



DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

NDPM

AF 24/10

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
Treasury
Parliament Street
London
SW1P 3AG

22 October 1984

Dear Nigel

THE RAILWAY HERITAGE TRUST

I thought you would want to know that the British Railways Board propose to set up an independent Railway Heritage Trust. It will be concerned with the up-keep and preservation of BR buildings and structures of historic or architectural interest and it will seek to tap the financial and other help of the private sector and the general public.

The Trust will come into full operation next April. William McAlpine has agreed to act as its first independent Chairman. BR has applied to the Registrar of Companies for the Trust to be registered as a company limited by guarantee (neither British Rail nor the Government will be guarantors). The Trust will be seeking charitable status for at least some of its activities.

The Trust will set up two separate and non-transferable Funds. One ("Fund A") will assist the Board in the preservation of that part of the railway heritage which remains in operational use. BR would contribute annually - about £1m in 1985/86 - to Fund A. The Trust would account to the Board for this Fund's expenditure, which will take the form of grants to local railway managers on the basis of their agreed plans for such things as restoration of architecturally outstanding features of stations.

The second Fund ("Fund B") will help with the preservation of non-operational structure of historic and architectural value in co-operation with the BR Property Board and outside bodies and will draw on public subscription whenever practicable.

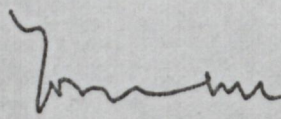
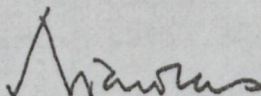
In suitable cases, the Trust or other bodies (eg local groups of enthusiasts) would assume ownership of non-operational properties of special quality - a disused viaduct, for example. BR propose that, in these cases, the Property Board would offer a suitable "endowment".

I support these proposals as a sensible and imaginative way for BR to shed liabilities while at the same time ensuring that more of our cherished railway heritage is better maintained. Its aim will be to generate a lot of private money to help discharge what has hitherto been a public responsibility. It should help take some of the sting out of railway closures involving historic structures. I believe it will be widely welcomed by the public.

The basis on which the "endowment" will be calculated will vary from case to case, although decisions will in every instance be based on commercial principles. Offers are likely to be based either on the long-run maintenance costs to be saved, or the cost of demolition where that was an option. This formula has already been applied successfully by the Property Board in the past. Although it could vary from year to year, BR estimate that the annual impact on the Board's EFR might be about £1m. The BR Board would, of course, control the quantum of its "endowment" payments within the constraints of its EFL. It is hoped to attract considerable amounts of private money as well.

The establishment of this Trust has been master-minded by Simon Jenkins, as a part-time Board member and Chairman of BR's Environmental Panel. He plans to announce the Trust's formation on Tuesday 23 October, when he will be chairing a Seminar on "The Future of the Railway Heritage", arranged by the Royal Society of Arts. I propose to welcome the Trust as an imaginative initiative which should prove a positive step forward in our efforts to maintain this extremely valuable part of our national heritage.

I am sending copies of this letter to members of E(NI), to the Minister for the Arts and to Sir Robert Armstrong.

NICHOLAS RIDLEY



PP

Cen

Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Nicholas Ridley AMICE MP
Secretary of State for Transport
Department of Transport
2 Marsham Street
London SW1P 3EB

2 November 1984

Nicholas Ridley

NB

RAILWAY HERITAGE TRUST

Thank you for your letter of 22 October to the Chancellor.

2 The Trust Scheme which BR have set up may be successful in tapping private sector funds, and if in doing so it reduces public expenditure I shall welcome it. But it seems clear that BR will have to put money regularly into Fund A, and this does not appear to be money which they would have found it necessary to spend on maintaining railway property had this Trust not been created. Although the sums at stake are relatively small, I am concerned that this contribution could add to the loss on the passenger railway, and so create an upward pressure on PSO grant.

3 I hope therefore that this expenditure will be carefully monitored. If the Trust does not attract enough private sector money in the first year or two to bring about a continuing reduction in BR's costs, then I think that the Trust should confine its activities only to Fund B and the disposal of non-operational property.

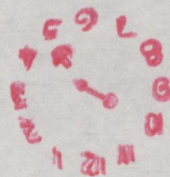
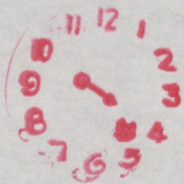
4 I am copying this letter to members of E(NI), to the Minister for the Arts and to Sir Robert Armstrong.

Peter Rees

PETER REES

6R Fares: TRANSPORT 1+8.
(X)?

~~21 NOV 1984~~



~~2 NOV 1984~~



NDPM 23/4 CCNO
DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

123

The Rt Hon Peter Rees QC MP
Chief Secretary to the Treasury
HM Treasury
Treasury Chambers
Parliament Street
LONDON SW1P 3AG

21 November 1984

Dear Sir

RAILWAY HERITAGE TRUST

Thank you for your letter of 2 November about the new independent Railway Heritage Trust which British Rail has set up.

I note that your welcome of the Trust is tempered with a concern that money channelled by the Board into Fund A is money which they would not otherwise have had to spend. This is not so. Fund A will assist the Board in the preservation and upkeep of listed buildings, scheduled monuments and other buildings of an architectural or historical character which are still in operational use. And just as other owners of listed buildings are expected to maintain these structures, so too are the Board - quite apart from the fact that they need them to run the railway! What the Board are seeking to do by way of the Trust is to involve others and thereby to share more widely the burden of preserving the railway heritage.

It should be a Chief Secretary's dream!

I am copying this letter to members of E(NI), the Minister for the Arts and Sir Robert Armstrong.

Nicholas Ridley

NICHOLAS RIDLEY