023/24 £000s
Opening grant creditor balance as at 1 April	<b>19,302</b>	28,953
Grant commitment in the year	–	–
Grant payments in the year	<b>(9,651)</b>	(9,651)
Closing grant creditor balance as at 31 March	<b>9,651</b>	19,302

### 18b. VICTORIA & ALBERT MUSEUM (V&A)

The Victoria & Albert Museum (V&A) is a delegate body of Arts Council England in distributing Lottery funds.

TRANSACTIONS RECORDED IN THE ACCOUNTS:	2024/25 £000s	2023/24 £000s
Opening grant creditor balance as at 1 April	<b>1,500</b>	188
Grant commitment in the year	–	1,500
Grant payments in the year	<b>(750)</b>	(188)
Closing grant creditor balance as at 31 March	<b>750</b>	1,500



## 18c. UNIVERSITY OF THE ARTS LONDON

The University of the Arts London (trading as Artsquest) is a delegate body of Arts Council England in distributing Lottery funds.

TRANSACTIONS RECORDED IN THE ACCOUNTS:	2024/25 £000s	2023/24 £000s
Opening grant creditor balance as at 1 April	<b>255</b>	382
Grant commitment in the year	–	–
Grant payments in the year	<b>(128)</b>	(127)
<b>Closing grant creditor balance as at 31 March</b>	<b>127</b>	<b>255</b>

## 18d. CREATIVE KERNOW LTD

Creative Kernow Ltd is a delegate body of Arts Council England in distributing Lottery funds.

TRANSACTIONS RECORDED IN THE ACCOUNTS:	2024/25 £000s	2023/24 £000s
Opening grant creditor balance as at 01 April	<b>433</b>	650
Grant commitment in the year	–	–
Grant payments in the year	<b>(216)</b>	(217)
<b>Closing grant creditor balance as at 31 March</b>	<b>217</b>	<b>433</b>

## 18e. CAUSE4 LTD

Cause4 Ltd is a delegate body of Arts Council England in distributing Lottery funds.

TRANSACTIONS RECORDED IN THE ACCOUNTS:	2024/25 £000s	2023/24 £000s
Opening grant creditor balance as at 1 April	1,019	1,528
Grant commitment in the year	–	–
Grant payments in the year	(510)	(509)
<b>Closing grant creditor balance as at 31 March</b>	<b>509</b>	<b>1,019</b>

## 19. FINANCIAL INSTRUMENTS

Cash requirements for Lottery expenditure are met by drawing down against weekly forecasts of need from the balances held on behalf of the Arts Council by the National Lottery Distribution Fund. At 31 March 2024 the fund balance was £174 million. This had decreased to £157 million by 31 March 2025, at which point there were £212 million of grant commitments yet to be paid out.

In budgeting for current expenditure, the Arts Council balances the anticipated outflow of cash payments against grant commitments along with forward forecasts of Lottery income provided by Allwyn. This means that the Arts Council is exposed to little immediate credit, liquidity or market risk.

## 19a. LIQUIDITY RISK

In 2024/25, 99.83 per cent of Arts Council England's income derived from the National Lottery and the investment returns from the balances held with the National Lottery Distribution Fund.

	£000s
At the balance sheet date, Arts Council England had net assets of:	(59,907)

We are not exposed to significant liquidity risks, and are satisfied that we have sufficient current liquid resources to cover our projected payments of £199 million over the next financial year.

LIQUID ASSETS AS AT 31 MARCH 2025:	£000s
Market value of National Lottery Distribution Fund investments	156,557
Cash and cash equivalents	127

## 19b. INTEREST RATE RISK

In accordance with the National Lottery Act 1998, National Lottery income receivable by Arts Council England is passed by the National Lottery Distribution Fund to the Commissioners for the Reduction of National Debt who invest the income in a narrow band of low-risk assets such as Government bonds and cash. Arts Council England has no control over the investment of funds on their behalf. The management of the National Lottery Distribution Fund meets with representatives of the Commissioners for the Reduction of National Debt on a regular basis to manage the risks associated with the investment of these monies.

At the balance sheet date, the market value of the Arts Council's share of the National Lottery Distribution Fund was £156,557,420.

In the year, the average return on these investments was 4.95 per cent (2023/24: 5.16 per cent).

	FUND BALANCE £000s	INVESTMENT RETURN £000s	AVERAGE RETURN	PROPORTION OF TOTAL INCOME
2024/25	156,557	12,035	4.95%	4.58%
2023/24	174,424	11,719	5.16%	4.64%
2022/23	210,799	4,952	2.32%	1.96%
2021/22	193,770	357	0.19%	0.14%
2020/21	210,563	148	0.10%	0.06%
2019/20	256,637	1,199	0.72%	0.48%

Cash balances which are drawn down by Arts Council England from the National Lottery Distribution Fund to pay grant commitments and operating costs are held in the Government Banking Service.

The cash balance at the year end was £126,893.78.

## 19c. FOREIGN CURRENCY RISK

Our exposure to foreign currency risk is not significant as less than 1 per cent of transactions by value are processed in currencies other than sterling.

## 19d. FINANCIAL ASSETS BY CATEGORY

	2024/2025 £000s	2023/2024 £000s
<b>RECEIVABLES DUE WITHIN ONE YEAR</b>		
Other receivables	192	11
	192	11
<b>INVESTMENTS</b>		
National Lottery Distribution Fund	156,557	174,424
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents	127	1,050
<b>Total financial assets</b>	<b>156,876</b>	<b>175,485</b>

## 19e. FINANCIAL LIABILITIES BY CATEGORY

	2024/2025 £000s	2023/2024 £000s
Trade payables	48	70
Other payables	13	13
Due to Arts Council Grant-in-Aid accounts	4,490	4,139
Grant payables falling due within one year	198,731	203,034
Grant payables falling due over one year	13,501	136,439
<b>Total financial liabilities</b>	<b>216,783</b>	<b>343,694</b>

Included within the financial liabilities are amounts such as grants outstanding and deferred income.

