

Main Estimates Memorandum (2019-20) for Department for Digital, Culture, Media and Sport

1 Overview

1.1 Objectives

The Department for Digital, Culture, Media and Sport's (DCMS) objectives, as set out in its published Single Departmental Plan (SDP), are as follows:

1. **Global:** Drive international trade, attract investment and promote shared values around the world – promoting the UK as a great place to live, work and visit
2. **Growth:** Grow an economy that is creative, innovative and works for everyone
3. **Digital Connectivity:** Continually drive the UK's connectivity, telecommunications and digital sectors
4. **Participation:** Maximise social action, cultural, sporting and physical activity participation
5. **Society:** Make our society safe, fair and informed, online and offline
6. **Agile and Efficient:** Ensure DCMS is fit for the future with the right skills, culture and connections
7. **EU Exit:** Help deliver a successful outcome for EU Exit

DCMS's spending is designed to support its objectives. Detail of which spending programmes relate to which objectives is given at Section 3.1.

1.2 Spending controls

DCMS's spending is broken down into several different spending totals, for which Parliament's approval is sought.

The spending totals which Parliament votes are:

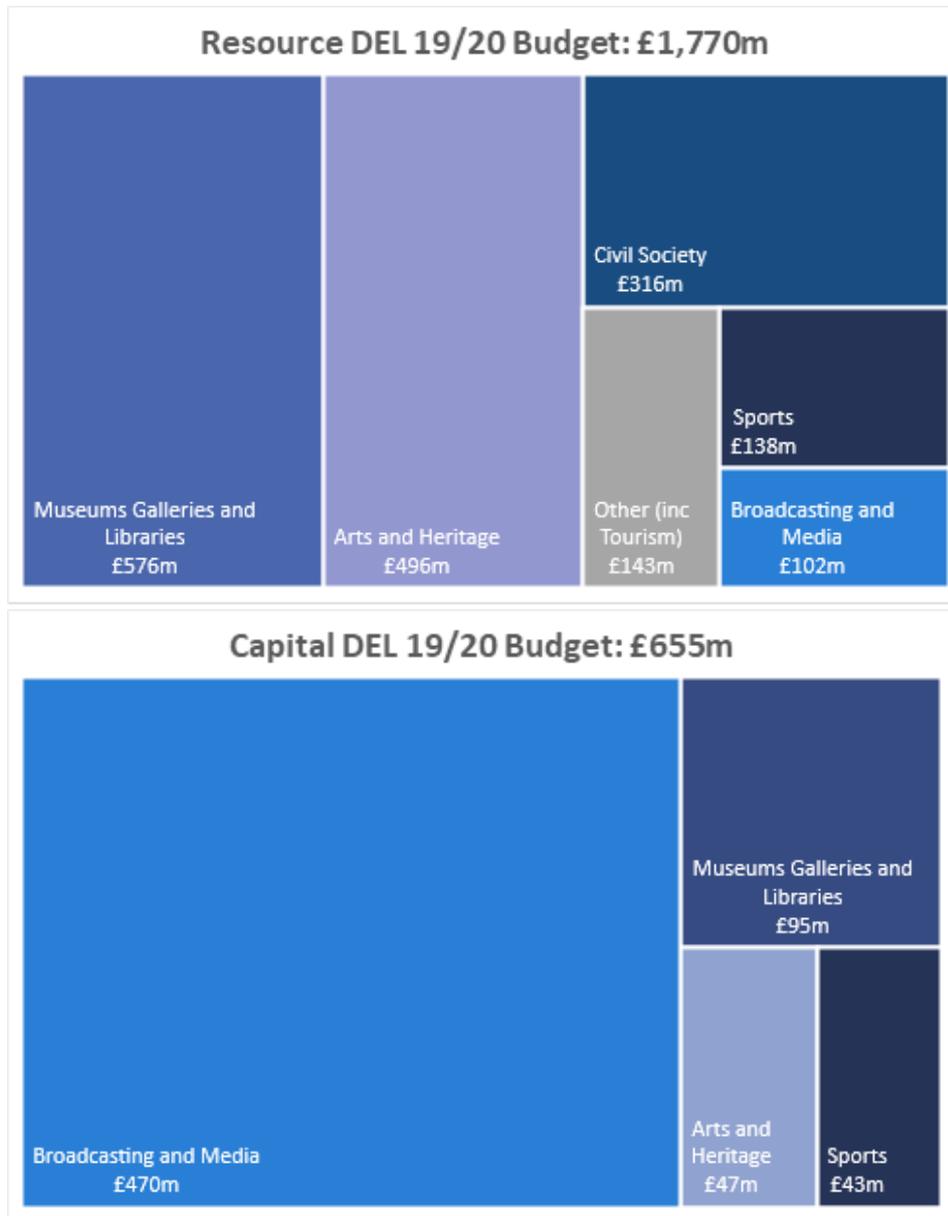
- Resource Departmental Expenditure Limit ("**Resource DEL**"): this consists of day to day administrative running costs for the department as well as delivering specific programmes such as the National Productivity Investment Fund (5G and Local Full Fibre Networks).
- Capital Departmental Expenditure Limit ("**Capital DEL**"): the investment in infrastructure and assets for the department, in particular the roll out of 5G and Local Full Fibre Networks.
- Resource Annually Managed Expenditure ("**Resource AME**"): this is less predictable day to day spending and expenditure from demand-led funding: in DCMS's case, expenditure incurred primarily via the BBC License fee.
- Capital Annually Managed Expenditure ("**Capital AME**"): in DCMS's case this is capital expenditure from demand-led funding, incurred primarily via BBC License fees.

