



Department  
for Culture  
Media & Sport

# **DCMS Mid-Year Report to Parliament April to September 2014**

**Sue Owen  
Permanent Secretary**

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# Foreword



I am pleased to introduce the Department for Culture, Media and Sport's second Mid-Year Report to Parliament.

During the first six months of 2014/15 the department has achieved some significant milestones. These are described in the sections of this report covering the performance against the department's six strategic objectives.

I would highlight three areas in particular which demonstrate the breadth of the department's role. We led several events to mark the centenary of the outbreak of the First World War on 4 August in St Symphorien (Belgium), Glasgow and London. These events set a fitting tone for the four years of commemorations: dignified, reflective and with a focus on honouring the contribution of countries around the Commonwealth and on reconciliation. An estimated 16.7 million people and 1,000 prominent buildings participated in the Lights Out moment. These events show the strong intrinsic value and very powerful, personal impact of what we do.

But we are also an economic department at the very heart of the government's promotion of growth and economic recovery. Our sectors contribute £186 billion to the UK economy (14% of the total) and employ 4.3 million people, 15% of the UK workforce. With our new joint DCMS-BIS unit on the digital economy we contribute £307 billion, or 22% of the wider UK economy. We are responsible for delivery too. Over 1.5 million homes and businesses are now able to access superfast broadband for the first time and the programme is reaching 40,000 more homes and businesses every week. By early 2016 90% of the UK will have access to superfast speeds and Broadband Delivery UK (BDUK) is now investing a further £250 million in 47 phase 2 projects to take coverage to 95% by the end of 2017. This programme is vital for enabling growth.

Thirdly we are instrumental in effecting social change. We helped to deliver a safe, secure and successful Olympic and Paralympic Games in 2012 and are now leading cross-government work to make the most of the legacy from those Games. One of the milestones in recent months was completion of the conversion and sale of the former Athletes' Village for residential use, returning c£680m to HM Treasury. This has been a huge project with over 2,000 households already having moved into high-quality new apartments and town houses. This London 2012 legacy will grow, reaching a peak of 2,818 households living in East Village in a mix of private and affordable homes, some of which are available on a shared equity basis. Around half of the homes are affordable in one of the capital's more disadvantaged areas.

We recently managed the dissolution of the Olympic Delivery Authority, bringing it to an end on 2 December 2014. As an Arm's Length Body of DCMS, the ODA played a central role in making the London 2012 Olympic and Paralympic Games so successful, delivering the wonderful venues on time and under budget and ensuring the effective operation of public transport services during the Games. Following the Games the ODA successfully converted and sold the former Athletes'

Village for residential use. The ODA was a hugely effective public body and I would like to pay tribute to its Chairman, Sir John Armitt, and to all who have worked there.

As a department we continue to manage change. I am delighted to welcome the joint BIS/DCMS Digital Industries Unit under Andrea Young. I am delighted too that we have retained within DCMS the Government Equalities Office, now led by Alison Pritchard, notwithstanding the transfer of ministerial responsibility to the Department for Education. We have also taken back from Cabinet Office responsibility for coordination of the legacy from the 2012 Olympic and Paralympic Games.

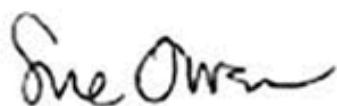
The department has once again laid an unqualified Group Annual Report and Accounts in October, an important undertaking covering 40 Arm's Length Bodies (ALBs) as well as the core department. The recent staff survey was completed by 91.5% of staff and the department's people engagement index rose for a second consecutive year from 45% in 2012 to 51% in 2013 and 60% in 2014. I am proud of our people, the work they do and the way they do it.

Efficiency remains a priority for my department and its ALBs. I am committed to finding further ways to increase productivity, encourage innovation and ensure value for money. We are exploring ways to reduce the administrative costs of grant-making bodies, working with museums to realise savings by co-locating storage facilities, and identifying opportunities to share core services like HR and procurement functions. We are also encouraging the development of commercial strategies amongst our ALBs to boost self-generated income.

Our Public Body reform programme is now almost complete with 18 of our 22 reforms completed with three of the four outstanding reforms scheduled for completion in the next six months. The only remaining reform not scheduled is the Theatres Trust, which requires an appropriate legislative vehicle to complete the reform. The reform programme has moved into its next phase and DCMS has agreed a programme of Triennial Reviews (TRs) of those ALBs the government has agreed should be retained. The three TRs scheduled for the current year are joint reviews of UK Sport/Sport England, Visit Britain/Visit England and the Arts Council England.

Looking forward we will focus on our six strategic objectives: establishing world-class connectivity throughout the UK; making the UK the creative and cultural capital of the world; showcase what's great about Britain - its heritage and traditions - nationally and internationally; creating an equal opportunity society; protecting children from harm online and the young and vulnerable from problem gambling; and securing a lasting legacy from the Olympic and Paralympic Games.

We are working through the detailed implications of a very positive Autumn Statement for DCMS and the ALBs that we fund. And, looking ahead to next May, we are starting to plan for the post-election period. We have continued to develop our internal governance and resourcing systems to support departmental delivery.



**Sue Owen**

**Permanent Secretary and Accounting Officer**

# Executive Summary

DCMS sits at the heart of Britain's social, sporting and cultural lives and our sectors are helping us maintain the UK's cultural, artistic and heritage assets as well as selling Britain abroad, contributing to economic growth and driving investment. Our vision as a department is to drive growth and enrich lives – making Britain a great place to live, work and visit. We have expressed the department's purpose as being to stimulate growth, inspire people and improve society.

DCMS was behind some of the most high profile government successes of the last few years, including:

- Over 1.5 million homes and businesses now have access to superfast broadband
- Marriage of same sex couples became law
- Successful auction of 4G spectrum
- Arts and museums budgets have been protected and national treasures retained
- Launched the GREAT campaign and seen record tourist numbers
- Delivered a safe and successful Olympic and Paralympic Games
- Achieved very challenging administrative reductions while continuing to deliver ministerial priorities

We have agreed with our ministers these six strategic priorities:

- Establish world-class connectivity throughout the UK
- Make the UK the creative and cultural capital of the world
- Showcase what's great about Britain – its heritage and traditions – nationally and internationally
- Create an equal opportunity society
- Protect children from harm online and the young and vulnerable from problem gambling
- Secure a lasting legacy from the 2012 Olympic and Paralympic Games

As the next section sets out we have made strong progress against each of these priorities, including:

- Over 1.5 million homes and businesses now able to access superfast broadband for the first time and the programme is reaching 40,000 new homes and businesses every week
- Participation in the arts at an all-time high with almost 4 in 5 adults participating in the arts

last year

- The department co-hosted several high profile national events, in St Symphorien (Belgium), Glasgow and London, to mark the centenary of the outbreak of the First World War on 4 August. Media coverage of these events achieved 83% reach across the country. On 4 August an estimated 16.7 million people and 1,000 prominent buildings participated in the Lights Out moment
- We have led delivery of the Women's Business Council recommendations for government, including supporting the launch of the 'Your Life' campaign, piloting a new approach to tackling gender stereotyping in schools with the Institute of Physics, and launching the 'School Business Partnerships' with the British Chambers of Commerce to test different approaches to increasing business involvement in careers guidance
- We have laid secondary legislation before Parliament to ensure that video-on-demand material that has been or would be rated 'restricted 18' by the British Board of Film Classification (BBFC) is put behind access controls; and to ban the provision of video-on-demand material that has been or would be refused a classification by the BBFC. This delivers policy set out in the Connectivity, Content and Consumers paper published in summer 2013
- We have overseen conversion of the former Athletes' Village from the 2012 Olympic and Paralympic Games, the completion of the sale and the handover to long-term legacy owners. There are now 1.7 million more people playing sport once a week than when we won the bid in 2005

# Performance against Objectives

## DCMS Strategic Priorities:

### 1. Establish world-class connectivity throughout the UK

- The rollout of superfast broadband is progressing well. Over 1.5 million homes and businesses are now able to access superfast broadband for the first time and the programme is reaching 40,000 new homes and businesses every week. By early 2016 90% of the UK will have access to superfast speeds. Broadband Delivery UK (BDUK) is now investing a further £250m in 47 phase 2 projects to take coverage to 95% by the end of 2017. It is also funding 8 pilot projects to look at the feasibility of extending the programme to the hardest to reach parts of the country.
- At the same time, BDUK is investing £150m to create 22 Super Connected Cities. This funding is providing free wifi in city centres, on public transport and in over 1,000 public buildings. It is also supporting small and medium sized enterprises (SMEs) to buy faster broadband speeds. To date over 5,000 SMEs have benefitted from a voucher to turbo charge their businesses.
- BDUK is also investing in a network of masts to provide mobile and voice connectivity to areas with no coverage at all.

