Minister of State for Local Government

Jepso/13261/83

August 1983

Lew Grey.

Thank you for your letter of 28 June to Patrick Jenkin about "Tate in the North".

I am glad to see that you share my, and my predecessors', views of the importance of this project, not only to the Albert Dock development, but more widely to Merseyside and the North. My difficulty is, as Michael Heseltine explained in his letter to Paul Channon on 20 December last year, that further financial support (over and above the considerable amounts being spent on restoration of the building fabric) for the fitting out of an art gallery, would not be appropriate to my Department.

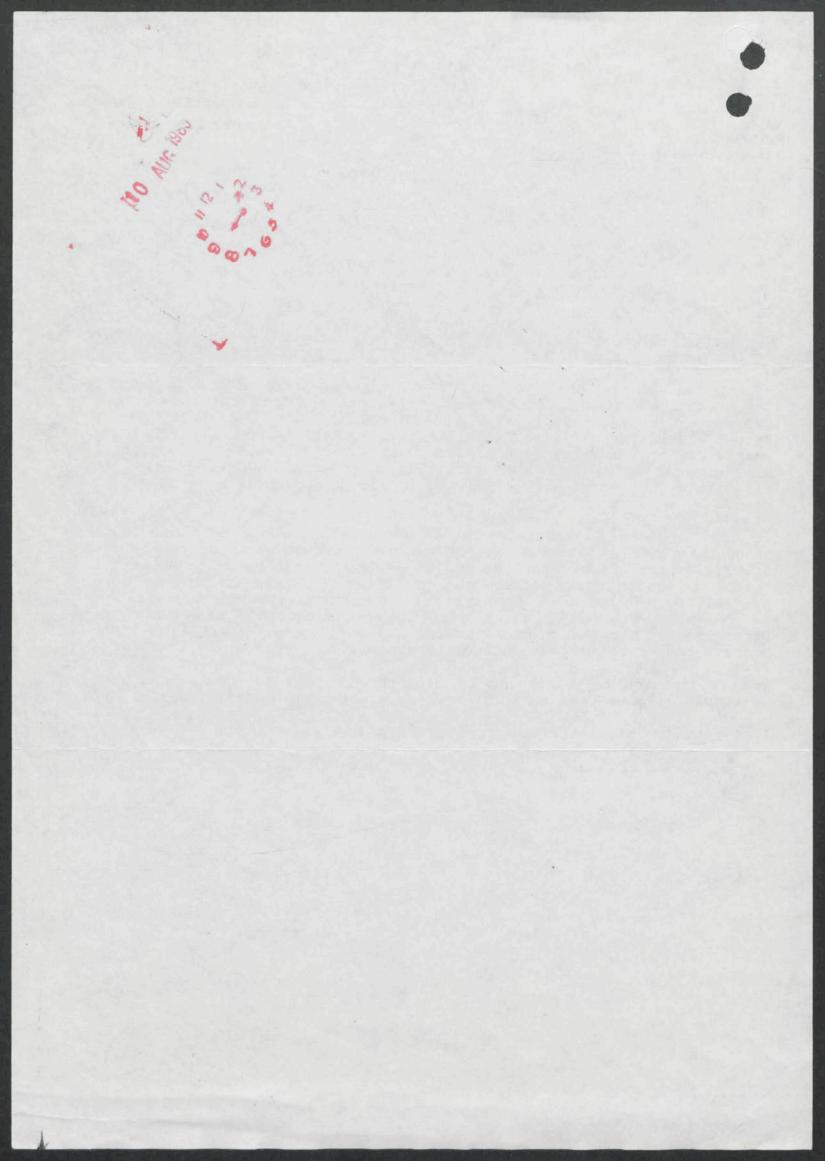
It does seem to me that the Tate - no doubt with the help of the OAL - should start in earnest on the crucial task of securing substantial private sector support for the project. If this can be achieved, together with funding from other sources - the European Community is one possibility - the need for central Government resources might well be reduced to a level which could be accommodated from within your programme. It might also be useful to involve Cecil Parkinson in the efforts to secure maximum industrial support.

Your suggestion of a meeting to discuss all this is very useful, and we should like to take it up as soon as a date can be fixed.

I am copying this letter to the Prime Minister, to whom you copied yours.

LORD BELLWIN

Jon in cerely.





From the Minister for the Arts

The Rt Hon Patrick Jenkin MP Secretary of State for the Environment 2 Marsham Street London SWIP 3EB OFFICE OF ARTS AND LIBRARIES Old Admiralty Building Whitehall London SW1A 2AZ Telephone 01-273 4400

28 June 1983

NBM ms 39/6

blue Patrick,

Our predecessors corresponded about the financing of the proposed "Tate Gallery of the North" project in Liverpool's dockland. The matter rests with Paul Channon's letter of 31 January 1983 to Tom King.

I need hardly repeat the economic and cultural usefulness of this project, both to Merseyside and the North generally. Like Paul, however, I see very little prospect of finding from within my existing public expenditure programme more than a small proportion of the amount needed to bridge the gap between what the Tate trustees expect to raise from private sponsorship and the total capital cost (and there is also the problem of meeting the running costs thereafter). The gap could be between £3 million and £7 million depending on the size of the gallery to be provided. Recent Press reports suggest that it has not narrowed, and that the Tate trustees will be approaching us for a firm commitment to Government support. I will do all I can to encourage them to seek further sources of private sponsorship, but I have no doubt that a significant Government contribution will be needed if the project is to go ahead.

I understand that the Prime Minister is convening a meeting to discuss Merseysise matters, and that your officials are reexamining the prospects for financing various public expenditure projects in the area, including the Tate proposal, either from your programme or from some other source. I hope it will be possible to find a solution, and I would be happy to discuss this further with you.

I am copying this letter to the Prime Minister.

Zours,

