



Key Issues Briefing

September 2024

This key issues briefing is being made available to members so that they have sector wide information to inform any engagement with their local representatives, who will also want to hear about your work locally. You can refer to this so you are armed with the latest information from SOLT & UKT and ahead of any meeting you may have.

You can read our guide for engaging with MPs [here](#).

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3. Facts and Figures

1. Framing the Theatre Sector

Theatre is loved by the British public. In a recent wide-reaching survey measuring national pride conducted by the National Centre for Social Research and published earlier this month (3rd Sept), while overall there was a sharp decline in national pride,

not only was the arts the highest cited source of national pride, it has in fact grown significantly as a thing that makes British people proud since the mid-90s.

British theatre is an economic powerhouse. The sector generates a turnover of £4.4 billion per annum, contributes £2.39 billion in GVA, and supports 205,000 workers. For every £1 spent on a theatre ticket, an additional spend of £1.40 is generated in the local economy. It is vital to the UK's thriving creative industries and key to Global Britain, supplying talent to British film and television, driving inbound tourism, and exporting productions worldwide.

Theatre is a source of social good, promoting wellbeing, empathy, confidence, and boosting educational attainment. Theatres play an essential role in local communities, delivering transformative social good. They provide free play spaces for children, positively contribute to social mobility, and serve as designated warm spaces in winter. British theatre is also leading the way for a sustainable future, pioneering initiatives that embed sustainable practices within productions and organisations.

The theatre sector is facing some significant risks. The permanent rates of Theatre Tax Relief (TTR) coming into force in April 2025 are a game changing policy for our industry which will ensure our members are able to create bigger, bolder productions; create more jobs; and increase access to theatre across the country.

However, even with the new permanent rates of Theatre Tax Relief, British theatre sector is still facing significant risks. Production costs continue to rise faster than inflation, with energy costs up 120% since 2019. Public investment in the arts has declined significantly in real terms over the past 14 years. Without serious investment in physical infrastructure in the next five years, nearly 40% of venues risk closure.

Theatre as a delivery partner for mission led government – NB this section is only relevant when speaking with Labour MPs

SOLT & UK Theatre look forward to collaborating with the UK Government to unleash the power of the theatre sector to support the delivery of its five missions. In particular, the theatre sector is well placed to ensure growth in the economy because of our critical role within the fast-growing creative industries. Being based in communities across the country mean that in addition to economic growth, our members play a key role in breaking down barriers to opportunity through providing children access to cultural experiences and high-quality training and jobs.

See [Briefing for New MPs](#) for more information

3. SOLT & UK Theatre Policy Positions

3.a Make Work Pay

Make Work Pay and the associated Employment Right's Bill is the UK Government's plan to strengthen employment rights. The new legislation was announced in the King's

Speech, and the Government have committed to consult before introducing the Bill in this parliament. Measures in the legislation include:

- Ending “Exploitative” Zero-Hours Contracts (ZHC)
- Move Towards a Single Status of Worker
- Genuine Living Wage
- Repealing Trade Union legislation from the Conservative government
- Maternity Discrimination
- Health and Safety at Work

The theatre sector is keen to work with Government to ensure unintended consequences are avoided.

Key things to highlight

- We have strong employment relations in the theatre sector, evidenced by the numerous collective agreements that are in place. We want to work with you to ensure that they are preserved
- Employment practices in the theatre sector are unique due to the unusual way the sector works compared to other parts of the economy, e.g. many fixed term contracts, and pattern of work. We want to ensure these are understood and reflected in the Make Work Pay plans
- Impact of unforeseen costs can be devastating because financial projections are made years in advance of a performance being on stage
- There are some key areas in Make Work Pay that we think require attention to avoid unintended consequence, most notably
 - Ensuring zero-hour contracts that have multiple flexibility are retained
 - Enabling employee/worker status to continue where collective agreements are in place that ensure employees have good terms and conditions that have been agreed with their unions

[Detailed policy briefing here](#)

Ask of Govt: work with the theatre sector to avoid unintended consequences

3.b Investment in Theatre Buildings

The UK’s theatres sit at the heart of their communities and are an essential part of delivering social good and economic growth across the country. However, many need urgent investment to enable growth, protect culture infrastructure and support to meet net zero targets. They must be fit-for-purpose to provide audiences with the excellent experience they want and deserve.

A recent survey of SOLT & UK Theatre members shows that without significant investment, 40% of theatre buildings are at risk of closure, but with investment over half of our members would employ more people and almost two thirds would increase their community outreach work.

