



HOUSE OF COMMONS
LONDON SW1A 0AA

cc Mr Gow
Fitz Stephens
WFSR (because of
Mr Clark's earlier
invitation to PM
to visit the area
unannounced?)

PB

8 February 1982

R 9/2 Prime Minister

The Rt Hon Mrs Margaret Thatcher MP
No 10 Downing Street
London

Content to see
him on the
usual basis?

Yes Mr.

Dear Prime Minister

MAF 9/2

Sometime ago you did promise to see any MP who had
suffered a factory closure in his constituency.

Last Summer I availed myself of this offer and you
kindly agreed to talk to me about the closure of
Ferrograph Ltd.

Since then the situation has deteriorated consider-
ably and we have suffered a number of closures in
South Shields. On Friday it was announced that the
Mary Harris factory in South Shields is to close
with the loss of 130 jobs. Bearing in mind the
unemployment in South Shields is the worst on
Tyneside I would be most grateful if you would see
me to discuss this closure.

I look forward to your reply.

4 Next
1530.

Yours sincerely

Dr David Clark MP



RR4/7

mu

pls file
w. PPS

With Compliments

Daniel Carl CLARK

HOUSE OF COMMONS
LONDON SW1A 0AA

Month	Area	Young Persons ¹		Adults ¹		Unem- ployed	% Rate	School Leavers		Male Unemp- loyed	Male % Rate	Female Unemp- loyed	Female % Rate	Unfilled Vacancies
		Boys	Girls	Males	Females			Boys	Girls					
April 1981	S/Shields	572	399	4681	1319	6971	18.1	112	120	5253	23.2	1718	10.8	75
	J/Hebburn	489	364	2937	826	4616	18.2	76	78	3426	19.4	1190	15.6	
	E/Boldon	78	57	530	161	826	19.1	-	-	608	20	218	16.8	
	S/Tyneside	1139	820	8148	2306	12413	18.2	188	198	9287	21.4	3126	12.6	103
May 1981	S/Shields					6971	19.4	143	140	5348	23.6	1623	10.2	92
	J/Hebburn					4677	18.5	95	92	3435	19.4	1242	16.3	
	E/Boldon					828	19.1	-	-	611	20.1	217	16.7	
	S/Tyneside					12476	18.3	238	232	9394	21.7	3082	12.4	123
June 1981	S/Shields					7831	20.4	616	554	5799	25.6	2032	12.8	74
	J/Hebburn					5001	19.8	289	244	3607	20.4	1394	18.3	
	E/Boldon					827	20.1	-	-	609	20	218	16.8	
	S/Tyneside					13659	20.1	905	798	10015	22	3644	15.8	105
Quarterly Averages														
2nd 1980	S/Tyneside	831	820	6654	1698	10258	15.1	344	367	7537	17.4	2721	11.0	258
3rd 1980	S/Tyneside	1641	1613	6509	2021	11549	17.0	848	883	7980	18.4	3509	14.4	186
4th 1980	S/Tyneside	1085	1198	6746	2124	11242	16.5	298	411	8042	18.5	3200	12.9	118
1st 1981	S/Tyneside	1054	1026	8027	2228	12255	18.0	219	270	9142	21.0	3133	12.6	127
2nd 1981	S/Tyneside	1139	820	8148	2306	12849	18.9	444	409	9565	21.7	3284	13.6	110

1. Separate figures for young persons and adults are only available for the first month of each quarter. The quarterly averages shown under these headings are the true figures for those months and so do not add up to the three quarterly average shown under unemployed



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LONDON SW1A 0AA

please file.
cf. 24/2.

Prime Minister

22 February 1982

The Rt Hon Mrs Margaret Thatcher MP
10 Downing Street
London W1

Dear Prime Minister

This is merely to confirm that I shall attend
your room at the House of Commons on Thursday
4 March at 15.30, as you requested.

Yours sincerely

Dr David Clark MP

TO: JONATHAN HUDSON ESQ

CF

2/3



Dr. J. CLARK
MP

10 DOWNING STREET

Could your brief please reach us
by close of play on Tuesday
2 March.

