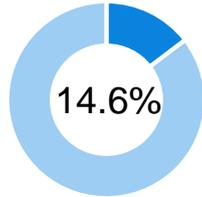




DCMS Sectors Economic Estimates 2017 (provisional): Gross Value Added



DCMS contribution:
£267.7bn



of UK GVA



3.4%

increase since 2016

- In 2017, All DCMS Sectors contributed **£267.7bn** to the UK economy, accounting for **14.6% of UK GVA** (expressed in current prices).
- The GVA of DCMS Sectors has seen an increase of 3.4% since 2016 (£258.9bn in 2016) compared to 4.8% for the UK economy as a whole.
- The Digital Sector contributed £130.5bn to the UK economy in 2017, accounting for 7.1% of UK GVA. The contribution from this sector has increased by a third since 2010 (£98.2bn in 2010).
- The Creative Industries contributed £101.5bn to the UK economy in 2017, an increase of 53.1% since 2010 (£66.3bn).
- The Cultural Sector contributed £29.5bn to the UK economy in 2017, an increase of 38.5% since 2010 (£21.3bn).
- The Telecoms and Sports sectors saw increases of 31.6% and 40.0% respectively since 2010.
- The Gambling and Civil Society (non-market charities) sectors increased by 10.3% and 24.1% respectively since 2010.
- The Tourism Sector contributed £67.7bn to the UK economy in 2017, accounting for 3.7% of UK GVA.

This release provides estimates of the contribution of DCMS Sectors to the UK economy, measured by gross value added (GVA). Other economic measures, such as employment, trade and number of businesses are available in separate publications. These releases enable stakeholders to value the economic contribution of DCMS Sectors, which are not traditional National Account sectors, and to understand how current and future policy interventions can be most effective. The DCMS Sectors cover:

- Civil Society
- Creative Industries
- Cultural Sector
- Digital Sector
- Gambling
- Sport
- Telecoms
- Tourism

Note, the 2017 estimates are provisional and subject to change when National Accounts are published in 2019.

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Chapter 1: Introduction

Code of Practice for Official Statistics

DCMS Sector Economic Estimates series is an Official Statistic and has been produced to the standards set out in the Code of Practice for Statistics. The statistical series has undergone National Statistics assessment this year. The Office for Statistics Regulation are expected to publish a report in December 2018.

Background

Released: 28 November 2018

Geographic Coverage: United Kingdom

This release provides estimates for the contribution of DCMS Sectors to the UK economy, represented by:

- Gross Value Added (GVA), shown in current prices (i.e. not adjusted for inflation)
- Gross Value Added (GVA), shown in chained volume measures (i.e. adjusted for inflation)

Both of these estimates are available from 2010 to 2017. The same data sources are used for DCMS estimates as for national (UK) estimates, enabling comparisons to be made on a consistent basis. The time lag between the publication date and the reference period for the statistics is due to the time it takes to collect and process the data.

The **DCMS Sectors** cover:

- Civil Society*
- Creative Industries
- Cultural Sector
- Digital Sector
- Gambling
- Sport
- Telecoms
- Tourism

A definition for each sector is available in the associated [methodology note](#), along with details of methods and data limitations. There is significant overlap between DCMS sectors so users should be aware that the estimate for **“DCMS Sectors total” is lower than the sum of the individual sectors.**

* The contribution of the sectors covered by the Office for Civil Society are included in the current price GVA estimates. The GVA expressed in chained volume measures does not currently include the industries covered by the Office for Civil Society. This may be developed in the future if there is sufficient user demand.

In summary, the data presented in this report on GVA:

- Are based on Official Statistics data sources
- Are based on internationally-harmonised codes, meaning the estimates are:
 - Comparable at both a national and international level.
 - Comparable over time, allowing trends to be measured and monitored.
 - Subject to limitations of the underlying classifications of the make-up of the UK economy. For example, the SIC codes were developed in 2007 and have not been

revised since. Emerging sectors, such as Artificial Intelligence, are therefore hard to capture and may be excluded or mis-coded.

- Are based on survey data (Annual Business Survey and National Accounts) and, as with all data from surveys, there will be an associated error margin surrounding these estimates¹.
 - This means we cannot say an estimate of, for example, 20% is very accurate for the whole population. Our best estimates, from the survey sample, suggest that the figure is 20%, but due to the degree of error, the true population figure could perhaps be 18% or 22%.
 - This is not an issue with the quality of the data or analysis; rather it is an inherent principle when using survey data to inform estimates.
- Are using the most up to date data and based on assumptions to estimate the value for 2017 where this is not possible. Whilst robust, this approach will have future revisions for the reasons outlined below:
 - National Accounts (supply and use tables) for 2017 are not balanced until 2019
 - The supply and use tables are re-balanced each year and therefore revisions can be made for the back series. These are planned revisions and part of the annual adjustment and balancing process.
 - At the time of analysis, the Annual Business Survey data were available up to 2016 only. Therefore, the 2017 data are based on 2016 proportions.

Alternative economic measures of DCMS Sectors are produced by others organisations, including DCMS's Arm's Length Bodies. A summary of these statistics and the varying methodologies used is available in Annex B of this report.

¹ Sampling error is the error caused by observing a sample (as in a survey) instead of the whole population (as in a census). While each sample is designed to produce the "best" estimate of the true population value, a number of equal-sized samples covering the population would generally produce varying population estimates.

Chapter 2: GVA in DCMS Sectors – Current Prices

This chapter presents UK GVA estimates for each DCMS sector at a headline level. All estimates of GVA in this chapter are shown in current prices (i.e. not adjusted for inflation).

As mentioned in Chapter 1, these estimates are based on survey data from the ONS Annual Business Survey (ABS) and National Accounts. Further information on the methodology, including strengths and limitations of this approach, is available in Annex A of the report and in the associated [methodology note](#).

Please note that there has been a **methodology change for the Tourism estimates in 2015 which means data prior to 2015 are not comparable**. More information is available in the notes section of Table 2.1 of this report. For this reason, estimates are produced in this chapter for DCMS Sectors (excluding Tourism sector) where applicable. This does not affect data after 2015 which are comparable for all sectors.

Summary

In 2017, the contribution of DCMS Sectors to the UK economy (GVA) was estimated to be at £267.7bn, or **14.6% of UK GVA**.

In 2016, DCMS Sectors accounted for 14.7% of UK GVA. These sectors saw slower growth over the past year than for the UK economy as a whole, increasing by 3.4% since 2016 (£258.9bn), compared to 4.8% for the UK economy as a whole.

Looking at the trend since 2010, DCMS Sectors (excluding Tourism) increased by 36.0% compared to a 28.7% growth for the UK economy as a whole in the same period. DCMS Sectors (excluding Tourism) contributed 10.9% of UK GVA, at £200.1bn in 2017. This is a 4.9% increase since 2016 (£190.7bn) compared to a 4.8% growth for the UK economy since 2016.

Figure 2.1 overleaf shows the growth rate for DCMS Sectors (excluding Tourism) as a whole, whilst Table 2.1 outlines the GVA contribution in £billions for each of the DCMS Sectors.

How accurate are these data?

1. The supply and use tables are currently constructed from various data sources, some of which are not based on random samples or do not have published sampling and non-sampling errors available, making it difficult to measure both error aspects and their impact on GVA. A measure of the sampling and non-sampling error associated with National Accounts (supply and use tables) are therefore not available.

2. As in all surveys, the estimates from the ABS are subject to various sources of error. Sampling errors are available at a **4 digit level**. Further information on the quality of the ABS data is published by the [ONS](#).

Figure 2.1: Indexed growth in GVA (expressed in current prices, 2010 =100) in DCMS Sectors (excluding Tourism) and UK: 2010-2017

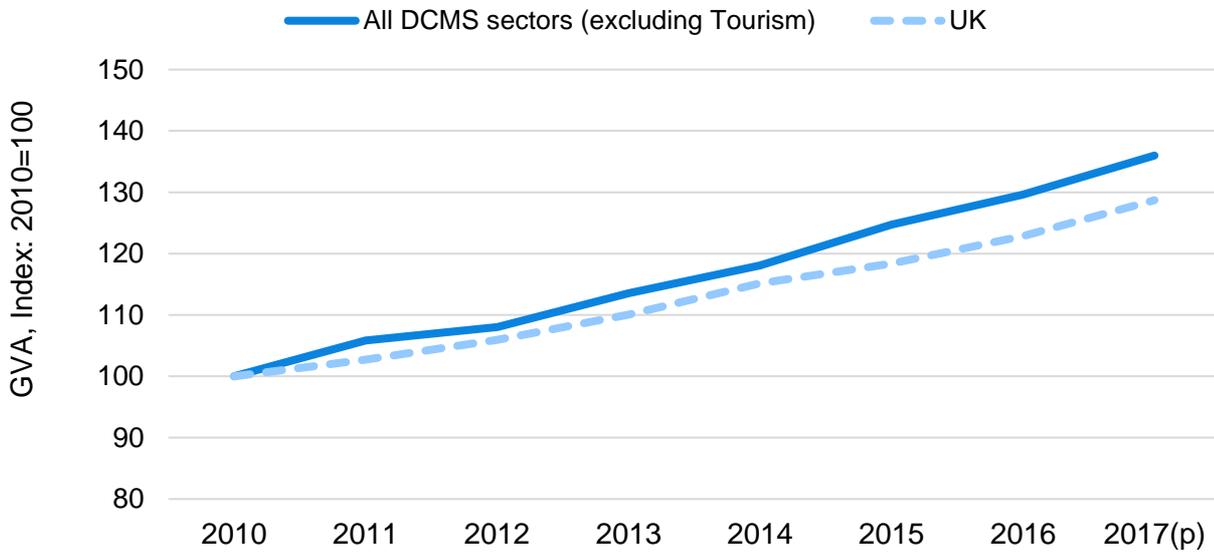


Table 2.1: GVA contribution (£bn, expressed in current prices) by DCMS Sectors: 2010 – 2017

