

# Making it happen

# CHAPTER

## CHAPTER ONE

# Strategic objectives

We are responsible for: the arts, sport, the National Lottery, tourism, libraries, museums and galleries, broadcasting, film, the music industry, press freedom and regulation, licensing, gambling, the historic environment, the listing of historic buildings and scheduling of ancient monuments, the export licensing of cultural goods, the management of the Government Art Collection and the Royal Parks.

The Secretary of State Tessa Jowell and her Ministerial team set our strategic aim and four strategic priorities.

Our Strategic aim is: *"To improve the quality of life for all through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries."*

### CHILDREN AND YOUNG PEOPLE

Further enhance access to culture and sport for children and give them the opportunity to develop their talents to the full and enjoy the benefits of participation.

### COMMUNITIES

Increase and broaden the impact of culture and sport, to enrich individuals lives, strengthen communities and improve the places where people live, now and for future generations.

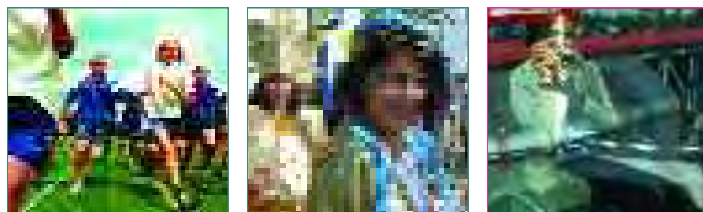
### ECONOMY

Maximise the contribution which the tourism, creative and leisure industries can make to the economy.

### MODERNISING DELIVERY

Modernising delivery by ensuring our sponsored bodies are efficient and work with others to meet the cultural and sporting needs of individuals and communities.

*Our aim is to improve the quality of life for all through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries.*



## STRATEGIC CAPACITY

We have strengthened our strategic capacity this year. Three groups are each led by a Director General, looking at the impact of our sectors on the economy, children and local communities and value for money. A new Think Tank has produced its first report on volunteering and is looking at a strategic futures report on issues likely to affect the department and our sectors in the next two decades.

A new programme of strategic capacity training will be developed further to strengthen evidence based policy making. The Strategy Division has been restructured to incorporate an evidence and analysis unit.

## WORKING IN PARTNERSHIP

### *Non-departmental public bodies (NDPBs)*

Ninety seven per cent of our funding goes to our NDPBs – our sponsored bodies, whom we continue to work with to deliver our strategic priorities. We are pursuing a number of initiatives to make this delivery network operate as efficiently and effectively as possible. New three-year funding agreements will capture each body's full contribution and will ensure that we manage performance more effectively. We are exploring with NDPBs the scope for efficiency savings through closer working co-operation, for example through joint procurement or shared services. And we are facilitating the sharing of information and ideas between sponsored bodies, for example by developing a database of good practice and setting up regular networking opportunities for Chief Executives.

### *The voluntary sector*

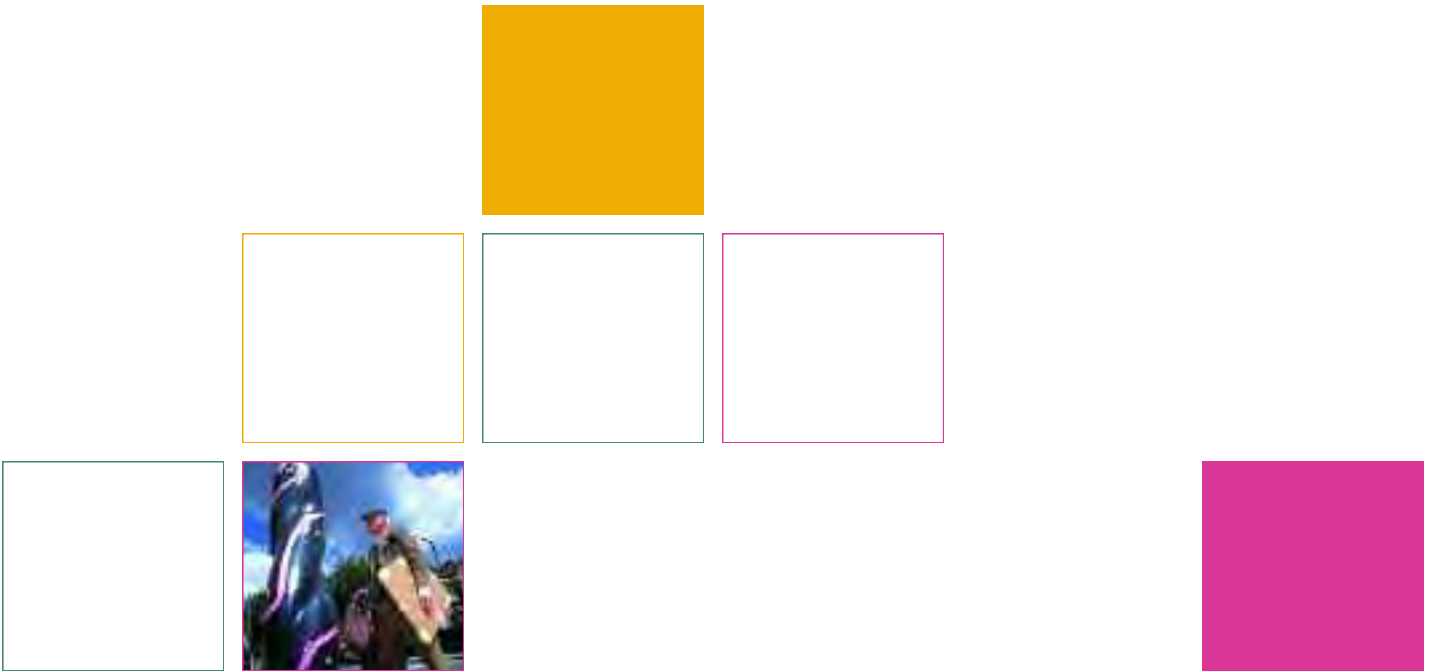
Last October, in response to HM Treasury's review on the role of the voluntary and community sector in service delivery, we published our Voluntary and Community Sector Strategy. This highlights our work in engaging with the voluntary and community sector (VCS) and sets out our responsibilities and those of our NDPBs in implementing the recommendations.

We have established a VCS stakeholder group, involving the VCS umbrella organisations with interests in culture, media and sport. It meets regularly to discuss issues of mutual interest and is helping to strengthen relations between its VCS partners, to enable us all to deliver better results.

In March 2005, we published a strategic analysis of our engagement with the VCS. The report *A Giving Culture*, sets out the key role it plays in the nation's cultural and sporting life and discusses ways in which we can develop our relationship with the sector.

### *Regional Cultural Consortia*

We also work closely with a range of regional partners to achieve our broader cultural objectives. Key bodies are the Regional Cultural Consortia which were formally incorporated in October 2004. They bring together all the Department's regional agencies and other partners to develop broader regional cultural strategies. Other partners are the Regional Development Agencies (RDAs), which have a specific remit to deliver regional support for tourism, and the Government Offices in the regions which include DCMS representation.



## LOCAL GOVERNMENT

One of the Department's top priorities is to strengthen our links with local authorities under the leadership of our new Director General of Children, Young People and Communities. English local authorities spend £3.2 billion a year on culture and leisure, which is more than DCMS, NDPBs and the Lottery combined. Culture and leisure are uniquely placed within local authorities because they are the services with which people choose to get involved. We are working with partner organisations in central and local government, including the Local Government Association (LGA) and the Improvement and Development Agency (IDeA), to ensure that local people get the maximum benefit from spending on local cultural services.

### *Best practice*

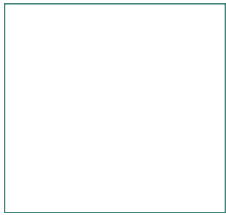
Our strategic partnership with the IDeA began with the launch of the *Cultural Connections* website ([www.idea-knowledge.gov.uk](http://www.idea-knowledge.gov.uk)). It provides a new way for those in local government to share best practice through case studies, by linking to core legislation and key policy documents. There is also a separate forum for discussion and exchange of ideas for members of our Cultural Services Excellence Network. In addition, guidance to help local authorities in linking cultural services to local community strategies, entitled *Leading the Good Life* by Creative Cultures, has been published. These initiatives have had an enthusiastic response, highlighted when our Cultural Pathfinders programme with the LGA attracted over eighty applicants.

### *Performance management*

Throughout the year, with our NDPBs and local authority practitioners, we have worked together to develop improved ways of indicating performance. This showed tangible results with the publication of *Developing a Performance Profile for Local Authority Cultural Services* by Angela Watson and Associates in August, and the draft *Culture Block* included by the Audit Commission in the consultation for the Comprehensive Performance Assessment 2005.

It will be the basis over the next three years on which we will be helping local government to make efficiency savings in cultural and leisure services.

There is still more to do and the report by PA Consulting, *Extending Your Reach – A Programme for Engagement with Local Authorities and Local Communities*, will guide us in developing a coherent approach. This will incorporate culture, media and sport at national and regional level, so that we can gain a better understanding of how we can help local authorities, giving fresh impetus to our partnerships.



Bellenden Renewal Area, London

## CHAPTER ONE, PART ONE

# Making progress

### 1. CHILDREN AND YOUNG PEOPLE

Through cultural, sporting and artistic activities we are working to ensure that children and young people have a fulfilled, healthy and creative start in life, both at school and outside it. This is being implemented in partnership with the Department for Education and Skills (DfES).

#### SPORT AND CHILDREN'S PLAY

##### *Investing in school sport*

In 2002, the Government launched the first ever comprehensive national physical education (PE) school sport and club links strategy with an investment of £459 million. This aims to increase the percentage of 5 to 16-year-olds who spend a minimum of two hours each week on high quality PE and school sport to 75 per cent by 2006 and to 85 per cent by 2008.

The overall strategy, implemented jointly by us and the DfES, remains on target, with the following achievements:

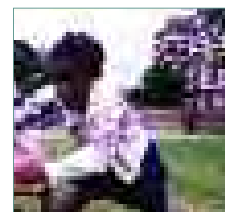
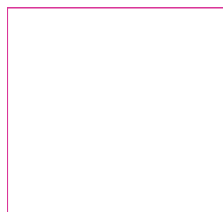
- There are now 328 specialist sports colleges – including four academies with a sports focus;
- 54 per cent of schools in England are within one of the 313 School Sport Partnerships, which benefit three million pupils in over 12,000 schools. All schools will be within a School Sport Partnership by 2006;

- 19 per cent of young people are participating in club sport and over 76,500 pupils have taken sports leadership awards or are doing mentored volunteering;
- More than 1,700 secondary co-ordinators and 10,300 primary and special school link teachers have been appointed in partnerships.

In December 2004, the Prime Minister announced that £519 million had been allocated to continue the national strategy over 2006-08. By 2010 our ambition is for all children to be offered at least four hours of sport every week, comprising at least two hours high quality PE and sport at school and the opportunity for at least a further two to three hours after school.

- A five-year-old starting at a school within one of our partnerships in September could expect to be doing at least 1 hour of PE in the curriculum each week. Better use of the school playground during lunch and break times would ensure they were able to increase this to two hours of high quality PE and sport each week.

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- By the age of eleven (2008) pupils would move to their secondary schools and could expect to be doing two hours of PE in the curriculum and have access to a wider range of sports, possibly up to 20 and be taking part regularly in competitions. They would also be participating in a local sports club. This would mean they would be doing at least two additional hours of sport outside of the curriculum.
- By the age of fourteen (2010) they could be doing at least two hours in the curriculum and would still have access to a wide range of sports. They could also be taking a sports leadership award and through a mixture of school, community and club providers be doing an additional two to three hours of sport or even more.

#### **Protecting playing fields**

We have dramatically reduced the number of sales of school and community playing fields.

There are new rules governing the sale of school playing fields, which tighten up existing regulations. The sale of a playing field must now be a last resort and all proceeds must be used to improve outdoor facilities wherever possible, with new sports facilities being sustainable for at least ten years. We will continue to try and tighten up the regulations currently in place to try to prevent further losses.

In the past few years, over 90 per cent of approved applications relating to playing fields have benefited sport. However, we recognise that more needs to be done to ensure that these important resources are protected.

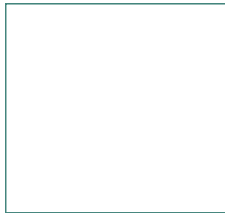
#### **Talented athletes going from strength to strength**

The Talented Athlete Scholarship Scheme (TASS) is a £3 million programme, helping 900 young sports people fulfil their potential by maintaining a balance between academic life or employment whilst training and competing as performance athletes. The scheme covers 47 sports, 15 of which are for disabled athletes.

TASS operates across England through nine regional consortia, which comprise 90 higher and further education institutions, delivering sporting services to 16 to 25-year-olds, with an extended age limit of 35 for disabled athletes.

Sporting services, including coaching, sports medicine, physiotherapy, conditioning, physiology and lifestyle management, to the value of £3,000 are awarded to TASS scholars and a minimum of £1,000 to TASS bursars.

From April 2005 a new fast track strand called 2012 Scholarships will be introduced. This will support 100 young people with the potential to be our medallists in future Olympics and Paralympics. Scholars will receive an award in the region of £10,000 for the provision of world class sporting services and support infrastructure. One hundred and seven athletes have been selected to receive an award during 2005-06.



### Safe play for children

During the year we continued to provide funding for three play sector organisations:

- *Skillsactive* which is jointly funded by the DfES to develop a national programme for training and qualifications in play and to provide regional training centres;
- *The Children's Play Council* for policy and research work;
- *The Children's Play Information Service* a library and web-based information service to support play practitioners.

We also formally responded to *Getting Serious About Play*, a review by the Rt Hon Frank Dobson MP. This took into account the restructuring of the Lottery into the Big Lottery Fund, and a move away from government-directed programmes. However we remain committed to seeing that children's play areas are transformed and we expect £200 million for play across the UK to come from the Lottery in the future.

We will be working closely with other government departments to develop a more strategic approach to play policy.

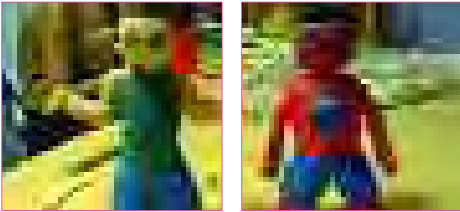
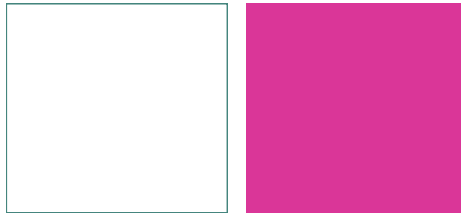
### Change for Children Programme

We have worked closely with the Department for Education and Skills to develop the *Every Child Matters; Change for Children Programme*. The Programme outcomes – to be healthy, stay safe, enjoy and achieve, make a positive contribution and achieve economic well-being – are key to a positive childhood and later life. They have now been given legal force in the Children Act 2004. We are working with cultural and sporting bodies to make sure that they are ready for the changes that will follow with the setting up of Children's Trusts and the appointment of new Directors of Children's Services.

### Reducing youth crime and anti-social behaviour

Now reaching the end of its second year, the *Positive Activities for Young People (PAYP)* programme is continuing to prove how access to sporting and cultural activities can make a real difference to young people's lives. Aimed at young people at risk of committing crime or becoming socially excluded, PAYP aims not only to motivate individuals, but also to create lasting behavioural changes.

Working with a range of partners including the DfES, the Youth Justice Board, the Office of the Deputy Prime Minister (ODPM) and the Big Lottery Fund, we offer a wide range of challenging and inspirational activities that can help young people gain a sense of self-worth and identity. The programme is already a huge success, with over 105,000 young people benefiting last year.



## ARTS

### *Encouraging creativity in schools*

*Creative Partnerships* is a flagship programme giving schoolchildren aged from 5 to 18 and their teachers the opportunity to explore their creativity by working on sustained projects with creative organisations and individuals. The projects are adventurous, ambitious and tailor-made and involve a range of partners including theatre companies, museums, historic buildings, orchestras, film-makers and dance studios. At the heart of the programme is the passionate belief that every child is creative and that everyone has the right to participate in the varied and exciting culture of this country.

[www.creative-partnerships.com](http://www.creative-partnerships.com)

Now in its second phase, it currently operates in 25 areas across England. Over 600 schools and more than 150,000 young people, have benefited so far. These figures are set to rise with the launch of the third phase in September 2005, which will see *Creative Partnerships* expand to 36 areas. By 2008 DCMS will have committed over £150 million to the programme.

A major research programme, conducted by the National Foundation for Education Research (NFER) is running alongside the project and is due to report in summer 2005. This will evaluate the impact that *Creative Partnerships* has had and is the largest ever study of the impact of creative activities on learning, attendance, confidence and self-esteem. It is already clear that the *Creative Partnerships* programme is highly valued by children and young people, teachers and creative professionals.

### *Young People's Arts Award*

From September 2003, over 1,000 young people across the country, aged between 14 and 19, took part in the pilot of the award. It has proved hugely popular as it encourages participation in the widest range of artistic activities whether it is poetry, dance, photography or rapping; individuals can concentrate on the art form they are most passionate about.

The Award will be implemented nationally by Arts Council England from 2005-06 and, responding to demand, the qualifying age will be extended to 13-25.

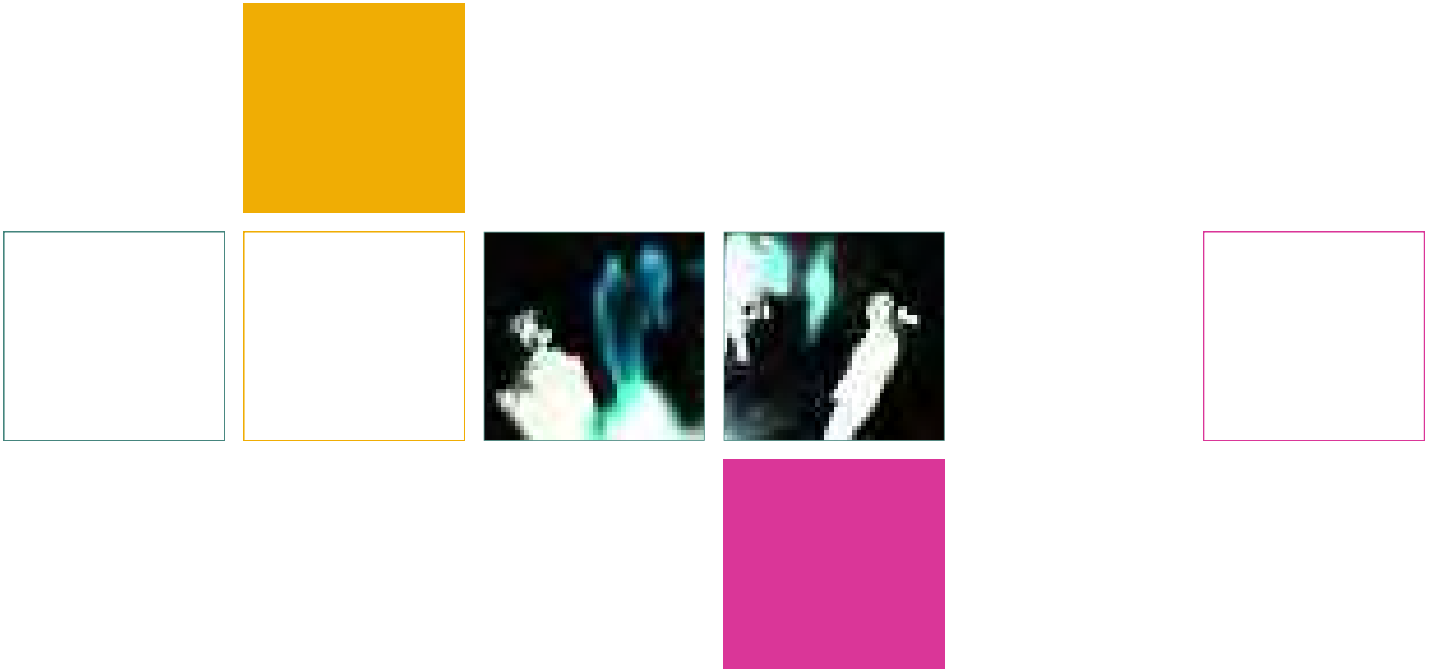
### *Arts awards for schools*

*Artsmark* is a national award that rewards schools who show a commitment to the full range of the arts – from dance, drama and music, to art and design. It continues to be a resounding success, encouraging more pupils to explore their creativity: in England 2,708 schools have now achieved *Artsmark*, including 27 per cent of all secondary schools.

### *Dance*

The 2003-04 Physical Education, School Sports and Club Links (PESSCL) survey, in which 6,500 schools took part, found that dance is the second most popular activity after football with 94 per cent of participating schools offering it.

We are also supporting *Youth Dance England*, the first National Youth Dance Agency established in February 2004 with £300,000 from Arts Council England and the DfES. This funding is helping them to develop the youth dance sector and maximise the opportunities for young people to become involved in high quality dance.



### Culture Online

Culture Online (COL) commissions a series of creative projects to broaden access to the arts, heritage and cultural organisations in a fresh and exciting way. In addition to being named by the National Audit Office as an example of well-managed innovation, Culture Online projects have won a clutch of creative awards. In the 2005 BAFTA interactive awards, COL picked up three prizes: the Stagemwork project won in the Best Factual and Best Learning categories and the Headline History project won in the Best Children's Learning category. Headline History also won the people's voice vote in the broadband category of the prestigious international 'Webby' awards.

With a further £3 million allocated for 2005-06, Culture Online aims to build on its reputation for delivering highly targeted interactive resources. Thirteen creative projects are currently up and running, with a further five in the pipeline and more to follow. Some of them are listed below:

**Headline History** – this award-winning website from Northcliffe Electronic Publishing, brings history to life by inviting schoolchildren to write and edit a series of colourful and interactive online newspapers, focusing on the Romans, Tudors, the Victorians and 20th Century Britain;

**Rosetta Requiem Song Cycle** – well-known artists and composers work in partnership with hospices users to create compelling films and music, bringing joy to people in many UK hospices. Composer Michael Nyman and singer Billy Bragg are among those who have donated their time to the project;

**ArtisanCam** – children and adults are provided with an insight into the lives of artists and craftspeople in this rich online resource. The site includes quality webcasts, teacher support information and a host of hands-on activities to fuel the imagination.

Details of all Culture Online projects and services can be found at [www.cultureonline.gov.uk](http://www.cultureonline.gov.uk)

### Youth music

Established in 1999, Youth Music funds and facilitates music-making for young people up to 18 years of age, particularly those from socially and economically deprived backgrounds.

