

30 August, 2001

Kim Evans  
Arts Council of England  
14 Great Peter Street  
London SW1P 3NQ

Dear Kim,

#### LUX STABILISATION

Following the meeting at ACE at the end of last month, I know Carol promised I would get back to you to confirm the Film Council/bfi joint position regarding the Lux ahead of the meeting of the ACE Stabilisation Panel on 5 September.

I guess key issues from our joint perspective are as follows:

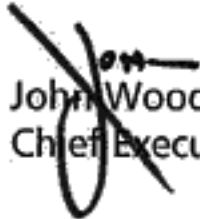
- We are disappointed, but not entirely surprised that the Lux's financial position has reached such a critical position.
- We acknowledge that the Lux is the UK's premier resource for Artists Film and Video and note that as such ACE is the lead stakeholder.
- We recognise that aspects of Lux activities have an interest to us. For example, its cinema programme and its archiving activities.
- We are committed to support ACE, in association with LFVDA and LAB, to find the best and most practical solution to the Lux's current predicament both short and long term.
- We accept that the best or only solution may be to see the Lux quit Hoxton Square and to reconfigure radically its portfolio of activities.

In addition to which:

- The Film Council will continue to support the LFVDA in its role as one of the main funders of the Lux.
- The Film Council will continue to support the bfi in its role as landlord and in its negotiations with the Glasshouse in relation to the rent review.

I hope these broad principles help clarify our joint position. In turn, what would be helpful to us is if ACE could be very specific about how we could appropriately support ACE reach and effect the best solution for all those involved. I'm sure we all agree the current situation is appalling and if not resolved swiftly and sensitively is one which could rebound badly on all of us not least Lux staff, audiences and artist filmmakers.

Best wishes,

  
John Woodward  
Chief Executive Officer

cc: Jon Teckman/bfi  
Gill Henderson/LFVDA  
Carol Comley/Film Council