



Departmental Overview, October 2018

Department for Digital, Culture, Media & Sport

Department for Digital, Culture, Media & Sport


This overview summarises the work of the Department for Digital, Culture, Media & Sport (the Department) including what it does, how much it spends, recent and planned changes, and what to look out for across its main business areas and services.

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OVERVIEW

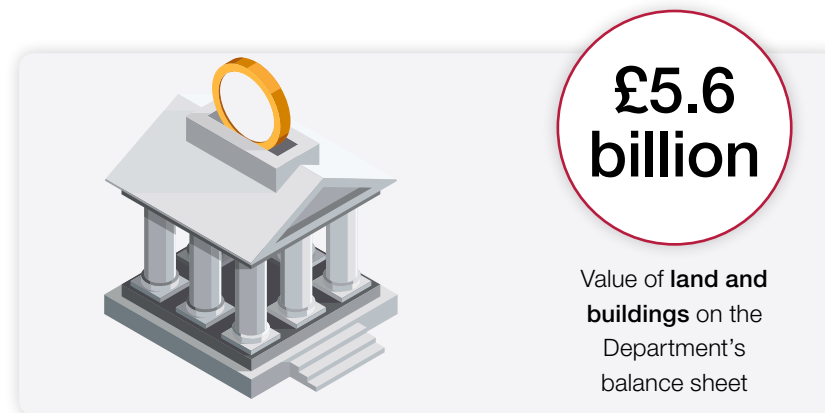
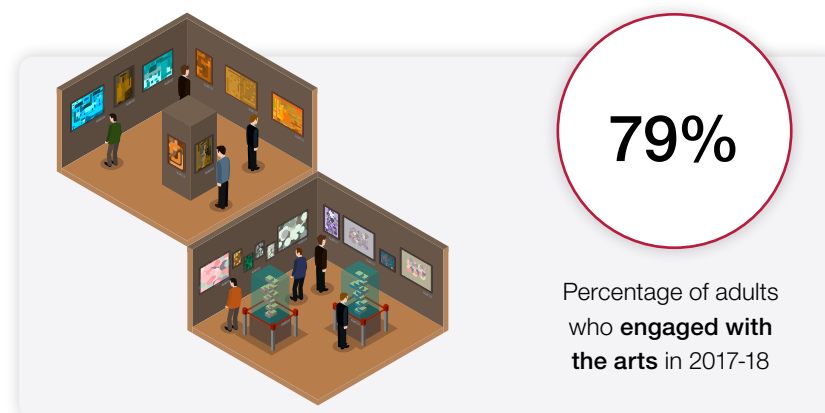
About the Department

The Department for Digital, Culture, Media & Sport (the Department) is responsible for delivering the government's policy covering arts and culture, communications and media, sport, tourism, building a shared society and digital connectivity.

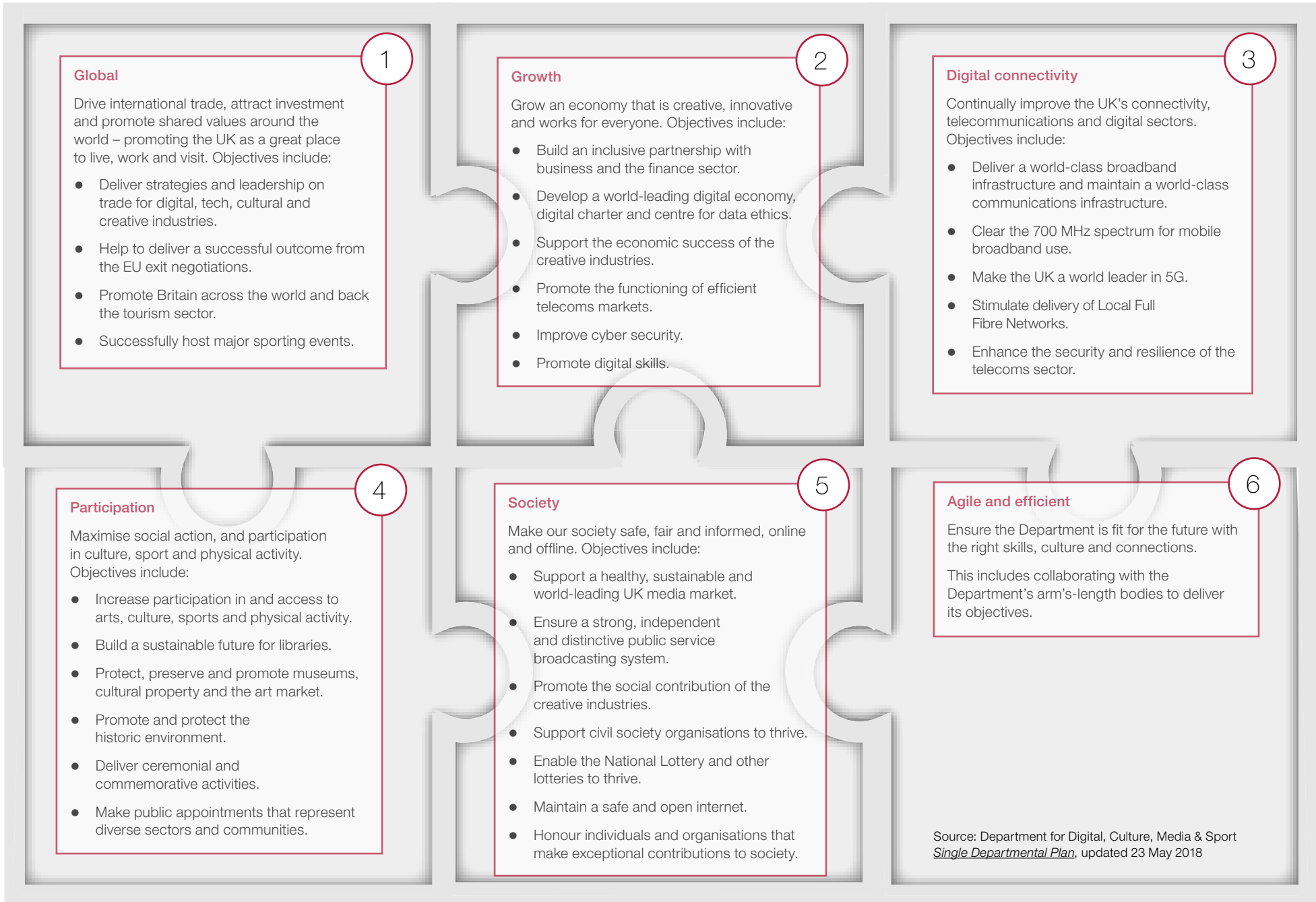
- The Department has five strategic aims to:
 - promote the UK on the global stage;
 - grow the economy;
 - champion digital connectivity;
 - maximise participation in arts, culture and sports; and
 - protect and promote local civil society.

