

# Department for Culture, Media and Sport

## Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

### Changes in resources

#### **RfR 1: Improving the quality of life through cultural and sporting activities**

#### **Increases:**

##### 1. Take up of near-cash End Year Flexibility

#### Programme Costs

Subhead Q3: Increase in Grant-in-Aid provision for English Heritage to fund non -voted Resource DEL	7,800,000
Subhead U3: Increase in Grant-in-Aid provision for the Gambling Commission to fund non -voted Resource DEL	1,000,000

##### 2. Increase in Grant-in-Aid

Increase in Grant-in-Aid provision for the Olympic Delivery Authority to fund non- voted Capital DEL, funded in budgetary terms by a transfer from the Department for Communities and Local Government	12,249,000
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##### 3. Transfer into Grant-in-Aid from non- voted Capital DUP

Increase Grant-in-Aid provision (U3) to fund non -voted Capital DEL as a result of the setting up costs of the Gambling Commission funded from Departmental Unallocated Provision	1,000,000
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##### 4. Transfer into Grant-in-Aid from Capital in the Estimate

Increase Grant-in-Aid provision (Q3) to fund non -voted Capital DEL as a result of the misallocation of EYF at the Winter Supplementary Estimate (D7)	55,000
Increase Grant-in-Aid provision (U3) to fund non -voted Capital DEL as a result of the setting up costs of the Gambling commission funded from F7	560,000

##### 5. New AME cost

Subhead X2: New line in AME to cover transfer of pension costs from PLR pension fund to PCSPS.	219,000
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#### **Decreases:**

##### 6. Decreases in Grant-in-Aid

Reduction in Grant-in-Aid provision for Sport (P3) and non -voted Resource DEL, to fund in budgetary terms a transfer to the Ministry of Defence for the Meteorological Office	-3,080,000
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**7. Transfers into Capital from GiA and associated non voted Capital funding**

i	To C7 from P3 ( and associated non- voted Capital DEL) for Childrens Playground funding	-2,000,000
ii	To C7 from P3 ( and associated non -voted Capital DEL) for Wembly Building costs	-5,430,000
iii	To A7 from N3 ( and associated non -voted Capital DEL) for Admin Capital costs	-1,662,000
iv	To W7 from N3 ( and associated non-voted Capital DEL) for Culture Online	-3,475,000
v	To B7 from O3 rescoring of ISB funding	-220,000
vi	To D7 from Q3 rescoring of ISB funding	-37,000

**Neutral Changes:****8. Increased spending offset by income**

- i. £20,000  
D2 and D5 increased receipts from DCLG allowing increased spending on Engaging Places project
- ii. £50,000  
C2 and C5 increased receipts from DfES allowing increased spending
- iii. £81,000  
G2 and G5 increased receipts allowing increased spending on Tourism
- iv. £35,000  
I1 and I5 increase in Administration costs offset by an increase in administration receipts from dilapidations
- v. £190,000  
I1 and I5 increase in Administration costs offset by an increase in administration receipts following a rate rebate
- vi. £200,000  
I1 and I5 increase in Administration costs offset by an increase in administration receipts following early release of lease

**9. Transfers within the RfR**

- i. £4,854,000 from N3 to P3 to fund Capital spending in Sport
- ii. £2,500,000 from N3 to S3 to fund Capital expenditure by the BFI
- iii. £2,236,000 from P3 to O3 to fund Capital expenditure by the Arts Council
- iv. £2,200,000 from O3 to R3 to fund Resource expenditure by Visit Britain
- v. £1,573,000 from P3 to N3 to fund increased Capital spending by the National Gallery
- vi. £1,570,000 from P3 to S3 to meet increased funding requirement by the BFI
- vii. £1,209,000 from O3 to B2 rescoring of ISB funding
- viii. £1,000,000 from Q3 to P3 to meet UK Sport funding pressures
- ix. £980,000 from P3 to N3 to the Museums sector

x	£609,000 from L3 to I2 for research
xii	£513,000 from Q3 to N3 to fund increased Capital spending by the National Portrait Gallery
xiii	£420,000 from L3 to K2 for set up costs of the Gambling Appeals Tribunal
xiv	£362,000 from N3 to A2 rescoring of ISB funding
xv	£333,000 from C3 to P3 for Sporting Champions mentoring scheme administered by Sport England
xvi	£333,000 from C3 to B2 for Sporting Champions Mentoring scheme administered by Youth Music
xvii	£265,000 from O3 to M3 rescoring of ISB funding
xviii	£142,000 from Q3 to D3 rescoring of ISB funding
xix	£150,000 from O3 to C2 to correctly record Dancelinks programme funding
xx	£120,000 from P3 to M3 to cover shortfall in funding for RCC's
xxi	£115,000 from O3 to B2 for "Take it Away" pilot run by Art co.

