Diane Lees
Director-General
Imperial War Museum
Lambeth Road
London
SE1 6HZ



6 December 2012

By Email

Dear Diane

REVISED FUNDING 2013-2015

I am writing to inform you of a change to the Imperial War Museum'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 resource (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			Capital Budget				
	Programme (near-cash)	Programme depreciation	Total Resource (DEL) Budget	Core capital	Projects	Reserves	Total Capital (DEL) Budget	Grant in Aid
			(A+B)				(D+E+F)	(A+D+E)
Year	Α	В	С	D	E	F	G	Н
2012-13	19.395	9.100	28.495	3.291	8.500	1.000	12.791	31.186
2013-14	18.912	9.800	28.712	2.136	0.000	0.000	2.136	21.048
2014-15	18.662	10.065	28.727	0.980	-3.500	1.000	-1.520	16.142



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.

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: Sir Francis Richards KCMG CVO DL

Jon Card