





Capability Reviews

Department for Culture, Media and Sport: Capability Action Plan

Foreword



Jonathan Stephens, Permanent Secretary

This self-assessment has come at a critical time for the Department when we are planning a key role in delivery in 2012 – bringing the Olympic and Paralympic Games in on time and budget, supporting the Diamond Jubilee, completing the 5 year Digital Switchover also on time and under budget and progressing broadband roll out and spectrum clearance. At the same time, we are on track with a major programme of change to reduce our administration costs by 50%. The assessment has offered us a valuable chance to step back and take a thorough and honest look at how we are performing and where we need to make changes to ensure that we are in the best possible shape to meet the challenges ahead. Many people in the Department, and also partners outside, have contributed and I'm grateful to all of them for giving their time to help us gather an accurate picture of our capability.

We are at a time of real transition for the Department. A significantly different economic climate and the machinery of government transfer of responsibility to DCMS for broadband and telecommunications have led to an increased focus on our contribution to economic growth, while still keeping our strong commitment to the wider value our sectors add to national and community life. At the same time, the need to reduce our administration costs means that the way we work has already changed and needs to keep changing to keep up with our current priorities.

Our approach to the 2012 Games has paved the way for our future approach: identifying those interventions which can best generate major change, focusing resource in these areas of work, and withdrawing once change has been established on a sustainable footing. Alongside this, we will continue to discharge our core, statutory duties with increasing levels of efficiency. In simple terms, I see the Department moving from a static administrative role to become a dynamic engine of economic, social and cultural change.

To do this successfully, we will need to continue to build upon those qualities that this assessment has identified – being flexible and nimble; understanding our sectors and prioritising our resources where they can have greatest impact. We are starting out on the path to becoming the Whitehall model Department of the future and see ourselves as a test bed for the future reform agenda.

Overall, this assessment points to a Department which has a good story to tell. But we aren't resting on our laurels. We know we face major challenges. We also recognise the scale of change we still need to make and the extent to which this change is fundamental to our ability to maintain in the future our current levels of delivery. But we also see this as a time of real opportunity. We have set out a clear vision and purpose for the organisation we want to be in the future. We are now going through the process of getting there – and this assessment and our action plan capture the steps we need to make to complete this journey.

Vonathan Skephens

Foreword



David Verey, Lead Non-Executive

I welcome this self-assessment and the opportunity it has given the Department to reflect on what it does well and where it could work better. It has confirmed that the direction of travel that we have set is the right one and rightly reflects the scale of the challenges presented by a significant delivery agenda, alongside a significant change agenda.

This is an exciting period for DCMS – and 2012 presents a year in which the Department can really make its mark through the delivery of the Olympics and Paralympics, the Diamond Jubilee and the roll out of superfast broadband. I welcome the focus here on the future skills and capabilities the organisation will need in order to build on this delivery programme, and to make the most of the opportunities presented by an increased focus on growth.

I am clear that alongside this we must now increasingly focus our energies on how the Department drives growth and change across its key sectors in 2012 and beyond. This will put us in the best position to realise our vision of the Department's role in the future, ensure the Department's sectors are able to flourish, and remain at the heart of the Government's agenda.

April 2012

Contents

Foreword	
1. Challenges for the Department	5
2. Assessment of Capability	7
3. Capability Action Plan	11
Annex A: Model of Capability	13
Annex B: Assessment Criteria	17

1. Challenges for the Department

The Department for Culture, Media and Sport is a key department successfully delivering a demanding policy agenda and programmes of national importance, including the London 2012 Olympic and Paralympic Games. With the recent transfer to DCMS of responsibility for broadband, telecommunications and internet policy, we are increasingly focused on the contribution our sectors can make to boosting economic growth; as well as ensuring that the media, culture, tourism, sport and leisure sectors continue to thrive.

We are also committed to reducing our administration costs by 50% and are midway through a challenging programme to change the way in which we work. This will allow us to deliver more with less resources and meet the challenges ahead.

The Department

DCMS is a small Whitehall department with currently approximately 500 full-time equivalent staff. This number will reduce to c.340 after the delivery of the 2012 Games in order to meet our administration cost reductions.

