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MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-~~8307022~~ 218 6169

MO 26/2

3rd November 1983

Dear Margaret,

PRIVATISATION AND COMPETITION

In my letter of 26th September I gave details of this Department's potential candidates for privatisation, following the Chancellor's minute to the Prime Minister of 25th July. Part 7
p5-7.

You may be interested to learn of another possible candidate in this area, involving the future requirement for and use of the Procurement Executive Stores Depot at Aston Down, Gloucestershire. The Stores Depot, which employs about 120 staff and which will cost just over £2M this year, is used for the storage of various categories of machine tools, jigs and miscellaneous materials for the Ministry of Defence, the Royal Ordnance Factories and other (repayment) customers.

An internal study team will be examining the future requirement for the Depot, including the possibility of private sector involvement. Arrangements are in hand to notify local MPs of the study, and Trade Unions and other interested parties will also be told.

A copy of this letter goes to Andrew Turnbull (No 10), and to Richard Hatfield in Sir Robert Armstrong's office.

Yours sincerely,
Barry Neale

(B P NEALE)
Private Secretary

Miss Margaret O'Mara