By December 2004, the project had granted 1,560 awards nationally, totalling over £49 million and reaching over 880,000 participants. It has also created employment for nearly 6,000 music leaders, with its funding awards reaching into 98 per cent of Local Education Authorities in England. By 2010, the aim is that the programme

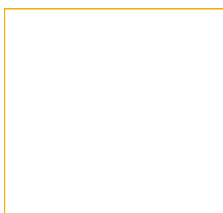
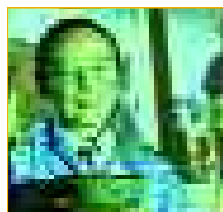
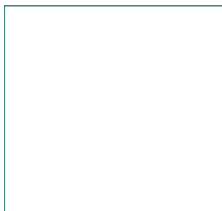
will have benefited more than three million young people and their communities.

It also develops specific initiatives such as the *Endangered and Protected Species* schemes, to fund the buying of rarer instruments such as the trombone, oboe and double bass for young people.

In June 2004, *Youth Music* celebrated its fifth birthday with a special event at Birmingham Symphony Hall. Nearly 400 young performers and their music leaders joined together to perform, displaying the amazing musical talents that have developed and thrived with the help of the project.

### More musical experiences

In June 2004 Estelle Morris and David Miliband launched the *Music Manifesto* at Abbey Road Studios. It was developed in collaboration with a 60-strong group of music organisations, arts practitioners, the music industry, the Musicians' Union, the Specialist Schools Trust, and Arts Council England and sets out a shared vision for music education in this country. The signatories are committed to working together to deliver an exciting range of musical experiences to all young people, and many have already made pledges of resources and programmes to make the vision a reality.



### Arts facilities for everyone

Space for Sport and Arts is a funding programme, which creates new and modernises existing sport and arts facilities at primary schools in deprived areas.

As well as providing £129 million funding for buildings, £5 million has been allocated to fund revenue programmes. In all, 251 facilities, such as the performing arts building at the Jesse Boot School in Nottingham and the rooftop sports hall at Winton Primary School in Islington have already been provided, with a further ten nearing completion. These are also available for use by the local community.

### The many benefits of libraries

Children and young people are frequent users of library services, which are vital in supporting their reading and creative development, community participation and study support. Sixty per cent of libraries offer after-school study support and around one-third of children are active borrowers, with almost seven million children's books on loan at any one time. A huge success last year was the Summer Reading Challenge run by the Reading Agency – which saw over 600,000 children taking part.

Through the People's Network, the Lottery has funded the connection of all the UK's 4,200 public libraries to the internet.

Through *Framework for the Future*, the Museums and Libraries Association has commissioned developmental work looking at shifting the culture of learning for children and families within libraries to fit new government agendas. This includes a recent report, *Fulfilling their Potential*, which outlines what libraries can offer to young people and how services should be adapted to meet their needs.

### MUSEUMS

#### *Increase in child visitors*

Free entry to our sponsored museums and galleries has increased visitor numbers enormously. Since the introduction of free access for children in 1999 there has been a 74 per cent increase in visits to those museums which previously charged for entry, from just over four million to just over seven million.

Following the pilot year of the Museums, Libraries and Archives Council programme, *Renaissance in the Regions*, there has been an increase of over 19 per cent (over 726,000) in the number of children visiting regional hub museums. The biggest single increase (over 300 per cent) was of school children aged from 16 to 19 participating in museums' outreach activities, including youth groups and activities at community centres.



### Young people's education strategy

We have been working in partnership with the Department for Education and Skills to develop a joint strategy to unlock the potential of museum and gallery educational services to support learning for children and young people.

We are investing over £7 million in a programme of work between 2004 and 2006, which underpins key priorities in the new education strategy. The funding will be used to develop a range of activities: strategic partnerships working between national and regional museums to support learning among young people and communities; education work in our nine identified English regions; a professional development scheme for teachers and museums staff across England; and education work by galleries without a permanent collection.

Projects include *Image and Identity*, a project where the Victoria & Albert Museum works with five regional partners and the children's charity NCH. Each museum involves pupils from primary and secondary schools in their local area, providing a range of activities based on the themes of image and identity, which are designed to enrich their learning experience.

## THE HISTORIC ENVIRONMENT

### Architecture

#### Using buildings to enhance education

In 2003, working with the Department for Education and Skills, we set up the Joint Advisory Committee on Built Environment Education (JACBEE) to explore ways to promote and develop the educational potential of contemporary and historic buildings.

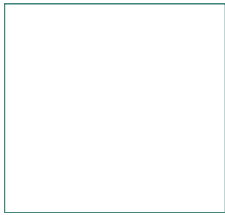
Their advice to us in September 2004 highlighted that while teachers in general would like to use local buildings in their teaching they do not feel confident enough to know where to start. They suggested this was compounded by the lack of available resources that could demonstrate how buildings can be used to teach the curriculum. The JACBEE saw this as a result of poor co-ordination of education providers from within the built environment sector and suggested that leadership is needed from us and the DfES to help present a more focused approach to education.

To address this, JACBEE created a package of recommendations to help the sector take up a joined up approach to education. The principal recommendation is to establish a One-Stop-Shop for Built Environment Education. The Commission for Architecture and the Built Environment, English Heritage and the wider sector have responded quickly and have developed a model for a new 'resource centre' that will provide tools and support for schools to engage with the buildings of their local communities.

#### Enjoying the Royal Parks

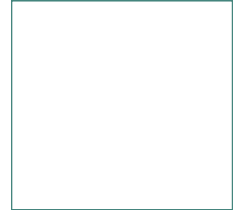
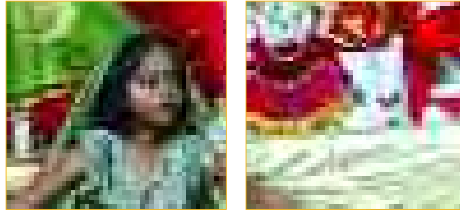
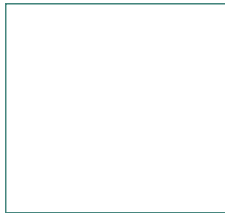
Last year 11,500 people took part in the Royal Parks education programmes, representing a 70 per cent increase over the previous two years. The programmes help educate local schoolchildren, by providing informative walks and talks, as well as facilities for teachers to develop their own professional skills.

The Royal Parks are building links with surrounding communities by providing opportunities to involve local people in their maintenance and development on a volunteer basis.



Children's activities are park-and classroom-based in the three education centres. Local secondary schools have also used Richmond and Bushy Parks for GCSE geography projects and field trips. Teachers' training is provided through continual professional development training, which uses the parks to illustrate aspects of the national curriculum in a variety of subjects.

The Holly Lodge Centre in Richmond Park celebrated its 10<sup>th</sup> anniversary in 2004. It is a centre of excellence, run in partnership with the charity PHAB, where adults and children with a diverse range of special needs come to enjoy the park and learn new skills.



## 2. COMMUNITIES

### *Bringing communities together through culture and sport*

Culture and sport activities such as football, music and local history create opportunities for people to participate in community life and play a huge part in improving quality of life. Our sectors provide opportunities for people to come together, promote understanding and develop a sense of belonging.

In Spring 2004, we held an event in Oldham to bring people together to debate how our sectors can make a difference to communities. This was run in partnership with the Home Office, government offices in the North West and Yorkshire and the Humber, the Museums, Libraries and Archives Council, Arts Council England and Sport England.

The event represented the breadth of activity being undertaken, as well as the drive, commitment and enthusiasm of participants, all making a substantial difference within their communities. Its recommendations are being taken forward by the partnership organisations and a full report is available on our website.

## SPORT

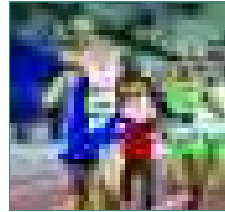
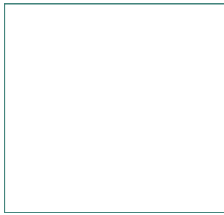
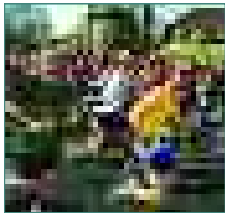
### *Participating in community sport*

We have challenging goals for increasing the numbers of people taking part in sport. To achieve these, we are investing in programmes to ensure that every community has as wide a range of sports facilities as possible and that the opportunities to use them exist for everybody.

Through the following programmes, we will commit over £1 billion to the development of 4,000 new or refurbished public sports facilities by 2006:

- Active England – £108 million to develop new and modernised sports facilities;
- New Opportunities for PE and sport – £581 million (England) is being invested in new community facilities in schools;
- New Opportunities Fund Playing Fields and Green Spaces – £31 million for the improvement of playing fields and community green spaces;
- Community club development programme – £100 million (£40m to 2004-05 and £60m 2005-06 to 2007-08) assisting National Governing Bodies develop community sports clubs, which increase participation and widen access;

*We are increasing and broadening the impact of culture and sport, to enrich individual lives, strengthen communities and improve the places where people live, now and for future generations.*



- Spaces for Sport and the Arts – £134 million to provide new sport and arts facilities to primary schools in the most deprived Local Education Authorities in the country;
- Football Foundation – £107 million (£62m 2000-01 to 2003-04 and £45m 2004-05 to 2005-06) to increase local participation.

### *Sport in the regions*

A sum of £5.2 million has been invested in Active Places ([www.activeplaces.com](http://www.activeplaces.com)) a database to help people locate their local sports facilities. Active Places went online in July 2004 and allows Sport England to work with Local Authorities, through the Regional Sports Boards, to develop strategy and identify supply and demand for sports facilities, and determine priorities for investment.

Sport England is working with the Department of Health and the Countryside Agency to pilot community-based approaches to increasing physical activity among adults and children through *Local Exercise Action Pilots* (LEAPS), in the nine Government regions. In June 2004, Sport England also launched a pilot media campaign, *Everyday Sport*, in north-east England to encourage participation in sport and physical activity.

The Big Lottery Fund is funding a Regional Health and Physical Activity Co-ordinator in the North West to bring together Regional Government Offices, Regional Sports Boards, Development Agencies, Local Authorities, Primary Care Trusts, the voluntary sector and the fitness industry.

### *Sports coaching*

We are putting programmes in place to improve sports coaching structures at local, regional and national levels. In addition to the £28 million committed over 2003-05, we have allocated a further £32 million in 2005-07 to deliver four key areas of work:

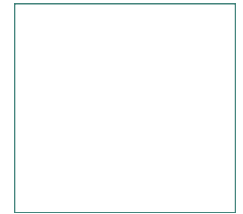
- developing and introducing a UK Coaching Certificate;
- establishing a network of 45 Coach Development Officers (CDOs) working at county level in England;
- establishing a network of 3,000 full- and part-time Community Sports Coaches (CSCs) in England; and
- undertaking research into the state of coaching in the UK.

## MUSEUMS AND GALLERIES

### *Free entry*

For the third year running, following the introduction of free entry in December 2001, total visits to our sponsored museums and galleries continued to rise. Museums that previously charged have seen a rise of nearly six million visits – an increase of 75 per cent.

This success also had an effect on those museums which remained free, with an increase in visits of nearly two million (9 per cent) over the same period. Visits by people from less privileged social-economic backgrounds have increased by 12 per cent between 2002-03 and 2004-05, achieving our funding targets agreed with the museums a year early. Under our new PSA target, we aim to continue to expand the number of visits by adults from such groups to our national and regional museums and galleries.



### Connecting people with their local museums

The *Renaissance in the Regions* project continues to support regional museums by using their collections and local knowledge to open up new learning opportunities for local people. Autumn 2004 surveys of the project's pilot year (2003-04) demonstrated the remarkable success in bringing in new audiences, with over 11 million visits, nearly three million of those by children, and over 526,000 first-time visits from new users from less privileged social-economic backgrounds.

### NATIONAL LOTTERY

In line with the Secretary of State's reform agenda, lottery distributors have created a *Lottery Forum* to improve the service they give to people who need lottery grants. The aim is to increase access to lottery funding, make the application process easier and increase public involvement in decision making. It will also help develop best practice in handling grants and address regional priorities. The first achievements are an independent complaints process and customer care charter, which will be introduced during 2005.

### National Lottery Promotions Unit

The National Lottery Promotion Unit's first year of operation raised positive public awareness of and support for the benefits of National Lottery funding across the UK. We created the Unit with the lottery distributing bodies and Camelot as a result the 2002 consultation on the future of the National Lottery, which had identified the need for greater public information on what the National Lottery funds, particularly in local communities.

The Unit's key achievements in this first year have included:

- the successful delivery of 800 nationwide events to celebrate the National Lottery's 10<sup>th</sup> birthday, which were attended by over 200,000 people;
- the development of a *Common Brand*, designed to help people recognise the many projects within their communities that have benefited from lottery funding; and
- raising positive public awareness of lottery-funded projects and individuals through a trial media campaign in Glasgow and a nationwide sports campaign.

### Big Lottery Fund

The Big Lottery Fund (the New Opportunities Fund and the Community Fund working together) was launched on 1 June 2004, with a joint Chair and Board appointed by the Secretary of State. It immediately launched a public consultation exercise, with the first phase focusing on how it would work with stakeholders on ways in which it could provide funding. A second phase ran from October to January, seeking views on the themes, outcomes and priorities proposed by the Government, and the best ways to deliver them. The Fund used the responses to the consultation exercises to design new funding programmes in Spring 2005.

The first programme was launched in September 2004. The Young People's Fund will give £200 million to projects run by and for young people across the UK. The Big Lottery Fund also continued to make grants under the successful £27.3 million Veterans Reunited programme. This has enabled over 20,000 veterans, widows, spouses and carers to travel overseas to where the veterans saw active service during the Second World War.



## LIBRARIES

### *Improving public libraries*

Public libraries help play an important role in developing a love of reading, tackling poor literacy rates and stimulating learning for all ages. They are also a hub for communities which offer a relaxed and welcoming space that is open a variety of hours, including Sundays. The numbers of visits to libraries continues to increase, and during 2003-2004 the numbers of visits to UK libraries increased by 14 million, which continues to build on the 5 million increase from the previous year.

In partnership with the Museums, Libraries and Archives Council (MLA) and the Advisory Council on Libraries, we have developed new Public Library Service Standards, introduced on 1 October 2004 to make improvements to the public library service across the UK.

This includes a proposed *Best Value Performance Indicator* for public libraries measuring compliance with the new Service Standards, which is currently being trialled.

### *Framework for the future*

*Framework for the Future* is developing best practice guides to help libraries support and engage with people in their communities. As part of this the MLA has undertaken developmental work, which focuses on meeting the needs of adults with literacy problems, through projects such as the *Vital Link* and *Need to Read*. It is also developing ways to improve and promote best practice for access for people with disabilities, particularly those with visual impairments.

## COMMUNITY RADIO

In July 2004, the *Community Radio Order* was approved by Parliament. The new licences will provide local programmes, by local volunteers, for local people. Anthony Everitt, consultant to the Radio Authority and ex-Secretary-General of the Arts Council of Great Britain, described this move, in his independent review 'New Voices' as "*the most important cultural development in this country for many years*".

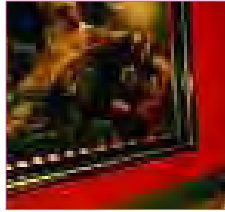
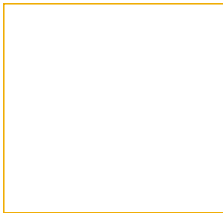
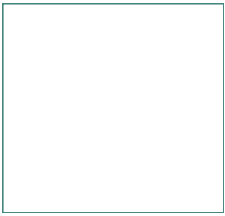
Since the end of 2004, Ofcom has received 194 applications from potential community radio broadcasters. The first licence was awarded to the Forest of Dean Community Radio. We have committed £0.5 million each year to support it until at least 2008.

## ARTS

### *Arts participation*

Our target to increase the number of adults benefiting from the arts is being delivered through Arts Council England and its partnership organisations. This will build on their existing approach to target as many people as possible in accordance with their cultural diversity priority and sharing information learned from the £20 million New Audiences programmes.

The South Bank Centre (SBC) has this year embarked on an ambitious £91 million redevelopment programme. Following the closure and extensive refurbishment of the Royal Festival Hall, the new SBC is scheduled to open in January 2007, providing a breathtaking cultural complex for the capital worthy of the 21st century.



## HERITAGE

English Heritage has been reaching out to new audiences to enjoy and value the historic environment.

In 2003, English Heritage established their Outreach department. It has nine regional Outreach Officers who have produced over 40 projects, ranging from spoken history to community archaeology digs, arts projects exploring issues around regeneration and creating a heritage garden. The work is developed in partnership with local organisations to ensure that it fits in with local priorities.

Heritage Open Days, with the Civic Trust, are another means of broadening participation and attracting new organisers from a wide range of social, cultural and ethnic backgrounds. In 2004, there was an increase from six to 44 in the number of faith buildings opened (other than churches).

It is expected that English Heritage will significantly exceed the 2004-05 target of 50,000 new visitors to its sites.

### *Heritage Protection Review*

In June 2004 we published *Review of Heritage Protection: the way forward*: our proposals for a comprehensive reform of the way we protect and manage the historic environment in England. These are designed to make the system simpler and more flexible, maintaining the current levels of protection for our rich heritage of historic buildings, monuments, battlefields and gardens.

The process has two stages. First, a series of short-term changes to the current system came into effect on 1 April 2005. These will improve the listing of historic buildings by introducing new notification and consultation arrangements and providing better information for owners. Second, the longer-term reforms will need primary legislation. They will bring together the separate and often confusing systems of listing, scheduling and registering for historic sites into a single system and introduce new ways of managing these sites.

Throughout the year, we have been working with 15 pilot projects across the country to develop and test out our proposals for change. These range from rural country estates, to stations on the Piccadilly underground line and involve owners and managers, Local Authorities, English Heritage and other heritage organisations.

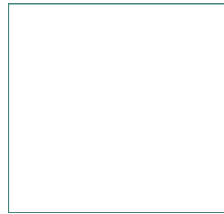
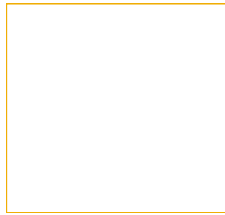
### *World Heritage*

To mark the 20th anniversary of the UK's ratification of the World Heritage Convention, we worked with SUSTRANS, the sustainable transport charity, English Heritage and the National Trust to promote a series of cycle rides to most of the UK's World Heritage Sites. The project aimed to raise awareness of World Heritage, highlight the contribution of motorised transport to climate change in the UK and promote accessibility to sites using sustainable transport. The final ride in Liverpool marked *Liverpool-Maritime Mercantile City* becoming the UK's twenty-sixth World Heritage Site in July 2004.

## ARCHITECTURE

Through a growing network of 16 regional Architecture and Built Environment Centres (ABECs), the Architecture Centre Network helps children, young people and the public learn more about and become involved with the buildings that characterise their local communities.

Each ABEC offers a unique regional approach to exploring the built environment. For example *Open House*, which takes place annually in London encourages Londoners to take pride in their city and by doing so helps increase public demand for better buildings in the future. The Shape Centre, serving the East of England, is typical of many ABECs which provide



resources for schools to teach curriculum subjects. These, including workshops, help communities to voice ideas and opinions about the design and maintenance of their local environment.

All of the centres involved in the Network are concerned with fostering a 'sense of place' to encourage people of all ages to become active participants in changes to their local environment.

## THE ROYAL PARKS

### *Diana Memorial Fountain*

The Diana, Princess of Wales Memorial Fountain in Hyde Park was opened by The Queen on 6 July 2004. This was the culmination of a £3.6 million DCMS project, managed by The Royal Parks. Gustafson Porter were the design team, basing the Memorial on the qualities of the late Princess that were most loved: her openness and approachability. Since opening, the Memorial has attracted thousands of people from all over the world, visiting to experience a sense of relaxation and remembrance. The Fountain was closed in December 2004 for a programme of remedial works and re-opened on 6 May 2005.

### *Better access for the disabled*

During the year, audits were carried out on the accessibility of all Royal Parks' buildings to disabled people and as a result a programme of work has been created to improve access. Workshops have been held in Bushy Park to help managers make informed decisions when considering what improvements would be appropriate to make the parks meet the requirements of the Disability Discrimination Act. At these, disabled people showed able-bodied people what it was like to experience the Park as a sight-impaired, hard-of-hearing or wheelchair-using disabled person.

### *Inn the Park*

The new St James's Park restaurant, *Inn The Park*, opened to the public on 19 April 2004. It incorporates award-winning sustainable building practices and has proved very popular with the public, as well as attracting enthusiastic reviews from the media.

### *Appreciating wildlife*

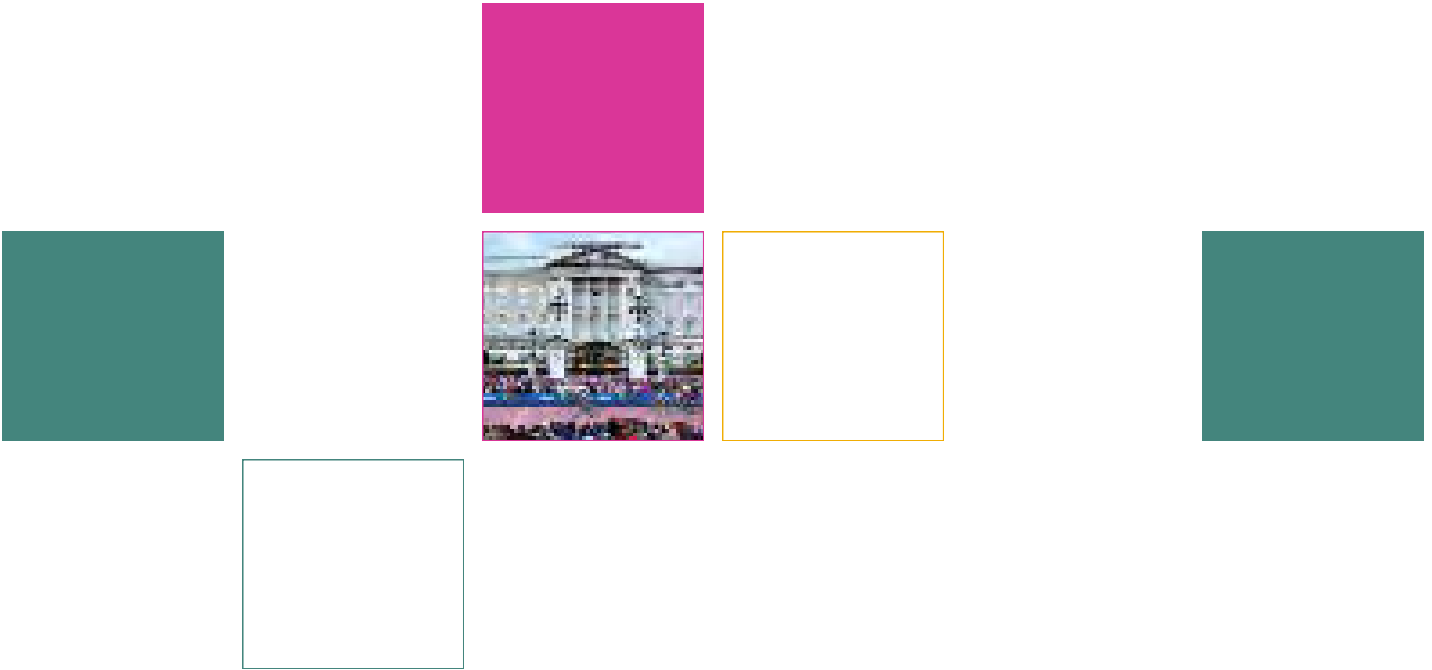
In addition to the outreach programme of visits to local schools, The Royal Parks education and community engagement staff ran the *Wildlife for All* programme. Now in its third year, it has identified and started working with communities which have not previously engaged in park-related activities, to encourage a wider range of visitors.