### 2. Make the UK the creative and cultural capital of the world

- Participation in the arts has gone up. It is currently at an all-time high with almost 4 in 5 adults participating in the arts last year. DCMS has been at the forefront of understanding and articulating the total value of culture by bringing together evidence and policy helping make the case for why arts and culture are so important to people, to society and to the wider economy. The evidence shows that there is clear positive association between cultural engagement and self-reported measures of general health and wellbeing.
- The government launched a new Theatre Tax Production Relief in September 2014. The relief presents significant new opportunities by helping the theatre sector to grow right across the country; helping to promote economic growth; and widening opportunities for people to experience the arts.
- The £6m Libraries Grants for the arts programme administered by Arts Council England enables library services to explore new ways of working with artists and arts organisations. In the period from January to November 2014, 35 awards have been made to a total value of £1,585,556.
- We have made progress in our package of measures to reduce red tape around lower-risk entertainment activities by laying before parliament the Legislative Reform (Entertainment Licensing) Order 2014, and are on track for implementation in spring 2015.

### **3. Showcase what's great about Britain – its heritage and traditions – nationally and internationally**

- The department co-hosted several high profile national events, in St Symphorien (Belgium), Glasgow and London, to mark the centenary of the outbreak of the First World War on 4 August. Media coverage of these events achieved 83% reach across the country. On 4 August an estimated 16.7 million people and 1,000 prominent buildings participated in the Lights Out moment.
- Alongside a range of government departments and other partners including the Heritage Lottery Fund, Arts Council England, the Commonwealth War Graves Commission and Imperial War Museums, DCMS is offering a variety of programmes that are allowing local communities to mark the centenary in their own way. As at 3 November 2014 the Heritage Lottery Fund had funded 1,061 First World War projects, large and small, with awards totalling £62,707,400. Schoolchildren from around England are taking part in a programme of battlefield visits, and special paving stones are being laid for all Victoria Cross recipients. An additional £5m has been made available for the conservation and repair of war memorials and burial sites.
- In April we launched a £20m First World War Centenary Cathedral Repairs Grant Scheme. To date, over £13m has been awarded, supporting essential repairs to 46 cathedrals.
- The 14-18 Now cultural programme includes iconic projects like Lights Out and the national tour of the ceramic poppies from the Tower. Other prominent projects include the new First World War galleries at the Imperial War Museum and the IWM's Centenary Partnership which has over 3,000 members across more than 50 countries.
- We confirmed plans announced last year to restructure English Heritage, setting up a charity by the end of 2014-15 to manage the National Heritage Collection of buildings and sites, supported by nearly £90m of government investment.
- We have continued investigating options to ensure a long term, cost effective solution for museum storage and conservation facilities, and to improve access to the national collections, including by working with the Government Property Unit to assess the use of the current shared storage facility at Blythe House and to consider the benefit and costs of the relocation of the museum collections currently housed there.
- In the 2013 Spending Round, the Chancellor announced a package of new museum freedoms, to help museums move towards greater financial self-reliance and sustainability, and encourage philanthropic support. The new measures are now implemented and allow the national museums to apply for voted loans of up to £40m a year from government, better plan the spending of their reserves, and to attract best expertise through the removal of the 1% limit on pay awards. A number of museums are now using and benefitting from these freedoms.
- In June we convened a Tourism Industry Council, co-chaired by Helen Grant, Tourism Minister, Nick Boles, Skills Minister, and Simon Vincent, President of Hilton EMEA (Europe, Middle East and Africa) to co-ordinate action on jobs and growth in tourism.



- In September we announced a new initiative to refund the cost of up to 50,000 visas, via tour operators, to those booking onto a UK tour in China. Eligible tours are for 8 nights – of which four will be spent outside London.
- We announced the availability of £10m of government funding to back proposals for a clear strategy for boosting tourism in the North of England.
- The Government Art Collection displays works of art in major British government buildings in the UK and around the world to promote British art and history and contribute to cultural diplomacy. GAC has delivered displays for the British Business Embassy (BBE) in Liverpool in June as part of UKTI's International Festival of Business, for the British Business House in Glasgow during the Commonwealth Games in July and in São Paulo during the 2014 World Cup, as part of the GREAT Britain House promotion of British businesses.
- The combined annual limit for the Cultural Gifts Scheme (the new scheme to incentivise lifetime giving to our public collections) and the Acceptance in Lieu scheme (which allows items of cultural and historical importance to be offered to the state in full or part payment of inheritance tax) has increased from £30m to £40m a year for the financial year 2014-15. These tax incentives are enabling important works of art and other heritage objects to be secured for the nation and put on public display.

#### **4. Create an equal opportunity society**

The Government Equalities Office (GEO) is responsible for equalities strategy and legislation across government. We work to take action on the government's commitment to remove barriers to equality and help to build a fairer society, leading on issues relating to women, sexual orientation and transgender equality. The DCMS Permanent Secretary is the Accounting Officer for GEO and we report to the Ministers for Women and Equality based at the Department for Education (DfE) and the Department for Business, Innovation and Skills (BIS).

##### **Gender**

- We led delivery of the Women's Business Council programme and recommendations, including supporting the launch of the 'Your Life' campaign, piloting approaches to tackle gender stereotyping in schools with the Institute of Physics, and launching the 'School Business Partnerships' with the British Chambers of Commerce.
- We have assisted key stakeholders, including Lord Davies, to increase the number of women on boards. This period saw a significant milestone in that, for the first time ever, there are no FTSE 100 companies with all-male boards, and women now account for 22.2% of FTSE 100 boards.
- 269 major UK employers, covering 2.4 million employees, have pledged to improve gender equality in the workplace by signing up to the Think, Act, Report initiative that aims to drive change within business in gender equality and pay.
- We have continued to stimulate women's enterprise through, for example, a 'Women in Enterprise' site hosted on the Great Business website, the 'Women's Start up Project' supporting young women in university to start up their own businesses, and the launch of a £1.1m fund to

encourage women-led businesses to take advantage of superfast broadband.

- We have continued to address the harm associated with poor body image. An online public survey on UK progress towards gender equality has been launched, and we will be analysing results from the survey in January to feed into the Beijing+20 report.

#### Lesbian, Gay, Bisexual and Transgender (LGB&T)

- Secondary legislation came into force making it possible for marriages of same sex couples to be held in British consulates and armed forces bases overseas and putting in place arrangements for marriages of same sex couples in military chapels.
- We have worked to develop the legislation necessary to enable couples to convert their civil partnerships into marriage and to enable couples to remain married, if they wish, when one or both of them changes their legal gender.
- Following the conclusion of a public consultation that received almost 11,500 responses, the government published its review of the operation and future of the Civil Partnership Act 2004.
- We have pressed other countries for recognition of our civil partnerships and marriages of same sex couples.
- The UK was recognised – for the fourth year running – as number one in Europe for LGB&T rights by the International Lesbian and Gay Association. DCMS has continued to share UK knowledge and best practice with other countries.

#### Equality framework

- The government agreed changes to the Equality Act 2010 enabling the Church of England to progress its measure for the ordination of women bishops.
- The Equality Act 2010 (Equal Pay Audits) Regulations 2014 have been introduced, requiring Employment Tribunals to order an employer to carry out an equal pay audit where it is found to have breached equal pay law.
- The pilot Access to Elected Office for Disabled People Fund was extended from 1 July 2014 to June 2015. The Fund was recognised internationally as one of 11 Innovative Policies by the World Future Council's *Zero Project*.

