

MANAGING OUR RESOURCES



CHAPTER TWO





MANAGING OUR RESOURCES

This section sets out key information on the internal management of 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 2005 to 31 March 2006 we appointed 10 new staff through external recruitment competitions as follows:

Grade	Male	Female	Total	Ethnic minority	Disabled
SCS	3	1	4	0	0
A	1	0	1	0	0
B	3	1	4	0	0
C	0	1	1	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:

- inward secondments from outside organisation/bodies: six

[GOVERNMENT ART COLLECTION](#)
Jane Simpson, Our Distant
Relatives 2004

SENIOR CIVIL SERVICE SALARIES

28 Senior Civil Servants were in post at 1 April 2005. Details of their salary bands are below.

Salary Band £	Number of Staff
50,000-54,999	2
55,000-59,999	8
60,000-64,999	1
65,000-69,999	2
70,000-74,999	3
over 75,000	12

ETHNIC MONITORING INFORMATION

STAFF IN POST 1 APRIL 2005

Grade	In post	% Ethnic minority	% Unknown	Target March 2008
SCS	28	4%	14%	4%
A/B	279	7%	8%	4/5%
C	123	16%	7%	10%
D	97	30%	5%	21%
TOTAL	527	13%	8%	

EXTERNAL RECRUITMENT

	Total	% Ethnic minority	% Unknown
Number of applicants	377	7%	43%
Success at final interview	10	10%	0%

APPRAISAL

	Total	% Ethnic minority	% Unknown
Highly successful	107	13%	5%
Successful	329	14%	6%
Acceptable	10	11%	10%

PROMOTIONS

From 1 November 2005, DCMS moved from a Promotion Board system to a promotion to post policy whereby any member of staff applying for a post at the higher grade, and selected for the post, would be made substantive.

	Total	% Ethnic minority	% Unknown
Promoted	23	4%	0%

This table represents all internal DCMS staff who were successful at interview stage of open competitions for posts which they took up on promotion since 1 April 2005.

Only two members of staff are included having been promoted under the new rules.

POSTINGS TO SENIOR CIVIL SERVICE (SCS)

	Total	% Ethnic minority
Postings to SCS	6	0%

TRAINING

	Total	% Ethnic minority*	% Unknown
Attendees	379	18%	7%

* 351 out of 379 staff attending training courses had declared their ethnic background – the percentage given as a percentage of these rather than the 379 staff members who actually attended the courses.

SPECIAL BONUSES

	Total	% Ethnic minority*	% Unknown
Special bonus awards	139	11%	4%

* 133 out of 139 staff awarded special bonuses had declared their ethnic background – the percentage is given as a percentage of these rather than the 139 staff members actually awarded bonuses.

GRIEVANCES/ DISCIPLINARY ACTION

	Total	% Ethnic minority	% Unknown
Formal grievances	1	0	0%
Disciplinary action	2	1	0%

LEAVERS

	Total	% Ethnic minority*	% Unknown
Resignations	34	10%	15%

* 29 out of 34 staff who resigned had declared their ethnic background – the percentage is given as a percentage of these rather than the 34 staff members who actually resigned.

PUBLIC APPOINTMENTS

DCMS is responsible for over 550 appointments to the boards of around 60 public bodies, making more than 100 appointments or re-appointments each year. Most are national bodies with a high public profile, and the majority are regulated by the Commissioner for Public Appointments.

The centralised Public Appointments Unit continues to apply robust selection procedures and professional skills to all appointments. In addition to the annual cycle, this year we appointed the boards of the Olympic Lottery Distributor and the Olympic Delivery Authority, two new bodies created to stage the Olympic and Paralympic Games in 2012.

We want appointments to draw on a richness and variety of viewpoints, ideas and experience. Of the 124 appointments or reappointments made in 2005-06, 33 per cent were women, 10 per cent were from an ethnic minority background and 4 per cent had a declared disability. Our Annual Appointments Plan, which can be found at www.culture.gov.uk, includes targets to increase the diversity of our appointments, as well as proposals for how to achieve them.

HONOURS

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

DCMS is committed to ensuring that the honours list reflects UK society today, and is working with the Cabinet Office to stimulate a wide 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 bring distinction and quality to UK life. Nominations for honours are welcome from anyone at any time.

CORRESPONDENCE WITH THE PUBLIC

DCMS received 10,262 letters that required a response from the public in 2005. 5,686 (65 per cent) were answered within our 20 working day target. We also received 4,514 letters from MPs and Peers in 2005. 2,543 (56 per cent) were answered within our 20 working day target.

ADMINISTRATIVE COSTS – CONSULTANCY

Consultants bring a huge range of skills and experience to the department and help support both the efficient administration and the programmes we deliver. It is difficult to forecast spending on consultancy with accuracy because many projects are arranged at short notice in order to address specific issues that arise in the year. The forecast spend in the 2005 Annual Report for 2005-06 was £450,000 but the latest figures available suggest spending in the region of £825,000. This increase included some additional consultancy following the successful bid to stage the 2012 Olympic and Paralympic Games, but also on improving effectiveness and efficiency within the Department. Examples of the latter include consultants' advice on improving IT systems, and to advise on rent and rate reviews on our accommodation. The latter generated savings over a 10 year period that will substantially exceed the cost of the consultants.

