

## A NEW CULTURAL FRAMEWORK

### Foreword by the Secretary of State

At the end of July I announced the outcome of my Department's Comprehensive Spending Review in *A New Approach to Investment in Culture* and invited comments on a range of proposals.

We had over a thousand responses and I was delighted with the very positive reception given to the document. Even if they disagreed with some of the detail, most people welcomed it as a serious and timely review of the relationship between Government and the cultural world.

We believe that enhancing the cultural, sporting and creative life of the nation is a vital part of Government. The activities that we sponsor and support as a Department have a fundamental impact on the quality of life for all our citizens. They provide enjoyment and inspiration. They help to foster individual fulfilment and well-being. They help to bind us together as a community. They are important for the quality of education. They assist with the work of social regeneration. And in themselves, and with the allied importance of tourism, they form a crucial part of our nation's economy. That is why we set in motion, in July, a major review of the structures of support for all our areas of sponsorship. And why we announced a substantial uplift in funding at the same time. I am now able to announce the conclusions of that review, and the details of the funding we are putting in place.

I wanted our review to do four things: to establish a new role for DCMS, giving it a more strategic place in the complicated structures of cultural policy and funding; to announce a new relationship between us and the bodies we fund to ensure the delivery of appropriate outputs and benefits to the public; to streamline the way we deliver our policies and programmes; and to raise standards of efficiency and financial management across all our sectors. One specific comment to which I have responded was that we should recognise the extent to which DCMS had responsibilities to future generations as well as the present; I have now made this explicit in our objectives.

I was able to announce in July a huge boost for the cultural sectors - ,290million over 3 years. This will benefit the arts and museums in particular, but all parts of my portfolio will have new money. Now I can announce more precisely how that money will be allocated. In most cases I have been able to give three year allocations; as a result it will be possible for our bodies to plan more effectively and to pass on greater stability to their own clients. It will, however, be necessary for DCMS and our non-departmental public bodies (NDPBs) to absorb all cost pressures over the next two years and adjustments may be necessary in the light of such pressures.

In all cases the financial allocations will be closely tied to outcomes which reflect our four central themes - access, excellence and innovation, education and the creative industries. They will be linked to the delivery of increased outputs, improved access and efficiency and increased private sector support, reflected in funding agreements from April 1999. These themes were widely supported and will provide the main focus for all we do in future. I want to demonstrate clearly and publicly the extent of the work already being done in these areas, and how much more can be done. I want to see our bodies using their expertise and imagination to make things happen; they have greatly increased funds and the huge resource of the National Lottery and they have the political will behind them.

The decisions described later will not all be implemented over night. We have already started implementing some of them; others must wait for legislation. But the principles behind them - reducing bureaucracy, making sure more money is spent on direct services, and putting a new emphasis on the public rather than the producer - have already been put into practice and will continue to inform all our work.

This is not change for the sake of it. There are major developments taking place in social policy, in constitutional affairs, in our relations with Europe, in education and in the way the people of this country spend their time and their money. Cultural activities, the conservation of our heritage, and the creative industries have been among the first to recognise many of these changes. We now need to make sure that DCMS and all those we support are in the best shape to face current and future challenges, and to provide the public with the widest choice of high quality services provided in the most efficient way.

Everyone engaged in the arts and sport, in the media, in preserving the best of the past or in providing services to visitors knows what these areas can offer. The Government has provided the resources and the will, but we know that we cannot just sit back and hope that these are transformed into better and more accessible performances, sporting records, improved cultural education and more opportunities for

the excluded. We will give direction; we will set targets and chase progress; and where appropriate we will take direct action to make sure that our objectives are achieved.

**Chris Smith**

**Secretary of State for Culture, Media and Sport**

### **The way forward**

*A New Approach to Investment in Culture* made a number of proposals for change, many of them structural. Over one thousand responses were received, and an analysis of those responses is included with this paper. This summary looks in general terms at the decisions we have taken as a result of the consultation process; it also includes the financial tables showing how we have allocated to our sponsored bodies the increased funding for the next three years announced in July.

#### **i. A new role for the DCMS**

DCMS is at the centre of a complex structure which delivers money and supports activity in a range of sectors, all of which fall within the broad definition of "culture". As we said in July, we believe that only a Department of State can provide the necessary strategic leadership that such a structure needs. But to give that leadership we need to develop a wider understanding of how the sectors work; what we expect of them; and what they are currently achieving.

