



Dr Simon Thurley
Chief Executive
English Heritage
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6 December 2012

By Email

Dear Simon

REVISED FUNDING 2013-2015

I am writing to inform you of a change to English Heritage'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% respectively has been applied to your programme near cash baselines for 2013-14 and 2014-15 respectively. 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						
	Admin (near-cash)	Admin depreciation	Total Admin (A+B)	Programme (near-cash)	Programme depreciation	Near-Cash Resource (DEL) (excluding ring fenced) (A+D)	Total Resource (DEL) Budget (C+D+E)
Year	A	B	C	D	E	F	G
2012-13	19.287	1.033	20.320	70.798	4.977	90.085	96.095
2013-14	16.115	1.033	17.148	71.326	5.267	87.441	93.741
2014-15	13.902	1.033	14.935	70.732	5.438	84.633	91.104

£m	Capital Budget					Grant in Aid (A+D+H+I+J)
	Core capital	Grants	Projects	Reserves	Total Capital (DEL) Budget (H+I+J+K)	
Year	H	I	J	K	L	M
2012-13	2.177	8.275	0.900	3.575	14.927	101.437
2013-14	5.278	7.566	0.500	0.150	13.494	100.785
2014-15	4.879	6.919	0.000	0.000	11.798	96.431

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 for Heritage Schools. 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 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,



SAMANTHA FOLEY
Finance and Commercial Director

cc: Baroness Kay Andrews
Keith Harrison