Our Purpose

- DCMS works to make sure the communications, creative, media, cultural, tourism, sport and leisure economies have the framework to grow and have real impact on people's lives.
- We create the conditions for growth by removing barriers, providing strategic direction and supporting innovation and creativity.
- Through DCMS, the public funds: our cultural heritage, free access to world-class cultural institutions, art that challenges and provokes, the BBC, the sporting stars of the future. We want everyone to be able to enjoy our national culture, play sport and have access to effective communications.
- We are accountable to Parliament and the public for getting value from the money we spend and the work that we do.

Our Approach

We are a new model Whitehall Department: a small and focussed team working with and through a wide network of partners to deliver the Government's agenda. We work with pace and are creative, innovative and ambitious. DCMS is a place where great people work and are empowered to be their best. We value a diverse range of skills and experience but we work as one team.

Key challenges and opportunities

The key policy and delivery challenges facing the Department are set out in our Structural Reform Priorities:

• **Deliver the 2012 Olympics and Paralympics:** Deliver a safe and successful Olympic and Paralympic Games in London in 2012, and help to deliver a genuine and lasting legacy throughout the country.

1. Challenges for the Department

- Create a sporting legacy from the Olympic and Paralympic Games: Encourage competitive sport in schools by establishing a new School Games competition, improve local sports facilities and establish a lasting community sports legacy.
- Create the conditions for growth: Facilitate sustainable growth in the tourism, media, leisure, creative, communications and cultural industries, including by reforming the media regulatory regime.
- Boost the Big Society and strengthen cultural organisations: Encourage
 philanthropic giving, return the National Lottery to its founding principles and foster
 the development of a new breed of strong local media groups. Reform arm's-length
 bodies, support a move towards more sustainable business models and support
 libraries into the next generation.
- Facilitate the delivery of universal broadband: Stimulate private sector investment to deliver the best super-fast broadband network in Europe by 2015.

At the same time, the Department has committed to reducing its administration costs by 50% within this Spending Review period. We recognise that this means that we will need to change the way in which we work in order to be able to deliver more with less resources. We are currently midway through a challenging Change Programme that will deliver these changes. To complete this Programme successfully, we must continue to lead it with honesty and communication and think innovatively about how we work to ensure we focus our resources on the areas where we can make the greatest impact.

We are also determined that we do not lose sight of the huge opportunities that 2012 offers. We must build on the 2012 Olympic and Paralympic Games, the Diamond Jubilee, and other major delivery milestones this year such as the completion of the five-year television digital switchover programme, to demonstrate what a small, flexible and motivated Department like DCMS is capable of delivering.

Seizing the opportunities

This Capability Self-Assessment has helped us to clarify the actions we must take to make sure that we are able to seize these opportunities:

- Post-2012 vision setting out for our people our priorities beyond 2012, improving our horizon-scanning and identifying the big opportunities for DCMS, and embedding our new operating model
- Shared, visible leadership developing the new senior leadership team we put in place in April 2011 so that they can collectively lead people through the next phase of our Change Programme and build the future Department
- A clear development offer for our people making real for our people the opportunities for stretching and exciting roles to ensure that we can develop and retain a talented, committed and diverse workforce
- Building increased economic focus developing and extending economic skills throughout the Department to support our contribution to the Government's top priority of boosting economic growth
- Implementing reform of our delivery mechanisms putting in place reforms to the way in which we work with our arm's-length bodies and working flexibly to prioritise our resources and make the greatest impact.

DCMS is a flexible department with an innovative approach and a strong track record of delivery. The Department is clear about its immediate priorities, has a good understanding of its sectors and works collaboratively with partners in Government and beyond to secure positive outcomes. There is a strong focus on managing change positively within the Department. We have a clear purpose and approach, and our people are motivated by the work they do.

We are in the process of making significant changes to the way in which we work in order to reduce our administration costs. We are confident that we have the right framework in place but the successful implementation of our new approach to our arm's-length bodies, embedding of flexible resourcing, and the articulation of a clear development offer for our people, are critical factors in determining our longer-term capability and cementing our position as a new model Whitehall department.

