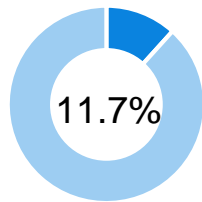# DCMS Sectors Economic Estimates 2018 (provisional): Gross Value Added

NOTE: due to substantial revisions to the base data and methodology used to construct the tourism satellite account, estimates for the tourism sector are only available for 2017. Hence**, "All DCMS Sectors" excludes tourism in this.**

11.7%

7.0%

DCMS sectors' contribution: £224.1bn

of UK GVA

Real-terms increase since 2017

In 2018, the DCMS Sectors contributed **£224.1bn** to the UK economy, accounting for **11.7% of UK GVA** (expressed in current prices), up from **11.4%** in 2017.

The GVA of DCMS Sectors (excluding Tourism and Civil Society) has increased by **7.0%** in real terms since 2017, and 33.4% in real terms since 2010, compared to 1.4% and 16.6% for the UK total, respectively.

- The **Digital Sector** contributed £149.0bn to the UK economy in 2018, accounting for 7.7% of UK GVA. GVA by this sector has increased by 30.4% in real terms since 2010, with the **Telecoms** sector contributing £36.6bn, increasing by 35.4% in real terms since 2010.

- The **Creative Industries** contributed £111.7bn to the UK economy in 2018, an increase of 43.2% in real terms since 2010

- The **Cultural Sector** contributed £32.3bn to the UK economy in 2018, an increase of 21.9% in real terms since 2010.

- The **Sport** and **Gambling** sectors contributed £16.0bn and £8.7bn respectively, increasing by 16.0% and 57.6% respectively, in real terms, since 2010.

- The **Civil Society** sector (non-market charities) contributed £16.2bn in 2018.

This release provides estimates of the contribution of DCMS Sectors to the UK economy, measured by gross value added (GVA). **GVA** is a measure of the increase in the value of the economy due to the production of goods and services. Its relationship to GDP is as follows:

GVA = GDP + Subsidies - Taxes

It is measured either at **current basic prices**, which give the best 'instantaneous' measure of the value to the economy, but are not adjusted for the effect of inflation, or in "real terms" in **chained volume measures**, where the effect of inflation is removed.

We use current prices to report current sector estimates and chained volume measures for any comparisons over time.

All GVA figures in this report are subject to change when National Accounts are published in 2020.

Responsible statistician:
Ziga Dernac
Statistical enquiries:
evidence@culture.gov.uk
@DCMSInsight
General enquiries:
enquiries@culture.gov.uk
Media enquiries:
020 7211 2210

Contents

Chapter 1:   Introduction

Code of Practice for Statistics

In June 2019, the DCMS Sector Economic Estimates: GVA were badged as National Statistics. This affirms that the statistics have met the requirements of the Code of Practice for Statistics.

Background

Released: 05 February 2020

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 2018. 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[1]
- Creative Industries
- Cultural Sector
- Digital Sector
- Gambling
- Sport[2]
- Telecoms
- Tourism[3]

A definition for each sector is available in the 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.**

---

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

[2] This release includes two different measures of the economic contribution of sport to the economy, the first (in chapters 2 and 3) covering sport-related sectors (looks at individual standard industrial classification codes, such as 93.11: Operation of sports facilities), the second (in chapter 5) estimating all sports-related economic activities, regardless of sector.

[3] Due to substantial revisions to the base data and methodology used to construct the tourism satellite account, estimates for the tourism sector are only available for 2017. For this reason "All DCMS Sectors" excludes tourism in this report.

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 standard industrial classification (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 estimates[4].
    - 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, using assumptions where directly measured values are not available. Whilst robust, this approach will have future revisions for the reasons outlined below:
    - National Accounts (supply and use tables) for 2018 are not balanced until later in 2020[5]
    - 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 of National Accounts.
    - At the time of analysis, the Annual Business Survey data were available up to 2017 only. Therefore, the 2018 data are based on 2017 proportions.

Alternative economic measures of DCMS Sectors are produced by other organisations, including some of DCMS's arm's length bodies. A summary of these statistics and the varying methodologies used is available in Annex B of this report.

---

[4] 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.
[5] Annual supply and use balancing brings together detailed data on the three approaches (production, income and expenditure) to measuring gross domestic product (GDP) and balances them by product.

Chapter 2: GVA in DCMS Sectors – Current Prices

This chapter outlines the use of GVA estimated in current prices (i.e. not adjusted for inflation) in this report. These GVA figures are best used to understand the proportion of the total economy (or of the DCMS total) accounted for by each sector for each individual year, and to show the value of GVA for each sector and subsector in 2018. These estimates should not be used to make comparisons between years. For comparisons over time, see Chapter 3 – Chained Volume Measures.

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

Due to data and methodology revisions, only the 2017 figure for the tourism sector is available for Table 2.1. DCMS is working with the Office for National Statistics (ONS) to provide a revised time series for inclusion in the next release of this report.

How accurate are these statistics?

The supply and use tables are constructed from various data sources, making it difficult to produce a measure of the sampling and non-sampling error associated with National Accounts or to construct an overall measure of the accuracy of the GVA estimates.

Estimates from the ABS are subject to various sources of error, with sampling errors published at a 4-digit SIC level. Further information on the quality of the ABS data is published by the Office for National Statistics.

