

FUNDING AGREEMENT

Between

Department for Culture Media and Sport (DCMS) & the Commission
for Architecture and the Built Environment (CABE)

2003/04 – 2005/06

1. Introduction

This Agreement is between the Department for Culture Media and Sport (DCMS) and the Commission for Architecture and the Built Environment (CABE).

CABE is a company limited by guarantee, funded by the Department for Culture, Media and Sport (DCMS) and the Office of the Deputy Prime Minister (ODPM). Its Board members are appointed by the Secretary of State for Culture, Media and Sport, in consultation with the Deputy Prime Minister. It is a non-statutory Non-Departmental Public Body.

The Agreement is for the three-year period 1 April 2003 to 31 March 2006. It should be read alongside CABE's funding memorandum and management statement, CABE's corporate strategy for the same period and CABE's funding agreement with its other sponsor department, ODPM.

The Agreement is drafted in accordance with the principles set out in the relevant guidance Note issued by DCMS in January 2003. It therefore sets out:

- CABE's long term aspirations flowing from the DCMS PSA and strategic plan
- key strategic outcomes with a small number of targets and milestones
- risk management analysis of each desired outcome flowing from CABE's critical risk register
- a profile of CABE's expected funding
- the process of review and evaluation

This Agreement takes account of the requirements placed upon the Commissioners of CABE and the responsibilities of CABE under the term of its establishment on 19 August 1999 as a company limited by guarantee, and its Memorandum and Articles of Association on 20

August 1999, as revised on 13 December 2000. The Memorandum and Articles will be further revised to reflect new responsibilities in July 2003.

2. Strategic context and aspirations

CABE's principal purpose is to promote a high quality built environment in England, expressed through architecture, urban design and the quality of public spaces.

CABE's vision is that by 2010:

- it will have injected the importance of place-making into the bloodstream of the nation to such an extent that England will be regarded as European leaders in prioritising the quality of places through public and private investment;
- it will have instilled self-belief in political, business and community leaders that great buildings and spaces, small and large, generate business and social value, transform neighbourhoods, towns and cities, and provide a platform for sustainable growth and international competitiveness.

There are some strong signs of hope:

- despite the pressures of the delivery timetable for the largest public building programme for a generation, most Government Departments are actively seeking to deliver a step change in design quality, guided by CABE and the Office of Government Commerce;
- the Deputy Prime Minister has placed the pursuit of better quality of life at the heart of his Sustainable Communities Plan, including a focus on urban design, mixed use development, innovative construction and quality of public space;
- the best local authorities, of different types and sizes, are consistently insisting on high design standards through the land use planning process;
- other DCMS sponsored bodies, including Arts Council and Heritage Lottery Fund have promoted excellence in design within their Lottery programmes
- the City of Culture bidding process has placed accent on the importance of architecture and the built environment, and there are signs of an increasingly positive approach from regional cultural consortia

- some of the Regional Development Agencies, including SEEDA and Yorkshire Forward are pioneering urban design programmes of international importance.

There is, however, no cause for complacency. A genuine commitment to good design, systematically followed through, is still the rare exception not the rule.

3. Strategic outcomes, targets and milestones

CABE is focused on using DCMS funding to deliver four clear strategic outcomes which can be organised under the four priority areas within the DCMS business plan. Two of these outcomes (and the targets flowing from them) are shared with ODPM.

The aim of DCMS 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.

In pursuit of this, DCMS has the following strategic priorities:

- 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;
- opening up our institutions to the ***wider community*** to promote lifelong learning and social cohesion;
- maximising the contribution which tourism and the creative industries can make to the ***economy***; and
- modernising ***delivery*** by ensuring our sponsored bodies set, and meet targets which put the customer first.

i **Children and young people**

CABE strategic outcome: To ensure that all schools and further education colleges have access to built environment teaching materials that can be readily used within the national curriculum.

Description of activity: CABE's dedicated educational charity, CABE Education, is now fully constituted and has commenced work. Its priorities for the plan period are to:

- o maximise the opportunities for the built environment to be used to deliver National Curriculum requirements, making schools and teachers better aware of the opportunities that exist, and providing the materials to assist delivery

- o creating a strong network of educators with a passion for the built environment as a basis for exchanging best practice and providing advocacy
- o tapping into the potential of further education colleges to increase the stream of young people entering built environment professionals, through use of vocational qualifications
- o increase the amount of funding being channelled into built environment education from public, private and charitable sources.

Key DCMS partners: Creative Partnerships, Arts Council, Re:source, English Heritage

Key target 1: No of members of CABE Education Network:

	Baseline:	200
Milestones:	2003/04:	500
	2004/05	1000
	2005/06	2000

Rationale for target : The target is customer-based because educators will only become and remain members of the network if the service that is being provided is useful to them. It is also based upon CABE research in 2000 that showed demand for such a network.