### **5. Protect children from harm online and the young and vulnerable from problem gambling**

- We have laid secondary legislation before Parliament to ensure that video-on-demand material that has been or would be rated 'Restricted 18' by the British Board of Film Classification (BBFC) is put behind access controls; and to ban the provision of video-on-demand material that has been or would be refused a classification by the BBFC. This delivers policy set out in the Connectivity, Content and Consumers paper published in summer 2013.

- The Gambling (Licensing and Advertising) Act, which increases consumer protection for consumers of remote gambling, received Royal Assent in May 2014. The Act came into force on 1 November 2014.
- In April 2014, the government set out plans for improved player protection measures on fixed odds betting terminals. New measures include a return of powers to local communities by requiring planning applications to be submitted to local authorities for new betting shops.

## **6. Secure a lasting legacy from the Olympic and Paralympic Games**

- DCMS is responsible for leading and coordinating Olympic and Paralympic legacy across government, as well as taking forward elements of the legacy in sport, tourism and culture.
- In July DCMS published 'Inspired by 2012: the legacy from the Olympic and Paralympic Games', the government and Mayor of London's second annual report on Olympic and Paralympic legacy, setting out progress in the previous 12 months across the five legacy themes: sport and healthy living, regeneration of East London, economic, communities and Paralympic legacy. Legacy achievements in the period April-September 2014 include:
  - 1.7 million more people playing sport once a week than when we won the bid in 2005
  - successful summer of sport, including the Tour de France Grand Depart (which attracted 3.6 million spectators to the three days in England, and independent economic analysis in the recently published 'Three Inspirational Days' report has calculated the economic impact at £128m), the Commonwealth Games in Glasgow and the Sainsbury's Anniversary Games
  - primary schools across England continuing to benefit from the primary PE and sport premium, worth over £150m a year, with an Ofsted report and a Department for Education survey providing evidence that the funding is being used effectively
  - transformation of Queen Elizabeth Olympic Park (QEOP) complete, parkland and venues re-opened and stadium conversion work underway. Over 3 million people have visited QEOP since it re-opened
  - Olympic Delivery Authority finished conversion of the athletes' accommodation, and have now completed the sale and handed it over to long-term legacy owners
  - economic benefits from the Games from trade and investment reached £14.2bn in the first two years since the Games
  - Spirit of 2012 Trust established by the Big Lottery Fund to support community projects which embody the spirit of London 2012. Funds are being allocated to projects, including around the 2014 Commonwealth Games
  - Second National Paralympic Day held on QEOP, with events also taking place in Liverpool, Birmingham and Glasgow

<b>Financial Performance</b>	<b>Resources (£'000)</b>			<b>Capital (£'000)</b>		
	<b>Annual Plan 2014 –15</b>	<b>Actual Apr to Sept 2014-15</b>	<b>Actual Apr to Sept 2013-14</b>	<b>Annual Plan 2014 -15</b>	<b>Actual Apr to Sept 2014-15</b>	<b>Actual Apr to Sept 2013-14</b>
<b>Total Departmental Expenditure Limit (DEL)- Voted</b>	<b>1,406,248</b>	<b>688,215</b>	<b>665,333</b>	<b>538,387</b>	<b>51,005</b>	<b>165,571</b>
Museums, Galleries and Libraries – support and sponsored bodies	542,010	231,224	223,434	60,561	21,576	15,310
Arts support and Arts sponsored bodies	373,046	206,123	220,531	13,185	91	1,366
Sports support and Sports sponsored bodies	137,143	89,854	82,716	26,129	11,130	20,032
Heritage support and Heritage sponsored bodies	127,918	44,575	39,134	18,216	5,269	17,061
The Royal Parks	14,767	4,667	4,462	895	778	790
Support for Tourism and Tourism sponsored bodies	27,591	18,538	21,513	192	161	0
Support for Broadcasting and Media, Media and Broadcasting sponsored bodies	101,232	43,303	51,385	504,790	40,426	3,674
Administration and Research	37,630	14,327	17,572	1,164	201	210
Support for Gambling and Horseracing and Gambling bodies (National Lottery Commission, Gambling Commission)*	948	2,605	2,306	0	50,108	9,000
Olympic and Paralympic Legacy and London 2012*	278	22,828	-16,697	-87,145	-78,820	97,889
Government Equalities Office and the Human Rights and Equalities Commission	43,685	10,171	18,977	400	85	239
<b>Total Departmental Expenditure Limit (DEL)- Non Voted- Spectrum Management receipts</b>	<b>-62,600</b>	<b>-25,362</b>	<b>-26,030</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Spending in DEL</b>	<b>1,343,648</b>	<b>662,853</b>	<b>639,303</b>	<b>538,387</b>	<b>51,005</b>	<b>165,571</b>

Financial Performance	Resources (£'000)			Capital (£'000)		
	Annual Plan Approved by Parliament 2014-15	Actual Apr to Sept 2014-15	Actual Apr to Sept 2013-14	Annual Plan Approved by Parliament 2014-15	Actual Apr to Sept 2014-15	Actual Apr to Sept 2013-14
<b>Total Annually Managed Expenditure (AME)- Voted</b>	<b>3,533,570</b>	<b>1,741,895</b>	<b>1,711,532</b>	<b>113,079</b>	<b>56,538</b>	<b>54,498</b>
British Broadcasting Corporation	3,471,499	1,735,752	1,707,618	113,079	56,538	54,498
Provision Release and New and Adjustments to existing provisions	2,850	-1,419	-599	0	0	0
Other AME costs	59,221	7,562	5,871	0	0	0
<b>Total Annually Managed Expenditure (AME)- Non Voted – Lottery Grants</b>	<b>1,401,425</b>	<b>700,722</b>	<b>570,539</b>	<b>498,575</b>	<b>249,282</b>	<b>355,824</b>
<b>Total Spending in AME</b>	<b>4,934,995</b>	<b>2,442,617</b>	<b>2,283,429</b>	<b>611,654</b>	<b>305,820</b>	<b>410,322</b>

\*Expenditure has been incurred in anticipation of additional funding where agreed to be provided in the Supplementary Estimate; this will affect Gambling, the Olympics and other Estimate lines.

<b>Of Which Admin</b>	<b>153,830</b>	<b>65,316</b>	<b>80,301</b>
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<b>Net Cash Requirement</b>	<b>5,105,956</b>	<b>2,087,139</b>	<b>2,453,731</b>
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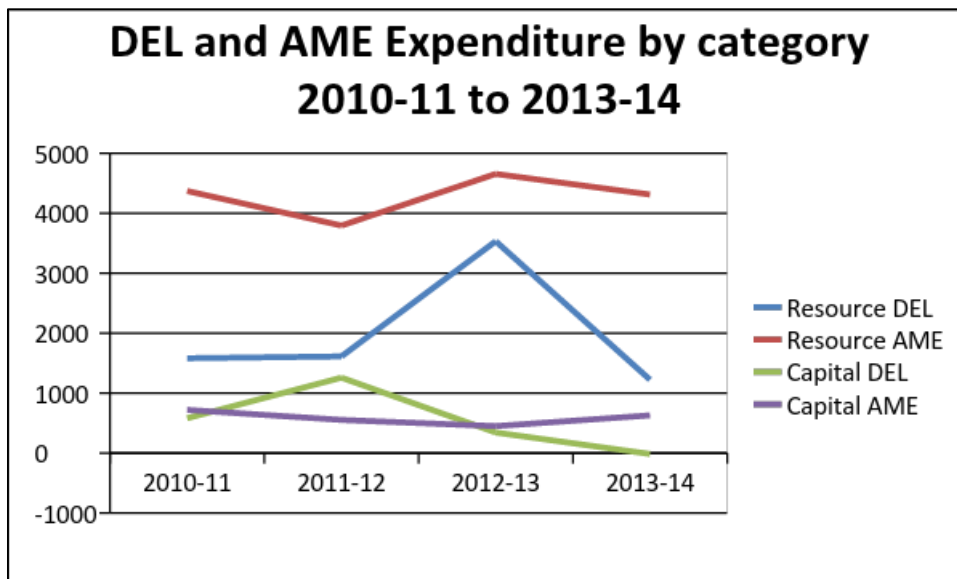
## Financial commentary

The profile of both capital and resource expenditure over the last three reporting periods has been heavily distorted by the staging of the Olympic and Paralympic Games and the subsequent sale of the former Athletes' Village. This resulted in high levels of Resource and Capital costs in 2012-13 with a return to previous levels of expenditure in 2013-14. The Capital expenditure in 2013-14 now reflects the income from the Village sale, partly offset by the related costs of the retrofit prior to the sale.