The Department also has a sixth corporate objective to ensure the Department is agile and efficient. (Source: Department of Digital, Culture, Media & Sport *Single Departmental Plan*, updated 23 May 2018).

- The Department is one of the **smallest in government** in terms of both its budget and number of staff. However, it has more than **doubled its staffing in the past five years from 377 in 2012-13 to 864 in 2017-18**, as a **result of new priorities relating to exiting the European Union and new digital priorities**, and **expects recruitment related to exit from the European Union to cause it to grow further in 2018-19**.
- The Department's **net expenditure** for 2017-18, including **National Lottery distributing bodies (£1.7 billion)** and the **BBC (£3.2 billion)**, was **£6.8 billion**.
- The Department has a relatively small head office; it implements policy through circa 40 arm's-length bodies, across a range of activities and sectors.
- In 2017-18, **79% of adults had engaged with the arts**, **73% of adults had visited a heritage site**, **50% had visited a museum or gallery**, and **33% had used a public library service**. Additionally, **50.5% of adults** were aware of **local or national events or activities** between 2014 and 2018 to **commemorate the Centenary of the First World War**, **30.6% of adults** had **digitally participated in culture** (such as **visiting a museum or gallery website** to look at items from a collection), and **29.2% of adults** had done **voluntary work** at least once.
- The BBC is independent from the Department, but the BBC's net expenditure on public broadcasting activities is included within the Department's financial statements. Since April 2017, the NAO has audited the BBC's accounts.



The Department's strategic aims



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How the Department is structured

The table below lists ALBs and bodies sponsored by the Department that (with the exception of Channel 4, Historic Royal Palaces and The Royal Parks) are included in the Department's consolidated accounts. The Department sponsors two non-ministerial departments with a high degree of operational independence from government: The National Archives and the Charity Commission.

Director General, Performance and Strategy

Responsibilities include:

- Arts, Heritage and Tourism;
- Gambling and Lottery policy;
- Office for Civil Society;
- Sport and Commonwealth Games; and
- Strategy and Governance.

Director General, Digital and Media

Responsibilities include:

- BDUK (Broadband Delivery UK);
- Digital and Technology;¹
- Telecoms;
- Media and Creative Industries;
- EU International; and
- Cyber Security and Data Protection.

¹ from April 2018 includes transfers of Government Digital Service and policy responsibility for digital signatures from the Cabinet Office and Department for Business, Energy & Industrial Strategy respectively

Finance and Commercial

Chief Scientific Officer

Advises policy on science, technology, engineering and mathematics

National Technology Adviser

Works on emerging technologies

Arm's-length bodies within the Departmental Group

Museums and galleries

British Museum
Geffrye Museum
Horniman Museum
Imperial War Museums
National Gallery
National Maritime Museum
National Museums Liverpool
National Portrait Gallery
Natural History Museum
Royal Armouries Museum
Science Museum Group
Sir John Soane's Museum
Tate Gallery
Victoria and Albert Museum

Wallace Collection

Arts and libraries

Arts Council England
British Library

Heritage

Historic England
Churches Conservation Trust
Heritage Lottery Fund (and National Heritage Memorial Fund)

Tourism

British Tourist Authority (operates as VisitBritain and VisitEngland)

Gambling

Gambling Commission
Horse Race Betting Levy Board

Sport

Sport England

Sports Ground Safety Authority

UK Anti-Doping

UK Sport

Civil society

Big Lottery Fund

Other

Phone-paid Services Authority

Regulators

Information Commissioner's Office
Office of Communications (Ofcom)

Media and creative industries

British Film Institute
S4C (Sianel Pedwar Cymru)
BBC – only Public Service Broadcasting, BBC Pension Scheme and BBC Commercial Holdings Ltd are consolidated into the Department's accounts

Outside the Departmental Group

Non-ministerial departments

Charity Commission for England and Wales
The National Archives

National Lottery Distribution Fund

The Department is responsible for the operation of a lottery fund, which is not consolidated into the Department's accounts

Public corporations

The Royal Parks (previously an executive agency, now a charitable company outside of the group)
Channel Four Television Corporation
Historic Royal Palaces
Royal Armouries (International) plc (from 22 January 2018)

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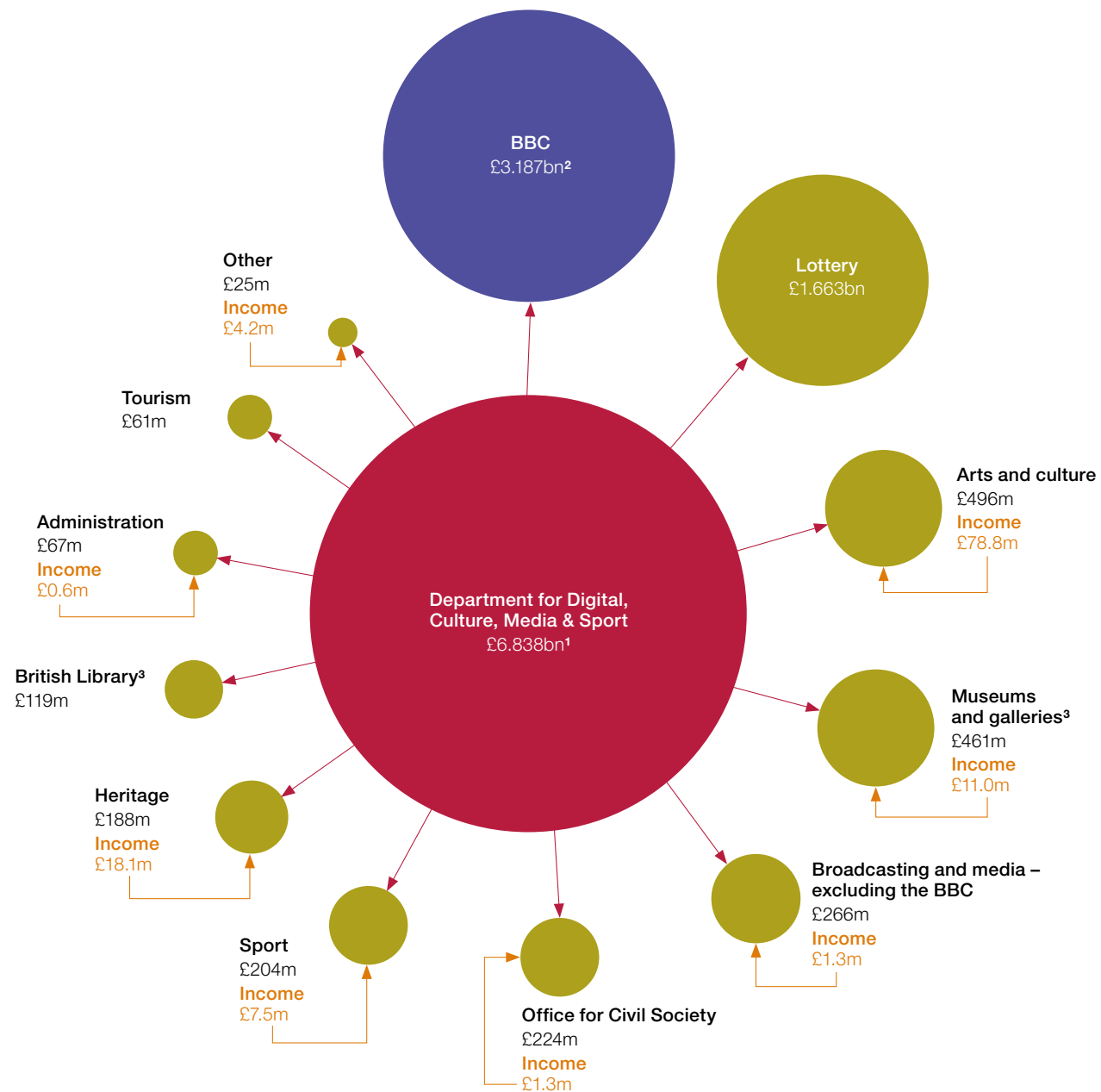
Where the Department spends its money

