

From: THE PRIVATE SECRETARY



HOME OFFICE  
QUEEN ANNE'S GATE  
LONDON SW1H 9AT

18 March 1987

1. JFA  
2. NBP7.

Dear Antony,

BROADCASTING BILL; INDEPENDENT PRODUCERS

As you know, an amendment to the Broadcasting Bill proposed by Mr Clement Freud was carried at the final sitting of the Bill's Commons Committee Stage. The amendment places a duty on the IBA to enter into television, radio and DBS contracts, whenever they are made, only on condition that the contracts require a substantial proportion of programmes to be provided by independent producers.

The Home Secretary is in no doubt that the amendment should be overturned on Report on 26 March, for the reasons explained in the attached letter from Mr David Mellor to Lord Thomson of Monifieth. As you will see, that letter makes it clear that the Government remains committed to pursuing a 25% target for independent production on television over a four year period.

The next meeting of MISC 128 might provide an opportunity for the Home Secretary to update colleagues on the progress of discussions with the BBC and IBA, although of course these discussions have yet to be concluded.

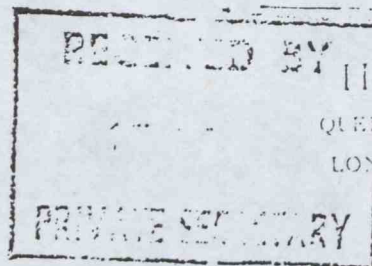
I am copying this letter to the Private Secretaries of members of MISC 128.

Yours ever,  
C R Miller

C R MILLER

A J Langdon, Esq.,





17 MAR 1987

Dear George

#### INDEPENDENT PRODUCTION INITIATIVE

As you know, when Standing Committee B considered the Broadcasting Bill on 3 March it decided, against Government advice, to include in the Bill an amendment prohibiting the Authority from entering into future broadcasting contracts which do not require a substantial proportion of programmes to be provided by independent producers. The purpose of this letter is to let you know that we shall be asking the House, at Commons Report, to restore the Bill to the form in which it left the Lords. In view of the wide interest in this matter I hope you will not mind that I am making this letter available to the press.

We remain, of course, fully committed to a substantial shift towards independent productions on both BBC and ITV. As you know, we have told you that we would like to see about 25% of programmes supplied by independent producers over a four year period. I am looking forward to seeing you on 23 March to hear from you the progress that you have made in developing proposals in the light of discussions with the ITV companies and representatives of the independent producers towards this broad target. I understand that some useful practical steps have already been identified in your discussions.

Against this background, we take the view that it would not be sensible at least at this stage to consider embedding the Government's target in statutory form. There are, of course, a number of important issues which need to be addressed in the context of broader access by independent producers to the main ITV channel, arising principally though not exclusively from the regional nature of the service. Although the amendment added to the Bill on 3 March essentially sought to extend the provisions of section 12 of the Broadcasting Act 1981 from programmes provided by the independent producers on Channel 4 to the main ITV channel, the two situations are rather different. There is, for example, the important question of the extent to which programmes produced for regional broadcasting only should be regarded in the same way as networked programmes. Bearing in mind that there are nearly twice as many hours a year of regional as of network programmes, the way in which the Authority moves towards the target of substantially increasing the use of independent producers needs careful thought. No doubt the Authority has been considering the position of regional production and proper arrangements for the provision of services of local interest, and I look forward to hearing the outcome.

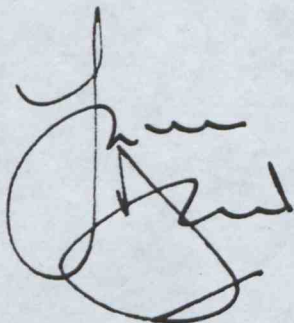
The Rt Hon the Lord Thomson of Monifieth KT



The amendment added to the Bill on 3 March also throws up a number of substantial questions of definition and interpretation, bearing in mind for example the fact that account has to be taken of programmes provided by companies operating in other parts of the European Community and the fact that the expression 'independent programme producer' in the amendment has not so far been used or defined in broadcasting legislation.

As the Authority takes forward its plans in the light of discussions with interest parties the way in which such questions should be answered will become clearer. Our view is that the amendment would not be likely to help the Authority in its efforts to identify and implement practical and sensible measures. There is also, of course, the point that, in the nature of the Bill, the amendment cannot extend to the BBC. We regard it as important to ensure that our initiative applies equally to both broadcasters.

While we have always made it clear that we do not rule out the possibility of legislation in due course in this area should it prove to be needed, we do not think that this point has yet been reached. Although we wish to see early and specific progress, we think that the discussions now taking place should be allowed to bear fruit without statutory intervention of the kind proposed.

A handwritten signature in dark ink, appearing to read 'David Mellor', with a large, stylized initial 'D' and 'M'.

DAVID MELLOR

0921A