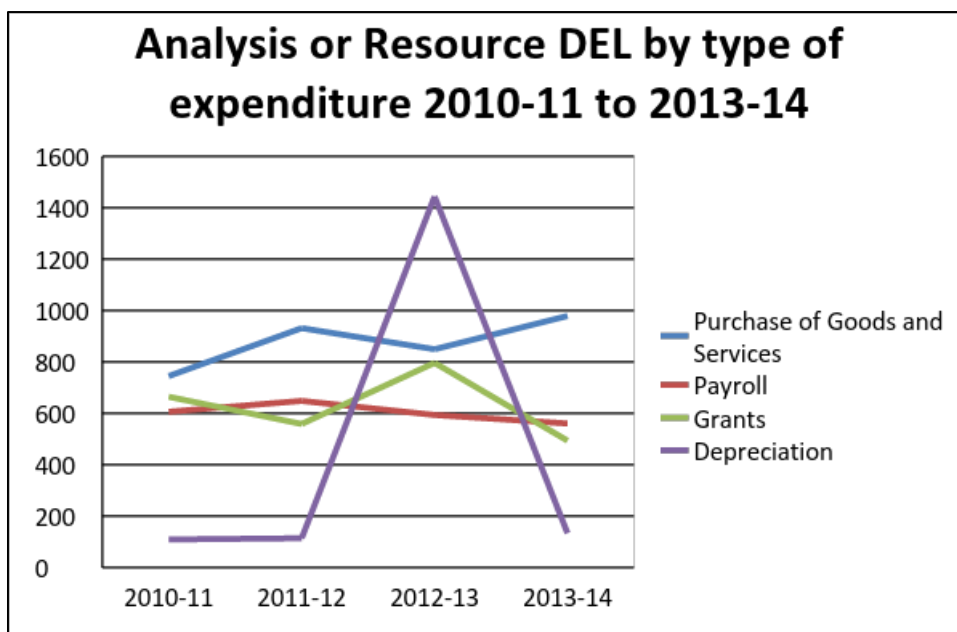
Significant sources of expenditure for the department over the period are the Broadband projects. The Rural Broadband project is to ensure that 90% of the UK has access to superfast broadband. It began in 2010-11 and will run in its current form to 2015-16; at the mid-point of 2014-15 all 44 local projects are in delivery and some are nearing completion. The Super-Connected City programme seeks to put in place structures to enable superfast broadband in specific urban environments; this is a demand-led scheme for which demand is currently increasing following a re-launch. The Mobile Infrastructure project seeks to expand the coverage of mobile communications in the more remote and sparsely populated areas of the UK.

Alongside these major capital projects, DCMS is implementing efficiencies and new models of working following the outcome of the 2010 and 2013 Spending Reviews and subsequent announcements at the time of the Autumn Statements and Budgets by the Chancellor. The department as it was in May 2010 will have reduced its costs by 50% over this Spending Review period, undergone two Machinery of Government transfers and changed the structure of the department and its ALBs. This process will continue through the current Spending Review period and is reflected in a reducing budget and expenditure on its functions through to 2015-16.

## Trend Analysis



The Resource DEL figures reflect the staging of the Olympic and Paralympic Games in 2012. In 2013-14 this returned to its previous level. The reduced RAME expenditure in 2013-14 is mainly due to the BBC savings in centrally controlled costs, delays of some programme activity until future years and some Salford migration costs being re-phased. Capital DEL in 2013-14 is net of recognition of income relating to the sale of the former Athletes' Village.



The significant increase in depreciation in 2012-13 (£1.4bn) related to the change in value arising from the revaluation of the Olympic and Paralympic venues, accounted for as depreciation by the Olympic Delivery Authority. The increase in grants over the same period relates to the amounts payable to the London Organising Committee for the Olympic and Paralympic Games (LOCOG) and other organisations involved in staging the Olympic and Paralympic Games 2012. Purchase of goods and services show an increase in 2013-14 due to the costs of the retrofit of the Athletes' Village prior to sale. Both payroll and the purchase of goods and services reflect the general trend of announced reductions when the effects of the 2012 Games are removed.

# Major Projects

The government's transparency policy, which was agreed by Cabinet, governs the publication of data relating to major project delivery performance. It requires departments to publish the Major Project Authority's (MPA) delivery confidence assessments for government's major projects, accompanied by the department's project narrative every twelve months, six months in arrears. DCMS' Major Projects Portfolio data can be found at:

<https://www.gov.uk/government/publications/dcms-government-major-projects-portfolio-data-2014>.

The MPA publishes its Annual Report at the same time (the latest MPA Annual Report was published in May 2014 and can be found at:

<https://www.gov.uk/government/publications/major-projects-authority-annual-report-2014>.

Information on major project performance more recent than that published in the annual report is not permitted to be released into the public domain. The transparency policy and exemptions guidance is published at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/203091/Transparency\\_policy\\_and\\_exemptions\\_guidance\\_text\\_for\\_publication\\_230513.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/203091/Transparency_policy_and_exemptions_guidance_text_for_publication_230513.pdf)

The next publication of the MPA Annual Report will be in May 2015 and will report on Q2 2014-15 data. This will be published on [www.gov.uk](http://www.gov.uk).

Since September 2013, we have made good progress on our major projects portfolio:

## **Spectrum Clearance and Awards Programme**

4G spectrum licences were successfully granted on 1 March 2013 and all four Mobile Network Operators have launched 4G mobile broadband services. The programme is on course to conclude as planned by March 2015. Actual expenditure has been below budget due to delivery of outcomes at a lower cost, providing better value for money.

## **Rural Broadband Delivery Programme**

The rollout of superfast broadband is progressing well. Over 1.5 million homes and businesses are now able to access superfast broadband for the first time and the programme is reaching 40,000 new homes and businesses every week. By early 2016 90% of the UK will have access to superfast speeds. Broadband Delivery UK is now investing a further £250m in 47 phase 2 projects to take coverage to 95% by the end of 2017. It is also funding 8 pilot projects to look at the feasibility of extending the programme to the hardest to reach parts of the country.

## **Super-Connected City Programme**

BDUK is investing £150m to create 22 Super Connected Cities. This funding is providing free Wi-Fi in city centres, on public transport and in over 1000 public buildings. It is also supporting small and medium sized businesses to buy faster broadband speeds. To date over 5000 SMEs have benefitted from a voucher to turbo charge their businesses.

