

Chapter One

Delivering our objectives

The Department for Culture, Media and Sport (DCMS) has the brief within Government to support and promote the incredible array of activities that enhance our quality of life, from galleries, to soaps and from stunning architecture to football.

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

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

Our strategic aim is:

To improve the quality of life for all, through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries.

Our strategic priorities are:

Children and young people

Enhancing access to a fuller cultural and sporting life for children and young people and giving them the opportunity to develop their talents to the full.

Community

Opening up our institutions to the wider community, in order to promote lifelong learning and social cohesion.

Economy

Maximising the contribution which the tourism and creative industries can make to the UK's economy.

Delivery

Modernising the way we deliver our services, by ensuring our sponsored bodies are set and meet targets which put consumers first.

Working in partnership

Non-departmental public bodies (NDPBs)

In the last 12 months we have strengthened our strategic approach and made good progress on the delivery of our Public Service Agreement (PSA) targets. We have developed our Project Based Working approach and developed our skills database, to support best practice at work. We have built up a close working relationship with our 66 NDPBs to support a range of reforms. The Department was successfully assessed for Investors in People re-accreditation in July 2003.



Local government

DCMS has continued to strengthen its links with local government in a number of ways. We have begun scoping work, in collaboration with the Local Government Association, on a programme of pathfinder projects to test new ways in which local authorities can use culture and leisure to support wider social and economic priorities. In addition, DCMS has established a Cultural Services Excellence Network, comprised of councils with a proven track record in service delivery in our sectors, to act as a sounding board and as a source of new ideas for improved delivery.

Several projects have been initiated with a view to maximising the impact and effectiveness of local authority cultural and leisure services. PA Consulting has commenced work on a project to determine how the Department and its sponsored bodies should work with local authorities to respond to the needs of local communities. Draft guidance on the links between culture and local community strategies has been produced and a final version is due in Spring 2004. DCMS has also begun discussions with the Audit Commission on the way in which performance by local culture and leisure services should be reflected in the redesigned Comprehensive Performance Assessment, which is due to be implemented in 2005. In February 2004 DCMS and the Local Government Association jointly hosted a seminar on the role of culture and leisure services in relation to second generation Local Public Service Agreements (LPSAs) and guidance to local authorities on this is being prepared, building on the experience with LPSA Round One.

In 2003 DCMS received 26 applications for Private Finance Initiative (PFI) credits to procure capital projects in the culture/leisure sectors. £39 million was allocated to five of these projects which relate to: new swimming pools in Rotherham, redevelopment of the central library and archive in Liverpool, a new branch library and household service in Croydon, a new community theatre and swimming pool in South Tyneside, and two refurbished libraries in Rochdale. This brings our total investment in local authority PFI to over £200 million to date. We are increasingly working with other Government departments on joined-up investment through PFI and four of the five projects supported in 2003-04 are of this type.

Strengthening our strategic capacity

We have taken a number of steps in recent years to strengthen our strategic planning. The *DCMS Strategic Plan 2003-2006*, published in April 2003¹, set out publicly, for the first time, the framework for delivering our strategic priorities (a copy of the framework is on page 65) and the Public Service Agreement (PSA) targets that underpin them.

The creation of a new division, the Strategy, Policy and Delivery Division (SPD), in August 2003 has been an important step to ensure that work on strategic issues is progressed and we have identified a number of key areas on which to build in the coming 12 months and beyond so that we can maintain the momentum that has been built up in this key area.

¹Copy available on the DCMS website

Chapter One, Part One

Performance against our strategic priorities

1. Children and young people:
enhancing access to a fuller cultural and sporting life for children and young people and giving them the opportunity to develop their talents to the full.

Cultural, artistic and sporting activities make a vital contribution to the educational attainment of children and young people, as well as improving their confidence, motivation and skills. We work closely with the DfES to ensure that access to quality education in these areas is available for all children and young people around the country, to help make a positive contribution to their early development and set the foundation on which to build throughout their lives.

Sport and children's play

Increasing children's involvement in PE and school sport

The Government invests over £450 million in this programme, of which almost £150 million is from DCMS. By September 2005, the national strategy for PE, school sport and club links (PESSCL) will reach 75% of all maintained schools in England. This underpins delivery of the joint PSA with DfES on PE and school sport, detailed later in this report.

Results are already encouraging. 231 specialist sports colleges have opened (including three sports academies); and there are 222 School Sport Partnerships covering over 1,250 secondary schools and over 6,650 primary and special schools. 134 of the 150 Local Education Authorities (LEAs) have at least one Partnership. Data from schools involved in the first Partnerships (since September 2002) indicate that 61% of their pupils already take up their two-hour entitlement. Young volunteers trained through Step into Sport have helped to deliver 500 festivals of sport for primary schools.

Improving school sports facilities

The New Opportunities Fund (NOF) distributes Lottery money to transform the provision of sporting facilities for young people and communities across the UK. One of the 33 successful projects already completed was at the Laurence Jackson School in Guisborough, North Yorkshire. Its existing sports hall was modernised, with a newly replaced floor and refurbished changing rooms, benefiting 2,200 school pupils and over 1,000 community users. In total £128 million has already been committed to 344 school sport applications, with the aim of supporting 1,700 projects by January 2005.

Encouraging talented athletes

The Talented Athlete Sponsorship Scheme (TASS) helps develop exceptional young athletes in sports that are under-funded, such as tennis and women's football. The scheme supports disabled and able-bodied individuals by giving them access to high-quality sporting services and facilities, allowing them to develop in tandem with their career or academic study. We expect over 1,000 athletes to benefit from TASS, with the first bursaries being announced in early Summer 2004, and the first scholarships in September 2004. DCMS is putting £3 million



a year into the scheme from 1 April 2004.

Improving opportunities for safe play

The Children's Play Review, chaired by The Rt Hon Frank Dobson MP, addressed the fact that far too many children and young people have nowhere safe to meet and play. It made recommendations about improving playgrounds and local facilities which the Government is considering. The New Opportunities Fund *Green Spaces and Sustainable Communities* initiative directs funding in England to children's play schemes and recreational playing fields. The initiative is worth some £125 million.

During the year, we provided funding for three play organisations.

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

Arts

Boosting creativity in schools

During the year, *Creative Partnerships* completed its first full year of activities in schools in 16 areas around the country. This flagship programme, which enables pupils to work with artists and other creative professionals, is already having a considerable impact and by December 2003, it had begun 1,415 new projects in schools, involving over 110,176 pupils. A wide range of schools is sparking long-term partnerships with a host of creative organisations, including architects, theatre companies, museums, recording studios and website designers. It has also provided nearly 41,975 hours of Continuing Professional Development for teachers. The Arts Council England stock-take of the first year, found that 90% of schools described the quality of experiences for pupils as "excellent" or "good"².

A new £70 million plan has just been announced, to extend the scheme to a further 20 areas around the UK over the next two years.

Schools' Arts Awards

The *Artsmark* award gives recognition to schools making a strong commitment to the full range of arts: art and design, music, dance and drama. The success continues, with a further 782 schools being recognised, bringing the total to over 1,700 since the scheme started.

²Arts Council England Internal Stocktake of Management of Creative Partnerships.



Young People's Arts Award

A national scheme for 14 to 19 year olds to encourage involvement in the arts. This award is designed to recognise young people's achievements in the arts and provide them with an incentive to deepen their interest. DCMS provided Arts Council England with an additional £200,000 to pilot this scheme award across the country, which began in September 2003.

Increasing access to new technology

Culture Online's goal is to increase access to, and participation in, arts and culture, using new technology. It brings together cultural organisations with cutting-edge technical providers to create projects aimed at adults and children of all ages and backgrounds.