Leadership Assessment		Assessment
L1	Set Direction	Amber/Green
L2	Ignite passion, pace and drive	Amber/Green
L3	Develop people	Amber/Red

Strategy		Assessment
S1	Set strategy and focus on outcomes	Amber/Red
S2	Base choices on evidence and customer insight	Amber/Red
S3	Collaborate and build common purpose	Green

Deliv	ery	Assessment
D1	Innovate and improve delivery	Amber/Green
D2	Plan, resource and prioritise	Amber/Green
D3	Develop, clear roles, responsibilities and delivery models	Amber/Red
D4	Manage performance and value for money	Amber/Green

Leadership

The Department has a clear purpose and approach, our people are motivated by the work they do, and there is a strong focus on managing change positively within the Department

- The Department has published a clear purpose and approach for this Parliament which has been welcomed by our people and is well understood.
- The Executive Board is leading a significant Change Programme. This has clear aims and people feel that they have a chance to engage in the decisions that affect them.
- Communication in the Department is viewed positively; the Department has established regular communication channels, such as the Permanent Secretary's weekly email and the Senior Leadership Team cascade, which staff welcome and appreciate.
- People continue to be motivated by the work they do. 90% of respondees in the People Survey were interested in their work and 73% felt that working in DCMS gave them a sense of accomplishment.
- The Department has developed and launched a Leadership Qualities Framework that helps it focus on developing these qualities throughout the organisation.
- The Department recognises the need for a strong focus on developing people and ensuring we have the skills we need to meet our current and future requirements.
- To support this, we have put in place a new management system with Development Managers to support individuals to manage their careers and we have introduced a new Performance and Development policy to support us in managing performance more effectively.

Continuing to increase the visibility of our new Senior Leadership team and developing our people's capabilities will be key to delivering our future priorities as we become a smaller and more flexible Department

- The new Senior Leadership Team needs to continue to improve its visibility, particularly through cascading and promoting corporate messages and leading and supporting staff through the next phase of the Change Programme.
- We are midway through our Change Programme. A real test will be whether we can maintain the current sense of pace and passion through the next phase of change.
- There remains lack of clarity about our new governance structures. We need to ensure that the Departmental Board is used as a forum for Ministers to agree, and monitor progress on, a shared set of strategic priorities for the Department.
- To enable the Department to retain skilled individuals as it grows smaller in size and to ensure that everyone has stretching opportunities, we should create a culture of learning and development and focus on the specific skills we need to develop to meet our business needs.
- We must continue to build upon the new Performance and Development policy to develop and embed a stronger performance management culture and improve the skills of managers in focusing on longterm capability development and balancing resourcing decisions with individual development needs.

Strategy

The Department is clear about its immediate priorities, has a good understanding of its sectors and uses its influence to secure positive outcomes

- The Department has set out clear priorities in its Business Plan, with emphasis on increased economic focus, and the Secretary of State's policy priorities are well understood by staff and stakeholders.
- We have demonstrated that we are good at reacting to sudden changes and the emergence of new
 priorities, including responding well to a new Ministerial team. Our flexible resourcing system supports
 us in doing this.
- The Department has a good understanding of its sectors and has demonstrated its ability to act upon that knowledge. We have drawn on good use of evidence and analysis in making our Impact Assessments (IAs). In 2011, we produced a higher proportion of IAs that received Green Opinions than any other main Whitehall department.
- We are working very successfully with other Departments to secure positive outcomes on a number of major priorities.
- We have worked well with arm's-length bodies on many projects despite having little or no funds of our own to put into them.

People are less clear about the Department's longer-term priorities and we could make better use of evidence in policy development especially as we build an increased economic focus

- We are facing a very demanding delivery challenge this year. This, coupled with our shifting focus to respond to the Government priority around growth, means that many people in the Department feel unsure about the Department's priorities beyond 2012. We need to help people understand our longer-term priorities and the strategy that underpins them.
- We are clear that we need to change our operating model to enable us meet future challenges with decreasing resources to become an engine of social and economic change. To do this, tt is vital that we are smart about identifying where we can make interventions that will catalyse change.
- Our policy making does not make use of evidence consistently and, where we do have evidence, it
 is not always clearly articulated or integrated early enough into the process of policy development.
- The Department's evidence and analysis resources are stretched and this could impact on our ambition to increase our economic focus.
- We need to develop throughout the Department the skills needed to deliver an increased economic focus.
- We could make better use of lessons learned and use evidence to make strategic choices.