### *Regent's Park sporting venue*

Work is now almost complete on a major refurbishment of all the sports pitches in Regent's Park and a new, purpose-built pavilion was opened on 27 May 2005 by HRH the Prince of Wales and the Duchess of Cornwall. When fully completed, the works will make Regent's Park the largest outdoor sporting facility in central London.

### *Restoring Bushy Park*

Community involvement is a key element of the Bushy Park Restoration Project. Regular meetings with Stakeholder Interest Groups have informed the physical aspects of the restoration and helped to create the Audience Development Plan which aims to attract currently under-represented groups to the Park.



## CULTURE AND REGENERATION

There has been increasing awareness of the potential value of culture in driving the sustainable regeneration of rural and urban communities. Examples range from the Baltic and Sage in the North East to the involvement of local artists in the Bellenden Renewal Area in Peckham, in south London.

The response to last year's consultation paper *Culture at the Heart of Regeneration* suggested there is a huge appetite amongst those involved in regeneration, including people in local communities, to do more. In light of these responses we will do more to strengthen our expertise and to provide regeneration and cultural professionals with the skills and approaches that will help put culture truly at the heart of regeneration.

### Promoting sustainable development

We are in a strong position to raise awareness of sustainable development. We encourage this through support for exhibitions in museums, libraries and galleries, through the arts, Commission for Architecture and the Built Environment and English Heritage on the built and historic environment, and promoting sustainable tourism.

The potential of sport to influence all aspects of sustainability cannot be underestimated and we work closely with sports bodies to encourage this. The London 2012 Olympic bid promotes key sustainability goals, including: a low carbon games to highlight the global issue of climate change; *Zero Waste Games* to ensure all Olympic and Paralympic waste is diverted to reuse and recycling projects; and conserving biodiversity through the restoration of rivers and wetlands. The bid also includes the creation of the largest new urban park in Europe for 200 years, to provide a valuable facility for surrounding communities.

Over the year we have been working with the Sustainable Development Commission to devise recommendations to help our NDPBs perform more efficiently, especially in the areas of energy use and sustainable procurement.

We are to review our sustainable development strategy this year. This will result in an action plan with challenging targets for ourselves and our NDPBs.

## GOVERNMENT ART COLLECTION

The Government Art Collection (GAC) promotes Britain's culture and history by displaying works of art in major government buildings in the UK and around the world.

The GAC manages an extensive range of projects and some of the highlights are listed below.

- A new display of works illustrating cultural and historical connections between the UK and Greece was installed in the Ambassador's Residence in Athens shortly before the 2004 Olympic Games.
- The selection and commissioning of art for the new Home Office building, designed by Terry Farrell and Partners and built under an award-winning Public Finance Initiative arrangement. The artist Liam Gillick collaborated with the architects to enhance the façade of the building. Six artists were commissioned to create work for the public areas around the building, two for the interior and an artist's project.
- New acquisitions have included *Scenes from the Paradaxin*, 2004 by Damien Hirst; *Chance and Order 4 (Green)*, 1970 by Kenneth Martin; *Ben Nevis on Blue*, 2004 by Claude Heath.



- Major conservation projects have been undertaken on works including three small topographical paintings of Sri Lanka by Edward Lear; a portrait of The Family of George Villiers, 1st Duke of Buckingham (1592-1628) after van Dyck; and a portrait of the 17th century medallist Thomas Rawlins by Adrian Hanneman; as well as a large number of works on paper in preparation for new displays in Athens and Istanbul.  
[www.gac-culture.gov.uk](http://www.gac-culture.gov.uk)

## CULTURAL PROPERTY UNIT

Our Cultural Property Unit ensures that outstanding cultural treasures are, wherever possible, not lost to the nation and are accessible for all to view, while also championing a successful, legal art market which makes a major contribution to this country's economy.

Through the Government Indemnity Scheme, private collectors can lend works of art to museums, galleries and other institutions. Last year this enabled many outstanding exhibitions to take place including: *Raphael: From Urbino to Rome at the National Gallery* and *Turks: Journey of a Thousand Years* at the Royal Academy.

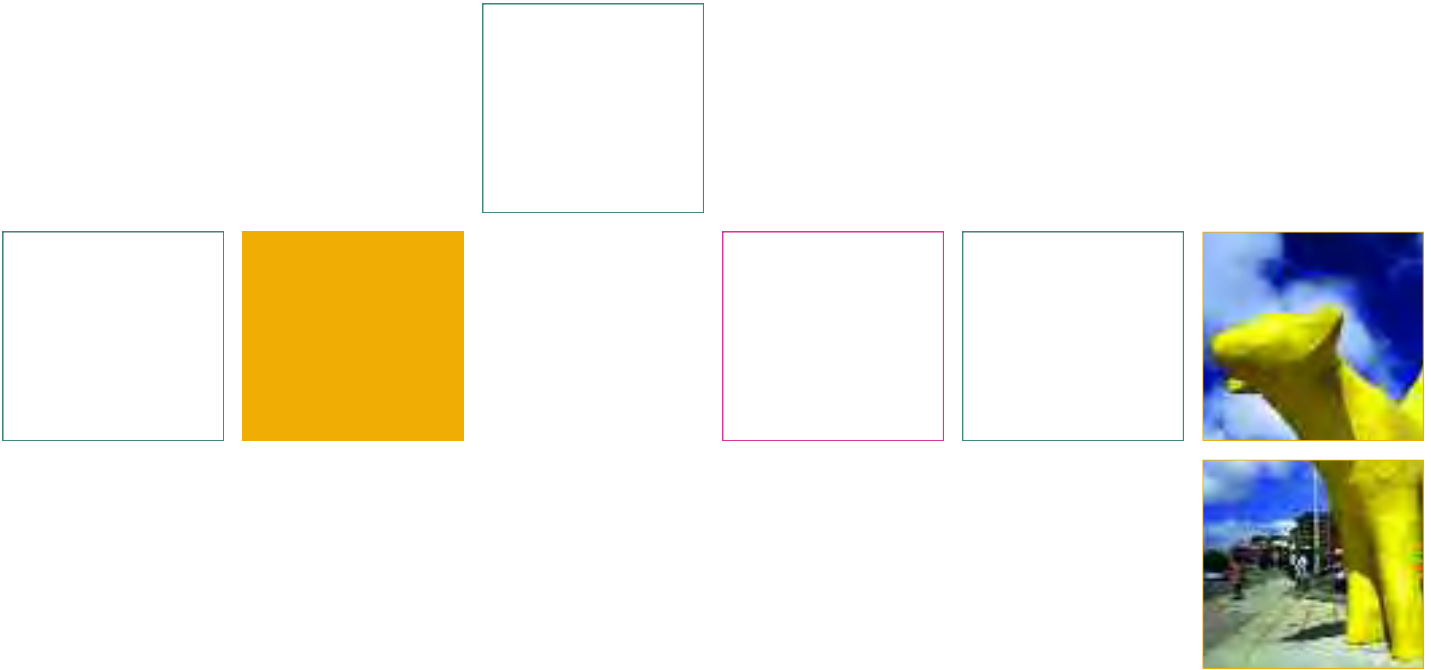
Through our management of the Acceptance in Lieu scheme, we acquired for the nation a number of important objects including Constable's *Hampstead Heath with pond and bathers*, a group of 29 works by Sir William Rothenstein and three works by William Blake.

The Human Tissue Act received Royal Assent in November 2004 and lifted the statutory restrictions which prevented nine national museums from being able to remove human remains from their collections and therefore consider claims from indigenous people for their return.

## *Securing the best for our museums: private giving and government support*

We accepted the recommendations of the Review by Sir Nicholas Goodison that there should be a One-Stop-Shop for handling certain cultural property functions that currently sit within several different bodies. Following the Review the Museums, Libraries and Archives Council have now taken on a number of responsibilities, for example, the issue of export licences; issue of indemnities under the Government indemnity scheme; and making recommendations for the acceptance of works of art and other heritage objects offered in lieu of inheritance tax.

Also as a result of the Review, funding for the National Heritage Memorial Fund will now double to £10 million in 2007-08 compared to 2004-05. The Renaissance in the Regions programme for regional museums will be extended to all nine English regions and the free access commitment, which currently covers the main national museums and galleries, and the VAT refund scheme, will be extended to university museums and galleries.



### OUR INTERNATIONAL ROLE

The UK's international role is important and we are represented on the Foreign & Commonwealth Office-chaired Public Diplomacy Strategy Board alongside other government departments and organisations such as VisitBritain. The purpose is to identify a common agenda around which UK bodies engaged in public diplomacy can focus their individual and collective efforts. We are also participating in the current review of public diplomacy led by Lord Carter of Coles.

We also play a part in many international arenas. The UK is a member of UNESCO's World Heritage Committee and we lead on the Government's involvement in UNESCO's cultural programmes. Last year we were proud to contribute to the celebration of the centenary of the Entente Cordiale through the many French-themed exhibitions staged by our sponsored museums. We work particularly closely with the European Union (EU), taking a leading role in developing their new cultural programmes, and in other areas, such as broadcasting and audiovisual issues.

### UK Presidency of the EU

The UK holds the Presidency of the EU in the second half of 2005. This is being led by the EU Presidency Unit, with support from a network of divisional co-ordinators and policy experts. We have developed strategic priorities for the Presidency, focusing on access and entitlement to sporting and cultural opportunities, promoting the productivity of our business sectors and positive engagement with EU institutions and other member states.

Our key priorities include making progress on the new generation of EU funding programmes for culture and film; launching a new action plan for the digitisation of cultural heritage; promoting the free movement of museum objects and collections throughout Europe; preparatory work on the anticipated revision of the Television Without Frontiers Directive and support for the better regulation agenda.

### European Capital of Culture

Following Liverpool's success in the UK's selection competition and a positive report from the European Union's selection panel, the EU Council of Ministers named Liverpool as European Capital of Culture for 2008. Liverpool has put culture at the heart of its regeneration, to reposition itself as a world-class city for its people and visitors. It hopes this accolade will help to achieve investment of £2 billion, 14,000 additional jobs, 1.7 million additional tourists and an economic boost of £250 million.

We have continued to work closely with Liverpool on the development of their programme, not only by allocating £5 million from the 2004 spending review, but by helping to build partnerships and identify other sources of funding in order to make the year a success and to leave a lasting legacy for not only Liverpool, but for the region and UK as a whole. We are also working with the other cities that bid, to maintain the momentum that the selection process created.



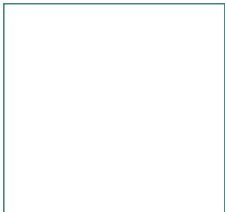
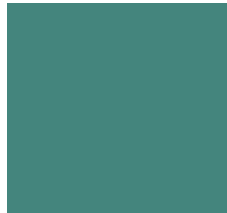
### *Drug testing in sport*

We are fully committed to eradicating the use of performance enhancing drugs and doping methods in sport, as this constitutes cheating and is contrary to the spirit of fair competition.

Over the last five years, 29,000 tests have been carried out in 40 sports with 98.5 per cent of athletes testing clean, suggesting that the programme is an effective deterrent.

The UK signed the Copenhagen Declaration (a political memorandum of understanding) in March 2003, signifying our commitment to the World Anti-Doping Code. Since then, the anti-doping organisation, UK Sport, has been working with governing bodies to implement the Code by April 2006.

The UK has been involved in the development of The International Convention Against Doping in Sport, which is being prepared by the United Nations Educational, Scientific and Cultural Organisation (UNESCO). The purpose of the Convention is to establish a legal framework on how governments engage in the fight against drugs in sport with the intention that the Convention will be ratified in time for the Turin Winter Olympics in 2006.



### 3. ECONOMY

Through this priority we are seeking to support the Government's central economic objective to achieve high and stable levels of growth and employment.

This year we have setup a new Economy Board which has overseen:

- the progressive development of a framework for our broadcasting and media industries which places them on a modern, world-class basis for the 21st Century;
- a radical programme of reform for the regulation of alcohol and entertainment and for gambling, which will enable better prospects for economic development alongside strengthened safeguards;
- a programme of priority projects to promote growth and productivity in the major economic sectors of tourism and creative industries;
- the beginnings of a strategic assessment of the economic impact of all our sectors, institutions and activities linking the development of the cultural and business environments;

- a concerted programme to set skills as a priority in all of our sectors, working closely with Department for Education and Skills (DfES), just as we have done with the Department of Trade and Industry (DTI) and other parts of Government on the economic agenda.

#### BROADCASTING

##### Digital TV switchover

Nearly 60 per cent of UK households now receive and enjoy digital television.<sup>2</sup> As terrestrial reception is still used by most households, it is essential to give as many of them as possible the opportunity to receive digital terrestrial signals. Until we turn off the analogue signals, we will not be able to increase the coverage of digital terrestrial much beyond the current 73 per cent. Only full switchover will allow everyone who currently receives analogue TV to enjoy digital television.

The Digital Action Plan launched in December 2001 was completed last November, and broadcasters, retailers and manufacturers are now working together to create an organisation which will co-ordinate and manage the switchover process, although the ultimate responsibility for the policy will remain with ministers.

We have begun a campaign to increase awareness of switchover through use of mainstream media, building on the digital switchover logo, launched in September and already widely adopted by the industry and retailers. We expect the industry organisation, *Switchco* to take the lead in ensuring consumers are aware about what they need to do in preparing for switchover.

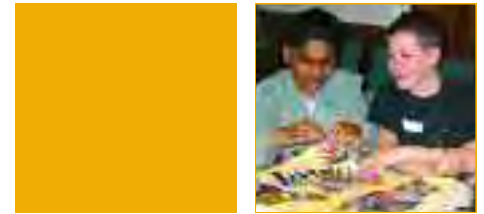
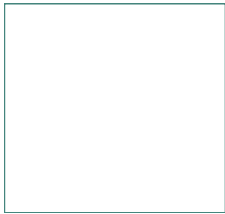
In achieving switchover we will ensure that the needs of the most vulnerable are protected.

##### Digital radio

In October 2003, the Secretary of State wrote to the BBC and Ofcom's predecessor, the Radio Authority, asking them to review the progress of digital radio. These reviews were published in December 2004, and concluded that it would be premature to set a switchover date for radio now, as it might unsettle the radio market and cause consumer concern. However, we are committed to working closely with the radio industry to overcome the remaining barriers to digital radio take-up and to identify the conditions which need to be satisfied before a switchover date can be considered.

<sup>2</sup> Ofcom, Digital Television update Q3, 2004

## We are maximising the contribution which the tourism, creative and leisure industries can make to the economy.



### Ofcom

Ofcom is the independent regulator for the UK communications industries, with responsibilities across television, radio, telecommunications and wireless communications services.

During 2004-05, we have been working closely with the DTI and Ofcom on developing the spectrum planning and switchover strategy for digital television. Ofcom developed new digital replacement licences for the public service broadcasters to secure their future over switchover. The Ofcom review of public service broadcasting provided a detailed analysis of the development of public service broadcasting as digital take-up increases and made a significant contribution to the BBC Charter Review.

We worked closely with Ofcom in establishing, and gaining Parliamentary approval for, advertising co-regulatory arrangements which will protect Ofcom's work in developing new rules on the promotion of foods and alcohol.

Through Ofcom, we fund support for community radio. During the year, 194 applications for community radio licences were submitted to Ofcom and are currently being considered.

### Party Political Broadcasts

We have undertaken a consultation on the Electoral Commission's report and recommendations for Party Political Broadcasting. Ministers are now reviewing the responses with a view to ensuring we continue to have a robust and effective system of communication between political parties and the UK population at times of elections.

### REFORM OF LICENSING

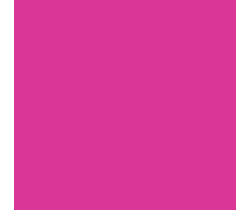
Licensing reform is an integral part of the Government's wider approach to tackling alcohol-related problems through the Alcohol Harm Reduction Strategy. And as part of this, in January, we, with the Home Office and the ODPM, published *Drinking Responsibly*, which set out proposals for tackling binge drinking, ensuring that industry, individuals and the wider community are fully engaged in tackling the problem.

Our reform of the alcohol, entertainment and late night refreshment licensing laws are the biggest overhaul in this area for 40 years. Over the last 12 months we have put in place the final elements to enable full implementation, including:

- providing licensing authorities with guidance about their new roles and responsibilities;
- setting regulations, including the processes to be followed and forms to be used; and
- setting licensing fees, to recover the costs of authorities when implementing their administration, inspection and enforcement responsibilities.

The transition from the six existing systems to a single integrated licensing regime began on 7 February. Provisions of the new Act are due to come fully into force in November and will deliver:

- more choice for customers at night-time;
- more power for local communities in how licensing activity is managed;
- control and more resources for local authorities, including enforcement;
- savings for police on administration of about £15 million a year; and
- a better deal for businesses, with a reduction in red tape by reducing 1.7 million annual processes down to about 200,000.



## GAMBLING ACT

Legislative proposals were devised in response to two reports from a joint Parliamentary scrutiny committee and a major public consultation. The result was a Gambling Bill brought before Parliament in the autumn, intended to modernise the regulation of all forms of gambling. It aims to provide greater protection for children and the vulnerable, while reflecting the changes, including technology, which have revolutionised access to gambling opportunities during the 30 years since the current system was put in place.

The Bill was passed in April. During its preparation we worked closely with the Gaming Board for Great Britain, local authorities and other interested bodies to plan the process of implementation, which is expected to take about two years.

### *Future of the Tote and Horserace Betting Levy*

Important proposals affecting the future of racing and pool betting were approved by Parliament when it passed the Horserace Betting and Olympic Lottery Act 2004. The first part of the Act allows for the sale of the Tote, enabling the Government to take forward its commitment to sell it to a horseracing trust. The intended sale has been notified to the European Commission for state aid clearance. The second part of the Act makes provision for the abolition of the Horserace Betting Levy, which will end our statutory involvement in the financing and administration of racing.

## TOURISM

### *Tourism figures*

We are now taking a more central strategic role in improving the productivity of our tourism sector, as the industry continues to recover from the effects of 9/11 and Foot-and-Mouth Disease. The year 2004 saw over 27.5 million inbound visitors to the UK – up 11 per cent on 2003<sup>3</sup> – and these visitors spent a record £12.8 billion. Domestic visitor numbers and spending are also holding up well.

Tourism is our fifth largest industry, directly employing over 1.4 million people<sup>4</sup>, and contributing over £74 billion a year<sup>5</sup> to the UK economy. We have now agreed an ambitious target with our public and private sector tourism partners. As we announced in our policy document *Tomorrow's Tourism Today* in July 2004, we aim to increase turnover to £100 billion by 2010.

*Tomorrow's Tourism Today* sets out five priority policy areas, each of which is vital to improved productivity.

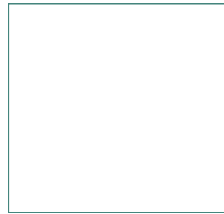
### *Marketing and e-tourism – VisitBritain*

VisitBritain has consolidated its position as a world-class marketing organisation, and will increasingly focus effort on targeting tourism from emerging markets, including India, South Korea and China.

<sup>3</sup> ONS International Passenger Survey 2004

<sup>4</sup> ONS Journal *Labour Market Trends*

<sup>5</sup> UK Tourism Satellite Account – First Steps



It has reformed the corporate and stakeholder structures of EnglandNet. EnglandNet remains on target to create a virtual high street for tourism and leisure, offering an information and online booking service to internet users during 2005. VisitBritain is also working closely with London 2012, to ensure that tourism reaps the full benefits of a successful Olympic Bid and with the Trafalgar 200 organising committee to promote Sea Britain 2005.

#### *Product Quality – Britain-wide accommodation grading*

The DCMS-sponsored GB-wide quality review led by Alan Britten announced the first ever agreement to common accommodation grading standards by VisitBritain, VisitScotland, the Welsh Tourist Board, the AA and the RAC, in May 2004. And we announced the start of implementation in March 2005. When this is complete, consumers from anywhere in the world can be confident of consistently higher hotel standards anywhere in Britain. With the successful DCMS/local government *Fitness for Purpose* initiative tackling sub-standard accommodation, this will greatly improve visitors' experiences to the benefit of the whole industry.

#### *Workforce skills and business data*

We and DfES launched tourism's new Sector Skills Council – *People1st* – in May 2004. People1st is already working closely with the RDA network and the Best Practice Forum to make high quality training and performance standards available to all tourism businesses. We are also leading vital work to improve the standards of business data available to the industry.

#### *Championing tourism in government*

The cross-sectoral Tourism Review and Implementation Group (TRIG) was launched under Richard Caborn's chairmanship in September 2004 to lead an urgent programme of productivity work, and to champion the tourism sector in Government. We, VisitBritain and the industry jointly held the first ever National Tourism Conference in March 2005. In the international field, Richard Caborn announced at the conference that the UK will be joining the World Tourism Organisation from 2005-06. Joining this 141-member United Nations specialised agency will put the UK at the centre of international tourism promotion and development work.

#### *CREATIVE INDUSTRIES*

The creative industry sector comprises all aspects of creativity ranging from architecture to performance arts, design to music, film and video to publishing. Together they make a significant contribution to the economy, accounting for 1.9 million jobs, as well as enhancing people's quality of life.<sup>6</sup>

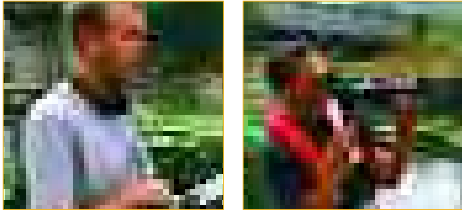
#### *Intellectual property*

Intellectual property is at the heart of the value of creative industries and a key challenge is the threat of piracy, counterfeit goods and illegal file sharing. In July 2004, we, with the DTI and the Patent Office, set up the Creative Industries Forum on Intellectual Property – its task being to examine how best to deal with these threats. Forum members also include representatives from across the Creative Industries sector, as well as representatives from internet service providers, telecoms companies, hardware manufacturers and consumer groups.

