

JH 307



PRIME MINISTER

*Prime Minister -
Yes - go ahead Committee for the Jenkins in
MT approach Mr. Stirling?
MS
4ii*

I have been considering whether I should appoint a Special Adviser in place of David Young, and if so whom I should appoint.

2 As I wrote to you earlier, David was providing a valuable, complementary source of advice and action on a whole range of topics of immediate importance to the Government's objectives. On a range of issues his City experience, his understanding of the world of property and his qualities as a "doer" as well as a "thinker" came to be highly valued not only by Ministers in this Department but also by senior officials.

3 We face a series of problems where exactly that kind of help will be essential. The continuing liberalisation of British Telcoms, the privatisation of that and other publicly owned industries, the continuing negotiations for the BT Bond - these are all key policies on which City expertise of the quality David could bring is not otherwise to be found within the Department. I have, therefore, decided that if I can attract the right man, I should replace him.

4 It is not a job for which it would be appropriate either to advertise or to carry out a comprehensive trawl. I had it in mind to approach half a dozen of the chairmen of the leading merchant banks in the City and seek their help. But there is a candidate who would seem to me so admirably to fill the bill that

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I would like to sound him out before taking wider advice. He is Jeffrey Sterling, currently Chairman of Town and City Properties Ltd and Deputy Chairman of Motability.

5 It was, of course, through Motability that I first got to know Jeffrey and he has without any doubt done a superb job. His reputation in the City for his rescue and re-establishment of Town and City stands very high. I know he has ambitions to do public service because, back in September, when I had one of my regular dinners with him, I sounded him out on his plans generally.

6 He is a man whom I know well, who I get on very well with and who I trust. He is well known to Sir Peter Carey who warmly endorsed the suggestion that he should take David Young's place. I should be grateful for your permission to approach Jeffrey and find out if he would be willing to do the job.

P.J.

P J

4 March 1982

Department of Industry

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