

Confidential



Treasury Chambers, Parliament Street, SW1P 3AG

11 October 1979

The Rt Hon George Younger TD MP  
Scottish Office  
New St Andrews House  
St James Centre  
EDINBURGH  
EH1 3SX

12/11/79

Dear Secretary of State,

DISPOSAL OF NEW TOWN ASSETS

Thank you for your letter of 28 September about the disposal of new town assets in Scotland. I am grateful for the contribution to the disposals targets.

The figure of £1 million will be logged up against our 1979-80 target. I accept, for the reasons you give in your letter, that it would be unrealistic to expect more in the current year. However, now that the programme is under way I would hope we can look to the Scottish new towns for a significant contribution towards our agreed £500 million target for 1980-81. I assume we can count on the balance of the £5 million from the assets being placed on the market this year but that in addition, if this is the first year of a continuing programme, there will also be proceeds from whatever disposals it may prove possible to initiate next year. The composition of the £500 million target is still far from clear and there may have to be further discussion in E(DL) at which we shall need to resolve the precise figuring.

I am copying this letter as before.

Yours sincerely,

P. Diggle (private secretary)

ff NIGEL LAWSON

(approved by the Financial Secretary and signed in his absence).



21 OCT 1979