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 Env. Affairs
 Litter Prob.
 Dec 1986

PRIME MINISTER

DEPARTMENT OF THE ENVIRONMENT

Mr. Baker is the first Minister to put in his public expenditure bids (letter below) which for DoE "central" and PSA amount to nearly £400 million in 1987/88 alone. (I understand that Mr. Ridley will be reconsidering these bids.)

He has also sent you a minute below proposing a National Environment Works Scheme (NEWS) designed to clean up Britain. This is in reply to your request to him to bring forward proposals.

The Scheme looks worthwhile and interesting. And it certainly sounds worth pursuing (though the Chief Secretary is huffy about it).

The difficulty is that Mr. Baker has rushed ahead without consulting. He has already lined up the private sector people to run it, and he planned (before his departure) an announcement for 9 June. Most of the initial money would come through Lord Young's provision of 5,000 Community Programme places, but the small remaining amount has no clear source. Mr. Baker has not committed himself to finding the money within his existing provision, and where the money will come from in later years is unclear. The Chief Secretary objects, and in effect wants NEWS to be considered in the Survey. DoE are concerned that Richard Branson, who is to be Chairman, will give up if there is a delay.

Agree that the Scheme looks very promising, but invite Mr. Ridley to discuss it further with Lord Young and the Treasury in the light of the Chief Secretary's comments?

MGA

DAVID NORGROVE

23 May 1986

If we delay it - we shall lose it and those who have been enthused will be disillusioned. I have been drawing himself to get on with such scheme
 Mike - please look sympathetically at this. pub