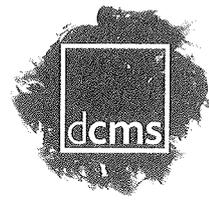


CMS 156943/DC

Sir Andrew Motion  
Museums, Libraries and Archives Council  
Grosvenor House  
Bennetts Hill  
Birmingham  
B2 5RS



department for  
culture, media  
and sport



*host government  
department*

20 October 2010

Dear Mr Motion

## 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.

My overall approach to the Spending Review has been to tackle the challenge in a strategic way, based on four principles:

- cutting waste and inefficiency, stopping lower priority projects and rethinking the role of the state in the sectors in which we operate;
- protecting for the long term our unique cultural, heritage and sporting assets;
- delivering a safe and successful Olympics in 2012; and
- contributing to the Government's growth agenda by supporting growth in our sectors and in the wider economy.

It is in this context that I took the decision to abolish the Museums, Libraries and Archives Council (MLA). It was a hard decision, but I believe that it was the only way to ensure that front-lines services are preserved. This is no reflection on the professionalism and ability of your staff and management who have been outstanding.

This letter will be followed by more detailed funding agreements with the body or bodies which will take over the core functions currently exercised by the MLA. These will include full details of the settlement over four years, and the Government's requirements to support the transparency agenda.

For 2010/11 the indicative budget for the MLA is as follows:

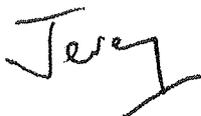
£m	Resource Budget			Total Resource (DEL) Budget	Capital Budget			Total Capital (DEL) Budget	Grant in Aid
	Programme (near-cash)	Administration (near-cash)	Ring fenced depreciation		Core capital	Grants	Projects		
2011-12	0.000	6.449	0.180	6.629	0.077	0	0	0.077	6.526

These figures may well change as we undertake further work with you to profile the transfer of MLA's functions, and give consideration to what further restructuring funds you might be able to seek from us, but I wanted to give you an indication of the sort of figure currently being considered. My officials will of course be happy to discuss this further with you.

I know that your focus will inevitably be on the wind down of your organisation and the welfare of your staff through this difficult process. I expect you to complete this process by 31st March 2012. Please continue to discuss the wind down and transition process with my officials and make the appropriate arrangements to transfer or cease programmes of work.

I would like to thank you for the professional way in which you and Roy Clare have approached these difficult circumstances. My Ministerial Team and I will work to support you over the coming months as you prepare to close the MLA.

Yours ever



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