Three industry-led working groups have been set up under the Forum and its recommendations will inform government policy on:

- intellectual property crime and online infringements;
- business opportunities; and
- education and communications.

<sup>6</sup> DCMS statistical bulletin *Creative Industries Economic Estimates*, August 2004



### Film

In partnership with our strategic film adviser, the UK Film Council, we built on the previous years unprecedented production successes, by focusing on creating the right conditions for a sustainable film industry in 2004.

A major landmark was the Chancellor's decision to continue the tax relief for lower-budget British films, which has already made possible hits such as *The Full Monty*, *Bend It Like Beckham* and *Calendar Girls*. However, these economic incentives also need to benefit the taxpayer, so we have been working with HM Treasury and the UK Film Council to explore how the tax relief can be channelled to ensure everyone gets a better deal.

We have also looked at how we can help UK filmmakers work with their counterparts abroad. In February 2005, we announced the start of negotiations on new co-production agreements with a range of countries which have important emerging film industries – China, India, Jamaica, Morocco and South Africa. We also asked Australia, Canada, France and New Zealand to

explore with us how our existing co-production agreements with them could reflect the realities of the film industry today. This new set of agreements will help strengthen the UK as the centre of international filmmaking.

### Supporting the music industry

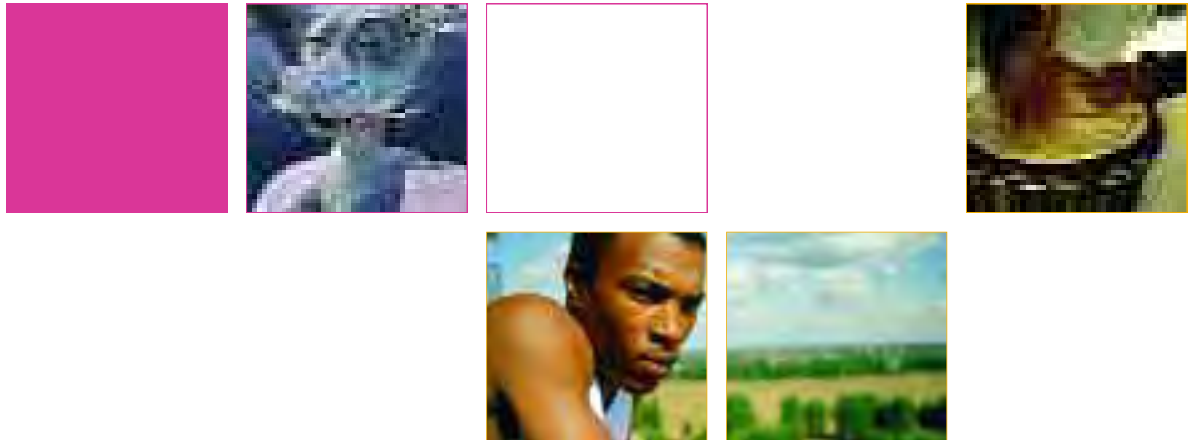
The music industry continues to be one of the biggest industries in the UK. It plays a vital part both in people's lives and in the economy. It contributes almost £5 billion to the UK economy and is responsible for the creation of around 130,000 jobs. We work closely with a broad range of music industry bodies, from major and independent record labels and publishers to managers, artists and promoters. This enables us to identify how industry can improve its economic performance and how we can ensure that their concerns are considered in policy making.

### Supporting live music

The *Live Music Forum* was set up in February 2004, following the Licensing Act 2003. Its aims are to monitor and evaluate the impact of the Act on live music and to support and promote music more generally in England and Wales. Key achievements include:

- the publication of Stage One of the first survey of the existing live music scene in England and Wales;
- working in partnership with key stakeholders to establish an innovative 'pilot' performance and rehearsal space in Camberwell, South East London; and
- securing the music industry's agreement to introduce an award to recognise live music at the Brits.

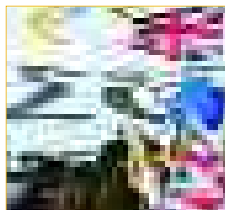
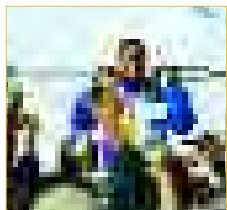
At the end of the Forum's anticipated two-year life, and following the conclusions of the two-phased research study into live music provision, it will make a series of recommendations to the Government. The Forum is currently conducting an industry-wide consultation (ending in June 2005) which will help inform the Forum's final recommendations.



## SECTOR SKILLS DEVELOPMENT

We continue to work closely with our group of Sector Skills Councils, who have all been performing well.

- *SkillsActive UK* has implemented much needed management and leadership standards across the whole Skills for Business Network.
- *Skillset* is one of the four Councils to pilot the new Sector Skills Agreements.
- *People1st* received its accreditation to represent the hospitality, leisure, travel and tourism industries in March 2004.
- *The Lifelong Learning Sector Skills Council* received its full license on 1 January 2005. It represents more than one million workers over the age of 16, who are still in education, including the library sector.
- *CITB Construction Skills* signed a Sector Skills Agreement with English Heritage in December 2004 reflecting a shared interest in skills development for traditional building crafts within the historic environment.
- *Lantra* is in the process of developing a Sector Skills Agreement with English Heritage.
- The *Creative and Cultural Industries* Sector Skills Council was recommended for a licence on 17 March 2004 and will be officially launched on 29 June 2005.



## 4. DELIVERY

This section covers the efficiency review, our internal change management programme and the work we are doing with our sponsored bodies.

### Efficiency Review

The Efficiency Review was announced by the Chancellor in his Budget speech in the spring of 2003. It was led by Peter Gershon, then Head of the Office of Government Commerce, and took a radical look at the way Government does its business. The Review aimed to:

- release resources from activities which can be undertaken more efficiently (e.g. human resources, finance and IT) and reinvest them in front-line services be it support for artists, community sport clubs or conservation of the historic environment; and
- reduce the bureaucracy faced by staff delivery frontline services and free them up better to meet the needs of their customers.

### DCMS Efficiency Review Targets

We will deliver the following targets:

#### Efficiency Target

Total annual efficiency gains of at least £262 million by 2007-08, of which at least half will be cashable, releasing resources for front-line activities.

#### Workforce Reductions

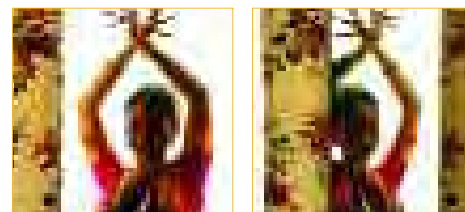
A reduction in the number of staff working in DCMS by 27 between March 2004 and March 2008.

#### Relocation of posts out of London and the South East

We will relocate 600 people from our NDPBs.

Of the £262 million, £116 million efficiency gains are from the DCMS and its delivery agents and £146 million are facilitated from local authority cultural and leisure services. By March 2006 a total of £87 million of NDPB and local authority savings will have been made.

## Modernising delivery by ensuring our sponsored bodies are efficient and work with others to meet the cultural and sporting needs of individuals and communities.



### Context and Programme Structure

In recent years, we have demonstrated success in streamlining organisations and delivering efficiencies. For example, we have merged 15 of our NDPBs into just five.

These successes have been helped by the structure of the Department, which fits the Prime Minister's model of a strategic centre organised around the issues its delivery agents face on the ground. For us these delivery agents are our Non-Departmental Public Bodies (NDPBs) with whom we have productive, arms-length relationships. Some deliver services directly to the public on behalf of Government, e.g. National Museums and Galleries, others give grants to cultural organisations and help provide the supporting infrastructure needed to ensure the cultural and sporting sectors thrive, e.g. Arts Council England and Sport England.

Delivery of our efficiency gains is being managed as a programme, with three broad strands of work each contributing to the achievement of the target, either through directly generating efficiency gains (cash and non-cash) or by providing supporting infrastructure to ensure that gains are sustainable and effective. A Steering Board is overseeing progress.

The work strands are:

- internal DCMS;
- external DCMS (our wider family of NDPBs); and
- local authorities.

Under each of these strands there are a number of targeted projects tasked with finding, delivering and monitoring efficiency gains.

### Delivery

Details of how we intend to deliver our targets are set out in the tables on pages 50 and 51. In future years we will report progress against each of the projects listed.



## Work strand 1. Internal DCMS efficiency gains

### Project 1: Internal budget review (inc headcount savings)

This project has undertaken a fundamental review of the DCMS administration and internal programme budgets and has reassessed the allocation of research budgets to meet operational and strategic priorities.

### Project 2: Improving working practices

Project Based Working is already being embedded in our work – a central part of our existing change programme. In July 2004, the Department's Board agreed twelve recommendations to further improve working practices, using project-based working. This project will implement those recommendations, and establish mechanisms to track and review progress.

**Target:** This programme of work will deliver sustainable savings of £3 million by 2007-08.

## Work strand 2. NDPB efficiency gains

### Project 3: Museums and galleries

This project will share best practice to extend efficiency across the sector and measure and monitor progress. Museums and Galleries are forecast to deliver £35.7 million of efficiency gains by 2005-06.

### Project 4: Heritage reform

Ongoing modernisation programmes in the heritage sector (especially in English Heritage) have achieved some efficiencies, but more can be done. This project will maximise the level of savings released from efficiency and modernisation measures in the heritage sector in order to increase resources for front-line delivery. It will deliver at least £9 million by 2006.

### Project 5: Strategic bodies

This project focuses on our strategic and grant-giving bodies. A number of organisations within the scope of the project (notably Arts Council England and Sport England) have already made significant efficiency savings and redirected resources to the front line. Other bodies are committed to ongoing reform. This project will share best practice to extend efficiency across the sector and measure and monitor progress to generate efficiency gains of £49 million from 2005-06.

### Project 6: Relocation

This sub-project is designed to implement the recommendations of last year's Lyons Review of public sector relocation. It seeks to relocate 600 posts from sponsored bodies out of London and the South East by 2010 and to co-operate with Sir Michael Lyons' review of Public Sector Assets. The Gambling Commission and the Big Lottery Fund will both be based in Birmingham in line with this project.



#### Project 7: Delivering through NDPBs

This project is working to instill a culture of continuous improvement and improve strategic alignment between us and our NDPBs; and to improve delivery to customers and ensure resources are used to best effect. Funding Agreements are the primary mechanism for agreeing work with NDPBs. They contain details of NDPBs proposed activities and targets. They have now been further renewed in order to ensure that they facilitate and measure agreed efficiency gains with each NDPB. The new style funding agreements will be in place by the end of 2005.

#### Project 8: Procurement

This project will deliver greater efficiency in procurement through co-operation and collaboration with DCMS-sponsored bodies. It will foster the use of best practice and e-procurement across the wider DCMS and achieve value for money by sound procurement and by using purchasing power to shape and influence the market.

**Target:** Collectively these projects will yield at least £113 million of efficiency gains by 2007-08. The *Funding Agreements* and *Effectiveness and Capacity* projects support the delivery of significant cashable efficiency gains through our other projects outlined above, but are unlikely to deliver efficiency gains taken in isolation.

### Work strand 3. Local authority efficiency and productivity

#### Project 9: Local authorities (LAs)

Whilst recognising the constitutional independence of local authorities, we will work with local government, ODPM and other stakeholders to improve efficiency in delivering services in our sectors by:

- helping to identify efficiency practices;
- helping LAs to understand their own performance;
- disseminating good practice; and
- measuring and monitoring efficiency gains.

**Target:** This programme of work will deliver sustainable savings of £146 million by 2007-08.



## DCMS CHANGE MANAGEMENT

### *Touchstone*

The past year has seen further progress in embedding the changes started by the Touchstone change management review. Highlights include a new top management structure with greater focus on delivering key outcomes; more emphasis on evidence-based policy development; and staff with the skills necessary to deliver specific projects successfully.

### *Developing a more effective relationship with NDPBs*

Our greater use of a project-based approach has provided more opportunities for NDPBs to play a role in developing thinking and planning, through their engagement on Steering and Stakeholder Groups. There are areas of common interest, such as the Efficiency Review, where the growing levels of co-operation have allowed a joint approach.

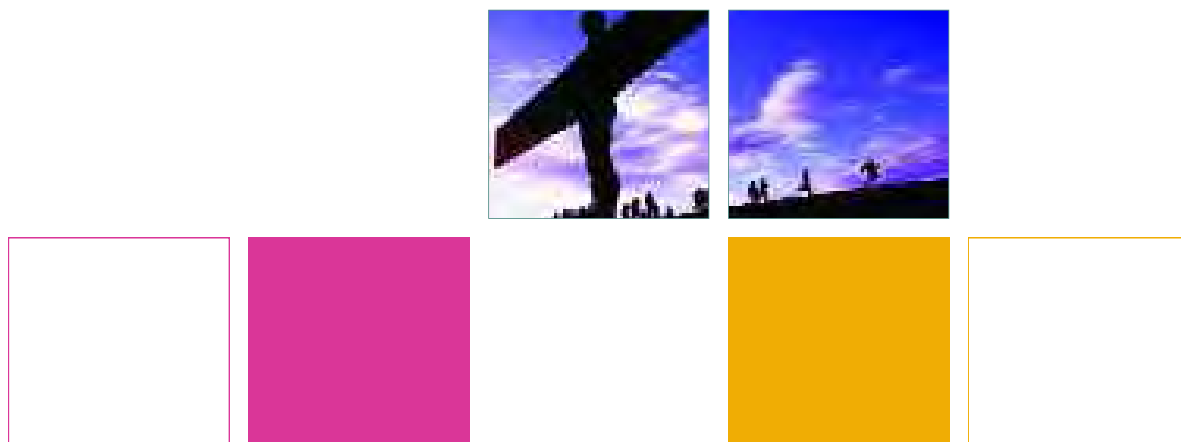
### *Improving the way we operate*

Working on a more project-based approach has strengthened our delivery in the past year. Highlights include the creation of a new top tier management structure, with greater strategic focus; the appointment of three Director-Generals, each with portfolio management responsibilities for the delivery of programmes; more than double the number of accredited Office of Government Commerce Gateway reviewers; and an improving performance on the delivery of key PSA projects.

We have also benefited from our approach to training in project skills. All staff receive basic training, with specific support available as necessary. The past year has seen three particular changes: team training, helping to ensure a better understanding of issues and processes on major projects; Gateway reviewer training, where we have doubled our numbers of accredited reviewers who can undertake quality assurance of projects; and training for Senior Responsible Owners, helping them to deliver in their new roles.

We continue to monitor progress against a range of indicators through the quarterly presentation of a *Balanced Scorecard* to the DCMS Board, which includes reports on the following issues.

- *PSA and Efficiency Review Delivery:* we use the traffic light model for assessment of progress on projects supporting the delivery of our PSA and Efficiency Review targets. A Strategic Priority Board Chaired by a Director-General oversees each project.
- *Managing Staff:* we monitor and present statistics on sick days, length of vacancies and diversity.
- *Efficiency and Control:* resource management accounts and risk registers are analysed, and pressures identified, then presented for discussion and resolution of issues.
- *Dealing with the public:* our direct interaction with the public is limited as responsibility for delivery rests mainly with our NDPBs, but we take this contact very seriously. The Board monitors a range of statistics designed to give an indication as to how well we are performing, including: the number of letters from the public, MPs and members of the House of Lords answered on time; the number of Parliamentary Questions answered on time; payment of agreed invoices within 30 days of receipt and the percentage of enquiries to our Information Centre answered within two days.



### *Supporting NDPB reforms*

Improving effectiveness is an important strand of improving the delivery of our NDPBs. In response to comments from NDPBs about how we might provide more support, we are developing and delivering a number of continuous improvement projects.

- A successful peer review of the Museums, Libraries and Archives Council has led to a project to develop a new vision and strategy. A peer review of Arts Council England will take place later this year.
- Two leadership weekends for NDPBs were held in October and December, and we plan to create regular opportunities for networking between Chief Executives.
- We are supporting the development of NDPB Boards, including providing a handbook for new Board members and by piloting a methodology for self-assessment of Board performance.

We have continued with the reform of the British Museum and the British Library, achieving savings respectively of £6.8 million per year and £3.4 million per year, with a further £1.8 million programmed for 2004-05.

## CHAPTER ONE, PART TWO

# London 2012 Olympic Bid

We have also been working closely with the other stakeholders to ensure that a 2012 London Olympics leaves a lasting legacy, and creates maximum benefits, for both London and the UK as a whole.

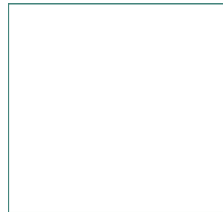
The International Olympic Committee (IOC) will announce the host city for the 2012 Olympic and Paralympic Games in Singapore on 6 July 2005. Last year saw two key milestones in the London bid's progress. In November, London 2012 submitted their Candidature File to the IOC which set out the detailed proposals for a 2012 Games in London.

In February a 17-strong Evaluation Commission from the IOC visited London to assess these proposals in more detail. As part of their assessment the Evaluation Commission received presentations on the 17 themes contained with London 2012's Candidature File – ranging from security and finance to culture and environment, as well as visiting a number of the proposed Olympic venues.

We have worked in support of London 2012's efforts, alongside the other major stakeholders – the Greater London Authority (and the wider London group of public bodies) and the British Olympic Association. DCMS has co-ordinated the efforts of all government bodies in developing bid proposals and demonstrating support for the bid. Presentations on the IOC visit featured contributions from Ministers and senior officials on many aspects, including finance, security, health, customs and immigration.

The Royal Parks are closely involved with the bid for the 2012 London Olympic Games and held a concert on The Mall when the Olympic Torch passed through the capital last summer. If London is successful, the parks – Greenwich Park, Hyde Park and Regent's Park – will be hosting a number of the events.

*The bid gives the entire country the opportunity to benefit from hosting the greatest sporting event in the world.*

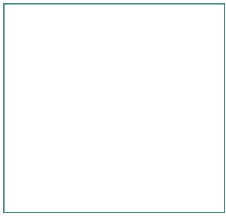


DCMS successfully secured the passage of the Horserace Betting and Olympic Lottery Act. This Act, in the event of a successful London bid, will enable the establishment of an Olympic Lottery – the proceeds of which would help finance the Olympics in 2012. Should the bid succeed it is intended that the new Lottery will be launched immediately.

We have developed, with the other stakeholders, arrangements for managing the preparations for and staging of the Games if the bid succeeds. We shall be ready to begin from Day 1 to implement our plans.

We have been working closely with the other stakeholders to ensure that a 2012 London Olympics leaves a lasting legacy, and creates maximum benefits, for both London and the UK as a whole.

Planning within London is already well advanced. The London Development Agency, working closely with the stakeholders, has secured outline planning permission for the Olympic Park, as a sound basis for regenerating the Lower Lea Valley. An aquatic centre and velodrome are also to be built in the area whether or not the bid succeeds. A national conference in January examined the benefits for the rest of the UK of a London Olympics, and plans are being made across the country to realise those benefits – economic, social and sporting.



## CHAPTER ONE, PART THREE

# BBC Charter Review

Digital technology is transforming broadcasting. There are hundreds more channels and many new ways to watch and listen to programmes.

### *BBC Charter Review*

We have made excellent progress on the review of the BBC's Royal Charter, which comes to an end on 31 December 2006. Since December 2003 we have been conducting a comprehensive review of the Corporation's role, how it is run and how it is funded.

The first phase of the work has built on a wide-ranging public consultation exercise that was launched in December 2003 and closed at the beginning of 2004. We received 5,500 responses and there were 27,000 unique visitors to the Charter Review website during that period.

Consultation was accompanied by a programme of quantitative, qualitative and deliberative research that was completed in May 2004, and in July 2004 we published *What you said about the BBC* – summarising the results of consultation and research.

July 2004 also saw the start of a series of public seminars held by the independent panel that has advised the Secretary of State on the Charter Review. The panel, chaired by Lord Burns, held 13 seminars on subjects ranging from the public purposes of the BBC to alternative systems of governance and regulation. The outcomes of the seminars, and the written advice that was submitted by Lord Burns, helped to inform the content of the Charter Review Green Paper.<sup>7</sup>

The Green Paper – *A strong BBC, independent of Government* – was published on 2 March 2005, alongside the Department's response to the Culture Media and Sport Select Committee's report on the Charter Review.<sup>8</sup>

The key conclusion of the Green Paper is reflected in its title. Our consultation showed the public want a strong and independent BBC, setting world class standards across a wide range of programmes. We agree. We will give the BBC a new Charter and a licence fee settlement that will last ten years. We think that is the best way to preserve its strength and independence.

<sup>7</sup> See [www.bbccharterreview.org.uk](http://www.bbccharterreview.org.uk) for transcripts of seminars and copies of the panel's advice

<sup>8</sup> The Select Committee's report, *A Public BBC*, is available online at <http://www.publications.parliament.uk/pa/cm200405/cmselect/cmcmmeds/82/8202.htm>

*Our goal, in line with what the public want, is a strong BBC, independent of Government, setting world class standards. We will give it a new Charter and a licence fee settlement that will last ten years.*



But to remain strong the BBC also needs to change. Digital technology is transforming broadcasting. There are hundreds more channels and many new ways to watch and listen to programmes. One role for the BBC in its next Charter will be to help drive the process of switchover – to make sure everyone can benefit from new digital services. And the Green Paper also concludes that some key reforms are needed of the BBC itself – to equip it for the digital world and to address the public's concerns about the quality and distinctiveness of its programming.

We will give it a clearer, tighter remit – defined by a set of core public purposes. We will replace the Board of Governors with a new, more transparent BBC Trust that will be directly accountable to licence fee payers. The Trust will assess the BBC's performance and will make sure it fulfils its public purposes. But it will not be responsible for the day-to-day management of the BBC. Instead, detailed decisions about spending and programming will be taken by a new Executive Board.

The Green Paper can be read in full at [www.bbccharterreview.org.uk](http://www.bbccharterreview.org.uk) It asks a number of detailed consultation questions – particularly about how the BBC Trust can be made fully accountable to licence fee payers and how the BBC should organise itself if it is to promote fair competition between programme makers. The consultation period ended on 31 May 2005. The Government aims to publish a White Paper later in 2005.

## CHAPTER ONE, PART FOUR

# Performance against our PSA targets

PSAs have been refined and developed in order that departments continue to press forward focusing on the priorities that the Government is committed to deliver.