In addition, Parliament votes to the department a control for its net cash requirement. The estimated net cash requirement is based on the total DEL, AME and non-budget spending limits, which all record spending on an accruals basis, adjusted to take account of non-cash items (such as

depreciation) and timing differences e.g. where cash is paid in advance or arrears of a service being provided.

1.3 Main areas of spending

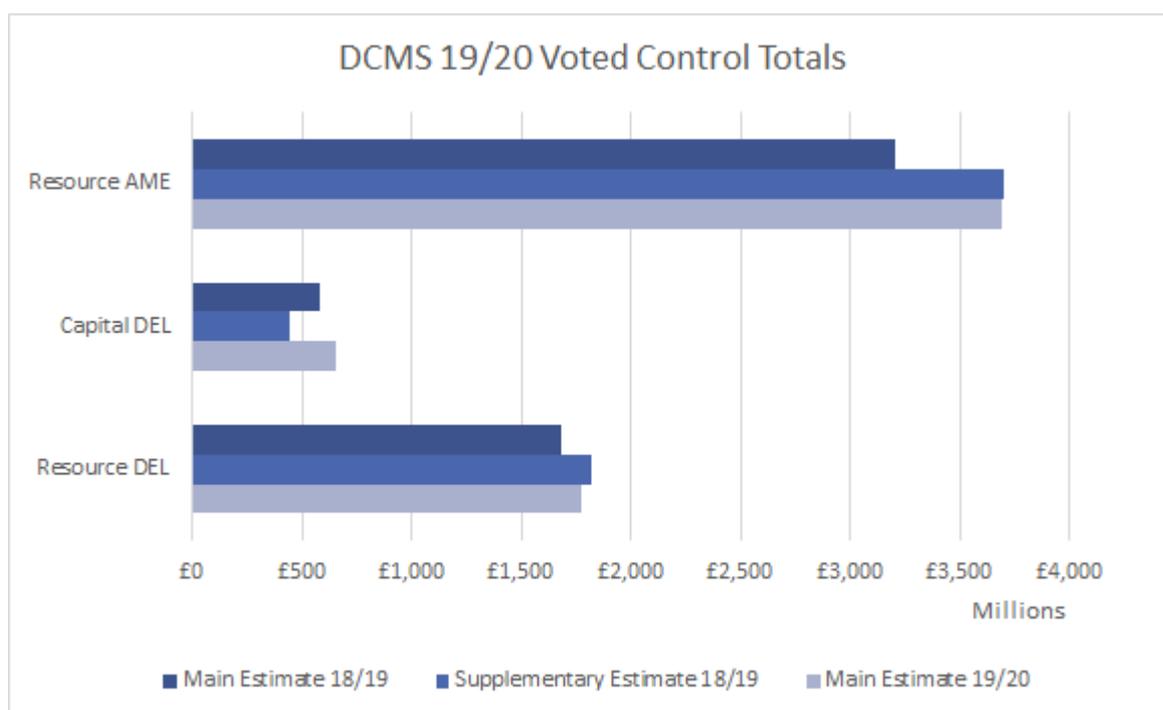
The graphic below shows the main components of DCMS' proposed budget for the 2019/20 financial year, and the proportion of funds spent on its main activities.



1.4 Comparison of spending totals sought

The table and graphic below show how the totals sought for DCMS compare with the equivalent 2018-19 financial year control totals:

| Spending total | | Compared to: | | | |
|---|-----------|-----------------------------------|-------|---------------------------|-------|
| Amounts sought this year (Main Estimate 2019-20) | | Supplementary Estimate 2018-19 | | Main Estimate 2018- 19 | |
| Control Total | £ million | | % | £ million | % |
| Resource DEL | 1,770.2 | -50.8 | -2.9 | +90.2 | +5.1 |
| Capital DEL | 655.5 | +207.8 | +31.7 | +70.5 | +10.7 |
| Resource AME (Voted) | 3,694.5 | -6.0 | -0.2 | +392.3 | +10.6 |



1.5 Key drivers of spending changes since last year

The Main Estimate for DCMS largely represents the 2015 Spending Review Settlement plus further announcements made at fiscal events, as listed in Annex B.

Resource DEL

The main causes of the £90.2m increase in Resource DEL since the budget at Main Estimate 2018-19 include:

- £30m granted from the Reserve in order for the Department to cover essential EU Exit spending for policy staff to work on critical paths, international, trade, analytical and finance roles.
- £12.1m reserve cover as a rebate for the increase in Civil Service Pension Scheme rate.
- £22.5m in budget cover transfers that comparatively were made at Supplementary Estimate in 2018-19 (as set out below)
- £15.3m of changes affected at Supplementary Estimate 2018-19, including budget re-profiles for the Blythe House Estate and for the Discover England Fund; and for Machinery of Government transfers.

The large decrease in Resource DEL of £50.8m since the Supplementary Estimate budget for 2018-19 is mainly due to additional funding provided from the Treasury Reserve of Budget Cover Transfers from other government departments. This includes:

- Total claims from the Treasury Reserve at the Supplementary Estimate totalling £120.3m. This includes claims for across Freedom bodies £33.9m, the Birmingham 2022 Commonwealth Games costs of £20.6m, claims under the Listed Places of Worship scheme of £17.8m, and LIBOR claims of £18.4m.
- Budget cover transfers totalling £42.4m. This includes £25.6m for the National Cyber Security programme, where £21.5m has been received at the Main Estimate for 2019-20.