Sector	2010 ^(r)	2011 ^(r)	2012 ^(r)	2013 ^(r)	2014 ^(r)	2015 ^(r)	2016 ^(r)	2017 ^{(p)1}	% change 2016 - 2017	% change 2010 - 2017	% of UK GVA 2017
Civil Society ²	19.0	19.4	17.7	18.4	20.8	22.2	24.4	23.5	-3.7	24.1	1.3
Creative Industries	66.3	70.8	74.4	79.0	84.4	90.3	94.8	101.5	7.1	53.1	5.5
Cultural Sector	21.3	22.2	23.0	24.0	25.3	27.0	27.5	29.5	7.2	38.5	1.6
Digital Sector	98.2	103.9	106.1	111.4	113.1	115.0	121.5	130.5	7.3	32.9	7.1
Gambling	8.4	9.3	9.9	10.0	10.4	10.3	10.1	9.3	-8.2	10.3	0.5
Sport	7.0	7.4	7.9	7.5	7.8	8.7	9.3	9.8	5.3	40.0	0.5
Telecoms	24.8	25.5	26.0	28.1	30.0	30.4	31.4	32.6	3.6	31.6	1.8
Tourism ⁷	49.2	53.9	57.3	59.0	60.4	68.0	68.3	67.7	-0.9	N/A	3.7
All DCMS Sectors (excl. Tourism)	147.1	155.7	158.9	167.0	173.7	183.5	190.7	200.1	4.9	36.0	10.9
All DCMS Sectors⁷	196.3	209.6	216.2	226.0	234.2	251.5	258.9	267.7	3.4	N/A	14.6
UK	1,429.6	1,468.3	1,514.9	1,573.2	1,646.0	1,692.0	1,756.0	1,839.9	4.8	28.7	100.0

Notes

1. 2017 GVA is based on the output measure of GVA to allow consistency with the sector measures for 2017. This is aligned to average GVA up to and including 2016 (last Supply Use balanced year) but then uses growth in the output measure as a proxy for GVA beyond that. The 2017 GVA figure will be revised next year, once the Supply Use tables have been balanced. This approach is different for Civil Society where the average proportion of the UK economy that is attributed to NPISH for 2010 to 2016 is assumed to be the same for 2017. This assumption seems reliable given the proportion does not vary much (from 1.2% to 1.4% over these years).

2. The Civil Society figure covers non-market charities in the NPISH (non-profit institutions serving households) sector. It does not include market provider charities who have passed the market test and therefore sit in the corporate sector (these data are not currently measured by ONS on a National Accounts basis), mutuals, social enterprises or community interest companies. Therefore, this is an underestimate for the sector.

3. DCMS Sector total is lower than the sum of individual DCMS Sectors because of overlaps between sectors.

4. p = provisional

5. r = revised. These are planned revisions and part of the annual adjustment and balancing process of National Accounts.

Text in red show where the data have been revised due to the balancing of Supply and Use tables or revisions of the NPISH data (affecting Civil Society Sector).

6. Data are in current prices (i.e. have not been adjusted for inflation).

7. Estimates for Tourism are based on a different methodology to all other sectors, as they are taken from the Tourism Satellite Account. Several methodology improvements were made for the 2016 Tourism data, which resulted in the 2015 data being revised. In 2016, several improvements were made to the Great Britain Day Visits Survey (GBDVS). More information on these changes can be found in Chapter 3 of the [methodology note](#). As a result of these changes, a 15% increase was observed in the levels of visits reported by respondents. The 2015 data have been revised in line with the increased level of reporting of day visits. This change has not yet been implemented in the data prior to 2015. ONS plan to implement these changes in 2019 and therefore, caution should be taken when comparing data from 2015 onwards with previous years.

Understanding DCMS Sector overlaps

For each DCMS Sector, definitions were developed individually based on internal, UK or international best practice/standards for that sector. With the exception of Tourism and Civil Society², all these definitions are based on the Standard Industrial Classification 2007 (SIC) codes. Therefore, bringing the sectors together creates overlap between them. Figure 2.2 shows these overlaps and how each sector contributes to the DCMS total. Due to these overlaps, adding up the individual sector GVA proportions would give a total greater than the actual value.

Figure 2.2: GVA and overlaps in DCMS Sectors, 2017

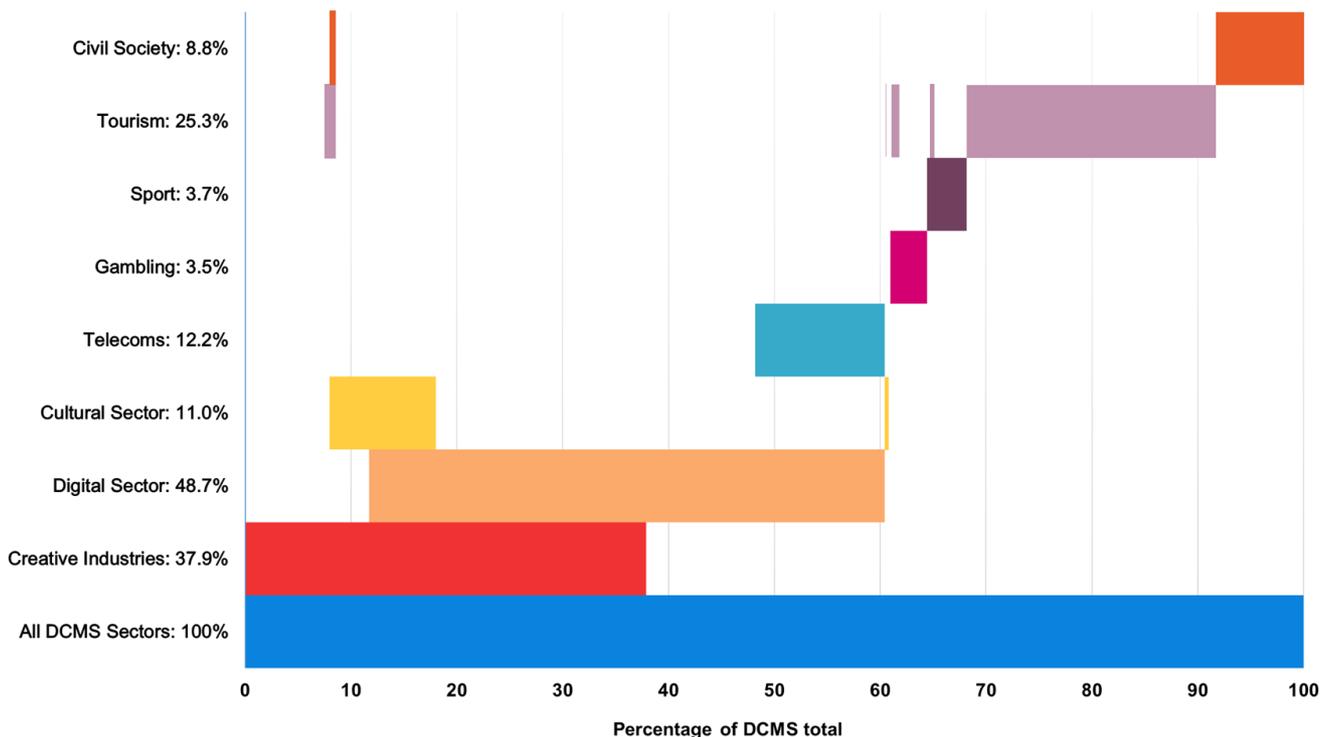


Table 2.2 overleaf outlines the overlaps shown in Figure 2.2 and the GVA contribution for these overlaps. As an example, 19.5% of the DCMS Sector GVA is within both the Creative Industries (as shown in the Sector 1 column) and the Digital Sector (as shown in the Sector 2 column) exclusively. Therefore, when calculating the DCMS Sector total, this is counted once. A further 6.7% of DCMS Sector GVA are accounted for by overlaps between the Creative Industries, Digital Sector and Cultural Sector (these include activities such as broadcasting and motion picture, video and TV production). These are shown in Sector 1, Sector 2 and Sector 3 columns which share this overlap, whereas only two sectors (Digital Sector and the Creative Industries) share the 19.5% overlap outlined above.

There is a small overlap (0.7% of DCMS Sector GVA) between 4 of the DCMS Sectors i.e. Tourism, Cultural Sector, Creative Industries and Civil Society (shown as Sector 1, Sector 2, Sector 3 and Sector 4 in the table), contributing £1.8bn to the UK economy in 2017.

² For Tourism, a proportion of several SIC codes are used to identify the element of the industry that is directly represented by tourism. For the GVA value for Civil Society, non-market charities in the NPISH (non-profit institutions serving households) sector are defined using SIC codes. Both of these sectors therefore enable us to identify overlap with the other DCMS sectors based on SIC codes.

Table 2.2: GVA and overlaps in DCMS Sectors, 2017

Sector 1	Sector 2	Sector 3	Sector 4	GVA overlap (£bn)	% of DCMS total	% of UK total
Creative Industries	Digital Sector	Cultural Sector		17.9	6.7%	1.0%
Creative Industries	Cultural Sector			10.1	3.8%	0.5%
Creative Industries	Digital Sector			52.2	19.5%	2.8%
Digital Sector	Telecoms			32.6	12.2%	1.8%
Tourism	Cultural Sector	Creative Industries	Civil Society	1.8	0.7%	0.1%
Tourism	Cultural Sector	Creative Industries		0.3	0.1%	0.0%
Tourism	Cultural Sector			0.3	0.1%	0.0%
Tourism	Sport			0.4	0.2%	0.0%
Tourism	Gambling			1.8	0.7%	0.1%

For more information, Chapter 2 of the [methodology note](#) visually outlines the overlap between SIC codes in DCMS Sectors³, but not the value of GVA within these overlaps. For the overlap between sectors in terms of the value of GVA, you should use Figure 2.2 and Table 2.2 in this document.

