

PRIME MINISTER

MEETING OF MISC 128

Happily, we have retrieved the earlier papers from the Chequers study.

In fact, I think you had not had a chance to do very much reading over the weekend, so I fear there is a daunting pile of paper in the folder.

Membership and Attendance

Following the talk we had earlier in the week, I have made clear that you do not want the Foreign Secretary and Mr. Baker as full members of the Committee.

Unfortunately, a number of other members cannot attend tomorrow's meeting:

- Norman Lamont is deputising for the Chancellor.
- Malcolm Rifkind is tied up in Scotland.
- Jeffery Sterling has laryngitis. He sends his apologies, but has asked me to stress that he strongly agrees with Brian Griffiths' views - see below.

Papers

The papers are:

Flag A (immediately below this note) - a very helpful summary note by the Cabinet Office setting out the remaining issues the group will need to settle in the timetable.

DIVIDER 1

Flag B - the main paper for the meeting by Douglas Hurd concerning the presentation by George Russell. The plan is for Mr. Russell to attend the first part of the meeting, and

then to withdraw.

Flag C - Cabinet Office brief on that paper. Douglas Hurd is reluctant for the group to have a substantive discussion tomorrow after Mr. Russell leaves; he would prefer to put in a further paper later. But, since we have nearly one and a half hours for the meeting, you may want to use the time available to reach provisional conclusions on the central issue of the competitive tendering arrangements for ITV, so that Douglas Hurd is given a clearly defined remit to carry the issue forward. This brief provides some material you could use for such a discussion.

Flag D - Note by Brian Griffiths on the crucial competitive tendering issue, which you will want to study closely.

Flag E - A further note by Brian, attaching an interesting analysis prepared by Tim Bell on the extent of "quality" (or lack of it) in existing public service broadcasting.

DIVIDER 2

Flag F - A further paper by Douglas Hurd on Item 2 of the agenda - the regional and time divisions by which Channels 3 and 5 franchises should be divided (the "map and the clock").

Flag G - Note from Malcolm Rifkind. His main concern is to avoid any changes that would threaten the continued viability of the existing three regional ITV companies in Scotland.

Flag H - Cabinet Office brief on the "map and the clock".

Flag I - Brian Griffiths' brief on the same subject.

Handling

I suggest you start by welcoming George Russell, but by making clear that he is attending only for the first part of the meeting to make a presentation and to answer questions; you will then ask him to leave so the group can continue its

discussions. I suggest you aim to complete the presentation in 45 minutes, and certainly not allow it to go on for more than one hour. You might also want to open by emphasising that the group is interested primarily in George Russell's view on the central competitive tendering issue - not in his views on the White Paper at large.

After George Russell leaves, you may want to move on to a substantive discussion on competitive tendering, and give Douglas Hurd a clear remit for the sort of paper he should prepare for a subsequent meeting detailing the way forward. Brian Griffiths' brief at Flag D is particularly relevant.

If possible, you will want to leave some time at the end for discussion on the "map and the clock" papers.

You should aim to close the meeting by 1050, so that you have time for a brief talk with Cecil Parkinson before Cabinet (see a separate meeting folder).

One final point, following the discussion at the last meeting, Douglas Hurd has circulated a further minute setting out revised proposals on broadcasting ownership. I have not included this in the papers; Brian Griffiths is still looking into it, and has not yet prepared advice. If the issue comes up tomorrow, you might say that you hope the issue can be sorted out in correspondence before the next meeting (currently scheduled for 6 June).

Dk
PG *Duty Clerk*

10 May, 1989.