## 20. RELATED PARTIES

## 20a. COUNCIL MEMBERS

We maintain publicly available registers in which Council members declare their interests, including any direct interests in grant applications made to, and commercial relationships with, the Arts Council. The declared interests in grant recipients along with amounts awarded for the year ended 31 March 2025 are detailed below. This includes the disclosure of relationships which are above and beyond the definition of related parties per Lottery Financial Reporting Framework.

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025 £000s	BALANCE UNPAID AS AT 31 MARCH 2025 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2025 £000s	ORGANISATION	RELATIONSHIP TYPE
Sir Nicholas Serota CH	66	33	–	Britten Sinfonia	Family member is Board Member
	37	18	–	Yorkshire Youth & Music	Family member is Employee
Abigail Pogson	150	75	–	North Music Trust	Managing Director
Andrew Lovett OBE	–	306	–	Association of Independent Museums	Chair
Andrew Miller MBE	–	1,844	–	Bradford Culture Company Ltd	Advisor/Consultant
	120	120	–	Disability Rights UK	Advisor/Consultant
	–	769	–	Graeae Theatre Company Ltd	Advisor/Consultant
	–	449	–	Royal Shakespeare Company	Deputy Chair
	–	79	–	Screen South	Consultant: Creating for Change Museums Strategic Disability Network member
Annabel Turpin	–	5,763	–	BookTrust	Executive Director is an acquaintance
	–	160	–	Future Arts Centres	Executive Director of organisation
	30	6	–	Oldham Council	Partner is employee
	–	603	–	Sunderland Culture	Board Member
	–	228	–	UK Storyhouse Ltd	Executive Director of organisation
David Bryan CBE	455	228	–	Battersea Arts Centre	Chair of organisation
	–	169	–	Creative Lives Charity Limited	Chair of organisation
	–	2,875	–	Ovalhouse Theatre Ltd	Chair of organisation
Phil Stokes	–	7	–	Groundwork London	Trustee
Sally Shaw MBE	–	627	–	Firstsite Ltd	Executive Director



COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025 £000s	BALANCE UNPAID AS AT 31 MARCH 2025 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2025 £000s	ORGANISATION	RELATIONSHIP TYPE
Sukhy Johal MBE	80	40	–	Lincolnshire Music Service	Advisory Board Member
	–	209	–	Lincolnshire County Council	Advisory Board Member of Lincolnshire Music Service
	49	225	–	North East Lincolnshire Council	Chair
	275	382	–	The University of Lincoln	Employee
	–	50	–	UK Research & Innovation	Board Member
YolanDa Brown OBE	–	800	–	Glyndebourne Productions Ltd	Other: LPO is Resident Orchestra
	–	18	–	London Philharmonic Orchestra Ltd	Advisory Board Member
	146	73	–	PRS for Music Foundation	Board Member
	500	285	–	Southbank Centre	Advisory Board Member
	–	9,651	–	The National Foundation for Youth Music	Chair
	–	3	–	University of Kent	Arts and Culture Chancellor



The declared interests in grant recipients along with amounts awarded for the year ended 31 March 2024 are detailed below.

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Sir Nicholas Serota CH	–	–	324	Freelands Foundation	Board Member
	25	3	–	Ligeti Quartet	Family member is Manager
	–	27	–	Tate Gallery	Curator
	–	3	–	Yorkshire Youth & Music	Family member is Employee
Andrew Miller MBE	5,000	3,697	–	Bradford Culture Company Ltd	Advisor/Consultant
	–	1,538	–	Graeae Theatre Company Ltd	Advisor/Consultant
	250	25	–	Leeds 2023	Advisor/Consultant
	–	769	–	Royal Shakespeare Company	Trustee and Governor
	791	395	–	Screen South	Consultant
	–	205	–	Tête à Tête	Advisor/Consultant
	–	2,870	–	The Space	Advisor/Consultant
	3,250	1,788	–	Welsh National Opera	Trustee
Annabel Turpin	–	320	–	Future Arts Centres	Executive Director of organisation
	1,196	603	–	Sunderland Culture	Board Member
	–	456	–	UK Storyhouse Ltd	Executive Director of organisation
	29	29	–	Oldham Council	Partner is employee
David Bryan CBE	–	225	–	Battersea Arts Centre	Chair of organisation
	–	338	–	Creative Lives Charity Limited	Chair of organisation

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Elisabeth Murdoch	–	433	–	a-n The Artists Information Company	Freelands Foundation Organisation, of which Elisabeth is Founder and Chair
	–	326	–	Artcore	Freelands Foundation Organisation
	29	452	–	Bath Spa University	Freelands Foundation Organisation
	–	10	–	Bernie Grant Centre Partnership	Freelands Foundation Organisation
	624	355	–	Camden Arts Centre	Freelands Foundation Organisation
	–	496	–	Contains Art CIO	Freelands Foundation Organisation
	–	213	–	Counterpoints Arts	Freelands Foundation Organisation
	–	102	–	Drawing Room	Freelands Foundation Organisation
	–	1,664	–	Firstsite Ltd	Freelands Foundation Organisation
	–	204	–	Hastings Contemporary	Freelands Foundation Organisation
	–	–	324	Freelands Foundation	Founder and Chair
	141	1,880	–	Ikon Gallery	Freelands Foundation Organisation
	–	20	–	Institute of International Visual Arts	Freelands Foundation Organisation
	–	45	–	Leeds Museums and Galleries	Freelands Foundation Organisation
	–	25	–	Manchester Metropolitan University	Freelands Foundation Organisation
	–	1,818	–	Modern Art Oxford	Freelands Foundation Organisation
	–	89	–	National Art Collections Fund	Freelands Foundation Organisation
	450	650	–	Rosetta Art Centre CIO	Freelands Foundation Organisation
	–	855	–	Serendipity	Freelands Foundation Organisation
	–	1,629	–	Sheffield Museums Trust	Freelands Foundation Organisation
	–	740	–	Spike Island Artspace Ltd	Freelands Foundation Organisation
	–	8	–	Studio Voltaire	Freelands Foundation Organisation