³ See Figure 2.1 in the methodology note at <https://www.gov.uk/government/publications/dcms-sectors-economic-estimates-methodology>

Chapter 3: GVA in individual DCMS Sectors – Current Prices

This chapter builds on the analysis in chapter 2, providing more context and looking at the estimates for each individual sector. There is significant overlap between DCMS sectors so users should be aware that the estimate for “DCMS Sectors Total” is lower than the sum of the individual sectors. It is also worth noting that those larger sub-sectors, which are found within multiple sectors, for example in Creative Industries and Cultural Sector, are likely to drive the trends in the same way for both sectors. **Estimates for the Tourism Sector have been included, taking into account the methodological changes mentioned in Chapter 2.**

Data tables accompanying this chapter (for sector and sub-sector) are available at <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2017-gva>.

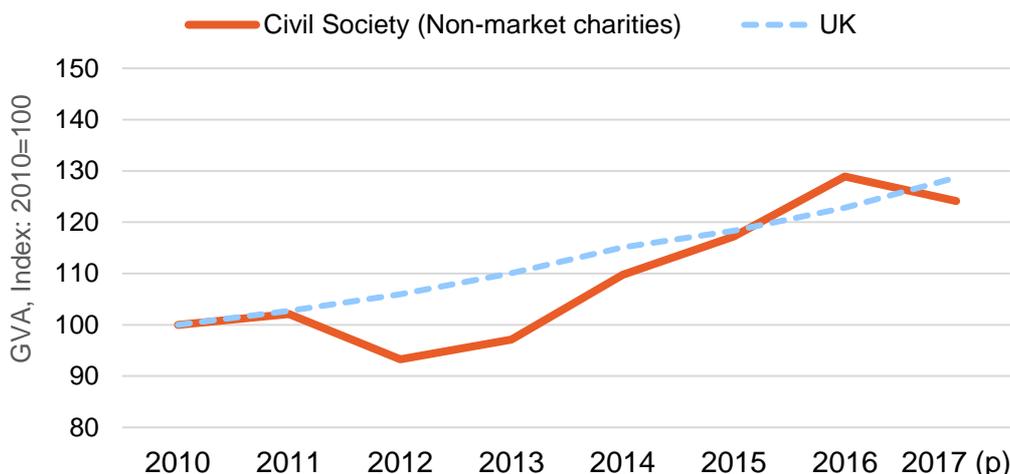
Civil Society

Key Findings



Civil Society **contributed £23.5bn** to the UK economy in 2017, accounting for **1.3% of UK GVA**. This sector saw an increase of 24.1% since 2010 (at £19.0bn) although declined by 3.7% since 2016 (£24.4bn in 2016).

Figure 3.1: Index of GVA growth for the Civil Society Sector and for total UK: 2010 to 2017 (2010=100)



How is Civil Society defined?

For GVA expressed in current prices, the estimate for the Civil Society covers non-market charities in the NPISH (non-profit institutions serving households) sector. It does not include market provider charities who have passed the market test and therefore sit in the corporate sector (these data are not currently measured by ONS on a National Accounts basis), mutuals, social enterprises or community interest companies.

More information on the Civil Society definition can be found in Annex A.

Volunteering is a key element of the Civil Society sector. However it has not been included in the above figures due to volunteering being part of the informal economy, and therefore not captured in the ONS's methodology for calculating GVA, as is the case also with other unpaid home production such as child and adult care. Any overlaps between other DCMS Sectors and volunteering cannot be calculated. As estimated in the ONS published [Household Satellite Account](#), volunteering contributed **£24bn** in 2016 (this includes only formal volunteering activities).

Creative Industries

Key Findings



£101.5bn
in 2017



7.1% increase
since 2016

The Creative Industries **contributed £101.5bn** to the UK economy in 2017, accounting for **5.5% of UK GVA**.

Between 2010 and 2017, the Creative Industries GVA increased by 53.1% (£66.3bn in 2010). This was the fastest growth among the DCMS sectors, and an **increase nearly twice as fast as the UK economy** (28.7% increase in the UK between 2010 and 2017).

The 'IT, software and computer services' sub-sector is the largest Creative Industries sub-sector, accounting for £40.6bn in 2017 (40.0% of Creative Industries GVA in 2017). It is also a key driver of growth in the sector, having grown 9.1% since 2016 and 59.9% since 2010.

The 'Film, TV, video, radio and photography' sub-sector accounted for 16.5% of Creative Industries GVA in 2017 at £16.7bn. The 'Advertising and marketing' sub-sector accounted for 13.1% of Creative Industries GVA. These sub-sectors' GVA values have increased by 8.9% and 5.8% respectively since 2016.

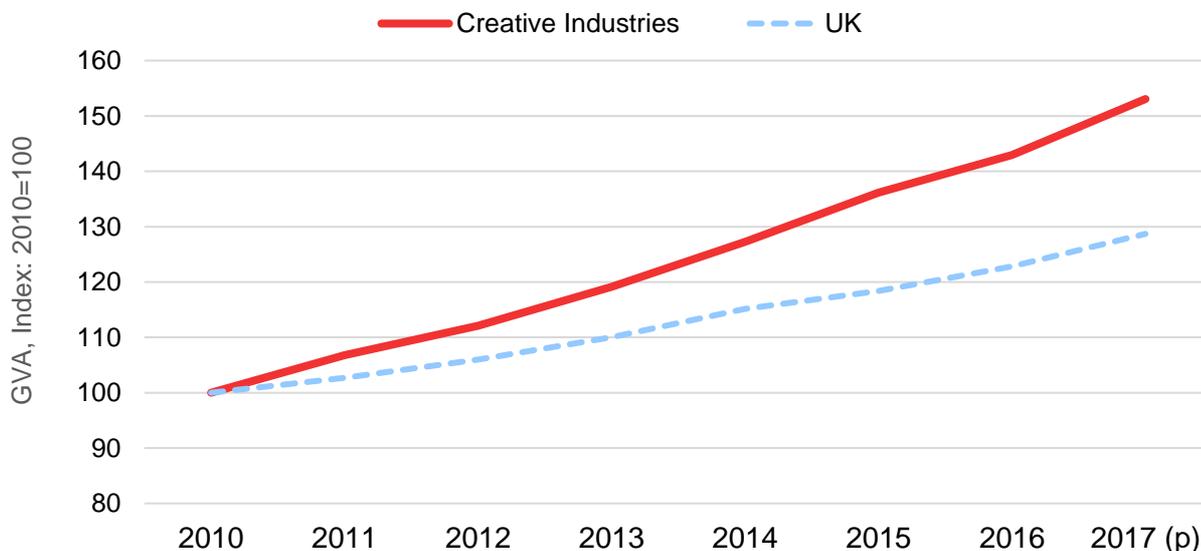
How are the Creative Industries defined?

The Creative Industries were defined in the Government's [2001 Creative Industries Mapping Document](#) as "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property".

The DCMS definition is a UK definition based on international industrial codes. It includes the following sub-sectors:

- Advertising and marketing;
- Architecture;
- Crafts;
- Design and designer fashion;
- Film, TV, video, radio and photography;
- IT, software and computer services;
- Publishing;
- Museums, galleries and libraries; and
- Music, performing and visual arts.

Figure 3.2: Index of GVA growth for Creative Industries and for total UK: 2010 to 2017 (2010=100)



Cultural Sector

Key Findings



£29.5bn
in 2017



7.2% increase
since 2016

The Cultural Sector **contributed £29.5bn** to the UK economy in 2017 and accounted for **1.6% of UK GVA**. The contribution of the Cultural Sector increased by 7.2% between 2016 and 2017, and by 38.5% since 2010.

Over three fifths (60.2%) of the Cultural Sector GVA was in the 'Film, TV and music' sub-sector (contributing £17.8bn in 2017), where GVA increased by 9.4% between 2016 and 2017, and 39.0% since 2010.

Nearly a quarter (24.8%) of Cultural Sector GVA was accounted for by the 'Arts' sub-sector. This sub-sector has increased by 62.6% since 2010, from £4.5bn in 2010 to £7.3bn in 2017, and increased by 6.2% since 2016 (£6.9bn in 2016).

