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PREM 19/2465



PART 13 ends:-

SC to PAB. 31.5.88

PART 14. begins:-

A.DAVIS to PAB 1.6.88

MR. BEARPARK

Teesside Reception on 6 June

With reference to Richard Wade's action notes of 27 May, there are a few names listed on the second page who have not yet been invited on 6 June and presumably will be expecting to come to the Video/Reception. They are:

- Eric Sorensen	Cabinet Office
Margie Coldray	Penman & Partners
John Wilkinson	Tyne Tees Television.

Yes.

may  
1/6

Should they all be sent invitations?

Sue Goodall, I'd

---

31 May 1988

MR. BEARPARK

MR. PERKS

Teesside Reception  
Monday, 6 June

I attach up-to-date copies of the  
guest list for the Teesside Reception  
on 6 June as of today's date.

Sue

---

27 May 1988

as at 27 May

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LIST OF GUESTS ATTENDING THE RECEPTION TO BE GIVEN BY THE PRIME MINISTER  
TO PROMOTE TEESSIDE ON MONDAY, 6 JUNE 1988 FROM 6.00 PM TO 7.30 PM

The Prime Minister	
Mr. W.F Madison	President, Marathon Oil (UK) Ltd.
Mr. Walter Anderson	Marathon Oil (UK) Ltd.
Mr. Vic Leonard	Marathon Oil (UK) Ltd.
Mr. Brian Appleton	Chairman, Belasis Hall Technology Park ICI C & P Ltd.
Mr. John Ashcroft	Chairman, Coloroll Group plc
Mr. Hugh Ashton	Director, Hanson plc
Ms Eleanor Bannister	Personal Assistant, Business in the Community
Mr. David Barclay	Ellerman Holdings Ltd.
Mr. Frederick Barclay	Ellerman Holdings Ltd.
Mr. Derek Barron	Chairman/Managing Director, Ford Motor Company Ltd.
Mr. Ronald Baukol	Managing Director, 3M United Kingdom plc
Mr. Richard Bell	Deputy Director, Department of the Environment, Newcastle
Mr. D. Biggins	Sovereign Oil and Gas plc
Ms Fiona Blackwell	Public Relations Officer, Teesside Development Corporation
?Mr. H. Boccaccio	President, Coflexip Ironworks Ltd.
?Mr. B. Floris	Managing Director, Coflexip Ironworks Lt
Mr. Anthony Booth	Managing Director and Corporate Director, British Telecom International
Mr. Hartley Booth	Chief Executive, British Urban Development
?Mr. Michel Bouvard	General Manager, Coflexip UK Ltd.
Mr. Godfrey Bradman	Chairman, Rosehaugh plc
Dr. John Bridge	Chief Executive, Northern Development Company
Mr. Peter Carr	Regional Director, Department of Employment, Newcastle
Sir Ralph Carr-Ellison	Chairman, Tyne Tees Television Ltd.
Mr. Chang-Sub Um	Director General, Korea Trade Centre

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Rt. Hon. Christopher Chataway	Vice Chairman, Orion Royal Bank Ltd.
Mr. Dennis Clark	Press Offshore Group
Mr. Nigel Clark	Teesside Operations Manager, ICI
?Mr. Tony Cleaver	Chief Executive, IBM United Kingdom Ltd.
Mr. Nicholas Clegg	Managing Director, Daiwa Europe Ltd.
Mr. Tony Clegg	Chairman, Mountleigh Group plc
Mr. Robert Davies	Deputy Chief Executive, Business in the Community
?Mr. Alan Davis	Managing Director, Wang UK Ltd.
Mr. Albert Dicken	Dickens & Co.
Mr. J. Douglas	Managing Director, ASEA Hagglunds
Mr. Shaun Dowling	Managing Director, Guinness plc
Mr. B. Elms	Financial Director, United Technologies Ltd.
?Mr. Roy Evans	Managing -Community Affairs Levi Strauss & Co. Europe SA
Mr. Roger Fennemore	Chief Executive, Butlers Wharf Ltd.
Mr. A. Fielder	Bowey Construction Ltd.
Mr. N. Fisher	Intertractor GB Ltd.
Mr. Harry Fitzgibbons	Managing Director, Hambros Advanced Technology
Mr. Nat Fletcher	Director, Taylor Woodrow Group
Mr. Ian Fowler	Company Secretary, Trafalgar House plc
Sir Paul Girolami	Chairman, Glaxo Holdings plc
Mr. R. Goodfellow	Chairman and Managing Director, Goodfellow Associates
Mr. Duncan Hall	Chief Executive, Teesside Development Corporation
Mr. John Hall	Cameron Hall Developments Ltd.
Mr. B. Hamilton	Managing Director, Murristom Ltd.
Mr. David Hardy	Chairman, Globe Investment Trust plc
Mr. Jakob Hauga	Deputy Managing Director, International FOKUS Bank
Mr. Stephen Hinchcliffe	Chairman/Managing Director, Dexion-Comino International Ltd.

