



Rapid Analysis of Autumn Budget 2024 for Members

This rapid analysis of the Autumn Budget 2024 has been prepared to explain how the Budget affects you.

You may wish to engage with your local representatives about these issues, in particular what they may mean for your venue or productions.

This briefing includes detail on the Government's announcements regarding:

- Taxation
- Costs
- Industrial Strategy
- Funding for Infrastructure
- Education, Skills & Children's Access to the Arts

You can read the written submission we made to the Budget on our [websites](#) and read the Budget in full on the Government's [website](#).

We are seeking comments from members on a range of issues related to the Budget which can be emailed to publicaffairs@soltukt.co.uk by 10th November.

Taxation

Theatre Tax Relief (TTR)

What SOLT & UK Theatre advocated for

This Government's commitment to the new permanent rates of TTR, announced in the last Government's Spring Budget in March this year.

What's included in the Budget?

The Autumn Budget affirms this Government's commitment to the performing arts sector by reiterating the 2023 pledge to maintain Theatre Tax Relief at rates of 40% and 45%.

Advocacy next steps

We warmly welcome the Government's commitment to retaining TTR. We will continue to highlight the immense benefits to our sector including through concrete examples of how



members use TTR. For example, to commission new work, hire more staff, and expand outreach work etc.

National Insurance

What SOLT & UK Theatre advocated for

We have made it consistently clear to Government that the sector is dealing with significant financial pressures and that any rising business costs, including a rise in National Insurance Contributions (NICs) will be challenging, particularly due to our high proportion of overall costs being attributed to staff.

What's included in the Budget?

The Budget increases employer NICs by 1.2 percentage points to 15%. The per-employee threshold at which employers start to pay National Insurance will be reduced from £9,100 per year to £5,000 per year. The Employment Allowance will be increased from £5,000 to £10,500, and the £100,000 threshold for claiming the allowance will be removed. This means that all eligible employers will be able to reduce their annual National Insurance liability by up to £10,500. These changes will apply from 6 April 2025.

Employer NICs are paid on the salaries of employees that pay Class 1 NI (paid to HMRC by the employer via deductions from wages) not on the salaries of those who pay class 2 NI (paid during self-assessment by the individual). Those classed as 'entertainers' who are treated as self-employed for tax and NI pay class 2 NICs. These are paid by the individuals not the employer. Those members with a large proportion of staff paid via PAYE will see a greater increase in costs compared with those with a largely self-employed workforce.

For those self-employed workers that make a profit of £6,845 or more, Class 2 contributions are treated as having been paid to protect their National Insurance record. For those that earn less than £6,845, voluntary Class 2 and 3 NICs will be increased by 1.7% (September rate of CPI) in 2025-26. These NICs are paid by the individual rather than the employer.

Advocacy next steps

We know this rise will be challenging for some members. We will continue to press Government that our sector has a high proportion of costs relating to staff and any



increase in these types of costs will be felt particularly acutely. We will also be making this case in our advocacy work on the Employment Rights Bill.

Business Rates

What SOLT & UK Theatre advocated for

We called on the Government to review the current business rates system because it is not fit for purpose for some of our larger commercial members. The current business rates system has a negative impact on the entire performing arts ecosystem because it inhibits the ability of our members' finance directors, tax advisers and accountants to plan their financial year to maximise opportunities for growth and investment. Our performing arts venue operators need to be able to draw up business plans that enable them to compete on the global stage, making their venues as attractive as possible to producers seeking the best deals for their shows.

What's included in the Budget?

A [discussion paper](#) has been published on business rates. This gives our members and their representatives a valuable opportunity to detail how the current system could be improved.

The government announced that they will deliver a fairer business rates system through permanently lower business rates multipliers for retail, hospitality and leisure properties from 2026-27. It is currently unclear how this will apply to members, if at all, and we are seeking urgent clarification.

Advocacy next steps

SOLT & UK Theatre will formally respond to this paper and ask for members' comments before 10th November.

We are urgently pressing Government officials about whether any of our members would be included in their definition of retail, hospitality and leisure properties and will update you as soon as we can.



Costs

National Living Wage

What's included in the Budget?

The Chancellor announced the new National Living Wage will rise to £12.21 per hour from 1 April 2025, which is a 6.7% increase year-on-year.