The Department's current forecast for spend on consultants in 2006-07 is again uncertain particularly given the work that will need to be done in relation to the 2012 Olympics, but we expect it to be in the region of £825,000

ACCOUNTING SYSTEM RE-IMPLEMENTATION

A new accounting system was introduced in early February 2006. The system will improve the effectiveness of financial management and control within the Department and make business processes more efficient. Centralisation of the invoice registration process and the electronic authorisation of invoices has resulted in much less paper being used and passed around within the Department. Increased use of the Government Procurement Card and a new electronic purchase ordering system will improve purchasing decisions and reduce transactional costs. From April 2006, grant in aid drawdown requests from the Department's NDPBs will be processed electronically.

The new system will improve the quality and timeliness of financial information available within the Department. A new and easier to use report writer will improve the quality and responsiveness of financial reports and allow greater flexibility to meet changing organisational needs. It will also mean that there will be no need to re-input financial data into off-system records. The total cost of the system in 2005-06, including the software and the costs of accounting system technical consultants, is expected to be c.£700,000.

INVESTMENT AND ASSET MANAGEMENT

Our current Investment Strategy was published on 20 June 2005 and is available online at www.culture.gov.uk. It describes our plans for both new investment and the use of existing assets.

IMPROVING POLICY DEVELOPMENT AND REGULATORY REFORM

We have established a Better Regulation Unit (BRU) with the aim of improving the Department's delivery of the Government's Better Regulation Agenda. In response to the recommendations of the Better Regulation Task Force report *Regulation – Less is More, Reducing Burdens, Improving Outcomes* and the Hampton Review, the Department created an Economic Impact Unit to take forward the simplification and administrative burdens reduction projects. The Departmental BRU is a point of contact for officials in the Department who may have enquiries about issues relating to regulation as it relates to our sectors. It is also a point of liaison between the Department and the Better Regulation Executive (BRE) in the Cabinet Office, and aims to raise quality and standards across Departmental regulatory business.

We are in the process of setting up structures which will enable us to capture and assimilate stakeholder views on better regulation. A better regulation seminar was held in early 2006 and brought together all our major NDPBs, policy officials and representatives from the BRE. The seminar acted as a catalyst in putting together a draft simplification plan. As a result we are arranging a working group which will oversee and coordinate contributions and input from the NDPBs into the simplification plan as well as the wider better regulation agenda. We plan to hold similar seminars and working groups in the future.

A strategic level Better Regulation Task Force has also been established chaired by our Better Regulation Minister, James Purnell. This group has responsibility for overseeing all the better regulation work currently taking place. They will also have the responsibility for promoting Better Regulation principles within the Department, and will also seek to champion better regulation of our sectors notably the tourism and hospitality sectors across Whitehall.

REGULATORY IMPACT ASSESSMENTS (RIA)

One of the first tasks of the Better Regulation Unit was to ensure that there was a greater awareness among policy divisions of the need for a RIA, and to foster an environment which considers a RIA as an integral part of policy development. We have introduced a RIA training course aimed at improving both awareness and quality. The course has been well received and will be continued and reviewed as policy requirements change.

The Department fully complies with the Cabinet Office *Better Policy Making: A guide to Regulatory Impact Assessments*, and the Departmental Better Regulation Unit working in partnership with the BRE has an important role to ensure that this happens. RIAs have been produced when required. In drafting the London Olympic Games and Paralympic Games Bill, the Department put together a RIA that explained in more detail the thinking behind proposals for new regulations and the ways in which the impact of those regulations will be minimised. The Bill also provides for many of its provisions to be time-limited, so that they fall away after the 2012 Games.

CONSULTATIONS

Eleven consultations were started during the last year, of which eight were full consultations. Three were consultations that lasted for less than 12 weeks, which were approved at Ministerial level. These consultations are as follows, along with the reasons why they lasted for less than twelve weeks:

- *Advisory Committee on Historic Ships*. A full public consultation had already been held on the development of a policy for Historic Ships and the creation of the Advisory Committee. Ministers agreed that a shorter consultation period was appropriate on the implementation of the policy through the appointment of the Committee.
- *Permitted Temporary Activities and Temporary Event Notices*. There were relatively minor regulations which needed to be in force at least 10 working days before 24 November 2005, when the licensing regime came into force. Building in time for the consultation responses to be considered and Ministers to approve the final regulations and regulatory impact assessment meant that the consultation period could not have been longer than eight weeks.
- *Big Lottery Fund's Transformational Grants Programme*. Ministers agreed a shorter period of consultation to avoid delays in launching the New Big Lottery Fund Programmes.

An example of how a good quality consultation has positively influenced policy formation was the consultation on 'Cultural Test for British Film (Schedule 1 to the Films Act 1985)'. Respondents made clear in the consultation that alternative options for animation and documentary films would be needed so as not to exclude these films from passing the test as so many of the

elements of the main culture test did not apply to these types of films. As a result the draft Order provides for varied cultural tests for these types of films.

REGULATORY REFORM ORDERS

No Regulatory Reform Orders were delivered over the reporting year.

MANAGING THE ASSET BASE

We have direct ownership of a limited range of assets. Our delivery bodies 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.

