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26 October 1989

Tes Sara,

BROADCASTING BILL: CHANNEL 4

The Lord President has seen your letter of 28 September to Paul Gray and earlier correspondence about the future constitution of Channel 4. He has asked me to let you know that he fully understands the Prime Minister's concern that the Channel 4 Trustees should be in a position to exercise real direction and control over the overall operation of reconstituted Channel 4 He considers that the Home Secretary's latest company. proposals, which provide for the establishment of the Channel as a single legal entity, appear to meet this objective and endorses the Home Secretary's concern that the new arrangements for Channel 4 should not put Government in a position in which it could be embroiled in politically damaging argument about its relationship with the new channel. He considers it most important to the safe passage of next Session's complex and controversial Broadcasting Bill that whatever new arrangements are finally agreed, they should be seen to reinforce and safeguard the future of Channel 4 as an entity independent of Government.

I am copying this letter to Paul Gray, to the private secretaries to members of MISC 128 and to Sir Robin Butler.

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Your Catt

Principal Private Secretary

Sara Dent Private Secretary to the Home Secretary

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