The Department for Digital, Culture, Media & Sport's Group net expenditure was £6.8 billion in 2017-18.

The majority of the Department's expenditure relates to the BBC (£3.2 billion) and Lottery-funded bodies (£1.7 billion). The arm's-length bodies together account for more than 90% of the Department's budget, and are funded directly through grant-in-aid.

Notes

- 1 The Department's net expenditure was £6.84 billion in 2017-18 (excluding non-budget expenditure and receipts associated with the sale of radio spectrum). Figures include spending in Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME), voted and non-voted, for resource and capital spending. The individual accounts for each of the organisations will not reconcile to the figures shown on this slide due to adjustments made in the Supply Accounting process.
- 2 Only public service broadcasting, pensions and BBC Commercial Holdings Ltd expenditure fall within the Department's consolidation boundary (that is, included in the Departmental Group). The total shown here will not reconcile to expenditure reported in the BBC's own accounts.
- 3 The Department funds the British Library and museums and galleries within the departmental group. Local libraries and museums and galleries outside of the boundary are funded via other departments, local government or other sectors of the UK economy.
- 4 Expenditure for the Department's arm's-length bodies (refer to the previous slide for which ALBs are included in each category) is shown net of self-generated income. For example, for Museums and Galleries, the figure is the net expenditure and includes £308 million of income from commercial activities. Income figures shown are therefore the income of the core Department only.
- 5 Lottery grant bodies are funded from the National Lottery Distribution Fund but consolidated into the Department's accounts.



Source: Department for Digital, Culture, Media & Sport, *Annual Report and Accounts 2017-18*, Statement of Parliamentary Supply 1.1 and 1.2

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Major programmes and developments

The Department has three major projects included in the Government Major Projects Portfolio and supported by the Infrastructure and Projects Authority. These three projects have a combined cost of £3.4 billion, of which two are currently rated amber/green and one rated amber.



Broadband Delivery

Broadband Delivery UK (BDUK), a directorate of the Department, is currently responsible for three programmes, two of which are on the Government Major Projects Portfolio. The Department is continuing to allocate funding to broadband projects, including 5G tests and trials. The project is expected to cost £2.4 billion, of which £1.7 billion is funded by the public sector and the remainder from supplier investment.

700 MHz Clearance

Ofcom has decided to make spectrum in the 700 MHz band, which is mainly used for digital television, available for broadband use. The programme consists of:

- implementing a new transmission frequency plan for Digital Terrestrial Television broadcasting;
- building or modifying broadcasting masts and antennas; and
- administering the payment of grants to deliver the above infrastructure work.

Up to £600 million has been made available to the Department for this purpose. This programme involves infrastructure development, relocation of the television services currently occupying the spectrum, and a communication campaign for current service users.

Blythe House

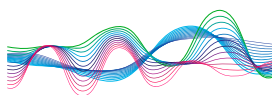
Blythe House in London is a property owned by the Department and leased to the British Museum, the Victoria and Albert Museum and the Science Museum Group, which use the space to store parts of their collections. The lease expires in March 2023 and the Department plans to sell the building. The three museums need to make alternative arrangements for storing their collections. The government is making up to £150 million available to deliver this project.

The objectives of the programme are to ensure that Blythe House is put to its best use to deliver maximum value for money and to ensure that the museums are able to care for their collections efficiently and effectively.

Infrastructure and Projects Authority delivery confidence assessment of programmes the Department leads

Annual report 2013	Annual report 2014	Annual report 2015	Annual report 2016	Annual report 2017	Annual report 2018
 Amber/red	 Amber	 Amber/green	 Amber/green	 Amber/green	 Amber/green
				 Amber	 Amber/green
				 Amber/red	 Amber

Source: *Infrastructure and projects authority 2017-18 annual report*



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Exiting the European Union



In March 2019, the United Kingdom (UK) is set to leave the European Union (EU). The UK government has instructed departments to make the necessary arrangements for EU Exit.

In March 2018, the Chief Secretary to the Treasury announced the allocation of funding for “essential programmes to realise the opportunities from EU Exit”. For the financial year 2018-19 £26.2 million of funding has been made available to the Department for activity related to exiting the EU.

Departmental objectives

In its Single Departmental Plan, the Department outlines its objective to “lead the UK’s digital policy in trade negotiations and ensure that the UK government supports DCMS sectors after EU Exit”. The Department aims to achieve this through maintaining strong relationships with key EU stakeholders, leading strategic engagement with them in support of its negotiation objectives, and ensuring that the UK government is prepared for EU Exit negotiations in digital, culture, media and sport sectors.



The Department’s EU Exit workstreams

In April 2018, the Department for Exiting the EU provided a [summary](#) of the workstreams under way to implement EU Exit. The Department has 18 active workstreams relating to policies affected by leaving the EU covering data, telecoms, digital policy, media and creative industries, cultural cooperation, voluntary and charitable sectors, and sectoral workforce and mobility requirements.