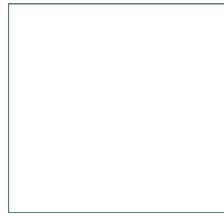
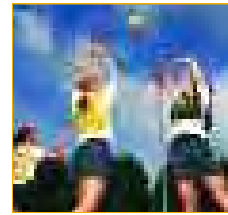
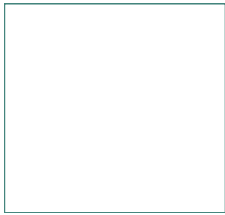
Public Service Agreements (PSAs) set out each Department's aims, objectives and key targets. They are agreed with HM Treasury and form an integral part of the spending plans set out in Spending Reviews.

At each Spending Review since their introduction in 1998, PSAs have been refined and developed in order that Departments continue to press forward focusing on the priorities that the Government is committed to deliver.

This section of the report sets out progress made against the Department's PSA targets set in SR2002 and the Department's PSA targets for SR2004 (2005-08).

### *Progress SR2002 PSA targets*

Each of our SR2002 PSA targets has at least one performance indicator against which progress is monitored. Associated with each indicator is one project or more that drive the attainment of that particular indicator. Those projects are brought together in a PSA programme, which co-ordinates and drives the delivery of the overall PSA target concerned. Performance information on PSA target indicators is set out in the following performance tables. Baselines and data analysis methodologies are detailed in the Departmental Technical Note available on our website at [www.culture.gov.uk](http://www.culture.gov.uk). In the majority of cases, data is assessed annually in April. As a result, second year out-turn data is not available as this report goes to press, where early data are available they are reported. Second year data out-turn will be published on our website when it is available.



## PSA 1 TARGET

Enhance the take-up of sporting opportunities by 5 to 16-year-olds by increasing the percentage of schoolchildren who spend a minimum of two hours each week on high-quality PE and school sport within and beyond the curriculum from 25% in 2002 to 75% by 2006

## PE AND SCHOOL SPORT

### Indicator

1. Percentage of 5 to 16-year-olds in schools who spend a minimum of two hours each week during term time on high quality PE and sport within and beyond the National Curriculum.

(Source: Annual Audit of School Sport Co-Ordinator Partnerships and, from 2006 via a pupil-level census. Note: Partnerships will not cover all schools in England until September 2006).

2. An indicator for quality was finalised in October 2003 following the introduction of a new framework for OFSTED's inspection of schools from September 2003.

### Project description

This is a project of nine linked programmes, collectively delivering the national PE, School Sport and Club Links strategy being implemented in partnership with the Department for Education and Skills. It is being delivered through an extensive network of delivery agents and partnerships. Those programmes are:

- Specialist Sports Colleges
- School Sports Partnerships
- Gifted & Talented
- QCA PE & School Sport Investigation
- Step into Sport
- Professional Development
- Club Links
- Swimming
- Sporting Playgrounds.

Linked work on coaching will also support delivery and forms part of the PSA 2 programme.

### Progress report

#### On course

- Evidence of Partnerships' desired impact on schools.
- School Sport Partnerships now covering 54 per cent of maintained schools in England (4% above target).
- Club Links action live in 22 focus sports.
- First 100 multi-skill clubs established in January 2005.
- Professional Development programme live in all local authority areas.
- *Learning through PE and Sport – An Update* published October 2004.
- Contract let for 2004/05 survey (summer 2005).

#### Latest out turn data

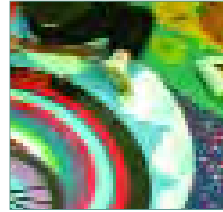
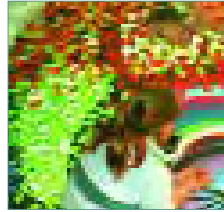
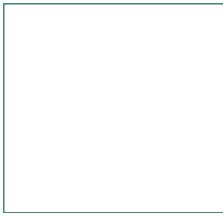
Data collected from 2003-04 School Sport Partnerships Survey, published on 29 April 2004, found that overall 62 per cent of children in partnership schools in England spend at least two hours in a typical week on high quality PE and school sport within and beyond the curriculum.<sup>9</sup>

OFSTED judged<sup>10</sup> that, in 2002-03, the quality of teaching was good or better in:

- 62 per cent of lessons in primary schools;
- 76 per cent of lessons in secondary schools.

<sup>9</sup>The Impact of School Sport Partnerships: The results of the 2003/04 PE, School Sport at Club Links Survey published by DFES and DCMS on 29 April available from [www.teachnet.gov.uk/pe](http://www.teachnet.gov.uk/pe)

<sup>10</sup>Physical Education at a glance 2002/03 published by Ofsted in July 2004 available from [www.ofsted.gov.uk](http://www.ofsted.gov.uk)



## PSA 2 TARGET

Increase significantly take-up of cultural and sporting opportunities by new users aged 20 and above from priority groups.

## THE ARTS

### *Indicator*

Increase attendance and participation by under-represented groups in arts events.

### *Project description*

The package of interventions underpinning this objective will be delivered by Arts Council England, managed and monitored through the Funding Agreement with DCMS. Arts Council England will work through three main funding channels: regularly-funded organisations (RFOs), grants for the arts (open application funds) and flexible funds (which are not open to application).

Data to report on the targets are drawn from annual surveys of attendance, participation and attitudes to the arts. In 2001-02, 2003-04 and 2005-06, the sample was/will be drawn from the general population and will be used to report on disabled people and socially excluded people. Black and minority ethnic groups were/will be reported on in 2002-03 and 2004-05 using a specifically designed survey.

### *Progress*

#### *On course*

- Arts Council England utilising lessons learnt from New Audiences Programme by:
  - using funds to pilot new approaches and to test strategies for increasing attendance and participation;
  - developing training materials, toolkits and other resources for use by organisations;
  - developing the skills of staff to identify and support organisations to implement new ways of working.



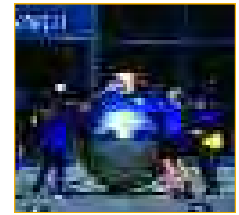
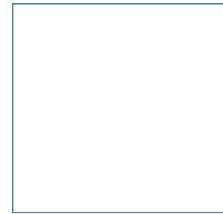
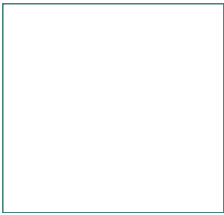
### Latest out-turn data

	Attended at least two events (baseline)	March 2006 target	Achieved March 2004	Participated in at least two events (baseline)	March 2006 target	Achieved March 2004
Disabled people <sup>11</sup>	29% (2001)	32%	26%	12% (2001)	14%	12%
Socially excluded <sup>12</sup> (Social classes C2DE)	23% (2001)	26%	26%	10% (2001)	12%	9%
Black and minority ethnic	32% (2002)	35%	*	15% (2002)	17%	*

\* Out-turn figures being collated from data collected between September 2003 and January 2005

<sup>11</sup> 2004 Office of National Statistics Omnibus Survey

<sup>12</sup> 2004 Office of National Statistics Omnibus Survey



## MUSEUMS

### Indicator

Increase by eight per cent by 2005-06 adult visitors in socio-economic groups C2, D and E to DCMS-sponsored national museums and galleries.

### Project description

The maintenance of free access is key to increasing admissions from these groups. The Funding Agreements for 2003-06 set specific targets for the groups concerned and each museum will undertake specific targeted activities depending on its own circumstances. The outcomes of all these projects will be measured and evaluated.

### Progress

#### On course

- Funding Agreements and Performance Measures in place for National Museums and Galleries.

### Latest out-turn data

Adult C2DE visitors to National Museums and Galleries (totals)<sup>13</sup>

2002-03 out-turn	5,362,167
2003-04 out-turn	5,765,365
2004-05 target	5,049,050 (old) 5,642,882 (new)
2004-05 estimated end-year out-turn	6,007,284

## MUSEUMS

### Indicator

Attract 500,000 visits to regional museums by new users.

### Project description

The sum of £60 million is available over the Spending Review period for building the capacity of groups of 'hub' museums in the nine regions, including London, so that they can extend their reach to under-represented groups and step up their educational activities. The funds are being administered by the MLA under a framework agreed with the DCMS. Development is in two phases, with the three Phase 1 hubs receiving 70 per cent of the SR2002 funds.

### Progress

#### On course

- Renaissance Phase 1 hubs fully established and delivering.
- Phase 2 hubs being developed.

### Latest out-turn data

2003-04: new visitors 1,584,256 of which 38.6% (611,523) were from priority groups.<sup>14</sup>

## SPORT

### Indicator

Sports Coaching

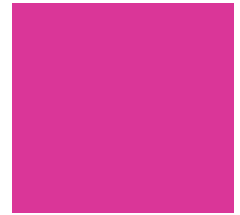
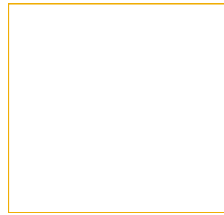
- Establish a 5-Level UK Coaching Certificate.
- Forty-five Coach Development Officers by 2005.
- Three thousand Community Sports Coaches by September 2006.

### Project description

This project aims to create a step change in the recruitment, education, employment and deployment of coaches working in England and elsewhere in the UK. It will seek to transform coach education, professionalise and diversify the coaching workforce and open up access to enable many more people to benefit from coaching.

<sup>13</sup>Performance data from DCMS-sponsored museums and galleries

<sup>14</sup>Performance data from Museums, Libraries and Archives Council



### Progress

#### On course

- Programme plans in place with milestones and quantitative targets.
- Funding agreed with phase one and two sports.
- Six UKCC sport delivery plans submitted.
- Core content for UKCC level 1-3 completed and published.
- Core content for UKCC level 4 and 5 set for completion by 2005.

#### Latest out-turn data

By 1 April 2005: 44 CDOs appointed.  
By 30 September 2004: 197 CSCs operational.

### HISTORIC ENVIRONMENT

#### Indicator

Visits by new users from minority and socially deprived groups to the historic environment.

#### Project description

This project aims to produce a step change in the way the sector manages engagement with the historic environment, including a more inclusive approach to site interpretation and the development of offers which appeal to different sections of the community.

The target forms part of the English Heritage Funding Agreement. Reporting will form part of the regular Funding Agreement monitoring process.

Priority groups for this target are defined as Black and Minority Ethnic (BMEs) and social groups C2, D and E who have not visited a historic attraction in the last 12 months, as measured by self-declaration.

### Progress

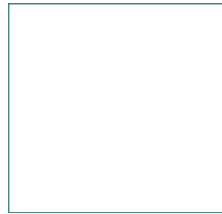
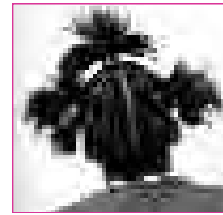
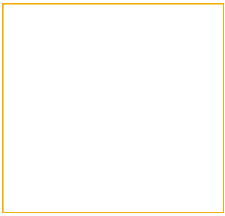
#### On course

- Strong ownership of project within English Heritage.
- Delivery Plan with agreed milestones in place.
- Interim evaluation indicate target has been exceeded.
- Project is providing exemplars on which to draw in the wider sector.
- Governance and project management within DCMS strengthened.

#### Latest out-turn data

The project starts from a zero base in 2003-04. Interim figures for 2004-05 forecast 293,224 visits by new users from minority and socially deprived groups.<sup>15</sup>

<sup>15</sup> Performance data from English Heritage



**PSA 3 TARGET**

Improve the productivity of the tourism, creative and leisure industries

The DCMS seeks to support this objective at a microeconomic level, with key projects designed to impact on its sponsored industries. These take two forms: research aimed at understanding drivers of performance in the industries; and policies informed by the research and other evidence.

Impact of these projects will be measured and assessed through analysis of the contribution the tourism and leisure and creative industries make to UK productivity. This will be a long-term project. The base year for the data on productivity performance is 2002.

In advance of that long-term assessment, the performance of each of the projects supporting the target is reported below.

**COMMUNICATIONS ACT 2003**

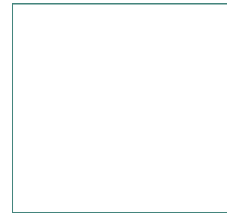
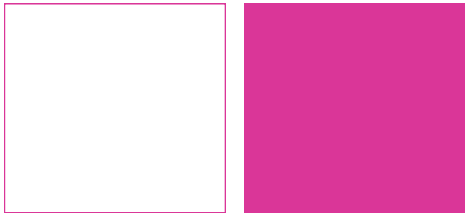
*Indicator*

The Act is a major reform of regulation in the communications sector and provides a regulatory framework that can respond to the market as it changes.

*Progress*

*Met early*

- Act taken through Parliament.
- Commencement Order signed on 29 December 2003.



## LICENSING ACT 2003

### *Indicator*

This legislation reformed and streamlined archaic licensing laws, strengthening competition and increasing choice and flexibility for consumers while providing a greater degree of local and appropriate regulation and minimising harmful practices.

### *Progress*

#### *Met early*

- The Act was given Royal Assent in July 2003.
- First Appointed Day 7 February 2005.
- Full implementation due on 24 November 2005.

## GAMBLING ACT

### *Indicator*

Gambling law has failed to keep up with both social and technological developments. At the same time there is inadequate regulation of betting, providing opportunities for criminal infiltration and exploitation. The proposed Gambling Bill will legislate for:

- the establishment of a Gambling Commission to regulate all gambling;
- activities at national level, supported by consistent regulation of gambling premises at local level by local authorities;
- the removal of unnecessary barriers to market entry and restraints on the ability of licensed operators to meet consumer preferences;
- the provision of new safeguards against gambling by children and activities which encourage problem gambling;
- making it possible for British operators to offer well-regulated online gambling, so enabling them to compete in a fast-growing global market without going offshore;
- the improvement of effective enforcement action against illegal gambling.

### *Progress*

#### *Met*

- The Act was passed on 7 April 2005.



## THE DIGITAL ACTION PLAN

### *Indicator*

The purpose of the Digital Television Action Plan was to set out to Ministers the options on switchover from analogue to digital television. The final report of the Action Plan has now been produced and the Plan is replaced with a Programme which will aim at implementing switchover.

### *Progress*

#### *On course*

- Implementation underway and impacting on the intended audience. Stakeholders very focused on moving forward.
- Number of households adopting digital TV stands at nearly 60 per cent.
- Developing structure for Phase 2 – implementation.

## TOURISM MARKETING

### *Indicator*

There is a direct link between promotional work to increase visitor spend and increased productivity. The impact first of Foot-and-Mouth Disease and then of September 11, 2001 led to a significant reduction in overseas visitors and spending. The domestic tourism market also declined, although it is more resilient and quick to recover from downturns. These events highlighted the particular fragility of the inbound market and the need to develop a more sustainable industry.

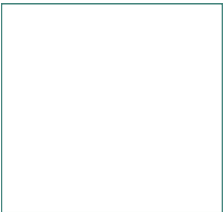
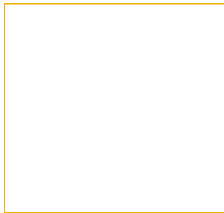
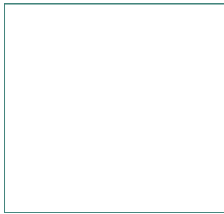
Two key projects were devised to deliver the required reforms:

- the reform of the tourism support infrastructure (described in detail in the delivery plan PSA 4 – 'modernising delivery');
- establishment of a renewed focus on professional marketing within the new body.

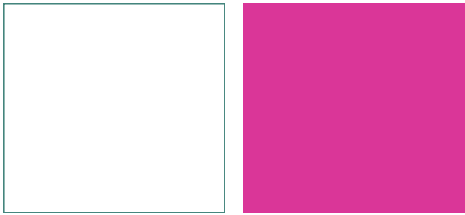
### *Progress*

#### *Met*

- Several highly distinct projects and work strands for which detailed plans were put in place.
- Delivery in the longer term rests with our ability to influence OGDs/local authorities/industry.
- Two core projects, Sponsorship Review and research into barriers to productivity to inform a programme of priority projects to promote growth in the tourism industry.



Eden Project, Cornwall



#### PSA 4 TARGET

To improve significantly the value for money of the Department's sponsored bodies, measured by a matrix of NDPB indicators.

Under this PSA, we seek to continue improving the value delivered through our sponsored bodies by:

- implementing targeted reform programmes for specific NDPBs where a major and pressing need has been identified;
- better aligning NDPB activity with DCMS priorities, through hold-back and ring-fencing of funds and new tighter funding agreements;
- reforming the delivery of Lottery funds to ensure fairer and more cost-effective distribution to all areas and communities throughout the UK;
- improving our appointments function and the way in which we deal with the Boards of our NDPBs;
- identifying generic constraints on NDPB performance with which the Department can help, including those relating to pay and the workforce.

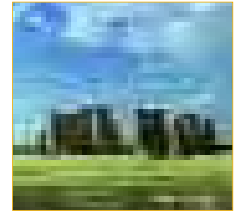
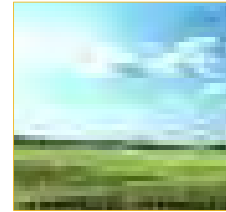
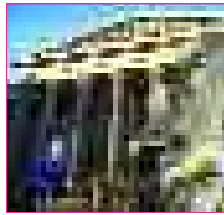
This is being delivered through seven related, though distinct projects, progress against each is presented here.

#### REFORM OF BRITISH LIBRARY

##### Progress

##### Met early

- One hundred and thirty-five posts removed by end-December 2004 (47 severance, 9 TUPE and 79 turnover) resulting in savings of £2.7 million per year.
- Further savings of 40-55 posts programmed for 2004-05 with savings of an additional £1.1 million per annum.
- Structural and senior staff changes made.



## REFORM OF BRITISH MUSEUM

### Progress

#### Met early

- One hundred and sixty posts removed resulting in a net loss of 127 staff. Cost savings of £6.8 million per year.
- Phase II of change programme to address internal restructuring issues being implemented. This will not deliver large savings, but it will help to modernise the culture of the museum.
- Severance target secured.

## REFORM OF SPORT ENGLAND

### Progress

#### Met early

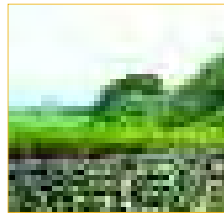
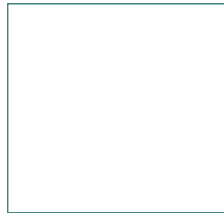
- Clear, large-scale reorganisation complete.
- Staff reductions have created administrative savings of £40 million over five years.
- Sound relationship with New Opportunities Fund and funding secured.
- Implementing and embedding change.

## REFORM OF TOURISM BODIES

### Progress

#### Met early

- VisitBritain Head Office structural changes and development of overseas hub offices now complete. Proposals for streamlining marketing work in established markets nearly complete.
- Annual savings of £1.74 million resulting from merger – savings redirected towards marketing activity.
- Tourism now fully incorporated into RDA Tasking Framework.
- Agreed DCMS/VisitBritain/Regional Development Agencies/LAs policy priorities published in July 2004 as *Tomorrow's Tourism Today*.



## REFORM OF ENGLISH HERITAGE

**Progress Met**

- Modernisation project completed March 2005.
- Restructuring of property management function complete (investment £3.1m; savings £0.9m year on year).
- Regional restructuring complete, including rationalisation of back office functions, Advisory Service Charter, supported by new IT casework system. EH meeting ODPM 21 day turn around time a year ahead of schedule.
- Restructuring of archaeology and historic buildings advisory service and back office functions complete.
- Feedback in stakeholder surveys has been positive.

## LOTTERY REFORM

**Progress On course**

- Bill introduced in Parliament in November 2004.
- Contingency plans being drawn up with insufficient parliamentary time for the Bill.
- New Opportunities Fund /Communities Fund administrative merger complete.
- Bill team and legal capacity in place.

## NDPB EFFECTIVENESS AND CAPACITY PROJECT

**Progress Met**

- This project addresses generic issues that are relevant to all our NDPBs, including governance, leadership, strategic planning and general effectiveness. A number of initiatives are under way in each of these areas, aimed at helping NDPBs improve their capacity to deliver. These include:
- pilot peer review of Museums, Libraries and Archives Council, leading to current project to develop new MLA vision and strategy; peer review of the Arts Council England will take place in July 2005;
  - governance and leadership programmes well under way, with initiatives to improve networking, sharing of good practice and induction.



### Data systems

We do not directly collect the data on which PSAs are monitored. We do however base our calculations of productivity (for PSA 3) on data collected from ONS's Annual Business Inquiry and similarly produce annual economic estimates of the creative industries. At present our only original data collection is that for the publication of the Liquor and Betting licensing statistical bulletins. However, we are developing a National Survey of Participation and Attendance in its sectors, which is planned to be implemented in summer 2005.

### PSA Targets 2005-08

The 2004 Spending Review outcome, announced by the Chancellor in July 2004, detailed our proposed expenditure for 2005-08. As a result of this Review we shall replace our existing Public Service Agreement targets with new ones which will run from 2005-2008.

**PSA 1:** Enhance the take-up of sporting opportunities by 5 to 16-year-olds so that the percentage of schoolchildren in England who spend a minimum of two hours each week on high quality PE and school sport within and beyond the curriculum increases from 25 per cent in 2002 to 75 per cent by 2006 and to 85 per cent by 2008, and to at least 75 per cent in each School Sport Partnership by 2008. (Joint target with DfES)

**PSA 2:** Halt the year-on-year increase in obesity among children under the age of 11 by 2010, in the context of a broader strategy to tackle obesity in the population as a whole. (Joint target with DfES and the Department of Health).

**PSA 3:** By 2008, increase the take-up of cultural and sporting opportunities by people aged 16 and above from priority groups.

**PSA 4:** Improve the productivity of the tourism, creative and leisure industries.

# Managing our resources

THE DEPARTMENT HAS SYSTEMS IN PLACE TO ENSURE THAT RECRUITMENT IS CARRIED OUT ON THE BASIS OF FAIR AND OPEN COMPETITION AND SELECTION ON MERIT IN ACCORDANCE WITH THE RECRUITMENT CODE LAID DOWN BY THE CIVIL SERVICE COMMISSIONERS.

# 2

CHAPTER

## CHAPTER TWO

# Managing our resources

This section sets out key information on the internal management of the DCMS.

## EXTERNAL RECRUITMENT

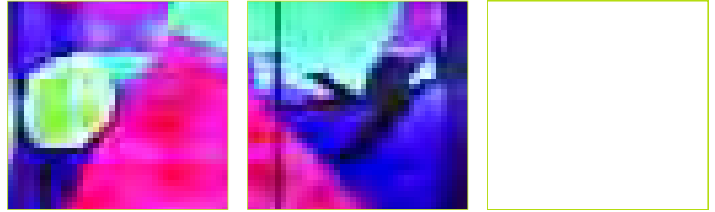
The Department has systems in place to ensure that recruitment is carried out on the basis of fair and open competition and selection on merit in accordance with the recruitment code laid down by the Civil Service Commissioners. These systems are subject to regular internal checks.