Capital DEL

Since Main Estimate 2018-19, the total overall increase in Capital DEL of £70.5m consists of:

- £125m increase of the 5G and Fibre capital programme as per its programme delivery profile.
- £29.1m year on year reduction of the Blythe House Estate move.
- £15.7m year on year reduction in the funding of the BDUK Superfast programme, as this enters the final year of its existing funding profile.
- £10m overall reduction within non ring-fenced areas, due to completion of projects.

Since Supplementary Estimate 2018-19, the increase in funding is significantly higher, at £207.8m. This is driven by:

- £179m comparative increase in the profile of the 5G and Fibre capital programme.
- £29.8m increase for the re-profile of the Blythe House Estate move.
- £76.2m year on year increase for 700Mhz as a result of the return of £69m funding for the 700MHz at Supplementary Estimate 2018-19, as well as agreed switches involving the release of the ring-fence.
- £63.2m reduction which was due to claims that were made from the Reserve, predominantly within the Museums Freedoms.

Resource AME

The overall increase since Main Estimate 2018-19 of £392.3m is seen mostly within the BBC's AME budget, which has increased by £386.3m due to:

- Reduced income of £260.3m, which is driven by changes to the over-75s licence fee.
- Increased provision of £150m for pensions cover.
- As 2019-20 is a non-sports year (where 2018-19 was), overall expenditure is reduced by £113.4m. This is partially offset by increased overall salary costs.

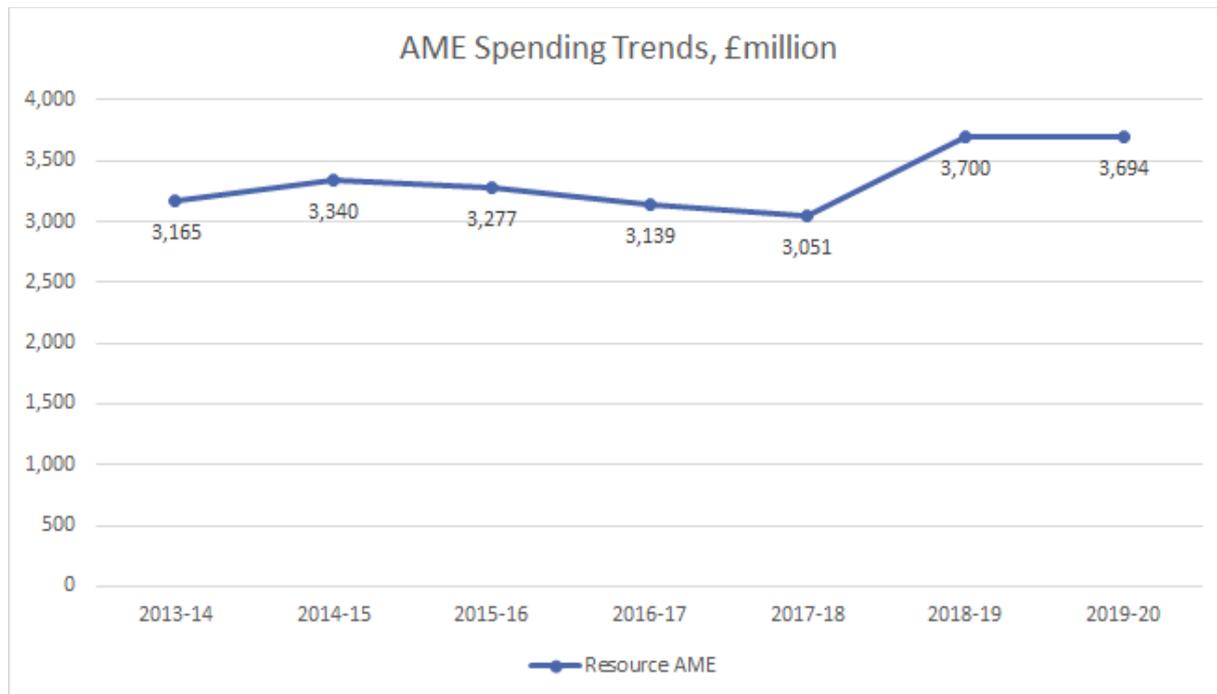
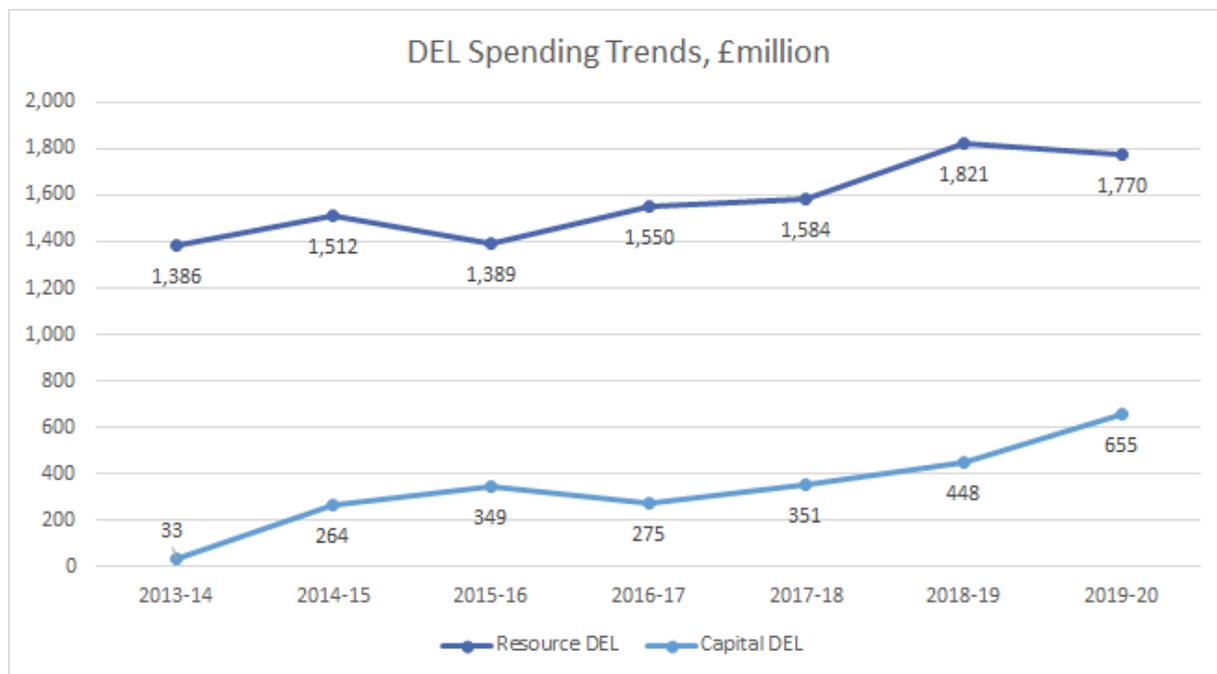
The overall funding of Resource AME at Main Estimate 2019-20 is largely similar to Supplementary Estimate 2018-19.

