

Main Estimate memorandum (2020-21) for the Department for Digital, Culture, Media and Sport

1 Overview

1.1 Objectives

The Department for Digital, Culture, Media and Sport (DCMS) is the department of the future, helping to make Britain the world's most creative, digital and engaged nation; an exciting place to live, visit and do business. We support strong and resilient communities, providing opportunities for everyone. Wherever you live and whatever your background, we want your life to be enriched by what we (and the sectors we support) do.

DCMS is responsible for fast growing, forward looking, strategically important parts of the economy; in 2018 our sectors made up 12% of UK GVA (Gross Value Added), 18% of UK services imports and 21% of UK services exports. Our work protects and promotes local civil society and our cultural and artistic heritage; we are caretakers of many things GDP cannot measure that are nonetheless of enormous social value. Our society is defined by local communities; places immeasurably strengthened by civil society, civic institutions and the people, young and old, who contribute to their wellbeing. Britain's future will be built on a thriving economy and confident society; a solid foundation from which to make bold ventures. DCMS is ideally placed to make this happen.

1.2 Spending controls

DCMS' spending is broken down into several different spending totals, for which Parliament's approval is sought.

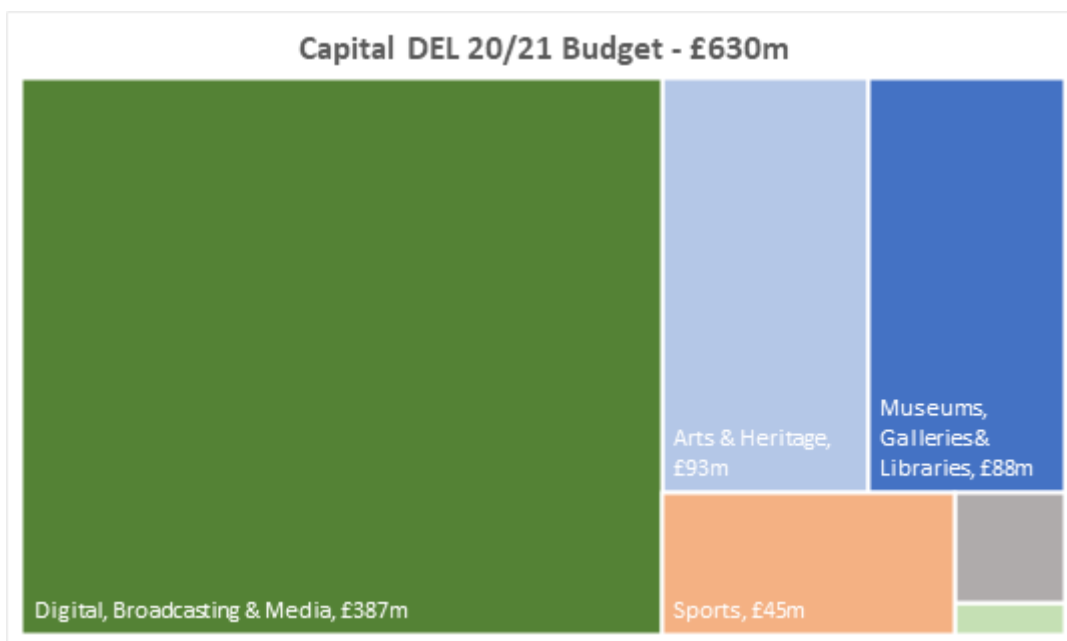
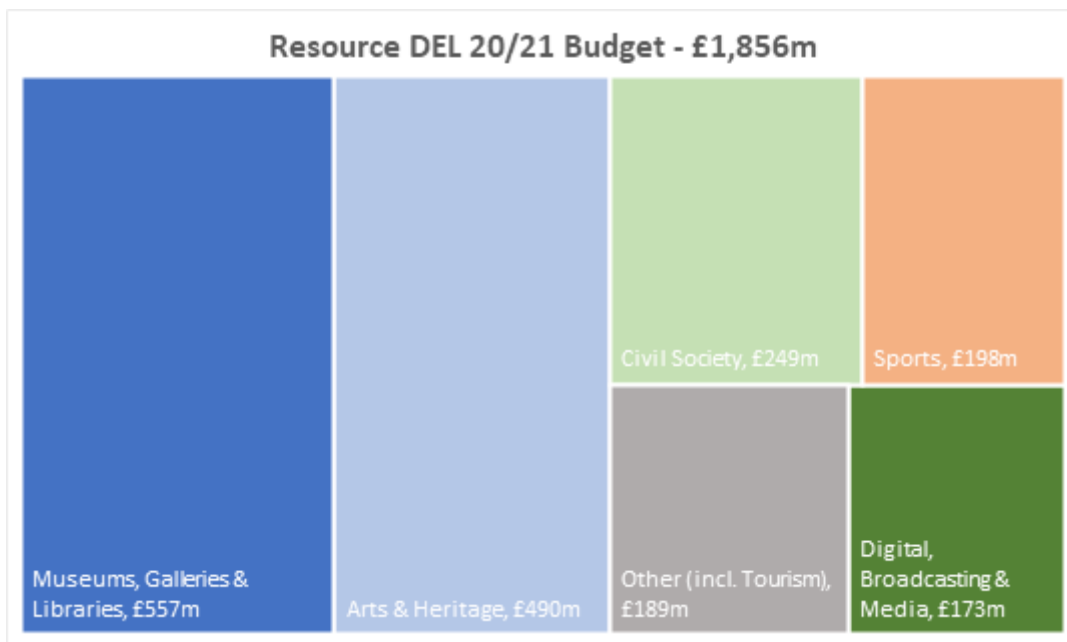
The spending totals which Parliament votes are:

- Resource Departmental Expenditure Limit ("**Resource DEL**"): day to day running costs;
- Capital Departmental Expenditure Limit ("**Capital DEL**"): investment in infrastructure;
- Resource Annually Managed Expenditure ("**Resource AME**"): less predictable day to day spending: in DCMS' case, expenditure incurred primarily via BBC Licence fees; and
- Capital Annually Managed Expenditure ("**Capital AME**"): in DCMS' case, capital expenditure incurred primarily via BBC Licence fees.

In addition, Parliament votes a net cash requirement, designed to cover the elements of the above budgets which require DCMS to pay out cash in year.

1.3 Main areas of spending

The graphics below show the main components of DCMS' proposed budget for the new year, included in the latest Main Estimate, and the proportions of funds spent on its main activities.

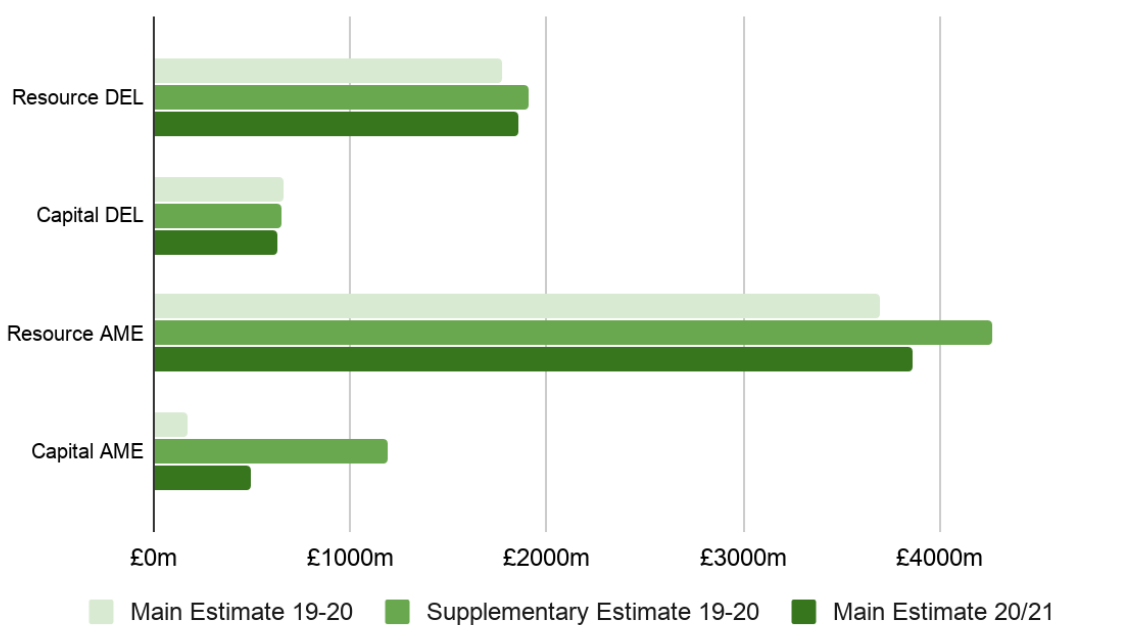


1.4 Comparison of spending totals sought

The table and graphic below show how the totals sought by DCMS in its Main Estimate compare with last year:

Spending total	Amounts sought this year (Main Estimate 2020-21)	Difference (+/-), compared to final budget last year (Supplementary Estimate 2019-20)		Difference (+/-), compared to final budget last year (Main Estimate 2019-20)	
		£m	%	£m	%
Resource DEL	1,855.8	-50.1	-2.6%	85.6	4.8%
Capital DEL	629.8	-15.9	-2.5%	-25.7	-3.9%
Resource AME	3,857.0	-414.2	-9.7%	162.5	4.4%
Capital AME	495.9	-694.5	-58.3%	329.9	198.7%

DCMS 20/21 Voted Control Totals



1.5 Key drivers of spending changes since last year

Resource DEL

Resource DEL is £85.6m, or 4.8%, higher than at last year's Main Estimate.

The main drivers of this are:

- Funding from the Treasury Reserve for the preparation and planning of the Birmingham 2022 Commonwealth Games;

- New funding announced at Spring Budget 2020, including £25.5m for the UK Gigabit Programme;
- Inflationary uplifts applied to recurring funding at the 2019 Spending Round.

Resource DEL is £50.1m lower at this Main Estimate than at last year's Supplementary Estimate. The main drivers of this are:

- A reduction in non IFRS16-related depreciation costs.
- A number of funding events that are normally finalised at the Supplementary Estimate each year, including:
 - Claims from the Treasury Reserve under the Museums' Freedoms Scheme;
 - A Treasury Reserve claim for the Listed Places of Worship Grant Scheme;
 - LIBOR and Tampon Tax funding.