In 2005 we reviewed and consolidated our central London estate with the aim of reducing costs and improving the efficient use of our assets. This has resulted in the disposal of a parcel of land which was once part of Kensington Palace gardens as well as the sale of two residential properties in Windsor. We also terminated a shared occupancy lease of accommodation in Woburn Place.

Our future disposal plans for Financial Year 2006-07 include the sale of land to the north of the British Library and a further five residential properties in Windsor.

There is an outstanding political commitment to sell the Tote.

NEW INVESTMENT

Our Capital budget is set out in the table on page 114.

CAPITAL MODERNISATION FUND (CMF)

There are a number of ongoing projects which are funded from the Treasury's Capital Modernisation Fund (now closed to new bids). These include Culture Online (£10 million), the Listed Places of Worship Scheme (£70 million) and the Lee Valley Regional Athletics Centre (£4 million).

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 Department 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. With effect from 1 February 2006, the Unit joined the Office of the Deputy Prime Ministers as part of a shared service agreement.

HEALTH AND SAFETY

The Health and Safety Committee continues to meet on a quarterly basis to receive reports from appointed officers, make recommendations and sanction future activities. Training for Building Control Officers continues through the Fire Service College. First Aid training is provided through the Red Cross. A new computer-based training package to train staff in the use of DSE equipment has been trialled and will be rolled out throughout the Department. The facilities management contract was re-let in October 2005. The successful contractor has reviewed its Health and Safety procedures on all areas of its operation throughout the Estate.

The Department is planning the refurbishment of its Cockspur Street offices during 2006-07 and Health and Safety considerations have been included in the Project specification.

PUBLIC ACCOUNTS COMMITTEE (PAC) RECOMMENDATIONS

MANAGING NATIONAL LOTTERY DISTRIBUTION FUND BALANCES

A PAC report on National Lottery Distribution Fund (NLDF) balances in 2005 concluded:

- Distributors should not keep money in the Distribution Fund in case it is needed for as yet unidentified future projects
- To reduce their balances distributors need to be less risk averse

- Slow progress has been made in reducing the balances held in the Fund
- A significant reduction in the overall balances depends on action by the Heritage Lottery Fund and the New Opportunities Fund
- DCMS should set a new target and clear milestones for reducing the balances
- The successful bid to hold the Olympics in London in 2012 could have a significant impact on the distributors, and therefore the pattern of balances.

The Department welcomed the Committee's Report and the contributions they made to the debate. Although Lottery money does produce some benefit as soon as it is awarded (eg by leveraging in partnership funding) we agree with all the Lottery distributors and we agree that the full public benefit is not delivered until the money is spent in the community and recognise that Lottery proceeds should be passed more quickly to projects. As well as seeking to deliver as much benefit in the community as early as possible, distributors must also invest in high quality projects that meet demonstrable needs.

Although the target of reducing balances by half was not met in the period specified, setting a demanding target did act as a driver for the substantial reductions achieved. The overall balance continues to fall, and distributors' forward commitments exceed it by over £1 billion.

The National Lottery Bill contains a measure which would change the way in which investment earnings on the NLDF are shared between distributing bodies, to avoid unintentionally rewarding those who hold high balances. It would also create a reserve power to reallocate an excessive balance from an individual distributing body to another body to be spent on the same good cause sector. The power would be used as a last resort if a distributor had persistently failed to take steps to manage its balance to a reasonable level.

In our view, its power to give financial directions under section 26(3) of the National Lottery Act 1993 is not broad enough to allow it to direct distributors to set targets for the reduction of their NLDF balances. Our guidance on balance management issued and the NAO report recommended that distributors set targets for reductions in balances. We have encouraged distributors to comply with this and all DCMS-sponsored distributing bodies, with the exception of UK Sport whose balance is already very small, have set targets.

The distributors agree with us that the level of balances can be reduced further if a higher level of risk is accepted. However, it is a matter for the Board of each NDPB to determine its risk appetite.