We set out our themes in July:

- \* the promotion of access for the many not just the few
- \* the pursuit of excellence and innovation
- \* the nurturing of educational opportunity; and
- \* the fostering of the creative industries.

The consultation showed a broad welcome for this focus, and demonstrated the extent to which many in DCMS areas have common aims. We will work with as many partners as we can to develop new policies and spending programmes which take forward these themes. One example of our new direction is the emphasis we will put in the year ahead on the role arts and sport can play in facilitating social regeneration. A Policy Action Team has been established (following the Social Exclusion Unit's report on Neighbourhood Renewal) to explore with others the role of our sectors in promoting social inclusion.

An encouraging aspect of the consultation was the volume of positive responses we received from local authorities. Beside our sponsored bodies, local authorities are our most important partners and we wish to work closely with them in developing our policies. A new division within DCMS has been established to co-ordinate regional and local authority relationships, as well as European and international business. In 1999 we will also for the first time have staff in each of the Government Offices in the regions, and this will allow individual local authorities and regional bodies to have much more, direct communication with the Department than before.

There would be little point in the Department setting up new lines of communication, and informing itself more thoroughly, if it did nothing different as a result. We intend our new position to enable us, for example, to:

- \* play a full part in "joined-up Government", not only making the case for support for our sectors from other parts of Whitehall, but developing more integrated approaches to policy development, exploiting the links which already exist and arguing for recognition of the part the arts, sport, tourism, etc. can play in delivering Government policies beyond this Department's direct interests;

\* make sure that opportunities for our sectors in Europe and further afield are not lost;

\* develop stronger links between central and local government to provide a strategic framework within which our common interests can be pursued;

\* take direct action where appropriate to take forward our objectives; and

\* if necessary, bang heads together to solve problems.

## **ii. A new relationship**

The announcement in July said a lot about the investment of public money in modernisation and reform, and the return that should be expected for that investment. Three year funding will be accompanied by three year funding agreements and all recipients of funding from DCMS will have a clear responsibility to deliver against demanding output and outcome based targets. These funding agreements will be developed between now and April next year. The advent of resource accounting across Government will ensure that DCMS ties its expenditure to its objectives, and we will need to be assured that public money is being used appropriately to meet public objectives.

## **iii. Streamlining**

Many of the proposals we made in July were about structural change. We believe that the consultation has demonstrated that there are benefits to be gained from the majority of the proposals in terms of efficiency and effectiveness. In time there will also be financial savings in administration which can feed through to support for cultural activity and services. The detail of these changes is included in the sectoral papers which follow. In several cases, implementation of these changes has already started; others have to wait for legislation. The main structural changes on which we have concluded we should proceed are:

\* the establishment of a single body to bring together support for the arts and crafts at national level, while safeguarding the work with craftspeople and the public which the Crafts Council currently does;

\* the establishment of a single national body for the built heritage by merging English Heritage and the Royal Commission on the Historical Monuments of England;

\* the creation of a new national body with additional funding to champion architecture, taking on the Royal Fine Art Commission's current design review role, and the Arts Council's grants programme for architecture, but having a wider role than either existing body;

\* the establishment of a single Film Council to deliver a coherent strategy for the development of film culture and the film industry;

\* the creation of a new national strategic body for museums, libraries and archives to replace the Museums and Galleries Commission and the Library and Information Commission;

\* the creation of a transformed, more effective, slimmer national strategic body for tourism in England, with more resources for regional support of tourism.

We want also to establish a stronger regional focus for our policies and programmes. We included ideas for this in our July document. The responses to consultation generally welcomed stronger regional arrangements, but showed a variety of views about what exactly should be done. We intend building on the foundations already laid by the Regional Cultural Forums to establish a new strategic body in each region which will draw in representation from a wide range of interests including local government and the creative industries.

As a result of a number of comments we also intend to introduce new arrangements for greater co-ordination and co-operation between our national sponsored bodies, probably through a national forum.

#### **iv. Raising standards**

The new watchdog will provide an important mechanism for raising standards across all our sectors, and will have a wide ranging role in identifying and sharing good practice. DCMS has been working with sponsored bodies since July to define its aims, structure and working methods, and we believe there are real gaps in the current structures which it can fill, working alongside the National Audit Office, the Audit Commission and sponsored bodies' own auditors. A fuller account is included in the relevant section below.

