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Prime Minister

Agree with Professor Griffiths?
correct?

PRIME MINISTER

(I am afraid we 30 October 1987

EXTERNAL TELEVISION BROADCASTING

The BBC seem determined to set up a world TV news service.

They have now asked the Foreign Secretary for additional funding for this purpose. His response is based on two assumptions:

- a. that there should be no extra funding for the BBC;
- b. that any new arrangement must not put ITV at a competitive disadvantage to the BBC.

His proposal is that the BBC should allocate funds raised through the domestic licence fee in order to fund the development of external TV services.

Recommendation

This seems a perfectly reasonable proposal but it is important to satisfy yourself on two points:

first - that in terms of the Charter and License and Agreement of the BBC, it is legally possible to divert funding from the licence fee to external services, and

second - to find out from the Foreign Secretary how precisely the proposal put forward in the concluding sentence of paragraph 6 would work in practice.

"I would also tell the BBC that we would consider funding for distribution to poorer countries provided that FCO

objectives were fully met, without excluding the
possibility of funding distribution of the ITN service.

Although this commitment seems perfectly reasonable, it
needs to be set out in a little more detail, simply to make
absolutely sure that ITN is not disadvantaged by this
procedure.

Brian Griffiths

BRIAN GRIFFITHS