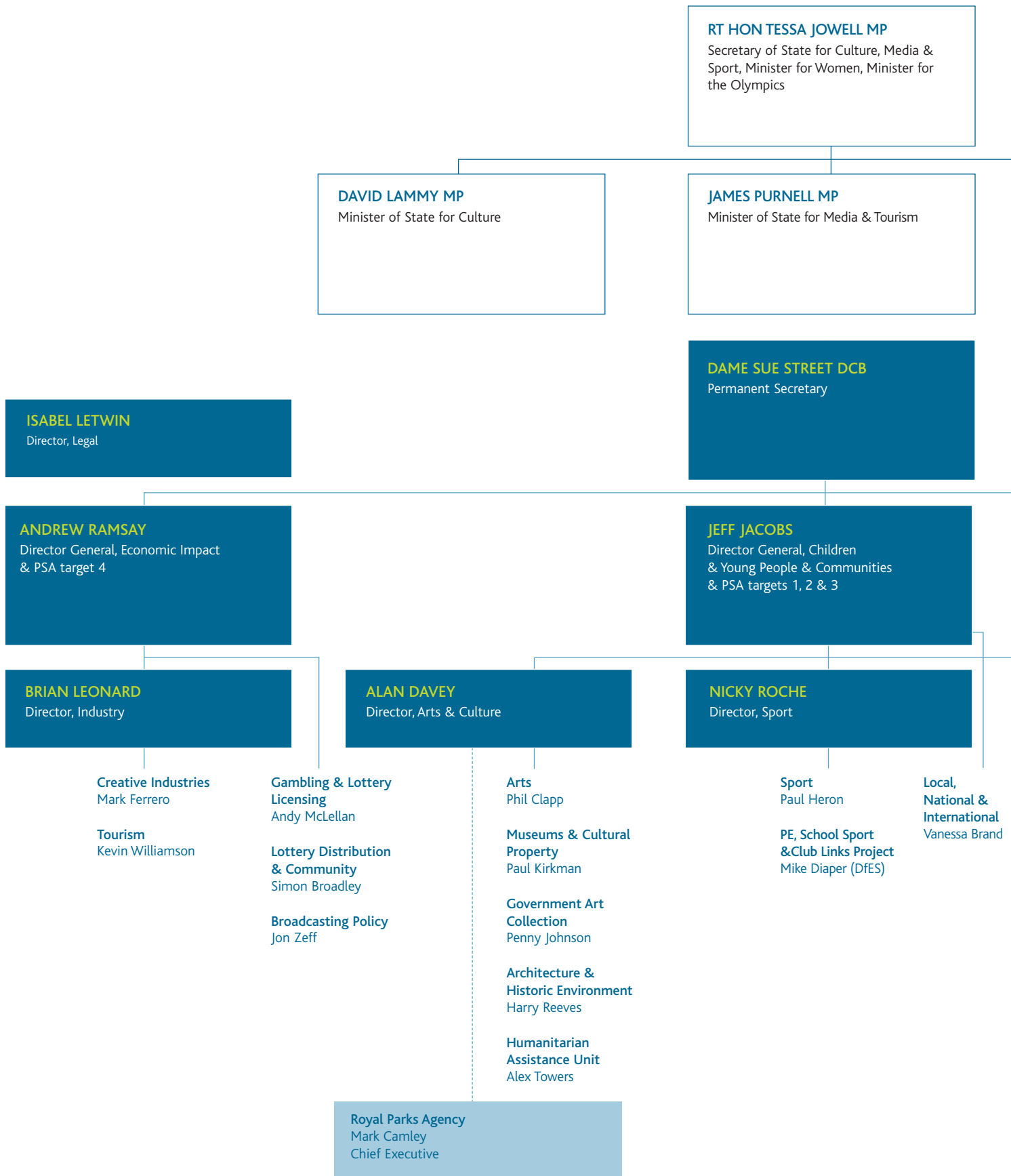
[ARTS COUNCIL ENGLAND,](#)
[SOUTH WEST](#)

Artist Jane Price with her work of paper casts for the Footsteps touring exhibition



DCMS ORGANISATION CHART

MAY 2006



RT HON RICHARD CABORN MP
Minister of State for Sport

CLIVE ELPHICK
Non-Executive Director

PARMINDER VIR
Non-Executive Director

NICHOLAS HOLGATE
Chief Operating Officer & Efficiency
Review target

ANDREW LEAN
Director, Olympic Games

DAVID ROE
Director, Strategy

PADDY FEENY
Director, Strategic Communications

**Human & Business
Resources**
Shaun Cove

Public Bodies
Janet Evans

**News &
Communications**
Linda Martin

Private Office
Helen MacNamara

Information Systems
Mark O'Neill

**Finance &
Planning**
Keith Smith

KEY
PSA: Public Service Agreement
DCMS Agency: 
Policy Sponsorship: -----

DEPARTMENT FOR CULTURE, MEDIA AND SPORT

TOTAL PUBLIC SPENDING

	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Out-turn	2005-06 Estimated Out-turn	2006-07 Plans	2007-08 Plans
£ THOUSANDS								
Consumption of resources:								
DCMS	3,426,546	3,600,361	4,123,719	4,591,815	4,245,663	4,491,678	4,731,102	4,871,750
National Lottery	801,579	943,721	683,277	718,832	705,996	824,954	764,714	669,714
Total resource budget	4,228,125	4,544,082	4,806,996	5,310,647	4,951,659	5,316,632	5,495,816	5,541,464
<i>of which:</i>								
Resource DEL	1,040,525	1,004,282	1,209,879	1,223,076	1,331,479	1,470,632	1,535,816	1,571,464
Capital spending:								
DCMS	1,358	178,217	165,910	127,372	232,615	323,817	370,689	306,669
National Lottery	1,053,426	765,690	1,128,970	1,193,289	1,097,618	959,012	952,011	846,011
Total capital budget	1,054,784	943,907	1,294,880	1,320,661	1,330,233	1,282,829	1,322,700	1,152,680
<i>of which:</i>								
Capital DEL	24,365	33,087	43,967	123,469	144,615	229,829	276,700	226,680
Total public spending[†]	5,282,909	5,487,989	6,101,876	6,631,308	6,281,892	6,599,461	6,818,516	6,694,144

† 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

Current spending	1,736,543	1,840,253	1,921,554	2,100,794	2,107,458	-	-	-
<i>of which:</i>								
financed by grants from budgets above	46,719	54,488	57,135	60,987	138,404	110,631	-	-
Capital spending	453,737	505,725	489,493	444,828	510,567	-	-	-
<i>of which:</i>								
financed by grants from budgets above	320,802	371,923	314,816	848,858	857,885	165,000	-	-

Notes:

Prior year figures have been amended from last year's reports as a result of:

1. a reclassification of Capital Grants from Resource DEL to Capital DEL in accordance with guidance received from HM Treasury - this affects all years in the table above;
2. the ONS announcement in 2005 that the licence fee income of the BBC was not a charge for a service but a tax. The impact of this is that the BBC is now classed as a Central Government body and consumption of its resources will be recorded alongside other NDPB's in the Central Government Sector.