#### **Conclusion**

DCMS and its sponsored bodies have more to do with people's enjoyment of life than any other Government department. The decisions outlined in these papers will instigate a programme of reform which will lead to a great deal of work with our sectors over the coming years. We believe that the result of that work will be a more effective DCMS, a more responsive, efficient and comprehensible funding system, and considerable benefits for the public in all our sectors.

#### **Sectoral papers**

*A New Approach to Investment in Culture* contained a large number of proposals for change, ranging from major restructuring to the transfer of responsibility for some small grants programmes. In some cases the changes proposed are already going ahead. We have not attempted in the following sections to repeat everything that was proposed in the summer, but have highlighted the most significant changes.

The funding figures at the end of each sector are not exhaustive. Details of all the Department's allocations for the next three years are in the tables attached to this document.

#### **Arts and Crafts**

##### **Main decisions following consultation**

- \* bringing together policy and support for both the arts and crafts
- \* continuation of Crafts Council's services to craftspeople and public
- \* greater delegation from the Arts Council to the Regional Arts Boards
- \* transfer of the Pairing Scheme to the Arts Council

The general response to the idea of bringing together the arts and crafts was positive and the Arts Council and Crafts Council have been discussing the practicalities of bringing their two organisations together. We are keen, in doing so, not to jeopardise the highly regarded services which the Crafts Council provides to craftspeople and to the public; at the same time we recognise that it is not appropriate for a strategic national funding body also to be in the business of direct service provision.

We have therefore decided in principle that strategy and policy for the crafts nationally should be co-ordinated with strategy and policy for the arts in the Arts Council. This would give the crafts a greater national profile and weight alongside the visual and performing arts, and ensure that crafts interests are put at the centre of the Government's drive for excellence, education, access and support for the creative industries. We have also concluded that some of the functions of the present Crafts Council, including the gallery at Pentonville Road and the service activities run from there, should continue as a separate organisation funded by the Arts Council. This would give the executive body greater commercial freedoms than it could have as a non-departmental public body.

An implementation group is being established with the two Councils to address the practical issues surrounding this approach, so as to ensure that they benefit the crafts and the arts alike. Subject to

resolving these issues, the intention is to complete the changes as early as possible in the new financial year.

The Arts Council has announced proposals for greater delegation of funding to the Regional Arts Boards. DCMS's broader proposals for cultural policy and funding in the English regions are dealt with elsewhere in this paper.

Our proposal to give the Arts Council an enhanced role in the development of business support for the arts and to take responsibility for funding the Pairing Scheme were broadly welcomed and will go ahead from 1 April 1999. The Arts Council will work closely with ABSA and others to integrate business support objectives into its core work.

### **Funding**

The allocation to the Arts Council for the next three years will be:

m

**1998-99 1999-2000 2000-2001 2001-2002**

190.7 227.3 237.3 252.3

We expect the Crafts Council to become part of the new body in 1999-2000. These figures therefore include from that date:

,m

**Crafts Council 1989-99 1999-2000 2000-2001 2001-2002**

3.2 3.4 3.5 3.6

**Pairing Scheme 5.05 5.05 5.05 5.05**

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### **Museums and Galleries**

#### **Main decisions following consultation**

\* establishment of a new national body for museums, libraries and archives

\* a challenge fund for designated museums

\* free admission to national museums and galleries for children in 1999-2000 as the first stage of a programme for broadening access to our great national collections

\* a code of practice on access to museums and galleries

\* a new fund to promote IT in museums

We have considered carefully the views expressed in the consultation regarding the creation of a new body to succeed the Museums and Galleries Commission and the Library and Information Commission; we believe that the arguments in favour of bringing the two sectors together are sound. However, rather than merge the existing bodies, we believe it would be better to create an entirely new body which would also encompass the archives sector. Archives share many of the functions of museums and libraries, and their inclusion in the new body will enable a more holistic approach to be taken on key strategic issues. The new body will be called the Museums, Libraries and Archives Council (MLAC).

An implementation group is being set up to consider the remit and functions of the new body, and the practical issues associated with its establishment. We intend to have the new body in operation from 1 April 2000.

In order to widen access to our great national collections, extra funds have been allocated to the national museums and galleries which charge for admission to allow free entry for children from next year, and for children and pensioners in the following year. These are the first stages in our programme of broadening free access to the great national collections; funds have also been set aside to take this programme further in 2001.