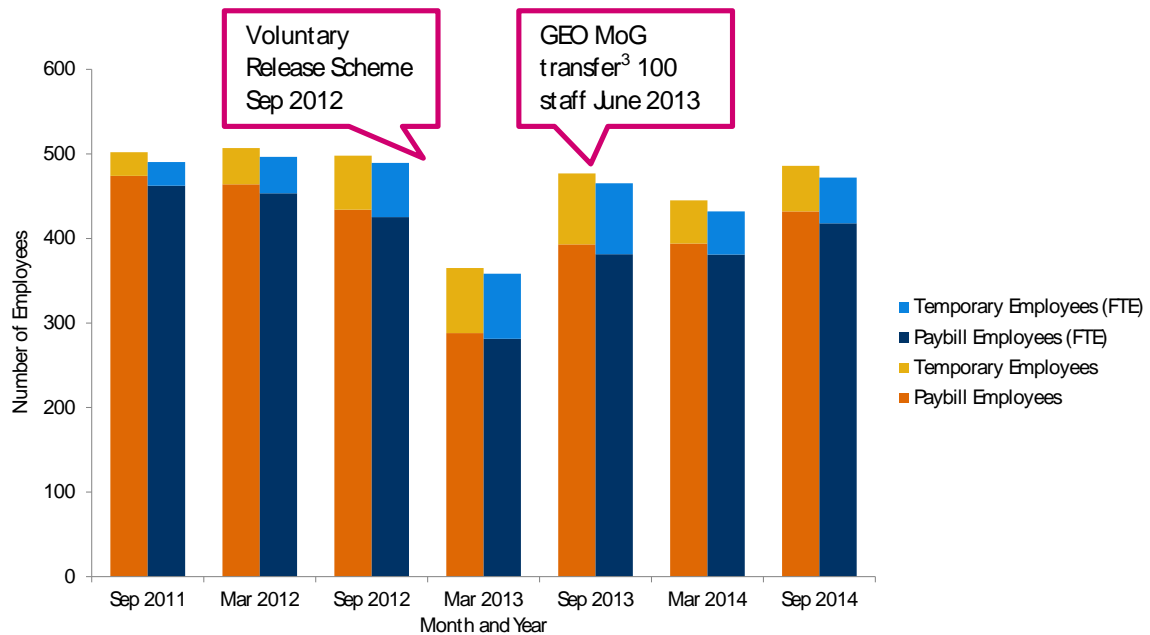
## **Mobile Infrastructure Project**

BDUK is investing in a network of masts to provide mobile and voice connectivity to areas with no coverage at all. A large peak in delivery of masts is forecast between February and midway through 2015.



# People

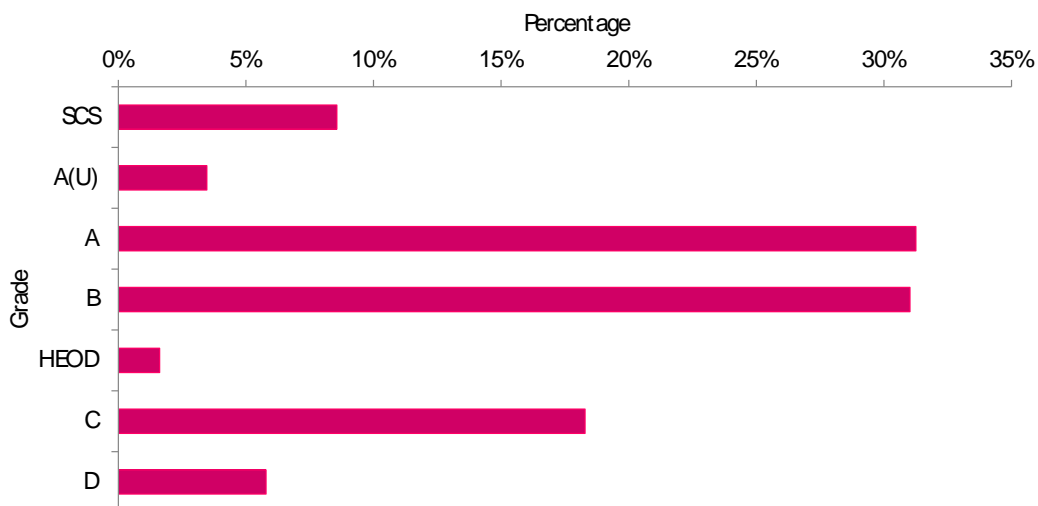
## Total Department Size



### Notes:

1. Graph represents data taken from Oracle, departmental HR system, on the last day of each month.
2. Paybill employees defined as in Cabinet Office and Office for National Statistics returns.
3. GEO Machinery of Government (MoG) transfer took effect on 4 September 2012. Staff records were transferred to DCMS on 1 June 2013.

