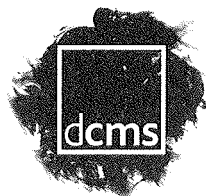


CMS 156943/DC

Mr John Monks  
Chair  
People's History Museum  
103 Princes Street  
Manchester  
M1 6DD



department for  
culture, media  
and sport



*host government  
department*

20 October 2010

Dear John

## **2010 SPENDING REVIEW**

I am writing to inform you about the outcome of the 2010 Spending Review for my Department. DCMS' overall budget will reduce by 25% by 2014-15, which comprises a 24% reduction to the resource budget and a 32% reduction to the capital budget. Within this, we have been able to focus our resources to protect the core frontline services that the People's History Museum provides by limiting cuts to 15% in real terms.

This letter sets out the funding settlement for the People's History Museum covering the financial years 2011-12 to 2014-15. I am setting out these high level budget allocations now to give you the best opportunity to plan for what will be a very challenging four year period. This letter may be followed by a more detailed document that will include full details of the settlement over four years.

The grant funding for your organisation will be cut by 15% in real terms by 2014-15. Within this settlement I expect the collections and front-line services of the People's History Museum to be protected and that free entry to the permanent collections continues to be available.

### **Budgetary control totals**

The control totals against which the Museum's net expenditure will be monitored and the grant DCMS will pay in each year are set out in the table below.

£m	Total Resource (DEL) Budget
2011-12	0.168
2012-13	0.164
2013-14	0.162
2014-15	0.162

The approach that I have taken in setting these allocations is to commit most of the Department's resources to the bodies that we fund, and to keep only very limited funds back at the centre. This necessarily means that I am left with very little flexibility to deal with risk, for example to meet unforeseeable changes in circumstances and priorities that will arise, particularly in the latter years of the Spending Review period. So, while these allocations set out my firm plans for the next four years, they cannot be immutable, particularly for the third and fourth years. I must ask you to build into your own plans some flexibility in the later years. My intention would of course be to minimize any changes to budgets, and to keep them below 5 per cent of your overall allocation in any case.

Despite the difficult circumstances, this represents a fair settlement with safeguards to protect our cultural, heritage and sporting core. My Ministerial team and I look forward to working with you over the next few years.

A copy of this letter goes to Laurie Wood, Chair of the Museum of Science and Industry ([lauriewood@btinternet.com](mailto:lauriewood@btinternet.com)).

*Yours ever*



**JEREMY HUNT**  
**Secretary of State for Culture, Olympics, Media and Sport**