DEPARTMENT FOR CULTURE, MEDIA AND SPORT

RESOURCE BUDGET

	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Out-turn	2005-06 Revised Out-turn	2006-07 Plans	2007-08 Plans
£ THOUSANDS								
DCMS	3,426,546	3,600,361	4,123,719	4,591,815	4,245,663	4,457,256	4,731,192	4,871,840
Museums, Galleries and Libraries	407,472	302,327	405,828	763,664	450,031	494,167	544,905	549,219
<i>of which:</i>								
Museums and galleries	293,606	172,713	262,635	314,984	318,970	352,694	410,403	416,042
Libraries	99,937	115,595	127,583	435,126	117,990	124,966	119,676	119,251
Museums, Libraries and Archives Council	13,294	13,104	15,357	12,776	12,218	14,553	14,826	13,926
Culture Online	635	915	253	778	853	1,954	-	-
Arts	238,650	254,161	285,740	328,618	366,955	399,750	418,496	419,496
Sport	52,205	67,363	125,942	67,148	109,138	123,892	141,523	170,830
<i>of which:</i>								
Sport and recreation	52,205	67,363	125,942	67,148	102,680	114,383	141,523	166,530
Space for sports and arts	-	-	-	-	-	-	-	-
Olympics	-	-	-	-	6,458	9,509	4,300	4,300
Architecture and the Historic Environment	137,282	132,848	142,688	348,490	162,297	153,236	158,342	158,795
Regional Cultural Consortia	-	-	-	-	1,501	1,810	1,600	1,600
The Royal Parks	24,424	41,854	25,675	25,771	26,655	30,990	25,812	25,812
Tourism	48,379	68,250	74,827	51,658	50,349	51,202	50,884	54,424
Broadcasting and Media	2,489,566	2,699,965	3,018,605	2,964,920	3,036,344	3,150,718	3,321,780	3,423,380
Commemorative Services (Queen's Golden Jubilee)	-	417	6,494	-	-	-	-	-
Administration and Research	28,568	33,176	37,920	41,546	42,393	42,047	50,416	47,945
Unallocated Provision	-	-	-	-	-	9,444	13,134	20,339
Gambling and the National Lottery	801,579	943,721	683,277	718,832	705,996	823,302	764,714	669,714
<i>of which:</i>								
National Lottery	801,600	944,800	681,087	716,808	702,382	816,000	736,000	644,000
Other gambling and gaming bodies	-21	-1,079	2,190	2,024	3,614	7,302	6,714	2,714
Olympic Lottery	-	-	-	-	-	-	22,000	23,000
Total resource budget	4,228,125	4,544,082	4,806,996	5,310,647	4,951,659	5,280,558	5,495,906	5,541,554

Notes:

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

1. A reclassification of Capital grants from Resource DEL to Capital DEL in accordance with guidance received from HM Treasury – this affects all years in the tables above
2. The ONS announcement in 2005 that the licence fee income of the BBC was not a charge for a service but a tax. The impact of this is that the BBC is now classed as a Central Government body and consumption of its resources will be recorded alongside other NDPB's in the Central Government Sector. The BBC now accounts for £3,033million of the 2005-06 outturn
3. The increase in funding for Sport and recreation due to Budget 2006 additions of £30.8 m and £34.9m
5. National Lottery outturn figures have been revised, from those reported in 2004-05, in accordance with actual outturn data.
6. The increase in funding for the gambling and gaming bodies is due to the establishment of the Gambling Commission.
7. National Lottery outturn figures have been revised, from those reported in the Annual Report 2004-05, as a result of the reclassification of Capital Grants as described in note 1 above.

The outturn figures for 2005-06 in these tables have been corrected from those reported in the Annual Report. There were errors due to mapping inconsistencies between the Department's new accounting system and the new Treasury COINS finance system, which provides the data for the tables.

