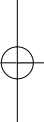
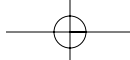


**UTE LEINER**  
**HAPPY LIGHT**

Ute graduated in July 2000 from City and Guilds London School of Art. She lives and works in East London as a decorative artist and designer/maker. Happy Light is made from brightly coloured acrylic rods pierced through layers of tinted polypropylene. An ultra-violet neon strip illuminates it from behind, radiating through the acrylic rods to create shoots of light and colour.





# Spending Review 2000 – Plans for 2001–02 to 2003–04

# 3



# 3

## Spending Review 2000 – Plans for 2001–02 to 2003–04

*Spending Review 2000 allowed the Department to refocus its objectives and targets, and stimulated a range of new initiatives, which are set out here.*

### 3.1 The Settlement

The outcome of Spending Review 2000 enabled Chris Smith to announce in July a very substantial increase in Departmental funding, from £1,015 million in 2000–01 to £1,240 million in 2003–04. This includes the best-ever settlements for sport and the arts, with sport funding almost doubling during the period and arts funding increasing by £100 million.

Some of the key outcomes of the settlement are as follows:

- a doubling of the investment in the school sport co-ordinator programme;
- £10.5 million support for the 2002 Commonwealth Games in Manchester;
- more support for regional theatres;
- the establishment of 16 creative partnerships to help young people develop artistic and creative skills;
- the restoration of the Public Lending Right to its original real-terms level;
- a £10 million funding package for regional museum, library and archive collections;
- substantial uplifts for the Royal Parks, British Film and the English Tourism Council;
- £90 million of capital credits for local authority projects funded under the Private Finance Initiative (PFI).

### 3.2 The Department's new Public Service Agreement (PSA)

The Department's 2001–04 PSA, published in July, sets out what the Department and its sponsored bodies will deliver with the resources allocated as a result of the Spending Review:

### Aim

To improve the quality of life for all through cultural and sporting activities, and to champion the creative and leisure industries.

### Objectives and Performance Targets

Objective I: sustain and develop quality, innovation and good design; create an efficient and competitive market, including by removing unnecessary regulation and other obstacles to growth so as to develop the tourism and creative industries; and promote Britain's success in the fields of culture, media and sport at home and abroad.

Objective II: broaden access for all to a rich and varied cultural and sporting life and to our distinctive built environment; and encourage conservation of the best of the past.

Objective III: develop the educational potential of the nation's cultural and sporting resources; raise standards of cultural education and training; and ensure an adequate skills supply for the creative industries and tourism.

Objective IV: ensure that everyone has the opportunity to develop talent and to achieve excellence in the areas of culture, media and sport.

Objective V: maintain public support for the National Lottery and ensure that the money raised for good causes supports DCMS's and other national priorities.

Objective VI: promote the role of the Department's sectors in urban and rural regeneration, in pursuing sustainability and in combatting social exclusion.

- Ensure all public libraries have Internet access by the end of 2002.
- Introduce at least 12 Creative Partnerships by March 2004, targeted on deprived areas, ensuring that every school child in the Partnership area has access to an innovative programme of cultural and creative opportunities.

# 3 Spending Review 2000 – Plans for 2001–02 to 2003–04

- Raise significantly, year on year, the average time spent on sport and physical activity by those aged 5 to 16.
- Increase the numbers of children attending museums and galleries by a third by 2004.
- Increase by 500,000 by 2004 the numbers of people experiencing the arts.
- Conduct a value for money study of the bodies sponsored by the Department by April 2002, and significantly improve the average performance by April 2004.

The PSA is underpinned by two further documents, both of which can be found on the DCMS website, [www.culture.gov.uk](http://www.culture.gov.uk): the Service Delivery Agreement, which sets out how we will achieve our targets and how we will achieve good value for money in our operations; and the Technical Note, which explains the definitions and data sources associated with each PSA target.