With the compliments of

CAROLINE STEPHENS



From: R T Gardner, FCBSI
Chief Executive

BRADFORD & BINGLEY BUILDING SOCIETY

BINGLEY
WEST YORKSHIRE
Telephone Bradford 568111

19th February 1982

PRIVATE & CONFIDENTIAL

Mr David,

Housing Development in South Shields

Further to our enjoyable dinner on Wednesday the 10th February in the House and our discussion regarding the above, I have now been able to give the matter further consideration.

As I understand it, the objectives include :

1. A potential development of up to 300 houses with appropriate environmental attractions.
2. Provision of employment for local labour.
3. To satisfy in whole or in part the Local Authority Housing list.
4. Preference to be given to a local/regional firm of builders who must be members of the NHBC for reasons well known to yourself.

I would add that in addition to the above my own personal preference would be for a local builder who is a member of the Federation of Master Builders as well as being a member of the NHBC. The reason I make this point is that the Federation of Master Builders have recently been operating a scheme which could be ideal for your project. It would also be acceptable to the Government since subsidies are not involved.

J..

The scheme is known as "Licence to Build", an outline of which is as follows :

- a. The Local Authority provides a licence for the builders to build homes to an agreed price and standard.
- b. The builder does not actually purchase the land and it is part of the agreement that upon reaching the footings stage he must offer the property to persons on the Local Authority Housing list. If, within 12 weeks of such an offer there are no buyers from the Local Authority Housing list, the agreement provides for the property to be put on the open market. It is understood that this has never actually happened in practice.
- c. The house purchaser then buys the land direct from the Local Authority and the property from the builder.

I am obtaining a copy of the draft contract in respect of "Licence to Build" and will send it to you as soon as possible.

You will note that through this scheme the Local Authority retains control of the development while the builder need only provide minimal finance (up to footings stage), the rest of the finance being supplied by Building Societies.

There is nothing new in what I have said, it being simply a form of progress mortgage which Building Societies have been doing for years. Incidentally, the builders prefer this type of progress mortgage since they themselves are not involved in interest charges !

It would not be too difficult to get several Societies to become involved in this development. Certainly Bradford & Bingley would be willing, though obviously no one Society, for obvious reasons, would want a total commitment to an Estate of 300 properties whether it be in South Shields or elsewhere. Apart from Bradford & Bingley, I am sure the local Society, the Sunderland and Shields would be interested, while the major Societies, particularly the Halifax, Abbey National and Nationwide would also wish to be involved. I am quite certain there would be no difficulty in ensuring that the necessary finance was there.

Incidentally, Bill Hilton, who is the National Director of the Federation of Master Builders is well known to me. In fact I had a detailed discussion with him about this project earlier this week. He was most interested. He assured me that in those cases where "Licence to Build" had already been involved there was no problem in selling the houses

to those people on the Local Authority waiting list. He went further and stated that they had not yet come across a case where it was necessary to put the house on the open market - as indeed was mentioned in the earlier part of this letter.

Naturally Building Societies require some form of protection in case of default - to ensure that investors' interests, such as your own, are fully protected ! There are two methods of approaching this problem :

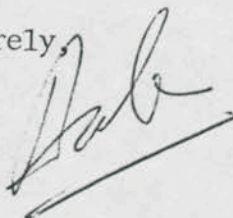
- a. The Building Society can arrange a single premium insurance guarantee policy - the premium being paid by the borrower. The premium involved can be reduced if the Government (e.g. Option Mortgage Scheme) are prepared to share part of any losses involved.
- b. The Local Authority can provide a guarantee under the 1980 Housing Act whereby in the event of a Building Society suffering a loss, a claim can be made on the Local Authority.

In the past, Building Societies have preferred (a) because of the speed of operation, some Local Authorities being rather long winded in making a decision about a guarantee. Having said that, (b) can be done at no cost to the applicant. If the Local Authority will give speedy decisions then I am quite sure the Building Societies would opt for (b) particularly as the Housing Act does give power to give a global guarantee.

I am enclosing a copy of this letter as you may wish to pass it to a "colleague".

Best Wishes,

Yours sincerely,



Dr. David Clark, M.P.,
House of Commons,
LONDON SW1A 0AA.

MFJ

L1 February 1982

Further to our conversation on the telephone this morning, I confirm that the Prime Minister will see you in her room at the House of Commons at 1530 on Thursday 4 March to discuss the closure of the Mary Harris factory in South Shields. Mr. Kenneth Baker will also attend the meeting.

CS

Dr. David Clark, M.P.