Culture Online's projects began in October 2003 and ten projects have been announced to date. They include:

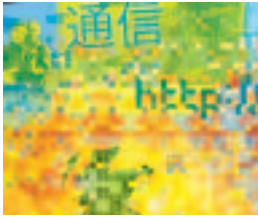
- *Stagework*: (previously 'Backstage') which will offer a unique insight into the creative experience of theatre and provide exciting materials for the National Curriculum;
- *WebPlay*: an Internet-based project that will enable primary school children from rural and urban areas to collaborate with each other using a variety of new technologies and to work with a professional theatre company to create, produce and perform short plays;

- *Plant Culture*: this project uses the plants of South Asia as an entry point to many aspects of culture – food, superstition, religion, fashion, cosmetics, art as well as enhancing the public understanding of science. The aim of this project will be to create a website which brings to life the different ways in which plants are used in different communities. The virtual collection will be curated by professionals at Kew Gardens.
- Details of other *Culture Online* projects can be found at www.cultureonline.gov.uk/projects/index.asp

Youth Music

Youth Music was established by DCMS and Arts Council England in 1999, to promote and develop music-making opportunities for young people. It has reached almost 800,000 children and young people, by making 1,250 awards nationally, totalling over £39 million.

This year *Youth Music* achieved a major goal by reaching its target of 20 Youth Music Action Zones. These Zones generate high-quality music projects for young people in hard to reach areas, and are an excellent example of the project's ability to draw together formal and informal musical disciplines. The Action Zone in the Bristol and Gloucester area, *Remix*, has reached over 800 young people, teaching them a range of musical skills from DJ-ing to gospel singing.



Delivering varied musical experiences

DCMS and DfES have been working with a broad consortium of music organisations, to develop a 'music manifesto'. The Manifesto will seek to galvanise the formal education sector and the wider music sector and industry to around a set of high-level priorities for music education, and encourage everyone with an interest in music to deliver a rich and diverse range of musical experiences to young people. The Manifesto will be published in Summer 2004.

Providing arts facilities for the whole community

Space for Sport and Arts (SSA) has generated huge amounts of enthusiasm from the primary schools and communities that have benefited. It provides funds to develop the arts and sports, by renovating or building new facilities in schools in deprived areas. These improved facilities enable greater participation in sport and arts activities, being used by children during school hours and all members of the community at other times. So far 124 SSA projects have been completed, with funding provided for a further 167 by March 2005.

Reducing crime and anti-social behaviour

The new *Positive Activities for Young People (PAYP)* initiative began offering activities to young people during the Easter 2003 school holiday and was officially launched by the Minister for the Arts in July 2003.

PAYP builds on the successes of the *Connexions Summer Plus* and *Splash Extra* schemes, which ran in Summer 2002. It now runs across England in every school holiday, including Christmas. The primary aims of the programme are:

- to encourage children and young people to return to full-time education or training;
- to reduce crime;
- to build community cohesion;
- to engage children and young people in high-quality arts, cultural, educational and sports activities.

DCMS is one of several key partners delivering the programme, including DfES, the New Opportunities Fund, the Home Office, the Youth Justice Board and regional Government Offices. The programme is open to all young people, but is targeted at areas with high levels of street crime or community problems and at individuals who may be at risk of offending or truancy. The most at risk young people receive key worker support to ensure consistency between holiday periods and to assist in identifying onward referrals and routes to training and education opportunities.

The initiative is being fully evaluated and the first annual report will be available in May 2004. Emerging findings suggest that around 110,000 took part in the Summer and October 2003 half term holidays and there is strong evidence that where programmes ran there was a reduction in crime and anti-social behaviour.

Involving young people in Government

The Core Principles provide a framework for Government departments to improve the extent and effectiveness of the involvement of children and young people in the design, development and delivery of policies and services affecting them. The Principles apply across Government, ensuring a consistent approach and enabling departments to learn from each other. DCMS is one of ten lead departments for this work.

We encourage policy makers to involve children and young people in a variety of ways: through consultation exercises, focus groups and youth forums. Four key policy areas have already adopted the approach: New Arts Award scheme; Creative Partnerships; the Children's Play Review and the BBC Charter Review.

Broadcasting

Asking children's opinions on the BBC

Children and young people are a key audience in the consultation process for the BBC Charter Review. We worked with the UWhat? Campaign Children's Rights Alliance, who adapted the main consultation document and leaflet to create 'young people friendly' versions. Two consultation events for children and young people are also being held, in collaboration with the National Children's Bureau.

Museums

Increase in child visitors

Visits by children to DCMS-sponsored museums have increased by 3.5 million (80%)³, since the introduction of free entry and by one million in the last year. These include children as part of school groups, as well as those visiting with relatives and friends. Contacts between schoolchildren and museums participating in the *Renaissance in the Regions* programme have also gone up by 23%⁴.

Young people's education strategy

DCMS, in partnership with DfES, has been developing an education strategy aimed at encouraging more young people to take advantage of the benefits of our museums. This will be released in Spring 2004.

We are also funding a programme of strategic partnerships between national and regional museums, aimed at improving children's education and encouraging a broader range of visitors. This will be supported by £1.25 million funding from DfES to add to £1.35 million of DCMS funding. The first projects were completed in March 2004 and the results are being evaluated. One example is the National Museum of Liverpool's project, which worked closely with refugee communities in Sunderland, Leicester and Salford. Plans are under way to extend the programme into 2006.

The Historic Environment

There were over three million school visits to historic visitor attractions in 2002, including some 500,000 free educational visits to English Heritage properties⁵. In addition, English Heritage introduced a new scheme which allows its members to take unlimited numbers of children free to their sites.

³Statistics for children visits are identified through surveys by Museums.

⁴Data collected by MLA for hub Museums.

⁵Based on an estimate from Visit Britain's Visits to Visitor Attractions Survey 2002

2. Community: opening up our institutions to the wider community to promote lifelong learning and social cohesion.

Ninety-five percent of the adult (aged over 15) population, benefit in some way from culture, media and sport. This section looks at the wide range of work that we are involved with.

Broadcasting

BBC Charter Review

The Secretary of State launched the review of the current charter with the publication of a thorough and wide-ranging consultation: *The Review of the BBC's Royal Charter*, in December 2003. The document sets out some of the key questions for debate, but we have also published a 'key questions quickie', a much shorter leaflet designed to make the consultation as accessible as possible. 600,000 copies of the leaflet have been made available through public libraries and other networks. Several thousand people have responded to the consultation and we are making responses available through the Charter Review website at www.bbccharterreview.org.uk.

An extensive programme of survey research and Ministerial visits throughout the UK are running to support the consultation, including public meetings and seminars with industry representatives.

The next phase of the Charter Review will be the publication of a Green Paper, around the turn of 2004/05, to bring together the results of consultation and research with the results of other strands of work. These include the OFCOM Public Service Broadcasting Review; Philip Graf's independent review of BBC Online, which is due to report in April 2004; the reviews of the BBC's new digital television and radio services which will begin in the spring of 2004; and input from Lord Burns, the Secretary of State's independent advisor on Charter Review and his panel.

The final phase will be publication of a White Paper followed by an appropriate period of Parliamentary scrutiny.

Sport

The London Olympic Bid 2012

In May 2003, the Government announced its intention formally to support a London bid for the Olympic Games.

For over three years DCMS has worked closely with the British Olympic Association, the Greater London Authority and others to explore the possibility of a bid and this groundwork has proved enormously useful as we move into the formal part of the bid process.

The London 2012 Bid Company is now fully operational and working hard to meet the requirements of the bid process as set out by the International Olympic Committee (IOC). The first milestone for this came in January 2004 when all bidding cities were required to submit a questionnaire to the IOC. The IOC will announce a shortlist of cities that will proceed to the second (and final) stage in May 2004. The winning city will be declared in July 2005.