Investment in theatre buildings should be increased – we’re developing a suite of options to unlock investment potentially through a new fund or a boost to/extension of the Arts Council England Cultural Investment Fund to encompass theatres and to allow for a greater focus on environmental sustainability and net zero.

SOLT & UK Theatre, in partnership with the Theatres Trust, have developed a Greening Theatres Capital Grants Scheme Proposal to help theatres access the finance needed to make venues more energy efficient. This initiative would provide theatres with capital to make immediate energy efficiency adaptations, such as the installation of LED lighting rigs. The low-cost intervention would improve energy efficiency across the sector and reduce energy consumption from buildings and industry by 15% by 2030.

In our Budget Submission we have proposed an emergency capital investment pot of £30m for 2025/26 to enable essential repairs to ensure theatres can stay open. We believe the overall sector need is circa £300 million over 10 years, however this short-term emergency fund will enable the most urgent repairs, without which some theatres would have to close. To meet the longer-term theatre building challenges, we would like the Treasury to commit to working with the Theatre sector and DCMS to devise long term funding options to meet the larger capital investment need ahead of the Comprehensive Spending Review in 2025.

3.c Review of Public Investment in the Arts

We welcome the Government’s announcement of a review of public investment in the arts to achieve the most effective results for taxpayers. We would like to see Government collaborate with the theatre sector to co-create principles to guide good investment in the performing arts to ensure value of public investment is maximised.

3.d Theatre for Every Child

We believe a fairer UK is one where access to the arts is equal. For children, the benefits of a trip to the theatre are significant: it can improve wellbeing and develop empathy as well as boost educational attainment. But children from low-income families are less likely to access these experiences. This is despite the highly successful children’s access

schemes that our members run across the country. Parents and teachers are reporting a decline in children accessing culture via school trips, disproportionately affecting the most disadvantaged intakes at 68% decline verses 44%.

This is why SOLT & UK Theatre launched '[Theatre for Every Child](#)': a campaign calling for funding for every child to attend the theatre before they leave school. We would like to see Government 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, enabling the Government to meet its commitment to increasing children's access to culture and delivering on its mission to break down the barriers to opportunity.

3.e Terrorism (Protection of Premises) Bill 'Martyn' Law'

The Society of London Theatre (SOLT) & UK Theatre have been working with our members to ensure they understand and can implement any changes to policy, practice and/or procedure ahead of the Terrorism (Protection of Premises) Bill becoming law. The Bill will receive its 2nd reading in the House of Commons on 14th October.

We have provided training resources for members, such as our [Member Forum: Martyn's Law Workshop](#).

As Chair of the Theatre Operator Security Communication Advisory (TOSCA) Groups (London & Regional) we have been collaborating with partners to continue to be vigilant of risk and manage it effectively as well as ensure readiness for this new legislation.

3.f Education and skills

SOLT & UK Theatre welcome the announcement that there will be a [review](#) of the National Curriculum.

The theatre sector is facing [skills shortages and gaps](#) in technical, operational and production teams, including front of house, lighting, sound, rigging, automation, costume, wigs, hair and make-up, among others. Whilst many of our members offer apprenticeships and traineeships, there is much to be done to make the apprenticeship system more accessible to our members.

Skills gaps and shortages will only be fully addressed through a cohesive education and skills system. We look forward to seeing how this reform of technical qualifications and the new Growth and Skills levy will be joined up with the recently announced curriculum review and the work of Skills England.

We are currently conducting research to improve our understanding of current skills shortages and gaps and why technical education qualifications are not more widely used within the sector. We look forward to using the findings from this research, which will be published in mid-October, to work in partnership with the Institute for Apprenticeships and Technical Education and Skills England to improve career pathways into the theatre industry.

3.g Reducing Carbon Emissions

Our theatres are leading international best practice on energy efficiency and sustainability and have worked with sustainability experts Buro Happold to develop the [Theatre Green Book](#), which sets out practical advice for the performing arts sector on achieving zero-carbon status in relation to productions, theatre buildings and front-of-house operations. Over one hundred theatre companies have already signed up for the Sustainable Production Standard. The book is currently being translated into six foreign languages (Finnish, French, German, Italian, Korean and Spanish).