COUNCIL MEMBER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Elisabeth Murdoch (continued)	–	27	–	Tate Gallery	Freelands Foundation Organisation
	–	1,846	–	The Hepworth Wakefield Trust	Freelands Foundation Organisation
	95	66	–	The Line	Freelands Foundation Organisation
	443	294	–	Tyne & Wear Archives & Museums	Freelands Foundation Organisation
	–	255	–	University of the Arts London (trading as Artquest)	Freelands Foundation Organisation
	30	30	–	University of Wolverhampton	Freelands Foundation Organisation
	199	174	–	Whitechapel Gallery	Freelands Foundation Organisation
	30	16	–	Whitworth Art Gallery	Freelands Foundation Organisation
	–	935	–	Wysing Arts Centre	Freelands Foundation Organisation
Paul Roberts	–	7	–	Nottingham Trent University	Steering Group Member
Sally Shaw MBE	–	1,664	–	Firstsite Ltd	Executive Director
Sukhy Johal MBE	481	225	–	Create North East Lincolnshire	Chair
	–	2	–	Lincolnshire Music Service	Advisory Board Member
	–	368	–	The University of Lincoln	Employee
William Bush CBE	–	15	–	Shobana Jeyasingh Dance Company	Family member is Board Member
YolanDa Brown OBE	183	72	–	London Philharmonic Orchestra	Advisory Board Member
	–	1,600	–	Glyndebourne Productions Ltd	Other: LPO is Resident Orchestra
	–	35	–	Southbank Centre	Advisory Board Member
	–	19,302	–	The National Foundation for Youth Music	Chair

## 20b. DIRECTORS AND SENIOR MANAGERS

Executive directors and senior managers in Arts Council England are also required to declare any direct interests in grant applications made to, and commercial relationships with, the Arts Council. The declared interests in grant recipients along with amounts awarded for the year ended 31 March 2025 are detailed below.

DIRECTOR OR SENIOR MANAGER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025 £000s	BALANCE UNPAID AS AT 31 MARCH 2025 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2025 £000s	ORGANISATION	RELATIONSHIP TYPE
Laura Dyer	–	251	–	Bath Spa University	Family member attends the university
	250	152	–	Tate Gallery	Friend is an employee
Michelle Walker	30	30	–	Flintlock Theatre	Advisory Board Member
	41	21	–	Terrestrial	Employee
Peter Knott	92	46	–	Moving Together	Board Member
Phil Gibby	–	109	–	Academy for Contemporary Circus and Physical Theatre t/a Circomedia	Family member is Advisor/Consultant
	48	24	–	Action Hero	Family member is Advisor/Consultant
	46	16	–	Can't Sit Still	Family member is Board Member
	92	46	–	Moving Together	Board Member
	–	370	–	Northern Lines	Family member is Advisor/Consultant
	44	22	–	The Firebird Theatre	Family member is Advisor/Consultant
Rebecca Ball	–	603	–	Sunderland Culture	Employee
Simon Mellor OBE	–	251	–	Bath Spa University	Partner is an employee
	–	603	–	Sunderland Culture	Employee
	–	136	–	The Warren Youth Project	Friend is an employee



The declared interests in grant recipients along with amounts awarded for the year ended 31 March 2024 are detailed below.

DIRECTOR OR SENIOR MANAGER	EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024 £000s	BALANCE UNPAID AS AT 31 MARCH 2024 £000s	PAYMENTS RECEIVED AS AT 31 MARCH 2024 £000s	ORGANISATION	RELATIONSHIP TYPE
Dr Darren Henley CBE	–	25	–	Manchester Metropolitan University	Financial donor
Michelle Walker	16	–	–	Wandsworth Council	Employee
Simon Mellor OBE	29	452	–	Bath Spa University	Partner is an employee
	–	272	–	The Warren Youth Project	Family relationship with employees

The declared interests of National Council members and Executive Board are available at the following link:

**[www.artscouncil.org.uk/our-organisation/national-council](http://www.artscouncil.org.uk/our-organisation/national-council)**

The Remuneration Report (page 111) contains details of payments made to key personnel.



## 20c. OTHER GOVERNMENT BODIES

The Department for Culture, Media and Sport is the sponsoring department for Arts Council England and is regarded as a related party. The National Lottery Distribution Fund is similarly regarded as related party by virtue of their funding relationships with the Arts Council. At the year end, Arts Council England had the following balances outstanding with other Government bodies:

	PAYABLES 31 MARCH 2025 £000s	RECEIVABLES 31 MARCH 2025 £000s	PAYABLES 31 MARCH 2024 £000s	RECEIVABLES 31 MARCH 2024 £000s
Balances with other DCMS Government bodies	<b>1,013</b>	<b>156,557</b>	1,861	174,424
Balances with other central Government bodies	<b>229</b>	–	10	–
Balances with academies	<b>1,460</b>	–	2,041	–
Balances with local authorities	<b>20,820</b>	<b>13</b>	22,426	–
Balances with NHS Trusts	–	–	832	–
Balances with public corporations and trading funds	–	–	–	–

	EXPENDITURE 31 MARCH 2025 £000s	INCOME 31 MARCH 2025 £000s	EXPENDITURE 31 MARCH 2024 £000s	INCOME 31 MARCH 2024 £000s
Transactions with other DCMS Government bodies	<b>325</b>	<b>262,294</b>	1,516	252,232
Transactions with other central Government bodies	<b>74</b>	<b>300</b>	–	–
Transactions with academies	<b>723</b>	–	86	–
Transactions with local authorities	<b>12,761</b>	<b>7</b>	14,625	–
Transactions with NHS Trusts	–	–	68	1
Transactions with public corporations and trading funds	–	–	–	–

## 21. CONTINGENT ASSETS OR LIABILITIES

The National Lottery distributors are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675 million to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority (GLA) dated 29 March 2012, which sets out the distribution of funds between the GLA and the Lottery distributors (via DCMS). We continue to engage with the GLA on forecasts for land sales on the Olympic Park. However, the level of uncertainty around it means that the financial effect cannot currently be measured with sufficient reliability.

