

800



Chancellor of the Duchy of Lancaster
and
Minister for the Arts.

*Not yet. We
are already committed
to the NSPC and Govt. Under
the 55.5 has to be an act. The
but office in
Whitehall!*

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

26th March 1980

*at apart from the
cabinet meeting!*

The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
LONDON SW1

Prime Minister

*would you like to
give a reception
in response at X?*

My dear Prime Minister,

*M.
28/3*

As you no doubt know I am anxious to encourage increased sponsorship of the Arts by private individuals and companies to complement public support and enable some new developments to be undertaken.

We believe that there is potential for a substantial increase in the overall level of private sponsorship, particularly in the regions. Estimates made by the Association for Business Sponsorship of the Arts (ABSA) suggest that the level has grown rapidly from a low base. Companies are now realising the benefits of sponsoring the Arts and no doubt the taxation changes which were made last summer have helped this trend.

I have taken every opportunity to express publicly my support for private sponsorship and my belief that a mixture of Government and private funds will be helpful to the Arts. I am currently considering with ABSA and other interested bodies a number of ways in which I could intensify the campaign to encourage potential sponsors. A note setting out plans for the campaign is enclosed. As you will see one of the items on the list is a reception. ABSA have advised me that it would be helpful to invite about one hundred prominent businessmen to encourage their co-operation and demonstrate the importance which the Government attaches to sponsorship. We believe that this would have a greater impact if you would agree to hold the reception at Number 10 and possibly give a short address. In view of the overall campaign I think that it would be helpful to hold the reception some time during June, but if this is not convenient for you we could adapt the programme to fit in with whatever is suitable for you.

...

X

Yours as ever

*P.S. We really are truly praying & it would be wonderful
if you could give us a boost!*

NOTE

A CAMPAIGN FOR BUSINESS SPONSORSHIP OF THE ARTS, 1980

1. The following events are planned as part of a general campaign.

- (i) an advertising campaign by ABSA - April;
- (ii) a press conference by the Chancellor of the Duchy - April/May;
- (iii) a seminar on taxation and sponsorship, organised by ABSA and preceded by a keynote speech by the Chancellor of the Duchy - May;
- (iv) programme by the Gulbenkian Foundation, including research into current levels of sponsorship and marketing the arts, and grants to smaller artistic companies wishing to review their current funding policies;
- (v) weekend seminars for arts administrators, organised by ABSA;
- (vi) regional meetings between ABSA, CBI and businessmen;
- (vii) regional meetings for artistic companies, organised by Regional Arts Associations and involving the Chancellor of the Duchy and, possibly, private consultants;
- (viii) receptions in the regions for local sponsors of the arts, organised by the Regional Arts Associations;
- (ix) supporting literature, outlining the commercial benefits of sponsorship for the sponsor, and providing advice to artistic organisations wishing to attract business sponsorship;
- (x) an international conference at Leeds Castle, organised by ABSA - November;
- (xi) ABSA/Daily Telegraph Awards to business sponsors - November.

2. A committee would be responsible for organising this campaign. Chaired by the Chancellor of the Duchy, it would include representatives of the Arts Council, Regional Arts Associations, BFI, Crafts Council, ABSA, and Gulbenkian Foundation, together with a number of prominent businessmen. Responsibility for day-to-day management of the campaign would be devolved to an executive committee chaired by OAL.

Financial Incentives to Business Sponsorship of the Arts

Present and future action by OAL

<u>Subject</u>	<u>Action to date</u>	<u>Further action</u>
Charitable covenants (a) reduction in covenant period	CDL has made representations to Chancellor of Exchequer	Await Budget
(b) tax relief at higher rates (e.g. through "averaging")	" "	" "
Tax relief on single donations, eg to an upper limit of £500	CDL has written to Chancellor of Exchequer; OAL has written to I Revenue, who see difficulties of practicability and of principle.	Await Budget; compile information on overseas arrangements (in hand)
Author - spreading copyright earnings for taxation purposes	I Revenue has offered to consider individual cases where the existing provision, for spreading over 2 or 3 years, is inadequate, and the OAL has written to the writers' organisa- tions, informing them of this and offering the CDL's good offices in passing on evidence of individual cases to I Revenue.	Await response from Inland Revenue Authors
Definition of a "charity" (Goodman Committee on "Charity Law & Voluntary Organisations"; 10th Report of Expenditure Committee, 1974-5, "Charity Commissioners and their Accountability"; Correspondence with Duke of Edinburgh).	OAL has checked that Home Office does not propose to take any further action, following Home Secretary's answer to PQ dn 24. 1. 80 (copy attached)	No further action for present; any change would require legislation.
National lottery for the arts	Correspondence with Mr Robin Day and with Home Secretary; Commons debate on Royal Commission on Gambling (during which most MPs opposed this suggestion)	NFA for present

Subject

Action to date

Further action

Lower rate of
VAT for the
Arts

Approach Customs & Excise
after Budget; Update
information about other EEC
countries (in hand)

Publicity

CDL's speeches; ABSA's
booklets (including one
on VAT drafted by C&E).

Keynote speech by CDL,
after Budget, suitable
for quotation in a
revised ABSA booklet.

Charity Commissioners

Miss Fookes asked the Secretary of State for the Home Department if he will now reply to the report of the Expenditure Committee on the Charity Commissioners and their accountability.

Mr. Whitelaw: The Government have considered the report by the Expenditure Committee on the Charity Commissioners and their accountability published in September 1975 and have also taken into account the conclusions reached by Lord Goodman's committee on charity law and voluntary organisations, which was set up by the National Council of Social Services and reported in December 1976.

The Government appreciate the useful work done by both Committees in examining a wide range of issues relating to charity law and administration. It is now over four years since the Expenditure Committee reported and three years since the Goodman committee reported. Their proposals need to be viewed in the light of the Government's current policies.

The Government recognise that charitable trusts occupy a special position in our law and that special privileges attach to charitable status. We believe that the concept of charity in the legal sense remains valid and useful since it both reflects and encourages a spirit of beneficence and public service whose continuance is of great importance to society. The Government do not consider that there is at present a need for changes in the law on charitable status or in the administrative practices relating to charities. We do, however, set great value on the contribution made by voluntary organisations and volunteers to the provision of a wide range of services and facilities that are essential to the well-being of society. We are considering how best we may, within the present financial restraints, encourage the development of the voluntary sector as a whole, and in that context we are paying particular attention to the Goodman committee's recommendations relating to fiscal matters.

28 MAR 1960



arts + amenities JS

① ~~Carroll~~ - to me

cc Press
Miss Lister

② p.a.

31 March 1980

The Prime Minister has read the Chancellor of the Duchy's letter of 26 March about private sponsorship of the Arts. She was interested to see the plans for the sponsorship campaign. She regrets, however, that she cannot at this stage agree to hold the proposed reception here at No. 10 in view of commitments to hold certain other receptions in the course of the summer.

T.P. LANKESTER

John Stevens, Esq.,
Chancellor of the Duchy of Lancaster's Office.