1.6 New policies and programmes; ambit changes

The ambit has largely remained the same as at the Supplementary Estimate for 2018-19, other than a couple of small amendments to the wording due to the removal of World War 1 centenary events.

1.7 Spending trends

The charts below show overall spending trends for the last five years, as well as the final budget as at the Supplementary Estimate for 2018-19, and plans presented in Estimates for 2019-20.



Resource DEL

- The increases in Resource DEL since 2013-14 are mainly caused by income from the sale of the Olympic Village, residual costs and final settlements, most of which concluded by 2016-

17. Income of £48m in 2013-14 reduced down to £30.4m in 2016-17, and from 2017-18 onwards the total income was minimal.

- The staff costs for the department and its ALBs reduced from 2013-14 from £634m in 2013-14 to £564m in 2016-17, and has since increased to £581m in 2017-18 as the department has grown with its additional scope and EU Exit funding requirements increased.
- The reduction from 2018-19 to 2019-20 reflects the reserve claims and budget cover transfers from other government departments which were made at Supplementary Estimate 2018-19. The total comparable reserve claims totalled £95m, and budget cover transfers were £39m.
- The large increase since 2015-16 reflect the Machinery of Government transfer of the Office for Civil Society, which includes the National Citizen Service. The total funding has risen from £163.5m in 2013-14 to the current figure of £316m.

Capital DEL

- Capital DEL was very low in 2013-14 and 2014-15 due to sales within the Olympic Village generating capital receipts, totalling £184m in 2013-14 and £257m in 2014-15.
- The large increases since 2017-18 reflect the additional funds allocated to the 5G and Local Full Fibre Networks as part of the £750m digital allocation of the National Productivity Investment Fund (NPIF), which has risen from £96m in 2018-19 to £275m in 2019-20.

Resource AME

- Resource AME has steadily reduced from 2014-15 to 2017-18 to reflect actual BBC License Fee expenditure.
- The large rise from 2017-18 to the final budget for 2018-19 was mainly caused by reduced income from the Department for Work and Pensions as a result of changes to the over-75s licence fee, as well as £150m covering the volatility of pension schemes.
- In 2018-19's final budget there was also £227m cover provided for the possible settlement of litigation against OFCOM for Annual License Fees.
- The budget requested for 2019-20 is in line with the final budget for 2018-19, where increased BBC expenditure is offset by the removal of the OFCOM cover (see section 1.5).

1.8 Administration costs

Administration costs have reduced by 14.4% in 2019-20 compared to last year's final budget, however the majority of this decrease is due to the allocation of admin funding for the National Citizen Service (NCS) which will be transferred from programme upon confirmation of the forecast at the Supplementary Estimate.

| Spending total | | Compared to: | | | |
|---|-----------|-----------------------------------|-------|-----------------------|-------|
| Amounts sought this year (Main Estimate 2019-20) | | Supplementary Estimate 2018-19 | | Main Estimate 2018-19 | |
| Control Total | £ million | | % | £ million | % |
| Administration costs | 197.4 | -28.5 | -14.4 | +24.4 | +12.4 |

Compared to the 2015-16 baseline, the 2019-20 starting position was £13.1m lower, of which £5.9m was depreciation. The expected efficiencies to the baseline of £7.2m were entirely sourced from the central department.

Since the 2015 Spending Review, the department has grown considerably reflecting its additional scope, resulting in an overall increase of £53.7m. The additional funding has been sourced predominantly through new announcements, with £7.0m awarded through Autumn Budget 2017 and 2018 which fall within the digital and data protection policy areas. A further £33.1m has been provided at Main Estimate 2019-20, of which £30m relates to the department's allocation of EU Exit funding.