Arts Council England did not have any contingent liabilities as at 31 March 2025.

## 22. EVENTS AFTER THE REPORTING PERIOD

In accordance with the requirements of IAS 10, events after the balance sheet date, post balance sheet events, are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the independent auditor's report to the Trustees of Arts Council England.

There were no post balance sheet events between the year end and when the accounts were authorised for issue on the date the Comptroller and Auditor General certified the accounts. The financial accounts do not reflect events after this date.

## 23. LOSSES AND SPECIAL PAYMENTS

Losses and special payments are payments which would not normally be made in the course of business. Examples of such payments are lease exit payments, compensation payments, losses relating to grants or ex-gratia payments. In the case of grant losses, this could be due to a grant withdrawal being impossible to recoup as a result of liquidation. The number and value of losses during 2024/25 were as follows:

	2024/2025 £000s	2023/2024 £000s
Total value of losses	<b>15</b>	32
Total number of losses	<b>1</b>	1





# National Lottery report

**As one of the distributors of the proceeds of the National Lottery, we are required to report on a number of areas relating to how we decide to distribute Lottery funds and the administration of our grants programmes.**

## POLICY DIRECTIONS

Under the National Lottery etc Act 1993, the Secretary of State issued Policy Directions in November 2007, which we must take into account from April 2008 in distributing National Lottery funds. The Policy Directions were updated in October 2016 and are set out below, with a short explanation of how the directions have been met.

The references below relate to the National Lottery etc Act 1993 as amended by the National Lottery Act 1998 and subsequent Acts.

### **a) The need to involve the public and local communities in making policies, setting priorities and distributing money**

Our 10-year strategy for the arts, libraries and museums, **Let's Create**, guides all of our investment, development and advocacy work. The Strategy has been shaped by the views of artists, arts and cultural organisations, the public and our many other stakeholders and partners.

### **b) Its assessment of the needs of the arts and culture and its priorities for addressing them**

**Let's Create** sets out our commitment to our mission and our three Outcomes – Creative People, Cultural Communities, and A Creative and Cultural Country. It also brings together our responsibilities across the arts and the wider cultural sector. Alongside our **Delivery**

**Plan** it describes what success looks like, and how we measure progress towards the Outcomes.

With its focus on place and individual creativity this Strategy directs Arts Council England to work with its partners to bring about positive change throughout the arts, museums and libraries. It helps create the conditions in which art and culture can be presented and produced, experienced and appreciated as widely as possible. It enables us to focus our investment where it can achieve the greatest impact. It supports the development of world-class museums and great libraries that engage diverse audiences. It sustains us as we work to maintain and enhance England's status as a leading cultural force in the world.

### **c) The need to increase access and participation for those who do not currently benefit from the cultural opportunities available in England**

The Creative People and Places (CPP) programme funds arts and culture projects in the bottom 33 per cent engaged places in arts and culture according to the Active Lives Survey.

The aims of the fund are:

- to engage more people from eligible places in a wide range of arts and cultural experiences as audiences and/or participants
- to empower communities to lead and shape local cultural provision
- to ensure excellence and relevance in both the engagement process and the creative and cultural experiences on offer
- to encourage partnerships between publicly funded, amateur, voluntary, community and commercial sectors, as well as collaboration across various cultural institutions



In 2024/25, Arts Council England used National Lottery investment to fund 38 CPP projects (delivered by consortiums) across 57 local authorities – all of them amongst the least engaged places in England according to the available data.

Since 2012/13, there have been over 17 million engagements with the CPP programme, and 90 per cent of people who participate in CPP weren't previously engaging regularly with creativity and culture.

#### **d) The need to inspire children and young people, awakening their interest and involvement in the arts**

In 2024/25, six organisations were awarded £150,000 each from the National Lottery to continue to deliver the In Harmony programme. The programme is delivered across over 50 schools, working with over 10,000 pupils over an academic year.

The In Harmony programme aims to inspire and transform the lives of children and families in disadvantaged communities, through the power and discipline of ensemble music-making. Children and young people engage in intensive and high-quality musical opportunities through in-school and out-of-school provision, underpinned by a long-term partnership between a school and a music delivery organisation.

The programme is embedded into the school curriculum and addresses the whole family and community (supporting social, educational, and musical outcomes). It provides sustained and committed connection between inspirational professional musicians/organisations, schools, and communities. The centralising of large ensemble playing provides a 'democratic' space in which many children and young people (and indeed teachers and school-based staff) can participate and progress equitably.

The programme has synergy with all three of **Let's Create** Outcomes, with a primary focus on social change. The programme has

consistently evidenced impact on social, educational, and musical outcomes for children and young people facing barriers to participation, supporting them to progress their musical interests and potential.

#### **e) The need to foster local community initiatives which bring people together, enrich the public realm and strengthen community spirit**

The 38 Creative People and Places Programmes receiving funding drawn from National Lottery funds in 2024/25 continue to innovate around enabling communities to take the lead in deciding what arts and culture activities they would like to experience in their place. Each of these programmes has put communities and community decision-making at the heart of arts and culture and have made significant contributions to strengthening community spirit, enriching the public realm and bringing people together through arts and culture. Two examples of CPP projects which have been continuing to innovate, develop and deliver with their communities in 2024/25 are:

##### **Appetite CPP**

In August 2024, Appetite CPP delivered the tenth anniversary edition of The Big Feast – a free, outdoor event in Stoke-on-Trent where art and artists pop up in streets, buildings and underused spaces of the city centre. This annual event is programmed by and with the community in Stoke on Trent and brings everyone together in a huge celebration of Arts and Culture in the town centre.

