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10 DOWNING STREET

qf: have you
a suitable file?
JR 16/2

From the Principal Private Secretary

16 February 1987

Thank you for your letter of 13 February
about the South Atlantic Fund.

The Prime Minister has seen and noted
your report. She is grateful to be kept
in touch with developments in this way.

N.L. WICKS

Sir Clive Whitmore, KCB, CVO.

BS



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PERMANENT UNDER-SECRETARY OF STATE
SIR CLIVE WHITMORE KCB CVO

13th February, 1987.

PUS/V87/138
9/31/F)

Prime Minister²
to note.

N.L.W.

13.2

See Nigel,

MF

THE SOUTH ATLANTIC FUND

You may have seen the article in the Daily Express of 9th February which suggested that the Prince of Wales had intervened to force "Whitehall chiefs" to "drop plans to axe [the South Atlantic Fund]". This is a distorted and misleading report, and as I have written to you before about the Fund, I thought it would be helpful to set out the facts.

2. In my letter of 8th December about the future of the Fund I explained that the Trustees had decided to recommend that the Fund be extended at least until July 1988 (that is a year beyond the date of July 1987 which is when the original Trust Deed said the Fund should be wound up) and that there was to be a further review of the date of closure in a year's time. These proposals were to be submitted by the Trustees to the Fund's Patron, The Prince of Wales.

3. The meeting with the Patron took place on 5th February, and he agreed the Trustees' proposals. The extension to July 1988 has therefore been publicly announced. I am afraid that off-the-record briefing provided to the Daily Express by the Fund's Secretary gave rise to the article. There is absolutely no disagreement between the Patron and the Trustees: all that happened is that the original date of closure set out in the 1982 Trust Deed has been extended, to reflect experience during the five years of the Fund's operation. Should the Trustees wish at some future date to close the Fund, we will of course see that Ministers are consulted before a final decision is taken.

Yours ever,

Clive Whitmore.

N. L. Wicks, Esq, CBE,
PPS/Prime Minister,
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