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Article series on grassroots venues

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London's O2 Arena announces funding for UK grassroots gig venues

Ben Beaumont-Thomas

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https://www.theguardian.com/music/2025/dec/09/londons-o2-arena-announces-funding-for-uk-grassroots-gig-venues?CMP=share_btn_url

The 20,000-capacity venue will feed revenue back into smaller venues to 'nurture the next generation of breakthrough artists'

Ben Beaumont-Thomas

Tue 9 Dec 2025 11.19 CET

London's O2 Arena, the UK's second-largest indoor concert venue, has announced it will donate a portion of proceeds from its concerts to grassroots gig venues across the country.

The 20,000-capacity venue has partnered with the Music Venue Trust charity (MVT), which has been pushing for artists and arena operators to support the venues that often provide a space for musicians to hone their craft, before they hopefully step up to arena-level popularity.

Exact financial terms have not been announced, but as well as making a six-figure donation to MVT, the O2 will make further donations every time a new artist plays the venue over the next three years. There were more than 50 such performers this year, including veteran bands such as Pulp and Architects and newer pop acts such as Gracie Abrams.

Ben Lovett of Mumford & Sons in 2012.

'We should contribute towards a more sustainable ecosystem' ... Ben Lovett of Mumford & Sons in 2012. Photograph: Brian Rasic/Getty Images

Heralding the O2's announcement was Ben Lovett, multi-instrumentalist with Mumford & Sons, who perform at the O2 this week; Lovett is also an entrepreneur whose company TVG

has opened concert venues in cities including London, Los Angeles, and Huntsville, Alabama, and he has separately donated to MVT.

“We think it’s brilliant that a venue like the O2 is making a meaningful donation,” he said. “To contribute, as we all should, towards a more sustainable ecosystem within live music in the future.”

He referred back to Mumford & Sons’ first O2 headline concert in 2012, “back when many of the venues where we had cut our teeth, including the Luminaire in Kilburn where we played our first headline show, had started closing down. This trend has only continued, in London and across the country.”

More than 150 grassroots venues have closed in the UK since 2023. Factors affecting these venues include the cost of utilities, ongoing recovery from Covid losses, and a further loss of revenue due to the cost of living crisis prompting less gig-going among the public.

Emma Bownes, senior vice-president of venue programming at the O2 Arena’s parent company AEG Europe, said: “Every artist who headlines the O2 for the first time reflects the strength of that grassroots network ... we’re investing in the pipeline that nurtures the next generation of breakthrough artists and ensures they have a place to start.”

MVT has called for a £1 levy on tickets at venues above 5,000 capacity, to be covered by artists and venue operators, and to be fed back into supporting grassroots venues. Sam Fender is among the artists supporting the charity, donating £100,000 from his 2024 arena tour, and then the £25,000 prize money from his Mercury prize win this year.

MVT is also using its Music Venue Properties scheme to bring certain UK venues into community ownership, with members of the public contributing funds and receiving a return on their investment.

The charity’s head Mark Davyd said the O2 funding was “hugely significant and welcome”.

It may have an official 20,000 capacity, but last month Radiohead broke the record for the highest attendance at an O2 concert, with 22,355 – enabled by a relatively small stage located in the centre of the arena floor.

MPs call for levy on arena concert tickets to raise funds for struggling small venues

Trade bodies welcome proposal from cross-party culture committee that would prop up grassroots gig venues without passing cost to consumers

Aneesa Ahmed

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<https://www.theguardian.com/music/article/2024/may/11/mps-call-for-levy-on-arena-concert-tickets-to-raise-funds-for-struggling-small-venues>

A group of MPs are calling for a ticket levy on concerts at UK arenas and stadiums to raise funds for grassroots venues that are struggling with rising costs and the risk of closure.

A VAT break for smaller venues has also been recommended in an inquiry report signed by MPs in the culture, media and sport committee, which emphasises the importance of these venues to the wider music ecosystem.

Dame Caroline Dinenage MP, chair of the cross-party select committee, said: “If the grassroots, where musicians, technicians, tour managers and promoters hone their craft, are allowed to wither and die, the UK’s position as a music powerhouse faces a bleak future.

“It is time that the government brought together everyone with a stake in the industry’s success, including music fans, to address the long-term challenges and ensure live music can thrive into the future.”