Examples of the Department’s active workstreams include:

- the data protection framework for ongoing personal data transfers between the EU and the UK;
- the export licensing of cultural objects; and
- the temporary movement of goods and equipment in digital, culture, media and sport sectors.

The Department reports that it has developed delivery plans for a range of negotiated and contingency outcomes and that it is working with other government departments where there are issues with joint policy responsibility.

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Managing public money

Opinion on the financial statements, regularity and other matters

The Comptroller and Auditor General (C&AG) certified the Department's 2017-18 accounts with a clean audit opinion on 16 July 2018, eight days before Parliament's summer recess.

2017-18 was the first time BBC Commercial Holdings Limited was consolidated into the Departmental Group (as a result of reclassification by the Office for National Statistics). Consolidation required the BBC commercial subsidiaries to be recorded at fair value (that is, based on how the market would value the commercial subsidiaries) for the first time. This value was £1.5 billion at 31 March 2018.

Voted expenditure

Voted expenditure (funds for which Parliamentary authority is required) outturn increased from £4.3 billion in 2013-14 to £5.2 billion in 2017-18. During that time the Department has remained within its budgets.

The increase in net expenditure is mainly due to the Department's new responsibilities for civil society and data.

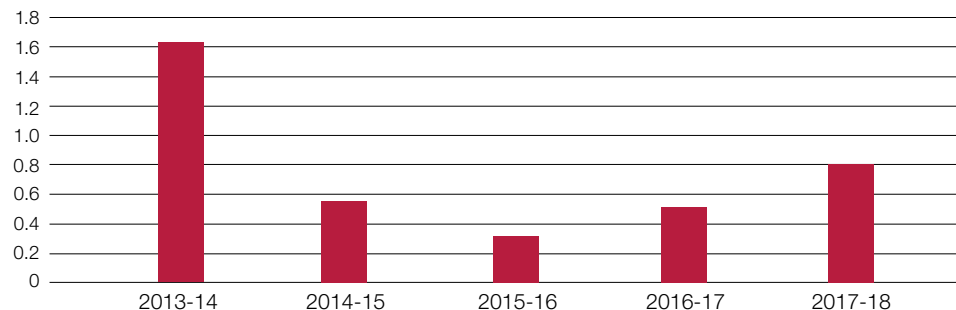
The Department's underspend against its voted budget was £0.8 billion in 2017-18, which is £0.3 billion more than in 2016-17. Of the £0.8 billion underspend in 2017-18 £0.2 billion relates to budgetary cover being sought for potential litigation costs that was not required and an additional £0.2 billion relates to a prior period adjustment (an error in the prior year financial statements corrected this year), which has no impact on budgets but was included in the Department's budgetary submission to Parliament.

Future spending plans

Following changes to the Department's responsibilities for civil society and data since the Spending Review, HM Treasury has granted the Department additional funding of £0.5 billion and £0.7 billion for 2018-19 and 2019-20 respectively.

Total voted underspend

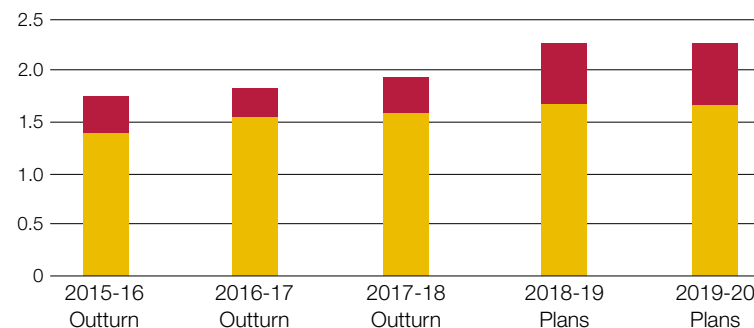
Voted expenditure underspend (£bn)



Source: National Audit Office analysis of the Department for Digital, Culture, Media & Sport *Annual Reports and Accounts 2013-18*

Departmental Expenditure Limit (DEL) expenditure 2015-16 to 2017-18 and future spending plans 2019-20 (£bn)

DEL expenditure (£bn)



	2015-16 Outturn	2016-17 Outturn	2017-18 Outturn	2018-19 Plans	2019-20 Plans
Capital (£bn)	0.3	0.3	0.4	0.6	0.6
Resource (£bn)	1.4	1.6	1.6	1.7	1.7

Source: Department for Digital, Culture, Media & Sport, *Annual Report and Accounts 2017-18*, Annex A – core tables

Funding for good causes – the National Lottery



The Department launched the National Lottery in November 1994. The National Lottery is currently run by Camelot UK Lotteries Limited, and raises money for good causes in the arts, sports, heritage, health, education, environment and charitable sectors. A proportion of proceeds from the Lottery is paid into the National Lottery Distribution Fund. This money is drawn on by 12 non-departmental public bodies (the distributors) that allocate funding to good cause projects in accordance with policy directions set by the Department or the devolved administrations.

The National Lottery is regulated by the Gambling Commission. The current (third) licence to operate the National Lottery was awarded in 2009 and ends in 2023.

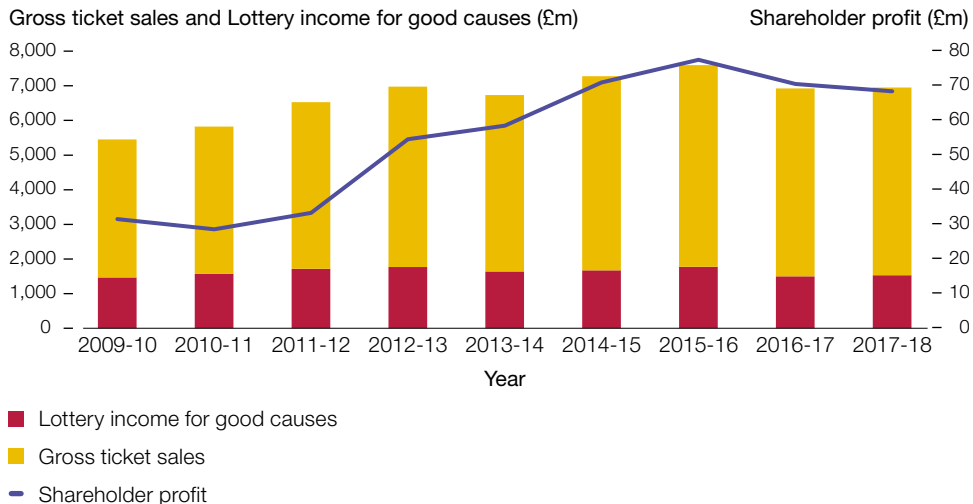
We undertook an investigation in 2017 into concerns including reductions in income for good causes and the impact of reduced funding on distributors' ability to meet future funding commitments.