Our Code of Practice on Access to museums and galleries, which was issued for consultation last year, will be published shortly.

The Challenge Fund for Designated Museums of ,15 million spread over three years which we announced in July has been widely welcomed by the museums community. It will help the Designated museums in England to raise standards of collection care and public access. The Museums and Galleries Commission has been working up the arrangements for this new challenge fund, will be consulting on them shortly, and will put the scheme into operation next year.

In addition, we have set aside,0.5 million to promote the use of IT in museums to support access and lifelong learning. Details of the use of this fund will be announced shortly.

### **Funding**

Funding for the Museums and Galleries Commission is shown separately here but will be brought together with that for the Library and Information Commission when the Museums, Libraries and Archives Council is established.

The allocations to individual national museums and galleries are shown in the tables attached to this document. Allocations for 1999-2002 are:

,m

**1999-2000 2000-2001 2001-2002**

#### **Museums &**

**Galleries Com** 10.0 10.2 9.7

#### **Designated**

#### **Museums**

**Challenge Fund** 3.0 6.0 6.0

#### **Sponsored Museums**

**& Galleries** 218.3 221.5 216.5

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### **Libraries and Archives**

#### **Main decisions following consultation**

\* we will establish a new national body for libraries, museums and archives, to be called the Museums, Libraries and Archives Council

\* subject to legislation, we will ask the new national body to take on the role currently performed by the Advisory Council for Libraries

\* in the meantime we will give the LIC the additional resources necessary to take on the role of an IT Development Agency

\* we will transfer the British Library's research function to the LIC from April 1999

\* we will establish a task group led by the LIC to explore the scope for greater cooperation between the libraries and educational sectors

\* we will develop the contribution libraries can make to lifelong learning, particularly by developing the public libraries network through NOF's new Lottery funded initiative on which we are currently consulting

\* we will extend the DCMS Challenge Fund to cover 2000-02

\* we will help improve co-ordination within the archives sector by reviewing the terms of reference and membership of the Inter-Departmental Archives Committee

\* we will refocus the uses to which DCMS expenditure is put by withdrawing financial support from some small grant schemes

\* we will encourage the development of regional structures for libraries and archives

We have considered carefully the views expressed in the consultation on the case for merging the Museums and Galleries Commission and the Library and Information Commission; we believe that the arguments in favour of bringing the two sectors together are sound. However, rather than merge the two bodies, we believe it would be better to create an entirely new body which would also encompass the archives sector. Archives share many functions of museums and libraries, and their inclusion in the new body will enable a more holistic approach to be taken on key strategic issues. The new body will also incorporate the functions of the current Advisory Council on Libraries.

An implementation group is being set up to work with the sectors to consider the remit and functions of the new body - to be called the Museums, Libraries and Archives Council - and the practical issues associated with its establishment. We intend to have the new body in operation from 1 April 2000.

We want to start the process of broadening the LIC's role in advance of the creation of the new Council, and will therefore transfer to it the British Library's research function with effect from 1 April 1999. We will also provide the LIC with sufficient additional funds to enable it to act as a focal point for the development of the "New Library" IT network. The LIC's new role will also encompass work on promoting access to library services by blind and visually impaired people, using funds previously allocated to the RNIB. We will also announce the terms of reference and membership of the LIC's education task force shortly. These changes will help reinforce the LIC's role in providing strategic leadership to the sector.

The Department remains committed to seeking ways of improving funding for the sector as a whole. Our proposals in the consultation paper *New Links for the Lottery* will help develop community access to lifelong learning by contributing to the infrastructure needed for the "New Library" network. In the light of responses to our proposals on other possible uses of Lottery funds to help libraries, we do not intend to proceed with the introduction of specific powers to develop an HLF stream for library books. The responses demonstrated significant and widespread concerns about consistency with the purposes for which the HLF was established, and the risks of such a scheme being used to reward failure and penalise success. We propose instead to investigate the scope for broadening the HLF's statutory remit to allow it to fund projects relating to our literary heritage. We will also consider whether any other steps are necessary or desirable in the light of our current assessment of Annual Library Plans, and responses to *New Links for the Lottery*. The DCMS-Wolfson Challenge Fund for IT in public libraries will continue for 1999-2000. The Department has also set aside ,2million in each year for a public library challenge fund in 2000-01 and 2001-02 and is exploring the possibility of further involvement with the Wolfson Foundation. To help refocus DCMS funding, we will withdraw from our historical legacy of providing grant to the National Manuscripts Conservation Trust.