Capital DEL

Capital DEL is £25.7m, or 3.9%, lower than at last year's Main Estimate. Adjusting for the £30.7m impact on the 20/21 budget of the IFRS16 accounting standard, it is down £56.4m, or 8.6%.

The main drivers of this are:

- A reduction in funding for the 5G & Fibre programme;
- A step down in funding for the Blythe House project as it enters its final years;
- Reduction in the budgets for the 700MHz and Local Full Fibre Network programmes as they near completion. Most Superfast projects also concluded in 19/20.

Partly offsetting this are increases in other capital programmes:

- Programmes announced at Spring Budget 2020, including the Cultural Investment Fund and National Museums Maintenance;
- A step up in funding for the UK Gigabit Programme, which was launched in 19/20 and is budgeted to be in full delivery in 20/21.

Capital DEL is £15.9m less than at last year's Supplementary Estimate. The impact of adopting the IFRS16 accounting standard had a Capital DEL impact in 19/20 of £120.8m more than in 20/21. This is mostly offset by £105.0m of other Capital DEL funding increases. These are driven by the Digital sector, and include higher funding for the UK Gigabit Programme and a shift in the profile of the Local Full Fibre Network programme. Many Digital sector programmes were significantly underspent last year and their funding was either reallocated to other DCMS programmes or returned to the Treasury at the Supplementary Estimate, which largely explains the comparative uptick in funding this year.

Resource AME

Voted Resource AME is £162.5m, or 4.4%, higher than at last year's Main Estimate. This is driven by a £167.2m, or 4.6%, rise for the BBC based on expected BBC license-fee funded expenditure.

Compared to last year's Supplementary Estimate, Voted Resource AME is down £414.2m. The capitalisation of leases on the adoption of IFRS16 had a total impact on Resource AME of £488.1m in 19/20. Net of IFRS16 impacts, Voted Resource AME has increased by £73.8m, driven by a rise in BBC funding partly offset by the removal of cover included in the Supplementary Estimate for a possible litigation-related liability for the National Citizen Service, which is now no longer required.

Capital AME

Voted Capital AME is £329.9m higher than at last year's Main Estimate, in part due to a greater potential loan requirement for Channel 4 to provide cover for its maximum borrowing limits.

1.6 New policies and programmes; ambit changes

The ambit has been reviewed and amendments have been made to:

- Include "Governmental response to the coronavirus Covid-19 pandemic."
- Address comments made by the Supply Clerk, the Scrutiny Unit and Parliamentary Counsel to improve the conciseness of the ambit.

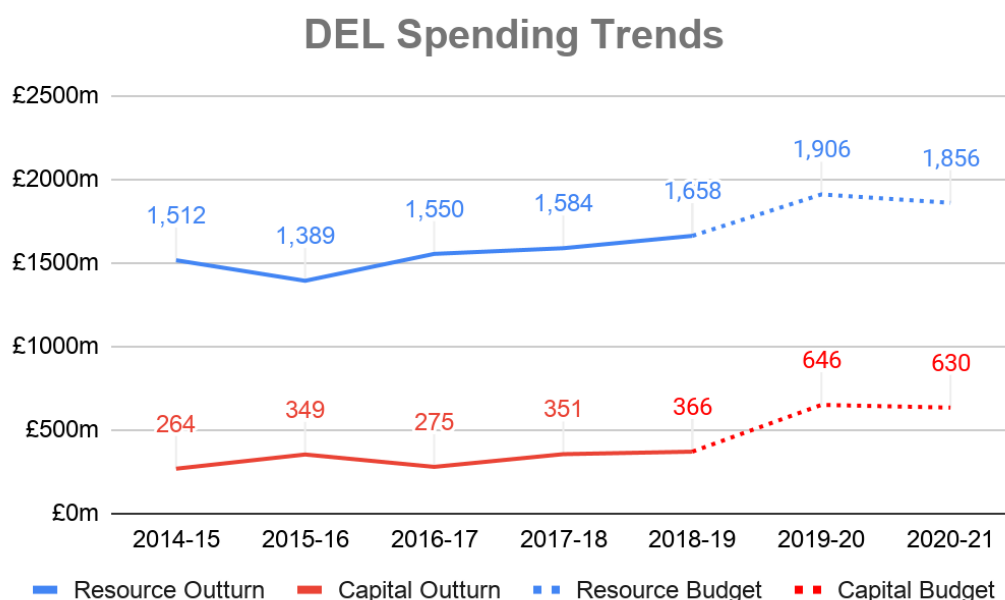
The following entries in the ambit have been removed:

- "Funding for payments to organisations covered by the HMG Guarantee."
- "Potential return of fines resulting from the High Court judgment of May 2019 in the restitution case against the Office of Communication, in the result of a successful appeal."

See *section 1.9 Funding : Spending Review and Budgets* for details of the new programmes announced at Spring Budget 2020.

1.7 Spending trends

The charts below show overall spending trends in recent years, as well as the final budget as at the Supplementary Estimate for 19/20 and plans presented in the 20/21 Main Estimates.