DCMS is fully engaged in supporting the London 2012 Bid Company and in co-ordinating cross-Whitehall support. We are also working hard with Sport England and local government to ensure that the sporting legacy of the Olympics will be sustainable and that all regions of the UK would be able to benefit from a successful bid. Other key aspects include: significant tourism benefits for the whole UK; the opportunity to showcase British business and act as a catalyst for inward investment; and a 'Cultural Olympiad'.

National sports stadium, Wembley

Demolition of the old Wembley stadium is complete and work on the new site is ahead of schedule. It will be open in time to stage the 2006 FA Cup Final. In 2003 the National Audit Office concluded that the decision to award additional public funding to the project in 2002 was "an example of well-managed risk taking"⁶.

Protecting playing fields

DCMS established the Playing Fields Monitoring Group in 2000, to consider the issues surrounding proposed sales or re-development of public playing fields, such as football pitches, by local authorities. The Group comprises DTLR, DfES, Sport England, the Central Council for Physical Recreation and the National Playing Fields Association.

The 2002/03 playing fields figures illustrate that approved applications for developing on playing fields are set to bring in around £268 million worth of planned investment in sports facilities. As a result of the 807 approved planning applications in 2002/03, at least 472 will lead to improved sporting facilities, including astroturf pitches, multi-sport centres, swimming pools, floodlights, new changing rooms, or replacement playing fields.

Sports coaching

DCMS is investing £28 million to implement the key recommendations of the Coaching Task Force and transform the recruitment, education, employment and deployment of sports coaches. 22 sports have been identified to make up the first wave implementing the National Coaching Certificate, and six will be fast-tracked to pilot the process and support systems. The first 30 Coach Development Officers will be in post from April 2004. The first phase of some 100 Community Sports Coaches will also be operational shortly thereafter.

Museums and Galleries

Free entry

The introduction of free entry to key DCMS – sponsored museums has been a huge success since it started in December 2001. Last year saw 33 million visits, a 40% (9.7 million) increase since 1998, which is largely attributable to free entry. Museums and galleries that went free have seen a 72% (5.6 million) increase in visits overall – visits to some have more than doubled – and nearly one million more people from less privileged backgrounds have visited since 2002⁷. We want to continue to broaden access to everyone, so a further increase of 8% is planned from April 2003 to March 2006, as part of our new funding agreements with museums and galleries.

⁶Source: National Audit Office report - 'The English national stadium project at Wembley', June 2003.

⁷Statistics for visitor groups (C2/D/E, etc) are identified through surveys by Museums. These are undertaken either monthly, quarterly or annually.



Involving people in their local history

The *Renaissance in the Regions* project is supporting regional museums to use their collections and local knowledge in innovative ways, to open up new learning opportunities for their communities. Groups of key museums in each of nine regions, have been chosen to lead the programme, with strategic regional agencies linking them to the wider museum community and other regional partners. Even in this preparatory phase the potential benefits are clear, creating opportunities to work more closely with schools and community groups, as well as making overdue improvements to the infrastructure, such as tackling documentation backlogs and improving displays.

Already the number of community groups working with these museums has gone up by 20%, and the number of participants in outreach activities by 64%⁸.

Promoting access to archives

Despite a 50% increase in archive users in the last ten years, the great potential of this rich historical and cultural resource to promote lifelong learning and strengthen community identity is still relatively untapped. The Archives Task Force, set up by the Museums and Libraries Association (MLA) at the request of DCMS, has been working on a strategy for releasing that potential, which will be taken forward with other key partners, and in March 2004 published *Listening to the Past, Speaking to the Future*.

National Lottery

Last year we undertook a major consultation exercise on the future of the National Lottery. *The National Lottery Funding Decision Document* was published on 3 July 2003 and over 250 responses were received on the proposals, which include:

- merging the Community Fund and the New Opportunities Fund to create a new distributor to fund the various sectors and provide expertise and leadership in managing major projects;
- Lottery distributors and Camelot working together to better inform the public what has been funded, such as adopting common branding and the National Lottery Day;
- involving the public more in decision taking about where Lottery Funding should go;
- making it easier to apply for Lottery Funding, such as standardising application forms;
- reducing the level of balances held by distributors in the National Lottery Distribution Fund to ensure that Lottery money is being used to deliver projects as quickly and effectively as possible.

Implementation of some of the reforms has already begun and others will require legislation.

⁸Data collected by MLA from hub museums.

A new community Lottery distributor

The merger of the Community Fund and the New Opportunities Fund (NOF) to create a new community Lottery distributor, to be responsible for distributing 50% of the money the Lottery raises for good causes, will provide a responsive and streamlined source of funding for communities; focus on improving the quality of life by tackling disadvantage and social exclusion; and take a lead role in implementing improvements in distribution, including streamlining the application process, cutting administration costs, and increasing responsiveness to public views. The new body will continue funding for charities and the voluntary sector; and health, education and the environment, and will assume the Millennium Commission's ability to fund large-scale regenerative projects.

Funding for disadvantaged areas

Fair share is a joint NOF and Community Fund three year programme, which began in April 2002, to target 77 disadvantaged areas across the UK which, for a variety of reasons, have not had their 'fair share' of Lottery funding. Distribution of funds is proceeding well under all three strands of the initiative: 51% of the overall target has been distributed; The Fair Share Trust has been set up, with local and national delivery agents appointed; and final applications under the 'Transforming your Space' strand have been received, and are being assessed. Indications are that, overall, work is proceeding ahead of schedule, with the first full report available by the end of this Summer.

Libraries

Internet access

The £100 million Lottery-funded *People's Network* programme has enabled 99.6% of libraries in the UK to be connected to the Internet, which has revitalised the use of public libraries. 89% of these provide broadband (2Mb and over) Internet access. During the year new developmental work has been undertaken which should result in better access for people with special needs, such as those with sight problems; and other improvements are also being considered with New Opportunities Fund National Lottery support.

Modernising public libraries

In February 2003 DCMS published *Framework for the Future*, the first official national public library strategy, aimed at the needs of 21st century users. It reaffirms the view that public libraries can go far beyond their once traditional role of book loans to make substantial contributions in areas such as literacy, lifelong learning, community building, good citizenship and social inclusion.

DCMS commissioned the Museums, Libraries and Archives Council (MLA, formerly Resource) to produce a three year Action Plan. As well as activities promoting the Framework themes, the Plan offers advice on the changing requirements of communities; leadership programmes, an examination of procurement and marketing of public libraries.

Reading for all the family

Bookstart is a national programme providing the parents of babies with a free pack of books and guidance on other aspects of literacy, including library membership. The programme is co-ordinated by Booktrust, an independent charity. It works very closely with publishers, local government, health visitors, DfES, and other partners to promote a love of stories from the earliest age, encouraging families to use their local library together, and helps develop adult basic skills. Next year the programme will be core funded by DfES Sure Start, with DCMS continuing as an active partner.

Legal Deposit Libraries Act

DCMS played a key role in securing this Act, which was tabled as a Private Member's Bill by Chris Mole, MP. The Legal Deposit Libraries Act 2003 extends the provisions of the 1911 Copyright Act, by creating a statutory basis for the legal deposit of non-print material. The Act will be implemented through secondary legislation which will identify, and ensure the collection, by the British Library and other legal deposit libraries, of different classes of material published in non-print form. An independent advisory committee will be established in 2005, to advise on the development of the secondary legislation which will be implemented over successive years. The British Library, and other legal deposit libraries, continue to collect non-print material according to the voluntary scheme. The British Library was also successful in achieving *Invest to Save* funds for the digitisation of its document supply service at Boston Spa. This is already up and running and delivering real benefits for the Library's customers.