##### **Heart of Glass CPP**

Heart of Glass in St Helens and Knowsley is also celebrating 10 years since they began their Creative People and Places journey. One 2024/25 project is 'How to look after a grieving elephant and other social animals', a children's participatory project about grief with artist Jenny Gaskill. The project culminated in the creation of an art installation, which is travelling to different St Helens locations from December 2024 to December 2025. Visitors are invited to pick up a phone receiver and

listen to children's heartfelt advice on how to care for grieving animals, opening up a compassionate way to consider grief and loss, inspired by the ways animals naturally support each other.

#### **f) The need to support volunteering and participation in the arts and community arts**

The projects we support through our National Lottery Project Grants programme offer important opportunities for communities to volunteer and participate in the arts and to play a central role in how these projects are shaped and delivered within their community. Major Projects is a strand of our National Lottery Project Grants programme designed to support cultural projects of scale and ambition that will help us to deliver our strategic Outcome, A Creative and Cultural Country.

Through our Major Projects strand, we awarded National Literacy Trust £980,000 towards their Connecting Stories Project.

Through this project, they aim to deliver community-led literary activities in 14 places across England including a number of Arts Council England's Priority Places such as Sandwell, Stoke on Trent, Peterborough and Swindon.

They will use this funding in 2025 and 2026 to reach an estimated 30,000 disadvantaged children and young people and their families, bringing high-quality literary activities in schools and community spaces. A core principle of the Connecting Stories project is that all literary activities are inclusive and relevant, community-led and use local community stories. To achieve this aim, they will activate volunteers, known as Literacy Champions, to be credible community voices and to provide targeted, tailored messaging, bringing communities closer to the design and delivery of activities. They seek to ensure that communities are involved in decision making and to increase access and participation in literary activities at a hyperlocal level.

#### **g) The need to encourage new talent, innovation, and excellence and help people to develop new skills**

Developing Your Creative Practice (DYCP) supports individual creative and cultural practitioners to focus on their development and take them to the next stage of their practice.

Joanne is a freelance consultant and coach with many years of experience leading and working in public, academic and specialist libraries. As a freelancer since early 2020, Joanne wanted time to deepen and broaden her practice, and to focus on sector developments, innovation and best practice to inform her work and best support library and other arts sector clients in the future.

Joanne says: "I'm passionate about the role of libraries, their place at the heart of communities, reflecting and responding to local needs. My main aims are to enable me to sustain and grow my business as a creative freelancer specialising in libraries, and bring my learning to library services for the benefit and sustainability of their services to the public."

Joanne's period of development includes attending the CILIP Professional Leadership conference and the Next Library conference. It also includes a study tour of Northern European libraries, seeking mentorship, and building networks and connections with Library leaders and innovators whilst gathering tools and resources.

Andrea is a multidisciplinary artist whose work is rooted in the dynamic relationship between sound and image, driven by their unique perspective as a deaf artist. Since 2012, their journey has involved commissions and collaborations with a range of artists and organisations including Brighter Sound, Tate Liverpool and Delia Derbyshire Day.

At a critical juncture of their career, the DYCP grant means they can learn new 3D and AI tools to evolve their visual language, as well as taking the time to develop and expand on their existing networks by seeking new collaborations.

Andrea's development activity includes a tailored online training programme, followed by weekly mentoring sessions. This intensive learning phase will give way to hands-on experimentation and testing of Andrea's new knowledge. Attending Ars Electronica Festival will provide access to a network of innovative professionals and potential future collaborations.

Andrea says: "Learning at my own pace, with guidance from mentors and accessible training, will build my confidence and independence as a creator and technologist... Ultimately, this development will push boundaries of my practice, creating work that is not only more innovative but also more inclusive and impactful."

**h) The need to ensure that money is distributed for projects which promote public value and which are not intended primarily for private gain**

All of our application processes require applicants for funding to clearly demonstrate the expected public benefit of their proposed activity. We give this careful consideration during our assessment processes.

**i) The need to further the objectives of sustainable development**

We now ask everyone applying to National Lottery Project Grants for more than £30,000 about what they are doing to make their project environmentally responsible. Environmental Responsibility is one of our four Investment Principles, and responses to this question form part of our consideration in decision making. Collectively, they provide us with a rich and exciting insight into what applicants are doing to move their practice and their projects in an environmentally

responsible direction now, across a vast variety of project types, disciplines and scales.

Thick and Tight were awarded £84,311 to make 12 short works making up 'Natural Behaviour': a series of performed portraits that form a dance experience merging variety show, gallery exhibition and science event. They aim to engage people in the difficult but vital topics of ecological crisis and the experiences of marginalised communities. This unique body of work with social engagement at its heart will form their core touring rep for 2025 and beyond.

The grant holder has placed environmental responsibility at the centre of the project: they are working with an environmental consultant to support them in making environmentally sustainable decisions across the project, and are undertaking carbon literacy training as a team. They're creating an Environmental Action Plan, and utilising available resources to calculate and analyse their carbon data. They're developing a Green Rider and green policies for use in their future touring, and are requesting environmental policies from key project partners. They will create an Environmental Sustainability Report outlining their journey, and will use this learning and data to make well-judged, data-based decisions for future touring phases and for their wider practice. It will be shared with others to assist benchmarking in the sector.

For over 30 years the National Forest has worked in partnership to transform a post-industrial landscape across 200 square miles of the Midlands, delivering social, economic and environmental benefits and demonstrating how trees can be the catalyst for regeneration and a positive future in the face of climate change. In 2024/25 the National Forest Company was awarded £74,102 towards a programme of four multi-artform collaborative projects that creatively explore connections to nature and green spaces with underserved communities in the Midlands. Through commissions, residencies

and other opportunities to co-create and participate, the projects provide a creative platform for climate care and action in a place where art, community and nature intersect.

The National Forest aims to be carbon neutral by 2045. Its Arts and Creativity Strategy commits to supporting environmental responsibility across the sector, reducing negative environmental impact and inspiring climate action. This project seeks to reduce carbon emissions, encourage low impact, circular methods of production and embed earth care and responsibility in its activities. Travel data is being gathered for all artists and partners, and participants where possible, to give a baseline for future projects. The aim is for 50 per cent of artist/partner travel to be via sustainable modes.