Responsibility: Chris Murray, Director of Learning & Development

Key target 2: No of local architecture and built environment centres offering young people’s activity programmes

	Baseline	12
Milestones	2003/04	15
	2004/05	18
	2005/06	20

Rationale for target: The expansion of the ABEC network is an important objective of both DCMS and CABE. They provide the opportunity to tie together two of DCMS’s strategic priorities

Responsibility: Chris Murray, Director of Learning & Development

Risks to achievement: The main risks to achieving this outcome and these targets are:

- failure of the education charity to lever in sufficient match funding
- insufficient support from DFES and QCA

CABE are countering these risks through the selection of trustees with fund-raising experience and by building a close relationship with DFES and QCA, including the Permanent Secretary, who is very supportive of CABE Education's objectives.

ii. The wider community

This priority is shared with ODPM.

CABE Strategic Outcome : To give people the opportunity to become more involved in the design and management of public green space, including parks and play areas, and to drive up management standards.

Description of activity : CABE is establishing a special unit, CABE Space, to provide a national focus to champion and advocate the vital role of urban public space in improving quality of life, hosting cultural activities and events, and delivering urban renaissance. It will:

- work closely with relevant government departments and agencies, voluntary organisations, funding providers and local authorities to improve co-ordination and delivery of strategies, programmes and action;
- champion the need for higher priority and funding to influence funding decisions at national, regional and local levels, and provide advice on available sources of funding;
- strengthen existing and promote and stimulate new partnerships for improving green spaces involving the voluntary and private sectors and local groups;
- promote and develop skills training needs for delivering and supporting improvements;
- carry out research and develop information, quality standards and good practice.

Key DCMS partners: New Opportunities Fund, English Heritage, Heritage Lottery Fund, Royal Parks Agency, Sport England

Key target 3: No of enquiries from people considering becoming involved in local volunteer activity as a result of CAFE Space campaigns and activities:

	Baseline	0
Milestones:	2003/04	10,000
	2004/05	15,000
	2005/06	20,000

Rationale for target: Tests whether CAFE Space's activity is resulting in changes of behaviour, rather than simply increasing awareness, a distinction that research by ENCAMS has shown previous campaigns to have failed to break through.

Responsibility: Director, CAFE Space

Key target 4: No of local authorities achieving Green Flag standard for one or more parks

	Baseline	70 authorities
Milestones:	2003/04	100
	2004/05	175
	2005/06	300

Rationale for target: Provides a very visible measure of improving standards of design and management, in the eyes of the consumer. Renders the service deliverer accountable to user groups.

Responsibility: Director, CAFE Space

Risks to achievement: The main risks are:

- CAFE Space does not establish itself quickly enough and loses credibility within the sector
- The recruitment efforts fail to reach sufficient people within their target audiences, due to under-performance or other noise.

CAFE are countering these risks by managing the set-up phase of CAFE to an aggressive timetable, with clear operational targets agreed with Ministers, and by appointing specialist communications providers and sectoral partners.

iii. *The economy*

This priority is shared with ODPM

CABE Strategic Outcome: To develop a clear structure for professionals responsible for the built environment to develop their skills to respond to the public's desire for higher quality buildings and spaces.

Description of activity: Over the plan period, a new CABE Unit, CABE Skills, will seek to co-ordinate an uplift in the skills available to undertake urban design and development work that helps unlock the economic, cultural and tourism potential of our towns and cities, by:

- taking steps to encourage more young people to join the built environment professions
- tackling the under-representation of women, black and ethnic minority communities and disabled people
- facilitating a sea change in content and methods of learning; and introducing new providers, courses and ways of accessing learning.

Key DCMS Partners : Government Offices, Regional Cultural Consortia, English Heritage, VisitBritain, BBC, NESTA

Key target 5 : Number of training days facilitated through CABE Skills programme, and satisfaction levels attained:

	Baseline	1200		
Milestones:	2003/04	2,000	at	90% satisfaction
	2004/05	5,000	at	90% satisfaction
	2005/06	5,000	at	92% satisfaction

Responsibility: Chris Murray, Director of Learning & Development and Joanna Averley, Director of Enabling

Rationale for target : Focuses on the take-up and experience of customers.

Key target 6: Number of best practice schemes on digital library to support skills programme

Baseline	110 schemes
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Milestones:	2003/04	160 schemes
	2004/05	230 schemes
	2005/06	300 schemes

Rationale for target: Places emphasis on CABE's commitment to make virtual learning, including distance learning, a crucial component of skills development programme, in line with DCMS objectives and programme such as Culture Online.

Responsibility: Director of Policy & Communications

Key target 7: No of design review cases where advice provided to improve a project of strategic importance

	Baseline	200 cases
Milestones	2003/04	300 cases
	2004/05	350 cases
	2005/06	350 cases

Rationale for target: Design review has already proven an effective method for disseminating best practice to developers, design teams and planning authorities. This target will help control planned expansion.

Responsibility: Peter Stewart, Director of Design Review

Risks to achievement: The two main risks here are:

- failure of CABE Skills to establish a clear strategy, agreed with partners in a reasonable timescale
- failure of potential regional providers to secure sufficient capacity to deliver national programmes from start of 2004/05

These risks will be addressed by ensuring the closest possible partnership between ODPM, CABE, EP and RDAs in developing the strategy, and by providing pump-priming support for emerging regional centres of excellence.

iv. Delivery

CABE Strategic Outcome: To be confident that all new schools and new health-care buildings are being purchased on a true best value basis, that prioritises quality as well as price.