Arts

Arts participation

Early indications from the Arts Council England are that the DCMS target to increase the number of people experiencing the arts from 14.4 million to 14.9 million, an increase of half a million, is likely to be exceeded.

The Arts Council's *New Audiences Programme*, a national £20 million scheme, aiming to bring new audiences to the arts and take new art to audiences, has been central to achieving this success. Increasing audiences continues to be the aim of the Council as stated in its February 2003 publication, 'Ambitions for the Arts' and its Corporate Plan for 2003/6.

Heritage

Opening up our secret heritage

Heritage Open Days, organised by the Civic Trust in partnership with English Heritage, provided free admission to buildings of historic, contemporary and cultural interest, which are not normally open to the public or which usually charge an admission fee. 2003 was a record year for Heritage Open Days, with an increase in participating properties and volunteers and a strong focus on children's activities.



Reviewing heritage controls

The Government announced its intention to reform the way in which we protect and manage the historic environment for future generations. *Protecting our historic environment: making the system work better* was published in July 2003 to consult on a package of measures designed to bring greater simplicity, challenge, openness and flexibility to the system. The Paper was informed by extensive pre-consultation, including face-to-face interviews with some 100 experts and discussions with a further 200 people in regional focus groups. The proposals in the Paper were widely welcomed and a decision document outlining the way forward is expected in May 2004.

Heritage Counts, the second state of the historic environment report, was published in November 2003, supported by regional reports. This highlighted that there were over 60 million visits to historic attractions in 2002. It published new research conducted by Heritage Link which showed that the heritage volunteer workforce in England is almost 160,000, contributing the equivalent of £25 million to the historic environment.

Research funded by the Department in partnership with English Heritage and the Heritage Lottery Fund confirmed that the historic environment makes a powerful contribution to a community's sense of identity. It found for example that, in Bradford, Asian people were more likely than white people to have visited a heritage site, and that they attached particular importance to saving their industrial heritage. It also highlighted some of the barriers to engagement. English Heritage have now appointed outreach officers throughout England to develop a programme which will ensure that the historic environment is accessible to everyone and ensure that it is seen as something which the whole of society can identify with and enjoy.

Architecture

Architecture and the Built Environment

We appointed the joint DCMS and DfES Advisory Committee on Built Environment Education to examine the problems and opportunities that face the delivery of built environment. The aim is to strengthen the partnership between the two departments, to support policy proposals for both the historic and contemporary built environment. The committee has consulted teachers, architects, access and outreach advisors, built environment centres and IT specialists, in order to debate the problems and opportunities that face built environment education. The recommendations will be made in Summer 2004.



To support our work in engaging children and communities with architecture and the built environment, DCMS, via CABE and the Architecture Centre Network have been developing England's provision of Architecture and Built Environment Centres (ABECs). Funding has now led to the spread of ABECs from the South East to cover nearly every region in England. The agenda of the Centres varies depending on regional contexts but generally follows a programme comprising community involvement, education and professional development.

In 2003 a total of 36,800 young people took part in intensive education activities specifically designed by ABECs to engage them in the built environment during the year. Some 500 different activities including workshops, projects, careers sessions, family learning days, outreach sessions and public events aimed at children and young people were staged by ABECs.

Better Public Buildings

The *Better Public Buildings* initiative addresses the need to improve design standards in public sector construction. The Prime Minister's Better Public Buildings Award, now in its third year, was awarded to Bournemouth Library, which proves that quality design enhances delivery of public services.

3. *Economy: maximising the contribution which tourism and the creative industries can make to the economy*

Broadcasting

Communications Act

The Communications Act received Royal Assent in July 2003. It is a major reform of regulation in the communications sector providing a regulatory framework that can adapt to the market as it changes. Its core purposes are:

- to deliver diverse and high-quality communications services;
- to ensure the widest possible access;
- to safeguard the interests of citizens and consumers;
- to make the UK home to the most dynamic and competitive communications market in the world.

The Act established a new communications regulator, OFCOM, which formally took up its responsibilities to implement the new regulatory regime in December 2003.

Digital switchover

The number of households adopting digital television has passed 50% (12.3 million households), a significant landmark⁹.

The Government is still committed to full switchover from analogue to digital television. A new cost benefit analysis shows that switchover will bring net benefits of £1.5 to 2 billion to the UK. The digital television action plan aims to ensure that the criteria for switchover (everyone who currently receives the public service channels in analogue must be able to receive them in digital; and switching to digital is affordable) are met, so that Ministers can, if they so decide, announce a timetable by the end of the year. We are working very closely with all the stakeholders, broadcasters, manufacturers, retailers, and consumers who are at the centre of this project.

Licensing Act

The Licensing Act was given Royal Assent in July 2003 to schedule. The Act aims to reform archaic licensing laws, strengthening competition and increasing choice and flexibility for consumers. The legislation promotes four licensing objectives: public safety, the prevention of crime and disorder, the prevention of public nuisance and the protection of children from harm.

Gambling Bill

By March 2004 the Department published 271 draft clauses enabling the Parliamentary pre-legislative scrutiny committee to continue its work on major reforms. The target is to have the Bill ready to be introduced later in the 2004 session if a slot becomes available.

The Gambling Bill will modernise all legislation governing gambling in the UK. The proposed changes are aimed at achieving a managed relaxation of outdated restrictions and greater choice for adult gamblers, balanced by greater emphasis on social responsibility and protection of the vulnerable, particularly children. The Bill will allow for the establishment of a new regulator, the Gambling Commission, transforming the existing Gaming Board for Great Britain into a new body with wider functions, greater flexibility to act and stronger enforcement powers.

The Bill will also provide for improvement to the arrangements for the licensing of the National Lottery, to ensure that there is effective competition in the next licensing round.

Sale of the Tote

The Government announced its intention is to bring forward legislation to enable the sale of the Tote to a racing trust and to abolish the Horserace Betting Levy Board. The Horserace Betting and Olympic Lottery Bill which is now before Parliament, will enable these to proceed.

⁹Ofcom survey first quarter 2004

Tourism

Tourism figures

The latest figures¹⁰, show inbound visits to the UK up 6% and spend up 4% on the previous year. This is encouraging news for the industry coming after the outbreak of foot and mouth disease and the attacks of 11 September in 2001. We will continue to explore ways to support and help the industry to maintain this growth in visitor numbers.

VisitBritain

The creation of *VisitBritain*, from the merger of functions of the British Tourist Authority and the English Tourism Council, has put in place a new domestic marketing force for England and will improve the provision of tourism marketing overseas, as well as reducing costs by £1.74 million per year. *VisitBritain* launched a major European 'City Breaks' campaign in 2003, attracting £1.8 million of private sector support. £3.6 million of funding has been provided for EnglandNet to create an online tourism network for England.

Regional tourism

We have reformed and strengthened tourism's support structures, giving the Regional Development Agencies (RDAs) strategic responsibility for tourism in the regions. They are specifically tasked with developing a sustainable tourism strategy which reflects their regional priorities. We are supporting the RDAs as they work through and implement these strategies and any new delivery structures they feel are necessary. £3.6 million has gone to the RDAs for Regional Tourist Boards or relevant bodies.

London

Responsibility for tourism in London is devolved to the Mayor of London. However, given London's significance to the tourism industry in this country, DCMS provided £1.9 million to the Greater London Authority to market London overseas and to promote London as a gateway to the rest of the country.

Tourism Prospectus

We are consulting the industry on the 'Tourism Prospectus', which will outline roles and responsibilities for the delivery of our combined priorities for English tourism into the future. It will especially focus on actions to effect improvement in the four agreed priority areas: Marketing and E-Commerce, Quality, Skills and Data.

