

SUBJECT

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CONFIDENTIAL

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10 DOWNING STREET

THE PRIME MINISTER

Personal Minute

No. M8/797

SECRETARY OF STATE FOR THE ENVIRONMENT

SALE OF NEW TOWN ASSETS

According to present plans, I understand that the sale of New Town assets are expected to contribute some £70 million towards reducing the PSBR this year. This is on the assumption that we proceed without legislation.

It seems that a great deal more could be achieved if we legislated - perhaps sales amounting to £1 billion or over. In order to make the maximum contribution to cutting back the PSBR this year and next through the sale of New Town assets, I would be grateful if you could now urgently prepare a programme of sales on the assumption that we do legislate. If we could mount a major programme of sales, this could substantially ease the Chancellor of the Exchequer's difficulties.

I am sending copies of this minute to other members of E(DL) Committee, to the Home Secretary, the Chancellor of the Duchy of Lancaster, the Lord Chancellor, the Chief Whip and to Sir John Hunt.

Barbara Heister

24 July 1979

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10 DOWNING STREET

PRIME MINISTER

• Sale of New Town Assets

You said you would like to send a minute to Mr. Heseltine, following your conversation with him. I attach a draft. (At Flag A is Sir Kenneth Berrill's note.)

(Pc ↓)

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23 July 1979