During the year 1 April 2004 to 31 March 2005 we appointed nine new staff through external recruitment competitions as follows:

Grade	Male	Female	Total	Ethnic minority	Disabled
SCS	2	0	2	0	0
A	3	2	5	0	0
B	1	1	2	0	0
C	0	0	0	0	0
D	0	0	0	0	0

The number of occasions this year where permitted exceptions to fair and open competition and selection on merit were made (except for appointments of up to 12 months) is shown below by category:

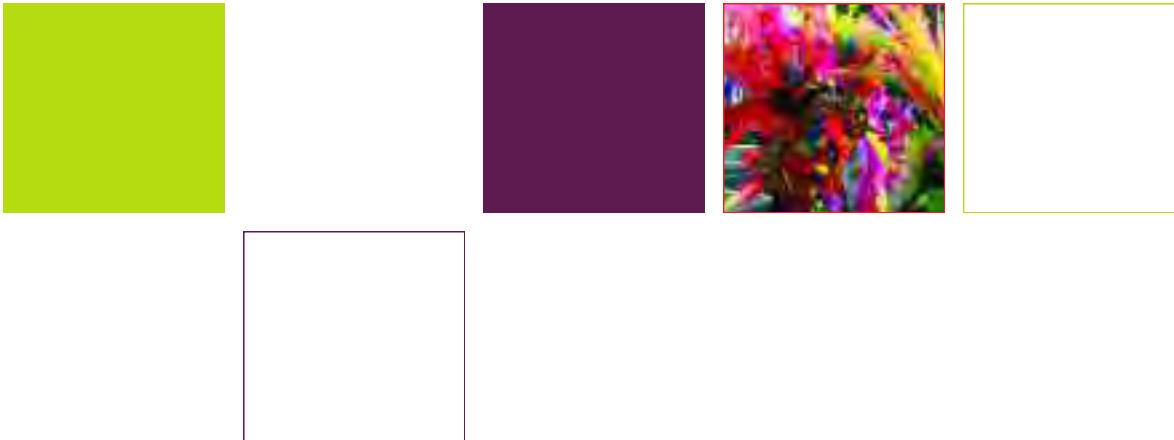
- one short-term appointment requiring a highly specialised mix of skills and experience (retention of a key member of staff on the Culture Online project which has received extended funding for a further year);
- four inward secondments from outside organisation/bodies.



## SENIOR CIVIL SERVICE SALARIES

Twenty-six Senior Civil Servants were in post at 1 April 2004.  
Details of their salary bands are below.

Salary band £	Number of staff
50,000-54,999	4
55,000-59,999	8
60,000-64,999	1
65,000-69,999	2
70,000-74,999	2
over 75,000	9



## ETHNIC MONITORING INFORMATION

### Staff in post 1 April 2004

Grade	In post	% Ethnic minority*	%Unknown	Target March 2005
SCS	26	4%	15%	10%
A/B	259	8%	12%	4/5%
C	118	16%	6%	10%
D	116	25%	12%	21%
<b>TOTAL</b>	<b>519</b>	<b>13%</b>	<b>11%</b>	

### External recruitment

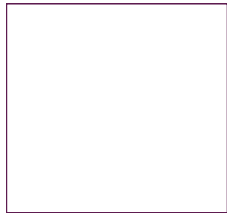
	Total	% Ethnic minority*	% Unknown
Number of applicants	381	30%	59%
Success at final interview	9	0	

### Appraisal

	Total	% Ethnic minority*	% Unknown
Highly successful	91	13%	8%
Successful	316	16%	8%
Acceptable	19	22%	5%

### Promotions

	Total	% Ethnic minority*	% Unknown
Applications	70	8%	30%
Interviewed	53	5%	23%
Successful	27	6%	37%



### Postings to Senior Civil Service (SCS)

	Total	% Ethnic minority*
Postings to SCS	4	0

\* From April 2004, changes in Cabinet Office reporting arrangements now require Departments to calculate ethnicity and disability statistics as a percentage of staff declaring ethnic background/disability status rather than as a percentage of total staff in post.

### Training

	Total	% Ethnic minority*	% Unknown
Attendees	420	10%	5%

Pre-April 2004, it was calculated as a percentage of total staff in post.

### Special bonuses

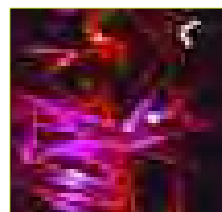
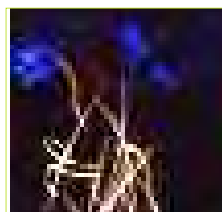
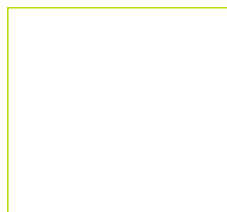
	Total	% Ethnic minority*	% Unknown
Special bonus awards	70	13%	10%

### Grievances/disciplinary action

	Total number	% Ethnic minority*	% Unknown
Formal grievances	1	0	0
Disciplinary action	1	0	0

### Leavers

	Total	% Ethnic minority*	% Unknown
Resignations	19	11%	0



### Public appointments

We are responsible for over 550 appointments to the boards of around 60 public bodies, making between 50 and 100 appointments each year. Most are national bodies with a high public profile, with the majority being regulated by the Commissioner for Public Appointments.

The Public Appointments Unit continues to develop robust selection procedures and professional skills. After a successful pilot, we are in the process of delegating certain appointments processes to national museums, galleries and the British Library. Eleven of the 17 institutions have, thus far, welcomed this development and are proceeding in accordance with Nolan principles, which includes the involvement of an independent assessor.

We are committed to ensuring that the appointments better reflect the make-up of society and are effective through being able to draw on a richness and variety of viewpoints, ideas and experience. Of the 163 Ministerial appointments and reappointments made in 2004-05, 33.1 per cent were women, 8 per cent were from a minority ethnic background and 3.1 per cent were disabled. We have set challenging targets to increase the diversity of these appointments and by March 2005 were aiming for 50 per cent women, ten per cent minority

ethnic backgrounds and at least six per cent disabled people. Our long-term aim for 31 March 2007 will be to attain these challenging targets and we are working on an action plan to concentrate our efforts and also to increase regional representation and reduce the average age of our boards.

### Honours

HM The Queen customarily awards honours twice a year at New Year and on the occasion of her official birthday in June. The award of an honour is public recognition of services given to an industry, profession or to society in general.

The honours list should reflect UK society today. To that end, following a review of internal honours procedures, the honours team is to devise a strategy aimed at stimulating the widest possible range of public nominations from our sectors. We are always keen to hear about men and women from all walks of life who are making a contribution within our sectors that brings distinction and quality to UK life. Nominations for honours are welcome from anyone at any time

### Correspondence with the public

The Department received 11,089 letters that required a response from the public in 2004. Sixty per cent (7,665) were answered within the Department's 18 working day target.

### Administrative costs – consultancy

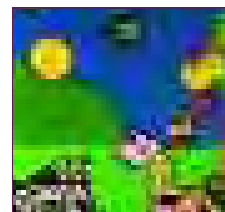
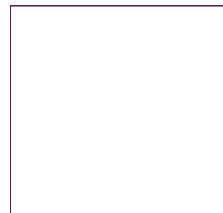
From the information currently available, the Department's current forecast is that it will spend about £526,000, in the current financial year. It is difficult to forecast future spending on consultancy with greater accuracy because many projects are arranged at short notice to address specific questions or problems that arise during the year. However, the Department's current forecast for spend on consultants in 2005-06 is about £450,000.

### Investment and asset management

Our Investment Strategy (DIS) was published on 16 December 2002, as a result of the 2002 Spending Review. It describes our plans for both new investment and the use of existing assets. A revised version following the 2004 Spending Review will be published during 2005.

### Better regulation

The DCMS has a relatively small amount of regulatory business. However, we are taking steps to strengthen further our work in this area, particularly in the light of the



Better Regulation Task Force report *Regulation – Less is More* (published in March 2005) and the challenges that lie ahead given that better regulation will be a priority for the UK during its Presidency of the EU during 2005.

Our Regulatory Unit is in the process of establishing a high-level group to look at regulatory issues within the Department that will provide advice on specific regulation and look at how we can build regulation principles more widely into policy making within the Department. We are also introducing new tailored training on Better Regulation which we are developing with input from the Regulatory Impact Unit.

#### Regulatory Impact Assessments

We have complied fully with the Cabinet Office guidance on RIAs during the last 12 months. We want to improve further the quality of our RIAs and will be introducing improved regulation training for policy officials and issuing comprehensive guidance on Regulatory Impact Assessments.

#### Alternatives to classic regulation

We have not used any alternatives to classic regulation in the last 12 months.

#### Consultation

Sixteen consultations were started during the last year, of which nine were full consultations and seven limited consultations. All limited consultations were approved at Ministerial level.

#### Regulatory Reform

One Regulatory Reform Order was issued during the year.

#### Managing the asset base

We have direct ownership of a limited range of assets. The organisations outside the accounting boundary, for which we have policy responsibility, own and manage a wider range. These include heritage assets and non-transferable assets, which are intended to be preserved in trust for future generations because of their cultural, environmental or historical associations. Examples include historical buildings, archaeological sites, museum and gallery collections, archives, burial mounds, ruins, monuments and statues.

#### Asset disposals

Our general policy is to dispose of surplus assets at the appropriate time and encourage sponsored bodies to do the same.

We are currently engaged in a review of our accommodation with a view to consolidating our central London estate as well as reducing costs and will be

surrendering a shared occupancy in Woburn Place in Spring 2005. We are disposing of a parcel of land which was once part of Kensington Palace Gardens but which is now part of the site of the Royal Gardens Hotel and this is due to be completed in 2005-06. Several residential properties in Windsor held in the name of the Secretary of State were brought onto the Departmental balance sheet in 2003-04. Two were disposed of in 2003-04 and further disposals are planned.

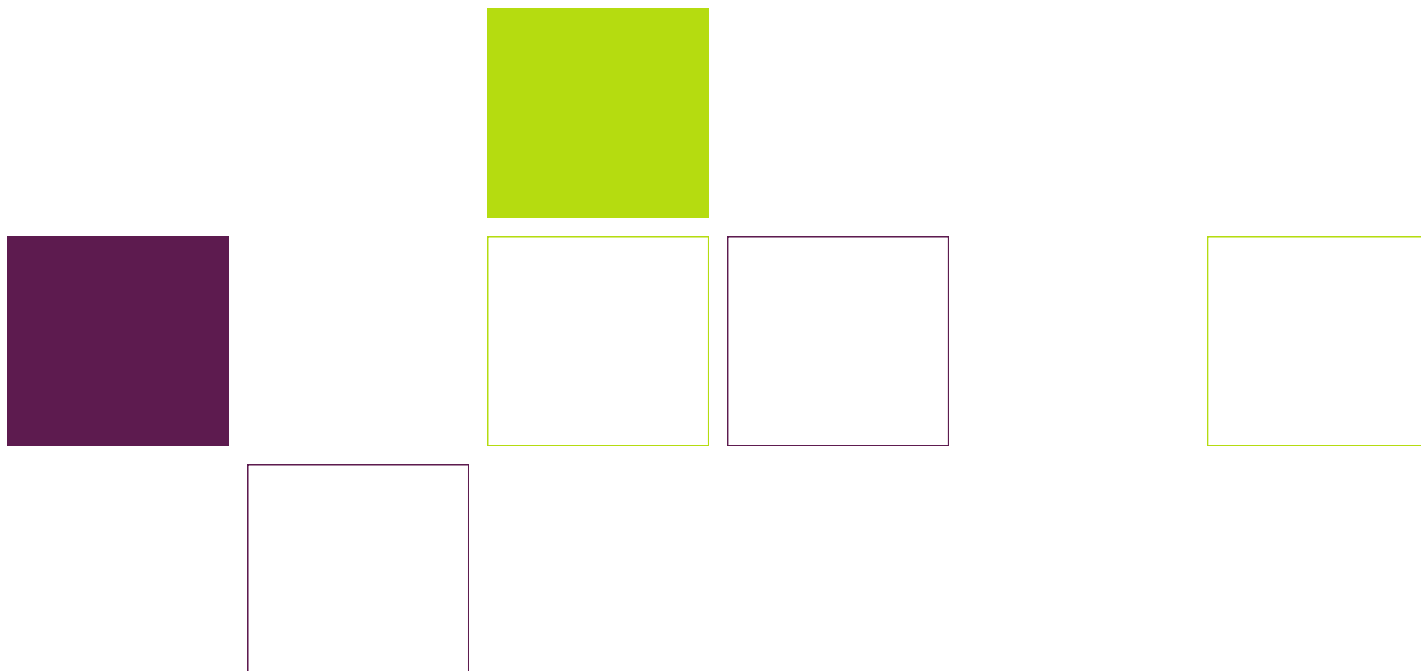
There is an outstanding political commitment to sell the Tote.

#### New Investment

Our Capital budget is set out in the table on page 86.

#### Capital Modernisation Fund (CMF)

There are a number of ongoing projects which are funded from the Treasury's Capital Modernisation Fund (which is closed to new bids). These include Culture Online (£10m), the Listed Places of Worship Scheme (£70m), British Museum's History Timeline programme (£0.9m), Space for Sports and Arts (£75m), Community Club Development Fund (£20m) and the Lee Valley Regional Athletics Centre (£4m).



### Internal Audit

The Unit's work included risk management, control and governance issues. This contributes to the embedding of sound risk management practice in the DCMS and supported the Accounting Officer's annual Statement of Internal Control. The work of the Unit also supports the Audit Committee to discharge its responsibilities. The Unit continued to support the internal audit services in our sponsored bodies with advice and guidance.

### Health and Safety

The Health and Safety Committee meets quarterly to receive reports from appointed officers, make recommendations and sanction future activities.

The recommendations of a third part of the Disability Discrimination Act audit have been largely implemented including new clear and tactile signage, audible messages in all lifts, alterations to reception desks and modifications to glazing panels and lighting.

A new computer-based training and testing and database package for Display Screen Equipment assessment has been procured to enable prompt assessment of changes to workstations across the Department. Training for Floor Wardens and Incident Control Officers has been arranged with the Fire Service College, whilst the training of First Aid volunteers continues through the British Red Cross.

### PUBLIC ACCOUNTS COMMITTEE (PAC) RECOMMENDATIONS

#### *Income generated by museums and galleries*

A PAC report on income generated by museums and galleries in 2004 came to the conclusions listed below.

- The museums and galleries have achieved a creditable performance in generating their own income but there is unrealised potential.
- The museums should set five-year targets for income growth, with milestones against which they and the Department can monitor progress. Targets should be supported by plans based on a systematic review of their assets and opportunities, an appreciation of which areas are most profitable and an assessment of the risk.
- The museums and galleries need a better understanding of the costs they incur in generating income. For each of their moneymaking activities, including those not undertaken solely for commercial reasons, they need clear objectives and financial targets, and accounting systems to measure financial performance.
- The Department should explore with Partnerships UK how to make investment funding for income generation schemes more accessible to museums and galleries.

- To help identify new ideas for income generation and advise on how best to deliver them, the Department should see what can be done to draw on the knowledge and skills of experienced entrepreneurs. The Department should appoint more entrepreneurs as trustees and encourage Boards to appoint entrepreneurial Directors.
- The museums and galleries need to develop their skills for income generation across most of the core areas, such as retailing and fundraising.
- Charging for special exhibitions should not exclude people on low incomes from seeing the best of what the museums and galleries offer.
- Museums and galleries should collect data on the socio-economic status of visitors to paying exhibitions as well as to the museum in general. If people on low incomes tend not to visit special exhibitions, the Department, in conjunction with the museums and galleries, should review pricing policies, in particular the use of concessions, and the targeting of audiences in the way exhibitions are promoted.

In November 2004 we held a joint seminar with the National Audit Office on income generation – including an exploration of investment funding with Partnerships UK – aimed at museum directors and colleagues involved with finance, income generation and fundraising.

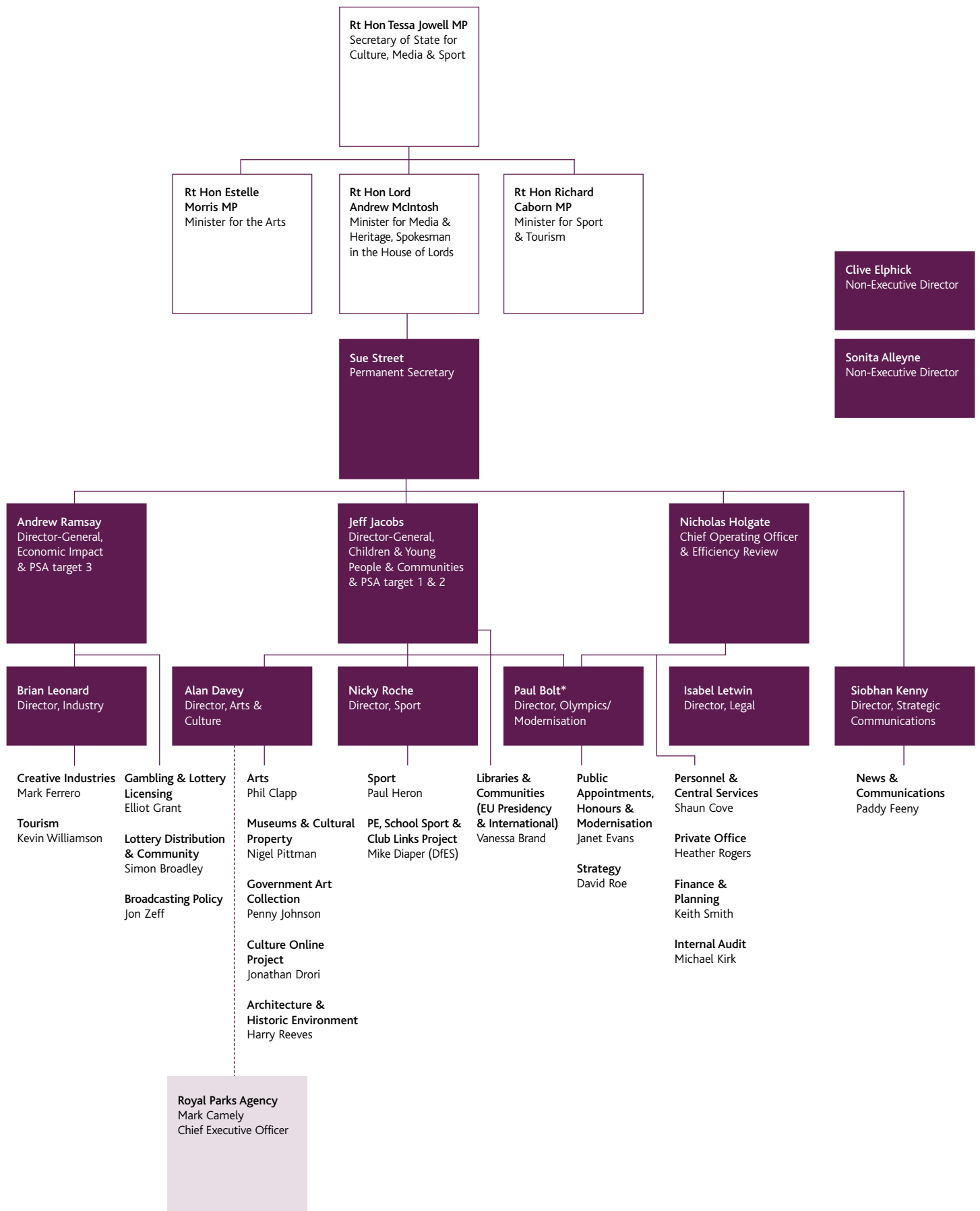
Through its Funding Agreements with each of its sponsored museums and galleries, the DCMS will encourage them to set targets for income generation. The targets will be negotiated on the basis of each institution's funding plans for the spending review period and beyond and will have full regard to assets and resources, opportunities and the assessment, by each body, of the risks.

We are appointing more business trustees to the Boards of our sponsored museums and galleries, and encouraging them to recruit appropriately experienced and skilled staff, including senior managers. We are working with both the new Clore Leadership Foundation, which is running fellowships for the arts leaders of the future, and supporting the Creative and Cultural Industries Sector Skills Council, which is playing an important role in developing workforce skills.

We will discuss the issue of pricing for special exhibitions with the sponsored museums and galleries when discussing the Funding Agreements and will establish whether there are any changes that can usefully be made, though pricing policy remains at the discretion of the trustees. We will also invite sponsored museums to assess separately the extent to which special exhibitions for which admission is charged attract visitors from the lower income groups.