To help raise the profile of the archives sector, and to ensure that its voice is heard in the developing regional structures, we have asked the National Council on Archives to help us to develop regional arrangements which will address strategic issues for the archives sector. This work will complement our plans to help give libraries a voice in the new regional structures and will be taken forward alongside a review of the terms of reference and membership of the current Inter-Departmental Archives Committee, with the aim of improving co-ordination and strategic leadership in the sector.

## **Funding**

The figures below show the Library and Information Commission as a separate body. When the Museums, Libraries and Archives Council is established the funding for the LIC will be added to that for the MGC shown in the museums section above. Allocations in the library sector for 1999-2002 are:

,m

**1998-99 1999-2000 2000-2001 2001-2002**

**British Library** 80.45 83.2 84.5 88.5

### **Library &**

**Information Com.** 0.7 1.0 1.0 1.0

**RCHM** 1.0 1.1 1.1 1.1

### **Public Lending**

**Right** 4.9 5.1 5.2 5.2

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## **Film**

### **Main decision following consultation**

\* the establishment of a new strategic film body

The proposal in our July consultation paper to establish a new film body to pursue both cultural and industrial objectives for film was overwhelmingly endorsed by those responding to the consultation. Work will start immediately with the existing film bodies on preparations for the establishment of a new body, with input from Lord Attenborough, who during the next few months will consult the film community and produce detailed advice. I therefore propose to make a final announcement on the structure of the new body, and the process for setting it up, next March.

It is intended that the new body will be called British Film. British Film will be a single unitary body which will deliver for the first time a coherent strategy for the development of film culture and the film industry. It will have full responsibility for drawing up the strategy and all DCMS funding for film, both grant-in-aid (apart from for the National Film and Television School) and Lottery, will flow through it.

It will come into being by 1 April 2000 at the latest, and earlier if the necessary preparations can be made in time.

The British Film Institute will continue as a charitable body delivering cultural and educational objectives, funded via the new body and responsible to it; further discussions will take place about the precise division of functions between BFI and British Film.

The British Screen companies will retain their current private sector status and will seek to negotiate contracts with British Film to deliver elements of the strategy. The work of the British Film Commission will be a vital part of British Film's strategy on inward investment and exports, but there will be further

discussion about how the independent role of the British Film Commissioner can best fit into the new structure.

We will establish British Film as a Lottery distributor with its own percentage stream of Lottery money from the arts good cause - guaranteeing, for the first time, a dedicated share of Lottery resources for film. The percentage will be set to ensure British Film receives at least , 27 million each year from the Lottery; the figure may well be higher if the numbers playing the Lottery continue as at present.

## **Funding**

Individual allocations have been made to the existing film bodies for 1999-2000 only:

British Film Institute 16.9m

British Screen 4.0m

British Film Commission 0.9m

For the subsequent two years the aggregated allocations to British Film are as follows:

2000-2001 21.8m

2001-2002 20.9m

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## **Built Heritage**

### **Main decisions following consultation**

\* English Heritage (EH) and the Royal Commission on the Historical Monuments of England (RCHME) will amalgamate to form one lead body for the built heritage

\* responsibility for a number of properties and activities will transfer from DCMS to EH

The proposal to bring together EH and RCHME has been broadly welcomed, and the two bodies are working to achieve operational amalgamation by April 1999 under the name English Heritage. Legislation will be needed to achieve formal amalgamation. Some of the RCHME's particular functions such as the National Monuments Record and the Survey of London will continue to be specifically identified.

There were a number of proposals for removing executive functions from DCMS and transferring them to English Heritage.

Management responsibility for a number of central London statues and for Marble and Wellington Arches will be transferred to EH from April 1999. Funds will be made available in 1999-2000 and the subsequent year for essential repairs and stability work to Wellington Arch. Subject to parliamentary approval, management responsibility for Parliament and Trafalgar Squares will be transferred to the new Greater London Authority when it is established.

In the case of underwater archaeology, we shall pursue our proposal to give EH wider powers to cover the waters off England. DCMS will also transfer out administrative responsibilities for the Advisory Committee on Historic Wreck Sites, and will discuss with the relevant Departments and Agencies arrangements for advising Ministers, and devolved authorities once established, in Scotland, Wales and Northern Ireland.