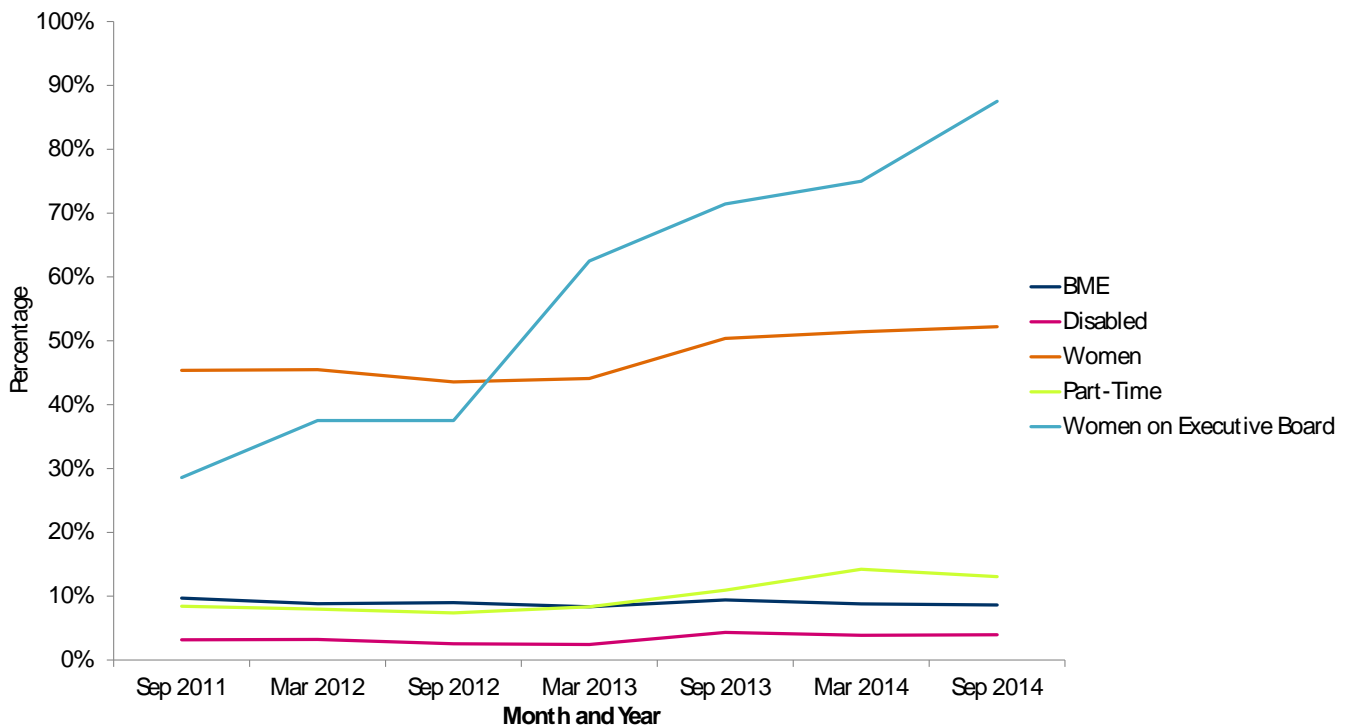
## Headcount by Grade



### Notes:

1. Table represents data taken from Oracle on 30 September 2014.

## Diversity Data

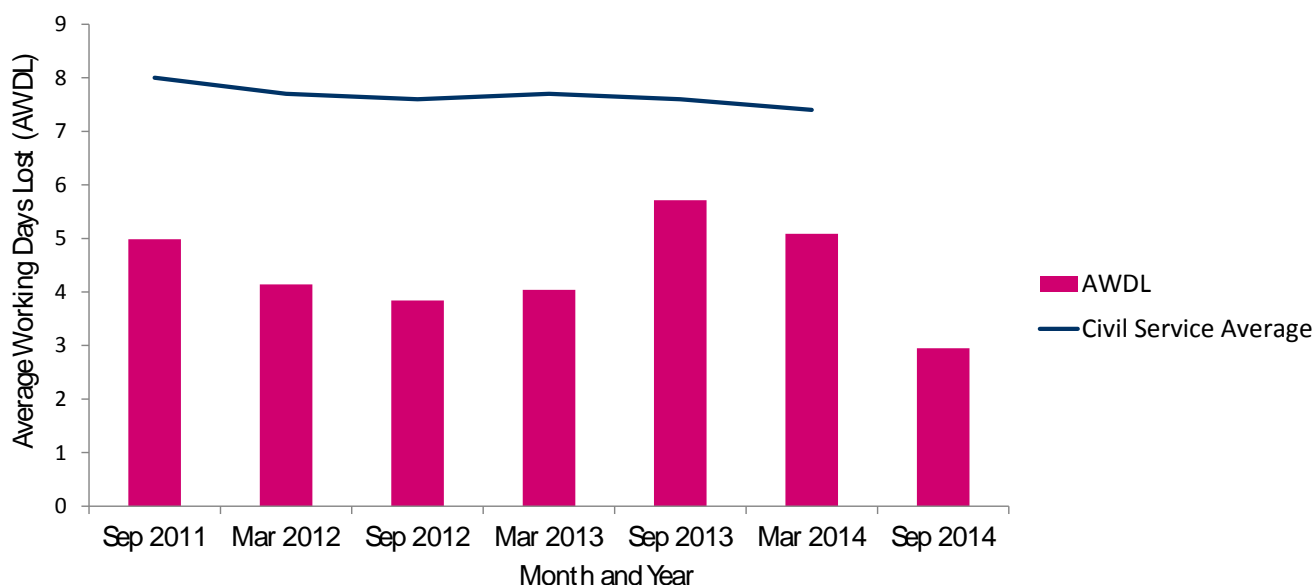


	Sep 2011	Mar 2012	Sep 2012	Mar 2013	Sep 2013	Mar 2014	Sep 2014
BME	10%	9%	9%	8%	9%	9%	9%
Disabled	3%	3%	3%	2%	4%	4%	4%
Women	45%	45%	44%	44%	50%	51%	52%
Part-Time	8%	8%	7%	8%	11%	14%	13%
Women on Executive Board	29%	38%	38%	63%	71%	75%	88%

### Notes:

1. Graph represents data taken on the last day of each month.
2. DCMS workforce diversity data reflects individuals' disclosures. Whilst disclosure of diversity data is mandatory for all staff, staff can select the 'prefer not to disclose' option for any category.
3. Andrea Young leads the joint DCMS/BIS Digital Economy Unit. She is a BIS employee but sits on the DCMS Executive Board and so is shown in the percentage of women on the Executive Board for September 2014.

## Sickness Absence Data



### Notes:

1. Each period covers the year which ends on the last day of the month indicated.
2. AWDL calculated in accordance to Cabinet Office definitions.

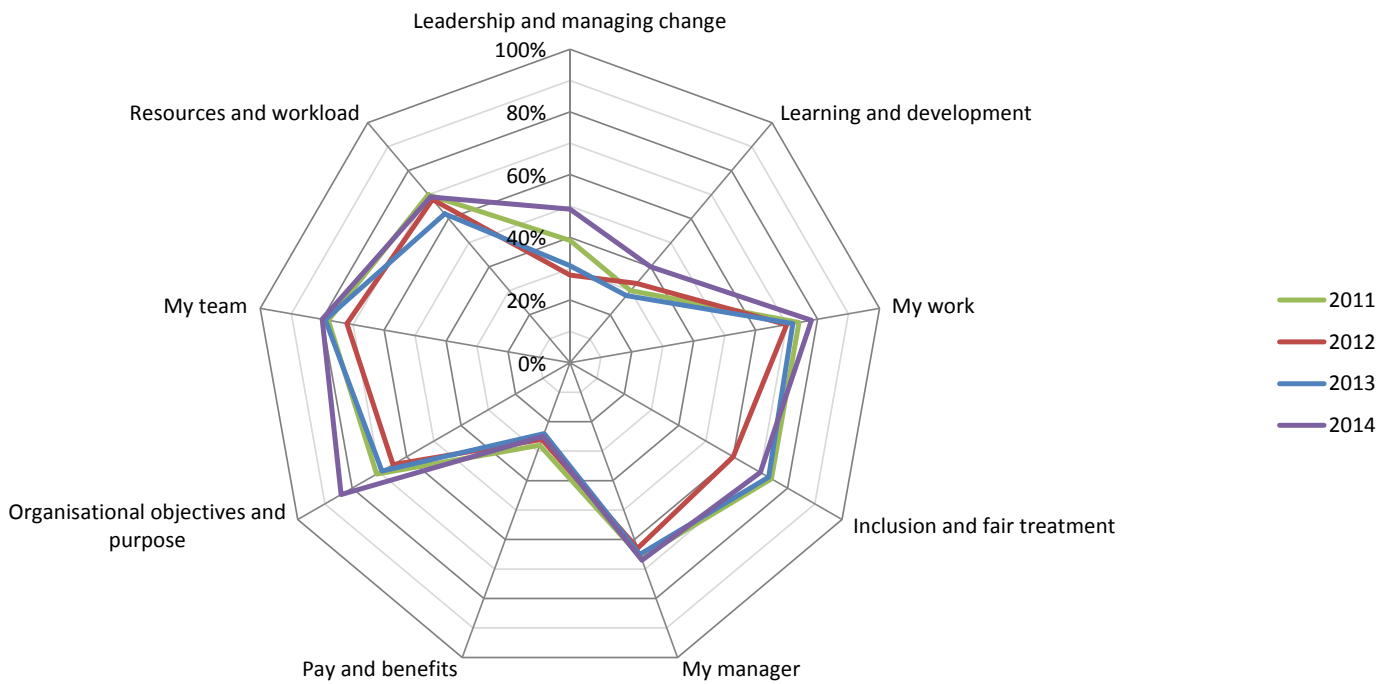
## Workforce Dynamics Data

Workforce Dynamics							
Period	Apr 11 to Sept 11	Oct 11 to Mar 12	Apr 12 to Sept 12	Oct 12 to Mar 13	Apr 13 to Sept 13	Oct 13 to Mar 14	Apr 13 to Sept 14
<b>Leavers</b>	33	30	53	103	30	28	31
<b>Starters</b>	50	17	14	13	147 <sup>2</sup>	36	85
<b>Recruitment Exceptions<sup>3</sup></b>	4		12		11		13

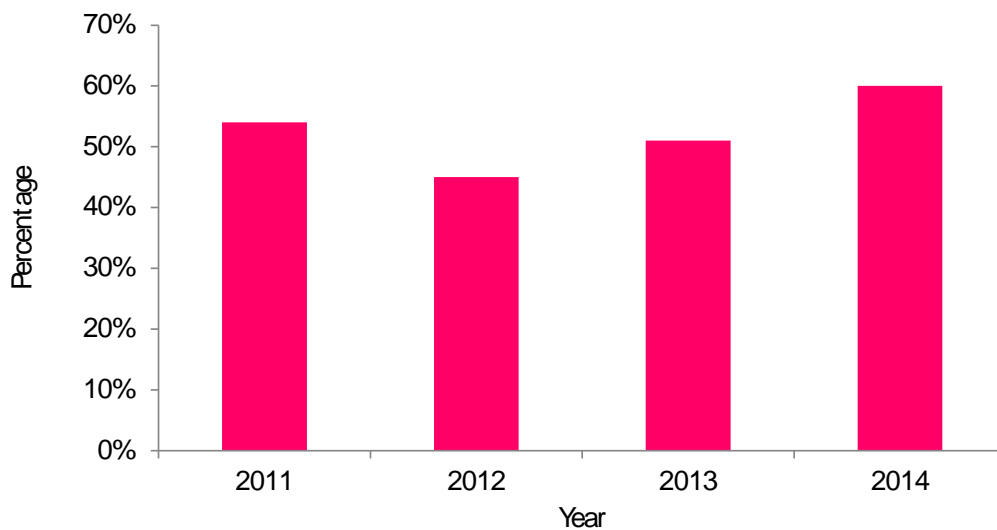
### Notes:

1. Table represents data taken from Oracle on the first and last days of each period.
2. Including 100 staff transferred as part of Machinery of Government transfer (GEO).
3. In accordance with Civil Service Recruitment Principles, under which exceptions to fair and open recruitment can be made with agreement of the Civil Service Commissioner.