Finance is the main barrier to energy efficiency. Research shows that 86% of theatres said finance was a major barrier to making energy efficiency improvements, with this figure rising to 92% for historic theatres.⁴ In order to address this problem and empower the sector to adopt the practices outlined in the Theatre Green Book, we are proposing a [Theatre Energy Efficiency Grant Scheme](#). This initiative would provide theatres with capital to make immediate 'quick win' energy efficiency adaptations. Most theatres do not carry big reserves and are unlikely to have the funds to invest in energy efficiency adaptations. In May 2020, the Theatres Trust's research using Charity Commission data on reserves levels held by small, charity-run theatres (less than 400 seats) found that 136 small theatres (57%) held less than either three months' reserves in March 2019.

3.h International Touring & Global Power

A recent [report](#) from the Resolution Foundation found that service exports such as culture accounted for a record share of Britain's exports in late 2023, highlighting their growing economic importance. SOLT & UK Theatre members are key contributors to this market, and we look forward to working with the Department for Business and Trade to help our members meet the global demand for their work.

Since the UK's departure from the EU, the administrative and financial burden on touring theatre companies has increased significantly. The challenges include:

- Increased costs related to shipping and travel.
- Increased cost and complexity of arranging visas for touring cast and crew.
- Lack of information or high costs of acquiring information on new post-Brexit procedures.
- Negative perceptions of the UK as a place to do business from EU member states.

As outlined in [Creative UK's Manifesto](#), the UK needs to secure the easy movement of people, goods, and services to maintain its global reputation as a creative powerhouse. Our touring theatre companies need to be able to tour with ease, and our venues should be attractive and accessible to the world's best talent. Specifically, they need a visa for cast and crew that would facilitate tours from 2 weeks to up to 3 months.

3.i Permanent Rates of Theatre Tax Relief (TTR)

In April 2025 rates of TTR will be set at 40% and 45% permanently. Our February 2024 [report](#) demonstrates the crucial difference that these higher rates make in the following areas:

- More employment and economic growth: 83% respondents are able to employ more people thanks to the current higher TTR rate and 69% cite increased business for suppliers possible because of higher TTR rate. Our members also tell us that the higher rate also enables domestic and international investment.
- More and bigger productions: 83% of respondents say current TTR rates enable greater scale of productions (Fig. 2) and 65% are producing more shows than would be possible at a lower TTR rate.
- A more vibrant and dynamic theatre sector via bolder programming and talent pipelines: a respondent said, 'The higher rates gave us the confidence to continue being bold and also invest in commissioning new writing to ensure there are more new plays in the canon of work.'
- Improved audience reach: a respondent said, 'Touring children's theatre would be less able to go to many of the levelling up regions where guarantees tend to be lower.'
- Boosting Foreign Direct Investment, making the UK a good place to open shows - hence the number of US shows opening here - e.g. Stranger Things

Full report on impact of the higher rates: [SOLTUKT_TTR-Survey-Report_2024.pdf](#)

3.j Transport

Ensure that transport plans and infrastructure support your industrial strategy and the creative industries' role in delivering it, and that transport costs are not a barrier for schools seeking to access subsidised theatre schemes.

3.k Business rates

Theatre businesses need clarity and constituency to grow and flourish. SOLT & UK Theatre therefore support the following [CBI recommendations](#) on business rates:

- Create a tailored approach that works across the economy

- Make business rates investment-friendly to boost growth
- Streamline reliefs and exemptions to free up funding

3.l Ticket Prices

- In recent years there has been considerable coverage on the cost of theatre tickets.
- Costs for the sector have risen dramatically since the pandemic while ticket prices remain stable. SOLT & UK Theatre's 2023 Annual Member Survey showed that supply costs, energy costs and staffing costs were the biggest factors likely to negatively impact turnover in the next 12 months.
- The average West End ticket price has decreased in real terms by 9.26% since 2019.
- In the West End, most tickets sold are under £55, with nearly a quarter below £30. Less than 5% exceed £150.
- The average theatre ticket sold outside London was £30 in 2023.

3.m Vaccines

We ask the Department of Health to make paid-for Covid vaccines available for our sector to mitigate the risk of cancelled shows.

4. Facts and Figures

- 91% of UK adults engage with the arts at least once a year, with 74% attending an arts event such as an exhibition or theatre performance.
- For every £1 spent on a theatre ticket, an additional spend of £1.40 is generated in local economies.
- The sector generates £2.39 billion in GVA and supports 205,000 workers.
- The global gross revenue of Phantom of the Opera, Mamma Mia! and Cats is over \$13.6bn, exceeding that of each of the James Bond (\$7.8bn) and Wizarding World (Harry Potter) (\$9.7bn) film franchises.
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#TheatreForEveryChild #ThrivingTheatres

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