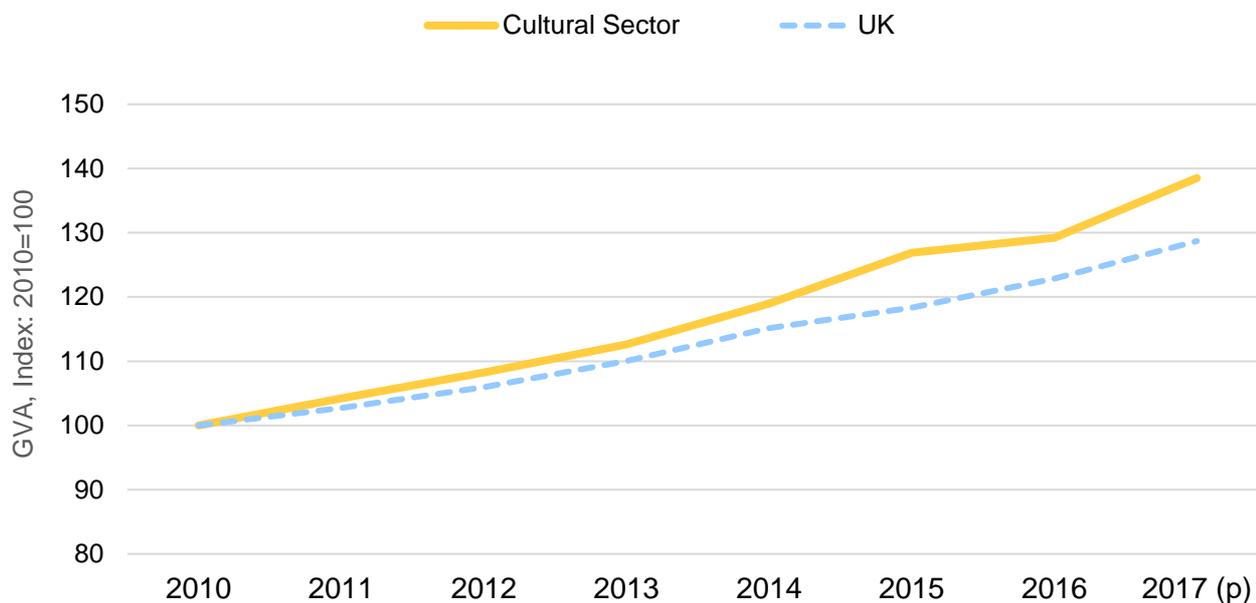
How is the Cultural Sector defined?

DCMS have defined the Cultural Sector as those industries with a cultural object at the centre of the industry.

The DCMS definition is a UK definition based on international industrial codes. It includes the following sub-sectors:

- Arts;
- Film, TV, and music;
- Radio;
- Photography;
- Crafts;
- Museums and galleries;
- Library and archives;
- Cultural education; and
- Operation of historic buildings and similar visitor attractions.

Figure 3.3: Index of GVA growth for the Cultural Sector and for total UK: 2010 to 2017 (2010=100)



Digital Sector

Key Findings



£130.5bn
in 2017



7.3% increase
since 2016

The Digital Sector **contributed £130.5bn** to the UK economy in 2017, accounting for **7.1% of UK GVA**. This sector saw the greatest percentage increase of all DCMS Sectors between 2016 and 2017 (7.3%). This is faster than the GVA for the total UK economy, which increased by 4.8%. This Sector has also increased by 32.9% since 2010 (compared to 28.7% for the total UK economy).

There has been a steady growth in the 'Computer programming, consultancy and related activities' sub-sector in 2017. This sub-sector, which contributed over a third (37.1%) of the Digital Sector GVA in 2017, saw an increase in GVA value of 9.4% since 2016, and of 44.2% since 2010.

The 'Telecoms' sub-sector accounted for a quarter (25.0%) of Digital Sector GVA in 2017, contributing £32.6bn in 2017. This is an increase of 3.6% since 2016 and 31.6% since 2010.

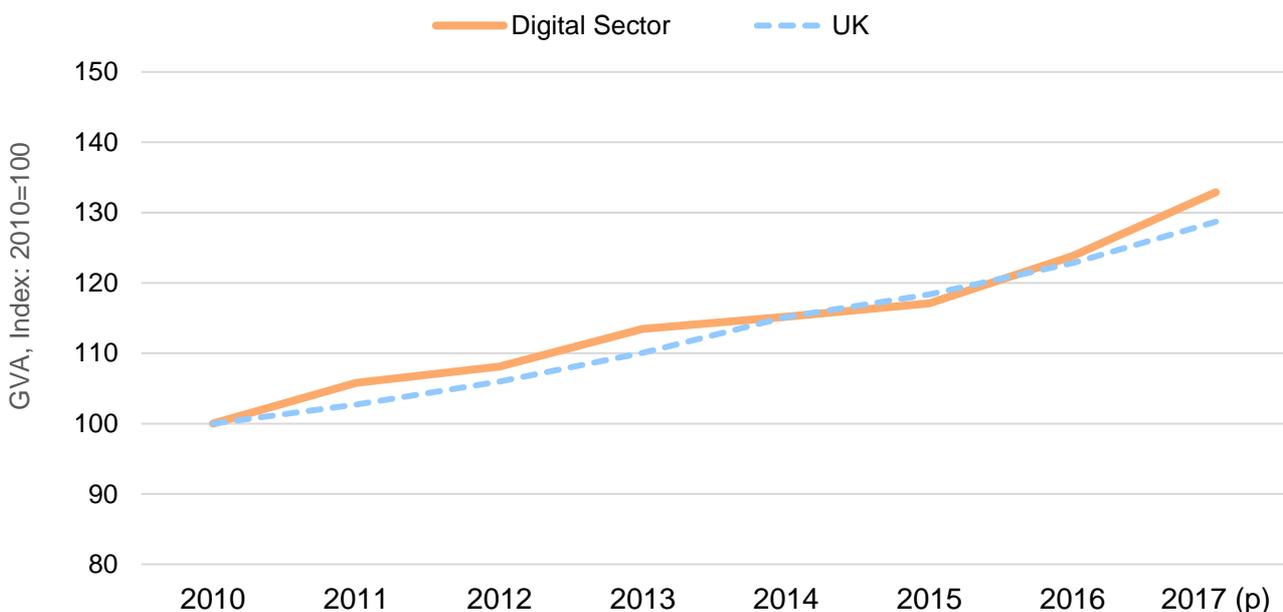
How is the Digital Sector defined?

The definition of the Digital Sector used in this release was developed by the OECD using the UN Standard Industrial Classifications (SICs). This gives it the advantage of international comparability.

The definition includes the following sub-sectors:

- Manufacturing of electronics and computers;
- Wholesale of computers and electronics;
- Publishing (excluding translation and interpretation activities);
- Software publishing;
- Film, TV, video, radio and music;
- Telecoms;
- Computer programming, consultancy and related activities;
- Information service activities; and
- Repair of computers and communication equipment.

Figure 3.4: Index of GVA growth for the Digital Sector and for total UK: 2010 to 2017 (2010=100)



Gambling

Key Findings



£9.3bn in
2017



8.2% decrease
since 2016

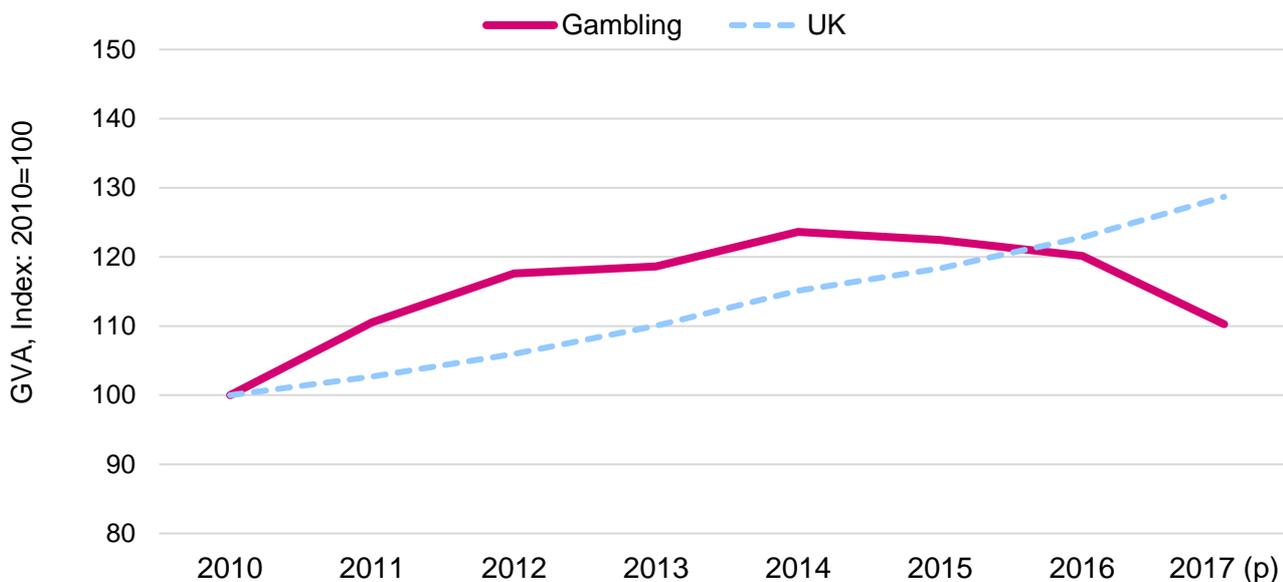
How is Gambling defined?

The definition of gambling used in the DCMS Sectors Economic Estimates is consistent with the internationally agreed definition; SIC 92 - Gambling and betting activities.

The Gambling Sector **contributed £9.3bn** to the UK economy in 2017, accounting for **0.5% of UK GVA**. This is a decrease from £10.1bn in 2016. Since 2010, the Gambling Sector has increased by 10.3% (£8.4bn in 2010).

The Gambling Sector is a small industry and therefore can lead to some data volatility each year due to the sample size of businesses. The decline in GVA since 2015 is partly due to the restructure of businesses in this sector.

Figure 3.5: Index of GVA growth for the Gambling Sector and for total UK: 2010 to 2017 (2010=100)



Sport

Key Findings



£9.8bn in
2017



5.3% increase
since 2016

The Sports Sector **contributed £9.8bn** to the UK economy in 2017, accounting for **0.5% of UK GVA**. This is an increase of 5.3% since 2016 (£9.3bn in 2016).