EnglandNet

The EnglandNet electronic infrastructure is already a key component in powering *VisitBritain's* tourism websites. An EnglandNet system is now in place so that up to date tourism information can be shared electronically between databases at local, regional and national level, without the need for paper questionnaires. EnglandNet's new Content Management System has been completed enabling *VisitBritain's* new *visitengland.com* website, due to be launched in spring 2004, to offer new services and increasingly richer content.

¹⁰IPS (Inbound Passenger Survey) figures for 2002, published on 27 November 2003.

Million Visitor Campaign

In October 2003, *VisitBritain* produced a final evaluation report on the *Million Visitor Campaign* which found that in 2002 the campaign generated an additional 1.01 million visits and an additional £518 million in expenditure by inbound tourists. *VisitBritain* has taken forward the *Million Visitor Campaign's* joint public/private approach into 2003 with its European City Breaks Campaign, funded jointly by *VisitBritain* and the tourism industry.

Creative Industries

The creative industries account for over 8% of UK GVA (Gross Value Added) and employ nearly 2 million people¹¹.

Performing overseas

DCMS is driving forward the export agenda for the creative industries in liaison with UK Trade & Investment (UKTI), through three export groups: The Creative Exports Group, Performing Arts Internal Development, and Design Partners. The groups consider issues and barriers affecting their industries' performance overseas and the ways in which Government can add value. DCMS and UKTI have provided funding for advisers to each of the groups, who act as a conduit between industry and Government. The contracts are due to finish in December 2005.

Supporting the music industry

The music industry contributes almost £4 billion to the UK economy, making it one of the country's most culturally significant creative industries. It is responsible for the creation of over 122,000 jobs, employing a whole range of creative people, from composers, producers, managers, music publishers, artists, concert promoters and online music entrepreneurs, all contributing towards a dynamic and vibrant industry.

As sponsors of the music industry, DCMS acts as its advocate within Government. We work closely with a broad range of industry bodies and other Government departments to identify how to improve its economic performance and to ensure that the industry's concerns are considered in broader Government policy making.

¹¹ DCMS figures based on Office for National Statistics Annual Business Inquiry-2001.

Encouraging live music

The Live Music Forum was established in February 2004 to:

- take forward the ministerial commitment to maximise the take-up of reforms in the Licensing Act 2003 relating to the performance of live music
- promote the performance of live music in England generally
- monitor and evaluate the impact of the Licensing Act 2003 on the performance of live music
- make recommendations for further action

Issues it will be looking at include the availability of rehearsal and performance space and ways of opening up potential venues for musicians.

This is all part of the wider commitment aided by the Licensing Act 2003, to ensure that grass roots musicians have access to more live venues. Chaired by Feargal Sharkey, the Forum brings together representatives from the music industry, the Arts Council, local authorities, small venue owners and Government.

Investing in film making

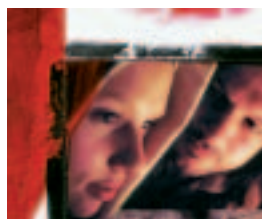
Spending on UK film production reached £1.17 billion last year, compared with £550 million in 2002. Films included *Harry Potter and the Prisoner of Azkaban*, and *Bridget Jones: The Edge of Reason*. The £13 million of Lottery funding invested in the UK Film Council (UKFC) generated nearly £126 million which represents a return of more than £9 million for every £1 million invested.

Sector Skills Development

Skills for Business Network: Sector Skills Council

DCMS continues to work closely with key cultural and industry employers to develop Sector Skills Councils (SSC) for our Sectors. Good progress has been made during the last 12 months, including:

- *Skillset* has been appointed to cover the audio-visual sector;
- *Skillsactive UK* received its accreditation to represent the interests of the sport and active recreation sectors in October 2003;
- the Sector Skills Development Agency (SSDA) Board has recommended a licence for a Sector Skills Council for the hospitality, leisure, travel and tourism industries;
- the SSDA has accepted the Expression of Interest from the aspirant Creative and Cultural Industries Sector Skills Council, which now proceeds to the development stage, working towards the issue of a licence in early 2005;
- the SSDA has accepted the business case for the Lifelong Learning Sector Skills Council which has been formally established with a development contract, working towards the issue of a licence in Summer 2004. The Lifelong Learning SSC will include the libraries sector.



4. Delivery: modernising our methods of delivery, by ensuring our sponsored bodies are set and meet targets, which put the consumer first.

This section covers our internal change management programme, the work we do with sponsored bodies and a number of other projects and specialist programmes.

Change Management

Touchstone

In 2002, the DCMS embarked on a wide-ranging review, *Touchstone*. It aims to improve our operation and working methods so that, together with our non-departmental public bodies, we can help each other to deliver our respective aims and objectives. The work has three main strands: developing a more effective relationship with NDPBs, improving the way DCMS operates and supporting NDPB reforms.

Developing a more effective relationship with NDPBs

We have a wide variety of NDPBs so the aim is not to set artificially rigid targets but to look for continuous improvement over time.

Our work in this area is leading to more effective delivery through our NDPBs, via revised and simpler funding agreements, linked to specific results. Strategic commissioning has already delivered several major projects, including the sport entitlement, Culture Online, and Creative Partnerships.

We have improved communication with NDPBs by establishing client managers from within the DCMS sponsor division for each NDPB and the establishment of the NDPB helpdesk has created a central contact point for financial policy and related issues. We have also strengthened the process for making appointments to NDPB Boards and will continue to improve our longer term planning with targeted searches to identify more diverse candidates with the specific skills to match the actual requirements of future vacancies.

Improving the way DCMS operates

The aim of the *Touchstone* programme is to:

- position the DCMS as the centre of a delivery network;
- have a more strategic relationship with our partners;
- help our NDPBs to restructure;
- develop a professional workforce;
- align our own organisational structure with our priorities;
- focus our resources on our priorities.

We have developed a Leadership Development Programme for present and future senior staff and are strengthening our strategic and delivery capacity.



We have trained all staff in project based working, which has helped us become more efficient. Policy work is moving towards more cross-cutting programmes and The Olympics Bid and BBC Charter Review are being run as projects.

Our internal reforms have also helped us to become more effective in delivering our PSAs and other core work. Project and programme management training has resulted in clear programmes of work for each of our four strategic priorities; and Office of Government Commerce training and the use of Gateway reviews, have helped ensure corrective action and competent delivery of big challenges such as the Commonwealth Games.

In addition, centralisation and streamlining of some core functions has also helped to improve efficiency. For example, since centralising our public appointments process, 80% of appointments campaigns have been completed within our 15 week target timescale, compared to only 50% a year ago.

More widely, we are monitoring our work against a range of performance indicators on a quarterly basis, which are:

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

Investors in People Accreditation

DCMS was successfully assessed for Investors in People re-accreditation in July 2003. Areas highlighted as examples of best practice include a more structured approach and increased commitment to training and development, improved induction and better evaluation.

Supporting NDPB Reforms

As part of the 2002 Spending Review, we assessed our sponsored bodies against a number of criteria covering general organisational health, quality of performance and delivery, and stakeholder perceptions. Having made the assessment, we prioritised the sponsored bodies by considering the overall strategic importance of each, in terms of size, spend, profile and contribution to the delivery of strategic Government priorities.

Reform investment of £8 million has allowed improvements that will deliver savings of over £23 million per year. These are as follows.

- The British Museum has undergone extensive restructuring. Departments have been merged, with 150 posts cut to achieve savings of £6million per year.
- Sport England has undergone major restructuring, with staff levels reduced from 570 to about 260. Administration costs will be reduced by about £12 million per year by 2004/05.
- The British Library will save around £3.4 million per annum from the reforms currently underway.
- *VisitBritain* has been created from the merger of functions of the British Tourism Authority and the English Tourism Council. This will result in annual savings of £1.74 million.