# People Engagement



# Overall Engagement



Source: DCMS People Surveys 2011, 2012, 2013 and 2014

## Annex A - Input and Impact Indicators

<b>Input Indicators</b>	Input indicators show what is being 'bought' with public money, i.e. the resources being invested into delivering the results that we and our partners are aiming to achieve.	
<b>Indicator</b>	<b>Latest<sup>1</sup></b>	<b>Previous</b>
Number of premises covered per £ million of broadband delivery programme expenditure.	<b>Cumulative to Sept 2014</b> 13,870  (1,383,777 premises, £99,766,011 BDUK funding)	<b>Cumulative to Jun 2014</b> 12,260  (888,113 premises, £72,437,233 BDUK funding)
Ratio of charitable giving (donations and sponsorship) to Grant-in-Aid for cultural institutions funded by DCMS. (Pence per £1 of Grant-in-Aid).	<b>2013-14</b>  48.8	<b>2012-13</b>  33.7
Public Funding per Eligible Student at Schools Competing in School Games (£ per student)	<b>2013-14</b>  £3.10 (7.09m students, £22.0m funding)	<b>2012-13</b>  £9.43 (5.41m students, £51m funding)

1 Latest data and time periods' data referred to are linked: <https://www.gov.uk/government/collections/performance-indicators>

<b>Impact Indicators</b>	Impact indicators give information on the outcomes of our work. They reflect the quality and effectiveness of the programmes and priorities set out in our business plan and the impact they have on society. They provide a broad picture of performance, with a particular focus on whether fairness is being improved.	
<b>Indicator</b>	<b>Latest<sup>1</sup></b>	<b>Previous</b>
Number of people directly employed in tourism in the UK <sup>2</sup>	<b>2011</b> 1,666,900	<b>2010</b> 1,549,100
Number of overseas visitors to the UK	<b>2013</b> 32,813,238	<b>2012</b> 31,084,085
Total Amount of Creative Employment (no. of jobs) in the UK	<b>2013</b> 2,616,000	<b>2012</b> 2,550,000
Ofcom's European Broadband Scorecard <sup>3</sup>	See overview on page 22	N/A
Total amount of charitable giving (donations and sponsorship) to cultural institutions funded by DCMS (£ millions)	<b>2013-14</b> £476m	<b>2012-13</b> £348m
Total visits to DCMS sponsored museums and galleries	<b>2012-13</b> 46,924,860	<b>2011-12</b> 45,893,145
Proportion of children participating in competitive sport (per cent of 5-15 year old children doing some form of competitive sport in the last 12 months) <sup>4</sup> .	<b>2013-14</b> 77.7	<b>2012-13</b> 82.7
Percentage of employees within medium and large organisations (over 150 employees) recognised as supporting "Think, Act, Report" on gender equality	<b>October 2014</b> 22.0%	<b>October 2013</b> 17.0%

### Notes:

1 Latest data and time periods data refer to are linked: [www.gov.uk/government/collections/performance-indicators](http://www.gov.uk/government/collections/performance-indicators)

2 These tourism data are dependent on the ONS National Accounts data and therefore have a considerable lag of around 18 months from the reference period.

3 Ofcom's European Broadband scorecard available from <http://stakeholders.ofcom.org.uk/binaries/research/broadband-research/scorecard.pdf>

4. The difference between the figures for child participation in competitive sport in 2012/13 and 2013/14 is not statistically significant. Statistical significance tests are applied to determine the likelihood that any apparent differences are due to real change, and not due to chance.

## **Broadband - Overview of the UK's position on the Scorecard relative to EU5 countries (excluding pricing)**

Ofcom's European Broadband scorecard looks to measure performance of European countries' broadband against several categories. Against the EU5 countries (UK, France, Germany, Italy, and Spain), when it was published, the UK ranked:

- very strongly on choice, being rated first on market concentration in fixed broadband and joint first on mobile broadband markets;
- very strongly on coverage, being rated joint first on standard and mobile broadband coverage and first on superfast broadband coverage; and
- strongly on take-up and usage, being rated: first on standard broadband take-up per 100 households; first on superfast broadband take-up; first on mobile broadband take-up; first on the percentage of people accessing internet regularly; first (lowest) on the percentage of people who have never used internet; first on the percentage of people buying goods or services; but 4<sup>th</sup> on the percentage interacted with public authorities.

Ofcom's full report containing detailed information about how broadband in the UK compares to other European countries can be found at:

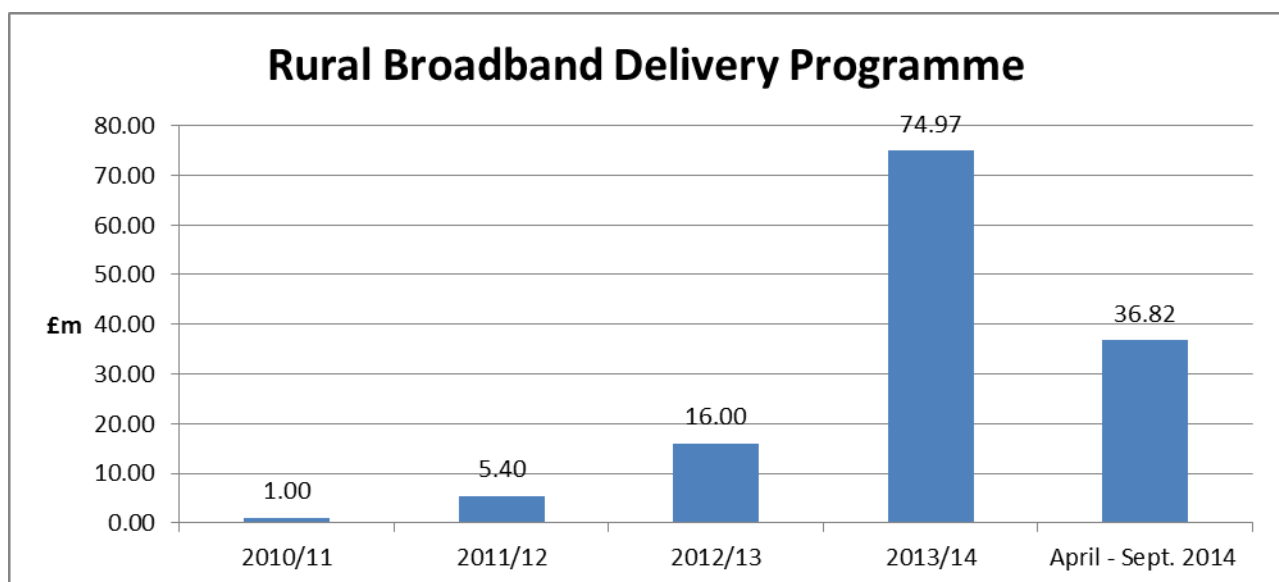
[http://stakeholders.ofcom.org.uk/binaries/research/broadband-research/scorecard/European Broadband Scorecard 2014.pdf](http://stakeholders.ofcom.org.uk/binaries/research/broadband-research/scorecard/European_Broadband_Scorecard_2014.pdf)

# Annex B - Expenditure by major programme

## Rural Broadband Delivery Programme

The government has invested £530m to ensure 90% of the UK has access to superfast broadband by early 2016. All 44 projects in the programme are being delivered by local authorities and devolved administrations which are match funding government investment. All projects are in delivery, and some nearing completion. DCMS capital expenditure is therefore likely to exceed £300m this financial year. Meanwhile, 47 projects are in the process of contracting to deliver the second phase of the programme with a further £250m government investment. This will deliver 95% coverage by end 2017. Some projects are relying on European Regional Development Fund (ERDF) money to match fund their phase 2 projects. BDUK is managing the timing issues arising from this by taking a flexible approach during the contracting phase.