DEPARTMENT FOR CULTURE, MEDIA AND SPORT

CAPITAL BUDGET

	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Out-turn	2005-06 Revised Out-turn	2006-07 Plans	2007-08 Plans
£ THOUSANDS								
DCMS	1,358	178,217	165,910	127,372	232,615	252,181	359,099	290,079
<i>of which:</i>								
Museums, Galleries and Libraries	26,005	44,484	15,604	57,349	78,177	69,457	107,220	131,220
<i>of which:</i>								
Museums and galleries	22,080	31,669	196	38,647	42,948	25,296	47,952	71,952
Libraries	382	1,659	5,666	2,146	7,864	9,852	27,218	27,218
Museums, Libraries and Archives Council	3,543	11,156	9,742	15,895	24,325	29,094	32,050	32,050
Culture Online	-	-	-	661	3,040	5,215	-	-
Arts	153	1,224	1,551	2,876	942	5,880	200	200
Sport	1,497	1,212	13,676	44,274	49,485	43,176	118,354	36,334
<i>of which:</i>								
Sport and recreation	1,484	633	3,576	3,236	21,902	4,813	41,354	36,334
Space for sports and arts	13	579	10,100	41,038	27,583	2,100	-	-
Olympics	-	-	-	-	-	36,263	77,000	-
Architecture and the Historic Environment	9,916	10,382	17,695	20,240	19,487	28,587	34,310	34,310
The Royal Parks	2,549	118	1,421	4,922	2,567	1,700	1,880	1,880
Tourism	600	662	1,158	451	764	298	600	600
Broadcasting and Media	-37,290	119,400	113,750	-3,960	78,848	96,963	86,040	72,040
Administration and Research	-2,072	735	1,055	1,220	2,345	5,820	4,495	4,495
Unallocated Provision	-	-	-	-	-	300	6,000	9,000
Gambling and the National Lottery	1,053,426	765,690	1,128,970	1,193,289	1,097,618	959,012	952,011	846,011
<i>of which:</i>								
National Lottery	1,053,400	765,200	1,128,913	1,193,192	1,097,618	959,000	864,000	756,000
Other gambling and gaming bodies	26	490	57	97	-	12	11	11
Olympic Lottery	-	-	-	-	-	-	88,000	90,000
Total capital budget	1,054,784	943,907	1,294,880	1,320,661	1,330,233	1,211,193	1,311,110	1,136,090

Notes:

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

1. A reclassification of Capital grants from Resource DEL to Capital DEL in accordance with guidance received from HM Treasury – this affects all years in the tables above.
2. The expenditure for 2002-03 Museums and galleries outturn is low as a result of £35.5m proceeds from the sale of surplus land and buildings. Outturn in 2005-06 has also been reduced due to the disposal of buildings and other non-heritage assets totalling £10 million.
3. The increase in funding for Libraries in 2006-07 & 2007-08 follows a reclassification of Heritage Funding.
4. The Arts Council outturn for 2005-06 reflects spending on the South Bank centre (£2m) and Capital of Culture (£3m).
5. The Sport and recreation outturn for 2005-06 is low as a result of slippage on the Community Club Development Project.
6. The ONS announcement in 2005 that the licence fee income of the BBC was not a charge for a service but a tax. The impact of this is that the BBC is now classed as a Central Government body and consumption of its resources will be recorded alongside other NDPB's in the Central Government Sector.
7. National Lottery outturn figures have been revised, from those reported in the Annual Report 2004-05, as a result of the reclassification of Capital Grants as described in note 1 above.

DEPARTMENT FOR CULTURE, MEDIA AND SPORT

ADMINISTRATION COSTS

	2000-01 Out-turn	2001-02 Out-turn	2002-03 Out-turn	2003-04 Out-turn	2004-05 Out-turn	2005-06 Estimated Out-turn	2006-07 Plans	2007-08 Plans
£ THOUSANDS								
Administration Expenditure								
Paybill	13,665	15,378	17,238	18,657	19,814	22,812	21,423	20,451
Other	14,109	16,639	19,107	22,909	22,789	26,112	28,850	28,822
Total administration Expenditure	27,774	32,017	36,345	41,566	42,603	48,924	50,273	49,273
Administration income	-278	-238	-241	-2,231	-2,151	-2,863	-1,003	-1,003
Total administration budget	27,496	31,779	36,104	39,335	40,452	46,061	49,270	48,270

£ MILLION

Analysis by activity:

Arts & Culture	7	7	10	11	11	13	14	13
Sport	4	6	4	4	5	7	7	7
Tourism, Libraries & Communities	4	6	4	6	6	6	7	7
Creative Industries, Broadcasting and Gambling	5	5	6	8	8	9	9	9
Administration	7	9	12	10	10	11	12	12
Total net administration costs	27	33	36	39	40	46	49	48

1. Both pay and other costs are likely to increase further in 2006-07 and beyond to accommodate work associated with the London Olympic and Paralympic Games in 2012. The budgets and headcount for these activities have yet to be settled.

DEPARTMENT FOR CULTURE, MEDIA AND SPORT

STAFF NUMBERS

		2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
		Out-turn	Out-turn	Out-turn	Out-turn	Out-turn	Estimated Out-turn	Plans*	Plans*
STAFF YEARS									
Department for Culture, Media and Sport (Gross control area)	CS FTEs ^o	397	400	460	506	510	508	490.5	478.5
	Overtime	12	12	10	12	10	12	10	10
	Casuals	2	0	0	-	-	-	-	-
	Total	411	412	470	518	520	520	500.5	488.5
Royal Park Agency (Gross control area) [#]	CS FTEs ^o	229	220	234	232	127	122	102	96
	Overtime	9	9	10	7	4	2	1	1
	Casuals	3	0	7	3	3	1	0	0
	Total	241	229	251	242	134	125	103	97
TOTAL DCMS		652	641	721	760	654	645	603.5	585.5

* Discussions about staffing for work related to the Olympic Games are still being reviewed. The outcome of these discussions is expected to increase headcount in future years.