- English Heritage is half way through a radical modernisation programme which has seen over 100 redundancies to date. This will result in savings of over £1 million per year and has enabled English Heritage to bring in new skills including the new outreach teams.

We have also undertaken value for money studies in two main operational areas: museums, and Lottery distribution. This study established two sets of performance indicators, both quantitative and qualitative, to arrive at an overall assessment. The indicators highlighted operational efficiency and delivery of outcomes, which included information from the total number of visits, divided into age and social groups; number of website visits; overall user satisfaction and grant in aid per visitor.

Since undertaking this study national museums have seen increases in repeat visits, which illustrates that quality is being maintained. Lottery distributors have made improvements in application and award processes.

The Department is now building on the lessons learned through these projects to deliver a wider reform package which will benefit all our NDPBs, focusing on board and senior team development and peer review.

Core DCMS Work

Stonehenge

Work continued on the Stonehenge Project and DCMS played a vital co-ordinating role in this £250 million project to release the stone circle from the stranglehold of roads, provide visitor facilities appropriate for a world heritage site and facilitate the reversion of the landscape to chalk downland. The public inquiry into the A303 Stonehenge improvement is under way and the planning application for the proposed new visitor centre will be submitted shortly. Subject to the statutory processes, construction should start next year.

International Issues

Protecting Iraq's cultural heritage

The DCMS was among the first UK Government Departments to be engaged with the post-conflict situation and sent qualified secondees to Iraq. They contributed significantly to the speed with which certain aspects of the country's culture sector have begun to re-establish themselves since the war ended. Our role in co-operating with the international heritage community has also come in for praise.

The DCMS Cultural Property Unit has been at the forefront in developing measures, such as the Iraq (UN Sanctions) Order 2003, to ensure the protection of Iraq's cultural policy.

European Capital of Culture

Liverpool was chosen to be the UK nomination for European Capital of Culture 2008 because of a combination of its diverse cultural heritage, including its people, the magnificent cathedral, its impressive waterfront development and the Walker Art Gallery. The competition demonstrated the importance of culture in our cities and the commitment of many people to developing and exploiting this. DCMS is now working with Liverpool to help develop the programme, build partnerships and identify sources of funding. We are also keen to maintain the momentum in the other cities which bid for the Capital of Culture nomination and welcome the Urban Cultural Programme launched in March by the Millennium Commission and Arts Council England. This will make a total of £15 million available for cultural projects in urban areas across the UK in 2004-05 and 2005-06. We have also made £200,000 available to support projects and activities to help facilitate links between Liverpool's plans for 2008 and the programmes of other bid cities that wish to be involved.



Other international issues

DCMS plays an active role in developing the European Union's cultural programme (Culture 2000), and in other areas, such as broadcasting, where the EU has legislative powers. We also lead on the Government's involvement in UNESCO's cultural programmes and as a member of UNESCO's World Heritage Committee. With partners, such as the British Council and *VisitBritain*, we also play a key role in the Government's Public Diplomacy campaign.

The World Heritage Committee agreed to add Kew Gardens to the world heritage list at their meeting in July 2003. It was an extremely popular nomination both nationally and internationally. The UK current nomination for world heritage site status – the Liverpool Waterfront – was assessed during the year by the Committee's expert advisers and will be considered by the Committee later this year.

In recognition of the growing importance of our international activities, and partnership with our NDPBs and our business sectors, we set up an International Board, to oversee and provide tighter strategic direction for all aspects of this work. We are currently planning for the DCMS contribution to the UK's Presidency of the EU in the second half of 2005.

Drug testing in sport

The Department has worked closely with UK Sport to support the work of the World Anti-Doping Agency (WADA). UK Sport is working with athletes, governing bodies and other partner organisations to update its national anti-doping policy in line with the new WADA Code. In 2002/03, UK Sport conducted 7,240 tests in more than 40 sports. This was more than 20% up on the 2001/02 total of 6,009 tests. Of the 7,240, 1.38% were positive – compared to the world average of 2%.

Government Art Collection (GAC)

The GAC is a unique cultural resource, using art to promote Britain's history and culture. Art is placed in Government buildings in the UK and abroad to create stimulating working environments. The GAC also commissions new work.

This year's highlights are:

- A new display of art illustrating historical and cultural connections between the UK and USA was completed at the Ambassador's Residence in Washington. New displays were also installed at locations in Beijing, Buenos Aires, San Francisco and New York.
- A number of important new acquisitions included: the *Portrait of The Broke and Bowes Families* (1740) by Thomas Bardwell; *The Young Artists* by Phillippe Mercier (c.1745); *Interior of a Mosque or Mimbar of the Great Mosque, Damascus* (18th cent.) by Lord Frederic Leighton; *Landscape No 662* (2003) by John Virtue; and *The Meal* (2003) by A.K. Dolven.



- Major conservation projects on such works as *Welsh Landscape* by Lucian Freud; *Deptford Dockyard: 'Les Trois Amis'* (1763) by John Clevely the Elder; *Princess Pauline Borghese* (1808) by Robert J F Lefevre and *Queen Victoria* by George Hayter.
- Hosting the first meeting for representatives from other international state art collections (the USA, Canada, Australia, the Netherlands, Ireland and Northern Ireland) in order to discuss common issues and establish a network for our mutual benefit.

The Cultural Property Unit

The Cultural Property Unit (CPU) aims to balance the need to ensure that our most outstanding cultural treasures are, wherever possible, retained in this country in public ownership, and accessible to all, with support for a healthy, legal art market and the major contribution that this industry makes to the economy. Some of its key work over the last 12 months is set out below.

The Reviewing Committee on the Export of Works of Art

The Reviewing Committee is a non-statutory, advisory Non-Departmental Public Body. It assists in monitoring a strong and effective export control system, encouraging the art trade, while ensuring that export of national important cultural goods are subject to appropriate scrutiny.

Government Indemnity Scheme

The Government Indemnity Scheme indemnifies private lenders to museums, galleries and other institutions when mounting exhibitions or taking in long-term loans for study or display. This year the scheme has enabled many popular exhibitions to take place, including *Bridget Riley* at Tate Britain and *Creating a Splash: the First 25 Years of the St Ives Society of Artists* at Doncaster Museum and Art Gallery.

DCMS manages the Acceptance in Lieu scheme, which enables pre-eminent objects to be acquired by the nation and placed on public display or, where appropriate (for archives and other delicate objects such as textiles, watercolours and drawings) made available for public display. During this year a number of important objects have been acquired for the nation including a painting by John Constable (1776-1837), *Sketch for The Cornfield* and a silver-gilt mace, dating from the reign of Henry VII, known as The Newtown Mace (now allocated to the Carisbrooke Castle Museum).



The Working Group on Human Remains

The group was set up to examine the powers of publicly funded museums and galleries in England and Wales to move human remains out of the collections and to consider any legal changes that were necessary in this area. Their report was published in 2003 and is the basis of a consultation document. DCMS moved to take advantage of a legislative slot – the Health Department's Human Tissue Bill – to give nine national museums a discretionary power to move remains out of their holdings.

Dealing With Cultural Objects (Offences) Act 2003

DCMS played a key role in securing this Act, which was tabled as a Private Member's Handout Bill by Richard Allan MP. The Act makes it illegal to deal knowingly in cultural property in the UK which has been illegally removed from archaeological or architectural contexts anywhere in the world.

Export Licensing

During 2003 the Export Licensing Unit issued around 9,000 export licences covering nearly 27,000 individual objects.