Materials and production methods will be tracked, with green procurement encouraged (eg equipment borrowed via hire or local tool library). The aim is that 70 per cent of production materials will be reused/upcycled, and that 60 per cent of procurement happens within a 30-mile radius. Underpinning this, the project team will undertake training in climate literacy and regenerative practices.

**j) The desirability of ensuring equality of opportunity, of reducing economic and social deprivation and ensuring that all areas of England have access to the money distributed**

Place Partnerships is a strand of our National Lottery Project Grants programme which supports projects which make strategic place-based interventions intended to make a long-term difference to the creative and cultural life of a local community. These projects provide a clear step change in provision in that place. They are informed by robust needs analysis and respond to relevant local strategies.

As part of our **Delivery Plan 2021-24**, we identified 54 places across England in which our investment and engagement is too low, and the opportunity for us to effectively

increase investment and engagement is high. These 54 places are known as Priority Places, and we have prioritised working with them.

One such Priority Place is Rochdale, where we have awarded the Rochdale Development Agency £750,000 for the project Rochdale Creates Place Partnership. This is an ambitious two-year Place Partnership project which aims to unite Rochdale's creative sector to deliver a strategic, flexible and responsive programme of transformational activities which can attract inward investment and respond to local needs.

According to the Office for National Statistics (ONS), Rochdale is currently the fifteenth most deprived borough in England. Historically, Rochdale has suffered from low levels of engagement and investment, and has had limited opportunities for audiences to access cultural activities and for artists to be able to build careers locally.

This project aims to respond to this need by developing opportunities for children and young people and nurturing the next generation of cultural producers and consumers in Rochdale. Through this project, they aim to create a resilient, ambitious and sustainable cultural sector, audiences and markets for culture, and a fit-for-purpose cultural infrastructure.

**k) The need to support the long-term managerial viability and leadership of organisations in the arts**

**Let's Create** sets out good governance and leadership as critical to inspiring positive change and growing teams that are inclusive, are able to draw on the widest possible range of ideas and experiences, and that can adapt to a rapidly changing external environment.

Anjali Dance Company were awarded £39,490 through National Lottery Project Grants to support their organisational development as a disabled-led dance company based in Derby.

Their project has three strands: test and develop inclusive governance structures to attract and retain disabled leaders; find a new



base for the company; and deliver specialist training for learning disabled freelancers.

Their project aims to make a difference through addressing a critical skills gap in the sector and increasing paid work opportunities for learning disabled artists, as well as demonstrating a sector-wide example of how access leads to excellence and innovative opportunities.

### **l) The desirability of working jointly with other organisations, including other distributors**

Over the past year, Arts Council England has been talking to a range of people working at scale in dance and theatre – dance companies, presenting venues, publicly funded producers and commercial producers – to identify common challenges and to co-design a new funding programme to meet the needs of the sector.

We found that increases in production and touring costs are suppressing supply and that management teams, boards and investors – facing funding challenges on a number of fronts – do not have the confidence to take a financial risk on touring. Audience behaviour has shifted due to the cost of living, meaning less predictable ticket sales and greater financial uncertainty all round. This means that less work is being produced – and where work is being produced, it may not be able to tour.

We know that producing, touring and presenting theatre and dance at scale relies on an interdependent ecology of commercial, independent and publicly funded organisations, so we asked ourselves and the sector – is there a better, self-sustaining way to get more great work to more people in more places?

The result is the Incentivising Touring scheme, launched in 2024/25, which we co-designed closely with industry representatives (including an external working group). We will award £5 million of National Lottery money in the form of repayable grants to producers of mid- and large-scale theatre and dance. Those tours

that realise their commercial potential will pay back the money to the Arts Council, allowing us to recycle the investment for other tours. It is designed to reduce some of the financial risk of touring and at the same time increase confidence and leverage other investment. The scheme is the result of consultation and deep collaboration with representatives from across the industry.

### **m) The need to ensure that all those receiving Lottery money acknowledge it using the common Lottery branding**

We recognise how important it is that the public can see how the Lottery has benefited the arts and other good causes. We make it a condition of funding for all successful applicants to acknowledge receiving Lottery funding by using the common Lottery branding. During 2024/25 our standard terms and conditions for grants have been updated to reinforce the importance and value of this condition.

### **n) The need to require an element of partnership funding, or contributions in kind from other sources, to the extent that this is reasonable to achieve for different kinds of applicants in particular areas**

All our funding programmes require applicants to demonstrate their ability to attract partnership funding from other sources when this can be reasonably expected. We believe that this is important, not only because it means that our Lottery funds go further, but also because it demonstrates that the proposed activity has the support of the wider community and others.

### **o) The need (a) to support projects which are for a specific, time-limited purpose, (b) to ensure that Arts Council England has the necessary information and expert advice to make decisions on each application and (c) for applicants to demonstrate the financial viability of projects**

We use our National Lottery funding for specific, time-limited projects. Our application materials and assessment processes have been reviewed and developed over a number of years to ensure that we have the necessary







information on which to base decisions. Applicants are always asked to provide information about the financial viability of their projects (including how they will raise match funding, whether in cash or in kind) and to describe how their projects will be managed (including how they will evaluate their work and learn/share lessons).

National Lottery funding is allocated through two main channels:

1. National Lottery Project Grants is our flagship open application programme that provides National Lottery funding to individuals and organisations and for national activities. Grants range from £1,000 to £100,000 (although we may fund activities to a higher value in exceptional circumstances) and can cover activities lasting up to three years. In 2024/25, a total of 2,596 awards were made with a total value of £105 million (2023/24: 2,951 awards with a value of £122 million).
2. Development funding is used alongside our National Portfolio investment to target particular challenges, opportunities or gaps in the delivery of our priorities. It is open to any individual, organisation or consortium that meets the eligibility criteria.

Awards support additional work, rather than the running costs of arts organisations. National Portfolio Organisations that apply need to show how work supported by development funding is additional to their core programme.

