

UNCLASSIFIED

CCFO



Treasury Chambers, Parliament Street SW1P 3AG

The Rt Hon Douglas Hurd CBE MP  
Home Secretary  
Home Office  
50 Queen Anne's Gate  
London  
SW1H 9AT

MBBM

Rlec6

25 October 1989

25/10

*Dear Douglas*

INDEPENDENT TELEVISION COMMISSION AND S4C *slap*

Thank you for your letter of 26 September.

2 I was grateful to you for accepting both that franchise payments should be treated as government revenue and paid directly into the Consolidated Fund; and also that the ITC, and Radio Authority, should be treated as central government non-trading bodies.

3 As you say, one consequence is that the safety net payments to S will be voted spending and score in PES. I share the concern to maintain S4C's independence from government expressed by you and Peter Walker, in his letters of 12 September and 5 October. I consequently agree that the size of the payments to S4C should be fixed by legislation, and chargeable only by statutory instrument.

4 However the Government supports SC4 in order to promote Welsh culture and I would usually expect such payments to be made from the Welsh block. I am therefore asking my officials to explore with yours and Peter Walker's whether an acceptable regime can be agreed for making the payments from Welsh Office votes.

5 I am copying this letter to members of MISC 128 and to Sir Robin Butler.

NORMAN LAMONT

Broadcasting - legislation  
PR3