Our December 2017 report *Investigation: National Lottery funding for good causes* found that:

- National Lottery income for good causes rose by 42% from £1.36 billion in 2004-05 to £1.93 billion in 2015-16. However, in the 12 months from 1 April 2016, income for good causes fell by 15% to £1.63 billion. In 2017-18 National Lottery income increased slightly to £1.64 billion.
- In 2016-17, sales of draw-based games decreased by 13% and sales of scratchcards and instant-win games fell 2%. Returns for good causes are higher from sales of draw-based games.
- Increases in Camelot's profits have been proportionately greater than increases in both Lottery sales and returns for good causes. From 2009-10 to 2016-17 returns for good causes increased by 2% and Camelot's profit attributable to its shareholders increased by 122% (£39 million) to £71 million.
- Half of the six largest Lottery distributors increased their grant commitments (where the awarding body has formally decided to make the award and notified the recipient) in 2016-17 at the same time as Lottery income fell.
- The National Lottery Distribution Fund (a fund to receive and hold monies generated by the National Lottery for good causes) balance at 31 March 2004 was sufficient to cover 96% of total liabilities raised by distributors. At 31 March 2018 this figure had fallen to 45% – fund balances were £1.4 billion compared to distributors' grant liabilities of £3.1 billion (that is, lottery distributing bodies have committed more than double the amount of money that is currently available).

National Lottery account figures between 2009-10 and 2017-18

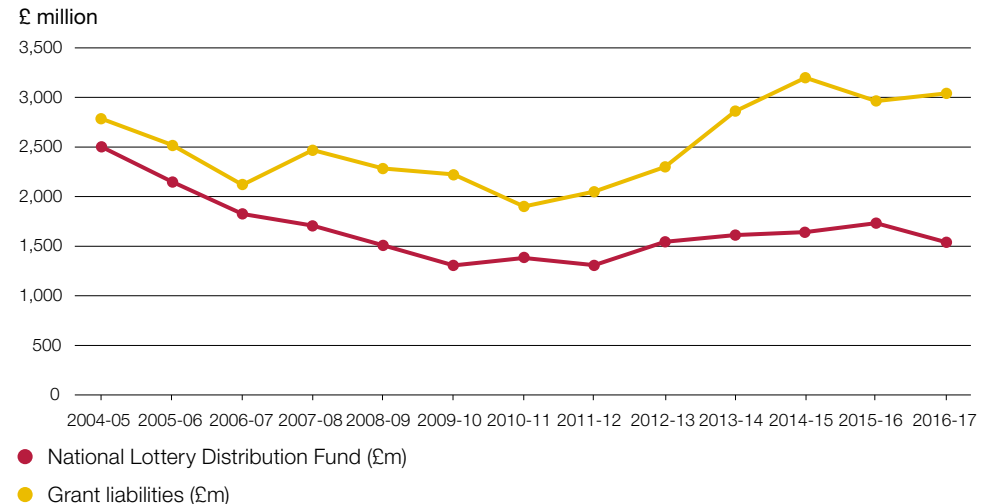
Between 2009-10 and 2017-18 the increases in Camelot's shareholder profits have been proportionately greater than the increases in both Lottery sales and returns for good causes



Source: National Audit Office analysis of Camelot UK Lotteries Limited annual report and accounts

National Lottery distributors' grant liabilities and National Lottery Distribution Fund balance from 2004-05 to 2016-17

Recent grant liabilities are high compared with the Fund balance



Source: National Audit Office analysis of National Lottery Distribution Fund annual report and accounts

Regulation of charities – the Charity Commission

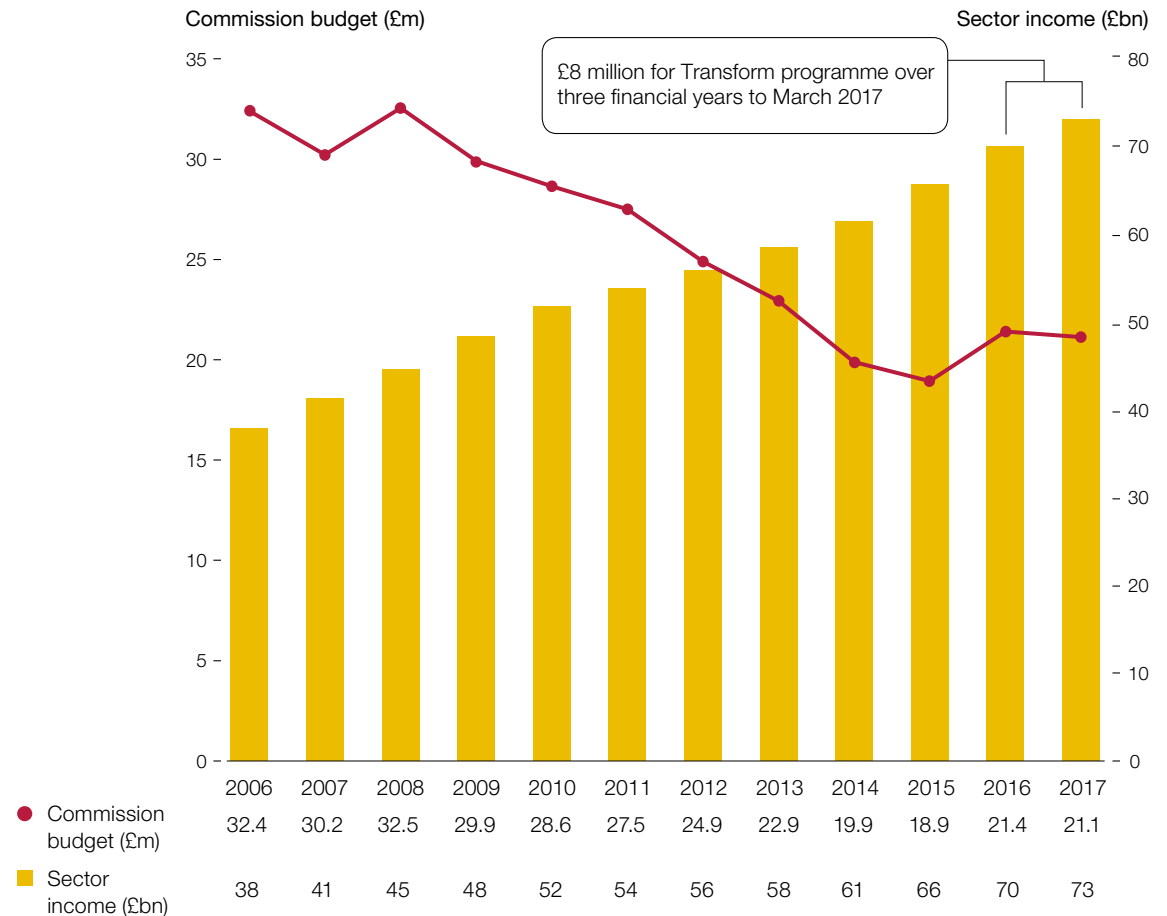
The Charity Commission (the Commission) is the registrar and regulator of charities in England and Wales. The Commission is responsible for maintaining an accurate and up-to-date register of charities, including determining whether organisations are charitable or not. The Commission regulates both registered charities and charities which are not required to be registered.