## 3.3 Summary expenditure allocations, by subject area, for 2001–04

(Figures in £000s)	2001–02	2002–03	2003–04
Museums, Galleries and Libraries	360,724	386,185	394,699
Arts	252,621	297,996	337,796
Sport	66,600	83,100	102,100
Historic Buildings, Monuments and Sites	142,412	152,101	153,987
Royal Parks	25,120	23,620	24,120
Tourism	47,063	49,063	49,563
Broadcasting and Media	104,651	110,126	112,126
Administration, Research and Other Services	29,286	29,818	30,318
Spaces for Sport and the Arts	60,000		
Culture Online	2,346		
National Lottery Commission	1	1	1
European Regional Development Fund	31,000	31,000	31,000
Reserve	711	6,390	3,690
<b>Total</b>	<b>1,122,535</b>	<b>1,169,400</b>	<b>1,239,400</b>

### 3.4 Some key initiatives in the new funding period

#### Culture Online

Announced in September 2000 by Chris Smith, Culture Online will provide interactive participation in the arts and culture through the Internet. It will systematically analyse the needs of its audiences – particularly in relation to the National Curriculum – and match the resources of the arts and cultural sector to them.

HM Treasury made available up to £5 million from the reserve to support the developmental stage of the initiative and the Department conducted a wide-ranging consultation exercise to refine its vision of what Culture Online should offer. The Culture and Recreation Bill introduced to Parliament in December 2000 contains provision to establish Culture Online as a statutory corporation.

#### Communications White Paper

The consultation period for the joint DTI/DCMS White Paper, *A New Future for Communication*, published in December 2000, ended on 12 February 2001.

The new legislation needed to implement the proposals will now be drawn up with the intention of introducing it into Parliament as soon as a suitable legislative slot is made available. The existing regulators will be fully involved in implementing the proposals and ensuring the smooth transition to the new regulatory regime.

#### A Strategy for Sport

The Department published its strategy for sport, *A Sporting Future for All*, in April 2000. The strategy identified a number of sources of funding and initiatives that would help deliver the vision for sport that it described. Following a successful Spending Review settlement for sport, the Department was able to improve significantly the resources available for some of these initiatives. Spending on sport will have doubled by 2003–04, when it reaches £102 million.

Schools are the key to increasing participation and improving Britain's performance in international sport in the medium term.

# 3

## Spending Review 2000 – Plans for 2001–02 to 2003–04

People are more likely to develop a lifelong commitment to sporting activities if they have enjoyed them while at school. As well as helping to lay the foundations for our future sporting success and the obvious health improvements, there are many other benefits to participating in sport: improvements in self-esteem, discipline, team-working skills, responsibility and creativity are just a few. The new DCMS PSA target of increasing participation in sport and physical activity among 5–16 year olds year on year will be carefully monitored by the Department. In January, following discussions between the Department and the DfEE, the Secretary of State announced that pupils would be offered an entitlement of at least two hours high quality PE and sport within and beyond the timetabled curriculum. The Department will be involved in monitoring progress towards that goal.

With this in mind, DCMS is committing £60 million to the School Sport Co-ordinators initiative. This aims to create a network of Co-ordinators in secondary schools across the country, allied to sports colleges and working closely with feeder primary schools, to offer enhanced physical education and competitive sport in areas of social and economic deprivation. The new funding will take the total invested in the initiative to £120 million and will mean that 1,000 Co-ordinators will be created in around 250 ‘families’ of schools. Around 5,000 primary schools will also benefit.

In addition, the Government has proposed that £750 million of the New Opportunities Fund National Lottery revenue should be committed to bringing about a step change in the quality and availability of school sport facilities and investing in other sport-based youth projects. The initiative will focus primarily on refurbishing existing, and building new, indoor and outdoor sports facilities at primary and secondary schools in areas where sporting provision is weak. The types of facility we envisage being funded are playing fields, swimming pools, tennis courts, indoor nets and astroturf pitches, which will be for community use as well as school use. Outdoor adventure facilities used by schools will also benefit from this funding by up to £50 million. As with other New Opportunities Fund initiatives, it is proposed that priority should be given to areas of urban and rural deprivation.

The Spending Review settlement has also enabled us to invest £7 million in modernising National Governing Bodies. The strategy includes a commitment to devolve more responsibility to sport's governing bodies, in return for improved administrative systems and structures, a commitment to invest a percentage of broadcasting right receipts in grass roots sport, and the involvement of elite performers in school and community projects.

The Government is increasing its commitment to the UK Sports Institute with an injection of a further £12 million over three years. This will fund the cost of the Institute's central services.

