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2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

16 April 1984

Dear Andrew

We spoke about your letter of 5 April to John Ballard enclosing a copy of a letter to the Prime Minister from Councillor Hamilton of Liverpool City Council.

- / I enclose a short, self-explanatory letter for the Prime Minister to send in reply.

Yours ever
Alan Davis

A H DAVIS
Private Secretary

Andrew Turnbull Esq

DRAFT LETTER FOR THE PRIME MINISTER TO SEND TO COUNCILLOR
HAMILTON

Thank you for your letter of 3 April proposing a meeting to discuss Liverpool City Council's finances. Patrick Jenkin has reported to me on his meeting with the Council last Friday, and I have now seen a copy of his letter to you following that meeting.

Regional Policy: Liverpool Pt 4 Pr 20



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16
Apr 1984



10 DOWNING STREET

THE PRIME MINISTER

17 April 1984

Dear Councillor Hamilton

Thank you for your letter of 3 April. The Government fully appreciate the difficulties facing Liverpool and recognise the factors which you have set out in your letter. It was for this reason that substantial public help has already been provided to the area.

Since you wrote to me, you have had a meeting with the Secretary of State for the Environment and he has now written to you. He strongly urged the City Council to introduce a legal rate. The interests of the people of Liverpool, whether employees of the Council or those who enjoy its services, cannot be advanced by the adoption of an illegal rate. He also suggested an efficiency study under Section 29 of the Local Government Finance Act 1982. I hope you will give this proposal serious consideration.

Yours sincerely
Margaret Thatcher

Councillor John Hamilton.

BM

MJ

PA on file

File

16 April 1984

I attach for your records a copy of the reply which the Prime Minister has sent to Councillor Hamilton of Liverpool City Council.

Andrew Turnbull

A.H. Davis, Esq.,
Department of the Environment.