In previous reports we identified that the Commission was not an effective regulator. The NAO raised concerns about the Commission's strategy, the way it measured its performance, its leadership and not taking a proactive approach to regulation.

Our November 2017 [progress report on the Commission](#) concluded that, overall, the Commission had almost completed its Transform programme and it is vital that it keeps up the momentum of change and embeds a culture of continuous improvement. We found the following:

- Transformation** – The scope of the Commission's transformation has widened to become more ambitious and proactive. The budget for the programme has increased from £8 million (over three financial years to March 2017) to a forecast £12 million (over four financial years to January 2018).
- Regulation** – The Commission is embracing a risk-based approach to regulation but legacy systems and lack of usable data are barriers to improvement. The Commission is making use of its new powers but it needs to manage the risk that its powers will not be sufficient in the future. Many stakeholders do, and may continue to, have differing expectations of the level of detail/oversight that the Commission exercises.
- Registration** – The Commission has taken action to speed up registrations of charities. The average time to register cases has recently fallen from a peak in 2016-17. For high-risk cases the average time to register has fallen from 117 days in 2016-17 to 89 days in Q1 2017-18.
- Funding** – The demands on the Commission have increased over recent years because of policy and legislative changes. Against this background, the Commission's funding has decreased from £32.4 million in 2005-06 to £24.5 million by 2017-18.

Commission budget and charity sector income, 2006 to 2017



Note

1 Commission budget figures are net in real-terms 2006 prices.

Source: National Audit Office analysis of Parliamentary Supply Estimates and Spending Review Settlement

The Department aims to support wider participation in culture and the arts through its work in the arts and culture sector, working with the arts and culture sector to promote the UK's museums, galleries and heritage sites, encourage participation for all and boost funding, innovation and visitor numbers.

The Department is responsible for directly sponsoring 22 arm's-length bodies (ALBs) relating to arts and culture, such as the British Museum, British Library and National Portrait Gallery. These relate to Heritage Projects (five ALBs), Museums and Galleries (15 ALBs) and Arts and Libraries (two ALBs).

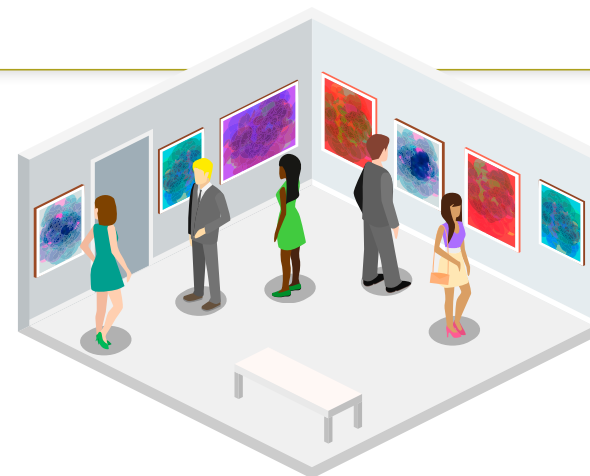
Income, expenditure and participation

- The Department provided **£988 million** of grant-in-aid funding to arts and culture, museums and galleries, heritage bodies and libraries in 2017-18.
- The net expenditure by the Department via ALBs relating to arts, culture, heritage, museums and galleries, and libraries was **£2.1 billion** in 2017-18.
- Total income generated by museums and galleries excluding grant-in-aid was **£308 million** in 2017-18.
- **79%** of adults engaged with the arts and **50%** visited a museum or gallery in 2017-18. There has been an increase in participation in arts and culture since 2005-06 (the earliest period for which data are available) where engagement with the arts was **76%** and **42%** of adults had visited a museum or gallery.



Recent developments

- In November 2017 the Department published the Mendoza review of museums in England and the Department's strategic review of sponsored museums. Findings and recommendations from these reviews can be seen on the next page.
- From 1 April 2017 some museums were eligible for Museums and Galleries Tax Relief. This can provide a subsidy towards the cost of producing an exhibition.
- Major capital projects completed in 2017-18 include the V&A's Exhibition Road entrance, reopening of Tate St. Ives, reopening of Hintze Hall with Hope the whale, new galleries at Wallace Collection, and the Sir Joseph Hotung galleries at the British Museum.



The Mendoza Review

In November 2017, the Department published *The Mendoza Review: an independent review of museums in England*. The review was undertaken in response to the Culture white paper 2016. It reflected on the future of museums, their role, their funding and their key priorities, and made recommendations covering:

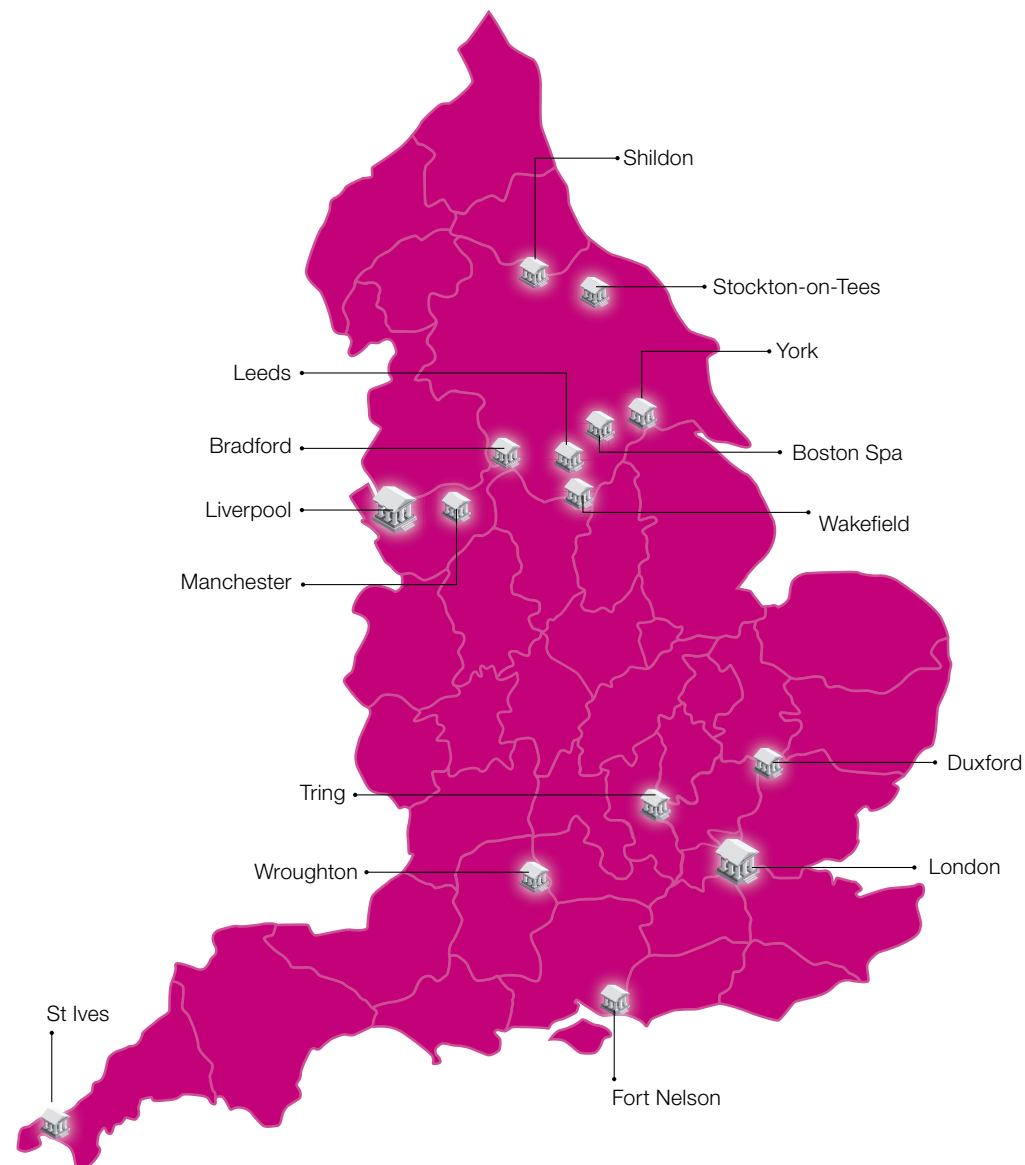
- joined-up approach from government and its arm's-length bodies;
- a clearer museums role for the Department;
- national responsibilities for national museums;
- a stronger development function for Arts Council England with museums;
- a more effective use of National Lottery funding for museums; and
- the closer involvement of Historic England.

Strategic Review of Department-sponsored museums

At the same time as the Mendoza Review, the Department published its own *Strategic review of DCMS-sponsored museums*. The review assessed these museums' functions, forms, effectiveness, efficiency and accountability. Recommendations from this review included:

- working with the sponsored museums to identify and deliver innovation and efficiencies around collections management, business models, back-office functions and collaboration, and funding options; and
- the Department will review its relationship with each of its sponsored bodies and the British Library, including the management agreements and performance indicators.

The geographical spread of museums covered by the Department's strategic review



Note

1 The larger the museum icon, the more museums in that area.

Source: *Strategic review of DCMS-sponsored museums*.

Superfast broadband has been rolled out to much of the country on commercial terms by providers such as BT and Virgin Media where it is economically viable for them to do so. The government defines superfast as speeds greater than 24 Mbps, whereas Ofcom (the UK regulator) defines it as speeds greater than 30 Mbps. Broadband Delivery UK (BDUK) is responsible for implementing the government's policy on superfast broadband roll-out. The Department reported that a target of 95% of UK premises had been met in December 2017 and a basic broadband access for all other areas. It plans to extend coverage beyond this.

The UK's 5G Strategy

The Government's 5G Testbed and Trials Programme was set up in 2017 as part of more than £1 billion of funding to boost the UK's digital infrastructure. The programme will explore the benefits and challenges of deploying 5G technologies in line with the following key objectives:

- Stimulate market development and deployment of 5G technology and infrastructure in the UK.
- Create new opportunities for businesses.
- Ensure the UK secures an advantage in the investment and development of skills as 5G products and services develop.

In March 2018, six winners of the first phase of the 5G Testbeds and Trials competition were announced.

Urban Connected Communities

In September 2018, the West Midlands were selected as the location for the Urban Connected Communities project to design wireless infrastructure in a major city that delivers high quality connectivity and allow new 5G applications to be trialled in a number of sectors. Up to £50 million is available for the project, which includes £25 million from the Department.

Trans Pennine Railway 5G trial

The Trans Pennine Initiative, part of Northern Powerhouse plans, aim to test ways of providing high-quality connectivity to trains.

Local Full Fibre Networks Programme (LFFN)

This programme is designed to stimulate commercial investment in full fibre networks in both rural and urban locations across the whole of the UK. The first wave of this programme was launched in late 2017. The programme's delivery objectives are to:

- maximise the availability of gigabit-capable broadband services;
- improve commercial investment conditions in local areas (for example, improve the business case for the market to provide more gigabit-capable broadband).

The programme objectives are to be achieved via the following two schemes:

Challenge Fund

Launched in November 2017 as a £190 million capital grant programme to fund locally led public connectivity projects. The first £95 million funding was allocated in March 2018 and the next £95 million is now open to local bodies for expressions of interest.

Gigabit Broadband Voucher Scheme

Launched in March 2018, a £67 million voucher scheme available for use by small businesses and local communities to contribute to the installation of faster connections. Small to medium-sized businesses can claim a voucher of up to £3,000 and residents £500 as part of a group project.

