



the department for Enterprise

*CPH*

The Rt. Hon. Nicholas Ridley MP  
Secretary of State for Trade and Industry

The Rt Hon David Waddington  
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*Note*  
*not received until*  
*the my letter of 2/1/90*  
*had been sent.*  
*NRM at this stage.*

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*Recd*  
*3/1*

*Dear Home Secretary,*

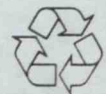
**BROADCASTING BILL: INDEPENDENT PRODUCTION**

Your *attached* minute of 19 December to the Prime Minister raises two main issues: whether the BBC should reach the 25% transmission target for independent production by 1 January 1994 or, as I had proposed, 1 January 1993; and the categories of programme that might be excluded from this requirement.

On the first issue I continue to feel strongly that we should require the BBC to reach the 25% target by 1 January 1993. Even if we were now considering the issue for the first time I think we could reasonably require the BBC to achieve this. They would then have three years in which to do so. But as you say, both the BBC and the IBA have in fact already moved some way towards achieving the target since they entered into the present independent production initiatives in 1987. Moreover, you have not contested my point that, after allowing for the excluded categories, the target would be closer to 15%, not 25%, of total programme output. Thus my proposal is effectively that, from a running start, some 15% of the BBC's total annual transmission from 1 January 1993 onwards should be independently produced. Even for the BBC I would not have thought this unduly onerous.

I think we should also be clear that the Broadcasting Bill will require the ITC licensees to achieve the 25% target by 1 January 1993. I would find it extremely difficult to justify applying a later date to the BBC.

Turning to the question of which categories, if any, should be excluded, my position remains as before. We want to see a vigorous and competitive independent production sector that can provide a wide range of programmes. It should not be for us to prescribe certain categories of programme that they



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should produce; it should rather be for the companies themselves to decide. But if we exclude some categories from the 25% requirement we will effectively be imposing restrictions since, as you say, the broadcasters would not get any credit for independently produced programmes in those categories. This is why I would prefer not to see any excluded categories.

Nevertheless, I accept that this would increase the scope of the 25% requirement in a way that might be thought to conflict with what has been said in the past. I would therefore be prepared to recognise some limited exclusions. Local news and similar programming, however, seem to me to be precisely the sort of areas where independent producers could establish themselves and which would not unduly increase the scope of the requirement. Independent producers are often small local companies with a good knowledge of their area and its issues. They are therefore well placed to provide not only local current affairs programmes but to cover local news stories.

You asked for evidence that it would be feasible for broadcasters to place such material with the independents and added that, as far as you were aware, the most that could be contracted out is the occasional pre-planned news feature. My understanding is that London Weekend Television has for the past year contracted out its local news coverage to an independent company and intends to place the contract with a different independent company from January 1990. I believe a number of other independents also have experience of providing news type programming for Channel 4 and for some satellite TV broadcasters.

A major theme of the Broadcasting Bill and the White Paper which preceded it was the aim of increasing choice and encouraging diversity, backed by separate regional links. You emphasised these points yourself in your Second Reading speech on 18 December. They are also very much the points that underlie my comments above. In the light of this I hope you will be prepared to look again at my proposals.

Yours sincerely  
Rosalind CTR

(Approved by the Secretary of State  
and signed in his absence.)



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