

Mike Stevens LVO
Deputy Treasurer to the Queen
Buckingham Palace



17 January 2014

By Email

Dear Mike

REVISED FUNDING 2014/15 – 2015/16

Following your recent phone conversation with Helen Williams, I am writing to propose a change to the grant allocation for the maintenance and security of Marlborough House for the financial years 2014-15 and 2015-16.

As you are aware, as part of the plans for savings set out by the Chancellor in the Autumn Statement, DCMS's resource budgets will reduce by around 1 per cent in 2014-15 and 2015-16. Ministers have decided to share these reductions with the Department's arm's length bodies.

Ministers are very grateful for the role that the Royal Household plays in the upkeep of Marlborough House, and in looking for efficiencies. In line with similar savings to other areas within DCMS's budget, Ministers would like to include the Marlborough House Grant in these savings. We anticipate success in reducing security costs, so hopefully absorbing such savings will not be difficult.

We therefore propose a budget cut of around 1% to the resource grant for Marlborough House in 2014-15 and 2015-16. Subject to the Royal Household's agreement, the revised grant allocation would be as set out in the table below:

Year	Resource Grant
	£
2014-15	453,000
2015-16	453,000

If the Household is content with these revised figures, I would be grateful if you will signal your agreement in writing, and the figures above will replace those in the Agreement. If

Finance

you have any questions, then please get in touch with Ben Douglass.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Foley', with a small dot at the end.

SAMANTHA FOLEY
Finance and Commercial Director

CC: Sir Alan Reid GCVO, Donna Mowbray