



10 DOWNING STREET

LONDON SW1A 2AA

12 June, 1989.

*From the Private Secretary**Dear Catherine,*

BROADCASTING ANNOUNCEMENT: CHANNELS 3, 4 AND 5

The Prime Minister was grateful for the Home Secretary's minute of 9 June with which he enclosed a draft Parliamentary Statement and a draft letter to send to the Chairman of the Home Affairs Committee.

The Prime Minister is content for the Home Secretary to make a statement tomorrow, and to write to the Chairman of the Home Affairs Committee. She has a number of detailed comments on the proposed statement:

- At the end of paragraph 4 she thinks the drafting might be looked at to make clearer the distinction between the bidding process and the arrangements for payment by successful applicants.
- The first two sentences of paragraph 5 might be redrafted to make clear that the performance bond for successful applicants will be paid in two stages; the present reference at the end of the second sentence to "a further amount" strikes the wrong note. And is the reference to a cash bond correct?
- Shorten the penultimate sentence of paragraph 6 to read "This power would operate only in exceptional circumstances, and the ITC would be required to give its full reasons".
- In the final sentence of paragraph 11 delete "particularly in the early days".

I am sending copies of this letter to the Private Secretaries to the Members of Misc 128 and to Sir Robin Butler.

Van.
Pat
Paul Gray

Miss C.J. Bannister,
Home Office.