**Total change in resources for RfR1**      **6,979,000**

**Total change in resources for Estimate**      **6,979,000**

### **Changes in capital**

#### **Increases:**

##### **1. Transfers into Capital from Resource in the Estimate**

i	To C7 from P3 ( and associated non-voted Capital DEL) for Childrens Playground funding	2,000,000
ii	To C7 from P3 ( and associated non-voted Capital DEL) for Wembly Building costs	5,430,000
iii	To A7 from N3 ( and associated non-voted Capital DEL) for Admin Capital costs	1,662,000
iv	To W7 from N3 ( and associated non-voted Capital DEL) for Culture Online	3,475,000
v	To B7 from O3 rescoring of ISB funding	220,000
vi	To D7 from Q3 rescoring of ISB funding	37,000

#### **Decreases:**

##### **2. Transfer into Grant-in-Aid from Capital in the Estimate**

i	Increase Grant-in-Aid provision (Q3) to fund non voted capital DEL as a result of the misallocation of EYF at the Winter Supplementary Estimate (D7)	-55,000
ii	Increase Grant-in-Aid provision (U3) to fund non voted capital DEL as a result of the setting up costs of the Gambling Commission funded from F7	-560,000

**Neutral Changes:**3. **Increased spending offset by income**

£60,000

D7 and D8 increased spend following the increased receipts from the Sale of 21 Park Street

£1,000,000

A7 and A8 increased spend following the increase receipts from the sale of a capitalised lease

4 **Transfers within the RfR**

£20,000 from F7 to I7 to fund Administration Capital expenditure

**Total change in capital for Estimate      12,209,000**

2 As a result of these changes there is an increase in the net cash requirement of £19,188,000

3 Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Improving the quality of life through cultural and sporting activities</b>	<b>6,979,000</b>
Total additional net resource requirement	6,979,000
<b>Additional net cash requirement</b>	<b>19,188,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Culture, Media and Sport on:

**RfR 1: Improving the quality of life through cultural and sporting activities**

Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services; to the Arts and Sports Councils and for other arts and sports bodies and schemes; the Royal Palaces and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture, and VAT grant scheme for memorials; Listed Places of Worship scheme; promotion of tourism; support to film bodies and projects; sponsorship of the music industry; the Welsh Fourth Channel Authority, the Office of Communications and certain broadcasting services and schemes; alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services, memorials and Royal funerals; support for the provision of humanitarian assistance to those affected by major disasters; costs to support delivery of the Olympic Games 2012; transfer of pension values of certain bodies; expenses of Privatising the Tote and associated non-cash items.

**RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting**

Payments to the British Broadcasting Corporation for home broadcasting; and associated non-cash items.

The Department for Culture, Media and Sport will account for this Estimate.

## Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Improving the quality of life through cultural and sporting activities</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Museums, galleries and libraries	499	362	-	362	861
RfR 1 - B Arts	1,273	1,657	-	1,657	2,930
RfR 1 - C Sport	6,121	-466	50	-516	5,605
RfR 1 - D Architecture and the Historic Environment	9,162	162	20	142	9,304
RfR 1 - G Tourism	1,963	81	81	-	1,963
RfR 1 - I Administration, Research and other surveys	55,872	1,034	425	609	56,481
RfR 1 - K Gambling, licensing and horseracing	-2,381	420	-	420	-1,961
RfR 1 - L Olympics	3,600	-1,029	-	-1,029	2,571
<b>Non-budget</b>					
RfR 1 - M Regional Cultural Consortiums	1,600	386	-	386	1,986
RfR 1 - N Museums, galleries and libraries	524,697	-12,085	-	-12,085	512,612
RfR 1 - O Arts	429,821	-1,924	-	-1,924	427,897
RfR 1 - P Sport	190,149	-12,544	-	-12,544	177,605
RfR 1 - Q Architecture and the Historic Environment	169,683	6,163	-	6,163	175,846
RfR 1 - R Gambling, licensing and horseracing	53,495	2,200	-	2,200	55,695
RfR 1 - S Broadcasting and media	27,010	4,070	-	4,070	31,080
RfR 1 - U Gambling, licensing and horseracing	12,178	6,600	-	6,600	18,778
RfR 1 - V London 2012	101,300	12,249	-	12,249	113,549
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR1-X Transfer of Pension Costs	-	219	-	219	219
<b>Total RfR 1</b>		<b>7,555</b>	<b>576</b>	<b>6,979</b>	
<b>Total Changes to RfRs</b>		<b>7,555</b>	<b>576</b>	<b>6,979</b>	

