



QUEEN ANNE'S GATE LONDON SW1H 9AT

25th June 1984

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2 Norman,

TV LICENSING: HOTELS AND SELF-CATERING ESTABLISHMENTS

will request if required.
In my letter of 23 May, I told you that we would be consulting representatives of the self-catering industry about the implementation of the new arrangements for TV licensing which it had been agreed should apply to the hotel industry. This we have now done, the only substantive replies coming from the National Federation of Site Operators and the National Association of Holiday Centres.

They have argued for a relaxation of the arrangements we propose for hotels, since

- a. even large establishments on which a heavy licensing liability could fall open only for the Summer season (in some cases, their opening period being restricted by licence);
- b. holiday camps and self-catering establishments, irrespective of size, are generally at the cheaper end of the market; and
- c. the points at a. and b. above taken together mean that proprietors would be much less able than hotels to absorb or pass on higher licensing charges.

It is unfortunate that the organisations have not quantified the problems which they claim will arise; with one exception the trade associations in Scotland and Wales to whom we outlined our proposals have not replied; and it is expected that Northern Ireland will be unaffected. Nevertheless, there is a prima facie case which, in the interests of resolving the whole issue, I am prepared to meet. I have therefore decided that while self-catering establishments, holiday camps and so forth will have to pay the new scale of fees, half of the cost will be refunded to those who are open for 6 months or less. (The same relief would of course have to apply to seasonal hotels.)

The resolution of this limited but irksome problem of hotel and self-catering licensing has taken rather a long time, but we now have a satisfactory outcome where the legal position will be brought back on an even keel; the imposition on the industry will be limited by the generous banding system we have provided; additional relief

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The Rt Hon Norman Tebbit, MP

will be available to the seasonal operators; the new arrangements will not come into force until 1 January 1985; and we will not expect the industry to take out new licences until their existing ones expire. I am therefore proceeding now with the laying of the requisite Regulations which, as I have told you, will also discharge our undertakings to the disabled in residential homes or sheltered housing, as well as tidying-up the sheltered housing provisions generally.

I am copying this letter to the Prime Minister, members of H Committee and to Sir Robert Armstrong.

Yours,
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