The Royal Parks

The Royal Parks have been successful in obtaining over £1.9 million for improvements to the Regent's Park sports pitches and a further grant of £2 million Lottery funding from Active England towards the construction of a new pavilion. The Heritage Lottery Fund also awarded £410,000 towards the cost of setting up and running the Bushy Park Restoration project.

The Royal Parks Foundation, set up to raise the profile of the Royal Parks, and raise money to fund major projects, now has eight members and has been granted charity status. It launched an Adoption scheme in August 2003 and a Corporate Membership scheme in February, with plans for a Patrons scheme scheduled for launch in March.

By Christmas over 10,000 people had taken part in the Parks education programme, 42% more than the target for the full year and 65% higher than for the whole of 2002/03. The programme covers five broad park-related themes: history/archaeology; landscape & horticulture; park management/access; biodiversity; and sustainability.

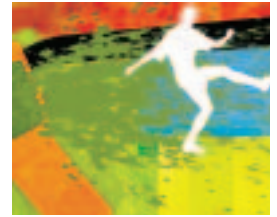
The Grosvenor Square 11 September Memorial Garden was completed ahead of schedule and was opened by The Princess Royal on the anniversary of the attack on the World Trade Centre. A major restoration of the Hyde Park Parade Ground was conducted over the winter.

The Diana Memorial Fountain

The Secretary of State laid the foundation stone for the Diana Memorial Fountain in Hyde Park on 20 August. The project is on schedule and will open to the public in July 2004.

Sustainable development

We published our sustainable development strategy in February 2004. We are engaging NDPBs to work together in a Sustainable Development Forum, to investigate joint initiatives. We also intend to publish individual visions and actions for Tourism, Sport, Arts, Museums, Archives & Libraries, Historic Environment, The Royal Parks, Creative Industries, Media and Broadcasting, and the National Lottery.



Culture and regeneration

Building on the successful conference at the Lowry in February 2003, we set up a project to look at the evidence for culture as a key driver of social, economic and environmental regeneration. We carried out a review of published literature, and have consulted widely across the public, private and voluntary sectors on what more needs to be done to ensure that culture is embedded in regeneration schemes.

We plan to publish a public consultation document this year which will provide evidence of culture's positive impacts on those living in deprived urban and rural areas, and which will suggest some areas for further work.

Public Appointments and Honours

Public Appointments

DCMS is responsible for over 550 appointments to the boards of around 60 public bodies. Most are national bodies with a high public profile, with the majority being regulated by the Commissioner for Public Appointments.

As part of the *Touchstone* project, we have centralised our work in a strengthened Public Appointments unit. Staff in the team have undergone training in key areas including advertising, candidate search and evaluation. We have introduced more robust selection procedures and have conducted a successful pilot to test whether certain appointments can be delegated to museums, galleries and the British Library.

We are committed to ensuring that the appointments better reflect the make up of society and are effective through being able to draw on a richness and variety of viewpoints, ideas and experience. Of the 186 new appointments and reappointments made in 2003-04, 32% were women, 8% were from ethnic minority backgrounds and 2.7% were disabled. We have set challenging targets to increase the diversity of these appointments and by 31 March 2005, are aiming for 50% women, 10% ethnic minority backgrounds and at least 6% disabled people.

Honours

Honours are announced twice a year, at New Year and on the occasion of The Queen's Official Birthday. The award of an honour recognises those who have given exceptional service and can help to raise the profile of a particular sector or cause.

The sectors the Department sponsors generate a significant number of honours nominations and we receive the second highest number of public nominations in Whitehall. On average 1,000 new names are added to our files each year. While the lists inevitably include a number of well-known faces, a large number of awards go to those who have made a strong contribution in their local area or region. We are always keen to receive good strong nominations for honours from our sponsored bodies and from members of the public.

Chapter One, Part Two

Performance against our public service agreement (PSA) Targets

Public Service Agreements (PSAs) set out each Department's aim, objectives and key targets. They are agreed with HM Treasury and form an integral part of the spending plans set out in Spending Reviews. At each Spending Review since their introduction in 1998, PSAs have been refined and developed in order that Departments continue to press forward focusing on the priorities that the Government is committed to deliver.

For the spending period 2000-2004 (SR2000) the DCMS had six targets and in the subsequent spending period 2002-2004 (SR2004) the Department had four targets.

This section of the report sets out:

- the progress we made in meeting our SR2000 PSA targets;
- how SR2000 and SR2002 PSA targets are related;
- a progress report on performance against the Department's current SR2002 PSA targets.

Latest outturn data on our targets is assessed annually. At time of going to press, the SR2002 assessment has yet to report. Latest available data will be available on our website from May.

Progress we made in meeting our SR2000 PSA targets

At the end of this period we are pleased to report that we have successfully met all but one of our targets, and in some instances we have far exceeded them.

PSA Target and final outturn

PSA1 To ensure all public libraries have Internet access by the end of 2002.

By December 2002, 99% of all UK libraries had installed Internet and offered access to the public.

Those few libraries still unable to install relevant technical equipment all have plans in place to be connected at the earliest opportunity.

Relationship with SR2002 targets

This target has been met and has not been rolled forward into a new PSA



PSA2 To introduce at least 12 Creative Partnerships by March 2004, targeted at deprived areas, ensuring that every school child in the Partnership has access to an innovative programme of cultural and creative opportunities.

16 Creative Partnerships were established by April 2002 and were fully up and running by September 2002.

Relationship with SR2002 targets

This target has been met and although not formally rolled forward in a new PSA, Ministers are committed to double the size of the programme by 2006.

PSA3 To raise significantly, year on year, the average time spent on sport and physical activity by those aged five to 16.

This target was based on a Sport England survey of young people in sport¹². The results of the most recent survey, in July 2002, indicate that the average time per week spent on sport and physical activity by those aged five to 16 went from eight hours 23 minutes in 1999 to eight hours 12 minutes. While this is disappointing, the survey revealed a number of more encouraging trends: the number of pupils receiving at least two hours a week of PE in school went up by almost 50%; and there was an increase of over 10% in the number of young people taking part in sport in youth clubs.

Relationship with SR2002 targets

This target has not been met and has been superseded by SR2002 PSA target 1.

We recognised soon after the target had been set that, by covering all sport and physical activity undertaken by children in a variety of settings, the target was considerably broader than the scope of DCMS interventions.

At the same time, *A Sporting Future for All* and *The Government's Plan for Sport* placed a much greater emphasis on delivering sport to children through the education system.

As a result of these factors, the existing DCMS target was replaced with a new target focusing on take-up of PE and school sport.

¹²MORI 2003. "Young People and Sport in England, Trends in Participation 1994-2002."



PSA 4 To increase by a third the numbers of children attending museums and galleries by 2004.

At the end of the financial year 2002/03 7.5 million children attended DCMS-sponsored museums and galleries against a PSA target of 6.74 million by the end of 2003/04¹².

Relationship with SR2002 targets

This target has been met one year ahead of schedule. Whilst the target has not been formally rolled forward, Ministers are committed to improving access to priority groups and have developed a broader target to reflect that broader goal for SR2002.

PSA 5 To increase by 500,000 by 2004 the numbers of people experiencing the arts.

Arts Council England commissioned the Office of National Statistics Omnibus Survey to collect data on people attending at least two arts events in the previous 12 months. A baseline of 14,771,300 was set in November 2001. This was later revised to 14,437,900. **Final data for 2003/04 indicate a figure of 15,249,000, an increase of 811,100 since December 2001.**

Relationship with SR2002 targets

This target has been met. A new target has been developed for SR2002 that focuses on arts participation by priority groups.

PSA 6 To conduct a value for money study of the organisations sponsored by DCMS by April 2002, significantly improving the average performance by 2004.

The value for money study was delivered and resulted in the development of a modernisation strategy for our sponsored organisations and major reform of some of our more significant delivery agents.