‘Everything is costing more’ ... Duvet perform at the Brudenell Social Club in Leeds in February.

‘The whole ecosystem is collapsing’: inside the crisis in Britain’s live music scene
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The report proposes an initial voluntary levy on tickets for gigs at arenas and stadiums – which would be used to establish a support fund for venues, artists and promoters.

If by September there is not enough financial support for this fund, then the committee suggests the government should step in and introduce a statutory levy.

It also emphasises that the costs should not be passed on to music fans, and that it should be built within the existing price of a ticket.

The proposals mark a turnaround from last year, when John Whittingdale, Conservative MP and former culture secretary, said in November during a discussion on aid for the sector: “We have no plans to impose a ticket levy.”

David Martin, chief executive of Featured Artists Coalition, and Annabella Coldrick, chief executive of Music Managers Forum, commended the proposals but reiterated the urgency of the situation.

They said: “The entire ecosystem needs support. While we still believe this mechanism should be mandatory, the clock is now ticking to get a process in place before September 2024.”

The inquiry was launched by grassroots venue charity Music Venue Trust (MVT) in October. MVT has been lobbying for a stadium and arena levy, something which was highlighted in December 2023 when the historic small venue Moles in Bath was forced to close – one of 125 such venues that closed last year.

Anecdotal evidence from two roundtable consultations with independent venues across the UK, partnered with data provided by industry bodies such as the MVT and live music umbrella body Live, was used as evidence in the report. Some of the venues that were consulted include Suki10c in Birmingham, The Old Abbey Taphouse in Manchester, Dryad Works in Sheffield, Colour Factory in London, and Brudenell Social Club in Leeds.

Mark Davyd, chief executive of MVT, said that while venues faced particular challenges depending on size, there are some shared challenges such as rent, energy prices, and making minimal profit from tickets. “That’s why proposing solutions such as a targeted temporary VAT cuts will benefit the ecosystem as a whole,” he said.

Davyd, alongside Jon Collins, chief executive of Live, commended the select committee for its support. The government must respond to the report within two months of its publication.

Collins said: “It’s clear that the committee has recognised the many challenges faced by venues, promoters, events and artists at the grassroots level, and the steps required to address them.”

With a prospective general election looming, Davyd hopes these recommendations will be manifesto points for all the parties. He said: “The report was cross-party. This is not a political issue, this is an issue about maintaining access to culture and creativity in our communities ... these are inspiring spaces and I don’t think that’s leftwing or rightwing wanting to preserve them.”

This article was amended on 13 May 2024. An earlier version said that the Music Venue Trust had been lobbying for a levy since December 2023. To clarify: MVT has been campaigning for the music industry to financially support the grassroots sector since 2018, including discussions relating to a levy on tickets. Following the closure of Bath’s Moles venue in December 2023, MVT’s lobbying for a compulsory levy reached a wider audience.

There’s a £1 idea that could save small music venues. Is Live Nation holding it back?

Artists including Coldplay and Katy Perry have got behind a plan to fund small venues from big gigs – but owners say that without Live Nation on board, it could fail

Dan McCarthy
Thu 9 Oct 2025 09.00 CEST

<https://www.theguardian.com/music/2025/oct/09/1-ideasave-small-music-venues-live-nation>

Grassroots venues are the bedrock of the country's music industry, giving artists a place to hone their craft, and punters a place to see them perform up-close – possibly before a bigger, starrier career. But since the start of 2023, more than 150 of these venues have permanently closed their doors – about 16% of the entire UK sector.

In this moment of crisis, a solution is on the table: a proposed £1 levy on tickets for all arena and stadium shows with more than 5,000 capacity could raise up to £25m annually for the grassroots venues facing closure. A poll of about 8,000 music fans found that 93% supported the initiative by the charity Music Venue Trust, and a spokesperson from the Department for Culture, Media and Sport (DCMS) says it “fully supports” the rollout.

Over the last year, major artists such as Coldplay, Ed Sheeran, Pulp, Diana Ross, Katy Perry and Radiohead have all committed to it, alongside venues such as the Royal Albert Hall and ticketing platform Tixel. Sam Fender's 2024 arena tour raised more than £100,000 via the levy, which has recently been distributed to 38 independent venues. “The idea that money from shows in big venues supports the smaller venues, where it all starts for musicians like me, is just common sense,” Fender has said.