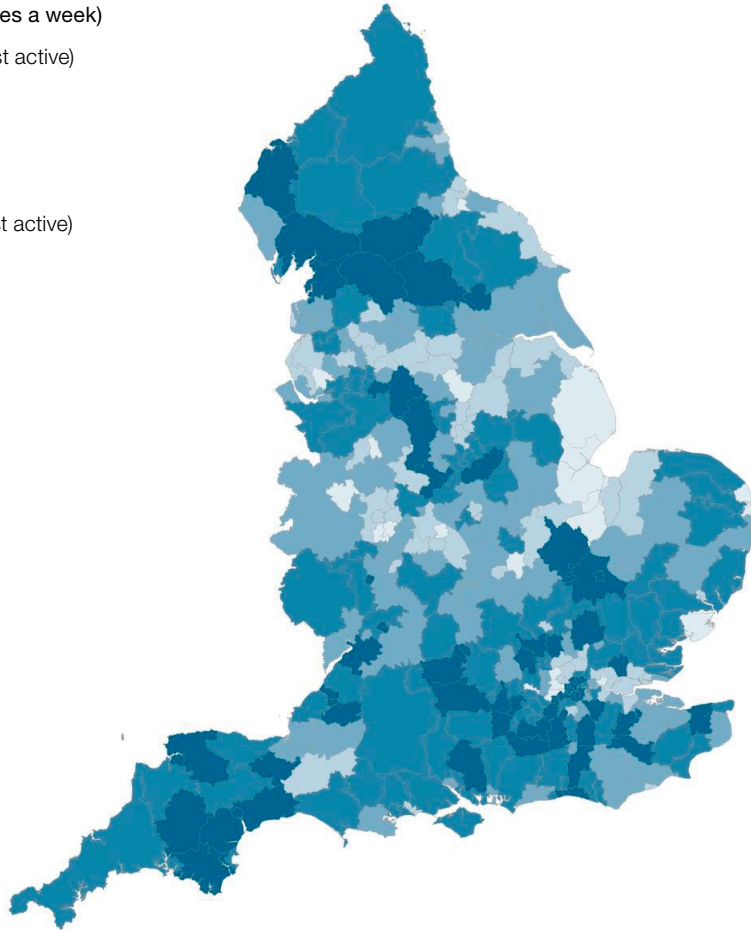
The Department is responsible for maintaining and improving Britain's elite sporting performance, getting more people participating in sporting activities, and creating and building a lasting legacy from the London 2012 Olympic and Paralympic Games.

Activity across England

The percentage of adults who are 'active' by local authority area as per the 'Sport England Active Lives Survey' November 2016-17 report, based on over 196,000 respondents

Active (150+ minutes a week)

- 68%–77% (most active)
- 63%–67%
- 59%–62%
- 55%–58%
- 49%–54% (least active)



Source: Sport England Active Lives Survey November 2016-17

Expenditure and participation

- Expenditure by sport bodies in 2017-18 was **£448 million**.
- Sport England is the largest sports body in the Departmental group, receiving **£81 million of grant-in-aid funding and £203 million of National Lottery share of proceeds**.

According to the Sport England *2016-17 Active Lives Survey*:

- 61.8% of adults in England (or **27.7 million people**) are physically active, meeting the **150-minute-a-week** threshold.
- By profession, the highest proportion is **71%** of adults in managerial, administrative and professional occupations who are active. The lowest is **49%** of those in long-term unemployment or never worked who are active.
- **64%** of men are active compared with **60%** of women.
- The percentage of **adults classed as active** between the ages of **16–24** and **25–34** has **decreased by 1.5%** and **1.6%** respectively whereas there has been a **1.2% increase for adults between 55 and 64** and a **1.4% increase for adults between 65 and 74**.

Future sporting events



Yorkshire will host the **2019** UCI Road World Championships. The Department is underwriting the event, which is also receiving £9 million from the Department and £3 million from UK Sport. The Department will invest £15 million towards developing cycling facilities across the UK.

The ICC Cricket World Cup **2019** will be hosted by England and Wales.



England secured the rights to host the Rugby League World Cup in **2021**. The Department is investing up to £15 million into hosting the event and £10 million to improve infrastructure and increase participation.



Birmingham will host the Commonwealth Games in **2022**.

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Civil Society Strategy

In January 2018 the Department announced that it would issue directions for the distribution of up to £330 million from dormant bank and building society accounts to help the homeless, disadvantaged young people, local charities and other good causes in the UK over the next four years. The Big Lottery Fund (BLF), which is audited by the NAO, will distribute the dormant asset funding in the devolved administrations. In England, the money will be distributed through BLF to Big Society Capital, and to new organisations for youth and financial inclusion, who will be responsible for the detailed distribution of the funding. In August 2018, the Department published the government's Civil Society Strategy. The Department identifies in the strategy how it will issue directions for the distribution of some of the funding from dormant accounts and outlines what it identifies are five foundations of social value which the strategy focuses on:

- **People** – enabling a lifetime of contribution.
- **Places** – empowerment and investment for local communities.
- **The social sector** – supporting charities and social enterprises.
- **The private sector** – promoting business, finance, and technology for good.
- **The public sector** – ensuring collaborative commissioning.

02



Commonwealth Games 2022

In December 2017, the Commonwealth Games Federation confirmed Birmingham as the host city for the 2022 Commonwealth Games. The UK government will fund 75% of the public sector cost of delivering the Games and local government will fund the remaining 25% of the public sector cost. The Department has guaranteed to financially underwrite the organisation and staging of the games.

The Department established the Birmingham Organising Committee for the 2022 Commonwealth Games Ltd (the 'OC') in December 2017 to organise and deliver the Games. The OC was established as a public limited company (limited by guarantee) and a non-departmental public body.

03



Fourth National Lottery Licence

The licence to manage the National Lottery is currently in its third period and is held by Camelot UK Lotteries Limited. The current licence began in 2009 and was due to run for 10 years, but the Gambling Commission extended it to 2023. The government confirmed that it expects that the Gambling Commission will take account of experiences of the third licence when designing the next licence for the National Lottery beyond 2023.

04



National Citizen Service

The National Citizen Service Trust is currently a community interest company (CIC), which receives the vast majority of its funding from the Department (£177 million in 2017-18). The National Citizen Service Act achieved Royal Assent in April 2017, paving the way for a future transition from a CIC to a Royal Charter body, to be sponsored by the Department.

05



Digital

In May 2018 the Data Protection Act 1998 was replaced with the Data Protection Act 2018, which applies the General Data Protection Regulation (GDPR). In April 2017 the Digital Economy Bill received Royal Assent, which includes a range of measures to support the UK's digital economy. In early 2018 the Department announced the Office for Artificial Intelligence, a new joint unit with the Department for Business, Energy & Industrial Strategy, to take forward a broad programme of work on artificial intelligence, including delivery of commitments in the AI Sector Deal. In June 2018 the Department announced the creation of the new Centre of Data Ethics and Innovation; production of a National Data Strategy; and launched a new Data Ethics Framework.