Table 2.1: GVA contribution (£bn, expressed in current prices) by DCMS Sectors: 2010 – 2018

Sector	2010[r]	2011[r]	2012[r]	2013[r]	2014[r]	2015[r]	2016[r]	2017[r]	2018[p]	*% of UK GVA 2018*
Civil Society[6]	9.3	10.6	10.6	11.8	12.1	12.9	14.2	15.5	16.2	*0.8*
Creative Industries	69.6	72.4	76.9	81.5	85.6	94.7	99.1	104.8	111.7	*5.8*
Cultural Sector	23.8	24.4	25.4	26.9	26.7	29.2	30.4	31.9	32.3	*1.7*
Digital Sector	104.2	109.6	112.7	114.5	116.5	119.8	130.5	139.2	149.0	*7.7*
Gambling	4.3	5.5	5.1	6.0	6.9	7.5	7.0	8.7	8.7	*0.5*
Sport	10.6	11.4	11.5	11.8	12.3	13.2	14.5	15.7	16.0	*0.8*
Telecoms	26.3	28.2	28.2	28.2	29.8	30.7	32.8	35.1	36.6	*1.9*
All DCMS sectors [7](exc. Tourism)	**149.1**	**158.9**	**162.8**	**169.9**	**174.2**	**185.3**	**196.9**	**211.3**	**224.1**	**11.7**
Tourism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	59.6	N/A	N/A
UK	*1,442.4*	*1,481.5*	*1,530.2*	*1,590.6*	*1,660.2*	*1,709.3*	*1,778.1*	*1,846.7*	*1,923.4*	*100.0*

---

[6] The Civil Society figure covers non-market charities in non-profit institutions serving households (NPISH). 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.

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

[p] = provisional

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

Chapter 3: GVA in Chained Volume Measures

This chapter presents UK GVA estimates for DCMS Sectors as chained volume measures (i.e. adjusted for inflation)[8]. These estimates of GVA are based on a similar methodology to that 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 methodology note.

GVA estimates expressed in chained volume measures do 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.

Table 3.1: GVA contribution (£bn, expressed in chained volume measures) by DCMS Sectors (excluding Civil Society): 2010 – 2018

Sector	2010[r]	2011[r]	2012[r]	2013[r]	2014[r]	2015[r]	2016[r]	2017[r]	2018[p]	% change 2017 - 2018	% change 2010 - 2018
Creative Industries	76.6	77.5	81.5	84.8	87.6	96.0	99.1	102.1	109.7	**7.4**	**43.2**
Cultural Sector	26.3	26.3	27.2	28.1	27.6	29.8	30.4	31.2	32.0	**2.7**	**21.9**
Digital Sector	112.1	115.3	117.8	117.8	118.7	121.7	130.5	135.5	146.2	**7.9**	**30.4**
Gambling	5.3	6.5	5.8	6.8	7.7	7.9	7.0	8.5	8.4	**-0.8**	**57.6**
Sport	13.7	14.4	14.2	12.7	13.0	13.8	14.7	15.5	15.8	**2.1**	**16.0**
Telecoms	26.8	28.6	28.7	28.5	30.2	31.6	32.8	34.4	36.3	**5.8**	**35.4**
All DCMS sectors[9] (exc. Tourism)	**154.0**	**159.6**	**162.4**	**164.5**	**167.0**	**176.8**	**183.8**	**192.1**	**205.5**	**7.0**	**33.4**
UK	1,577	1,606	1,629	1,665	1,707	1,744	1,778	1,813	1,838	**1.4**	**16.6**

---

[8] The expression "chained volume measure" or "CVM" is used in the UK National Accounts publications to describe volume measures derived by chain-linking in either index form (that is, set to be 100 for reference year) or in £million form (that is referenced to the current monetary value in the reference year). This is also sometimes referred to as a "chain-linked volume" (CLV) or "chained volume". They are the result of joining together two indices that overlap in one period by rescaling one of them to make its value equal to that of the other in the same period, thus combining them into single consistent chained volume measure time series.
Further information on current price and chained volume measures is available here.
[9] DCMS Sector total is lower than the sum of individual DCMS Sectors because of overlaps between sectors.
[p] = provisional.
[r] = revised. These are planned revisions in line with National Accounts data published by ONS.

Understanding DCMS Sector overlaps

For each DCMS Sector, definitions were developed individually based on internal, UK or international best practice/standards for that sector, rather than with reference to each other. In some cases, industries have been included in more than one sector, i.e., the sectors are not mutually exclusive. Figure 3.1 shows these overlaps; for example, the Telecoms sector can be seen to be wholly within the Digital sector because the entire Telecoms bar is directly above the Digital sector bar. Conversely, there is no overlap between the Sport and Gambling sectors as neither bar is directly above the other.

Figure 3.1: GVA and overlaps in DCMS Sectors, 2018
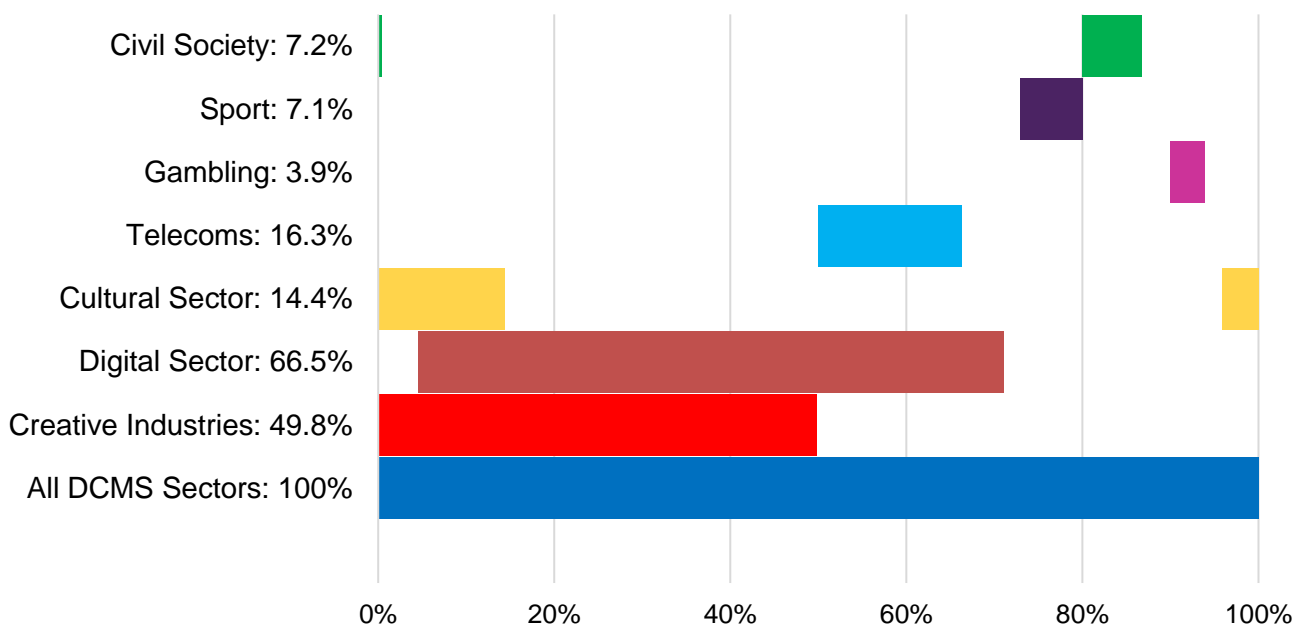
Table 3.2 overleaf outlines the overlaps shown in Figure 2.2 and the GVA contribution for these overlaps. As an example, 24.7% of the DCMS Sector GVA is within both the Creative Industries (as shown in the Sector 1 column) and the Digital Sector (as shown in the Sector 2 column) exclusively. Therefore, when calculating the DCMS Sector total, this is counted once. A further 9.8% 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 24.7% overlap outlined above.

