

CONFIDENTIAL

PRIME MINISTER

Liverpool

At our suggestion, Mr. Jenkin met the Chief Secretary today to discuss his proposals for Liverpool. Those for 1984-85 are in line with what has already been discussed by colleagues. For 1985-86 Mr. Jenkin wishes to give Liverpool an assurance that he will be able to give additional help. He would like to be in a position to allocate an extra £10 million for Housing Improvement Programme and Urban Programme (Liverpool gets about £80 million at present for the two programmes) though this figure would remain an understanding with the Treasury and would not be mentioned to Liverpool at this stage. The Chief Secretary is content provided the cost is contained within whatever is agreed for HIP and UP in the public expenditure round. The Chief Secretary is also content with the wording. While the Treasury may be content so long as the cost is contained within these totals, it is not clear how this satisfies the condition of not disadvantaging other authorities.

At the meeting you will want to establish whether colleagues are content with what has been agreed.

(Mr. Jenkin hopes to leave for Bournemouth at around 1015 where he will be addressing the conference of the Association of District Councils. With no trains he will have to drive.)

AT

26 June 1984

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