### Programme expenditure

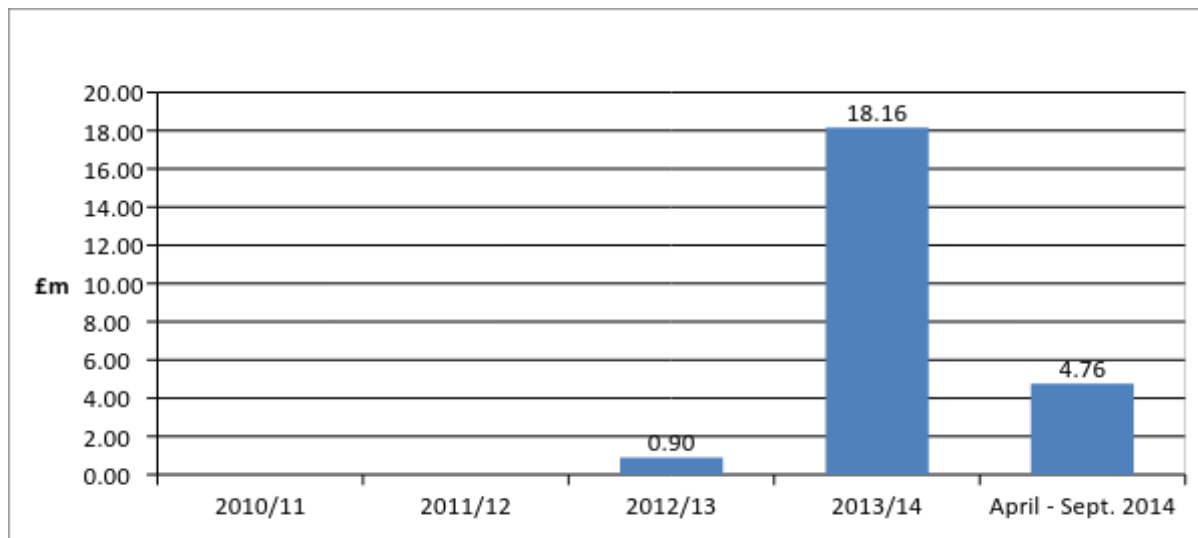


Source: BDUK Finance

## Super-Connected City Programme

Capital spend under the Super Connected Cities programme was slow initially. This was in part because the support to small and medium businesses is provided through a demand led (vouchers) scheme. Following a recent re-launch the scheme is really taking off, with capital expenditure projected to reach £44m this financial year and the possibility of further escalation if demand increases in the second half of the year.

### Programme expenditure

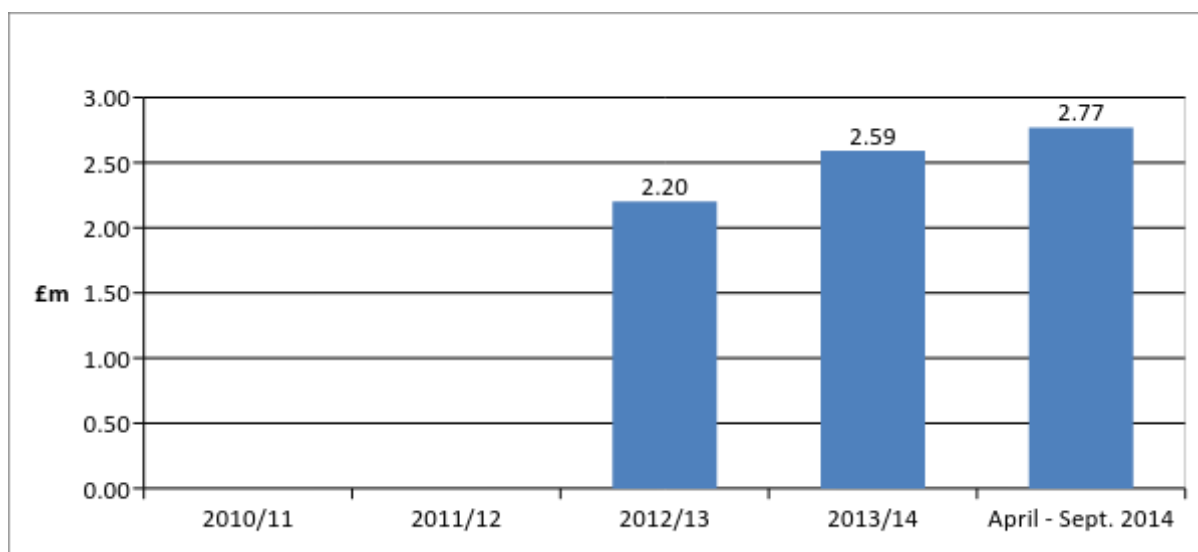


Source: BDUK Finance

## Mobile Infrastructure Project

Capital spend under the Mobile Infrastructure Project has been slower than expected. This is in part because more accurate data on total not spots required the supplier to re-calibrate delivery plans; also because it has taken longer than planned to get masts into build.

### Programme expenditure



Source: BDUK Finance



## Spectrum Clearance

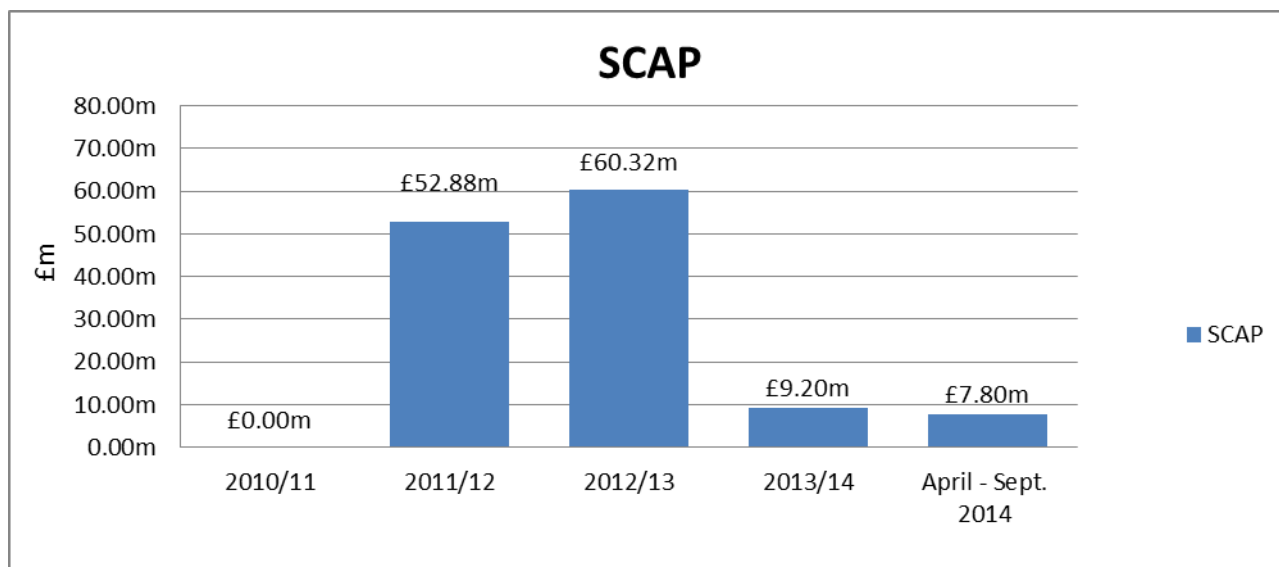
The objective of the Spectrum Clearance and Awards Programme is to clear the 800MHz and remediate the 2.6GHz spectrum bands for rollout of wireless broadband services across the UK as soon as practicable, enabling rollout of these services to consumers across as much of the UK as possible by the end of 2013, and across the whole of the UK as soon as possible thereafter.

Early expenditure from 2011-12 focused on the grants to enable Channels 61 and 62 to be cleared of TV use in regions which had completed TV switchover before the decision was taken for all Europe to clear these channels. The final clearance event was on 31 July 2013. Programme Making and Special Events users also had to move out of the 800MHz band, assisted by grant funding for the replacement of equipment purchased before the decision to clear the band was taken.

Remediation of radars in the 2.6GHz band started in 2011-12, and clearance of the 800MHz of the Fire Services' breathing equipment and Home Office services started in 2012-13. With the exception of the Fire Services and the Digital Terrestrial TV (DTT) Co-Existence project, clearance or remediation has been completed and the projects are now undergoing reconciliation and auditing of expenditure. Clearance of the 800MHz band was completed on 31 July 2013, and clearance of the 2.6GHz in June 2014 which was in accordance with the Information Memorandum which accompanied the auction of the licences.

The award of the 800MHz and 2.6GHz spectrum bands concluded on 1 March 2013 with the granting of licences to five bodies following the auction which generated £2.37bn in receipts for the Exchequer. Services have launched in a number of places. 4G mobile services are likely to contribute around £20bn to the economy over the next ten years.

## Programme Expenditure



Source: DCMS Finance  
2013/14 figure restated from last year's Mid-Year Report.