



QUEEN ANNE'S GATE LONDON SW1H 9AT

23 March 1990

Norman

NBA

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23/3

BROADCASTING BILL

Thank you for your letter of 9 March. *prop*

I can certainly give you the assurances which you seek that in normal circumstances licences will be allocated by the ITC on the basis of the monetary bid, once the quality hurdle has been surmounted. The ITC will only be able to award a licence to a bidder other than the highest bidder in exceptional circumstances. All that the Bill will now do is to indicate that those exceptional circumstances can include an exceptional quality difference. Where the ITC invoke this provision they will be required to give their reasons. Clause 17(11) of the Bill already provides for this.

As you know, the Prime Minister invited me to reconsider my original proposal that the high quality test should extend over main programme type. I am still thinking about this, and will come forward with further proposals if I conclude that it is indeed worth pursuing.

I have some sympathy with what you say about the ITC appointments. It is obviously necessary that there should be some continuity of membership between the IBA, the Cable Authority and the ITC, and indeed we appointed George Russell and Alun Chalfont to the IBA with that specifically in mind. I am, however, now taking steps to identify as candidates some vigorous entrepreneurial people, unconnected with the broadcasting establishment. I hope to announce further names before too long.

I am copying this letter to the recipients of yours.

J. G. as

The Rt Hon Norman Lamont, MP.
Chief Secretary
Treasury Chambers
Parliament Street
LONDON, S.W.1.



Broadcasting

Policy

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