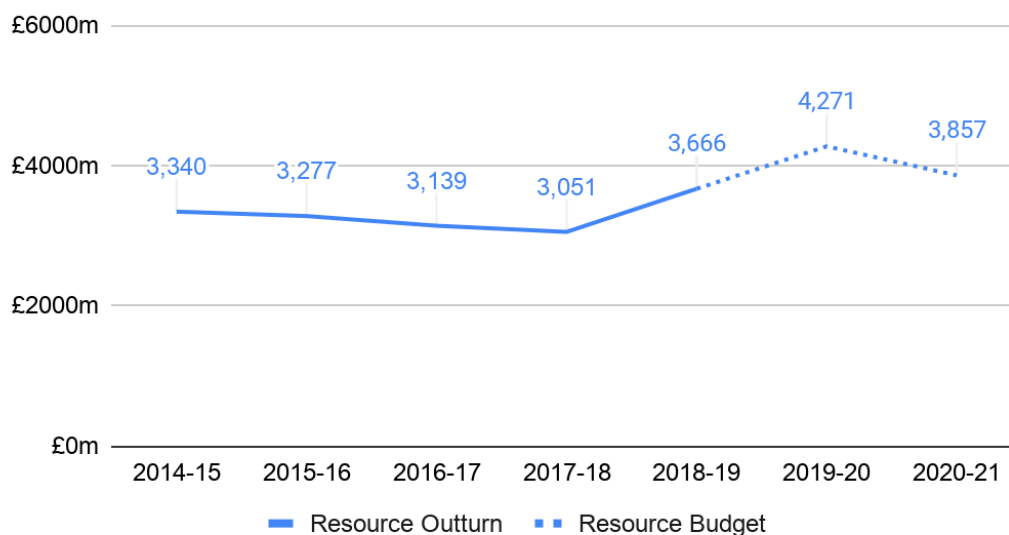
Resource DEL has been on an upward trend since 15/16. Since 16/17, the department's staff costs have increased as it has grown with its additional scope. The largest increase since 15/16 is the Machinery of Government transfer of the Office for Civil Society, which includes the National Citizen Service.

Net Capital DEL outturn was very low in 14/15 due to sales within the Olympic Village generating capital receipts. The large increases since 17/18 reflect the additional funds allocated to:

- The 5G and Local Full Fibre Networks as part of the National Productivity Investment Fund;
- The in-year effect in 19/20 of the capitalisation of leases following the department's early adoption of the accounting standard IFRS16.

The dip in Capital DEL in 20/21 is due to a much lower IFRS16 impact than in its year of adoption.

AME Spending Trends



Voted Resource AME predominantly reflects BBC licence Fee expenditure. It was also significantly affected in 18/19 by the recognition of litigation against Ofcom by Mobile Network Operators for annual licence fees. The 19/20 budget increased substantially as part of the adoption of accounting for IFRS16 and the necessary impairments to the initial capitalisation in order to reflect the capitalised leases at their fair value. If IFRS16 impacts are stripped out from 19/20, the 20/21 budget represents another increase on the year before.

1.8 Administration costs

Spending total	Amounts sought this year (Main Estimate 2020-21)	Difference (+/-), compared to final budget last year (Supplementary Estimate 2019-20)		Difference (+/-), compared to final budget last year (Main Estimate 2019-20)	
	£m	£m	%	£m	%
Administration costs	237.8	-3.7	-1.5%	40.4	20.5%

The Department's admin budget is slightly lower than last year's final Supplementary Estimates budget.

The largest decreases are:

- The IFRS16 accounting standard is budgeted to have a £5.1m impact, less than the £14.5m impact on its initial adoption at last year's Supplementary Estimate. The £5.1m is made up of £30.9m additional depreciation minus a £25.8m reduction in admin DEL for current year lease payments which have now been capitalised;
- The 19/20 budget included a £10.4m programme to admin switch to cover the administrative costs of the National Citizen Service (which was funded fully as programme in the Department's SR15 settlement). The department will look to agree a similar switch at the 20/21 Supplementary Estimate;
- The 19/20 budget included a £5.5m DEL switch to admin of programme funding received from a Cabinet Office budget cover transfer for the National Cyber Security Programme. The department expects to agree an equivalent switch at the 20/21 Supplementary Estimate.

These are offset by:

- Festival of Britain admin ramping up to £6.7m in 20/21 from £0.9m last year;
- The allocation of £9.7m admin funding at the Spring Budget, including £4.0m for the UK Gigabit Programme;
- An uplift of £8.2m for the transformation of the department's core corporate functions agreed with HMT as necessary to support the increased scope the department has taken on in previous years.

Compared to last year's Main Estimate budget, admin funding is up by £40.4m, or 20.5%. This is driven by the aforementioned Festival of Britain, Spring Budget and core corporate uplift, as well as £4.5m for the Birmingham Commonwealth Games and a £5.1m IFRS16 impact.

1.9 Funding : Spending Review and Budgets

The levels of DEL funding for DCMS for 2020-21 are based on plans published in the 2019 Spending Round for the department. Since that time, the Government has made a number of changes to 2020-21 Spending Plans including announcements of some additional funding in the Spring Budget. Details of funding changes are set out in the Table at Annex B.