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	10,427	13,269	23,696
Non-Operating A in A	572	1,060	1,632
<b>Net cash requirement</b>	<b>4,476,219</b>	<b>19,188</b>	<b>4,495,407</b>

**Part II: Revised subhead detail including additional provision**

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<b>RfR 1: Improving the quality of life through cultural and sporting activities</b>								
54,905	138,773	1,557,155	1,750,833	28,972	1,721,861	23,696	1,632	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Museums, galleries and libraries								
-	400	461	861	-	861	1,000	1,000	
B Arts								
-	1,723	1,209	2,932	2	2,930	420	-	
C Sport								
-	1,440	4,215	5,655	50	5,605	7,430	-	
D Architecture and the Historic Environment								
-	2,372	7,072	9,444	140	9,304	794	532	
E Listed places of worship scheme								
-	5,250	10,000	15,250	-	15,250	-	-	
F The Royal Parks								
-	29,492	-	29,492	10,000	19,492	600	100	
G Tourism								
-	144	1,900	2,044	81	1,963	-	-	
H Broadcasting and media								
-	93,422	863	94,285	280	94,005	-	-	
I Administration, Research and other surveys								
54,905	3,891	-	58,796	2,315	56,481	9,977	-	
J National Lottery Commission								
-	-	-	-	10,287	-10,287	-	-	
K Gambling, licensing and horseracing								
-	420	-	420	2,381	-1,961	-	-	
L Olympics								
-	-	6,007	6,007	3,436	2,571	-	-	
<i>Queen's Golden Jubilee</i>								
-	-	-	-	-	-	-	-	
<i>Culture Online</i>								
-	-	-	-	-	-	-	-	
<b>Non-budget</b>								
M Regional Cultural Consortiums								
-	-	1,986	1,986	-	1,986	-	-	
N Museums, galleries and libraries								
-	-	512,612	512,612	-	512,612	-	-	
O Arts								
-	-	427,897	427,897	-	427,897	-	-	
P Sport								
-	-	177,605	177,605	-	177,605	-	-	

**Part II: Revised subhead detail including additional provision**

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
Q	Architecture and the Historic Environment						
-	-	175,846	175,846	-	175,846	-	-
R	Tourism						
-	-	55,695	55,695	-	55,695	-	-
S	Broadcasting and media						
-	-	31,080	31,080	-	31,080	-	-
T	National Lottery Commission						
-	-	10,380	10,380	-	10,380	-	-
U	Gambling, licensing and horseracing						
-	-	18,778	18,778	-	18,778	-	-
V	London 2012						
-	-	113,549	113,549	-	113,549	-	-
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
W	Culture Online						
-	-	-	-	-	-	3,475	-
<b>Spending in Annually Managed Expenditure (AME)</b>							
<i>Central Government spending</i>							
X	Transfer of Pension Costs						
-	219	-	219	-	219	-	-
<b>RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting</b>							
-	-	2,760,000	2,760,000	-	2,760,000	-	-
<b>Non-budget</b>							
A	Home broadcasting						
-	-	2,760,000	2,760,000	-	2,760,000	-	-
<b>Total for Estimate:</b>							
54,905	138,773	4,317,155	4,510,833	28,972	4,481,861	23,696	1,632

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net Resource Requirement</b>	<b>4,474,882</b>	<b>6,979</b>	<b>4,481,861</b>
<b>Voted capital items</b>			
Capital	10,427	13,269	23,696
<i>Less:</i> Non-operating A in A	<u>572</u>	<u>1,060</u>	<u>1,632</u>
<b>Total net voted capital</b>	<b>9,855</b>	<b>12,209</b>	<b>22,064</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,580	-	-2,580
Depreciation	-5,942	-	-5,942
New provisions and adjustments to previous provisions	4	-	4
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total accruals to cash adjustments</b>	<b>-8,518</b>	<b>-</b>	<b>-8,518</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Requirement</b>	<b>4,476,219</b>	<b>19,188</b>	<b>4,495,407</b>

## Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

## Forecast Operating Cost Statement

	£'000
	2006-07 provision
<b>Net Administration Costs</b>	
RfR1	53,270
RfR2	-
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<b>Total Net Administration Costs</b>	<b>53,270</b>
<b>Net Programme Costs</b>	
RfR1	1,668,591
RfR2	-160
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<b>Total Net Programme costs</b>	<b>1,668,431</b>
<b>Total Net Operating Cost</b>	<b>1,721,701</b>
<i>of which:</i>	
<b>Net Resource Requirement</b>	<b>4,481,861</b>
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-2,760,160
<b>Resource Budget</b>	<b>5,064,889</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
<b>Net Resource Requirement (Estimates)</b>	<b>4,481,861</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-2,760,160
<b>Net Operating Costs (Accounts)</b>	<b>1,721,701</b>
<i>Adjustments to remove:</i>	
capital grants	-16,695
European Union income related to capital grants	-
voted expenditure outside the budget	-2,760,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,760,160
resource consumption of non departmental public bodies	2,591,169
unallocated resource provision	10,554
Other adjustments	758,000
<b>Resource Budget (Budget)</b>	<b>5,064,889</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,584,670
Annually Managed Expenditure (AME)	3,480,219

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
<b>Net Voted Capital (Estimates)</b>	<b>22,064</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	425,073
capital grants	16,695
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	962,000
<b>Capital Budget (Budget)</b>	<b>1,425,832</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	379,832
Annually Managed Expenditure (AME)	1,046,000

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## Notes to the Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

**Request for Resources 1** Jonathan Stephens, Permanent Head of the Department

**Request for Resources 2** Jonathan Stephens, Permanent Head of the Department

Jonathan Stephens as the Accounting Officer of the Department for Culture, Media and Sport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Culture, Media and Sport.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

## Notes to the Estimate (*continued*)

### Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
<b>RfR 1: Improving the quality of life through cultural and sporting activities</b>	
<b>Administration</b>	<b>1,635</b>
<i>of which:</i>	
Sale of goods and services	1,635
<b>Programme</b>	<b>27,337</b>
<i>of which:</i>	
Sale of goods and services	27,337
<b>Total RfR1</b>	<b>28,972 †</b>

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from :receipts by the Government Art Collection from sale of prints, hire of transparencies, copyright fees, etc; recovery of ceremonial costs; recovery of costs for repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties; proceeds from the early release of office leases; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones, and proceeds from the sale of properties; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts; receipts from the National Lottery Distribution Fund to meet the cost of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments; recovery of costs and proceeds arising from the sale of the Tote; and receipts associated with the Olympic Games 2012.

<b>Total Operating A in A</b>	<b>28,972</b>
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### Analysis of non - operating appropriations in aid (A in A)

#### RfR 1: Improving the quality of life through cultural and sporting activities

<b>Programme</b>	<b>1,632</b>
<i>of which:</i>	
Sale of Buildings	632
Sale of capitalised leasehold	1,000
<b>Total RfR1</b>	<b>1,632 †</b>

† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sale of buildings and capitalised leases.

<b>Total Non-operating A in A</b>	<b>1,632</b>
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## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,560	34,914	179,519	1,405,151	1,584,670
<i>of which:</i>					
<i>Administration budget*</i>	-	-	53,270	-	53,270
<i>Near-cash in RDEL</i>	1,560	34,914	171,001	1,230,060	1,401,061
Capital**	12,294	10,001	38,759	341,073	379,832
Less Depreciation†	-	-	-5,942	-91,788	-97,730
Total	13,854	44,915	212,336	1,654,436	1,866,772

\* The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

\*\*Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

### Cash which may be retained to offset expenditure

£'000  
28,968

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

### Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
<b>RfR 1</b>		
C3	Chess	60
D3	Chatham Historic Dockyard Trust	300
I2	China-UK Connections	100
N3	Geffrye Museum	1,687
N3	Horinman Museum and Gardens	3,932
N3	Museum of Science and Industry in Manchester	4,134
N3	Museums, Libraries and Archives Council	15,271
O3	Arts Council of England	429,821
S3	UK Film Council	24,110