In addition to the new announcements, DCMS and HM Treasury officials have worked to ensure that classification of funding is accurately reflected, resulting in reclassifications from programme.

1.9 Funding : Spending Review and Budgets

The levels of DEL funding for DCMS for 2019-20 are based on plans published in the 2015 Spending Review for the Department for Digital, Culture, Media and Sport. Since that time, the Government has made a number of changes to 2019-20 Spending Plans including announcements of some additional funding in Budgets and Autumn/Spring Statements. Notable amongst these changes are:

- The announcement on 18 December 2018 by the Chief Secretary to the Treasury of the EU Exit Allocation for the Department for 2019-20, of £30.0m. This has been allocated towards key priority roles and accommodation, as well as ongoing work towards the HMG Grant Guarantee.
- Machinery of government changes of the Office for Civil Society from Cabinet Office, resulting in additional Resource DEL funding of £343.0m for 2019-20
- Additional funding announced in the Autumn Statement 2016 of £5.4m Resource DEL and £7.5m Capital DEL, including World Road Cycling and the Rugby League World Cup.
- The Department's allocation of the Digital Package from the National Productivity Investment Fund, totalling £275m for 2019-20.
- Additional £4.5m Resource DEL funding transferred to Tech Nation for the expansion of their activity across the UK, covering at least 10 new permanent regional hubs, the roll-out of programmes on FinTech, and an Office for Artificial Intelligence, as announced in Autumn Budget 2017.
- A further £7.8m announced for priority roles in Digital Technology and Communications, including a Centre for Data Ethics and Innovation and extension to the UK Games Fund, as announced in Autumn budget 2017.
- £2m capital funding for the Jodrell Bank Discovery Centre
- Additional funding as announced at Autumn Budget 2018 totalling £19.5m Resource DEL and £12m Capital DEL. These cover a wide range of high priority areas, including funding awarded to Coventry as the UK City of Culture, Digital Skills Bootcamps, and the Heritage High Streets Fund.
- Machinery of Government changes from Cabinet Office for the Government Digital Service (£3.6m), and the transfer of Digital Identities and Signatures from the Department for Business, Energy and Industrial Strategy (£0.1m).
- £12.1m Resource DEL cover for the increase in Civil Service pension rates as announced in Budget 2016
- Budget cover transfers at Main Estimate 2019-20 totalling £22.5m, of which £21.5m relates to the transfer from the Single Intelligence Agency for the National Cyber Security Programme (NCSP), with further funding being transferred for the Loneliness strategy (£0.3m), the Culture Diary (£0.3m), and digital prosperity funding (£0.4m).

1.10 Other funding announcements

Spending announcements made during the year not listed at annex B relate to reallocated money within existing planned limits, rather than “new”, additional money.

Due to lower than anticipated participation levels within the NCS, the funding requirement for the overall programme has reduced significantly. Having obtained agreement from the Treasury to relax the ring-fence based on the revised participation numbers, the department has been able to utilise £29.5m of unused funds towards new proposals and commitments. These include funding for:

- The Cultural Development Fund (CDF) model, to highlight the role that culture can play in regeneration and economic growth (£18m)
- The Creative Industries Sector Deal process which is designed to unlock growth in strategically significant sectors, including creating an industry careers attraction strategy and improved access to finance (£3.9m)
- The introduction of the Network and Information Systems directive and the need to identify Competent Authorities for digital service providers (£0.5m)
- Funding for existing pressures affecting two sports bodies: UK Anti-Doping’s policy framework and Sports Ground Safety Authority (£4.5m)

In addition to the first reallocation of ring-fenced underspends, at Autumn Budget 2018 it was announced that a total of £8.4m has been agreed from further ring-fenced underspends arising from NCS or 700MHz:

- Roll-out of call blocking devices to vulnerable people (£0.6m)
- Rural fibre deployment as part of the expansion of the Local Full Fibre Networks programme (£4.5m)
- Digital admin resource reflecting the new responsibilities that the department has taken on, and prioritises the development of the new online harms regulatory framework, technology security policy, internet governance and the Office for AI (£3.3m)

At the Supplementary Estimate in previous years, budget re-profiles have been agreed for the extension of large programmes. In 2019-20, additional funding has been provided from previous years, including:

- £25.6m capital DEL for the re-profile of the BDUK Superfast broadband programme, which has arisen from external supplier delays
- £6.1m resource DEL and £39.6m capital DEL for the Blythe House programme
- £5.4m resource DEL for the extension of the Discover England Fund

2. Spending detail

2.1 Explanations of changes in spending

Resource DEL

The table below shows how DCMS' spending plans for Resource DEL compare with last year's final budget.

| Subheads | Grouping | Resource DEL | | | | see note number |
|------------|------------------------------------|--------------------------|-----------------------------------|--------------------------|--------------|-----------------|
| | | £ million | | | % | |
| | | Main Estimate 2019-20 | Supplementary Estimate 2018-19 | Change from Last Year | | |
| A, B, C | Museums Galleries and Libraries | 575.5 | 594.2 | -18.6 | -3.1% | 1 |
| D, E, H, I | Arts and Heritage | 496.2 | 509.4 | -13.2 | -2.6% | 2 |
| F, G | Sports | 137.6 | 167.3 | -29.7 | -17.7% | 3 |
| K, L | Broadcasting and Media | 101.8 | 119.0 | -17.1 | -14.4% | 4 |
| P, Q | Civil Society | 316.0 | 255.2 | 60.8 | 23.8% | 5 |
| J, M, N, O | Other (inc Tourism) | 142.9 | 176.0 | -33.0 | -18.8% | 6 |
| | Total Voted and Non Voted | 1770.2 | 1821.0 | (50.8) | -2.8% | |

Differences larger than £5m are explained below. Numbers relate to the relevant row in the table above. Further detail of spending within these totals is given in the Table at Annex A.