Notable amongst these changes are:

- £27m of Capital DEL in 20/21 for the National Museums Maintenance programme;
- A 5-year, £250m Cultural Investment Fund, to support cultural projects, libraries, museums and creative industries. The 20/21 budget for the fund is £44.1m, of which £37.8m is Capital DEL;
- £13m for the British Library Business and IP (Intellectual Property) Centres over 3 years, with £3.6m of mostly Resource DEL allocated for 20/21;
- £8.0m of Capital DEL in 20/21 for the Football Foundation scheme;
- A 6-year, £182m Capital DEL budget for the creation of a new science and digitisation centre at Harwell Science and Innovation Campus for the Natural History Museum, of which £2.6m is budgeted for 20/21;
- £21m of Resource DEL for a Commonwealth Games Trade & Investment programme, with £3.6m budgeted for 20/21;
- £25.5m of Resource DEL for the UK Gigabit Programme in 20/21 (and an extra £0.6m for Local Full Fibre Networks), with future years' funding to be agreed at the upcoming Spending Review;

- A £335m commitment to the Shared Rural Network programme over 5 years. The 20/21 budget for this programme comprises £4.3m Resource DEL and £5.7m Capital DEL.

Two other major programmes were announced at the Spring Budget, but funding for these is subject to the provision of a business case, and neither was officially scored in the department’s funding at the Main Estimate:

- Youth Investment Fund: £250m of Resource DEL and £250m of Capital DEL over 5 years;
- British Library at Boston Spa and Leeds: £95m of Capital DEL over 7 years.

1.10 Other funding announcements

Spending announcements made during the year not listed at Annex B relate to reallocated money within existing planned limits, rather than “new”, additional money.

At the 19/20 Supplementary Estimate, the following budget exchanges and reprofiles were agreed to move budgets into 20/21:

- £8.2m of Resource DEL for the Commonwealth Games;
- £10.3m of Capital DEL for Digital programmes, of which £8.6m was Superfast.

The new IFRS16 accounting standard, which changes how leases are accounted for, was adopted by DCMS for the 19/20 financial year. For 20/21, the impact of the standard on the department’s budget is to increase depreciation by £37.9m, reduce non-depreciation Resource DEL by £31.3m and increase Capital DEL by £30.7m. These are all non-cash impacts.

2. Spending detail

2.1 Explanations of changes in spending

Resource DEL

The table below shows how DCMS’ spending plans for Resource DEL compare with last year:

Subheads	Description	this year (2020-21 Main Estimate budget sought)	last year (2019-20 Supplementa ry Estimate budget approved)	change from last year		see note number
		£m	£m	£m	%	
A,B,C	Museums, Galleries & Libraries	557.1	614.7	-57.6	-9.4%	1
D,E,H,I	Arts & Heritage	489.9	519.6	-29.7	-5.7%	2
F,G,R	Sports	198.1	167.4	30.6	18.3%	3
K,L	Digital, Broadcasting & Media	172.7	159.5	13.2	8.3%	4
P,Q	Civil Society	248.6	274.1	-25.5	-9.3%	5
J,M,N,O	Other (incl. Tourism)	189.4	170.6	18.8	11.0%	6
Total Voted		1,855.8	1,906.0	-50.1	-2.6%	

Key variances are explained below. Numbers relate to the relevant row in the table above. Further detail of spending within these totals is given in the Table at Annex A(i).

1. Museums, Galleries and Libraries

Resource DEL budget under these subheads is £57.6m lower than last year's final budget.

This is driven by:

- A reduction of £39.7m in non IFRS16-related depreciation cost;
- Reserve claims of £32.5m at the 19/20 Supplementary Estimate allowing access to the arms-length bodies' historic reserves under the Museums' Freedoms Scheme. Historic reserve access for 20/21 will be finalised at Supplementary Estimate.

These are partly offset by a £9m uplift in grant-in-aid to the Victoria & Albert Museum agreed at the 2019 Spending Round to support the new Victoria & Albert Museum East project in Stratford.

2. Arts & Heritage

Resource DEL spending under these subheads is down £29.7m on last year's final budget.

This is driven by:

- Last year's reserve claim of £19.8m under the Listed Places of Worship Grant Scheme, which was set up to mitigate the impact of the VAT scheme change announced by the Government as part of Budget 2012 affecting approved alterations to listed buildings. The 20/21 reserve claim will be finalised at the Supplementary Estimate;
- A reduction of £4.2m in non IFRS16-related depreciation cost.

3. Sports

Resource DEL spending under these subheads is budgeted at £30.6m more than in last year's final budget.

This is driven by:

- The ramping up of budget for the 2022 Birmingham Commonwealth Games, from £18.1m in 19/20 to £53.4m in 20/21;
- An extra £3.6m of funding for the Commonwealth Games Trade & Investment Programme at Spring Budget.

This is partly offset by the £7.4m allocation to UK Sport at the 19/20 Supplementary Estimate (met from underspends on the 700Mhz budget) to meet the Tokyo Olympic cycle commitment in light of lower lottery receipts than forecast at the 2015 Spending Review.

4. Digital, Broadcasting & Media

Resource DEL spending under these subheads is up £13.2m compared to last year's final budget.

The main funding increases are:

- £21.5m of DEL Programme funding for the UK Gigabit Programme, as announced at the Spring Budget;

- £5.8m for the UN Climate Change Conference in Glasgow, as agreed at the 2019 Spending Round and funded from National Citizen Service underspends. This project is currently being managed by one of the department's Digital teams;
- The British Film Institute's budget for the Contestable Fund increases by £4.6m in 20/21. This fund was announced at Autumn Budget 2018, and supports the provision of public service content for young audiences.