The Strategy recognises the key role that volunteers play in sport and the need to recruit, reward and retain volunteers effectively for sport's long term benefit. The Department has committed £4 million over two years to enable existing volunteering and leadership programmes, which are based in schools, to engage more young people and to improve the training and support offered to them. With £3 million over the same period from the Active Community Fund, we hope to create volunteering opportunities – as coaches, trainers, officials, administrators or mentors – for 60,000 people.

#### Space for Sport and Arts

In 1998, an OfSTED report described the accommodation of one in eight primary schools as being inadequate in some respects. The 'lack of sufficient outdoor or indoor accommodation for the teaching of physical education' and the 'lack of access to running water ... particularly affecting the teaching of art' were two aspects particularly highlighted by the report.\* Following a successful joint DCMS/DfEE bid to the Capital Modernisation Fund (CMF), Chris Smith announced in April 2000 that the Space for Sport and Arts (SSA) scheme would make available up to £150 million of funding to provide around 300 new sports and arts facilities for primary schools in the areas where they were most needed.

\*HMCI's Annual Report 1996/7 (TSO, February 1998), paragraph 72

Building on this identified need, the SSA scheme's objectives are to raise educational standards, promote inclusion, and build community pride in deprived rural and urban areas. It is an

# 3

## Spending Review 2000 – Plans for 2001–02 to 2003–04

innovative partnership between traditional public spending from the CMF and three National Lottery distributors (Sport England, Arts Council of England and the New Opportunities Fund) to realise a scheme for school and community use that would not have been funded individually by any single body. In developing the initiative, the Department has particularly sought to break down the barriers that have traditionally prevented such schemes coming forward. Arts and sports facilities will feature in most schemes, with the aim of meeting local needs and aspirations.

The Department has worked very closely with DfEE and Lottery partners to ensure the SSA scheme targets areas of multiple deprivation already identified as priorities for the purposes of other programmes. A total of 65 local educational authorities (LEAs) were invited to bid for a notional allocation and submitted outline proposals for a total of 493 schools in December 2000. These were considered by a joint Project Board consisting of DCMS, DfEE, ACE, Sport England and the New Opportunities Fund (NOF). Around 300 projects have been invited to develop detailed bids to be submitted no later than 31 October 2001. A full evaluation of the bids will be made and firm commitments given to LEAs before March 2002 to enable projects to be delivered on the ground over the summer of 2002.

### Creative Partnerships

The Spending Review increased funding for the arts by £100 million between 2000–01 and 2003–04, and Chris Smith announced that £40 million of this funding would be allocated over two years (starting in April 2002) to pilot 16 *Creative Partnerships* to provide exciting, challenging opportunities for young people to experience, learn from and enjoy artistic and creative activities. *Creative Partnerships*, which will be run by the Arts Council, will focus on bringing together schools, arts and other creative organisations and the commercial creative industries to provide enhanced opportunities for every schoolchild in the 16 Partnership areas. Through these pilot Partnerships, targeted on areas of deprivation, young people will be able to access an enhanced range of activities, events and opportunities across the creative sector, including museums, galleries, creative

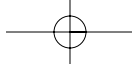
industries, new media and community arts as well as mainstream arts provision. The pilot locations range from inner city Manchester, to areas of rural isolation, like Cornwall, and counties with deprived coastal areas, like Norfolk.

#### Resource's regional programme

Resource, the new strategic body for museums, archives and libraries (which became fully operational on 1 April 2000) will receive additional funding in 2002–03 and 2003–04 for investment in, and on behalf of, museums, galleries, libraries and archives in the English regions. In addition to the core funding programmes inherited from the Museums and Galleries Commission and the Library and Information Commission, Resource will have a new regional programme of £10 million per annum. This programme will comprise the following elements:

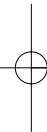
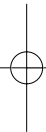
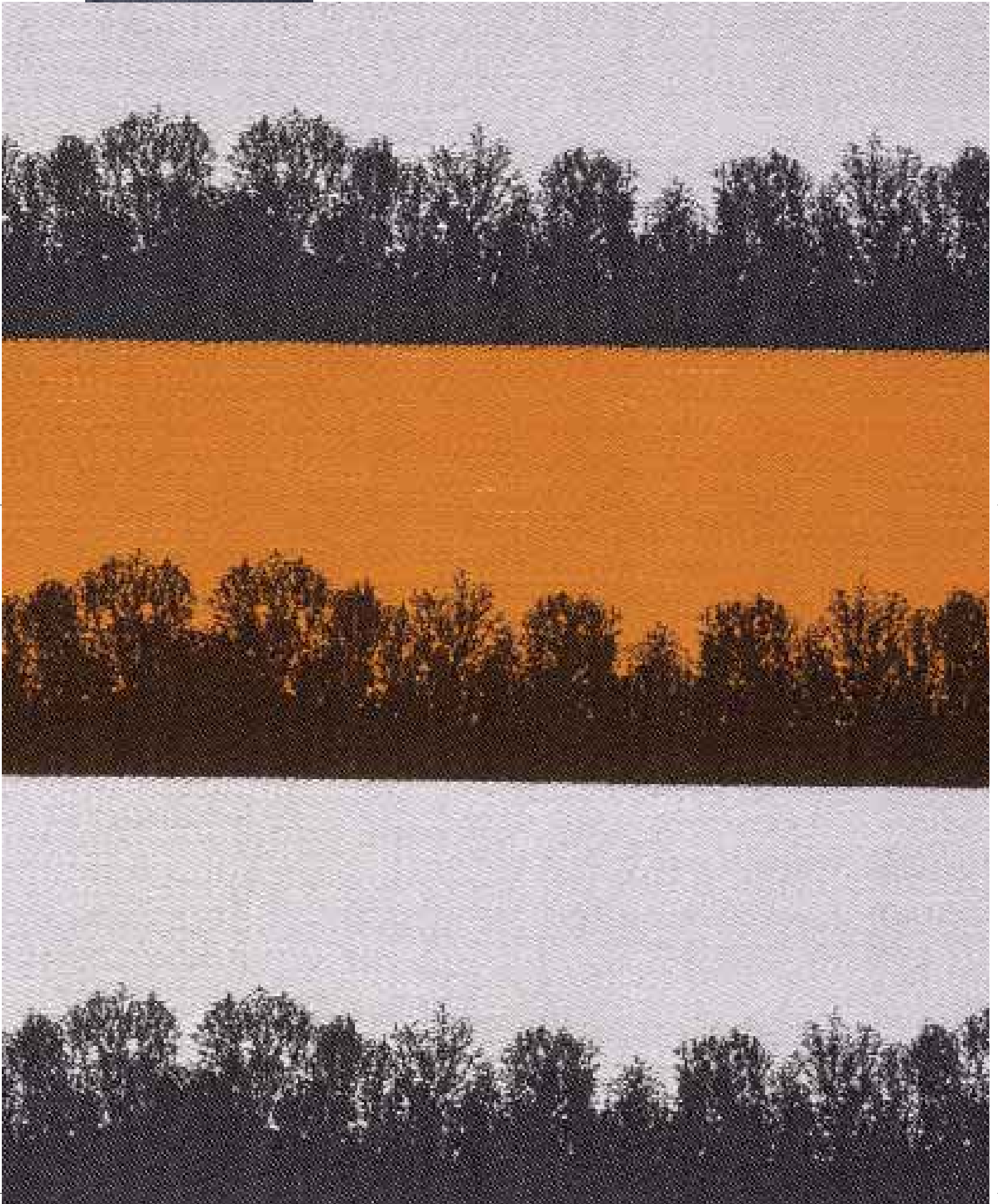
- the continuation and development of the Designated Museums Challenge Fund. Resource is conducting a review of the impact of the Challenge Fund and is considering the options for the future direction of the scheme;
- an Innovation Fund to encourage new approaches to service delivery by regional museums, archives and libraries;
- new sources of advice and support to museums, archives and libraries in relation to bidding for funds from the Lottery, Europe and private and charitable sources; and
- incentive funding to strengthen existing regional structures and to encourage cross-sectoral working between Area Museums Councils, Regional Archives Councils and Regional Library Systems.

Resource are also – at the Secretary of State's request – leading a review of the position and needs of regional museums across the country and the relationship between regional and national institutions.



**LAURA THOMAS**  
**TREESCAPE**

Laura graduates from the Royal College of Art, London in July 2001, with an MA in Constructed Textile Design. Her work is an amalgam of weave, photography and graphic design, inspired by the natural environment of her home county Pembrokeshire, Wales. This piece is Jacquard woven fabric in silk and cotton.



