



2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref: H/PSO/15547/82

Your ref:

17 August 1982

Dear Willye, ^{WV 17/8}

Thank you for the copy of your letter of 30 July to John Alty at Industry, about Dr David Clark's meeting with the Prime Minister on Ship-repair closures.

There is nothing in your letter of immediate concern to this Department, but you should be aware that South Tyneside MBC have also been in touch, in parallel to Dr Clark's visit, with my Secretary of State and the Secretary of State for Industry. One of our Ministers will join DI Ministers, if appropriate, in receiving any South Tyneside delegations. Otherwise, South Tyneside is already a substantial beneficiary from policies administered by this Department. The largest Enterprise Zone in the country is within its travel-to-work area, at Gateshead. If - as we expect - South Tyneside bid for a Zone of their own, in terms of the Chancellor's recent statement, it will of course be carefully considered. The area has Programme Authority status under inner cities policy, and this year is receiving £3.7 million in Urban Programme assistance. We are seeking to increase the amount spent on economic regeneration. We are looking at the establishment of a Tyne and Wear Enterprise Trust. The area receives substantial EEC support, through the Regional Development Fund.

/ A copy of my Secretary of State's reply to South Tyneside is enclosed.

yours,
Helen Ghosh

H F GHOSH
Private Secretary

Willie Rickett Esq



2 MARSHAM STREET
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My ref: H/PSO/15529/82
15355

Your ref: CE/LID

17 August 1982

Thank you for your letters of 22 and 30 July, about ship repair closures in South Tyneside.

The points you raise are largely matters for my colleagues in the Department of Industry. If, in due course, you meet Ministers of that Department then I would be pleased for Lord Bellwin to attend on behalf of this Department.

I have read with interest the briefing note accompanying your letter of 30 July. I recognise the very great concern this gives to your Council. However, I would point out the very substantial support already being given by programmes from my Department. The largest Enterprise Zone in the country, at Gateshead, lies within your Travel to Work Area. In addition, my officials from the Northern Regional Office are prepared to assist your Council in any submission for a further Zone you may wish to make, following the Chancellor's recent announcement. You have Programme Authority status, and will receive £3.7 million under the Urban Programme this year - the second largest such allocation in the Region. You are aware of my wish to see more such resources going into economic regeneration. I am aware of your disappointment over Derelict Land Grant, but you must appreciate the schemes put forward are of very low priority. This is a point you may care to pursue further with my Regional Office. You will also be aware of the development of the Tyne and Wear Enterprise Trust, whose activities should cover all your Borough. You are also aware of the support being given to projects in your area from European sources, both Regional Development Fund and from the new non-quota arrangements. Finally, it is of course still open to your Council to bring forward proposals for Urban Development Grant.

MICHAEL HESELTINE



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