1. Museums, Galleries and Libraries

Resource DEL spend under these subtotals is forecast to decrease by £18.6 million, or 3.1% since last year's final budget. This is driven by:

- At Supplementary Estimate 2018-19, DCMS was granted access to historic reserves held under the Museums' Freedoms Scheme, totalling a Reserve Claim of £33.8m. Historic reserve access for 2019-20 will be finalised at Supplementary Estimate.
- Funding for the programme costs of the Blythe House Estate move have increased by £2.9m from last year, in line with the programme timetable.
- Increased depreciation costs of £15.5m.

2. Arts and Heritage

Resource DEL spend under these subtotals is forecast to decrease by £13.2 million, or 2.6% since last year's final budget. This is driven by:

- Last year's reserve claim of £19.8m under the Listed Places of Worship Grant Scheme, which was set up to mitigate the impact of the VAT scheme change announced by the Government as part of Budget 2012 affecting approved alterations to listed buildings. The scheme provides grants equivalent to 100 per cent of the VAT costs of eligible

repair, maintenance and alteration work until the end of this Parliament. Again, the 2019-20 reserve claim is expected to be finalised at Supplementary Estimate.

- The Arts Council have increased resource funding of £12.1m, which is due to their allocation of the Cultural Development Fund.
- Support for Arts and Heritage Bodies has reduced by £3.0m due to the end of the First World War Centenary Commemorations.

3. Sports

Resource DEL spend under these subtotals is forecast to decrease by £29.7 million, or 17.7% since last year's final budget. This is driven by:

- In 2018-19, additional funding of £16.9m was provided for the Commonwealth Games in Birmingham in 2022. The funding for 2019-20 will be confirmed and provided through the Reserve at the Supplementary Estimate.
- UK Sport received additional funding requirement of £12.5m in 2018-19 to meet the Tokyo Olympic cycle commitment in light of lower lottery receipts than forecast at the time of the 2015 Spending Review. The equivalent value for 2019-20 will be confirmed at Supplementary Estimate.

4. Broadcasting and Media

Resource DEL spend under these subtotals is forecast to decrease by £17.2 million, or 14.4%, since last year's final budget. This is predominantly driven by:

- The agreed capital switch in 2018-19 of £11.3m involving the relaxation of the 700MHz capital budget to fund the 700MHz viewer support programme. This is expected to be formalised at Supplementary Estimate in 2019-20.
- S4C's additional grant-in-aid requirement of £4.6m, as previously agreed with HM Treasury.

5. Civil Society

Resource DEL spend under these subtotals is forecast to increase by £60.8 million, or 23.8%, since last year's final budget. This is driven by:

- The National Citizen Service currently has £71.5m additional funding to last year, however as seen last year we expect to see lower than anticipated participation levels, resulting in further large underspends for the programme. The total level of underspends and relaxation of ring-fence to fund existing pressures will be confirmed at Supplementary Estimate.
- The LIBOR and Tampon Tax funding totalling £18.8m in 2018-19 within the Office for Civil Society will be provided at the Supplementary Estimate.

6. Other (inc. Tourism)

Resource DEL spend under these subtotals is forecast to reduce by £33.1m, or 18.8%, compared to last year's final budget. This is driven by:

- Reduced funding of £29.1m for Visit Britain, of which £12.6m relates to the drop in funding for the Discover England Fund, originally scheduled to finish in 2018-19. Of the remainder, £15.8m relates to the GREAT campaign, of which funding was transferred from the Department for International Trade at the Supplementary Estimate in 2018-19.

- Reduced funding of £3.4m for the Commonwealth Games Delivery Unit, for which equivalent funding for 2019-20 will be provided upon confirmation at the Supplementary Estimate.
- Reduced admin funding for the NCSP of £3.4m, which is expected to be confirmed at Supplementary Estimate upon transfer from the Single Intelligence Agency.
- Increased EU Exit allocation of £4.4m from last year's total.

Capital DEL

The table below shows how spending plans for Capital DEL compare with last year's final budget.

| Subheads | Grouping | Capital DEL | | | | see note number |
|----------------------------------|------------------------------------|--|---|--------------------------|--------------|-----------------|
| | | £ million | | | % | |
| | | This year (Main Estimate 2019-20 sought) | Last year (Supplementary Estimate 2018-19 approved) | Change from Last Year | | |
| A, B, C | Museums Galleries and Libraries | 94.6 | 114.5 | (19.9) | -17.4% | 7 |
| D, E, H, I | Arts and Heritage | 47.3 | 60.2 | (12.9) | -21.4% | 8 |
| F, G, R | Sports | 43.3 | 47.8 | (4.5) | -9.4% | |
| K, L | Broadcasting and Media | 470.1 | 219.0 | 251.1 | 114.6% | 9 |
| P, Q | Civil Society | - | 1.4 | (1.4) | N/A | |
| J, M, N, O | Other (inc Tourism) | 0.2 | 4.8 | -4.6 | -96.1% | |
| Total Voted and Non Voted | | 655.5 | 447.7 | 207.8 | 46.4% | |

Differences larger than £5m are explained below.