# DCMS ORGANISATIONAL CHART

## MARCH 2005



### KEY

\* Paul Bolt reports to Jeff Jacobs on Olympics and to the Chief Operating Officer on Modernisation

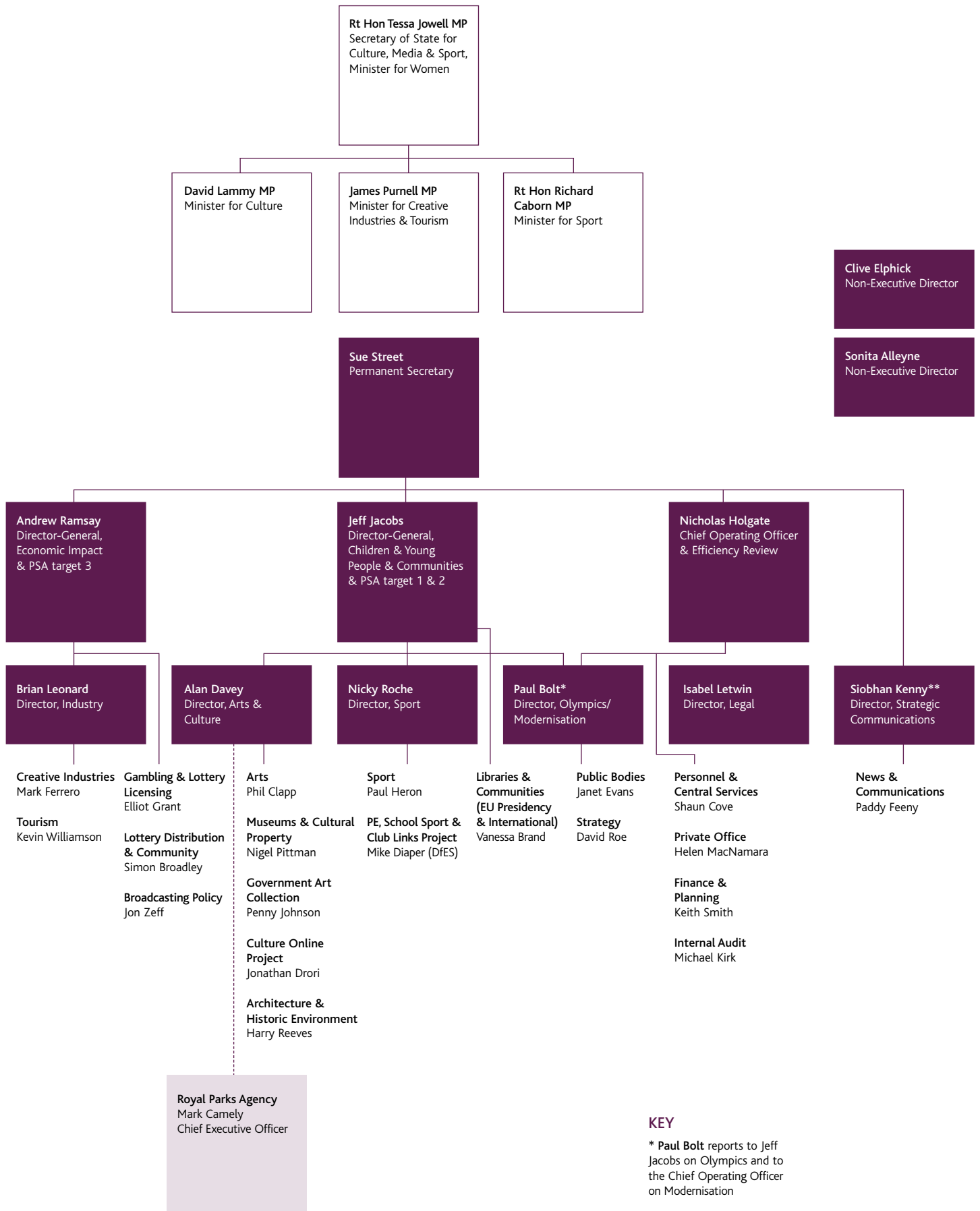
PSA: Public Service Agreement

DCMS Agency:

Policy Sponsorship: - - - - -

# DCMS ORGANISATIONAL CHART

## JUNE 2005



### KEY

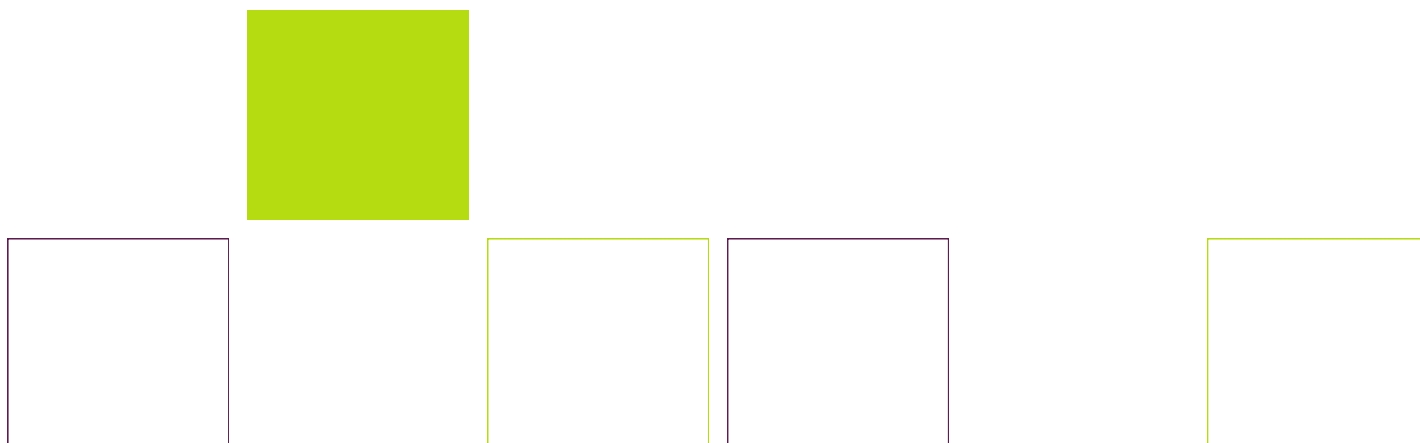
\* **Paul Bolt** reports to Jeff Jacobs on Olympics and to the Chief Operating Officer on Modernisation

\*\* **Siobhan Kenny** in post until 17 June 2005. Paddy Feeny acting Director of Strategic Communications thereafter.

PSA: Public Service Agreement

DCMS Agency:

Policy Sponsorship: - - - - -



## DEPARTMENT FOR CULTURE, MEDIA AND SPORT PUBLIC SPENDING

	1999-00 Out-turn	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Estimated Out-turn	2005-06 Plans	2006-07 Plans	2007-08 Plans
<i>£ thousands</i>									
<b>Consumption of resources:</b>									
DCMS	1,038,657	1,086,145	1,049,420	1,252,247	1,791,278	1,542,392	1,538,867	1,619,213	1,669,213
National Lottery	1,169,400	1,402,800	1,359,450	1,512,217	1,079,312	960,000	1,257,663	1,321,663	1,121,663
<b>Total resource budget</b>	<b>2,208,057</b>	<b>2,488,945</b>	<b>2,408,870</b>	<b>2,764,464</b>	<b>2,870,590</b>	<b>2,502,392</b>	<b>2,796,530</b>	<b>2,940,876</b>	<b>2,790,876</b>
<i>of which:</i>									
Resource DEL	1,038,657	1,086,145	1,049,420	1,247,217	1,278,585	1,542,377	1,538,867	1,619,213	1,669,213
<b>Capital spending:</b>									
DCMS	59,666	50,069	62,861	52,750	157,081	207,795	106,973	126,989	141,989
National Lottery	738,617	452,226	351,040	297,840	830,699	840,011	442,348	178,348	178,348
<b>Total capital budget</b>	<b>798,283</b>	<b>502,295</b>	<b>413,901</b>	<b>350,590</b>	<b>987,780</b>	<b>1,047,806</b>	<b>549,321</b>	<b>305,337</b>	<b>320,337</b>
<i>of which:</i>									
Capital DEL	57,134	34,076	36,731	42,807	147,092	197,806	96,984	117,000	132,000
<b>Total public spending<sup>1</sup></b>	<b>2,951,784</b>	<b>2,929,794</b>	<b>2,748,357</b>	<b>3,046,193</b>	<b>3,783,293</b>	<b>3,451,659</b>	<b>3,249,296</b>	<b>3,148,483</b>	<b>3,009,483</b>

1. Total public spending calculated as the total of the resource budget plus the capital budget, less depreciation

### Spending by local authorities on functions relevant to the department

<b>Current spending</b>	<b>1,618,092</b>	<b>1,736,543</b>	<b>1,840,253</b>	<b>1,921,554</b>	<b>2,045,019</b>	<b>2,102,601</b>
<b>Capital spending</b>	<b>425,523</b>	<b>455,040</b>	<b>507,668</b>	<b>489,868</b>	<b>445,101</b>	<b>717,000</b>

NB:

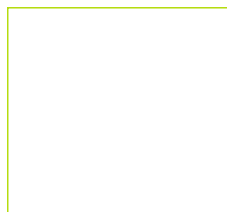
1. Prior year figures have been amended from last year's report because: following publication of NDPB resource accounts 2002-03, additional updates were made to data for that year; out-turn in 2003-04 has increased due to costs of transferring certain NDPBs into PCSPS from by analogy schemes – full details were provided in the Spring Supplementary estimate 2004-05.

## DEPARTMENT FOR CULTURE, MEDIA AND SPORT RESOURCE BUDGET

	1999-00 Out-turn	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Estimated Out-turn	2005-06 Plans	2006-07 Plans	2007-08 Plans
<b>£ thousands</b>									
<b>Museums, Galleries and Libraries</b>	<b>377,450</b>	<b>410,970</b>	<b>313,372</b>	<b>415,531</b>	<b>775,324</b>	<b>578,720</b>	<b>563,867</b>	<b>582,117</b>	<b>601,117</b>
<i>of which:</i>									
Museums and galleries	270,224	293,606	172,713	262,635	310,034	411,876	399,590	417,090	436,090
Libraries	90,896	99,937	115,595	127,583	435,314	124,153	118,501	119,251	119,251
Museums, Libraries and Archives Council	16,330	16,792	24,149	25,060	29,198	36,531	45,776	45,776	45,776
Culture Online	-	635	915	253	778	2,160	-	-	-
<b>Arts</b>	<b>230,144</b>	<b>238,650</b>	<b>254,161</b>	<b>285,740</b>	<b>327,710</b>	<b>378,700</b>	<b>411,496</b>	<b>418,496</b>	<b>419,496</b>
<b>Sport</b>	<b>51,076</b>	<b>52,205</b>	<b>67,363</b>	<b>125,942</b>	<b>74,273</b>	<b>125,446</b>	<b>123,223</b>	<b>154,223</b>	<b>174,223</b>
<b>Architecture and the</b>									
Historic Environment	144,359	144,275	139,361	149,438	349,073	161,826	164,948	175,623	180,623
Regional Cultural Consortiums	-	-	-	-	-	1,600	1,600	1,600	1,600
The Royal Parks	27,191	24,424	41,854	25,675	25,421	31,131	25,212	25,812	25,812
Tourism	47,729	48,379	68,250	74,827	57,812	54,920	56,324	54,424	54,424
<b>Gambling and the National Lottery</b>	<b>1,169,387</b>	<b>1,402,779</b>	<b>1,358,371</b>	<b>1,514,407</b>	<b>1,081,708</b>	<b>963,807</b>	<b>1,260,377</b>	<b>1,324,377</b>	<b>1,124,377</b>
<i>of which:</i>									
National Lottery	1,169,400	1,402,800	1,359,450	1,512,217	1,079,312	960,000	1,257,663	1,321,663	1,121,663
Other gambling and gaming bodies	-13	-21	-1,079	2,190	2,396	3,807	2,714	2,714	2,714
<b>ERDF</b>	<b>28,415</b>	<b>35,177</b>	<b>27,457</b>	<b>19,193</b>	<b>25,373</b>	<b>6,000</b>	<b>6,000</b>	<b>7,000</b>	<b>7,000</b>
<b>Broadcasting and Media</b>	<b>104,400</b>	<b>103,566</b>	<b>105,136</b>	<b>109,345</b>	<b>112,368</b>	<b>127,955</b>	<b>119,620</b>	<b>119,870</b>	<b>120,470</b>
<b>Commemorative Services (Queen's Golden Jubilee)</b>	<b>3</b>	<b>-</b>	<b>417</b>	<b>6,494</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>Administration and Research</b>	<b>27,903</b>	<b>28,520</b>	<b>33,128</b>	<b>37,872</b>	<b>41,528</b>	<b>53,968</b>	<b>49,769</b>	<b>48,769</b>	<b>47,769</b>
<b>Unallocated Provision</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,318</b>	<b>14,093</b>	<b>28,565</b>	<b>33,965</b>
<b>Total resource budget</b>	<b>2,208,057</b>	<b>2,488,945</b>	<b>2,408,870</b>	<b>2,764,464</b>	<b>2,870,590</b>	<b>2,502,392</b>	<b>2,796,530</b>	<b>2,940,876</b>	<b>2,790,876</b>

1. Prior year figures have been amended from last year's report as a result of:

following publication of NDPB Resource Accounts 2002-03, additional updates were made to data for that year; out-turn in 2003-04 has increased due to costs of transferring certain NDPBs into PCSPS from by analogy schemes - full details were provided in the Spring Supplementary 2004-05.



## DEPARTMENT FOR CULTURE, MEDIA AND SPORT CAPITAL BUDGET

	1999-00 Out-turn	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Estimated Out-turn	2005-06 Plans	2006-07 Plans	2007-08 Plans
<i>£ thousands</i>									
<b>Museums, Galleries and Libraries</b>	<b>44,449</b>	<b>22,507</b>	<b>33,439</b>	<b>5,901</b>	<b>69,176</b>	<b>90,815</b>	<b>52,220</b>	<b>67,220</b>	<b>79,220</b>
<i>of which:</i>									
Museums and galleries	13,565	22,080	31,669	196	63,041	58,028	24,952	39,952	51,952
Libraries	30,835	382	1,659	5,666	5,402	22,398	27,218	27,218	27,218
Museums, Libraries and Archives Council	49	45	111	39	72	50	50	50	50
Culture Online	-	-	-	-	661	10,339	-	-	-
<b>Arts</b>	<b>348</b>	<b>153</b>	<b>1,224</b>	<b>1,551</b>	<b>2,208</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>
<b>Sport</b>	<b>1,574</b>	<b>1,497</b>	<b>1,212</b>	<b>13,676</b>	<b>43,917</b>	<b>60,157</b>	<b>7,334</b>	<b>1,334</b>	<b>1,334</b>
<b>Architecture and the Historic Environment</b>	<b>1,795</b>	<b>2,923</b>	<b>3,869</b>	<b>10,945</b>	<b>12,550</b>	<b>14,457</b>	<b>12,810</b>	<b>14,310</b>	<b>14,310</b>
<b>The Royal Parks</b>	<b>2,866</b>	<b>2,549</b>	<b>118</b>	<b>1,421</b>	<b>4,929</b>	<b>2,506</b>	<b>1,880</b>	<b>1,880</b>	<b>1,880</b>
<b>Tourism</b>	<b>1,062</b>	<b>600</b>	<b>662</b>	<b>1,158</b>	<b>3,171</b>	<b>727</b>	<b>702</b>	<b>600</b>	<b>600</b>
<b>Gambling and the National Lottery</b>	<b>738,617</b>	<b>452,226</b>	<b>351,040</b>	<b>297,840</b>	<b>830,699</b>	<b>840,011</b>	<b>442,348</b>	<b>178,348</b>	<b>178,348</b>
<i>of which:</i>									
National Lottery	738,600	452,200	350,550	297,783	830,688	840,000	442,337	178,337	178,337
Other gambling and gaming bodies	17	26	490	57	11	11	11	11	11
<b>ERDF</b>	<b>4,400</b>	<b>20,202</b>	<b>21,373</b>	<b>17,033</b>	<b>18,170</b>	<b>33,256</b>	<b>25,000</b>	<b>29,000</b>	<b>29,000</b>
<b>Broadcasting Media</b>	<b>1,626</b>	<b>1,710</b>	<b>229</b>	<b>10</b>	<b>1,750</b>	<b>1,950</b>	<b>1,950</b>	<b>1,950</b>	<b>1,950</b>
<b>Administration and Research</b>	<b>1,546</b>	<b>-2,072</b>	<b>735</b>	<b>1,055</b>	<b>1,220</b>	<b>3,427</b>	<b>4,577</b>	<b>4,495</b>	<b>4,495</b>
<b>Unallocated Provision</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>300</b>	<b>6,000</b>	<b>9,000</b>
<b>Total capital budget</b>	<b>793,283</b>	<b>502,295</b>	<b>413,901</b>	<b>350,590</b>	<b>987,780</b>	<b>1,047,806</b>	<b>549,321</b>	<b>305,337</b>	<b>320,337</b>

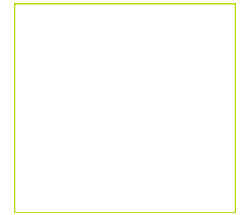
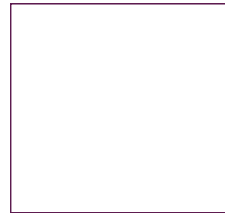
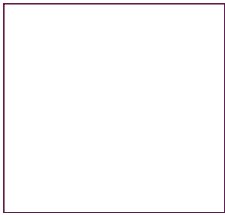
NB: Prior year figures have been amended from last year's reports because National Lottery out-turn figures 2003-04 have been revised in accordance with actual out-turn data.

## DEPARTMENT FOR CULTURE, MEDIA AND SPORT ADMINISTRATION COSTS

	1999-00 Out-turn	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Estimated Out-turn	2005-06 Plans	2006-07 Plans	2007-08 Plans
<b>£ thousands</b>									
<b>Administration Expenditure</b>									
Paybill	12,170	13,665	15,378	17,238	18,657	20,000	20,700	20,500	20,000
Other	14,887	14,109	16,639	19,107	22,909	23,000	30,728	29,928	29,428
<b>Total administration Expenditure</b>	<b>27,057</b>	<b>27,774</b>	<b>32,017</b>	<b>36,345</b>	<b>41,566</b>	<b>43,000</b>	<b>51,428</b>	<b>50,428</b>	<b>49,428</b>
Administration income	-257	-278	-238	-241	-2,200	-2,160	-2,160	-2,160	-2,160
<b>Total administration budget</b>	<b>26,800</b>	<b>27,496</b>	<b>31,779</b>	<b>36,104</b>	<b>39,366</b>	<b>40,840</b>	<b>49,268</b>	<b>48,268</b>	<b>47,268</b>

### £ million

<b>Analysis by activity:</b>									
Arts & Culture	7	7	7	10	11	11	13	13	13
Sport	4	4	6	4	4	5	7	7	7
Tourism, Libraries & Communities	4	4	6	4	6	6	7	7	7
Creative Industries, Broadcasting and Gambling	5	5	5	6	8	9	10	9	9
Administration	7	7	9	12	10	10	12	12	11
<b>Total net administration costs</b>	<b>27</b>	<b>27</b>	<b>32</b>	<b>36</b>	<b>39</b>	<b>41</b>	<b>49</b>	<b>48</b>	<b>47</b>



## DEPARTMENT FOR CULTURE, MEDIA AND SPORT STAFF NUMBERS

		1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
		Out-turn	Out-turn	Out-turn	Out-turn	Out-turn	Estimated Out-turn	Plans	Plans
<b>Staff years</b>									
<b>Department for Culture, Media and Sport (Gross control area)</b>	CS FTEs	425	397	400	460	506	515	495	483
	Overtime	16	12	12	10	12	10	10	10
	Casuals	0	2	0	0	-	-	-	-
	<b>Total</b>	<b>441</b>	<b>411</b>	<b>412</b>	<b>470</b>	<b>518</b>	<b>525</b>	<b>505</b>	<b>493</b>
<b>Royal Park Agency *(Gross control area)</b>	CS FTEs	228	229	220	234	232	145	96	96
	Overtime	12	9	9	10	7	4	1	0
	Casuals	1	3	0	7	3	0	0	0
	<b>Total</b>	<b>241</b>	<b>241</b>	<b>229</b>	<b>251</b>	<b>242</b>	<b>149</b>	<b>97</b>	<b>96</b>
<b>Total DCMS</b>		<b>682</b>	<b>652</b>	<b>641</b>	<b>721</b>	<b>760</b>	<b>674</b>	<b>602</b>	<b>589</b>

Until 2002-03 FTE data consisted of the staff in post averaged over the whole financial year.  
From 2003-04 onwards the data represent the number of staff in post (FTE) on the last day of the financial year.

DCMS no longer employs staff on a casual basis. Agency temps are excluded from the figures above.  
For information, DCMS currently employs 21 agency temps and therefore the estimated FTE out-turn for 2004-05 if temps were included would be 515+21=536.

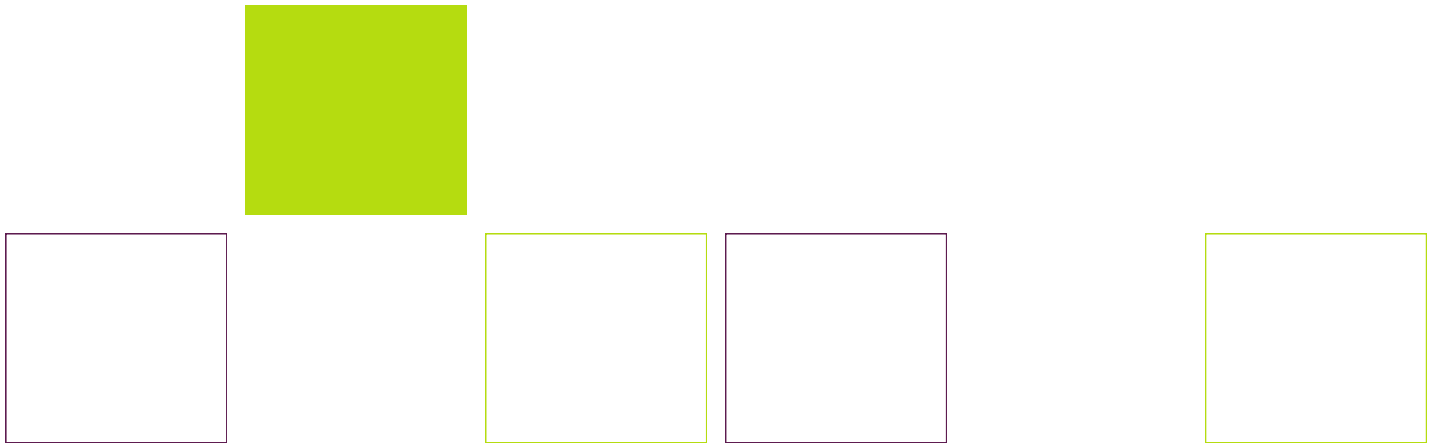
\* Royal Parks Agency ceased to be subject to administration cost control from 2002-03. The fall in RPA staff numbers from 242 in 2003-04 to 149 in 2004-05 is the result of a planned merger of the Royal Parks Constabulary with the Metropolitan Police. After the merger, RPC staff will no longer be Royal Parks Agency members of staff.

## DEPARTMENT FOR CULTURE, MEDIA AND SPORT CAPITAL EMPLOYED

	1999-00 Out-turn	2000-01 Out-turn	2001-02 Out-turn	2002-03 <sup>1</sup> Out-turn	2003-04 <sup>1</sup> Out-turn	2004-05 Estimated Out-turn	2005-06 Plans	2006-07 Plans	2007-08 Plans
<b>£ millions</b>									
<i>Assets on balance sheet at start of year:</i>									
Fixed assets	45	53	56	57	68	84	85	88	92
<i>of which:</i>									
Land and buildings	41	49	51	51	59	64	66	68	71
Current assets	256	97	36	81	59	67	67	67	67
Creditors (< 1 year)	-252	-94	-29	-96	-76	-77	-77	-77	-77
Creditors (> 1 year)									
Provisions									
<b>Capital employed within main department<sup>2</sup></b>	<b>49</b>	<b>56</b>	<b>63</b>	<b>42</b>	<b>51</b>	<b>74</b>	<b>75</b>	<b>78</b>	<b>82</b>
NDPB net assets	1,092	1,307	1,697	1,870	3,237	3,412	3,506	3,521	3,603
<b>Total capital employed in departmental group</b>	<b>1,141</b>	<b>1,363</b>	<b>1,760</b>	<b>1,912</b>	<b>3,288</b>	<b>3,486</b>	<b>3,581</b>	<b>3,599</b>	<b>3,685</b>

Notes:

1. Out-turn figures from 2001-02 onwards are taken from the published consolidated DCMS resource accounts which include the Royal Parks Agency accounts.
2. Figures for 2003-04 include the effects of the quinquennial revaluation of the land and buildings of the museums and galleries sector.