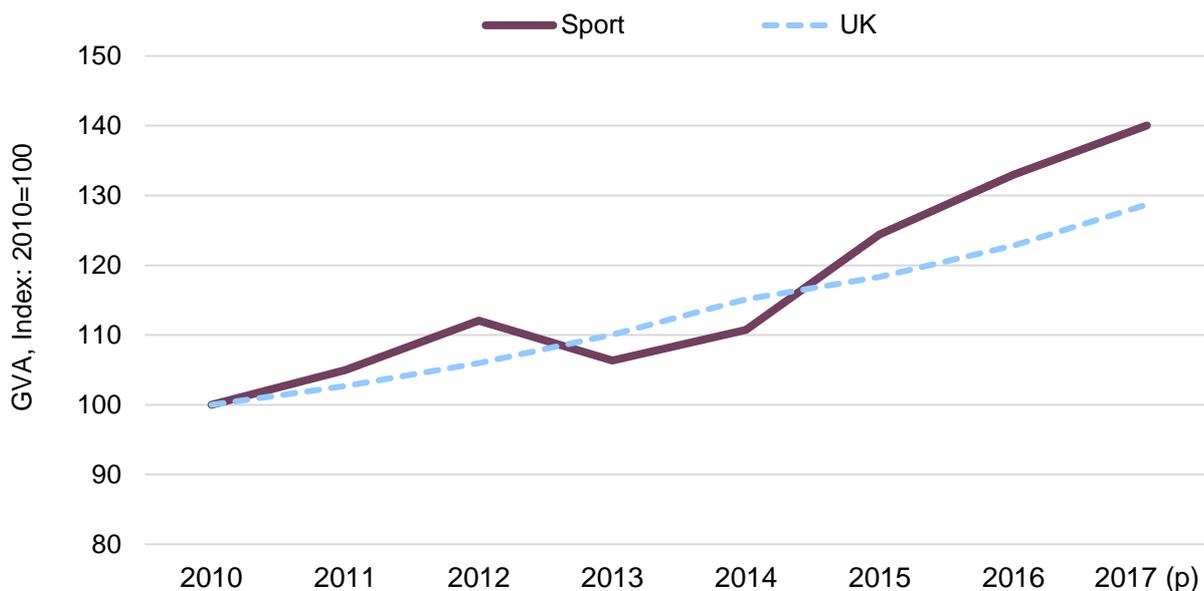
The Sports Sector GVA has increased by 40.0% since 2010 (£7.0bn in 2010), although it is worth noting a decline in the Sports Sector in 2013 is likely to be caused by the effects of the UK hosting the Olympic and Paralympic Games in 2012.

How is Sport defined?

For the purposes of this publication the statistical definition of sport has been used, which incorporates only those activities which are predominately sport-related.

The definition encompasses (among other activities): the manufacture and retail sale of sports goods and other goods relating to physical activities; the renting and leasing of sports and recreational goods; the operation of sports and fitness facilities; and activities of sports clubs.

Figure 3.6: Index of GVA growth for the Sports Sector and for total UK: 2010 to 2017 (2010=100)



Telecoms

Key Findings



£32.6bn
in 2017



3.6% increase
since 2016

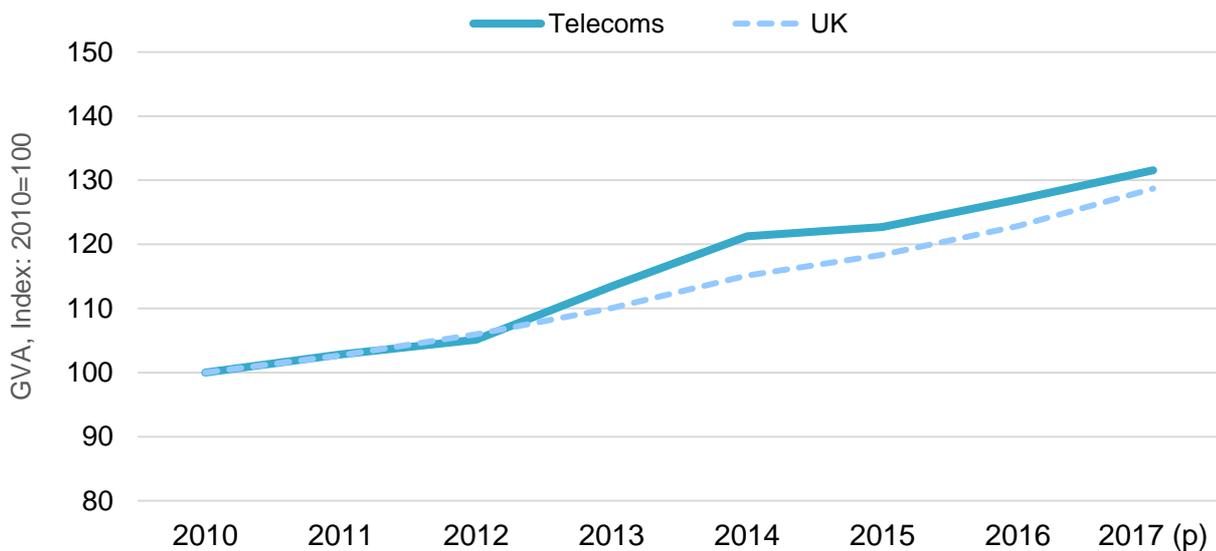
The Telecoms Sector **contributed £32.6bn** to the UK economy in 2017, accounting for **1.8% of UK GVA**. This is an increase of 3.6% since 2016 (£31.4bn in 2016) and a 31.6% increase since 2010 (£24.8bn in 2010).

How is Telecoms defined?

The definition of telecoms used in the DCMS Sectors Economic Estimates is consistent with the internationally agreed definition; SIC 61 - Telecommunications.

Note that as well as appearing as a sector on its own, Telecoms is also entirely included within the Digital Sector as one of the sub-sectors.

Figure 3.7: Index of GVA growth for the Telecoms Sector and for total UK: 2010 to 2017 (2010=100)



Tourism

Key Findings



£67.7bn
in 2017



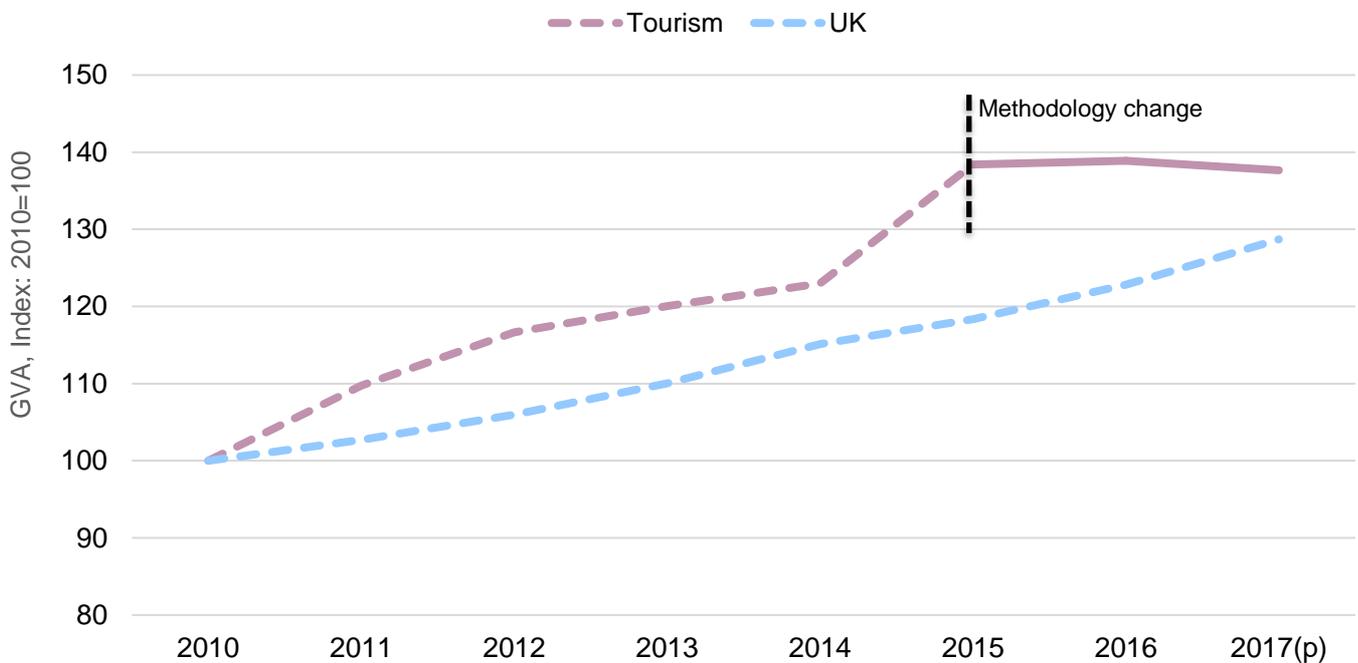
0.9% decrease
since 2016

How is Tourism defined?

Estimates for tourism used in this publication are based on a different methodology to all other sectors, as they are taken from the Tourism Satellite Account. This is an internationally recommended methodology for measurement of the contribution of tourism to the economy.

The Tourism Sector **contributed £67.7bn** to the UK economy in 2017, accounting for **3.7% of UK GVA**. This is a slight decline of 0.9% since 2016 (£68.3bn in 2016).

