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*cc Ld. Pres.  
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CDL  
Ch. Whip*

*CC B9*



10 DOWNING STREET  
LONDON SW1A 2AA

From the Private Secretary

16 January 1987

*Dear Stephen,*

**ANNOUNCEMENT ON BBC LICENCE MATTERS**

The Prime Minister has seen Cathy Ryding's letter of 14 January to Steven Wood about the Home Secretary's announcement on the BBC licence fee.

The Chancellor commented that he assumed that it was understood by all concerned that any change in the current restriction on the use of sponsoring programmes by the BBC would reopen the question of the level of the TV licence fee. The Prime Minister has said that she was unaware that any such condition attached to the conclusions reached by MISC 128. She is also not sure that to set such a condition would be sensible since its effect could be to deter the BBC from ever trying to win programme sponsorship: the BBC management would have no idea in advance how much of their licence fee income they would lose.

I am copying this letter to the Private Secretaries of MISC 128, Tony Laurance (Department of Health and Social Security) and Trevor Woolley (Cabinet Office).

*Yours,  
David.*

DAVID NORGROVE

Stephen Boys Smith, Esq.,  
Home Office

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