There is a small overlap (0.4% of DCMS Sector GVA) between 3 of the DCMS Sectors i.e. Cultural Sector, Creative Industries and Civil Society (shown as Sector 1, Sector 2, Sector 3 and Sector 4 in the table), contributing £1.0bn to the UK economy in 2018.

Table 3.2: GVA and overlaps in DCMS Sectors, 2018

Sector 1	Sector 2	Sector 3	GVA overlap (£bn)	% of DCMS total	% of UK total
Creative Industries	Digital Sector	Cultural Sector	22.0	9.8	1.1
Creative Industries	Cultural Sector		9.5	4.2	0.5
Creative Industries	Digital Sector		55.3	24.7	2.9
Digital Sector	Telecoms		36.6	16.3	1.9
Cultural Sector	Creative Industries	Civil Society	1.0	0.4	0.1

For more information, Chapter 2 of the methodology note visually outlines the overlap between SIC codes in DCMS Sectors[10], 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.

In previous publications on GVA in DCMS sectors both the overlap chart and table included an estimated overlap of tourism with other sectors. As no estimate of the GVA of Tourism is currently available for 2018[11], Tourism has not been included in the overlap chart or summary for this publication. Readers wishing to understand the extent of the overlap between Tourism and other DCMS sectors should refer to the previous Economic Estimates: GVA report.

---

[10] See Figure 2.1 in the methodology note at https://www.gov.uk/government/publications/dcms-sectors-economic-estimates-methodology

[11] Due to substantial revisions to the base data and methodology used to construct the tourism satellite account, estimates for the tourism sector are only available for 2017.

Chapter 4:   GVA in individual DCMS Sectors

This chapter summarises the estimates for each individual sector and discusses key findings. There is significant overlap between DCMS sectors so users should be aware that the estimate for DCMS Sectors is lower than the sum of the individual sectors. It is also worth noting that some large industries, 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.

Data tables accompanying this chapter (for sector and sub-sector) are published alongside this report.

Time-series charts in this chapter are indexed to a base year (2010 = 100). The values of subsequent years therefore reflect the relative change in GVA in chained volume measures since the base year. For example, a value of 140 for year 2018 indicates that the GVA of a sector has increased by 40% between 2010 and 2018. As is the case with all other sector and sub-sector values in this report, the 2018 figures are provisional (denoted by "2018p" in the charts) and will be revised in the next annual update of these statistics.

Creative Industries

Key Findings

£111.7bn
in 2018

7.4% increase
since 2017

The Creative Industries **contributed £111.7bn** to the UK economy in 2018, accounting for **5.8% of UK GVA**.
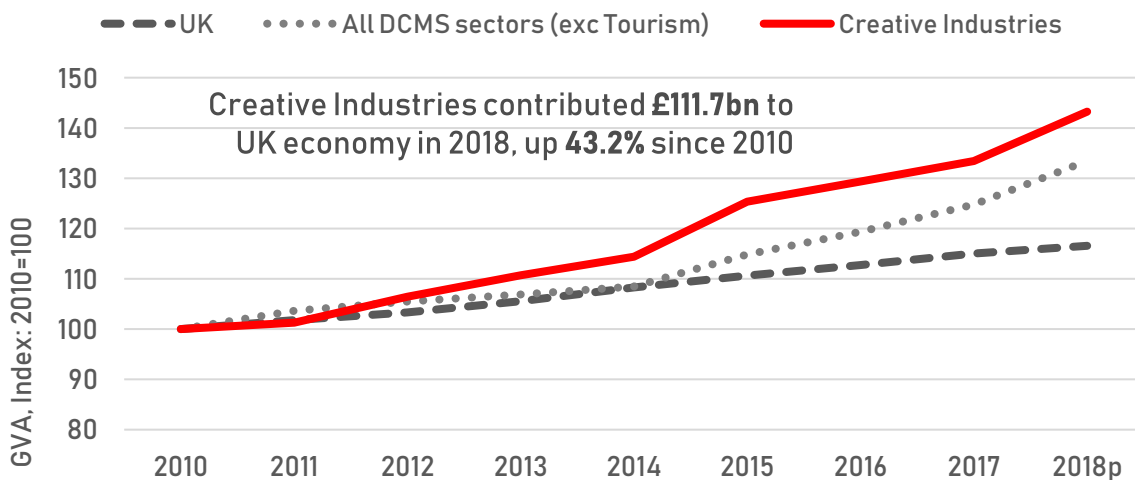
Between 2017 and 2018, the Creative Industries' GVA grew by 7.4% in real terms, **which is more than five times the growth rate of the UK economy as a whole** (1.4% increase).

'**IT, software and computer services'** (which is also entirely within the Digital sector) accounted for **£45.4bn** GVA in 2018 (40.6% of Creative Industries GVA), increasing by **10.3%** since 2017.

'Film, TV, video, radio and photography' (six out of seven SIC codes within this sub-sector overlap with the Digital sector and it overlaps entirely with the Cultural sector) contributed **£20.8bn** to the UK economy, up **3%** since 2017.

'Advertising and marketing' contributed **£18.6bn** in 2018, increasing by **11.5%** since 2017. These three sub-sectors were the key drivers of growth in the Creative Industries[12].