Figure 3.8 Index of GVA growth for the Tourism Sector and for total UK: 2010 to 2017 (2010=100)



Notes

1. Estimates for Tourism are based on a different methodology to all other sectors, as they are taken from the Tourism Satellite Account. Several methodology improvements were made for the 2016 Tourism data, which resulted in the 2015 data being revised. In 2016, several improvements were made to the Great Britain Day Visits Survey (GBDVS). More information on these changes can be found in Chapter 3 of the [methodology note](#). As a result of these changes, a 15% increase was observed in the levels of visits reported by respondents. The 2015 data have been revised in line with the increased level of reporting of day visits. This change has not yet been implemented in the data prior to 2015. ONS plan to implement these changes in 2019 and therefore, caution should be taken when comparing data from 2015 onwards with previous years.

Chapter 4: GVA in Chained Volume Measures

This chapter presents UK GVA estimates for DCMS Sectors shown in chained volume measures (i.e. adjusted for inflation)⁴. These estimates of GVA are based on a similar methodology as used in the UK National Accounts, which describe volume measures derived by linking to the current monetary value in 2016. Further information on the methodology is available in the associated [methodology note](#).

Similar to Current Price estimates mentioned in Chapter 2, data for the Tourism Sector in Chained Volume Measures cannot be compared to data prior to 2015 due to a change in methodology. ONS will look to revise the previous years' tourism data in the future.

The GVA expressed in chained volume measures does not currently include the industries covered by the Office for Civil Society. This may be developed in the future if there is sufficient user demand.

Summary

It is estimated that in 2017, DCMS Sectors contributed **£239.8bn⁵, or 13.4%⁶ of UK GVA**, expressed in **chained volume measures** (CVM). This represented a 1.8% increase since 2016, compared to 2.3% for the UK economy as a whole.

The GVA of DCMS Sectors⁷ (excluding Tourism) has grown at a faster rate than the UK economy as a whole, increasing by 23.2% since 2010 (£144.7bn). This compares to an increase of 15.1% for the UK economy as a whole over the same time period.

Figure 4.1 shows the growth rate for DCMS Sectors as a whole, whilst Table 4.1 outlines the GVA contribution in £billions for each of DCMS Sectors.

⁴ Chained Volume Measures (CVM) are different to constant prices. In CVM, the base period is updated each year, rather than the 5 year update. CVMs are created by linking together series with different base years. In this analysis we calculate Previous Year Prices and Current Year Prices (volume series in terms of last year's prices and current year prices).

Constant Price is simply the current price data deflated using a price from a base period. Generally the base period is updated every 5 years (in this analysis it is 2010 as prices are based at 2010). It can be thought of as Constant Price Value. Further information on the difference in current price, constant price and chained volume measure is available [here](#).

⁵ All estimates of GVA are shown in chained volume measures (i.e. adjusted for inflation).

⁶ The GVA expressed in Chained Volume Measures is lower than in current prices because of the effects of inflation being taken into account, but mainly due to civil society not currently being included in the Chained Volume Measures estimate.

⁷ Excluding Civil Society. The GVA expressed in chained volume measures does not include an estimate for Civil Society.

Figure 4.1: Indexed growth in GVA (expressed in chained volume measures, 2010 =100) in DCMS Sectors (excluding Civil Society and Tourism) and UK: 2010-2017

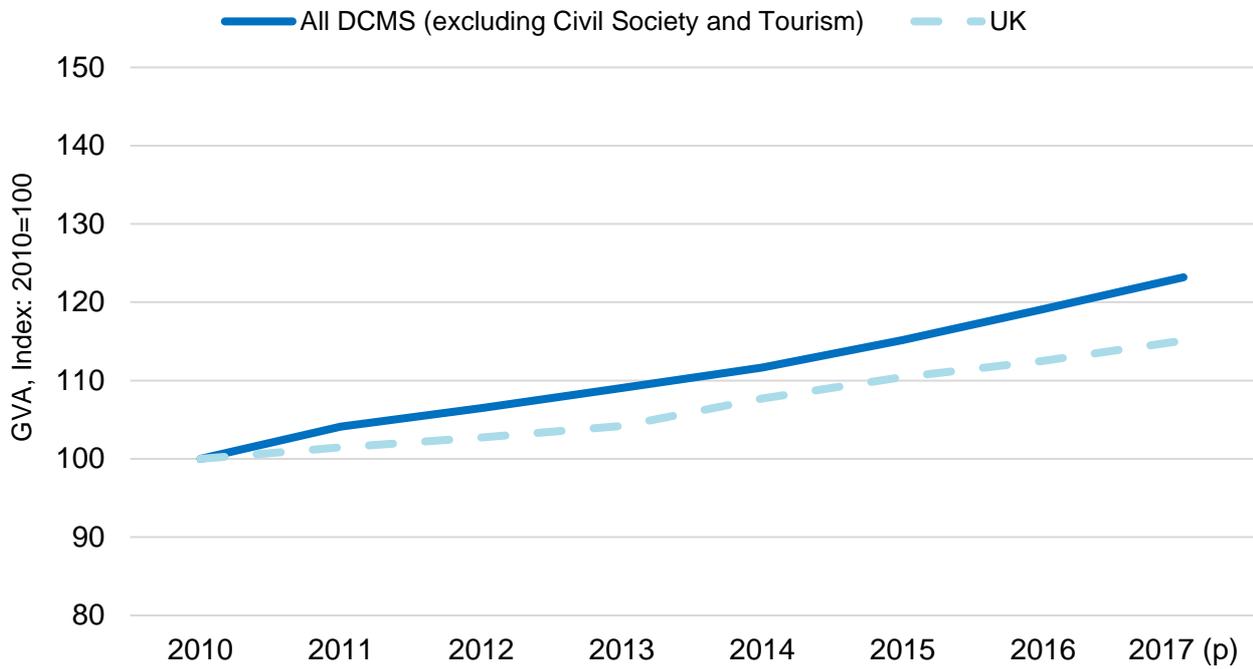


Table 4.1: GVA contribution (£bn, expressed in chained volume measures) by DCMS Sectors (excluding Civil Society): 2010 – 2017

Sector	2010 ^(r)	2011 ^(r)	2012 ^(r)	2013 ^(r)	2014 ^(r)	2015 ^(r)	2016 ^(r)	2017 ^{(p)1}	% change 2016 - 2017	% change 2010 - 2017	% of UK GVA 2017
Creative Industries	73.0	75.9	78.7	81.8	86.1	91.1	94.8	99.0	4.5	35.7	5.5
Cultural Sector	23.8	24.1	24.7	25.0	26.1	27.5	27.5	28.9	4.9	21.4	1.6
Digital Sector	105.7	109.4	110.9	114.4	115.0	116.5	121.5	127.2	4.6	20.3	7.1
Gambling	10.1	10.7	11.1	10.8	11.0	10.6	10.1	9.1	-9.6	-9.8	0.5
Sport	8.3	8.5	8.9	7.7	7.9	8.8	9.3	9.6	3.1	15.5	0.5
Telecoms	25.4	26.1	26.6	28.6	30.6	31.3	31.4	32.0	1.7	25.9	1.8
Tourism ⁷	53.0	56.1	58.7	59.6	59.1	64.3	63.3	61.6	-2.7	16.3	3.4
All DCMS (Excl. Tourism)	144.7	150.6	154.0	157.8	161.5	166.6	172.3	178.2	3.4	23.2	9.9
All DCMS Sectors^{2,7}	197.6	206.7	212.7	217.4	220.6	231.0	235.6	239.8	1.8	N/A	13.4
UK	1,560.6	1,583.3	1,603.0	1,626.2	1,680.7	1,723.5	1,756.0	1,796.3	2.3	15.1	100.0

Notes

1. 2017 GVA is based on the output measure of GVA to allow consistency with the sector measures for 2017. This is aligned to average GVA up to and including 2016 (last Supply Use balanced year) but then uses growth in the output measure as a proxy for GVA beyond that. The 2017 figure therefore differs from ABMM. 2010 – 2016 GVA estimates use balanced GVA in chained volume measures (ABMM).

2. DCMS Sector total is lower than the sum of individual DCMS Sectors because of overlaps between sectors.

3. Data are in chained volume measures (i.e. have been adjusted for inflation).

4. Data are not available for Civil Society at present.

5. p = provisional.

6. r = revised. These are planned revisions in line with National Accounts data published by ONS.

Text in red show where the data has been revised based on the current price estimates.

7. Estimates for Tourism are based on a different methodology to all other sectors, as they are taken from the Tourism Satellite Account. Several methodology improvements were made for the 2016 Tourism data, which resulted in the 2015 data being revised. In 2016, several improvements were made to the Great Britain Day Visits Survey (GBDVS). More information on these changes can be found in Chapter 3 of the [methodology note](#). As a result of these changes, a 15% increase was observed in the levels of visits reported by respondents. The 2015 data have been revised in line with the increased level of reporting of day visits. This change has not yet been implemented in the data prior to 2015. ONS plan to implement these changes in 2019 and therefore, caution should be taken when comparing data from 2015 onwards with previous years.