	Current rates	New rates (from April 2025)	Percentage increase
National Living Wage (for those aged 21 and over)	£11.44	£12.21	6.7%
National Minimum Wage (18- to 20-year-olds)	£8.60	£10.00	16.3%
Under-18 rate	£6.40	£7.55	18.0%
Apprentice (aged under 19 or in the first year of their apprenticeship)	£6.40	£7.55	18.0%

Impact on SOLT & UK Theatre collective agreement rates and advocacy next steps

In our response to the Budget, and in our advocacy work on the Employment Rights Bill, we have highlighted to the Government that the sector is dealing with significant financial pressures and that any rising business costs will be extremely challenging.

The new National Living Wage rates will be higher than the agreed rates for some roles covered by Equity and Bectu collective agreements. We have until April 2025 to consider any changes to be made to rates which are no longer compliant and the relevant impacted wage differentials. SOLT & UK Theatre will review the implications in further detail internally before connecting with the relevant negotiating committees. We will continue to work with our Trade Union partners to agree a strategy for ensuring all our rates are fair and legally compliant. We will keep members informed of any changes they will need to make to pay rates for those employed at the minimum agreed rates in due course.

Energy Bills

What's included in the Budget?



The Government announced £1.8 billion to support fuel poverty schemes to help over 225,000 households reduce their energy bills by over £200 but measures for businesses were not included.

Advocacy next steps

Emphasising to Government the rising costs for our sector, in particular that energy costs have increased by 120% since 2019.

Industrial Strategy

What SOLT & UK Theatre advocated for

To ensure creative industries and theatres sector are front and centre of growth plans and to collaborate with Government and other stakeholders on mechanisms for investment.

What's included in the Budget and what isn't?

The Government launched the [Industrial Strategy Green Paper](#) last week naming the creative industries as a key sector for growth. As part of that, the Chancellor revealed that the Government will provide tax reliefs for visual effects in TV and Film and £25m for the Northeast Combined Authority which will go into remediating the Crown Works studio in Sunderland. The performing arts sector was not mentioned however as is the case in many creative clusters, opportunities for the screen sector are closely intertwined with the performing arts, as evidenced by the flourishing creative hub in Digbeth, Birmingham.

To help ensure the Industrial Strategy is long term in nature, the Government is establishing an Industrial Strategy Advisory Council chaired by Clare Barclay. The Council will monitor and advise the government on the delivery of the Strategy, working closely with business, trade unions, devolved governments, local leaders, academia, and other stakeholders.

Advocacy next steps

Continue to advocate to Government to emphasise that British theatre must be considered as a vital part of the creative industries and an economic powerhouse, generating inclusive growth. Investment in our sector, particularly in our buildings, would enable venues to provide more jobs and expand local outreach work with communities and schools.



We invite members to email their comments on the [Industrial Strategy](#) to the Policy, Research and Advocacy Team by 15th November.

Funding for Infrastructure

Capital Investment in Performing Arts Venues and Theatre Buildings

What SOLT & UK Theatre advocated for

Our [Pre-Budget Submission](#) proposed an emergency capital investment pot of £30m for 2025/26 to enable essential urgent repairs to ensure theatres can stay open. There is acute need for investment in venues across the UK and we called for circa £300 million from the UK Government to be provided over 10 years, to meet the longer-term theatre building challenges. We look forward to the Comprehensive Spending Review in 2025 and ask that the Government urgently consider this proposal to safeguard cultural assets.

What's included in the Budget?

No specific commitment for investment in performing arts venues and theatre buildings. We welcome the direction of travel indicated by the announcement that DCMS's settlement provides a total [DEL funding](#) of £2.3 billion in 2025-26 and the opportunities this presents for investment in performing arts and theatre venues.

We also welcome the Chancellor's announcement that she will change how the Treasury accounts for capital spending to reflect its benefits to enable the Government to borrow more for capital investment.

The Infrastructure Strategy that the Government has announced aims to make reforms to deliver sustained growth in the long-term. These include ambitious planning reforms to remove barriers to growth, the development of a 10-year infrastructure strategy to be published alongside Phase 2 of the Spending Review,

Advocacy next steps

We will continue to advocate to the Government on our industry's urgent need for investment in theatre buildings, particularly via the Comprehensive Spending Review. The Chancellor's decision to change the fiscal rules to unlock capital investment provides an opportunity for developing a long-term sustainable model for investment in theatre buildings.