In 2024/25, 1,280 awards were made with a total value of £29 million. In 2023/24, 1,279 awards were made with a total value of £21 million.

## FINANCIAL DIRECTIONS

Under section 26(3), (3a) and 4 of the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998), the Secretary of State issued Financial Directions to Arts Council England, as set out below:

The Arts Council of England ('the Council') shall comply with the requirements contained within the attached Statement of Financial Requirements, which have the status of Directions under section 26 of the National Lottery etc Act 1993, as amended ('the Act'). The Statement of Financial Requirements complements the Council's Management Statement and Financial Memorandum (MS/FM), which deals with corporate management matters and with the application of non-Lottery funds, and should be read in conjunction with the MS/FM.

We confirm that, to the best of our knowledge, we complied fully with the financial requirements in 2024/25. A copy of the Statement of Financial Requirements is publicly available [here](#).

## LOTTERY ADMINISTRATION COSTS

The Lottery Forum, which is made up of representatives from all of the Lottery distributors, has agreed, in conjunction with DCMS, to publish annually the following information about the costs of administering the distribution of Lottery funds.

From 2018/19, DCMS approved a revised methodology for calculating Lottery administration. The target is for administration costs to be below 7.75 per cent of Lottery income, calculated on a rolling three-year average of current year income and the two prior years. This is a change from the previous methodology where the target administration costs were a proportion of income for a single year. The data below shows that our administration costs for 2024/25 were approximately £570,000 less than the target and approximately £1.17 million more than last year.



## 1. ACTUAL LOTTERY ADMINISTRATION COSTS

	2019/20 £M ACTUAL	2020/21 £M ACTUAL	2021/22 £M ACTUAL	2022/23 £M ACTUAL	2023/24 £M ACTUAL	2024/25 £M ACTUAL	2024/25 £M TARGET
ACTUAL ADMINISTRATION COSTS*	17.63	17.10	15.68	18.76	18.54	19.72	20.28

\* EXCLUDES EXCEPTIONAL ITEMS AND ONE-OFF IT DEVELOPMENT COSTS

## 2. ADJUSTED LOTTERY ADMINISTRATION COSTS

The figures in this table are for illustration only and show administration costs adjusted for inflation using inflation rates as defined by the Treasury's GDP deflators.

	2019/20 £M ACTUAL	2020/21 £M ACTUAL	2021/22 £M ACTUAL	2022/23 £M ACTUAL	2023/24 £M ACTUAL	2024/25 £M ACTUAL	2024/25 £M TARGET
ACTUAL ADMINISTRATION COSTS*,**	16.34	14.95	13.78	15.41	16.63	14.64	15.06

\* EXCLUDES EXCEPTIONAL ITEMS AND ONE-OFF IT DEVELOPMENT COSTS

\*\* FIGURES HAVE BEEN ADJUSTED FOR INFLATION USING 2015/16 AS THE BASE YEAR

## 3. ACTUAL LOTTERY ADMINISTRATION COSTS AS A PROPORTION OF LOTTERY INCOME

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 ACTUAL	2024/25 ACTUAL
ACTUAL ADMINISTRATION COSTS AS A % OF LOTTERY INCOME*	7.08%	6.75%	6.18%	7.45%	7.48%	7.54%

\* EXCLUDES EXCEPTIONAL ITEMS AND ONE-OFF IT DEVELOPMENT COSTS

## GRANTS PROCESSING TIMES

For our National Lottery Project Grants, we have undertaken to process applications to decision within the following turnaround times:

SIZE OF APPLICATION	TURNAROUND TIME
Applications for funding up to and including £30,000:	8 weeks
Applications for funding for £30,001 and above:	12 weeks



YEAR		A	B	C
2020/21	Actual	94.95%	95.50%	95.06%
2021/22	Actual	99.70%	87.90%	97.30%
2022/23	Actual	99.88%	99.80%	99.87%
2023/24	Actual	99.33%	96.77%	98.96%
<b>2024/25</b>	<b>Actual</b>	<b>99.55%</b>	<b>95.38%</b>	<b>98.93%</b>
<b>2019/20</b>	<b>TARGET</b>	<b>95%</b>	<b>95%</b>	<b>95%</b>

**A** % of applications for **up to £30,000** (or up to £15,000 between 2019 and November 2021) processed within their published processing time (six weeks up to the end of January 2021; 10 weeks from February 2021 until October 2023; **eight weeks** from November 2023 to present)

**B** % of applications for **over £30,000** (or over £15,000 between 2019 and November 2021) processed within their published processing time (12 weeks up to end of January 2021; 16 weeks from February 2021 to October 2023; **12 weeks** from November 2023 to present)

**C** Overall % of applications processed within their published target time

In February 2021, Arts Council England temporarily changed the National Lottery Project Grants turnaround times, from six/12 weeks to 10/16 weeks due to the increased demand the scheme was receiving. This was revised back down to eight/12 weeks in November 2023.

## POLICY ON ADDITIONALITY

Arts Council England and the organisations that distribute Lottery funds on its behalf recognise and respect the additionality principles of Lottery funding. Lottery funding enables us to extend the reach and increase the impact of the activity that we could undertake if only Exchequer funds were available. Together with the other Lottery distributors who make up the Lottery Forum, we have agreed to share the following common definition of additionality:

Lottery funding is distinct from government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements government and other programmes, policies and funding. We and our delegates will have regard to the principles of additionality and this policy when we set the strategic objectives of our Lottery-funded programmes and when we decide how each programme will operate. We have used, and will continue to use, Lottery funding to fund specific time-limited activity that would not take place without the support of the Lottery.



