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SECRETARY OF STATE Price Misse

Mr. Beke (al Cyril Tayle)

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PRIME MINISTER

I understand that you have some reservations about the value of establishing a City Arts College with an emphasis on the applications of technology in the field of broadcasting, entertainment and the arts.

I would have liked to have had the opportunity to discuss this with you before the weekend but I understand of course that this will probably not be possible.

However, I think you ought to know where we stand. The problem we now face is that we have not been able to conceal the interest of the prospective sponsors. Richard Branson has already visited a possible site in Croydon which Peter Bowness might well be prepared to make available. The idea has already developed some momentum; and, as you know, Norman St John Fawsley is keen to put down an amendment in the Lords early next week.

I want to avoid getting into a situation in which the Government is seen to be blocking the idea and for that reason I do not want to discourage Norman from initiating a discussion.

What I would like to do is to brief Gloria Hooper to respond at Report Stage by saying that the amendment raises a number of issues but that the Government is prepared to consider it further. In other words, Norman's amendment would be resisted on technical, and other grounds but the door would be left open to make progress at Third Reading.

The reason for urgency is that this is the last stage in the timetable of the Bill for introducing changes of substance. I do not want to close the door without further discussion by rejecting Norman's amendment outright.

Perhaps I could come and see you to discuss this further after you return.

T.O. Jegy

Department of Education and Science

(Approved by the Secretary of State and signed in his absence)

16 June 1988

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10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

17 June 1988

CITY ARTS COLLEGE

The Prime Minister has seen your Secretary of State's minute of 16 June. She is content for the Parliamentary Under Secretary of State to take the line proposed at the Report Stage in the Lords, on the condition that nothing is said that in any way prejudices the outcome.

PAUL GRAY

Chris de Grouchy, Esq., Department of Education and Science.

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