These are partly offset by funding reductions:

- The 700MHz viewer support budget (funded from underspends elsewhere in the department) is £5.2m lower in 20/21, as the programme is winding down and expected to end this year;
- The Department's budget for the National Cyber Security Programme (funded from budget cover transfers from Cabinet Office) is £10.8m lower at the 20/21 Mains Estimate than last year's final budget. Further funding is expected from the Cabinet Office at the 20/21 Supplementary Estimate, as was the case last year;
- A reduction of £6.1m in non IFRS16-related depreciation cost.

5. Civil Society

The Resource DEL budget under these subheads is £25.5m less than at last year's final budget.

This is driven by:

- A reduction in the budget for the National Citizen Service, which is down by £21.2m, from £214.0m at last year's final funding to £192.9m for 20/21 (figures exclude IFRS16 impacts). The National Citizen Service has seen lower than anticipated participation levels, which has resulted in large underspends for the programme. In 19/20 there was an additional exercise to reallocate funding towards existing commitments and new proposals in order to meet manifesto commitments. Most of these reallocations were rolled over into 20/21 and new ones agreed with the Treasury as part of the 2019 Spending Round. The final NCS delegated budget is expected to be within the remaining £192.9m funding available, with future consideration to be given on reallocating remaining funding to departmental priorities;
- LIBOR and Tampon Tax funding, which totalled £19.2m in 19/20, will be provided at the Supplementary Estimate.

The above are partly offset by:

- The Life Chances Fund received a settlement of £20.4m for 20/21 at Spending Round 2019. Last year's initial budget was similar, at £20.0m, but £18.0m of this was not required and was returned to the Treasury at the Supplementary Estimate.

6. Other (inc. Tourism)

Resource DEL spending under these subheads is budgeted at £18.8m higher than at last year's final budget.

This is driven by:

- An increase of £16.8m in non IFRS16-related depreciation cost;
- Festival of Britain admin ramping up to £6.7m in 20/21 from £0.9m last year;
- An uplift of £8.2m of DEL Admin for the transformation of the department's core corporate functions;
- £4.0m of DEL Admin funding for the UK Gigabit Programme at the Spring Budget.

This is partly offset by:

- A £15.6m budget cover transfer from the Department for International Trade for the GREAT campaign, which is designed to promote Britain abroad, was made at the 19/20 Supplementary Estimate.
- A £4.0m reduction in the net impact of IFRS16 compared to last year.

Capital DEL

The table below shows how spending plans for Capital DEL compare with last year.

Subheads	Description	this year (2020-21 Main Estimate budget sought)	last year (2019-20 Supplementa ry Estimate budget approved)	change from last year		see note number
		£m	£m	£m	%	
A,B,C	Museums, Galleries & Libraries	87.5	270.3	-182.8	-67.6%	7
D,E,H,I	Arts & Heritage	92.7	60.1	32.5	54.1%	8
F,G,R	Sports	45.2	46.3	-1.0	-2.2%	
K,L	Digital, Broadcasting & Media	387.3	243.4	143.8	59.1%	9
P,Q	Civil Society	3.7	3.0	0.8	25.6%	
J,M,N,O	Other (incl. Tourism)	13.4	22.6	-9.2	-40.7%	10
Total Voted		629.8	645.6	-15.9	-2.5%	

Key variances are explained below. Numbers relate to the relevant row in the table above. Further detail of spending within these totals is given in the Table at Annex A(i).

7. Museums, Galleries and Libraries

Capital DEL spending under these subheads is budgeted at £182.8m less than in last year's final budget.

This is driven by the following:

- A £121.7m Capital DEL impact in 19/20 from the adoption of IFRS16 due to the capitalisation of leases (of which £120.3m related to the Victoria & Albert Museum East project). In 20/21, the Capital DEL impact from IFRS16 on these subheads was just £1.5m;
- Reserve claims of £20.5m at the 19/20 Supplementary Estimate allowing access to the arms-length bodies' historic reserves under the Museums' Freedoms Scheme. Historic reserve access for 20/21 will be finalised at Supplementary Estimate;
- £26.9m of 700MHz underspends were allocated to the Museums Infrastructure fund investment into critical works at Museums & Galleries in 19/20. A fund of £17.0m (also from 700MHz underspends) is expected to be confirmed at the 20/21 Supplementary Estimates;
- The Capital DEL budget for Blythe House has stepped down by £36.1m, from £58.1m last year to £22.0m this year, as the project enters its final years.

These are partly offset by:

- Spring Budget funding of £27.0m for the National Museums Maintenance programme.

8. Arts & Heritage

Capital DEL spending under these subheads is budgeted at £32.5m higher than at last year's final budget.

This is driven by:

- The £37.8m Capital DEL budget of the Cultural Investment Fund announced at Spring Budget;
- A £10.9m uplift to Heritage High Streets funding, obtained through a budget cover transfer from the Ministry of Housing, Communities & Local Government.

These are partly offset by:

- £5.5m of Capital DEL funding in 19/20 for the Cultural Development Fund, which was funded for that year only. From 20/21, its programme is expanding through the Cultural Development Fund 2, which forms part of the wider Cultural Investment Fund;
- Arts Council of England had a £8.5m budget last year for Coventry City of Culture. This year, the funding is rolled up within the Cultural Investment Fund package.

