



Department of Education and Science

Office of Arts and Libraries
From the Minister for the Arts

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7th February 1983

Christopher Price Esq MP
Chairman
Select Committee on Education
Science and the Arts
House of Commons
LONDON SW1

Pl. file

c: Mr Priestley.

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ROYAL OPERA HOUSE AND
ROYAL SHAKESPEARE COMPANY:
SPECIAL FINANCIAL SCRUTINIES

In my evidence to the Select Committee on 19th January, I promised to let you have details of the financial scrutinies announced on 20th December, when these had been settled. As you will now know, I made an announcement about these studies at Question Time today indicating that the terms of reference will be:

'To examine the financial affairs and prospects of the Royal Opera House and the Royal Shakespeare Company and to make recommendations.'

The study will be led by Mr Clive Priestley, who is an Under Secretary in the Management and Personnel Office; he will be assisted by an independent free-lance economic consultant, Mr David Allen, and a private sector chartered accountant, Mr Ian Trumper. The team will start work more or less immediately, and I hope that they will be in a position to report to me by the late summer.

How the terms of reference are interpreted is a matter for the team, in consultation with the companies concerned, but I would expect them to embrace policies and objectives, and management responsibilities along with financial ones. The team will be able to call on special assistance in financial and other areas as they judge necessary.

I hope this gives you the information that you need. I am sure that the results of these studies will be extremely interesting.

PAUL CHANNON

with compliments

Private Secretary for the
Minister for the Arts



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[Blind copy: Mr Gow]

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28 February 1983

Christopher Price Esq MP
House of Commons
London SW1

Dear Mr. Price,

SPECIAL FINANCIAL SCRUTINY OF THE ROYAL OPERA HOUSE AND THE
ROYAL SHAKESPEARE COMPANY

The Minister for the Arts wrote to you about this on 7 February and, as I think you know, the scrutiny team has been assembled and is at work.

2. The team is now working towards the preparation of a detailed plan of inquiry, for which purpose it is seeing people in the two companies; in the Arts Council; and elsewhere. I am sure you will be particularly interested in our work and have thoughts and ideas to contribute to it. So we should very much like to meet you in the near future and to have the opportunity to consult you again during the course of our exercise, should this be agreeable to you. In the hope that you will be willing to see us, my office will be in touch with yours in the next day or so to see what would suit you; we could wait on you at the House of Commons or see you here if you prefer a change of scene.

3. You may like to know that we are treating all interviews as being on a personal and confidential footing; nothing will be attributed to a particular interviewee without her/his authority.

4. I should like you to meet my colleagues Ian Trumper and Dave Allen as soon as possible, but if you would prefer a first meeting with me alone I would be very glad to call on you at the House of Commons or to offer you a talk over lunch as my (not the taxpayer's) guest.

Yours sincerely,
C. Priestley
C PRIESTLEY