Of the DCMS sectors:

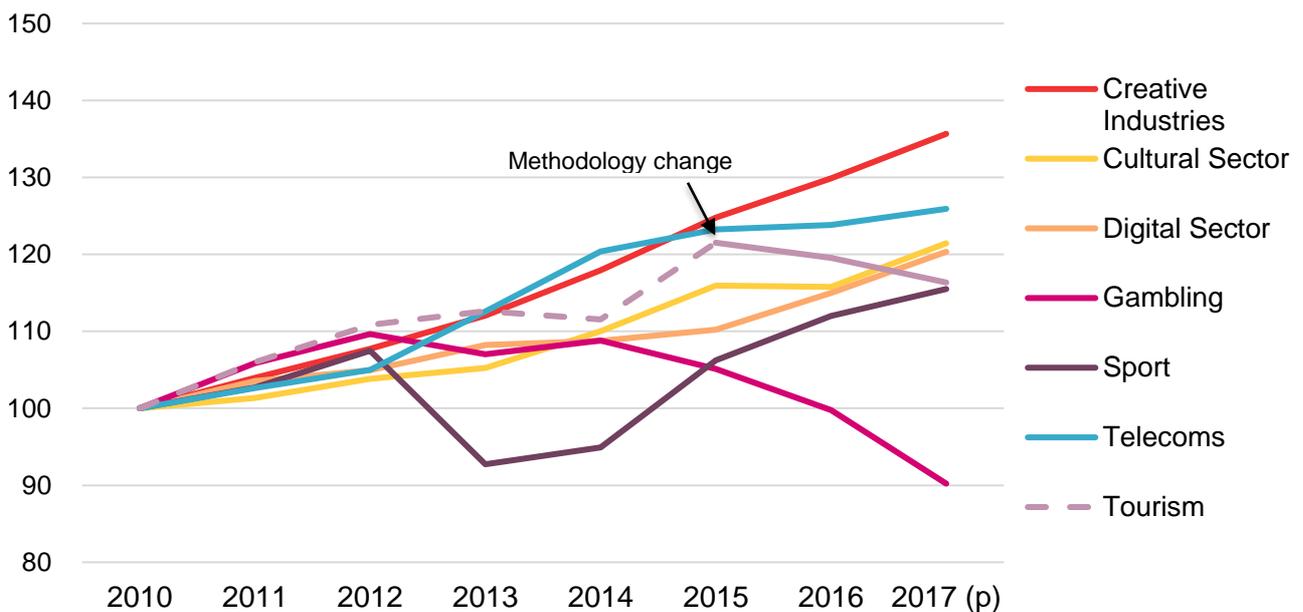
- Digital Sector contributed £127.2bn to the UK economy in 2017 in terms of chained volume measures, accounting for 7.1% of UK GVA.
- Creative Industries contributed £99.0bn in 2017, accounting for 5.5% of UK GVA.
- Cultural Sector contributed £28.9bn, 1.6% of UK economy GVA.

These sectors have increased by 4.6%, 4.5% and 4.9% respectively since 2016, around double the UK economy growth in the same period (at 2.3%). They have all had strong growth since 2010 too, increasing by 20.3%, 35.7% and 21.4% respectively, compared to 15.1% for the UK as a whole.

There has been a steady growth in GVA in chained volume measures in the Telecoms Sector since 2010, increasing by 25.9% since 2010 and contributing £32.0bn to the UK economy in 2017. The Telecoms Sector increased by 1.7% since 2016, slightly less than the growth seen over this time period for the UK as a whole. The Sports Sector has also increased by 3.1% since 2016 from £9.3bn to £9.6bn in 2017. It has also seen similar levels of growth since 2010 as the UK as a whole (15.5% increase since 2010). As mentioned in Chapter 3, the decline in this sector, in 2013 is likely to be caused by the effects of the UK hosting the Olympic and Paralympic Games in 2012.

The Gambling Sector decreased by 9.6% between 2016 and 2017 and 9.8% since 2010. As mentioned in Chapter 3, the Gambling Sector is a small industry and therefore can lead to some data volatility each year due to the sample size of businesses. The absolute change in GVA expressed in chained volume measures for the Gambling Sector is approximately £1 billion between 2010 and 2017. The Tourism Sector contributed £61.6bn to the UK economy in 2017, a decline of 2.7% since 2016 (£63.3bn in 2016).

Figure 4.2: Indexed growth in GVA (expressed in chained volume measures, 2010 = 100) in each DCMS Sector (excluding Civil Society): 2010-2017



Note:

1. Estimates for Tourism are based on a different methodology to all other sectors, as they are taken from the Tourism Satellite Account. Several methodology improvements were made for the 2016 Tourism data, which resulted in the 2015 data being revised. In 2016, several improvements were made to the Great Britain Day Visits Survey (GBDVS). More information on these changes can be found in Chapter 3 of the [methodology note](#). As a result of these changes, a 15% increase was observed in the levels of visits reported by respondents. The 2015 data have been revised in line with the increased level of reporting of day visits. This change has not yet been implemented in the data prior to 2015. ONS plan to implement these changes in 2019 and therefore, caution should be taken when comparing data from 2015 onwards with previous years.

Chapter 5: Next Steps

DCMS have developed a suite of economic estimates which help support policy and understand the economic impact our sectors have on the UK economy. The GVA estimates in this release are expected to be used by customers both within and outside the government. In combination with other economic indicators, GVA estimates help build a comprehensive picture of the UK economy, and of the DCMS Sectors' importance within it.

Upcoming work in the DCMS Economic Estimates series includes:

- **Business Demographics** - In January 2019, DCMS will publish 2017 estimates of the number of businesses in DCMS Sectors.
- **Earnings** – In 2019, DCMS will introduce new analysis on earnings data for Digital Sector employees based on the Annual Survey of Hours and Earnings (ASHE) dataset provided by Office for National Statistics (ONS). If there is sufficient interest in these statistics, DCMS plan to widen this analysis further in the future to include all DCMS Sectors.

The date for these publications will be announced via the DCMS statistical release calendar nearer the time.

Feedback and consultation

DCMS aims to continuously improve the quality of estimates and better meet user needs. We encourage our users to engage with us so that we can improve our statistics and identify gaps in the statistics that we produce. If you would like to comment on these statistics or have any enquiries on the statistics please do get in touch at evidence@culture.gov.uk.

DCMS Sector Economic Estimates is an Official Statistic and has been produced to the standards set out in the Code of Practice for Statistics. The statistical series have undergone National Statistics assessment this year. The Office for Statistics Regulation are expected to publish a report in December 2018. DCMS will work closely with the Office for Statistics Regulation to take forward any recommendations to improve the trustworthiness, quality and value of the series.

Annex A: Limitations

The estimates set out in this report are robust but there are some limitations which users should be aware of:

ABS survey design changes – The ABS (Annual Business Survey) is used to break down the Supply and Use Tables (SUT) estimates to the 4 digit level. However, users should note that the ABS population was expanded in 2015 which led to an increase in the number of businesses in the overall population of approximately 4%. In 2015, these businesses increased the level of turnover by 0.4% and GVA by 0.8%.

Users should also note that a sample re-optimisation has been included in the ABS estimates for 2016. This is carried out every five years to improve the efficiency of the sample estimation and reduce sampling variability as part of the regular process to improve estimates.

Both of these survey design changes can have a possible impact on the DCMS GVA estimates although the ABS is only being used to provide a proportion of the SUT so these changes should have minimal impact on the overall figures.

Sport - For the purposes of this publication the statistical definition of sport has been used. This incorporates only those 4 digit Standard Industrial Classification (SIC) codes which are predominately sport (see methodology note Table 2.1). DCMS also publishes estimates of sport based on the EU agreed [Vilnius definition](#). The Vilnius definition is a more comprehensive measure of sport which considers the contribution of sport across a range of industries, for example sport advertising, and sport related construction. The latest [DCMS Sport Satellite Account](#) is currently being produced and therefore has not been used in these estimates.

Tourism – Estimates for tourism used in this publication are based on a different methodology to all other sectors, as they are taken from the Tourism Satellite Account. This is an internationally recommended methodology for measurement of the contribution of tourism to the economy. The latest [Tourism Satellite Account](#) was published by ONS on 28th November 2018, and includes the latest estimates for direct tourism GVA, employment and trade.

Heritage – The heritage sector is depicted in our estimates by one SIC code “*91.03 Operation of historical sites and building and similar visitor attractions*”. DCMS use standard industrial classification (SIC) codes to construct these estimates, which enables international comparability as well as comparability with national estimates. As the balance and make-up of the economy changes, the international SIC codes used here are less able to provide the detail for important elements of the UK economy related to DCMS Sectors. It is therefore recognised that the published estimates are likely to be an underestimate for the Heritage sector.

Office for Civil Society – Responsibility for the Office for Civil Society (OCS) was transferred from Cabinet Office to DCMS on 21 July 2016. OCS leads cross-government work in support of the voluntary, community and social enterprise sector (VCSE). The estimates included in this report attempt to measure the contribution of the civil society sector in the UK economy.

For GVA expressed in current prices, the estimate for the Civil Society covers non-market charities sitting in the NPISH (non-profit institutions serving households) sector. It does not include market provider charities who have passed the market test and therefore sit in the corporate sector (these data are not currently measured by ONS on a National Accounts basis), mutuals, social enterprises or community interest companies. An estimate of the economic contribution of volunteering is also included, but this is not included in the “All DCMS Sectors” total due to it being part of the informal economy and therefore not part of the traditional methodology of calculating GVA.

NPISH data includes non-market charities, universities, trade unions and political parties. Of these, OCS only covers charities. As balanced industry data are not available split by source (i.e. the 4 sources covering charities, universities, trade unions and political parties), we have assumed that the balancing adjustment and other inputs used during data processing, are applied in proportion to the underlying size of each source data. Furthermore, it is not possible to identify the overlap between NPISH sectors and DCMS Sectors due to the way the data are processed, unless there is an exact 1:1 match. For example NPISH data are processed for SIC 90, which is also within the Cultural and Tourism Sector, and therefore this overlap can be removed in the ‘All DCMS Sector’ value. Conversely, NPISH data are provided for SICs 68.1 and 68.2 combined and cannot be separated. SIC 68.1 is not a DCMS industry, but SIC 68.2 is, and therefore a slight overlap will be included in the ‘All DCMS Sector’ value. It is estimated that the overlap is a maximum of 0.2% of total UK GVA. However given that the estimates for Civil Society as a whole are an underestimate for the sector (not including market provider charities, mutuals, social enterprises and community interest companies), the ‘All DCMS Sector’ value is not an overestimate even when compensating for this small overlap.