### European Capital of Culture

In 2008 the UK will host the European Capital of Culture. The city that wins the title will put on a year-long festival. The competition to select the city was launched in September 2000 when the criteria were published ([www.culture.gov.uk/creative](http://www.culture.gov.uk/creative)). Bids must be submitted by 31 March 2002 and the winning city will be nominated by the Prime Minister. The other short-listed cities will be publicised and commended as Centres of Culture.

### 3.5 Sectoral initiatives

In addition to these headline projects, the Department will continue to work towards the general aims and objectives set out in its PSA in all its sectors:

#### *Industry sponsorship*

##### *Tourism*

As well as giving overall direction to the work of the two public bodies which support UK and English tourism, DCMS will be directly engaged in:

- developing the Government's joined-up action in support of tourism through the Tourism Summit and the Tourism Forum;
- sharpening up the aims and objectives for improved competitiveness in the tourism industry, greater responsiveness to changing consumer demand, and better training and use of the people who work in the industry;
- ensuring the Government pursues to a successful conclusion the reviews of regulation now progressing and summarised in our response to the Better Regulation Task Force;
- implementing a strategy for the future of our traditional resorts, building on the work of the English Tourism Council's Resorts Task Force and bringing together the public agencies behind it;
- maintaining and developing the partnerships between public and private sectors to build a world class electronic delivery system for tourism information and tourism sales in the UK; and

# 3

## Spending Review 2000 – Plans for 2001–02 to 2003–04

- building on the foundation year of the Heritage/Tourism Cluster Group, which will aim to develop better networking and sharing of knowledge amongst other partners in the UK with overseas experience.

### Media

Key tasks will be:

- to work with the Film Council on the implementation of its comprehensive strategy for the film industry and film culture; and
- to take forward work arising out of the research into small music companies' access to finance.

### Broadcasting

The review of the Television Without Frontiers Directive, 89/552/EEC, begins with several studies in 2001, on which the European Commission will report throughout the year, and which will be subject to workshops and discussions with industry and Member States. Before the end of 2002 the Commission will communicate its proposals for amendments to the Directive and negotiations will begin in the relevant Council Working Group.

Our work on digital switchover is part of a vast project aiming to give to all British citizens the best of digitisation and of new technologies. As part of that strategy, DCMS will, jointly with the DTI and the ITC:

- launch a series of digital TV pilot projects in 2001, which will feed into a spectrum planning strategy to ensure the most efficient use of spectrum together with the best services and minimal disruption for people;
- monitor digital take-up and undertake research aimed at understanding the needs and expectations of the viewers and listeners; and

- bring together key public and private sector stakeholders to develop a more comprehensive digital TV action plan, by working with manufacturers and retailers to ensure that everyone gets better information about digital TV services and equipment, with broadcasters to promote the advantages of digital TV, and with consumers (through the Viewers' Panel) to make sure that their interests are fully taken into account.

### The Creative Industries

The emphasis in all the work of the Creative Industries Unit towards the end of this year will be to turn all its existing analysis into action and to ensure that the recommendations from the reviews listed in Chapter 2 are given effect.

At its June meeting, the Creative Industries Task Force agreed a number of initiatives:

- a new work programme that will focus on strengthening our efforts in fields such as finance, business support mechanisms and regulation;
- an updating of the 1998 Mapping Document, providing more recent data on the contribution the creative industries make to the economy and the issues they face. This new version will also cover the impact of ICT, the Internet and convergence on creative businesses, and will include a regional dimension;
- a change of format. In future, there will be a Ministerial Creative Industries Strategy Group (MCISG), whose role will be to drive forward changes beneficial to the creative industries. In addition, there will be informal meetings between MCISG Ministers and leading figures in the creative industries, to allow a forum for the discussion of current strategic issues.

### The Arts

In May 2000, Peter Boyden submitted to the Arts Council his report into the difficulties facing regional theatre. The Government warmly welcomed the report, which provided a good

# 3

## Spending Review 2000 – Plans for 2001–02 to 2003–04

foundation for the Arts Council to refine a national policy based on the wider theatre ecology, *The Next Stage*. The Arts Council sought an additional £25 million a year to implement its new policy, and the Department provided it, within the additional money for the arts announced in July. The increase will be phased in over two years with £12 million in 2002–03 and £25 million in 2003–04. The strategy and allocations for funding theatre in England in 2002–03 and 2003–04 were announced in March.

