



DEPARTMENT OF EDUCATION AND SCIENCE
 ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH
 TELEPHONE 01-928 9222
 FROM THE SECRETARY OF STATE

J F Ballard
 Private Secretary
 to Secretary of State
 for the Environment
 2 Marsham Street
 LONDON SW1 3EB

15 February 1985

Dear John,

My Secretary of State has seen Alan Davis's letter of 5 February to Andrew Turnbull and the latter's reply of 7 February.

(DB)
 He has noted that the suggestion has been made that the building might be valued at £100m. He very much doubts if a sum of that order could in practice be realised from its sale; but if it could, it would carry the implication that ILEA would find it equally expensive to find new accommodation. ILEA have in fact just received a report from their architects, engineers and valuers which suggests that any move, including a shift out of the Riverside Block to elsewhere in the same complex, would be expensive. This is all potentially embarrassing material for the Authority to use against the Government when it is faced with precept limitation.

My Secretary of State has therefore asked me to say that he is glad to note the proposal that the line to take in public statements is that no final decision will be taken until the practicalities have been analysed by the Residuary Body.

Yours,

Elizabeth

MISS C E HODKINSON
 Private Secretary

P.S.

Copies of this letter go to Private Secretaries of MISC 95, Andrew Turnbull (No 10) and to Richard Hatfield (Cabinet Office).

15 FEB 1985

11 12 1
10 2
9 3
8 4
7 5
6