Department for Culture, Media and Sport

Finance

4th Floor
100 Parliament Street
London SW1A 2BQ
www.culture.gov.uk

Tel 020-7211 6184

Fax
samantha.foley@
culture.gsi.gov.uk

Sandy Nairne
Director
National Portrait Gallery
St. Martin's Place
London
WC2H 0HE

20/12/2013

By Email

Dear Sandy,

REVISED ALLOCATION LETTER FOR 2013/14 – 2015/16

I am writing to inform you of a change to National Portrait Gallery's allocations for the financial years 2013/14 - 2015/16. This letter replaces any previous notifications.

Following the Autumn Statement announcement on 5 December a budget reduction of around 1% has been applied to your allocation baselines for 2014/15 and 2015/16 as per previous communications. 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.

Any changes that have previously been agreed to budgets since your last allocation letter have also been reflected in your revised allocation figures below. The allocations do not currently reflect additional reserve access granted under the museums freedoms pilot and updates to depreciation estimates. We will issue revised allocation letters reflecting the museums freedoms changes once the Supplementary Estimate process has been agreed.

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			
	Programme (near-cash)	**Programme depreciation**	**Near-Cash Resource (DEL) (excluding ring fenced)** (A)	**Total Resource (DEL) Budget** (A+B)
Year	A	B	C	D
2013-14	6.789	1.772	6.789	8.561
2014-15	6.622	1.818	6.622	8.440
2015-16	6.405	1.818	6.405	8.223

£m	Capital Budget				
	Core capital	**Major Projects**	**Reserves**	**Total Capital (DEL) Budget** (E+F+G)	**Grant in Aid** (A+E+F)
Year	E	F	G	H	I
2013-14	0.251	0.000	0.452	0.703	7.040
2014-15	0.262	0.000	0.140	0.402	6.884
2015-16	0.253	0.000	0.000	0.253	6.658

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 and in the Museums Freedoms 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.

Yours sincerely,

SAMANTHA FOLEY
Finance and Commercial Director

cc: Nick Hanks