7. Museums, Galleries and Libraries

Capital DEL spend under these subtotals is forecast to reduce by £19.9m, or 17.4%, to last year's final budget. This is driven by:

- Reduced funding of £39.4m due to the reserve claim for access to the historic reserves under the Museums' Freedoms Scheme. 2019-20 amounts will be confirmed at Supplementary Estimate.
- A further reduction of £16.7m which was claimed on the Reserve in 2018-19 for Museums' loans.
- Due to the re-profile of the Blythe House project in 2018-19, funding has increased in 2019-20 by £39.8m.

8. Sports

Capital DEL spend under these subtotals is forecast to reduce by £12.9m, or 21.4%, compared to last year's final budget. This is driven by:

- Reduced funding of £20.7m within the Arts Council relating to the completion of the capital project for The Factory.

- Increased funding of £8.5m awarded to the Arts Council at Autumn Budget 2018 for the Coventry's UK City of Culture project.

9. Broadcasting and Media

Capital DEL spend under these subtotals is forecast to increase by £251.1m, or 114.6%, compared to last year's final budget. This is driven by:

- Increase of 700MHz programme of £76.2m from last year, where £69m was returned at Supplementary Estimate.
- Increased funding of £179m relating to the Digital National Productivity Investment Fund.

Resource AME

The table below shows how spending plans for Resource AME compare with Main estimates.

| Subheads | Grouping | Resource AME | | | | see note number |
|----------------------------------|---|--|---|--------------------------|--------------|-----------------|
| | | £ million | | | % | |
| | | This year (Main Estimate 2019-20 sought) | Last year (Supplementary Estimate 2018-19 approved) | Change from Last Year | | |
| S | British Broadcasting Corporation | 3,644.8 | 3,417.8 | 227.1 | 6.6% | 10 |
| U | Provisions, Impairments and other AME spend | 49.6 | 282.7 | -233.0 | -82.4% | 11 |
| Total Voted and Non Voted | | 3,694.5 | 3,700.4 | -6.0 | -0.2% | |

Differences which are significantly above or below inflation are explained below.

10. British Broadcasting Corporation

The BBC has forecast their commercial borrowing requirement at £227.1 million higher than last year. This is because of reduced income received from the Department for Work and Pensions as a result of changes to the over-75s licence fee.

11. Provisions, Impairments and other AME spend

The decrease in forecast by £233.0 million from last year is predominantly due to the 2018-19 additional cover requirement of a possible liability for OFCOM as a result of litigation brought against them by the Mobile Network Operators (MNO's).

2.2 Restructuring

DCMS has not required any restructuring at Main Estimate 2019-20..

2.3 Ring fenced budgets

Within the totals, the following elements are ring fenced ie savings in these budgets may not be used to fund pressures on other budgets

Resource DEL

| Spending total | | Compared to final budget last year | | Compared to original budget last year | |
|---|-------|---|---------|--|----------|
| Amounts sought this year | | (Supplementary Estimate 2018-19) | | (Main Estimate 2018-19) | |
| £ million | | % | | £ million | % |
| Freedoms | 475.8 | -22.7 | -4.6% | +10.3 | +20% |
| National Citizen Service | 260.2 | +71.3 | +37.7% | +23.0 | +9.7% |
| Listed Places of Worship | 17.0 | -19.8 | -53.7% | +0.0 | +0.2% |
| EU Exit | 30.0 | +4.4 | +17.2% | +30.0 | +100.0% |
| Commonwealth Games | - | -20.7 | -100.0% | - | - |
| OCS - LIBOR, Tampon Tax and Life Chances Fund | 20.8 | +0.1 | +0.5% | +5.6 | +36.8% |
| 5G and Fibre | - | -11.8 | -100.0% | - | - |
| Blythe House | 7.4 | +3.2 | +76.2% | +5.9 | +393.3% |
| Depreciation | 198.9 | +12.7 | +6.8% | +16.4 | +9.0% |

Capital DEL

| Spending total | | Compared to final budget last year | | Compared to original budget last year | |
|---|-------|---|---------|--|----------|
| Amounts sought this year | | (Supplementary Estimate 2018-19) | | (Main Estimate 2018-19) | |
| £ million | | % | | £ million | % |
| Freedoms | 46.0 | -64.7 | -58.5% | -4.6 | -9.2% |
| 5G and Fibre | 275.0 | +179.4 | +187.7% | +125.0 | +83.3% |
| 700MHz | 148.5 | +76.2 | +105.4% | +0.8 | +0.5% |
| BDUK Superfast | 42.7 | +0.3 | +0.7% | -15.7 | -26.9% |
| Blythe House | 58.1 | +39.8 | +217.5% | -29.1 | -33.4% |
| Commonwealth Games | - | -2.1 | -100.0% | - | - |
| OCS - LIBOR, Tampon Tax and Life Chances Fund | - | -0.9 | -100.0% | - | - |
| EU Exit | - | -0.6 | -100.0% | - | - |

2.4 Changes to contingent liabilities

There have not been any new contingent liabilities recognised since the Supplementary Estimate for 2018-19.