How are Creative Industries defined?

Creative Industries are 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 definition used is based on international industrial codes and 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 4.1: Index of real-terms GVA growth for Creative Industries and for total UK: 2010 to 2018 (2010=100)

---

[12] Growth here refers to the absolute increase in GVA in chained volume measures since 2017. The 'IT, software and computer services' in particular accounted for more than half of the absolute growth in the Creative Industries. 'IT, software and computer services', 'Film, TV, video, radio and photography', and 'Advertising and marketing' account for almost 90% of the absolute growth in this sector.

Cultural Sector

Key Findings

£32.3bn
in 2018

2.7% increase
since 2017

The Cultural Sector **contributed £32.3bn** to the UK economy in 2018 and accounted for **1.7% of UK GVA**. The Cultural Sector grew by 2.7% in real terms between 2017 and 2018, and has grown by 21.9% since 2010.

Over three fifths (65.8%) of the Cultural Sector GVA was in the **'Film, TV and music'** sub-sector (contributing £21.3bn in 2018), where GVA increased by 3.1% between 2017 and 2018.

The real terms growth of GVA in **'Film, TV and music'** sub-sector accounts for almost three fourths of the growth in the Cultural Sector.

More than a fifth (21.9%) of Cultural Sector GVA was accounted for by the 'Arts' sub-sector. This sub-sector has grown by 2.0% since 2018.

How is the Cultural Sector defined?

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

The DCMS definition is based on international industrial codes and 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 4.2: Index of GVA growth for the Cultural Sector and for total UK: 2010 to 2018 (2010=100)
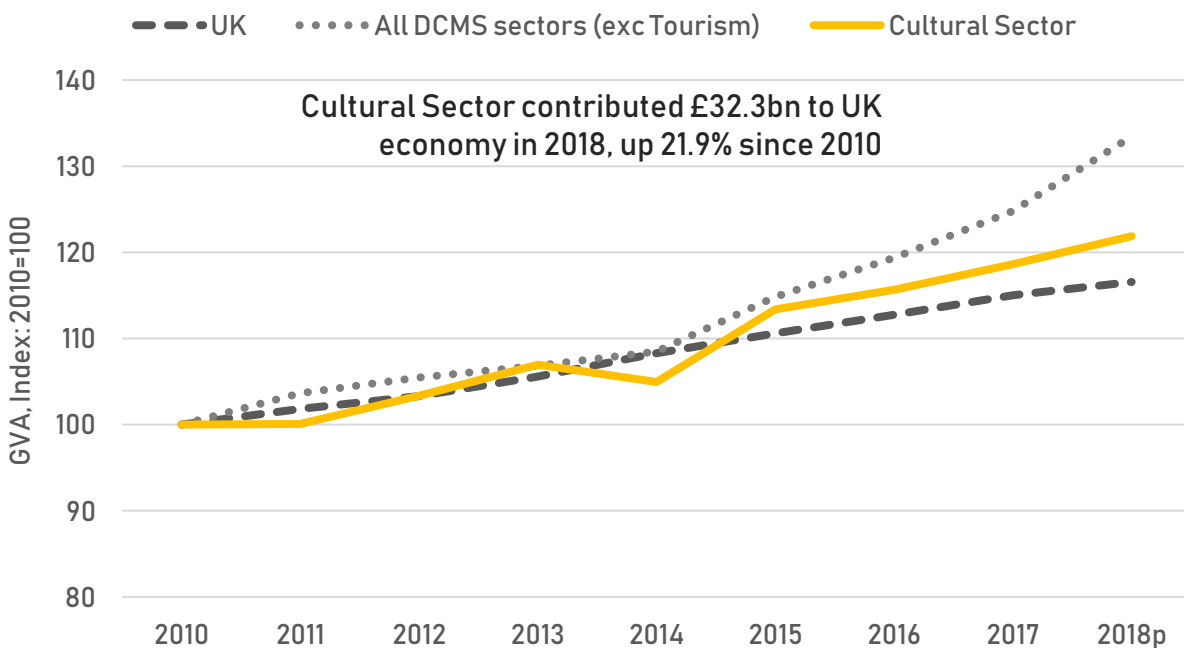
Digital Sector

Key Findings

£149bn
in 2018

7.9% increase
since 2017

The Digital Sector **contributed £149bn** to the UK economy in 2018, accounting for **7.7% of UK GVA**. This sector saw the greatest percentage increase of all DCMS Sectors between 2017 and 2018 (7.9%). This is a **nearly six times larger than growth across the economy as a whole**, which increased by 1.4%. The sector has grown by 30.4% since 2010 (compared to 16.6% for the total UK economy). The growth of this sector was roughly in line with the growth of the whole economy until 2015, but has since been growing at a faster rate.

'Computer programming, consultancy and related activities' (some SIC codes within this sub-sector overlap with Creative Industries) sub-sector was the biggest contributor to the digital sector, accounting for 36.7% of the sector, and saw an increase in GVA of 10.6% since 2017.

> **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), with some additional SIC codes.
>
> 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.

The **'Telecoms'** sub-sector accounted for a quarter (24.6%) of Digital Sector GVA in 2018, contributing £36.6bn in 2018. The **Telecoms'** GVA increased by 5.8% since 2017.