9. Digital, Broadcasting & Media

A £143.8m funding increase on these subheads is driven by:

- Increased funding for the UK Gigabit Programme, of £125.0m in 20/21 versus £29.0m in 19/20, as it steps up to full delivery in 20/21;
- A shift in the profiling of the Local Full Fibre Network programme, with £104.2m now budgeted for 20/21, up from £68.2m in 19/20;
- A budget of £36.2m for the Digital NPIF (National Productivity Investment Fund) in 20/21;
- Spring Budget funding of £5.7m Capital DEL for the Shared Rural Network project.

These are partly offset by:

- A reduction of £15.6m in the 700MHz Capital DEL budget as it nears completion.
- A fall of £18.1m in the Superfast budget. The funding of most Superfast projects was completed in 19/20.

10. Other (including Tourism)

Funding on these subheads is down £9.2m against last year's final budget.

The main driver of this is a lower impact from the capitalisation of leases relating to the core department's estate under the adoption of IFRS16, at £14.7m in 20/21 versus £20.9m last year.

Resource AME

The table below shows how spending plans for voted Resource AME compare with last year.

Subheads	Description	this year (2020-21 Main Estimate budget sought)	last year (2019-20 Supplementa ry Estimate budget approved)	change from last year		see note number
		£m	£m	£m	%	
S	British Broadcasting Corporation	3,812.0	3,971.4	-159.4	-4.0%	11
U	Provisions, Impairments & other AME spend	45.0	299.4	-254.4	-85.0%	12
V	Levy Bodies	0.0	0.3	-0.3	-99.4%	
Total Voted		3,857.0	4,271.2	-413.8	-9.7%	

Key variances are explained below. Numbers relate to the relevant row in the table above. Further detail of spending within these totals is given in the Table at Annex A(ii).

11. British Broadcasting Corporation

The BBC's Resource AME requirement has decreased by £159.4m from last year's final budget. This breaks down as a £321m impact in 19/20 from the capitalisation of leases under IFRS16, offset by the £247m cessation of DWP funding for over 75's license fee and other, smaller changes.

12. Provisions, Impairments and other AME spend

A decrease of £254.4m in Resource AME forecast on these subheads from last year's final budget is due to:

- A £166.8m adjustment for the adoption of IFRS16 in 19/20. These adjustments (including for the Victoria & Albert Museum East project) impair the capitalised value of leases to fair value;
- An additional cover requirement in 19/20 of a possible liability for National Citizen Service as part of litigation arising from reprocurement of its main supplier contract;
- Other adjustments for depreciation on donated assets, net changes to provisions, revaluations and forecast pension movements.

Capital AME

The table below shows how spending plans for voted Capital AME compare with last year.

Subheads	Description	this year (2020-21 Main Estimate budget sought)	last year (2019-20 Supplementa ry Estimate budget approved)	change from last year		see note number
		£m	£m	£m	%	
S	British Broadcasting Corporation	370.9	1,173.8	-802.9	-68.4%	13
T	Channel Four Television	125.0	13.6	111.4	820.0%	14

U	Provisions, Impairments & other AME spend	-	2.4	-2.4	-100.0%
V	Levy Bodies	-	0.6	-0.6	-100.0%
Total Voted		495.9	1,190.4	-694.5	-58.3%

Key variances are explained below. Numbers relate to the relevant row in the table above. Further detail of spending within these totals is given in the Table at Annex A(ii).

13. British Broadcasting Corporation

The BBC's Capital AME requirement has decreased by £802.9m from last year's final budget. This is driven by the one-off impact in 19/20 of adopting the new IFRS16 accounting requirements for leases.

14. Channel Four Television

A £125m budget is included in the 20/21 Main Estimate to provide cover for Channel 4's maximum entitled borrowing limit (the legal maximum of £200m less current borrowing of £75m).

Channel 4 budgeted for £13.6m of Capital AME in 19/20, which related to the impact of IFRS16 on new leases and the revaluation or remeasurement of existing leases.

2.2 Restructuring

There have been no Machinery of Government changes affecting the DCMS budget for 2020-21.

2.3 Ring-fenced budgets

Within the totals, the following elements are ring fenced i.e. savings in these budgets may not be used to fund pressures on other budgets without specific agreement from the Chief Secretary to the Treasury.

Resource DEL

Ring fenced budgets	Amounts sought this year (Main Estimate 2020-21)	Difference (+/-), compared to final budget last year (Supplementary Estimate 2019-20)		Difference (+/-), compared to final budget last year (Main Estimate 2019-20)	
	£m	£m	%	£m	%
Freedoms	496.5	-14.0	-2.8%	20.7	4.3%
National Citizen Service	191.9	-22.1	-10.3%	-68.3	-26.2%
Commonwealth Games	52.9	34.8	192.6%	52.9	n/a
EU Exit	30.6	-0.6	-1.9%	0.6	1.8%
UK Gigabit Programme	30.0	25.5	566.7%	25.5	566.7%
OCS - LIBOR, Tampon Tax and Life Chances Fund	20.4	-0.8	-3.6%	-0.4	-2.1%
Listed Places of Worship	17.3	-19.5	-52.9%	0.3	2.1%
National Cyber Security Programme	13.4	-11.4	-45.9%	-8.3	-38.3%
Cultural Protection Fund	10.2	0.2	2.0%	10.2	n/a