Some organisations currently funded through the Heritage Grant Fund raised concerns about the proposed transfer of their funding to EH. DCMS has had subsequent useful discussions with them and EH, and we consider that the arguments for transfer remain sound and will therefore take effect from

April 2000. The separate proposal to pass to EH responsibility for determining the annual grant to the Architectural Heritage Fund will take effect as from 1 April 1999.

We believe the changes outlined above will enable DCMS to contribute more effective support to our distinctive built environment.

## **Funding**

Allocations for the next three years are as follows.

,m

**1998-1999 1999-2000 2000-2001 2001-2002**

### **English Heritage**

**(inc. RCHME)** 112.9 114.9 114.1 112.7

**Public Buildings\*** 5.5 9.4 6.1 3.3

**Royal Household** 15.4 15.0 15.0 15.0

### **National Heritage**

**Memorial Fund** 2.0 2.5 3.5 5.0

**Historic Royal** 3.5 0.3 0.3 0.3

### **Palaces**

**Royal Parks** 21.0 26.4 22.2 22.2

\* Royal Naval College, Greenwich; Somerset House, etc.

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## **Architecture**

### **Main decision following consultation**

\* a new national body for architecture with a broad remit will be established

Consultation responses offered broad support for a new body which would build on the achievements of the Royal Fine Art Commission, but would also have a much wider remit as a champion for architecture, interpreting "architecture" in a broad sense to include urban design, encouraging education and community involvement, and developing a regional dimension in the promotion of good architecture.

The new body will take over the RFAC's design review role, the Arts Council's current grants programme for architecture and DCMS's funding to the RSA for Art for Architecture, as well as taking forward DCMS's strategic initiatives.

We expect to see this new body established by next autumn, and will set up a small implementation group with the sector to look at the practical issues surrounding the new body. We shall also be consulting key interested bodies over the details of its new remit. Continuing liaison across the sector and beyond will be an important factor in the success of the new body.

The new body will promote architecture in the regions alongside the Department's other regional proposals. It will work with the Regional Architecture Centres, which will have an important role to play in this.

## **Funding**

Existing provision for the RFAC will be transferred to the new body, together with the current level of provision for the Arts Council's architecture grants programme and our core funding to the RSA for Art for Architecture. In addition there will be new money to ensure the body can assume its full role as soon as possible.

The total figures for 1999-2002 are:

,m

**1999-2000 2000-2001 2001-2002**

**New body** 1.33 1.53 1.53

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## **Sport**

### **Main decisions following consultation**

- \* New Sports Cabinet to bring together Ministers with responsibility for sport in the four Home Countries
- \* United Kingdom Sports Council to be strengthened and made a Lottery distributor
- \* Closer co-operation in the regions
  - \* New funding agreements with the ESC to improve access to sport
  - \* Increased funding to support children's play
  - \* New Sports Ground Safety Authority
- \* Transfer of responsibility for Sportsmatch to the English Sports Council

Our radical new structure to support the United Kingdom's top sportsmen and women has been widely welcomed. The Sports Cabinet has since met for the first time, and we have appointed six new Members to strengthen the United Kingdom Sports Council. Work is already in hand to create the UKSC as a Lottery distributor.

We have encouraged the English Sports Council to consider what interim arrangements might be adopted to encourage closer working relationships between the Council and the regional sports fora. Local authorities have responded particularly strongly and positively to the ideas set out in the consultation document and strengthening these links and links with local sports organisations should ensure that sport and sports policies play their part in the new regional arrangements as they develop.

We are also developing new Funding Agreements to deliver further improvements in the services provided by the English Sports Council, with particular emphasis on action to improve access to sport and tackle social exclusion by removing barriers to participation.

Children's play remains an important part of our work, across all our sectors. We appreciated the constructive comments made by organisations which will help us determine the future focus of centrally-funded play services. We have invited the children's play sector to contribute to that debate, but in the meantime we have increased the funding available for play.

There was widespread support for our proposals to reconstitute the Football Licensing Authority as a Sports Ground Safety Authority, and to abolish the separate licensing of football grounds and incorporate the all seater and safe terracing requirements within local authority safety certificates. An early legislative slot will be sought to implement these changes.