Description of activity: This is CABE's 'delivery' target because survey research has shown that the public regard this as their principal priority for CABE. Therefore, if CABE is to be a consumer focused organisation, it should be delivering on this outcome:

To improve standards of delivery, CABE will focus on:

- o working with DoH and DFES to implement the public recommendations of the joint CABE/OGC report
- o a programme of joint evaluation and best practice work with both the National Audit Office and the Audit Commission
- o extending the concept of design champions and providing ongoing network support and training within the education and health sectors
- o dedicating resources to benchmarking costs and standards in the delivery of health and education building projects
- o direct enabling of 'live' projects in both sectors, using Design Quality Indicator packages in partnership with user groups wherever possible

Key DCMS Partners: Creative Partnerships, New Opportunities Fund

Key target 8: Ensure DoH and DFES have implemented relevant CABE/OGC recommendations

	Baseline	0
Milestones:	2003/04	5 recommendations
	2004/05	All 6 recommendations

Rationale for target: The report, signed off by the Ministerial Design Champions, is the agreed action required to achieve a step change in design quality.

Responsibility: Director of Policy and Communications and Joanna Averley, Director of Enabling

Key target 9: No of schools and health-care buildings entered for the PM's Award

	Baseline	20 buildings
Milestones	2003/04	25 buildings

2004/05	30 buildings
2005/06	40 buildings

Rationale for target: The PM's Award is the standard which all new public buildings should be seeking to attain. We should therefore be seeing an increase in entries from health and education sectors.

Responsibility: Director of Policy & Communications

Risks to achievement: The main risk to achieving these targets is the sheer diversity of the client base within the education and health sectors that makes consistent standards difficult to achieve. CABE will address this by working with DFES and NHS Estates to establish clear benchmarks of good practice.

4. Resources

Following the outcomes of the Comprehensive Spending Review 2002, the Secretary of States for Culture, Media and Sport and the Deputy Prime Minister have announced the following grant-in-aid allocations to CABE for the years 2003/04 to 2005/06.

Expenditure line	2003/04	2004/05	2005/06	Total
DCMS	3.5	4	4.5	12
ODPM				
Core and public space	5.75	6	6	17.75
(Skills)	1.6	N/K	N/K	1.6
Other	0.65	0.5	0.5	1.65
Total	11.5	10.5	11.0	33.0

Success in meeting the targets agreed in section 3 of this Agreement will inform the way in which the Secretary of State will approach future funding discussions with the Treasury and future provision for CABE.

5. Review and Evaluation

CABE will be due its first quinquennial review at the end of the plan period. Its review and evaluation processes will be based upon gearing up for this fundamental review, and will comprise:

- a 360 degree stakeholder evaluation during 2003/04 to assess levels of performance from the perspective of funders, partners, customers and staff;
- an ongoing programme of internal audit with all areas of the business reviewed over a three year

period; 2003/04 marks the 3rd year of the current cycle and a fresh cycle will commence in 2004/05.

CABE will produce outturn reports against this agreement at the end of each quarter:

- progress towards achieving outcomes and targets set out in section 3;
- notification of any major deviations of outturns from the targets and measures agreed within this document;
- financial reports on expenditure of GIA against objectives;
- details of any issues that may require the funding agreement to be amended or revised.

CABE supports the DCMS objectives for modernising its relationships with NDPBs and remains open to future participation in the process of strategic commissioning and other Touchstone initiatives

In addition, DCMS and CABE commit to the following review meetings:

January/February: Ministerial endorsement and signing of funding agreement
May/June: Review of performance in previous financial year
November/December: Mid-year review of performance.

DCMS will abide at all times by the six Whitehall Service Standards and will aim to do the following:

- answer all external correspondence within 18 working days;
- provide CABE with a contact name and telephone number within the Department for any queries that CABE may have;
- give at least 10 working days for CABE to supply information requested where this is possible. This may not be possible where deadlines have been imposed by central Whitehall departments or in respect of Parliamentary Questions;
- actively encourage all parts of DCMS and its sponsored bodies to work with CABE to fulfil its objectives

DCMS, ODPM and CABE have also adopted a more detailed working protocol that will guide relations between CABE and its sponsor departments.

DCMS will notify CABE of any changes to the levels of grant-in-aid promised in section 4 above which may affect the achievement of previously agreed targets. DCMS will notify CABE if there is a change of Ministerial policy which affects the delivery of previously agreed targets.

Officials of DCMS and CABE will meet quarterly, in addition to the meeting described above, to monitor progress against this agreement.

Signed

Rt. Hon. Lord McIntosh
Minister for Media and Heritage
Department for Culture, Media and Sport

Sir Stuart Lipton
Chairman
Commission for
Architecture and
the Built
Environment

Dated