



PRIME MINISTER

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

*The Paymaster finds
no basis for Government
or IBA to penalize ATV
in the next franchise
round.*

12 May 1980

*- It is as well - if -
could never / full return
to S. 4 (1) (a) or
downward movement
by 67.*

PRIME MINISTER

IBA AND TV CONTRACTORS

MAP 13/1

You asked me to look into the legal position relating to the Independent Broadcasting Authority's awarding of new contracts to Independent Television Contractors.

The 'Independent Broadcasting Authority Act 1973' lays down certain categories of persons and companies which would be excluded from securing franchises and lays down certain provisions which must be included in contracts.

There is nothing whatever in the Act which compels the Authority to take action on the past programme performance of a contractor who is applying for renewal - although no doubt they would do so if there had been breaches of the Act or of Contract. In the case of 'Death of a Princess', however, I cannot see how the IBA could use this as a reason for refusing to renew the ATV franchise, since they had already condoned the programme.

It could certainly be held that this programme offended against Section 4 (1) (a) which enjoins the IBA to ensure 'that nothing is included in the programmes which offends against good taste or decency or is likely to encourage or incite to crime or to lead to disorder or to be offensive to public feeling'. If so, however, the fault clearly lies with IBA rather than with ATV since the Authority saw the programme in advance and did not object to it.

Finally, there is absolutely nothing in the Act which gives any Minister any power to intervene in the allocation of contracts or to give any direction to IBA about franchises.

ANGUS MAUDE