



JFA
Local
Govt
CDOE

10 DOWNING STREET

THE PRIME MINISTER

25 June 1981

Thank you for your letter of 1 June commending an early review of London government.

I recognise the logic of what you say and am, of course, alive to the implications of having a hostile administration at County Hall. George Tremlett has, as you may know, written to me recently putting just that point in respect of the GLC's housing powers which he feels are a potential source of future conflict.

I must at this stage give you both the same answer. Michael Heseltine is now considering legislation to deal with the financial and expenditure policies of local government and I feel he has his hands full for the time being. Nevertheless I will see that your views are carefully considered by him.

(SGD) MARGARET THATCHER

Sir Horace Cutler, OBE.

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