Most respondees were in favour of our proposal to transfer responsibility for Sportsmatch to the English Sports Council, provided a successful scheme is not jeopardised. We agree it is important to maintain the key ingredients of the scheme, including its separate identity. We will proceed with the transfer on this basis, from April 1999, and will increase and earmark funding for Sportsmatch for the next three years, within the overall allocation to the English Sports Council.

## **Funding**

Allocations for 1999-2002 are:

,m

**1998-99 1999-2000 2000-2001 2001-2002**

**ESC** 36.5 37.9 38.0 38.0

(of which

Sportsmatch) 3.2 3.4 3.4 3.4

**UKSC** 11.6 12.6 12.6 12.6

## **Children's**

**Play** 0.4 0.5 0.5 0.5

**FLA** 0.9 0.9 0.9 0.9

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## **Tourism**

### **Main decisions following consultation**

\* a transformed tourism body for England which will play a more strategic role in support of the new tourism strategy

\* improved efficiency and effectiveness in the British Tourist Authority

\* more resources for regional support of tourism

\* retention of the England marque

We want a new approach to support the future success of a modern tourist industry. There was wide support in the consultation for fundamental change in the existing arrangements and, in response to that, we will establish a new, slimmer and more strategically focused body. This body will deal with research, ensuring quality eg. in accommodation standards, promoting best practice, overseeing systems for data collection and analysis and acting as a voice for successful sustainable tourism in England. The new national arrangements will enable us to provide more resources to the regions. Across the country we will have a stronger basis on which to deliver the new tourism strategy, which is to be published early next year.

The implementation of the new arrangements, nationally and regionally, requires careful preparation. We are therefore now setting up a team and advisory group to oversee implementation including

consideration of such issues as the remit and structure of the body, the funding mechanisms for tourism support and the implications for Regional Tourist Boards.

The BTA has announced progress in several of the areas we proposed in July: it has announced firm plans to focus its activity on key markets, allowing ,5m a year to be reallocated to new marketing campaigns; a world class information service in every office; further development of its internet sites and an improved service to UK trade. BTA has identified a further twelve overseas markets where it can provide an information service in the offices of the British Council or British Embassies. The Authority has also begun a review of all its IT activity, and will announce changes to its London based operation early in 1999.

When there is an opportunity, we will amend legislation to ensure that England, Scotland, Wales and London are all formally represented on the Board of the BTA. In the meantime, the BTA has invited the Chairman of the London Tourist Board to attend Board meetings as an observer.

## **Funding**

Allocations for 1999-2002 are as follows:

,m

**1998-99 1999-2000 2000-2001 2001-2002**

**BTA** 35.0 36.0 37.0 37.0

**Tourism** 9.7 11.8\* 11.0\* 10.0

## **in England**

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## **Regions**

### **Main decisions following consultation**

\* a new strategic body in each region to provide a strong voice for all cultural interests.

\* DCMS should be represented in each Government Office

Responses to the consultation showed overwhelming support for a stronger voice for culture in its widest sense in each region and for a DCMS presence in each Government Office. There was a variety of attitudes to the ways in which a stronger voice could be created, in particular to the proposal for a single executive agency combining the functions of the existing regional cultural bodies sponsored by the Department.

We want to establish a stronger regional focus for our policies and programmes, greater strategic coherence between cultural activities at regional level and new machinery to support this. We believe that the most sensible and practical way to realise this aim is to build on the foundations already laid by the Regional Cultural Forums and to establish a new body in each region which draws in representation from a wide range of interests including local government and the creative industries. The purpose of these new strategic regional bodies will be to:

\* provide the main focus and channel for representing and developing the whole spectrum of cultural and creative interests in the region

\* be responsible for drawing up a cultural strategy for the region, which would also assist in guiding the distribution of lottery funding

\* advise the RDA and Regional Chamber on these subjects

Its functions could also include holding seminars and coordinating research and information gathering. In the longer term there may be scope for the new body to take on an executive role, for example with delegated responsibility for National Lottery distribution, or through the introduction of a programme of challenge funding.

The Secretary of State will be looking for strong chairmen to give leadership to each of the new bodies. The secretariat would initially be provided by the DCMS official in the Government Office. Its boundaries would be the same as those of the RDA and the Government Office, although it would not be essential for all constituent members to have precisely these boundaries. In London a similar body would be established to advise the Mayor, who would appoint the chairman.