The '**Repair of computers and communication equipment**' sub-sector decreased by 3.3% since 2017, it was the only sub-sector in the Digital Sector that saw a decrease in GVA.
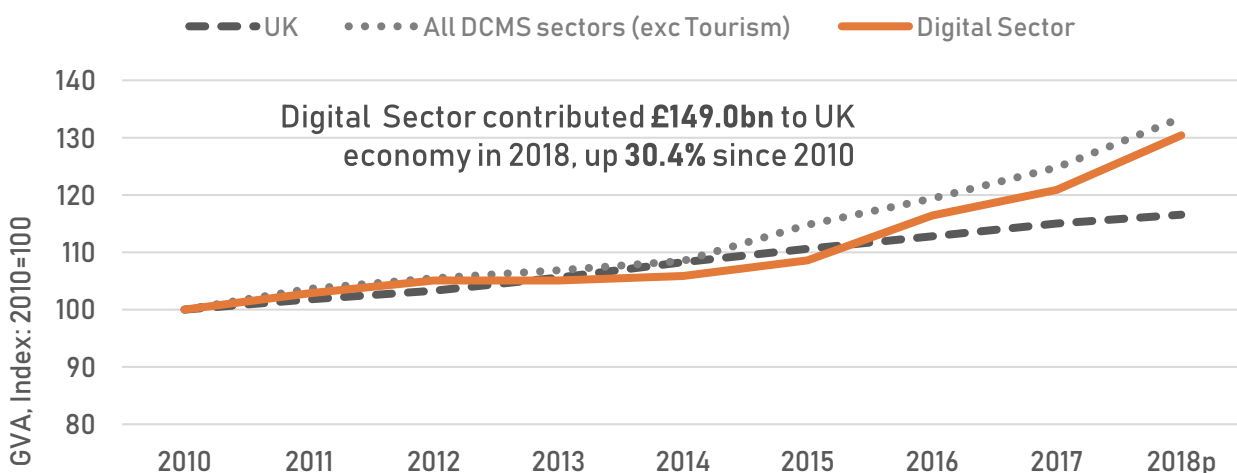
Figure 4.3: Index of real-terms GVA growth for the Digital Sector and for total UK: 2010 to 2018 (2010=100)

Gambling

Key Findings

£8.7bn in 2018

GVA has decreased by 0.8% since 2017

The Gambling Sector **contributed £8.7bn** to the UK economy in 2018, accounting for **0.5% of UK GVA**. The GVA value of the Gambling sector decreased by 0.8% in real terms since 2017, compared to the increase of 1.4% of the UK economy as a whole. Since 2010, the Gambling Sector has grown by 57.6% (£4.3bn in 2010).

The Gambling sector is a small sector but one that comprises a higher proportion of very high-revenue (£250,000 per annum or more) businesses than other DCMS sectors. Due to the small number sampled, the inclusion or exclusion of such high revenue businesses in the survey sample can have a large effect on the estimates of the gambling sector. This is likely to play a role in the year-to-year variation in gambling figures.

Figure 4.4: Index of real GVA growth for the Gambling Sector and for total UK: 2010 to 2018 (2010=100)

Gambling Sector contributed **£8.7bn** to UK economy in 2018, up **57.6%** since 2010
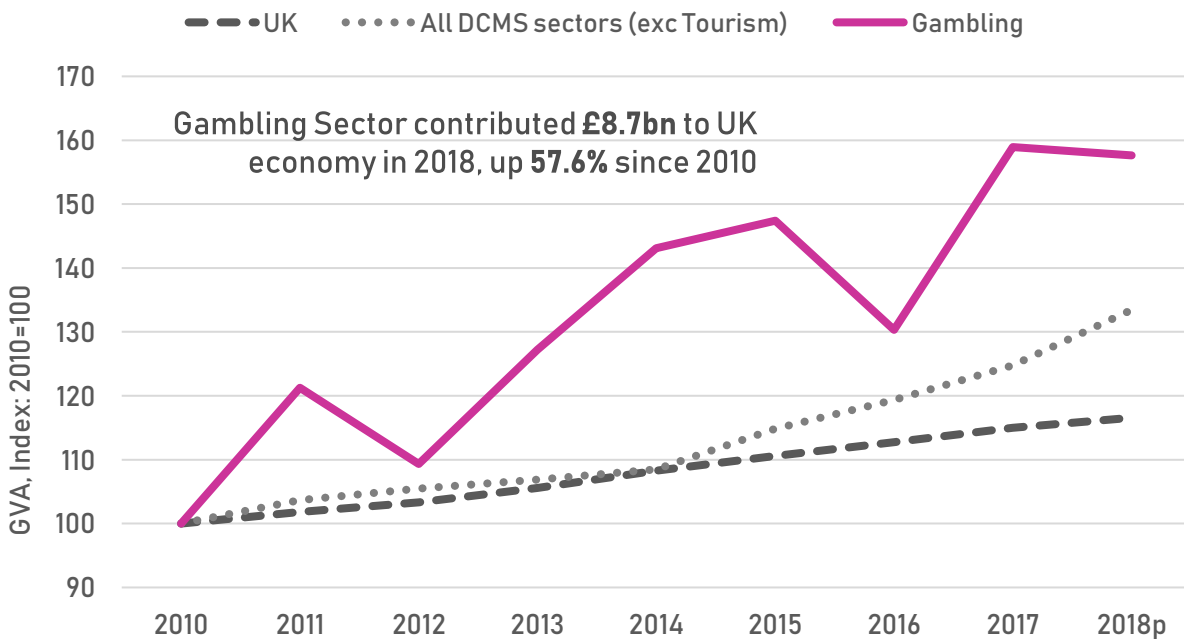
Sport

This release also includes estimates for GVA based on a Sport Satellite Account approach (see Chapter 5). This provides a measure of the impact of sport on the whole economy, not just those industries dedicated to sport-related activities.

Key Findings

£16bn in 2018

2.1% increase since 2017

The Sports Sector **contributed £16.0 bn** to the UK economy in 2018, accounting for **0.8% of UK GVA**. This is an increase of 2.1% since 2017.

The Sports Sector GVA has increased by 16% since 2010, with a decline in the Sports Sector in 2013 likely to be caused by the effects of the UK hosting the Olympic and Paralympic Games in 2012.

How is the Sport sector defined?

The statistical definition of sport has been used, which incorporates only those sub-sectors which are predominately sport-related, as explained in the Vilnius Definition of Sport.

