

Amanda Nevill
Chief Executive
British Film Institute
21 Stephen Street
London
W1T 1LN

6 December 2012



By Email

Dear Amanda

REVISED FUNDING 2013-2015

I am writing to inform you of a change to the BFI's allocations for the financial years 2012-13, to 2014-15. This letter replaces any previous notifications.

Following the Chancellor's Autumn Statement on 5th December 2012 a budget cut of 1% and 2% has been applied to your programme near cash baselines for 2013-14 and 2014-15 respectively. Irish Language Broadcast Fund and the Ulster-Scots Broadcast Fund have not been included in the baseline. Taking this into account the reduction to programme near cash funding is 0.82% and 1.64%.

Ministers are clear that spending on frontline services should continue to be prioritised, and that you should actively identify and implement the most cost-effective ways of delivering public services. We have corresponded previously on the need to set and maintain contingency plans to help you cope with budgetary reductions within and between Spending Review periods.

The amended control totals against which net expenditure will be monitored and the grant in aid that the Department will pay are as set out in the table below. The control totals are shown in the shaded columns and incorporate any other changes that have previously been agreed with you.

£m	Resource Budget			Capital Budget			Grant in Aid
	Programme (near-cash)	Programme depreciation	Total Resource (DEL) Budget (A+B)	Core capital	Reserves	Total Capital (DEL) Budget (D+E)	
Year	A	B	C	D	E	F	G
2012-13	19.200	3.150	22.350	0.952	0.000	0.952	20.152
2013-14	22.931	3.150	26.081	0.577	0.000	0.577	23.508
2014-15	22.831	3.235	26.066	0.561	0.000	0.561	23.392

Guidance on the budgeting rules within which you are expected to operate has previously been circulated and can be found in the Treasury's Consolidated Budgeting Guidance.

To date, we have not made any adjustment to the budget we agreed with you to establish the Youth Film Academy Network. Of course, you will know that the Department for Education will also be considering how to deliver the Chancellor's Autumn Statement priorities. We will therefore inform you of any changes to these budgets as soon as possible.

If you have any questions about the content of this letter, or would like to discuss your contingency plans, then please get in touch with your usual relationship manager in the finance team or with me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Foley', with a small dot at the end.

SAMANTHA FOLEY
Finance and Commercial Director

cc: Greg Dyke
Trevor Mawby