Local Full Fibre Networks	7.5	-	-	7.5	n/a
700MHz	6.8	-5.2	-43.3%	6.8	n/a
Festival of Britain	6.7	5.4	415.4%	6.7	n/a
Cultural Investment Fund	6.3	6.3	n/a	6.3	n/a
5G	5.9	-	-	5.9	n/a
Shared Rural Network	4.3	4.3	n/a	4.3	n/a
Prosperity Fund	3.7	1.6	76.1%	3.3	783.3%
CWG Trade & Investment Programme	3.6	3.6	n/a	3.6	n/a
BL Business & IP Centres	3.4	3.4	n/a	3.4	n/a
Heritage High Streets	3.3	1.8	120.0%	1.8	120.0%
Blythe House	2.1	-5.5	-72.4%	-5.3	-71.6%
Digital Identity	2.0	2.0	n/a	2.0	n/a
British Film Commission	1.6	1.6	n/a	1.6	n/a
Youth Accelerator Fund	-	-7.0	-100.0%	-	n/a

Capital DEL

Ring fenced budgets	Amounts sought this year (Main Estimate 2020-21)	Difference (+/-), compared to final budget last year (Supplementary Estimate 2019-20)		Difference (+/-), compared to final budget last year (Main Estimate 2019-20)	
	£m	£m	%	£m	%
UK Gigabit Programme	125.0	95.9	330.3%	50.0	66.7%
Local Full Fibre Networks	104.2	36.0	52.8%	-20.7	-16.6%
700MHz	69.8	-15.6	-18.3%	-78.7	-53.0%
Freedoms	51.5	-177.4	-77.5%	5.5	12.1%
Cultural Investment Fund	37.8	37.8	n/a	37.8	n/a
Other Digital NPIF	36.2	36.2	n/a	22.6	166.2%
National Museums Maintenance	27.0	27.0	n/a	27.0	n/a
5G	22.5	-0.9	-3.8%	-39.0	-63.4%
Blythe House	22.0	-36.1	-62.1%	-36.1	-62.1%
Heritage High Streets	17.3	13.8	393.9%	13.8	393.9%
BDUK Superfast	11.3	-18.1	-61.5%	-31.4	-73.5%
Football Foundation scheme	8.0	8.0	n/a	8.0	n/a
Shared Rural Network	5.7	5.7	n/a	5.7	n/a
National Citizen Service	3.7	3.6	4,260.0%	3.7	n/a
NHM Research Facility	2.6	2.6	n/a	2.6	n/a
National Cyber Security Programme	1.4	1.4	n/a	1.4	n/a
BL Business & IP Centres	0.2	0.2	n/a	0.2	n/a
OCS - LIBOR, Tampon Tax and Life Chances Fund	-	-2.8	-100.0%	-	n/a

2.4 Changes to contingent liabilities

There have been movements in the estimates for existing indemnity schemes in relation to the following areas:

- National Gallery has increased from £2,509m to £7,033m as a result of major exhibitions with high value loans coinciding: Raphael; Durer; and changes in long term loans to the collection;
- Tate Galleries have decreased from £4,122m to £3,431m as a result of a reduction in the number of high value loans;
- Victoria & Albert Museum has increased from £300m to £560m due to major exhibitions with high value loans: Renaissance Watercolours and Epic Iran;
- National Portrait Gallery has decreased from £297m to £115m as a result of its partial closure for redevelopment;
- The following Museums also have decreases due to reductions in the high value programme content:
 - Science Museum Group from £353m to £279m
 - Sir John Soane Museum from £41m to £1m

Non-national Institutions have increased their collective liability by £377m (from £5,136m to £5,513m). This is mainly attributable to the Royal Collection, which has three high value exhibitions, including Francis Bacon: 'Man and Beast'.

At the 19/20 Supplementary Estimate, the department had a quantifiable contingent liability of £125m which reflected its obligation to cover the British Tourist Authority (BTA) pension deficit in the event of BTA (trading as Visit Britain) closing down. The volatile prevailing market conditions resulting from COVID-19 mean that we are unable to include an updated estimate of this figure as part of the Main Estimate process.

3. Priorities and performance

3.1 Single Departmental Plan

DCMS's Single Departmental plan (see [here](#)) sets the department's objectives (summarised below) along with workplans and milestones for delivering against these objectives.

1. **Global:** Drive international trade, attract investment and promote shared values around the world – promoting the UK as a great place to live, work and visit
2. **Growth:** Grow an economy that is creative, innovative and works for everyone
3. **Digital Connectivity:** Continually drive the UK's connectivity, telecommunications and digital sectors
4. **Participation:** Maximise social action, cultural, sporting and physical activity participation
5. **Society:** Make our society safe, fair and informed
6. **EU Exit:** Help deliver a successful outcome to Brexit

7. **Agile and Efficient:** Ensure DCMS is fit for the future with the right skills, culture and connections to realise our vision and live our values as “One DCMS”

4. Other information

4.1 Additional specific information required by the select committee

Not applicable - none requested.

5. Accounting Officer Approval

This memorandum has been prepared according to the requirements and guidance set out by the House of Commons Scrutiny Unit, available on the Scrutiny Unit website.

The information in this Estimates Memorandum has been approved by myself as Departmental Accounting Officer.



Sarah Healey CB

Accounting Officer

Permanent Secretary

Department for Digital, Culture, Media and Sport

20 April 2020