The Department is continuing to develop relationships with the key representative bodies in the industry, to represent better the industry's interests on a range of issues from Internet ticketing to child performance regulation. In particular, it is committed to maintaining a close liaison with the Society of London Theatre (SOLT) and the Theatrical Management Association (TMA) to explore further a number of the issues emanating from the *Wyndham* and *After Wyndham* reports on West End Theatre. The Department is also supporting the joint SOLT, TMA and Independent Theatre Council Conference in 2001 that will take many of these issues forward.

The Department will ensure that the industry's interests are represented within Government by pursuing dialogue with other departments on a range of issues, the aim being to support better regulation in areas that have an impact on economic and artistic growth. Examples include the Financial Services and Marketing Act, the Liquor Licensing White Paper, child actors legislation, and discussions about withholding tax within Europe.

### **Education**

In addition to the new educational initiatives described in section 3.4 above:

- Through the People's Network programme, all 4,300 public libraries in the UK will be online and linked to the National Grid for Learning by the end of 2002. Online public libraries form an integral part of the Government's wider UK online programme, which aims to give Internet access to everybody in the UK who wants it by 2005.

- The DCMS/Wolfson Public Libraries Challenge Fund's Reader Development and British History Programmes will be repeated in 2001–02. An evaluation study of the reader development projects funded this year will be completed and disseminated.
- The Government has undertaken to respond by March 2001 to the recommendations in the report *Empowering the Learning Community*, regarding the co-ordination of library resources in support of lifelong learning. A conference on this subject will be held in London on 28 March 2001.

#### **The National Lottery**

Key tasks for 2001–04 are:

- to increase public awareness of the Lottery opportunities, particularly in areas of social exclusion;
- to continue to build on the work already done with distributors to achieve a fairer geographical spread of Lottery funds and to make the application process more accessible;
- to work with the New Opportunities Fund and other departments to ensure that the third round of NOF initiatives is delivered effectively; and
- to evaluate the achievements of the Lottery so far and to establish consistent baselines for ongoing evaluation for future years.

#### **Young People and Social Inclusion**

The Department has been working with partners across Government and beyond to ensure a better future for young people, especially those at risk of social exclusion. Spending Review 2000 unlocked a considerable range of funds for young people, most notably the new Children's Fund, which will be focused primarily on delivering better preventive services and new community solutions for 5–13 year olds showing early warning signs of exclusion and disaffection. The Fund, announced in Spending Review 2000, will roll out gradually from 2001, covering

# 3

## Spending Review 2000 – Plans for 2001–02 to 2003–04

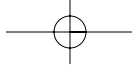
the whole of England by 2004. As with the Sure Start scheme, money from the Children's Fund will be controlled at a local level. The Department has been working to ensure that the Fund releases the potential that sport and culture have to improve the life chances of children at risk – through building self-esteem and respect for others, promoting self-discipline and fostering social skills.

The Department has also played a considerable role in the development of the new Connexions Card for 16–19 year olds and Connexions Service for 13–19 year olds. It has helped foster links between practitioners in our fields and the policymakers in charge of the projects, again helping to ensure that the benefits of culture and sport are spread to all.

In January the Secretary of State announced that DCMS and DfEE will jointly commission two pilot studies to test the feasibility of offering unemployed people on New Deal programmes opportunities to work and train as sports assistants alongside School Sport Co-ordinators. The scheme will harness the power of sport to motivate disadvantaged and disaffected young people and allow them to build experience and qualifications in a range of skills with wider applications in the world of work. The pilot studies will begin in April, and if they are successful over the next year, the initiative will be extended across the country by 2004.

### *After the Millennium*

The Department's Millennium Unit is committed to providing a full range of support to Ministers and continues to liaise closely with the Millennium Commission, the New Millennium Experience Company (NMEC) and a range of public and private sector organisations in a bid to secure the best deal to deliver long term regeneration of the Greenwich Peninsula and continued benefits for the local community. The Millennium Commission has also set the challenge for an organisation to take over the Millennium Awards Scheme, and the successful organisation will be responsible for administering a £100 million Endowment Fund. An estimated



£5-6 million is expected to be distributed in Awards each year and the Endowment Fund will represent the legacy of the investment made in people for the millennium as well as ensuring the long-term future of the Scheme.

