



MINISTER OF STATE FOR
THE ARMED FORCES

D/MIN(AF)/PB/11/2/2

MINISTRY OF DEFENCE Mas 15/12
MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 2216 (Direct Dialling)

01-218 9000 (Switchboard)

Regional Policy (2)
Prime Minister

cc: [Handwritten initials]

14 December 1982

Dear Michael,

[Handwritten signature]

CHATHAM: ENTERPRISE ZONE

I was grateful for your letter of 7 December about the inclusion of part of Chatham Dockyard in the Enterprise Zone for NW Kent.

As I expect you will have heard, the matter was discussed at the meeting of Norman Lamont's Group on the same day. I was glad to be able to welcome your helpful offer to announce that consideration will be given in 1984 to the inclusion of part of the dockyard in the EZ. I think this deals with the problem for the moment, although I note what you say about the need for the active co-operation of the local authorities.

I am copying this as before.

Yours ever,

[Handwritten signature]

PETER BLAKER

Rt Hon Michael Heseltine, MP

Regional Policy,
Review, P4.

75 DEC 1982

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NBPM ^{Walt Ind} sc JV
ms 7/12

2 MARSHAM STREET
LONDON SW1P 3EB

My ref: H/PSO/18305/82
Your ref:

7 December 1982

Dear Peter

CHATHAM - ENTERPRISE ZONE

Thank you for your letter of 26 November about the inclusion of part of the Dockyard in the Enterprise Zone for North West Kent.

I appreciate what you say, and I was of course aware of the Consultants' views on the effect of the EZ on the disposal of the Dockyard if no part of it was included. Anyway, I should be happy to accept in principle the compromise you propose. I should, however, need to make it clear that the consideration to be given in 1984 for the inclusion of part of the commercial Dockyard in the EZ would need to be made in the light of developments between now and then in Enterprise Zones generally and in the North West Kent Enterprise Zone in particular. You will of course be aware (though I do not think it necessary to stress the point in the statement) that it would not be legally possible for me to make a later addition of this kind to an existing Enterprise Zone without the active co-operation of the local authority immediately concerned. So much may depend, as you suggest, on developments between now and 1984 which may influence the attitude of the Gillingham Council.

I am copying this letter to Norman Lamont and the other recipients of your letter.

Yours ever

MICHAEL HESELTINE

21 DEC 1982

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Prime Minister ② JV



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB

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MINISTER OF STATE FOR
THE ARMED FORCES

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26 November 1982

Copies external:
Prime Minister
Members of E Committee
S of S for Scotland
S of S for Wales

Dear Michael,

CHATHAM - ENTERPRISE ZONE

Thank you for your letter of 8 November 1982 about the Enterprise Zone in North West Kent.

I am disappointed that you were not able to persuade the local authorities concerned that part of Chatham's Commercial Dockyard should be included in the new EZ, as I had felt that the arguments set out in my letter of 22 October were strong ones.

I accept that this area will not come on to the market until April 1984, and it may be that this delay will help us to find a solution to the very real difficulties in which we will find ourselves if the EZ goes ahead with the whole of the Commercial Dockyard excluded. I am writing separately to Norman Lamont proposing that the Ministerial Group which he chairs should have an early meeting to decide the philosophy of our approach to the disposal of the Commercial Dockyard: but I shall be surprised if our colleagues do not share the Consultants' view that your Department should attempt to dispose of it in accordance with a planning brief to be negotiated with the local planning authorities allowing a reasonable mixture of dock-related, industrial, housing and recreational uses. That course seems likely to be in the best interests of the Medway towns, to leave the Government with a less troublesome political legacy in the area and probably - although obviously one must be cautious at this early stage - to be in our best medium to long term financial interest too. But the pursuit of this planning brief course would be greatly frustrated, as the Consultants have made very clear, by the establishment of an EZ from which the whole of the Commercial Dockyard was excluded.

From MOD's point of view, however, this is not a matter which absolutely has to be settled now, so long as the door is seen to be left open for a favourable outcome later. It could be that the local authorities would be less opposed to the inclusion of part of the Commercial Dockyard in the EZ if it was clear that it would be additional to the areas you already have in mind for inclusion in it.

/And ...

Rt Hon Michael Heseltine MP

And moreover in the intervening period we must hope that the PSA's discussions with the local authorities about the planning brief to be adopted may succeed in removing some of their fears about our intentions and perhaps also in inducing a greater sense of realism about the future (especially in the case of Gillingham). If, for example, the PSA found that there were companies willing to set up business in part of the Commercial Dockyard and to create jobs there, provided that that area was included in the EZ, that could well concentrate minds and perhaps lead to a somewhat reduced concern about such problems as traffic in central Chatham.

I wonder, therefore, whether you would be willing to say that when the Chatham Commercial Dockyard becomes surplus to Defence requirements at the end of March 1984 you would wish to consider whether there was a case for extending the EZ to include a small part of it (say about 50 acres). Although not the outcome I had hoped for, I think this would probably be sufficient to enable us to make progress with the planning brief approach if that is the course which Norman Lamont's Group decides should be adopted.

I am sending copies of this letter to the recipients of yours.

*Yours ever,
Peter*

PETER BLAKER

29 NOV 1982

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