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 4.5: Index of real GVA growth for the Sports Sector and for total UK: 2010 to 2018 (2010=100)
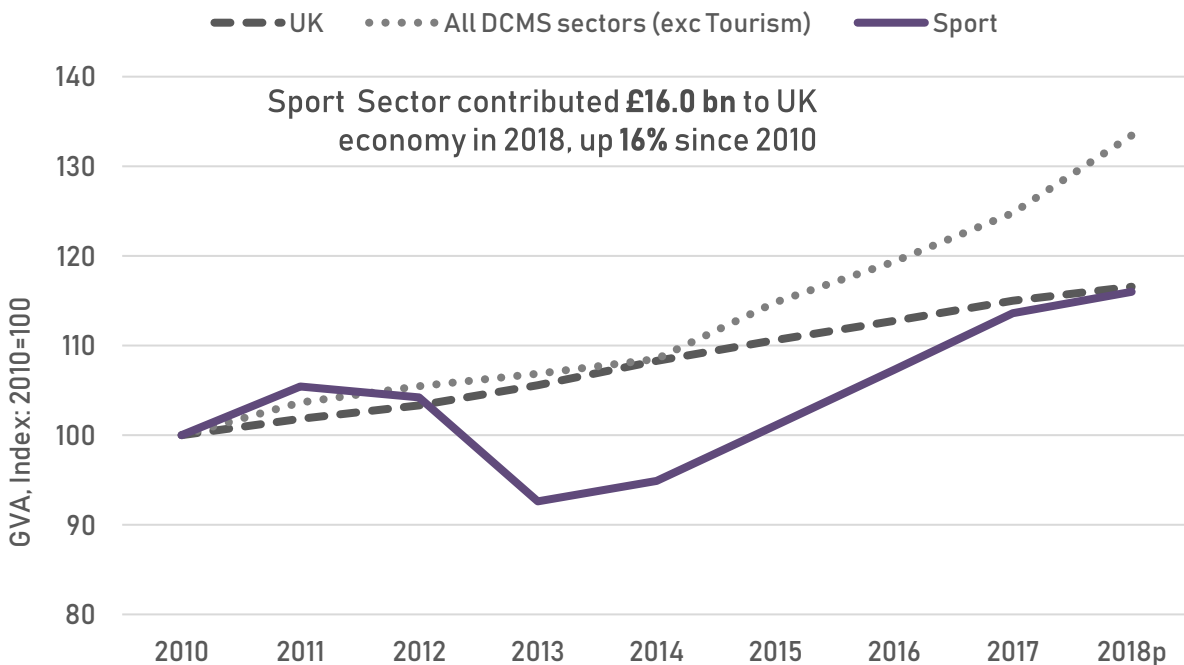
Telecoms

Key Findings

£36.6bn
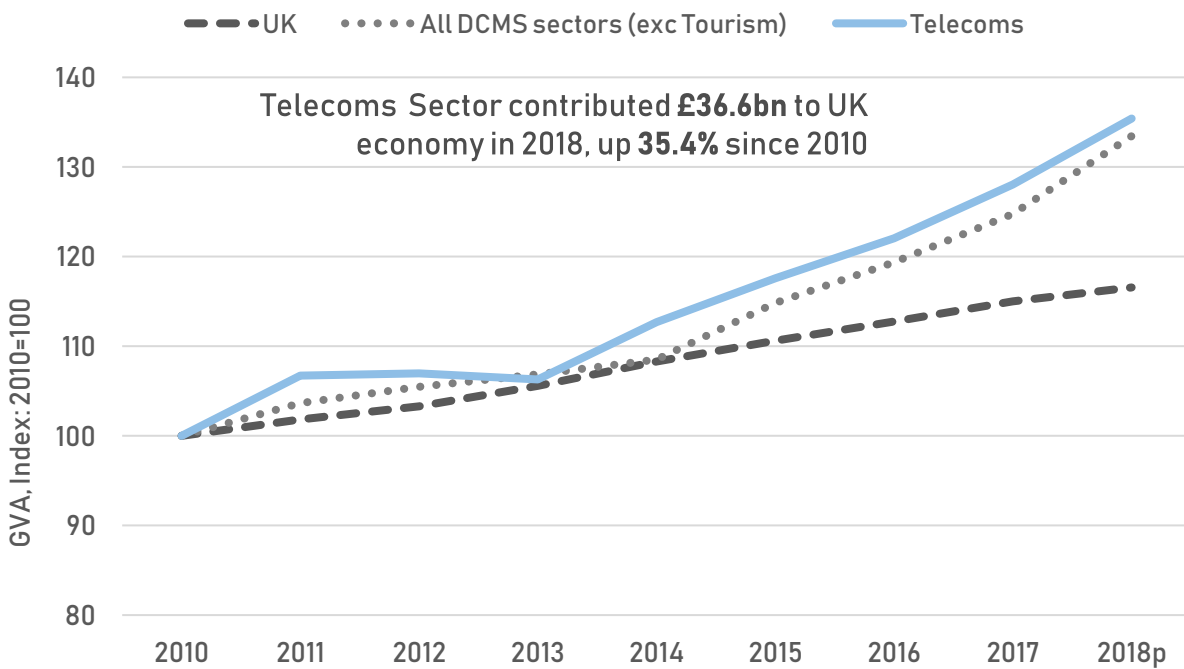in 2018

5.8% increase
since 2017

The Telecoms Sector **contributed £36.6bn** to the UK economy in 2018, accounting for **1.9% of UK GVA**. This is an increase of 5.8% since 2017 and a 35.4% increase since 2010.

How is the Telecoms sector 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 4.6: Index of GVA growth for the Telecoms Sector and for total UK: 2010 to 2018 (2010=100)

Telecoms Sector contributed **£36.6bn** to UK economy in 2018, up **35.4%** since 2010

Civil Society

Key Findings

£16.2bn
in 2018

Contribution to UK
economy increased
from 0.65% to
0.84% since 2010

Civil Society **contributed £16.2bn** to the UK economy in 2018,
accounting for **0.8% of UK GVA**. GVA figures are only available on
a nominal basis; they are therefore not compared over time, as
using current prices does not account for inflation. Figure 4.7
therefore shows the change in proportion of the contribution of civil
society to UK economy.