We are currently developing a set of proposals facilitate sustainable investment long term from central and local government, unlock investment from private sources, incentivise investment from within the sector and support both domestic and international touring.

Public Investment in the Performing Arts

What SOLT & UK Theatre advocated for

Our Budget submission asked for Government to strategically review public investment in performing arts and collaborate with SOLT & UK Theatre and other stakeholders to co-create principles to guide good investment in the performing arts to ensure value of public investment is maximised.

What's included in the Budget?

There was no mention of the previous Government's paused review of Arts Council England.

The Government has acknowledged the challenging fiscal context for local authorities. In the Budget they committed to support local authority services through a real terms increase in core local government spending power of around 3.2%.

Advocacy next steps

We are recommending to Government that its review take a strategic and holistic look at all public investment in the arts to achieve the most effective results for taxpayers. We are developing principles to guide good investment in the performing arts to ensure value of public investment is maximised and will continue to engage with Government on this.

Support for Small Businesses

What's included in the Budget?

The Government will bring forward a Small Business Strategy Command Paper in 2025 to set out their vision for supporting small businesses, from boosting scale-ups to growing the co-operative economy, across key policy areas such as creating thriving high streets,



making it easier to access finance, opening up overseas and domestic markets, building business capabilities, and providing a strong business environment.

Advocacy next steps

Engage with the Command Paper to maximise theatre organisations' positive impact on local economies. For every £1 spent on a theatre ticket, an additional spend of £1.40 is generated in local economies, adding up to £1.94bn per annum of extra value added to local economies by theatre audiences.

Education, Skills & Children's Access to the Arts

Breaking Down Barriers to Opportunity and Theatre for Every Child

What SOLT & UK Theatre advocated for

In our [pre-Budget submission](#) we asked Government to contribute £1.5 million to pilot the Theatre for Every Child campaign in three areas of cultural deprivation to enable an improved understanding of the barriers to theatre attendance.

What's included in the Budget?

The Government has committed to increasing the core schools budget by £2.3 billion, which increases per pupil funding in real terms.

They have also committed to broadening and diversifying the talent pipeline in the creative industries by providing £3 million to expand the Creative Careers Programme, giving school children the opportunity to learn more about career routes and directly engage with the workplace.

Advocacy next steps

We will continue to advocate that Government's plans for a cohesive education and skills system must be firmly linked to the Industrial Strategy to ensure there are robust talent pipelines in place to address skills challenges and generate inclusive growth.

We have discussed our proposed Theatre for Every Child pilot with the Government and will include a funding proposal in our submission to the Comprehensive Spending Review.



Further Education (FE) and Skills

What SOLT & UK Theatre advocated for

Reform the Apprenticeship Levy to into a Growth and Skills Levy which allows employers to use the Levy in a more flexible manner to meet workforce needs.

We have advocated that the sector needs more level 2 and 3 apprenticeships coming in at entry level but equally important are awareness campaigns to help the industry learn what is available and help position apprenticeships as a good, viable pathway.

What's included in the Budget?

Additional £300 million for Further Education to ensure young people are developing the skills they need to succeed.

Separate to the Budget the Government has heeded our calls to reform the Apprenticeship Levy and welcome plans for a Growth and Skills Levy. This announcement has the potential to strengthen technical education routes into the theatre sector to address our significant skills gaps and shortages.

The Budget also references the forthcoming publication of the [Get Britain Working White Paper](#), which will be linked to the new arms-length body, [Skills England](#) to ensure the UK has a highly-trained workforce. This is crucial for our industry which relies on highly skilled workers across craft, technical production and operational expertise.

Advocacy next steps.

We recently convened a roundtable of theatres and the Apprenticeships All Party Parliamentary Group to give evidence to MPs on what our sector needs to make the technical education and apprenticeship system more accessible to our members, including by making the levy more flexible. Later this year we will publish new research into skills gaps and shortages and will feed into Skills England's consultation to ensure that the specific needs of our sector are understood.

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