3. Priorities and performance

3.1 How spending relates to objectives

The table below shows how expenditure against each subhead contributes to Departmental priorities under the Single Departmental Plan.

| Objective >>> Estimates subheads | 1:Global | 2: Growth | 3: Digital Connectivity | 4: Participation | 5: Society | 6: Agile and Efficient | 7: EU Exit |
|--|----------|-----------|----------------------------|---------------------|------------|------------------------------|------------|
| A, B, C | | | | X | | X | |
| D, E, H, I | X | | | X | | X | |
| F, G, R | X | | | X | | | |
| K, L | | X | X | | X | | |
| P, Q | X | X | X | X | X | X | |
| J, M, N, O | X | X | X | X | X | X | X |

3.2 Single Departmental Plan

DCMS's Single Departmental plan (see [here](#)) sets the department's objectives (summarised below) and workplans and milestones for delivering against these objectives.

1. Global: Drive international trade, attract investment and promote shared values around the world – promoting the UK as a great place to live, work and visit

- International tourism visits (including number of visits outside London)over
- SoftPower 30 Index
- Expenditure outside London by overseas residents

2. Growth: Grow an economy that is creative, innovative and works for everyone

- GVA contribution from DCMS sectors
- Employment and exports from DCMS sectors
- Trade statistics

3. Digital Connectivity: Continually drive the UK's connectivity, telecommunications and digital sectors

- Percentage of road/rail network covered
- Number of National Cyber Security Centre (NCSC) recognised category 4 and above cyber attacks on UK economy
- Progress towards 95% 4G coverage by 2022

4. Participation: Maximise social action, cultural, sporting and physical activity participation

- Active lives survey: sport participation figures
- Wellbeing survey (collected from Taking Part, Community Life and published as part of the Office for National Statistics (ONS) wellbeing work)
- Number of National Citizen Service Participants

5. **Society:** Make our society safe, fair and informed, online and offline

- Number of problem gambling cases indicated by the National Health Survey
- Total raised for good causes from the National Lottery
- Satisfaction with Public Service Broadcasting

6. **Agile and Efficient:** Ensure DCMS is fit for the future with the right skills, culture and connections

- National Audit Office (NAO) scores
- Manifesto commitments achieved
- DCMS Civil Service People Survey employee engagement index

The latest update to these performance measures is [here](#).

3.3 Commentary on steps being taken to address performance issues

DCMS utilises multiple layers of defence to ensure adequate control and management of performance within its voted control totals.

Business planning is undertaken annually to prioritise the allocation of the department’s voted control totals to individual departments and accountable Directors and Deputy Directors. Performance against individual budgetary control totals is reviewed monthly, with material variances to plans appropriately escalated to the Executive Board as appropriate to enable suitable mitigation in line with emerging requirements.

The Executive Board also review departmental operational performance on a monthly basis. A new data driven performance and risk system has been designed to increase the objectivity behind executive decision maker’s strategies in DCMS. This enables oversight, assurance and challenge over the progress of each department against its planned major milestones, key performance indicators and mitigation of key risks.

3.4 Major Projects

DCMS manages a portfolio of major projects that are included in the Government Major Projects Portfolio (GMPP) from the Infrastructure and Projects Authority (IPA), ranging from Local Full Fibre Networks through to delivery of the 2022 Commonwealth Games. The portfolio is subject to a robust internal and external assurance and approvals regime.

1. Commonwealth Games

The 2022 Commonwealth Games will be a fully integrated and inclusive sport programme showcasing Birmingham, the West Midlands and the entire country to the rest of the world as a destination for international trade, education, and world class sport and tourism.

| | |
|--------------------|------------|
| Project Start Date | 21/12/2017 |
| Project End Date | 31/03/2023 |
| Whole Life Cost | TBC |

2. 700Mhz

The 700MHz Clearance Programme is investing up to £600m to clear 700MHz spectrum by mid-2020. This will clear the 700MHz band for use for mobile broadband services in the future.

| | |
|--------------------|------------|
| Project Start Date | 13/01/2015 |
| Project End Date | 01/01/2022 |
| Whole Life Cost | £594.9m |

3. Local Full Fibre Networks (LFFN)

The Local Full Fibre Networks Programme is designed to stimulate greater commercial investment in full fibre networks across the UK to deliver faster and more reliable connectivity.

| | |
|--------------------|------------|
| Project Start Date | 01/04/2017 |
| Project End Date | 01/12/2021 |
| Whole Life Cost | £318.7m |

4. 5G

The 5GTT Programme is here to foster, build and lead. Foster - the development of the UK's 5G ecosystem; Build - the business case for 5G by stimulating new use cases and create the conditions needed to deploy 5G efficiently; Lead - the way in 5G R&D to drive UK 5G leadership

| | |
|--------------------|------------|
| Project Start Date | 28/02/2017 |
| Project End Date | 31/03/2021 |
| Whole Life Cost | £217.1m |

5. Blythe House

Blythe House is put to its most efficient and effective use in order to deliver maximum value for money. The Blythe House museums are able to care for their collections in the most efficient and effective way.

| | |
|--------------------|------------|
| Project Start Date | 25/11/2015 |
| Project End Date | 31/03/2023 |
| Whole Life Cost | £338.0m |

4. Accounting Officer Approval

This memorandum has been prepared according to the requirements and guidance set out by the House of Commons Scrutiny Unit, available on the Scrutiny Unit website.

The information in this Estimates Memorandum has been approved by Tim Sparrow as Director of Finance and Commercial, on behalf of Sarah Healey, Permanent Secretary and Accounting Officer for the Department, who is responsible for this Estimate.

A handwritten signature in black ink, appearing to read 'T. Sparrow', with a horizontal line extending to the right.

Tim Sparrow

Director of Finance and Commercial

Department for Digital, Culture, Media and Sport

2 May 2019