

be. Sir R. Nicholson  
MJZ AEX



10 DOWNING STREET

From the Private Secretary

13 March 1985

*Dev Callum*

The Prime Minister has received the report of the Information Technology Advisory Panel (ITAP) on Cable Systems: A Re-Assessment. She has noted that the Panel has reaffirmed its view first stated in its report of February 1982, Cable Systems, that re-cabing Britain would generate significant economic activity and stimulate industry in a field where there are important export opportunities for both hardware and software.

The Prime Minister notes the Panel's view that enthusiasm for re-cabing Britain, especially among investors, has sharply declined and believes that ITAP's proposals should be urgently examined along with any alternative proposals from Departments. The Prime Minister also notes the Panel's remarks on the possible effects of the size of the pilot projects and she has heard from other sources that the pilot franchises indeed cover too small an area to be effective for their purpose; she wonders therefore whether this has not in fact contributed to the reduced interest in cable systems. She looks forward to hearing your Secretary of State's views on these matters and those of other Ministers to whose offices I am copying this letter. In due course she will wish to respond to ITAP.

The Prime Minister notes that one of ITAP's proposals is that Government should firmly restate its support for re-cabing Britain and wonders whether your Secretary of State's speech in the Budget Debate might provide an early opportunity for this.

I am copying this letter, together with a copy of the ITAP report and the covering letter from its acting chairman, to Rachel Lomax (HM Treasury), Hugh Taylor (Home Office), Leigh Lewis (Office of the Minister without Portfolio) and Tim Abraham (Mr. Pattie's Office).

*Mark Addison*  
Mark Addison

Callum McCarthy Esq  
Department of Trade and Industry.

*DTI decided against 7/13  
RW 12/2/85*

*ls*