

A/8

MEMORANDUM

TO: Ian Christie  
Barrie Ellis-Jones  
Colin MacCabe  
Irene Whitehead

cc: Wilf Stevenson  
Chet Shukri  
Ted MacDonald

RESTRUCTURING: REALLOCATION OF FUNDING AND DEVELOPMENT BUDGETS

The agreed note of our meeting on 3 November about this has now been circulated. There are a number of issues that need to be discussed further, particularly the detailed allocation of that part of the present Direct Grants budget which cannot be directly attributed to exhibition or production. In the meantime, however, I need as a matter of urgency to get ahead with asking Divisions to prepare revised budgets for 1990/91, and that in turn means that I need to fill in figures for the proposed budgetary reallocation as between F & D, and Distribution and Production Divisions.

Fortunately, many of the relevant figures would seem to flow automatically from what was agreed at our meeting. The key amounts in the 1989/90 F & D budget (the relevant baseline) for preparing revised budgets for 1990/91, are as follows:

(a)	<u>RAAs</u>	£1,465,000
	<u>Direct Grants</u>	
(b)	- directly attributable to exhibition	£ 522,340
(c)	- directly attributable to production	£ 139,289
(d)	- not directly attributable (- eg national organisations)	£ 311,369
(e)	<u>Development</u>	£ 279,400
(f)	<u>Training</u>	£ 24,000

It has been agreed that items (a), (e) and (f) should all stay with the Planning Unit, at least for the time being.

Item (b) should be reassigned to Distribution Division. We will allocate these amounts to the relevant budgets accordingly.

I propose, for the immediate purposes of the budgetary exercise, that item (c) should be reassigned to Production Department. These sums are, of course, directly attributable to Production and, though these sums are at present tied up in London, it has been agreed that in the current negotiations with GLA etc no new commitments should be made which would be incompatible with Production Division's own policies and priorities.

As regards item (d) we will assume for purposes of the budgetary exercise only that the allocation stays where it is for the time being. However, as soon as you have all agreed on the appropriate assignment for the individual items included in this amount, we can adjust the budgetary allocations accordingly.

*Michael Prescott*

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