

Dr Simon Thurley
Chief Executive
English Heritage
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138-142 Holborn
London
EC1N 2ST



7th February 2014

By Email

Dear Simon

REVISED ALLOCATION LETTER FOR 2013/14 – 2015/16

I am writing to inform you of a change to English Heritage'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 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
2013-14	16.115	1.033	17.148	70.387	5.267	86.502	92.802
2014-15	13.902	1.033	14.935	68.879	5.438	82.781	89.251
2015-16	13.893	1.033	14.926	60.891	5.438	74.784	81.255

£m	Capital Budget					Grant in Aid (A+D+H+I+J)
	Core capital	Capital Grants	Major Projects	Reserves	Total Capital (DEL) Budget (H+I+J+K)	
Year	H	I	J	K	L	M
2013-14	5.278	7.566	0.500	1.150	14.494	99.846
2014-15	4.879	6.919	0.000	0.000	11.798	94.579
2015-16	0.500	6.919	0.000	0.000	7.419	82.203

We will write separately regarding the proposed additional funding of £5m for set up costs and £80m new model funding.

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.

Yours sincerely,



SAMANTHA FOLEY
Finance and Commercial Director

cc: Sir Laurie Magnus
Keith Harrison