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From the Principal Private Secretary

4 December 1989

Do_ John.

The Prime Minister has seen the Chancellor of the Exchequer's letter to the Environment Secretary of 23 November, suggesting that the strategy set out in the conclusions of the Review of Government Valuation Services should be endorsed. Subject to comments from colleagues she is content for officials to proceed in accordance with the strategy. She believes that the report is right to emphasise the elimination of duplication, and the introduction through market-testing, contracting-out and charging of better value for money for the services provided. She agrees that the report is right to conclude that Agency status should be considered for valuation services which remain in-house. They appear to be the kind of executive function which could benefit from the extra managerial freedoms and disciplines of a Next Steps Agency.

I am copying this to the Private Secretaries of other members of the Cabinet and Sir Robin Butler.

Your series

(ANDREW TURNBULL)

John Gieve, Esq., HM Treasury.