



MANAGEMENT AND PERSONNEL OFFICE

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25 February 1983

Miss M G E Giles  
Private Secretary to the  
Rt Hon Paul Channon MP  
Minister for the Arts

*Alan Murray*

SPECIAL FINANCIAL SCRUTINY OF THE ROYAL OPERA HOUSE AND ROYAL  
SHAKESPEARE COMPANY

I have taken counsel with the Royal Opera House, Royal Shakespeare Company and Arts Council on the question of an "Olympian" and a "professional", first raised with them at the Minister's meetings on 7 February. My intentions are now as follows and I should be glad to have early confirmation that the Minister is content with them or to have alternative ideas.

OLYMPIAN

2. Naturally, this does cause some problems as it is difficult to find names which are equally at home across the whole range of work at Covent Garden, Stratford and the Barbican. However, the name which seems likely to attract the most confidence is that of Mr Peter Diamand (69), Director of the Edinburgh International Festival, 1965-78, and Director and General Manager of the Royal Philharmonic Orchestra, 1978-81. I propose to ask him to be available to advise the team in drawing up its plan of work; as it moves towards its conclusions and recommendations; and on the draft of the report.

3. The Royal Opera House think that there would be merit in consulting similarly a person of standing in the world of international opera and ballet. Their suggestion is M. Hugues Gall. M. Gall was in the French Ministry of Culture in the late 1960s; was assistant director of the Paris Opera in the early 1970s, with a particular responsibility for ballet; and became director of the Geneva opera in about 1978. I think there is indeed merit in this and I propose to seek M. Gall's help.

4. There are certain other people whose names have been suggested whom I think it would be useful to consult, though on a less formal footing than Mr Diamand. These are:

Sir Richard ATTENBOROUGH )  
Mr Melvyn BRAGG ) who need no explanation

Mr Cyril DAVIES (59), Chief Executive, City of Newcastle. Has been in local authority finance since 1946. Is a member of the Advisory Council for the Scottish Opera and chairman of the Finance Committee for the Northern Sinfonia Orchestra. Is associated with the RSC's Newcastle venture. Is a qualified accountant.

PROFESSIONAL

5. The requirement here is that the team should have access to someone with experience in the examination of the costs and expenditure of such enterprises as the ROH and the RSC, eg an accountant specialising in this area.

6. Specialist accountants are mostly in the employ of the performing companies and it is therefore a matter of finding someone who, although not a specialist, knows enough to be worth listening to.

7. Mr Cyril Davies would no doubt help somewhat but the choice of private sector accountants seems to narrow down to two names:

Mr M G M HAINES, CA (47). Suggested by the staff of the Arts Council; works for Thomson McLintock & Co. Member of Microelectronics Industry Support Programme Advisory Board, 1979; Pharmacists Review Panel, 1980.

Mr Stuart YOUNG, FCA (48). Suggested by Mr Channon. Senior Partner in Hacker Young (Accountants). Non-executive Director, British Caledonian Airways. Financial adviser to the Wolfson family. Member, Historic Buildings Council, 1976 - ; Trustee, Architectural Heritage Fund, 1973 - ; Trustee, National Gallery, 1980; Governor, BBC, 1981. Brother of Mr David Young, chairman of the Manpower Services Commission.

8. I have consulted Sir Peter Carey (Department of Industry) about these names. He does not know whether either has much acquaintance with the performing arts, other than as a consumer, but would regard both as excellent for the purpose, being good accountants and people of sophistication and taste. Mr Haines was a Deputy Director of DOI's Industrial Development Unit on secondment from his firm and was first-rate at the job. I think Mr Young's appointment might be criticised on "jobs for the boys" grounds, but his record may give him a slight edge and I am inclined, if Mr Channon agrees, to go for him.

CRITICS

9. It is plainly desirable that I should invite the leading critics to put to the team any observations which they think will help us in our inquiries. I am writing today to the critics listed in the attachment. It has been suggested to me that I should not make the critics feel too important and I am accordingly attempting to achieve a relationship of a suitable arm's length.

10. I am copying this letter to Sir Kenneth Cork and Mr David Brierley (RSC); Sir Claus Moser and Sir John Tooley (ROH); Sir William Rees-Mogg and Mr Anthony Field (ACGB); and Mr Colin Peterson (Public Appointments Unit).

*Yours ever,*

*Chwi*

~~C PRIESTLEY~~

Enc: List of critics

DAILIES:

Daily Express	Douglas Orgill
Daily Mail	Jack Tinker
Daily Mirror	Arthur Thirkell
Daily Star	Ken Eastaugh
Daily Telegraph	Keith Nurse
The Financial Time	Michael Coveney (also A Thorncroft, arts page editor)
The Guardian	Michael Billington; Nicholas de Jongh
Morning Star	Thomas Vaughan
Evening Standard	Milton Shulman
The Sun	Tim Ewbank
The Times	Irving Wardle; Christopher Warman; Bernard Levin

SUNDAYS:

Sunday Times	James Fenton
The Observer	Robert Cushman
Sunday Express	Clive Hirschon
Sunday Mirror	Madeleine Harmsworth
The People	John Du Pre
Sunday Telegraph	Francis King
News of the World	Ivan Waterman

OTHERS

Desmond Shaw-Taylor	ex-Sunday Times
W Mann	ex-Times

PERSONAL

Prime Minister

2

Mr FLESHER

I don't know whether you had a chance to read the attached letter.

Mr. Priestley was keen that you should know whom he was proposing to use as consultants. He knows

SPECIAL FINANCIAL SCRUTINY OF THE ROH AND RSC that Mr. Stuart Young is unlikely to have time to be able to help. FERB

The attached copy letter to Miss Giles (OAL) shows how things stand on the subject of your minute of 1 February. I shall come back to the Prime Minister with firm news shortly. At the same time, I should be very grateful for 10 minutes worth of Mrs Thatcher's time to take her mind on a couple of points I would rather not commit to paper but which are important to her interest in the exercise. 17.3.

CP

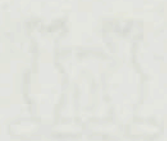
C PRIESTLEY

25 February 1983

*[Handwritten signature]*

Enc: As indicated

CONQUEROR



*Anto e Almeida*



10 DOWNING STREET

Papers to be returned to  
FERB

through Mr Flesher

Handwritten initials, possibly 'AF' or 'AD', enclosed in a circle.

*Ad*

8.3.83



216 AH  
cc Sir Armstrong

10 DOWNING STREET

*From the Principal Private Secretary*

MR PRIESTLEY  
MANAGEMENT AND PERSONNEL OFFICE

SPECIAL FINANCIAL SCRUTINY OF THE ROH  
AND RSC

Over the weekend, I showed the Prime Minister your minute of 25 February, with a copy of your letter of the same date to Mary Giles. The Prime Minister read these papers and noted them without comment.

F.R.B.

7 March 1983

MA



10 DOWNING STREET

DA  
7/3

With the compliments of

IAN GOW