The contribution of Civil Society to UK economy increased from
0.65% in 2010 to **0.84%** in 2018**.**

**Figure 4.7: Contribution of the Civil Society Sector to the UK
economy in Current Prices: 2010 to 2018**

Civil Society contributed
£16.2bn to UK economy in 2018

Year	Contribution
2010	0.65%
2011	0.71%
2012	0.69%
2013	0.74%
2014	0.73%
2015	0.75%
2016	0.80%
2017	0.84%
2018p	0.84%
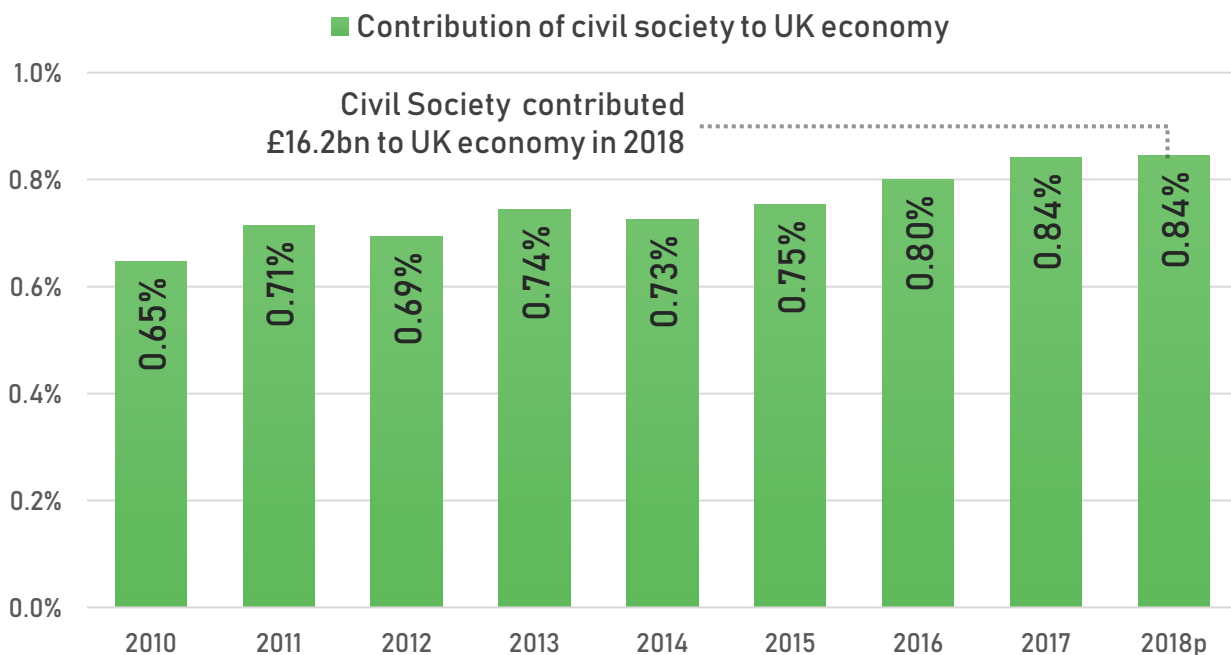
Volunteering is a key element of the Civil Society sector. However it has not been included in the above figures due
to volunteering being part of the informal economy. The informal economy is not captured in the ONS's methodology
for calculating GVA, which also affects other unpaid home production such 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). ONS is
expected to release the 2018 estimate for volunteering later in 2020.

Chapter 5: Sport Satellite Account

Introduction

This chapter presents the value of the UK's Sport sector for the period 2012-2018. The sport satellite account is a more inclusive approach to measuring the sport sector, as it tries to account for the underlying economic influence sport has on sectors which are not primarily sport. For example, "Television programming and broadcasting activities" (SIC code 60.20) is not a sport SIC code, however, a significant amount of televised content is sport-related. Therefore, the proportion of this SIC code that is sports-related is estimated and applied to **current prices data**. Applying this method to all relevant SIC codes provides a more complete picture of the impact of sport on the economy than the strict statistical definition used in Chapter 4. However, due to the different methods used, the results from the sport satellite account are not comparable to those of other sectors.

Further information on the definitions of sport, data sources and the methodology used are provided in Annex A.

The proportion of each industry that is due to sport was calculated for 2012, 2014, and 2016. The years in between are assumed to be averages of the previous and following years. 2016 proportions are used for 2017 and 2018 results. These proportions are applied to the total GVA for each industry and summed to get the total sport GVA.

Sport Satellite Account

DCMS Sport Satellite Account reported in this release, based on the EU agreed definition, should be used to measure Sport's overall contribution to the UK economy.

The definition includes:

- sport sub-sectors as listed in chapter 3
- proportions of other industries which can be attributed to or considered to be supported by sports activities.

Summary

Sport contributed **£47.0bn** to the UK economy in 2018.

The contribution of sport to the UK economy **rose** from **2.2%** of total UK GVA in 2012 to **2.4%** in 2018.

Figure 5.1: Contribution of sport to the UK economy in Current Prices: 2010 to 2018
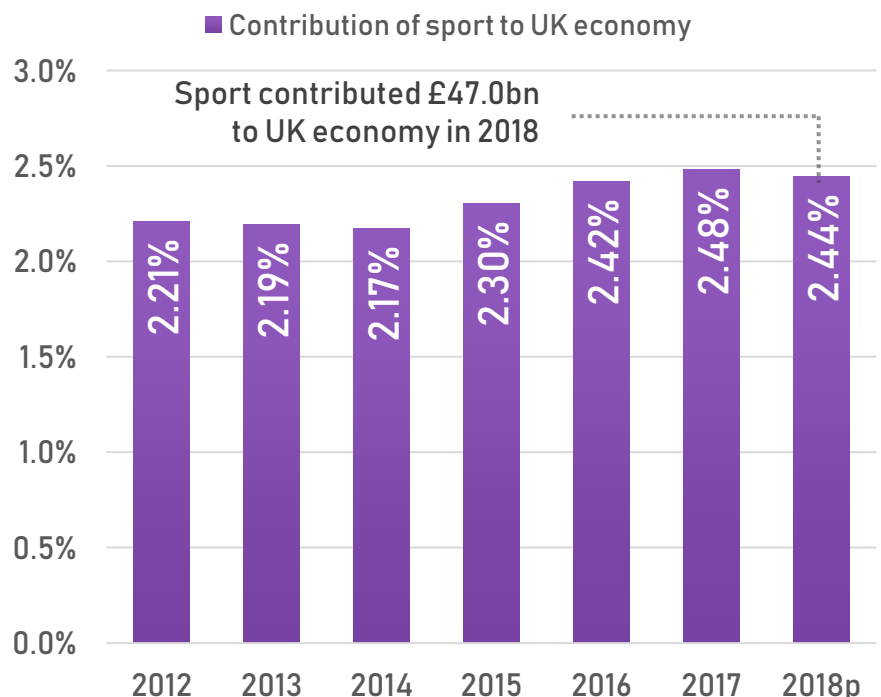
Chapter 6: Next Steps