Delivery

The Department has a strong focus on delivery that is supported by innovation and flexibility

- The Department is successfully delivering high-profile projects of national importance, including the Olympic and Paralympic Games, Digital Switchover and universal broadband. 91% of Business Plan milestones were complete as of September 2011.
- There are significant good examples of effective delivery through arm's-length bodies (ALBs) and they have overwhelmingly positive views of the Department on clarity, provision of information, and use of the arm's-length principle.
- The Department is taking the lead in championing new ways of working, continuous improvement, and in reducing barriers to innovation, supported by the positive relationship with the Trade Union Side it has fostered.
- We have moved the whole Department onto a flexible resourcing model which is allowing us to
 focus attention on the highest priorities and areas where we can make the greatest impact. The
 Flexible Resourcing Health Check was a significant milestone in refining these new processes.
- Process improvements in the Ministerial Support Team (formerly Public Engagement and Recognition Unit) have resulted in huge improvements in handling correspondence, Parliamentary Questions and Freedom of Information requests. By Summer 2011 (April-August 2011), 98% of Ministerial correspondence was answered within 20 working days (64% within 48 hours), and 90% of PQs and 100% of Freedom of Information requests were answered within deadline.
- The Finance team performs well, is an exemplar within Whitehall in terms of cash management, and has worked well to deliver much-improved financial management information to the Boards. Overall, we have significantly improved our management information.
- The Department has a good track record in cutting its own costs and improving value for money.

Successful delivery of arm's-length body reforms, effective prioritisation and continuing to embed flexible resourcing are central to meeting the major delivery challenges ahead with reduced resources

- We face major delivery challenges ahead. Using flexible resourcing and working with Ministers to
 prioritise our resources effectively are crucial to our ability to be able to maintain our level of delivery
 as we become a smaller Department.
- We need to increase our capabilities in project and programme management to support us in meeting these delivery challenges, including standardising our approach across the Department and having clarity around good practice.
- The recommendations of the Health Check need to be implemented consistently across the Department to refine our approach to flexible resourcing.
- Implementation of our new risk-based, proportionate approach to managing arm's-length bodies remains a key challenge for the year ahead. This is also an opportunity to clarify to an external audience our delivery relationship with ALBs and to address areas where ALBs' feedback is less positive.
- We should continue to use continuous improvement techniques to develop problem-solving and innovation capacity within our people to enable them to meet our Ministers' and stakeholders' needs with minimum resource.

 Knowledge management – including disseminating and embedding lessons learned and making sure we can make the most of people's experience and expertise – needs greater priority in the smaller organisation we will become.

3. Capability Action Plan

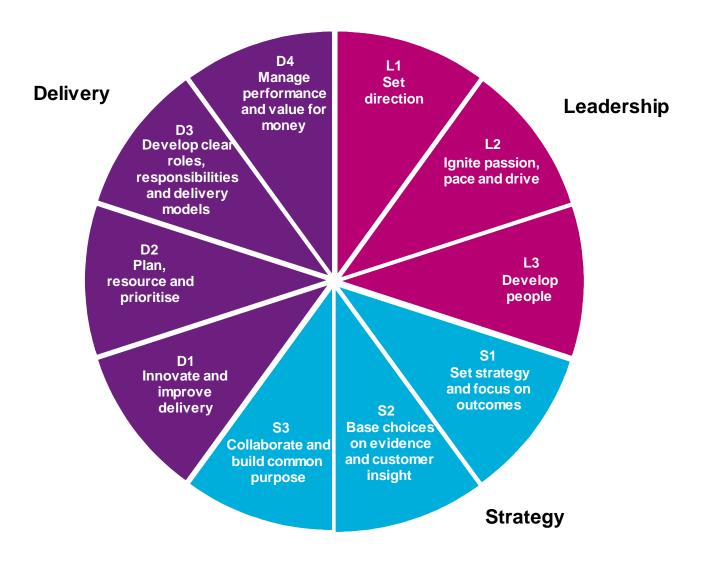
Areas for action

This self-assessment confirms that the Department's direction of travel is the right one but highlights a number of areas where we need to focus our attention to make sure that we are able to meet the challenges ahead. These actions will be – and, in some cases, already are being – taken forward through existing programmes and we do not propose to create a new programme around them. The impact of taking these actions will be measured through the results of the annual Civil Service People Survey and the Change Programme's regular research to monitor whether the intended benefits of the Programme are being realised.

