



10 DOWNING STREET

From the Private Secretary

27 February 1985

SUPERSTORES AND PLANNING

The Prime Minister has considered your Secretary of State's minute of 15 February about superstores and planning, together with the comments circulated by the Minister of Agriculture and the Minister without Portfolio (letters of 25 February).

The Prime Minister believes that it would be a mistake to make a statement of the sort which your Secretary of State has in mind until the Government's consideration of the Sainsbury Group recommendations has been completed. She fully recognises the need to maintain a clear distinction between Sir John Sainsbury's commercial interests and his views on the planning system, as she feels sure he does himself. The recommendations of the Sainsbury Group are however based on direct experience, and the Prime Minister considers they should not be pre-empted by a statement which reaffirms existing policy in relation to one particular, but important, form of retail development.

For these reasons, and because of the doubts about the content of the proposed statement which have been raised by the Minister of Agriculture and by the Minister Without Portfolio, the Prime Minister would prefer it to be postponed. She hopes that it will be possible for your Secretary of State to proceed meanwhile with his decisions on the four outstanding cases to which he refers.

I am sending copies of this letter to John Graham (Scottish Office), Colin Jones (Welsh Office), Andrew Lansley (Department of Trade and Industry), Ivor Llewelyn (Ministry of Agriculture, Fisheries and Food) and Leigh Lewis (Office of the Minister Without Portfolio).

(David Barclay)

Alan Davis, Esq.,
Department of the Environment

PRIME MINISTER

It seems odd to make a statement on superstores and planning before Sir John Sainsbury's recommendations have been fully considered - particularly when the statement would merely re-affirm existing guidance. Lord Young makes this point in his letter at Flag A.

You might say:

- (i) You recognise the need to maintain a clear distinction between Sir John's commercial interests and his views on the planning system. So, naturally, does he.
- (ii) But his Group's views are based on experience and should not be pre-empted by a statement which reaffirms existing policy, particularly in view of Lord Young's and Mr. Jopling's criticisms of the content of that statement.
- (iii) You would prefer the statement to be postponed until the Secretary of State has reported back on his further contacts with the Sainsbury group, e.g. on the presumption in favour of development.
- (iv) Meanwhile, there is no need to hold up outstanding superstore decisions which must, of course, be taken on the basis of existing policy.

Agree?

Dms

Yes - disinclined to make a statement now

DAVID BARCLAY

26 February, 1985