DCMS has developed a suite of economic estimates to understand the economic impact its sectors have on the UK economy. 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 the first half of 2020, DCMS will publish 2018 estimates of the number of births and deaths of businesses in DCMS Sectors.
- **Trade** – Trade in Services in DCMS sectors will be published in February 2020
- **Employment –** DCMS will publish estimates of the number of filled jobs in DCMS sectors in the summer of 2020
- **Regional GVA** – will be published in early 2020. It will provide a regional breakdown of each DCMS sector, and sub-sectors within the Creative Industries, Digital and Cultural sector.
- **Earnings** – In 2019, DCMS introduced 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 plans to widen this analysis further to include all DCMS Sectors.

The dates 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.

Annex A: Limitations

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

Supply and Use Tables (SUT) changes: This year's revision of the supply and use tables by the ONS are a consequence of a transformation of UK National Accounts by using new data sources and methodologies[13]. This transformation had a more significant effect on the rebalancing of older values than is usually expected, causing larger revisions to sector and sub-sector values than has been the case in previous years. This applies both to current prices and chained volume measures revisions from 2010 to 2017.

NPISH (non-profit institutions serving households) changes: The NPISH figures used to estimate the size of the Civil Society sector changed considerably from last year (e.g. the total figure for the 2017 contribution decreased by 61%), due to the following methodological changes:

1. **Correction to remove double counting of Northern Ireland and Scotland's contribution to UK totals**.
2. **Refinement to the market test – "**During quality assurance of the old process it was identified that ONS' existing methods were allowing non-charitable organisations, for example, academies, to filter into the market test, and as such potentially into the dataset of non-market charities used to calculate NPISH estimates."**[14]**
3. **Classification review –** ONS improved its classification of organisations, for example by applying the standard industrial classification to non-market charities more thoroughly than had been done previously, improving industry level estimates.

Annual Business 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. There have been two survey design changes in recent years (expanding the ABS population in 2015 and re-optimising the sample in 2016), but as the survey outputs are used only to provide a proportion of the SUT, these changes should have a minimal impact on the estimates of DCMS sector GVA

Sport - Two definitions of sport have been used in this report. The first includes only SIC codes which are predominately sport (see methodology note Table 2.1). The second estimates of sport are based on the EU agreed Vilnius definition. The Vilnius definition is a more wide-ranging 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 covered in Chapter 5.

---

[13] The following changes are described on the release page of Blue Book 2019 "We have made progress in incorporating a wider set of more appropriate available product deflators for each transaction, confronting these at a detailed level for the first time. We have integrated fully the institutional sectors into the balancing process of the SUTs framework, enabling us to check simultaneously the coherence of current price GDP, volume GDP and the Sector and Financial Accounts in their compilation. We have improved our estimates of current price GDP by using new data sources to give information on the diversification of the services economy and the costs incurred by businesses through the introduction of the Annual Survey of Goods and Services and the reintroduction of the Annual Purchases Survey"

[14] National Accounts articles: Blue Book 2019 improvements to non-profit institutions serving households (NPISH) sector – Office for National Statistics

Office for Civil Society – the Office for Civil Society, part of DCMS, leads cross-government work in support of the voluntary, community and social enterprise sector. 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 non-profit institutions serving households (NPISH). 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 in this report, 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 four 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 Civil Society sector expressed in chained volume measures is not available.

2010 - 2017 GVA – These figures have been updated from the figures published in November 2018 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.

2018 GVA - For 2018, 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 2017 (last Supply Use balanced year) but then uses growth in the output measure as a proxy for GVA beyond that. The 2018 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 2018 GVA figure is provisional and subject to change when National Accounts are published in 2020.

2018 Civil Society GVA methodology and overlap - 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 2018 estimate as it captures only one element of output with no information on intermediate consumption. The 2018 estimates published by DCMS therefore assumes the average proportion of the UK economy that is attributed to NPISH from 2010 to 2017 to be the same for 2018. 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 constructing sector classifications from Standard Industrial Classification (SIC) codes. However DCMS accepts 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 is aware of other estimates of DCMS Sectors. These estimates use various methods and data sources, 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.

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. We encourage statistics producers within DCMS sectors who are not represented in the table overleaf to contact the economic estimates team at evidence@culture.gov.uk.

Sector	Sub-sector	Organisation	Summary of use
Civil Society	Civil Society	ONS	ONS publishes 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 commissioned a report on the economic impact of museums in England in 2013. This methodology is very different to that of the DCMS Sector Economic Estimates, in particular the definition of museums was much wider. 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	The Gambling Commission produces 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. As it is a license requirement for operators to submit returns the data collection is essentially a census. This has benefits compared to using a sample survey. DCMS define the gambling sector as SIC 92; 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 they provide Gross Gambling Yield (GGY), which is the amount retained by gambling operators after the payment of winnings but before the deduction of operation costs, excluding the national lottery. This is because this measure is understood by the sector as a whole and is internationally comparable. This means the Gambling Commission can compare historically and internationally, but it does mean it is not comparable against other sectors.
Sport	Sport	Sport England	Sport England produces 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 the statistical definition used by DCMS, but is similar to the sport satellite account approach based on 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	UK Sport has 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.
Tourism	Tourism	VisitBritain	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.

Annex C: Further information

1. The next update to these statistics will be published in early 2021 once the National Accounts have been published.

2. The responsible statistician for this release is Ziga Dernac. For enquiries on this release, please contact Ziga on 0207 211 2392 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.

5. The Economic estimates of DCMS Sectors release is a National Statistics publication and has been produced to the standards set out in the Code of Practice for 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.

**Department for
Digital, Culture
Media & Sport**

100 Parliament Street
London
SW1A 2BQ

OGL