Area for action	Milestone	Model Element	Date
	Leadership		
Setting out our post-2012 vision	Update people on the Department's Change Programme setting out the timelines, likely future priorities and ways of working. ACTION: Change Programme	S1 ///	Communication updates to staff in Jan 2012 & April 2012
	 Embed Department's new Purpose and Approach for DCMS and feedback to people on how their ideas have been implemented. ACTION: Change Programme 		Begun March 2012
	 Programme of horizon scanning to identify future strategy for the Department. ACTION: Policy Committee & Departmental Board 		Begun March 2012
Shared, visible leadership	Broaden leadership of change in the Department. Directors will lead all-staff sessions in future Change communications. The Senior Leadership Team will have a clear remit to engage, own and deliver this phase of the Change Programme. ACTION: Senior Leadership Team	L1	Ongoing commitment
	Members of SLT will continue to provide weekly information cascades with Executive Board attending on a rotating basis. ACTION: Senior Leadership Team		Taking place weekly

3. Capability Action Plan

A clear development offer for our people	 Develop and set out "staff offer" to explain to people what skills and attributes they will be expected to display in the future and what they can expect from the Department. ACTION: Change Programme Refresh Learning and Development 	L3 //	May 2012May 2012
	programme with opportunities focused on skills we need to meet our business needs. ACTION: HR		• May 2012
	Hold staff discussion groups on options for talent management strategy and make proposals to Executive Board. ACTION: Talent champions/Change Programme/HR		February-March 2012
	Put in place new secondment programme with brokered placement opportunities to help people to gain experience outside the Department. Refresh secondments policy to ensure that skills and experience gained are better recognised and utilised on return to Department. ACTION: Change Programme		Programme to be launched in October 2012
	Strategy		
Building increased economic focus	Consider use and allocation of evidence and analysis profession in organisational design. ACTION: Change Programme	S2 //	• April 2012
10003	 Develop clear narrative about how our sectors contribute to economic growth. ACTION: Evidence and Analysis Unit 		 Underway
	Define economic skills required in DCMS "staff offer" and training/upskilling needed. ACTION: Change Programme/HR		• May 2012
	Delivery		
Reforming our delivery mechanisms	Implement new risk-based approach to sponsorship. ACTION: ALB Team	D3 ///	• April 2012
	Complete programme of reform of arm's length bodies. ACTION: ALB Team		As per Public Bodies Programme timetable
	 Implement recommendations from Flexible Resourcing Health Check and continue to monitor the benefits. ACTION: Policy Committee 		• April 2012



L1: Set direction

- Do you have and communicate a clear, compelling and coherent vision for the future of the organisation?
- Does the Board work effectively in a corporate culture of teamwork, including working across internal boundaries and making effective use of non-executive directors?
- Does the Board take tough decisions, see them through and show commitment to continuous improvement of delivery outcomes?
- Does the Board lead and manage change effectively, addressing and overcoming resistance when it occurs?

L2: Ignite passion, pace and drive

- Do you create and sustain a unifying culture and set of values and behaviours which promote energy, enthusiasm and pride in the organisation and its vision?
- Are the leadership visible, outward looking role models communicating effectively and inspiring the respect, trust, loyalty and confidence of staff and stakeholders?
- Do you display integrity, confidence and self-awareness in your engagement with staff and stakeholders, actively encouraging, listening to and acting on feedback?
- Do you display passion about achieving ambitious results for customers, focussing on impact and outcomes, celebrating achievement and challenging the organisation to improve?

L3: Develop people

- Do you have people with the right skills and leadership across the organisation to deliver your vision and strategy? Do you demonstrate commitment to diversity and equality?
- Do you manage individuals' performance transparently and consistently, rewarding good performance and tackling poor performance? Are individuals' performance objectives aligned with those of the organisation?
- Do you identify and nurture leadership and management talent in individuals and teams to get the best from everyone? How do you plan effectively for succession in key posts?
- Do you plan to fill key capability gaps in the organisation and in the delivery system?

