

Arts + Amenities

PRIME MINISTER

I mentioned to you that Sir Claus Moser telephoned me on behalf of the Chairmen of the "Big Four" performing arts companies - Covent Garden, English National Opera, National Theatre, and Royal Shakespeare Company - who had agreed to ask to see you because the financial position of each of them in the coming year looked like being so serious. Sir Claus Moser said that he wanted me to put this request to you informally in the first instance because he recognised that you had very little room for manoeuvre: the "Big Four" recognised that it would not be right to ask for a larger share of the Arts Council grant at the expense of others. On the other hand, they were already running large deficits and since they could not continue to run deficits they were facing a desperate prospect.

Normally, my next step would be to ask for Mr. Channon's advice on this request (though I should be surprised if he did not advise you to see them). Shall I seek Mr. Channon's views?

Yes - but how
have they got
themselves into
this position?
mt

F.R.B.

7 December 1982



FILE SW
Arts & Amenities

10 DOWNING STREET

From the Principal Private Secretary

8 December, 1982

Sir Claus Moser telephoned me to say that the Chairmen of the "Big Four" performing arts companies - Covent Garden, English National Opera, National Theatre and the Royal Shakespeare Company - wanted to ask for a meeting with the Prime Minister because the financial position of each of them in the coming year looked like being so serious. Sir Claus Moser told me that he would write formally to the Prime Minister early next week, by which time he hopes that the prospects for Covent Garden will be clearer as a result of resolving the question-mark over their Manchester tour.

I have mentioned Sir Claus Moser's approach to the Prime Minister, who has asked me to get Mr. Channon's advice. Mrs. Thatcher has commented that she would like to know how such a serious position has developed for the "Big Four" companies when, as she understands it, their grant from the Arts Council has gone up at least in line with the general provision for pay and price increases in public expenditure.

When Sir Claus Moser's letter arrives, I will forward it to you, and there is no need to let me have Mr. Channon's advice before then. But it would be convenient if you could now start preparing that advice, so that the Prime Minister can respond quickly after receiving Sir Claus Moser's letter.

I am copying this letter to John Gieve (Chief Secretary's Office, Treasury).

F. E. R. BUTLER

Miss Mary Giles,
Department of Education and Science

TWP