



PRIME MINISTER

Progress being made

Prime Minister

MS  
16/8

## SALE OF NEW TOWN ASSETS

In your minute of 24 July you asked me to prepare a programme of sales of new town assets (on the assumption that there is legislation) to make the maximum contribution this year and next to cutting back the PSBR.

I agree with you that we need to establish clearly a programme of sales covering this year and 1980/81. I already have the agreement of the new towns to sales in this financial year totalling £140 million and I shall be keeping a close watch on the arrangements to ensure that the receipts are achieved before the end of the financial year.

I have also now obtained from each of the new towns full details and valuations of all their industrial and commercial property and I have commissioned outside advisers - Healey and Baker - who have agreed to report to me by mid-September with an independent assessment of the valuations and with proposals for a strategy for the sale of assets up till the end of 1980/81. This will enable us to decide what scope there is for further sales in this financial year and how much we should plan to raise in the next. (Incidentally, the new towns themselves estimate their total commercial and industrial estate at something under £700 million).

C O N F I D E N T I A L



As you say, we need legislation if we are to be able to realise the full potential of new town assets; I have circulated to colleagues legislative proposals that will enable me to set the pace of the sales, as well as giving the new towns themselves clear powers to sell.

Copies of this minute go to the recipients of yours.

A handwritten signature in blue ink, appearing to be "MH".

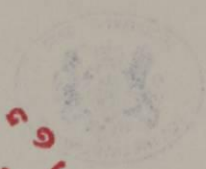
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COURT REPORT



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As you say, we need legislation to  
realize the full potential of new town areas. I have circulated  
to colleagues legislative proposals that enable us to call  
the pace of the sales, as well as giving the new towns themselves  
clear powers to sell.

Copies of this minute go to the recipients of yours.

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COURT REPORT

CONFIDENTIAL



10 DOWNING STREET

*From the Private Secretary*

22 August 1979

The Prime Minister has seen and noted progress on the sale of new town assets recorded in your Secretary of State's minute of 15 August.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

M. A. PATTISON

A handwritten signature in dark ink, appearing to read 'D Edmonds'.

David Edmonds, Esq.,  
Department of the Environment.

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