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

[#] 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 125 in 2005-06 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 Member of staff.

DCMS no longer employs staff on a casual basis. Agency temps are excluded from the figures.

DEPARTMENT FOR CULTURE, MEDIA AND SPORT

CAPITAL EMPLOYED

£ MILLIONS	2000-01 Out-turn	2001-02 Out-turn	2002-03 ¹ Out-turn	2003-04 Out-turn	2004-05 Out-turn	2005-06 Estimated Out-turn	2006-07 Plans	2007-08 Plans
<i>Assets on balance sheet at start of year:</i>								
Fixed assets	53	56	57	68	70	81	88	92
<i>of which:</i>								
Land and buildings	49	51	51	59	56	56	68	71
Current assets								
Creditors (< 1 year)	97	36	81	59	42	24	67	67
Creditors (> 1 year)	-94	-29	-96	-76	-52	-36	-77	-77
Provisions								
Capital employed within main department	56	63	42	51	60	69	78	82
NDPB net assets	1307	1697	1870	3237	3260	3259	3521	3630
Total capital employed in departmental group	1363	1760	1912	3288	3320	3328	3599	3685

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 MAXIM CONTINGENT LIABILITIES 2006-07

£s

British Library	45,700,000
British Museum	288,769,193
English Heritage	66,052,700
Geffrye Museum	408,600
Horniman Museum	124,200
Imperial War Museum	17,030,128
Museum of Science and Industry in Manchester	966,500
National Gallery	2,505,000,000
National Maritime Museum	32,370,000
National Museums Liverpool	117,521,885
National Museum of Science and Industry	99,760,724
National Portrait Gallery	42,387,000
Natural History Museum	15,155,248
Royal Armouries	33,262,630
Sir John Soane's Museum	150,000
South Bank Centre	123,750,000
Tate Gallery	3,017,746,044
Victoria and Albert Museum	465,160,321
Wallace Collection	13,423,531
TOTAL	£6,884,738,704

Notes:

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 exhibition and changing gallery displays.

Values in this table are based on information available to museums, galleries and the British Library in March 2006. If the forecast maximum contingent liability for any institution is likely to be exceeded, a minute will be presented to the House of Commons.

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

£ MILLION	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	118.9	119.6	116.5	139.1	106.3	128.3	116.6	111.7
North West	249.9	204.9	233.4	208.5	181.7	255.7	224.3	209.9
Yorkshire and Humberside	159.2	179.4	215.6	210.5	155.3	233.0	214.0	200.5
East Midlands	157.7	129.5	147.3	147.0	124.1	136.2	126.0	120.3
West Midlands	171.4	155.2	169.4	175.6	137.9	171.7	159.4	149.1
Eastern	128.7	140.9	152.7	158.5	133.1	168.5	159.5	150.5
London	607.9	486.2	653.1	611.9	457.8	718.6	666.8	634.5
South East	282.2	222.8	233.7	272.9	222.6	270.1	259.2	250.2
South West	183.8	176.1	164.2	208.3	178.1	209.3	192.9	184.5
Total England	2059.8	1814.5	2085.9	2132.3	1696.9	2291.4	2118.7	2011.1
Scotland	116.6	136.0	148.1	161.0	102.7	190.5	183.2	152.8
Wales	162.6	151.4	175.9	159.9	156.9	188.9	183.8	172.6
Northern Ireland	54.7	49.4	45.3	57.9	29.8	36.2	32.7	29.4
Total UK identifiable expenditure	2393.8	2151.4	2455.2	2511.1	1986.3	2707.0	2518.3	2365.9
Outside UK	97.7	64.2	89.2	224.9	127.7	131.1	140.4	149.2
Total identifiable expenditure	2491.5	2215.6	2544.4	2735.9	2114.1	2838.1	2658.7	2515.1
Non-identifiable expenditure	180.9	164.9	180.1	152.8	137.5	121.9	73.6	76.8
Total expenditure on services	2672.4	2380.4	2724.5	2888.7	2251.6	2960.1	2732.3	2591.9

DEPARTMENT FOR CULTURE, MEDIA AND SPORT
IDENTIFIABLE EXPENDITURE ON SERVICES, BY
FUNCTION, COUNTRY AND REGION, FOR 2004-5

£ MILLION	North East	North West	Yorkshire and Humberside	East Midlands	West Midlands	Eastern	London	South East	South West
Enterprise and economic development									
Regional policy	1.3	2.3	1.2	0.6	1.3	0.3	0.1	0.3	1.3
Support for business	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1
Total enterprise and economic development	1.4	2.4	1.3	0.7	1.5	0.4	0.2	0.4	1.4
Recreation, culture and religion									
Broadcasting	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.0
Heritage, arts, libraries and films	51.8	77.8	79.0	59.3	60.8	71.8	207.3	122.8	91.4
Lottery	38.1	81.2	57.0	46.0	59.2	46.2	193.9	73.4	71.8
Other recreation, culture and religion	2.3	3.8	3.3	2.7	2.9	3.3	6.1	7.6	4.0
Sport and recreation	12.7	16.4	14.5	15.3	13.5	11.4	49.5	18.1	9.4
Total recreation, culture and religion	104.9	179.3	153.9	123.3	136.4	132.7	457.0	222.0	176.6
Social protection									
Public sector occupational pensions	0.0	0.1	0.1	0.0	0.0	0.0	0.6	0.2	0.1
Total social protection	0.0	0.1	0.1	0.0	0.0	0.0	0.6	0.2	0.1
TOTAL FOR: DEPARTMENT FOR CULTURE, MEDIA AND SPORT	106.3	181.7	155.3	124.1	137.9	133.1	457.8	222.6	178.1

