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NBPn,

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

11 May 1988

Dear Jill,

BROADCASTING STANDARDS COUNCIL (BSC)

with PM 11/5

In my letter earlier today to Nigel Wicks I mentioned that I would be writing to you in reply to your letter of 9 May to Catherine Bannister about the budget for the Broadcasting Standards Council (BSC). I have subsequently spoken to Zoe Everest-Phillips about this.

The Home Secretary entirely accepts the Chief Secretary's view that the budget for the BSC should be worked out according to need and in close discussion with Treasury officials. No commitment has been entered into with Sir William Rees-Mogg over the size of the BSC's budget during the discussions with him about his acceptance of the Chairmanship, indeed the Home Secretary has made clear the reservations which both the Prime Minister and the Chief Secretary have expressed about Sir William's initial views on resources. The position which the Home Secretary has established with Sir William is that Sir William will be involved with the Minister of State, Mr Renton, and Treasury and Home Office officials in discussion of the detail of the budget following the announcement of Sir William's appointment. Sir William has indicated that he is content to proceed on this basis.

Expenditure by the BSC is likely to build up slowly as the organisation finds its feet. The Home Secretary is not looking for anything more this year by way of financial provision than is already in Home Office estimates. Whether more is needed in later years will depend upon the outcome of the discussions with Sir William which I have mentioned, in which Treasury officials would be involved. The Home Secretary believes that it would be reasonable for the outcome of those discussions to be considered further, as far as future years are concerned, as part of this year's PES round.

You mention the possibility of considering again the possibility of the broadcasters paying for the Council. We have given the reasons why we do not believe this to be a runner in earlier correspondence. Quite apart from the need to avoid giving any incentive to the broadcasting authorities to run down their own work in the area of standards, the BSC will be involved

/additionally

Miss Jill Rutter

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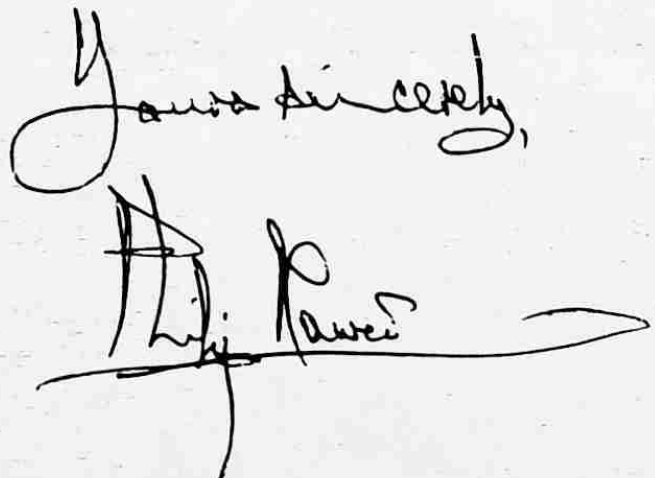
additionally with forms of broadcasting such as foreign satellite services from which the existing broadcasting and cable interests could not gather revenue, and of course with videos.

As regards the timing of legislation on the BSC, the Home Secretary understands the arguments for securing such legislation at the earliest possible opportunity. But there are sound reasons of policy for leaving over legislation on the BSC till the 1989/90 session. The co-operation of the broadcasting authorities and of the cable and broadcasting companies is essential to the Council's success and if they have the opportunity of developing a satisfactory working relationship with the BSC in advance of legislation it will produce the right climate for progress and smooth the passage of the eventual legislation. Moreover there is the additional consideration that the prospects for a broadcasting Bill in the 1988/89 session are now somewhat uncertain in view of other pressures on the legislative programme.

As you will have seen, there is continuing speculation in the press about the powers of the BSC and about the appointment of its Chairman. The Home Secretary therefore regards it as desirable that the announcement of the establishment of the Council and of Sir William's appointment should proceed as rapidly as possible. You will have gathered from my letter earlier today to Nigel Wicks that he would like the announcement to be made next Monday, 16 May.

For the reasons I have given, the Home Secretary attaches considerable importance to this matter, and would be glad of the opportunity of a word with the Chief Secretary about it. Zoe has kindly undertaken to consider how best this might be achieved before Cabinet tomorrow.

I am copying this letter to Nigel Wicks (No 10), Jeremy Godfrey (DTI), Alison Smith (Lord President's Office), Murdo Maclean (Chief Whip's Office), and Trevor Woolley (Cabinet Office).

Yours sincerely,


P J C MAWER