## DEPARTMENT FOR CULTURE, MEDIA AND SPORT FORECAST OF INDEMNITIES EXPECTED TO BE GRANTED UNDER THE NATIONAL HERITAGE ACT 1980 TO NATIONAL AND OTHER MUSEUMS AND GALLERIES

Forecast of maximum contingent liabilities 2005-06

£s

British Library	57,266,185
British Museum	374,130,000
English Heritage	82,000,000
Geffrye Museum	60,000
Horniman Museum	250,000
Imperial War Museum	47,061,829
Museum of Science and Industry in Manchester	6,200,000
National Gallery	1,030,000,000
National Maritime Museum	80,000,000
National Museums Liverpool	50,000,000
National Museum of Science and Industry	92,000,000
National Portrait Gallery	520,053,500
Natural History Museum	203,117,913
Royal Armouries	2,946,491
Sir John Soane's Museum	1,278,000
South Bank Centre*	26,042,113
Tate Gallery	1,019,600,203
Victoria and Albert Museum	102,568,000
Wallace Collection	10,000,000
<b>Total</b>	<b>3,704,574,234</b>

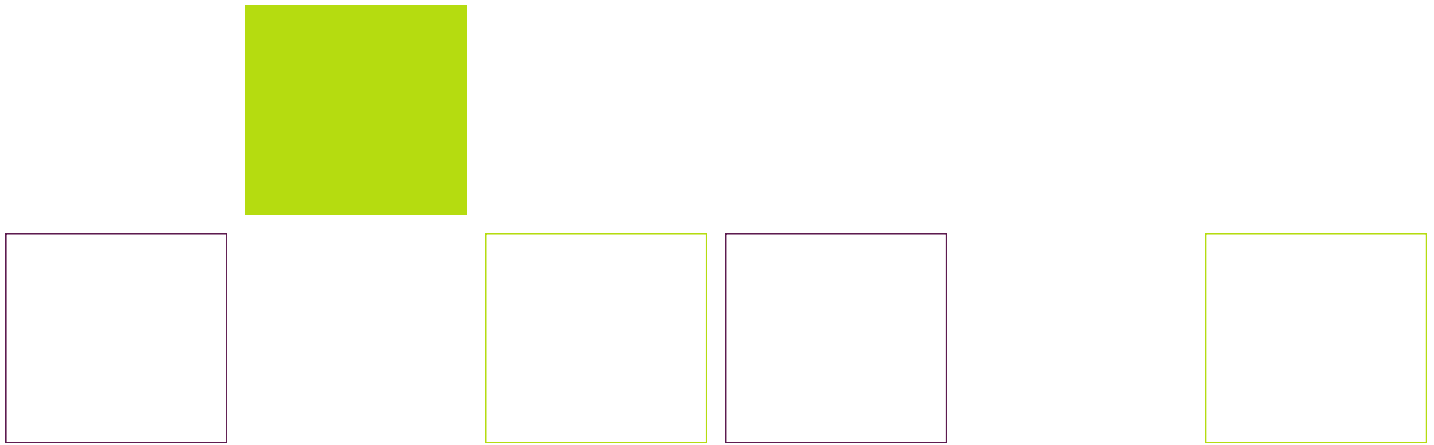
These liabilities arise from indemnities given by the Secretary of State under the Government Indemnity Scheme, and made to lenders of heritage objects in lieu of insurance cover. Indemnities in respect of each institution will fluctuate during the year, reflecting the number and value of loaned works of art in both temporary exhibitions and changing gallery displays.

Values in this table are based on information available to museums, galleries and the British Library in March 2005. If the forecast maximum contingent liability for any institution is likely to be exceeded, a minute will be presented to the House of Commons.

\* The South Bank Centre, which manages the Hayward Gallery, is a revenue client of the Arts Council England.

## DEPARTMENT FOR CULTURE, MEDIA AND SPORT IDENTIFIABLE EXPENDITURE ON SERVICES BY COUNTRY AND REGION

£ million	1999-00 Out-turn	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Plans	2005-06 Plans	2006-07 Plans	2007-08 Plans
North East	226.3	133.5	123.1	115.5	139.2	113.2	116.9	113.3	109.8
North West	384.3	255.8	208.5	236.3	197.8	185.4	202.1	190.4	184.2
Yorkshire and Humberside	179.7	174.6	187.3	224.5	363.7	173.7	186.0	179.1	175.1
East Midlands	110.6	169.4	139.7	156.2	148.9	134.4	185.9	183.0	166.1
West Midlands	196.4	184.0	158.8	175.3	166.3	142.6	174.1	167.5	158.6
South West	181.2	189.6	177.8	163.1	184.4	178.1	219.4	211.6	196.5
Eastern	136.2	129.1	130.7	149.1	142.2	127.2	159.3	153.7	143.1
London	541.8	621.5	487.7	665.6	727.1	564.1	671.9	670.2	630.3
South East	255.2	286.6	246.4	257.9	275.1	257.8	305.7	299.7	285.4
<b>Total England</b>	<b>2211.7</b>	<b>2144.2</b>	<b>1860.0</b>	<b>2143.5</b>	<b>2344.7</b>	<b>1876.4</b>	<b>2221.3</b>	<b>2168.5</b>	<b>2049.2</b>
Scotland	121.5	116.0	130.1	140.2	154.2	102.2	136.6	125.9	108.8
Wales	170.0	164.0	145.9	166.2	153.0	153.5	189.3	184.5	170.3
Northern Ireland	53.5	58.7	47.4	42.1	53.7	29.1	38.2	35.5	31.0
<b>Total UK identifiable expenditure</b>	<b>2556.6</b>	<b>2482.9</b>	<b>2183.4</b>	<b>2491.9</b>	<b>2705.5</b>	<b>2161.1</b>	<b>2585.5</b>	<b>2514.4</b>	<b>2359.4</b>
Outside UK	126.7	120.1	50.0	67.6	124.9	148.5	109.0	120.1	130.7
<b>Total identifiable expenditure</b>	<b>2683.3</b>	<b>2603.0</b>	<b>2233.3</b>	<b>2559.6</b>	<b>2830.4</b>	<b>2309.7</b>	<b>2694.5</b>	<b>2634.5</b>	<b>2490.1</b>
Non-identifiable expenditure	175.0	181.0	165.0	180.0	161.0	138.7	126.6	74.7	76.7
<b>Total expenditure on services</b>	<b>2858.3</b>	<b>2784.0</b>	<b>2398.3</b>	<b>2739.6</b>	<b>2991.4</b>	<b>2448.4</b>	<b>2821.1</b>	<b>2709.2</b>	<b>2566.8</b>



## DEPARTMENT FOR CULTURE, MEDIA AND SPORT IDENTIFIABLE EXPENDITURE ON SERVICES, BY FUNCTION, COUNTRY AND REGION, FOR 2003-04

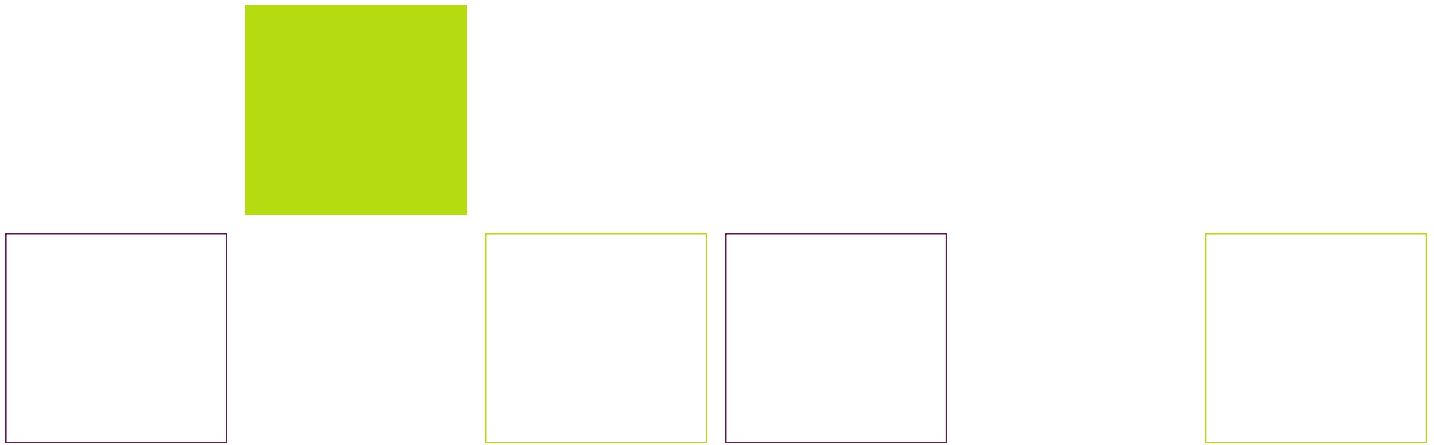
£ million	North East	North West	Yorkshire and Humberside	East Midlands	West Midlands	South West	Eastern	London	South East
<b>Enterprise and economic development</b>									
Regional policy	4.6	2.2	0.6	0.3	5.1	2.6	2.3	0.4	1.4
Support for business	1.0	1.2	0.5	0.5	0.0	0.6	0.5	0.7	0.6
<b>Total enterprise and economic development</b>	<b>5.6</b>	<b>3.4</b>	<b>1.1</b>	<b>0.8</b>	<b>5.1</b>	<b>3.2</b>	<b>2.8</b>	<b>1.1</b>	<b>1.9</b>
<b>Recreation, culture and religion</b>									
Broadcasting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Heritage, arts, libraries and films	52.3	70.4	80.4	60.4	51.3	77.7	56.5	266.6	142.6
Lottery	48.1	97.6	85.4	56.8	78.4	62.2	53.8	216.4	77.9
Other recreation, culture and religion	4.3	4.3	4.4	4.3	4.4	4.4	4.4	5.6	4.3
Sport and recreation	14.5	12.4	12.8	15.0	12.4	6.8	7.8	33.9	16.1
<b>Total recreation, culture and religion</b>	<b>119.2</b>	<b>184.8</b>	<b>183.0</b>	<b>136.6</b>	<b>146.4</b>	<b>151.1</b>	<b>122.5</b>	<b>522.4</b>	<b>240.9</b>
<b>Social protection</b>									
Public sector occupational pensions	14.4	9.8	179.6	11.5	15.2	30.2	16.9	203.6	32.4
<b>Total social protection</b>	<b>14.4</b>	<b>9.8</b>	<b>179.6</b>	<b>11.5</b>	<b>15.2</b>	<b>30.2</b>	<b>16.9</b>	<b>203.6</b>	<b>32.4</b>
<b>Total for: Department for Culture, Media and Sport</b>	<b>139.2</b>	<b>197.9</b>	<b>363.7</b>	<b>148.9</b>	<b>166.7</b>	<b>184.5</b>	<b>142.3</b>	<b>727.1</b>	<b>275.2</b>

NB:

- Out-turn for 2003-04 includes one-off bulk transfer values for the costs of certain NDPBs entry to PCSPS.

This table should be read in conjunction with the notes on page 95.

	England	Scotland	Wales	Northern Ireland	UK Identifiable Expenditure	Outside UK	Total Identifiable Expenditure	Non-Identifiable	£ Millions Totals
	19.5	0.0	0.0	0.0	19.5	0.0	19.5	0.0	19.5
	5.6	0.0	0.0	0.0	5.6	0.0	5.6	56.0	61.6
	<b>25.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>25.0</b>	<b>0.0</b>	<b>25.0</b>	<b>56.0</b>	<b>81.0</b>
	0.0	0.0	85.6	0.0	85.6	0.0	85.6	105.0	190.6
	858.2	12.0	8.5	4.3	883.0	123.6	1,006.6	0.0	1,006.6
	776.6	141.0	58.4	49.2	1,025.2	0.0	1,025.2	0.0	1,025.2
	40.4	0.1	0.1	0.1	40.7	0.0	40.7	0.0	40.7
	131.7	1.1	0.3	0.1	133.2	0.8	134.0	0.0	134.0
	<b>1,806.9</b>	<b>154.2</b>	<b>152.9</b>	<b>53.7</b>	<b>2,167.7</b>	<b>124.4</b>	<b>2,292.1</b>	<b>105.0</b>	<b>2,397.1</b>
	513.6	0.0	0.0	0.0	513.6	0.5	514.1	0.0	514.1
	<b>513.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>513.6</b>	<b>0.5</b>	<b>514.1</b>	<b>0.0</b>	<b>514.1</b>
	<b>2,345.5</b>	<b>154.2</b>	<b>153.0</b>	<b>53.7</b>	<b>2,706.4</b>	<b>124.9</b>	<b>2,831.3</b>	<b>161.0</b>	<b>2,992.3</b>



## DEPARTMENT FOR CULTURE, MEDIA AND SPORT IDENTIFIABLE EXPENDITURE ON SERVICES BY COUNTRY AND REGION, PER HEAD

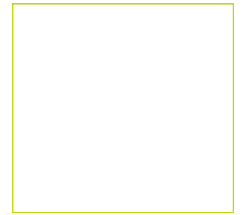
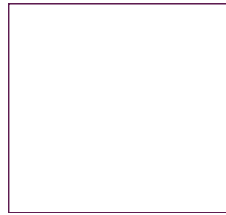
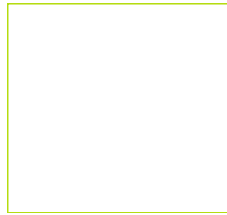
£'s per head	1999-00 Out-turn	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Plans	2005-06 Plans	2006-07 Plans	2007-08 Plans
North East	88.4	52.3	48.4	45.5	54.8	44.6	46.1	44.7	43.4
North West	56.6	37.8	30.8	34.9	29.2	27.2	29.7	27.9	27.0
Yorkshire and Humberside	36.2	35.2	37.8	45.1	72.8	34.7	37.0	35.6	34.7
East Midlands	26.8	40.8	33.5	37.3	35.3	31.6	43.5	42.6	38.4
West Midlands	37.3	34.9	30.1	33.2	31.4	26.8	32.7	31.4	29.6
South West	37.4	38.8	36.2	33.0	37.1	35.6	43.6	41.8	38.6
Eastern	25.7	24.2	24.3	27.6	26.2	23.3	29.0	27.8	25.7
London	76.7	86.9	67.4	90.9	98.6	76.4	90.4	89.6	83.8
South East	32.3	36.0	30.8	32.1	34.2	31.9	37.6	36.7	34.8
<b>Total England</b>	<b>45.3</b>	<b>43.7</b>	<b>37.8</b>	<b>43.3</b>	<b>47.2</b>	<b>37.6</b>	<b>44.4</b>	<b>43.1</b>	<b>40.6</b>
Scotland	23.9	22.9	25.7	27.7	30.5	20.2	27.0	24.8	21.5
Wales	58.6	56.5	50.2	57.1	52.3	52.2	64.1	62.1	57.1
Northern Ireland	31.9	35.0	28.2	24.9	31.7	17.1	22.3	20.7	18.0
<b>Total UK identifiable expenditure</b>	<b>43.7</b>	<b>42.3</b>	<b>37.1</b>	<b>42.2</b>	<b>45.6</b>	<b>36.3</b>	<b>43.2</b>	<b>41.9</b>	<b>39.2</b>

This table should be read in conjunction with the notes on page 95.

## DEPARTMENT FOR CULTURE, MEDIA AND SPORT EXPLANATORY NOTES FOR THE PRECEDING TABLES OF IDENTIFIABLE EXPENDITURE ON SERVICES, BY FUNCTION, COUNTRY AND REGION

- DCMS spending is spread over a number of sub-programmes. Completion of the analysis of spending data was delegated to programme managers and NDPBs.
- The spending data shown in these tables are consistent with the country and regional analyses (CRA) published by HM Treasury in Public Expenditure Statistical Analyses (PESA). PESA contains more tables analysed by country and region, and also explains how the analysis was collected and the basis for allocating expenditure between countries and regions.
- The tables include the spending of the department and its NDPBs on payments to private sector and subsidies to public corporations. They do not include capital finance to public corporations but do include public corporations' capital expenditure. They do not include payments to local authorities or local authorities own expenditure.
- The data are based on a subset of spending – identifiable expenditure on services – which is capable of being analysed as being for the benefit of individual countries and regions. Expenditure that is incurred for the benefit of the UK as a whole is excluded.
- The tables do not include depreciation, cost of capital charges or movements in provisions that are in DEL/AME. They do include salaries, procurement expenditure, capital expenditure and grants and subsidies paid to individuals and private sector enterprises.
- Across Government, most expenditure is not planned or allocated on a regional basis. Expenditure on other programmes is allocated by looking at how all the projects across the department's area of responsibility, usually England, compare. So the analysis shows the regional outcome of spending decisions that have on the whole not been made primarily on a regional basis.
- Departmental spend which is allocated on a regional basis includes the grant to the Welsh Fourth Channel Authority, funding of 8 Regional Cultural Consortia, and the grant to the GLA. Some NDPBs sponsored by the Department are also allocated funding on a regional basis e.g. the Museums, Libraries and Archives Council allocates funding to support regional museums, and Arts Council England provides support to a portfolio of regularly funded regional organisations.
- The figures were taken from the HM Treasury Public Expenditure database in December 2004 and the regional distributions were completed in January 2005. Therefore the tables may not show the latest position.
- The functional categories used are the standard United Nations Classifications of the Functions of Government (COFOG) categories. This is not the same as the strategic priorities used elsewhere in the report.
- The high spend in London reflects the fact that the Department sponsors many national institutions which are located in London e.g. the national museums and galleries. However, the allocation of spending does take into account where visitors come from, including from overseas.
- Out-turn for 2003-04 includes one-off bulk transfer values for the costs of certain NDPBs entry to PCSPS.
- Drawdown of Lottery funds from the National Lottery Distribution Fund in 2002/03 was lower, at just under £1.9 billion, than the forecast figure of £2.3 billion. In 2003/04 there was a smaller shortfall between the actual (unaudited) figure of just over £1.9 billion and the forecast figure of £2.2 billion. These figures reflect the fact that a drawdown of grants by project operators is often slower than expected by Lottery distributing bodies. There can be many reasons for this, for example delays in securing partnership funding or planning consents, or in getting construction work under way.

The recent National Audit Office report *Managing National Lottery Distribution Fund Balances* (July 2004) recognised that distributing bodies depend, to a significant extent, on drawdown forecasts provided by grant recipients and looked, among other questions, at how distributors might work with projects to achieve forecasts of expenditure that they have greater confidence in.



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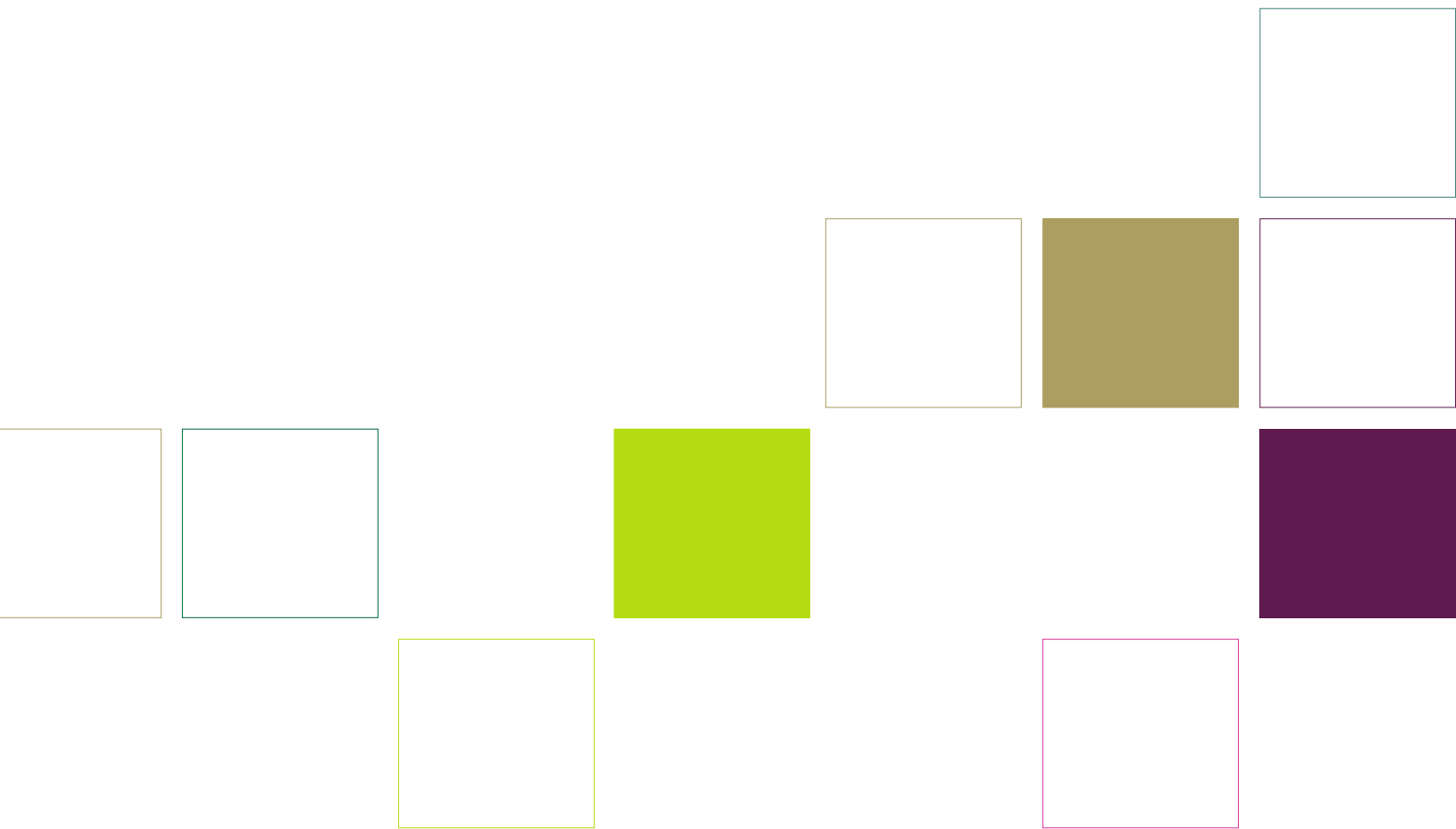
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