S1: Set strategy and focus on outcomes

- Do you have a clear, coherent and achievable strategy with a single, overarching set of challenging outcomes, aims, objectives and success measures?
- Is your strategy clear what success looks like and focused on improving the overall quality of life for customers and benefiting the nation?
- Do you keep the strategy up to date, seizing opportunities when circumstances change?
- How do you work with your political leadership to develop strategy and ensure appropriate trade offs between priority outcomes?

S2: Base choices on evidence and customer insight

- Are your policies and programmes customer focused and developed with customer involvement and insight from the earliest stages? Do you understand and respond to your customers' needs and opinions?
- Do you ensure that your vision and strategy are informed by sound use of timely evidence and analysis?
- Do you identify future trends, plan for them and choose among the range of options available?
- Do you evaluate and measure outcomes and ensure that lessons learned are fed back through the strategy process?

S3: Collaborate and build common purpose

- Do you work with others in government and beyond to develop strategy and policy collectively to address cross-cutting issues?
- Do you involve partners and stakeholders from the earliest stages of policy development and learn from their experience?
- Do you ensure your department's strategies and policies are consistent with those of other departments?
- Do you develop and generate common ownership of the strategy with your political leadership, the board, the organisation, delivery partners and customers?

D1: Innovate and improve delivery

- Do you have the structures, people capacity and enabling systems required to support appropriate innovation and manage it effectively?
- Do leaders empower and incentivise the organisation and its partners to innovate and learn from each other, and the front line, to improve delivery?
- Is innovation explicitly linked to core business, underpinned by a coherent innovation strategy and an effective approach towards risk management?
- Do you evaluate the success and added value of innovation, using the results to make resource prioritisation decisions and inform future innovation?

D2: Plan, resource and prioritise

- Do your business planning processes effectively prioritise and sequence deliverables to focus on delivery of your strategic outcomes, and do you make tough decisions on trade offs between priority outcomes when appropriate?
- Are your delivery plans robust, consistent and aligned with the strategy? Taken together will they effectively deliver all of your strategic outcomes?
- Do you maintain effective control of the organisation's resources? Do your delivery plans include key drivers of cost, with financial implications clearly considered and suitable levels of financial flexibility within the organisation?
- Are your delivery plans and programmes effectively managed and regularly reviewed?

D3: Develop clear roles, responsibilities and delivery models

- Do you have clear and well understood delivery models which will deliver your strategic outcomes across boundaries?
- Do you identify and agree roles, responsibilities and accountabilities for delivery within those models including among arm's length bodies? Are these well understood and supported by appropriate rewards, incentives and governance arrangements?
- Do you engage, align and enthuse partners in other departments and across the delivery model to work together to deliver? Is there shared commitment among them to remove obstacles to effective joint working?
- Do you ensure the effectiveness and efficiency of your delivery agents?

D4: Manage performance and value for money

- Are you delivering on the priorities set out in your strategy and business plans?
- Does the need to ensure efficiency and value for money underpin everything that you do?
- Do you drive performance and strive for excellence across the organisation and delivery system in pursuit of your strategic outcomes?
- Do you have high-quality, timely and well-understood performance information, supported by analytical capability, which allows you to track and manage performance and risk across the delivery system?
- Do you take action when you are not meeting (or are not on track to meet) all of your key delivery objectives?

Annex B: Assessment Criteria

Green	 Outstanding capability for future delivery in line with the model of capability. Clear approach to monitoring and sustaining future capability with supporting evidence and metrics. Evidence of learning and benchmarking against peers and other comparators which confirms progress towards world class.
Amber/ Green	 Has identified capability gaps, is already making improvements in capability for current and future delivery and is well placed to do so. Is expected to improve further in the short term through practical actions that are planned or already underway and has clear metrics to support progress.
Amber/ Red	 Has weaknesses in capability for current and future delivery and/or has not identified all weaknesses and has no clear mechanism for doing so. More action is required to close current capability gaps and deliver improvement over the medium term.
Red	 Significant weaknesses in capability for current and future delivery that require urgent action. Not well placed to address weaknesses in the short or medium term and needs additional action and support to secure effective delivery.

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