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Treasury Chambers, Parliament Street SW1P 3AG

The Rt Hon David Waddington QC MP
Home Secretary
Home Office
50 Queen Anne's Gate
London
SW1H 9AT

N BLM

Rec'd

2/4

29 March 1990

Dear David

BROADCASTING BILL: PERFORMANCE BONDS

Thank you for your letter of 28 February.

2 I am grateful to you for accepting that a forfeit performance bond should not be used to subsidise regional services or legal costs. For my part I am content for the bond to be used to indemnify the Treasury only for loss of revenue incurred as a result of the withdrawal of a licence. This approach will give the bond - provider a financial interest in ensuring the ITC reauction the licence as soon as possible, minimising the period to which viewers are provided with a substitute service.

3 I am copying this letter to MISC 128 colleagues and to Sir Robin Butler.

Norman Lamont
NORMAN LAMONT

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