An estimate for the Office for Civil Society has not been included in the GVA expressed in chained volume measures.

2010 - 2016 GVA – 2016 GVA has been updated from the figures published in November 2017 to take into account the latest balancing of the National Accounts and finalisation of the Annual Business Survey data. National Accounts Supply Use Tables are open to revisions back to 1997 each year resulting in some changes to the back series too. These are planned revisions and an integral part of the balancing process.

2017 GVA - For 2017, the GVA data are taken from the output measure of GVA to allow consistency with the sector measures. This is aligned to average GVA up to and including 2016 (last Supply Use balanced year) but then uses growth in the output measure as a proxy for GVA beyond that. The 2017 figure therefore differs from National Account GVA at current basic prices (series named ABML). The only exception is for Civil Society where a different approach is used (see below for further information). Please note that the overall 2017 GVA figure is provisional and subject to change when National Accounts are published in 2019.

2017 Civil Society GVA - The Civil Society GVA figures are based on NPISH (Non-profit institutions serving households) data. The 2016 figures cannot be identified in the output approach to GDP, which is the approach taken for other DCMS Sectors. Between Blue Books the only data published on NPISH is their final consumption expenditure. It is not appropriate to use this for the 2017 estimate as it captures only one element of output with no information on intermediate consumption. The 2017 estimates published by DCMS therefore assumes the average proportion of the UK economy that is attributed to NPISH from 2010 to 2016 to be the

same for 2017. The same approach is taken to identify the overlap between NPISH and other DCMS Sectors (where possible).

Classifications - Estimates have been constructed from ONS Official Statistics which use international classifications. This is an important element of the methodology due to availability of data and to enable international comparability. The ability to produce consistent figures each year also allows trends over time to be measured. However, as a result there are substantial limitations to the underlying classifications. As the balance and make-up of the economy changes the international classifications are less able to provide the detail for important elements of the UK economy related to DCMS Sectors, and therefore best fit SIC codes have been used to produce these estimates.

More details of limitations are available in the [methodology note](#).

Annex B: External data sources

It is recognised that there are always different ways to define sectors, but their relevance depends on what they are needed for. Government generally favours classification systems which are

- rigorously measured,
- internationally comparable,
- nationally consistent, and
- ideally applicable to specific policy interventions.

These are the main reasons for DCMS using SIC code based definitions for its sectors. However DCMS accept that there are limitations with this approach (see Annex A), and alternative definitions can be useful where a policy-relevant grouping of businesses crosses existing Standard Industrial Classification (SIC) codes. DCMS are aware of other estimates of DCMS Sectors. These estimates use varying methodologies and can be useful for serving several purposes, e.g. monitoring progress under specific policy themes such as community health or the environment, or measuring activities subsumed across a range of SICs. While potentially useful, the quality of the data depends on that of the evidence used to estimate the appropriate share of existing SICs.

The table overleaf shows different sources of analysis measuring the economic contribution of different DCMS policy areas from our Arm's Length Bodies. It is recognised that there will be many other sources of evidence from industry bodies, for example, which have not been included in this table. This will be developed over time to capture a wider spectrum of stakeholder's releases.

Sector	Sub-sector	Organisation	Summary of use
Civil Society	Civil Society	ONS	ONS publish a household satellite account which includes an estimate for volunteering for 2015 and 2016. This is based on the DCMS Community Life Survey and multiplying participation by the median earnings. This is a similar methodology used by DCMS to estimate the impact of volunteering on the economy. However these figures should not be included in the GVA figure for the economy due to volunteering being part of the informal economy, and therefore not captured in the ONS's methodology for calculating GVA.
Creative Industries Cultural Sector	Arts	Arts Council England (ACE)	ACE provides a value of GVA and employment accountable by the Arts and Culture industry. They use similar SIC codes to DCMS' Economic Estimates, but rather than using the supply and use tables and then the Annual Business Survey to inform the proportions to use, ACE use only the Annual Business Survey and therefore an approximate measure of GVA. Employment is based on Business Register and Employment Survey which is a business survey and an official statistic. However it only covers employed jobs. This is different to DCMS' approach using the Annual Population Survey where employed and self-employed jobs are included, but it is a social survey and therefore relies on the household individual defining their sector of work, which can be a limitation to this approach.
Creative Industries Cultural Sector	Film, TV, video, radio and photography IT, software and computer services	British Film Institute (BFI)	BFI provides a value of GVA and FTE employment accountable by the Screen sector. The analysis uses a bespoke economic impact model developed for this study, reflecting current best practice in economic impact modelling, aligning the study with current government evaluation methodology (HM Treasury Green Book 2018). The estimates of FTE labour compensation and GVA generated by film and HETV production have been updated through the application of a separate 'Job Creation Model' commissioned by the BFI, and to be published Autumn 2018. This is a different methodology to DCMS' estimates.
Creative Industries Cultural Sector	Museums, Galleries and Libraries Museums and Galleries	Arts Council England (ACE)	ACE have commissioned a report which looks at the economic impact of museums in England in 2013. This methodology varies greatly to DCMS Sector Economic Estimates. The definition of museums is much wider than is used in DCMS' estimates which is based on one SIC code. ACE have identified the limitations with using SIC codes for museums, namely that to be included in the official statistical surveys, the museum needs to be registered for PAYE or VAT, which means some of the small museums would not be included in these official sources. The same applies to local authority delivered museum services which would be coded under the Public Administration SIC code. As a result ACE have used a bottom-up approach of developing a database of museums in England then using various sources to identify the economic measures for each museum. This is for England and was produced in 2013.

Cultural Sector	Heritage	Historic England	Historic England provides a value of GVA and employment accountable by the Heritage sector. Historic England use a satellite account approach to measure the heritage sector. Satellite accounts measure a sector by aggregating shares of other SICs, estimated using Standard Occupational Classification (SOC) codes primarily and additional information. They can serve several purposes, e.g. monitoring progress under specific policy theme. While potentially useful, the quality of the data depends on that of the evidence used to estimate the appropriate share of existing SICs. These figures are useful in building the sectoral narrative, and in advocacy work (e.g. in speeches, alongside our sector estimates). However the scope of the industries included is much wider than for DCMS' estimates.
Gambling	Gambling	Gambling Commission	Gambling Commission produce industry statistics twice a year covering gross gambling yield, employment and number of businesses. The methods are different to DCMS' Economic Estimates to reflect the different data sources available to the Gambling Commission and their policy needs. The Gambling Commission derive their estimates from the operators. It is a license requirement for operators to submit returns, so essentially a census is being carried here. This has benefits over using a sample survey like DCMS use. DCMS are only using SIC 92 to define Gambling; however it is likely that there will be companies outside of SIC 92 included in the Gambling Commission statistics. For example, some working men's clubs may hold a license but would not be classified under SIC 92 by virtue of their other primary activities. Finally, Gambling Commission do not produce an estimate of GVA; instead GGY. This is because this measure is understood by the sector as a whole and is internationally comparable. This means Gambling Commission can compare historically and internationally, but it does mean it is not comparable against other sectors.
Sport	Sport	Sport England	Sport England produce an estimate of the GVA and number of FTE jobs generated by sport and sport-related activity. This has not been updated since 2013 and covers England only. GVA is split by participation and consumption. The definition is wider than DCMS currently uses in its narrow definition, but is similar to the sport satellite account approach which uses the vilnius definition. This means elements such as sport broadcasting are included. While potentially useful, the quality of the data depends on that of the evidence used to estimate the appropriate share of existing SICs.

Sport	Sport	UK Sport	<p>UK Sport have produced estimates of the contribution of the Olympic and Paralympic sports. Whilst this is not fully comparable with DCMS' estimates due to its much narrower scope in terms of sports, it uses a similar methodology to the DCMS Sport satellite account. Please note that this Sport satellite account is not currently part of the DCMS Sector Economic Estimates so there will be further differences in methodology and scope of industries. UK Sport use a satellite account approach for a portfolio of sports. They produce a GVA and employment estimates, using a range of sources: ABS/ASHE, 2014 Input-Output tables, Participation data and company accounts. Whilst these are not the exact same data sources as DCMS uses, or the most up to date, they do enable a comparison to DCMS statistics. They are therefore a robust estimate if the user are looking for specific Olympic and Paralympic sports. However, as with all satellite accounts, the quality of the data depends on that of the evidence used to estimate the appropriate share of existing SICs.</p>
Tourism	Tourism	VisitBritain	<p>VisitBritain have commissioned a report to value the number of jobs and economic contribution in the Tourism industry. This is based on a bespoke model, but the direct tourism industry figures have consistency with the Tourism Satellite Account methodology, which DCMS uses for its Tourism estimates in the DCMS Sector Economic Estimates. It is based on 2008 to 2011, so is more outdated than DCMS estimates.</p>

Annex C: Further information

1. The next update to these statistics will be published in November 2019, once the National Accounts have been published.
2. The responsible statistician for this release is Davita Patel. For enquiries on this release, please contact Davita on 0207 211 2317 or evidence@culture.gov.uk.
3. For general enquiries contact:
Department for Digital, Culture, Media and Sport
100 Parliament Street
London
SW1A 2BQ
Telephone: 020 7211 6000
4. DCMS statisticians can be followed on Twitter via [@DCMSInsight](https://twitter.com/DCMSInsight).
5. The Economic estimates of DCMS Sectors release is an Official Statistics publication and has been produced to the standards set out in the Code of Practice for Official Statistics. For more information, see <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/code-of-practice-for-official-statistics.pdf>. Details of the pre-release access arrangements for this dataset have been published alongside this release.



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