	England	Scotland	Wales	Northern Ireland	UK Identifiable Expenditure	Outside UK	Total Identifiable Expenditure	Non-Identifiable	£ Millions Totals
	8.7	0.0	0.0	0.0	8.7	0.0	8.7	0.0	8.7
	0.8	0.0	0.0	0.0	0.8	0.0	0.8	47.8	48.6
	9.6	0.0	0.0	0.0	9.6	0.0	9.6	47.8	57.4
	0.6	0.0	92.7	0.0	93.3	0.0	93.3	89.7	183.0
	822.0	10.2	8.2	4.9	845.2	122.7	967.9	0.0	967.9
	666.8	88.2	50.6	23.9	829.4	0.0	829.4	0.0	829.4
	36.0	2.1	3.1	0.6	41.8	2.6	44.3	0.0	44.3
	160.7	2.3	2.4	0.4	165.8	2.0	167.8	0.0	167.8
	1,686.1	102.7	156.9	29.8	1,975.4	127.3	2,102.7	89.7	2,192.4
	1.3	0.0	0.0	0.0	1.3	0.5	1.8	0.0	1.8
	1.3	0.0	0.0	0.0	1.3	0.5	1.8	0.0	1.8
	1696.9	102.7	156.9	29.8	1986.3	127.7	2114.1	137.5	2251.6

DEPARTMENT FOR CULTURE, MEDIA AND SPORT

IDENTIFIABLE EXPENDITURE ON SERVICES, BY COUNTRY AND REGION, PER HEAD

£'s PER HEAD	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	46.8	47.1	45.9	54.8	41.8	50.7	46.1	44.2
North West	36.9	30.3	34.4	30.6	26.6	37.5	32.8	30.7
Yorkshire and Humberside	32.1	36.0	43.2	42.0	30.8	46.3	42.4	39.6
East Midlands	37.8	30.9	34.9	34.6	29.0	31.7	29.2	27.7
West Midlands	32.5	29.4	31.9	33.0	25.9	32.1	29.8	27.8
Eastern	23.9	26.1	28.2	29.0	24.2	30.4	28.6	26.8
London	84.0	66.4	88.6	82.8	61.6	96.1	88.7	83.9
South East	35.3	27.8	29.1	33.8	27.4	33.1	31.6	30.3
South West	37.4	35.6	33.1	41.7	35.3	41.3	37.8	36.0
Total England	41.8	36.7	42.0	42.8	33.9	45.6	42.0	39.7
Scotland	23.0	26.9	29.3	31.8	20.2	37.6	36.1	30.2
Wales	55.9	52.0	60.2	54.4	53.2	63.6	61.7	57.8
Northern Ireland	32.5	29.2	26.7	34.0	17.4	21.1	19.0	17.0
TOTAL UK IDENTIFIABLE EXPENDITURE	40.7	36.4	41.4	42.2	33.2	45.1	41.8	39.1

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 is consistent with the country and regional analyses (CRA) published by HM Treasury in chapter 7 of Public Expenditure Statistical Analyses (PESA) 2006. 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.
- Prior years data have been reviewed and revised after being subjected to a more rigorous statistical analysis.
- 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 grant to the GLA. Some NDPBs sponsored by the Department also allocated funding on a regional basis eg the Museums, Libraries and Archives Council allocates funding to support regional museums, Arts Council England provides support to a portfolio of regularly funded regional organisations.
- The figures were taken from the HM Treasury Public spending database in December 2005 and the regional distributions were completed in January/February 2006. Therefore the tables may not show the latest position and are not consistent with other tables in the Department report.
- Across government, most expenditure is not planned or allocated on a regional basis. Social security payments, for example, are paid to eligible individuals irrespective of where they live. Expenditure on other programmes is allocated by looking at how all the projects across the departments 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.
- 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.

Drawdown of Lottery funds from the national Lottery Distribution Fund in 2002/03 was lower, at just £1.9 billion, than the forecast figure of £2.3 billion.

In 2003/04 there was a smaller shortfall between the actual figure of just over £1.9 billion and the forecast figure of £2.2 billion.

In 2004/05, the shortfall between actual outturn of just over £1.7 billion and the forecast of £1.8 billion was less than £0.1 billion.

Such shortfalls 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.

However, the 2004/05 figures show that distributors and the Department are learning to take account of these factors and are improving the accuracy with which they estimate drawdown.

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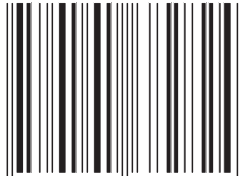
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