10 DOWNING STREET 6 August 1984 From the Private Secretary Royal Academy Appeal As you know, the Prime Minister was not happy with the draft letter to Sir Hugh Casson about the Royal Academy Appeal. After consultation with Mr. Wilding, and clearance with Lord Gowrie, I submitted a shortened version over the weekend, but the Prime Minister was not happy with this either. The Prime Minister takes the view that the Royal Academy is a unique institution, which has done well to remain as independent of government as it has. She believes that its Appeal merits a further modest contribution from the taxpayer. The Prime Minister accepts that the 1984/85 Arts Budget is fully committed. But she would like, as a minimum, to be able to tell Sir Hugh Casson that in 1985/86 the Government will equal its previous contribution by providing a further £250,000. The Prime Minister would be grateful if Lord Gowrie and the Chief Secretary could discuss and agree between them how this amount of money might best be found. She would be content with a solution which found half from the planned budget for the Arts, and allowed half as an additional bid in the forthcoming PES round. I should be grateful if you could provide a further draft letter to Sir Hugh Casson as soon as possible. I am sending a copy of this letter to John Gieve (Chief Secretary's Office). David Barclay Mrs. Mary Brown, Office of Arts & Libraries.

OFFICE OF ARTS AND LIBRARIES Great George Street London SW1P 3AL Telephone 01-233 8610 From the Minister for the Arts David Barclay Esq Private Secretary 10 Downing Street 14 August 1984 Dear David, ROYAL ACADEMY APPEAL Thank you for your letter of 6 August. The Chief Secretary is away, and Lord Gowrie assumes that the Prime Minister would not wish to prolong the delay in replying to Sir Hugh Casson until September. In these circumstances, he thinks that the best way to proceed is to undertake the commitment to the Royal Academy now, and leave the question of financing over until his bilateral discussion with the Chief Secretary in the autumn. In that connection, Lord Gowrie is grateful for the Prime Minister's 50/50 suggestion. In principle, he is ready to try to find part of a further contribution if the Chief Secretary can find the rest. I enclose a draft letter to Sir Hugh Casson as you requested. A copy of this letter goes to John Gieve in the Chief Secretary's Office. Souia Rippoud A MRS M E BROWN Private Secretary

ROYAL ACADEMY APPEAL

When you and your colleagues came to see me about the Appeal on 19 June, I undertook to reflect further on your request for an additional Government contribution. I am 6my was to have come back to you on this before new.

I warmly support the objectives of the Appeal. The Royal Academy has a magnificent record in presenting exhibitions of the highest quality, and it is important that you should bring the building to a standard which enables you to maintain and enhance that record in future.

I know that you are trying hard to raise funds from the private sector, and that you believe that even a modest further contribution from the Government would encourage more donations.

My colleagues and I are willing to back that belief.

We cannot provide an additional contribution this year,
since the arts budget is already fully committed and
we could only find money for your Appeal by taking it
away from other institutions which have already been promised
it. But we shall be ready to make a further contribution of
£250,000 in 1985-86, thus doubling the amount we provided
two years ago.

At the same time I hope that

This undertaking is given on the understanding that the Royal Academy will step up its own efforts to raise funds for the building part of the Appeal, both from the private sector and any other possible sources such as the Historic Buildings and Monuments Commission. Please keep Grey Gowrie in touch with your progress.

and our further contribution is promised on that understady.

I should be grateful if you and beep

PRIME MINISTER

ROYAL ACADEMY APPEAL

You asked Lord Gowrie and the Chief Secretary to consider whether they could not between them provide a further contribution to the Royal Academy Appeal say £250,000, to equal the Government's earlier contribution.

They have now agreed on the attached reply, which makes a firm offer for 1985/86. The two departments will sort out among themselves how the money is to be found.

DAVID BARCLAY

21 August, 1984

- Well done!