# Image credits

## In order of appearance



A MIDSUMMER NIGHT'S DREAM  
2024. PHOTO BY PAMELA RAITH,  
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SUNBEAMS MUSIC TRUST.  
PHOTO © PHIL RIGBY  
PHOTOGRAPHY



WOLVERHAMPTON SAME  
DIFFERENCE FESTIVAL. PHOTO  
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PRESTON PARK MUSEUM &  
GROUNDS 70 BIRTHDAY.  
PHOTO © DPOTAVE CHARNLEY  
2025



LES GIRAFES IN BRADFORD  
BY SHERMAN RABBIT.  
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DERBY POETRY FESTIVAL.  
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BRISTOL OLD VIC – ARABIAN  
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TO CREATE DIVERSITY DAY.  
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CHAIR, ARTS COUNCIL ENGLAND.  
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DR DARREN HENLEY, CBE.  
CHIEF EXECUTIVE, ARTS  
COUNCIL. PHOTO ©  
SUNDERLAND ECHO



FRONTLINEDANCE,  
KEELECHAPEL, REHEARSAL &  
PERFORMANCE.  
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BOURNEMOUTH SYMPHONY  
ORCHESTRA'S MUSICIANS UNITE  
WITH PATIENTS AND STAFF AT  
DORCHESTER COUNTY HOSPITAL.  
PHOTO © BOURNEMOUTH  
SYMPHONY ORCHESTRA



LES GIRAFES IN BRADFORD BY SHERMAN RABBIT. PHOTO © PATRYCJA MAZIARZ



NOT TOO TAME, HINDLEY SPORTS & SOCIAL CLUB, DOWN TO EARTH. PHOTO BY PATCH DONAL



SUNDERLAND WINTER GARDENS. PHOTO © IAN MCCLELLAND



BRADFORD 2025 CITY OF CULTURE LAUNCH RISE EVENT. PHOTO © KAROL WYZYNSKI



BETHANY ROBERTS + GUITAR OUTSIDE WESTON GENERAL HOSPITAL ARTS AND HEALTH WEEKEND. PHOTO © PAUL BLAKEMORE



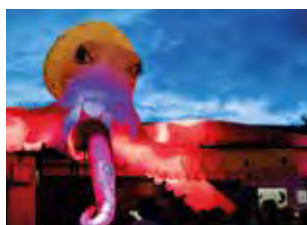
THE GRID EXPERIENCE – BAITER PARK, POOLE – ZOIELOGIC DANCE THEATRE. PHOTO © CAVE & SKY. PHOTO BY MATT BARTRAM



HULLABALOO BLOOM. PHOTO © ADAM WALKER, HUSPOKE MEDIA



INSTALLATION OF NATIONHOOD – MEMORY AND HOPE AT IMPRESSIONS GALLERY. PHOTO © FAYE HATTON COURTESY IMPRESSIONS GALLERY



OCTOPUS BY TIM DAVIES DESIGN AT BIDDULPH YOUTH AND COMMUNITY ZONE. PHOTO BY JENNY HARPER



NATIONAL FESTIVAL OF MAKING 2024 – ARTS IN MANUFACTURING. PHOTO © JULES LISTER



RISE, THE LAUNCH EVENT OF BRADFORD 2025 UK CITY OF CULTURE, HELD IN CITY PARK. PHOTO © TIM SMITH



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FORGED @ THE WARREN YOUTH PROJECT, YOUNG MUSICIANS PERFORM AT THE WARREN RECORDS GIG. PHOTO © MEG MORRIS 2024



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FESTIVAL OF MAKING 2024. FESTIVAL WEEKEND. PHOTO © ROBIN ZAHLER 2024



OTHERHAM WINTER LIGHT FESTIVAL 2025. PHOTO © JAMES MULKEEN



SOUTH WEST HERITAGE TRUST – CHEW VALLEY HOARD, NORMAN COINS. IMAGE CREDIT: SWHT CURATOR OF ARCHAEOLOGY AMAL KHREISHEH



GET READY FOR BUSINESS GROWTH. PHOTO BY RORY HUTTON



NEW FOREST – STREET BAND. PHOTO © CULTURE IN COMMON



CREATIVITY COLLABORATIVES. PHOTO © THE LPA. ST PAUL'S JUNIORS



'CRIP ARTE SPAZIO: THE DISABILITY ARTS MOVEMENT IN VENICE' AT ATTENBOROUGH ARTS CENTRE, 2025. PRESENTED BY SHAPE, CURATED & CREATIVELY DIRECTED BY DAVID HEVEY, DESIGNED BY NINA SHEN AND PRODUCED BY SHAPE ARTS



ALL IN – ACCESS SCHEME. PHOTO © ALL IN



WOLVERHAMPTON CITY OF YOUTH CULTURE – PHOTO BY KELLY JEFFS



FOOD MUSEUM. PHOTO © WILLIAM JUPP PHOTOGRAPHY





HULLABALOO IN THE PARK  
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PETERBOROUGH PRESENTS  
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PAPER DRESS VINTAGE.  
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LES GIRAFES IN BRADFORD  
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GALLUS CROSSING ROAD.  
COCKHEAD MAN.  
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LEVEL OPEN DAY APRIL 2024.  
PHOTO COURTESY OF DAVID  
JOHN KING



BACK TO BRANSHOLME.  
PHOTO © JEROME WHITTINGHAM



CROWDS AND PERFORMERS  
ENGAGING WITH THE HATCHLING,  
TRIGGER'S FLYING DRAGON.  
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DJ SILLY ALEX NORRIS –  
COCKLES AND MUSCLES –  
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PRESTON PARK MUSEUM &  
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LOOK TO THE SKIES.  
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EXPLORE THE COLLECTION  
PIECES FROM FASHION MUSEUM  
BATH COLLECTION. PHOTO ©  
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SCHOOLS. PHOTO © HAMPSHIRE  
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CULTURAL CONNECTORS  
MURAL AT WHAT'S NEXT  
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LES GIRAFES IN BRADFORD  
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NO MORE NOWT. HORDEN BUS  
STOP HOP BY SALLY SOUTHERN  
AND NICOLA – MAY 2024.  
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ASH MUKHERJEE – COCKLES AND  
MUSCLES – MARGATE ARTS CLUB  
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FAMILIES ENJOYING A DAY OUT  
AT THE FOOD MUSEUM.  
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