But a huge funding gap remains. For concerts in 2025, more than 22m of 24.2m eligible tickets are sold without the £1 contribution, according to industry data shared with the Guardian. And while the early picture for 2026 shows positive momentum, with uptake rising to 28%, this still translates to millions in missing potential support. “The industry is very good at adding fees where the company adding the fee is the beneficiary, and not quite so efficient when the money is for the wider ecosystem,” says Mark Davyd, chief executive of Music Venue Trust.

Sam Fender plays a guitar on stage.

‘The idea that money from shows in big venues supports the smaller venues is just common sense’ ... Sam Fender. Photograph: Emma McIntyre/Getty Images for Coachella

Steve Dix of Hackney venue Paper Dress Vintage backs the levy as an important step in stabilising grassroots venues across the country, and is blunt about what he thinks is its main obstacle. “Some of the big players such as AEG Presents, SJM and Kilimanjaro Live have already stepped up and shown real leadership,” he says, referring to three of the big promoters that arrange arena and stadium gigs. “But the truth is that until the biggest [promoter] in the world, Live Nation, does the same, progress will be held back. Their participation is the missing piece that would turn this from a promising initiative into an industry standard.”

According to data presented to the government's Business and Trade Committee by the Association of Independent Festivals (AIF), Live Nation controls 66% of the UK's major event ticket market in 2025, either directly or through its subsidiary companies such as Ticketmaster. Back in May, former minister for creative industries, Sir Chris Bryant, called on Live Nation to “step up” regarding levy adoption, and “help in relation to Ticketmaster and ... any of the acts they are representing”. Bryant also called on more artists to sign up to the levy, and suggested that the government would act “if this weren't to be proceeding”, enshrining the £1 levy in law.

But Davyd claims a statutory government levy would be a “blunt instrument”, taking years to legislate, with the risk of funds being misdirected. In contrast, he argues the voluntary model “can be delivered very fast, and can be very effectively distributed.” A spokesperson for Salford experimental venue The White Hotel agrees: “As soon as the government gets involved in anything you know they’re just going to make a pig’s ear of it.” (DCMS did not comment on this criticism.)

The money is already making a difference on the ground. Fender’s donation, for example, has been distributed via the Liveline Fund – a Music Venue Trust and Save Our Scene initiative – allowing venues such as Paper Dress Vintage to replace a broken mixing desk, Glasgow’s Sub Club to repair their iconic “bodysonic” dancefloor, and providing The White Hotel with “vital” financial support. This fund is a precursor to the Live Trust, a charity established by the wider industry in January 2025 to be the official administrator for the £1 levy, set to begin distributing funds in February 2026.

Diana Ross performs on the Pyramid stage during day five of Glastonbury festival at Worthy Farm in 2022.

Diana Ross, one of the artists who has contributed to the fund for grassroots venues.

Photograph: Jim Dyson/Getty Images

When asked whether it would indeed “step up” and add the £1 levy to all of the major concerts it promotes, Live Nation did not directly respond, but affirmed that “supporting new talent is vital to the future of music” and that it was “proud to champion emerging artists and grassroots venues ... We support the aims of the grassroots ticket levy, and it’s encouraging to see artists we promote already opting in for their shows.”

The £1 levy has its critics. Some argue that the cost should not be passed on to fans, who already face escalating ticket prices. “There has been something of a mixed response,” says Mike Grieve, Sub Club’s managing director, noting a feeling that “major concert promoters are already asking their customers to dig deep to pay for tickets”.

However, he says the additional funding is a “massive help” for smaller operators, particularly as razor-thin margins are hampering their ability to book lesser-known or experimental acts. “It has become unsustainable for promoters to take any creative risk,” he adds.

Davyd suggests that when a promoter links with a ticketing company to sell tickets, the ticketing company should be asking whether the absence of the £1 levy was a deliberate choice or an accidental omission. But without Live Nation taking the lead, “it’s difficult to see how a statutory levy is avoided”, Davyd claims. “If the market leader in an industry refuses to do what is now government policy, we should expect the government to take different action.”