



Handwritten initials

Treasury Chambers, Parliament Street, SW1P 3AG
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14 January 1987

Steven Wood Esq
Private Secretary to the
Lord Privy Seal

Dear Steven, *at flap*

ANNOUNCEMENT ON BBC LICENCE FEE MATTERS

Stephen Boys Smith sent me a copy of his letter to you of 9 January.

The Chancellor is content with the draft text of the announcement. He assumes that it is understood by all concerned, and especially by the BBC, that any change in the current restriction on the use of sponsored programmes by the BBC would reopen the question of the level of the TV licence fee.

I am copying this letter to **Andy Bearpark** (No.10), to the Private Secretaries to the other members of MISC 128, to Tony Lawrence (DHSS) and to Trevor Woolley (Cabinet Office).

Yours,
Cathy

CATHY RYDING
Assistant Private Secretary

Prime Minister!
Is this sensible?

*I cannot remember
any such condition
attached to our decision.*

*It's effect would be to
debar the BBC from ever
trying to bring in programme
sponsorship. They could
have no idea how much of
their licence fee income
they would lose. Would you
like to question the
Chancellor's view?*

*DRW
15/1*

Broadcasting: BBC financing PTS