Further delegation to, and strengthening or establishing of regional bodies in DCMS sectors such as the arts, tourism, sport, libraries, archives, architecture and the built heritage is being considered. For example, the Arts Council is going ahead with further delegation to the Regional Arts Boards; the restructuring of English Heritage in the regions is proceeding; and "Awards for All" the Lottery pilot project in the East Midlands provides an early model of delegation and joint working which the distributing bodies hope will be capable of much wider application.

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### **Watchdog**

\* We will establish a new body called the Quality, Efficiency and Standards Team (QUEST)

The establishment of QUEST is central to the new relationship which DCMS is developing with its sponsored bodies and with the sectors more broadly. The introduction of three year funding is accompanied by a new, clear focus on outcomes. We need to ensure that sponsored bodies meet our objectives and deliver improvements in efficiency, access, etc. in return for the investment of public money.

A concern expressed by those commenting on the proposal was that the new body might duplicate work already being done by the National Audit Office, the Audit Commission and others. We have discussed the aims and activities of QUEST with our sponsored bodies, and do not think duplication will be a problem.

The role of QUEST will be to identify, evaluate and promote good practice in the delivery of outputs related to DCMS objectives across all our responsibilities, and to provide independent advice to the Secretary of State on the performance of sponsored bodies in meeting Departmental objectives.

Initially QUEST will operate from within DCMS, but will, from its inception, have direct access to the Secretary of State. It will begin work in the new financial year.

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### **DCMS**

The Department is making changes to its own organisation and ways of operating so as better to deliver the new agendas identified in the Comprehensive Spending Review. The main features of this are:

\* establishment of a new unit to co-ordinate and take forward DCMS's interests in education

\* a cross-departmental Working Group, led by DCMS, to explore ways in which arts and sport can contribute to social inclusion and regeneration work

\* establishment of a new unit to co-ordinate regional and international activities, and to provide a focus for relations with local authorities

\* DCMS staff in each Government Regional Office

\* strengthening of the Creative Industries Unit within DCMS

\* a more strategic relationship with sponsored bodies based on stronger funding agreements and greater freedom from day to day intervention

DCMS was formed from parts of six other departments and the sectoral divisions have tended to retain their identities. Even before the DSR we had recognised the need to take a broader, non-sectoral view, and our new objectives pointed the way to new departmental priorities.

While it will still be important for those within DCMS who deal with the arts, sport, tourism, etc. to have a close relationship with their sectors on issues such as education and social exclusion, there will in future be a central resource, able to co-ordinate DCMS interests and relations with other Government departments and local authorities and across sectors, and to embed the consideration of these issues into our policy making across the Department.

There will be central units devoted to education and the creative industries, and a division with responsibility for regional and international matters and for relations with local authorities. Issues around social exclusion will initially be taken forward by the policy action team established following the Social Exclusion Unit's recent report. That will report next year, and we will then consider how best to organise DCMS's interest in the implementation of the policy action team's findings.

New three year funding agreements will be introduced from April 1999 with most of our sponsored bodies. These will be sharply focused on real world outcomes and achievable targets. We are discussing with the sponsored bodies, the Treasury and the National Audit Office ways in which the relationship between the Department and sponsored bodies might be improved to take away unnecessary burdens.

## **SUMMARY OF CONCLUSIONS**

The following are the main changes covered by this paper:

- the establishment of a single body to bring together support for the arts and crafts at national level, while safeguarding the work with craftspeople and the public which the Crafts Council currently does
- the establishment of a single national body for the built heritage by merging English Heritage and the Royal Commission on the Historical Monuments of England
- the creation of a new national body with additional funding to champion architecture, taking on the Royal Fine Art Commission's current design review role, and the Arts Council's grants programme for architecture, but having a wider role than either existing body
- the establishment of a single body, British Film, to deliver a coherent strategy for the development of film culture and the film industry
- the creation of a new national strategic body for museums, libraries and archives to replace the Museums and Galleries Commission and the Library and Information Commission
- the creation of a transformed, more effective, slimmer national strategic body for tourism in England
- DCMS representation in all Government Regional Offices and the establishment of regional cultural consortiums to provide a strong strategic focus for our policies and programmes, replacing Regional Cultural Forums
- introduction of new three year funding agreements with most of our sponsored bodies, placing clear responsibilities on those bodies to deliver against demanding targets
- the establishment of a new watchdog, called QUEST to monitor and improve standards of efficiency and promote quality across all our sectors.

## **DCMS Funding Allocations**