Relationship with SR2002 targets

This target has been met and superseded by a new PSA designed to drive the continued improvement of our sponsored bodies.

¹²Data gathered by DCMS from sponsored museums for 2002/03.



A progress report on current SR2002 PSA targets

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

PSA target 1

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

PE and school sport

Indicator

Percentage of 5-16 year olds in schools who spend a minimum of two hours each week during term time on high-quality PE and sport within and beyond the National Curriculum¹⁴.

Project Description

This is a project of eight linked workstrands, collectively delivering the national strategy for PE, School Sport and Club Links (PESSCL). It is being delivered through an extensive network of delivery agents and partnerships. Those workstrands are:

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

Progress

- Evidence of Partnerships' desired impact on schools.
- Delivery agents engaged and committed.
- Comprehensive data collected.
- Support for Partnerships strengthened.

Indicator

Percentage of lessons in which the quality of teaching of PE and school sport is assessed to be good or better (Source: OFSTED inspections)

Project Description

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

¹⁴Annual audit of schools within a school-sport partnership. 2003. (Note: partnerships will not cover all schools in England until September 2006.)



PSA target 2

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

The Arts

Indicator

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

Project Description

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

Progress

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

Museums

Indicator

Increase by 8% by 2005/6 adult visitors in socio-economic groups C2, D and E to DCMS-sponsored national museums and galleries.

Project description

The maintenance of free access is key to increasing admissions from these groups. The Funding Agreements for 2003-06 set a target of 8% increase in C2, D and Es over the three years. Museums are undertaking a range of activities to promote broader access. The outcome for each museum will be reflected in its Performance Indicators.

Progress

- New Funding Agreements and Performance Measures in place for national museums and galleries
- On the basis of the first 6 months of 2003/04 forecast out turn for visitors from socio-economic groups C2, D and E to DCMS-sponsored museums and galleries is currently running 9% ahead of target¹⁵.

Indicator

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

Project Description

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

¹⁵Mid year performance indicator data from DCMS sponsored museums and galleries.



Progress

- All regional hubs now fully established, with systems and staff in place to begin to deliver increased contact with new users. Pilot initiatives are up and running in the Phase 1 hubs and some early successes are being reported
- MLA has carried out an extensive survey of hub museum visitors, to set firm baseline against which progress will be measured.

Sport

Indicator

Sports Coaching: National Coaching Certificate, Coach Development Officers, Community Sports Coaches.

Project Description

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

Progress

- 22 sports make up the first wave implementing the National Coaching Certificate; six are being fast-tracked to pilot the process and support systems
- 30 Coach Development Officers to be operational in April 2004
- First phase of some 100 Community Sports Coaches to be operational in 12 County Sports Partnership areas by May 2004.

Historic Environment

Indicator

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

Project Description

The contribution of Black and Asian people to the heritage of the UK is not adequately represented. Through a portfolio of pilot projects led by English Heritage, the historic environment sector will learn how to reach out to new audiences.

Progress

- This is a preparatory year, and delivery is planned from April 2004
- Pilot projects and evaluation underway
- Outreach Commissioner appointed by English Heritage.

PSA target 3

To improve the productivity of the tourism, creative and leisure industries.

The DCMS seeks to support this objective at a microeconomic level, five key projects designed to impact on its sponsored industries by:

- taking account of technology-driven business innovation;
- reducing the burden of unnecessary regulation on businesses;
- facilitating the competitiveness of the creative, tourism and leisure industries;
- promoting access to a choice of diverse services of the highest standard;
- ensuring that citizens and consumers are safeguarded;
- championing skills development.

The impact of these projects will be measured and assessed through analysis of the contribution the tourism and leisure and creative industries make to UK productivity. This will be a long-term project.

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

Indicator

Communications Bill: introduce improved regulatory regime for all commercial and public sector broadcasters.

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

Progress

- Act was given Royal Assent in July 2003
- OFCOM vested with new regulatory functions 29 December 2003

Indicator

Licensing Bill: reform licensing regulation, releasing the industry to offer services tailored to meet customer demand and reduce alcohol-related crime.

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

Progress

- Act was given Royal Assent in July 2003
- Moving to implementation. Project plan in place
- Further planning for secondary legislation and data collection on the ground is required

Indicator

Gambling Bill: Modernise gambling law to achieve a balanced regulation for the 21st century.

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

- the establishment of a Gambling Commission to regulate all commercial gambling;

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

Progress

- By March 2004, 271 draft clauses, enabling the Parliamentary pre-legislative scrutiny committee to continue its work
- The pre-legislative scrutiny committee reported on 7th April 2004
- Target is to have Bill ready to be introduced later in the 2003/04 session if a slot becomes available, otherwise in following session

Indicator

The Digital Action Plan

The purpose of the Digital Television Action Plan is to set out a series of actions which need to be undertaken to ensure the switchover from analogue to digital television takes place; to identify who should lead on those issues and to set target dates for delivery. The key outcome will be:

- delivery of a coherent, robust and deliverable plan for switching from analogue to digital deliverable between 2006 and 2010, if that is what Ministers decide

Progress

- Clear criteria and milestones being met
- Detailed plans and timetable for switchover being developed as set out in Action Plan

Indicator

Tourism Marketing

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

Two key projects will deliver the required reforms:

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

Progress

- Several highly distinct projects and work strands for which detailed workplans are being drawn up some complex delivery chains and interdependencies
- Delivery rests on DCMS’ ability to influence OGDs/LGA/ industry
- Two core projects, Sponsorship Review and research into barriers to productivity, underway and will inform development of work plan on productivity
- Overarching project framework in place

PSA Target 4

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

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

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

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

Indicator

Reform of The British Library

Progress

- New Director of Personnel appointed to accelerate the programme. Internal communication and performance management reviews taking place
- Efficiency savings of £3.3 million have been achieved
- Implementation of change programme has started
- Digitisation of Document Supply achieved through Invest to Save scheme

Indicator

Reform of The British Museum

Progress

- Strong leadership and senior management team in place
- Governance issues largely addressed
- Efficiency savings have saved almost £7 million per year
- Still implementing and embedding some change, but irreversible progress already made in a number of areas
- Substantial savings in running costs secured and potential deficit eliminated

Indicator

Reform of Sport England

Progress

- Strategy clear, large scale re-organisation largely complete
- Staff reductions have created savings in back office costs of £40 million over five years
- 75 funding streams have been reduced to two and the relationship between regional and national programmes has been clarified

Indicator

Reform of Tourism Bodies

Progress

- Structural changes now in place, with some work still to go on development of overseas hub offices
- The creation of VisitBritain has reduced costs by £1.75 million per year
- Now focusing on RDA's role
- Structural changes implemented, regional and international issues are being addressed

Indicator

Reform of English Heritage

Progress

- New structure and strategic framework now in place
- New senior management team driving progress
- Business reviews to date have led to over 100 redundancies and savings of over £1 million with more to come

- Strengthening of strategic capacity at regional level underway
- Resource management systems (financial and human) completely overhauled releasing funding to upgrade IT systems and e-delivery

Indicator

Lottery Reform

Progress

- Primary legislation issues starting to be identified
- Project plans, bid team and legal capacity in place
- Resources identified for Bill team

Indicator

NDPB Modernisation Strategy

Progress

- Working with NDPBs to draw up action plan for catalysing continuous improvement across our whole delivery framework, building on the year 1 programme focused on five bodies
- Action plan will cover a range of measures, including support for developing performance of boards and senior teams, closer joint working on strategy and planning, and more comprehensive sponsorship support for NDPBs. Roll-out beginning April 2004
- Challenge is to bring about continuous improvement while maintaining arm's-length relationship. Aim is to target investment to incentivise improvements to efficiency and delivery across the board