Mr. Bob Hinde	Partner, Jones Lang Wootton
Mr. Peter Hobbs	Group Personal Director, Wellcome plc
Mr. Roger Hurn	Chief Executive/Managing Director Smiths Industries plc
Mr. Roger Kingdon	Chief Executive, Davy Corporation
Mr. Young Kwon	Managing Director, Samsung Electronics M
Mr. W.S.H. Laidlaw	Managing Director, Amerada Hess Ltd.
Sir Hector Laing	Chairman, United Biscuits (Holdings)
Mr. Frank Lampl	Chairman, Bovis Construction Ltd.
Mr. Geoffrey Leigh	Chairman, Allied London Properties plc
?Mr. M. Lewis	Marshall & Co. (Nottingham) Ltd.
?Mr. Philip Lord	Managing Director, Wates Building Group L
Mr. Benjamin Lu	Director, Majestic Trading Co. Ltd.
?Mr. Bobby McAlpine	Chairman, Alfred McAlpine plc
Dr. James McGregor	Chairman, Honeywell Control Systems Ltd.
Mr. Neville Martin	Regional Director, Business in the Community
Mr. Richard Martin	Chairman, Mann Egerton & Co.Ltd.
?Mr. Yosuke Masuda	Chief Executive Officer, Kumagai Gumi UK Ltd.
Sir Nigel Mobbs	Chairman, Slough Estates plc
Mr. C.M. Mosselmans	Chairman & CEO, Sedgwick group plc
Mr. Itaru Nakagawa	Managing Director, SMK UK Ltd.
Mr. John Neill	Chief Executive, Unipart Group of Companies
Mr. Ron Norman	Chairman, Teesside Development Corporati
Mr. Stephen O'Brien	Chief Executive, Business in the Community
Mr. Paul Orchard	Senior Partner, Healey & Baker
Mr. John Owen	Regional Director, Department of the Environment, Newcastle
?Mr. Robin Packshaw	Chairman, International City Holdings



Mr. Michael Pattemore	Michael Pattemore Associates
Mr. Peder Paus	North venture Ltd.
Mr. Brian Pearce	Chairman, Pearce Signs Ltd.
Mr. Alex Penman	Managing Director, Penman & Partners
Mr. N. Pitcher	Director, John Laing Construction Ltd.
Mr. R.S. Pitt	Managing Director, Cable & Wireless Marine Ltd.
Mr. Duncan Poole	Director, PROBE Ltd.
?Sir John Read	Chairman, TSB Group plc
Mr. David Reay	Managing Director, Tyne Tees Television
Mr. Alan Redhouse	Chief Executive/Managing Director, Eyetech Group Ltd.
Mr. William Rooney	Chairman, Spring Ram Corporation plc
Mr. Michael Rose	Vice President and Head of Admin. Bankers Trust Company
?Mr. I. Sato	Managing Director, Mitsumi Electric UKlt
?Mr. W.K. Scholten	Managing Director, Smit Offshore Contractors
Mr. Danny Sharpe	Deputy Director, DTI newcastle
Mr. Alan Shelley	Senior Partner, Knight Frank & Rutley
Mr. Shiro Shibuya	Managing Director, Mitsubishi Group
Mr. Jeff Simcox	Industrial Development Officer, Teesside Development Corporation
Captain J.A.B. Simkins	BT(Marine) Ltd.
Mr. Michael Stoddart	Chairman, Electra Investment Trust plc
Mr. Peter Herz	Bosch UK
Sir Peter Thompson	Chairman, National Freight Consortium
Mr. Hitoshi Tonomura	President/Managing Director, Nomura International Ltd.
Peter Tronslin	Managing Director, Statoil London Ltd.
Mr. Andreas Ugland	Ugland Brothers Ltd.
Mr. John Underwood	Director, City Acre Property Investment Ltd.
Mr. Richard Wade	Director Marketing and Resources, Business in the Community

Mr. Andrew Wadsworth	Managing Director, Jacob Island Company
Mr. John Walker	Director of Finance, Teesside Development Corporation
Mr. Michael Walsh	Associate, Chemical Bank
Mr. Danny Ward	Director Teesside Works, British Steel Corporation
The Lord Weinstock	Managing Director, GEC
Mr. Roger Wood	Sales Director, ICL (UK) plc
Councillor Brian Hanson	Leader of County Council/Board Member of TDC, Cleveland County Council
?Mr. Martin Winch	Managing Director, Avatar Urban Venture Partnership
Mr. Brandon Gough	Senior Partner, Coopers & Lybrand
Mr. Kent Price	Chief Executive, Chloride Group plc
Mr. Allen Sheppard	Chairman, Grand Metropolitan plc
The Lord Dormand	
Mr. Roger Lindsay	Managing Director, North East Market Surveys

**HM Government**

Rt. Hon. Kenneth Clarke, MP	
Rt. Hon. Douglas Hurd, MP	Reception only
Rt. Hon. Norman Fowler, MP	Reception only
?Rt. Hon. Paul Channon, MP	
?Mr. David Trippier, MP	

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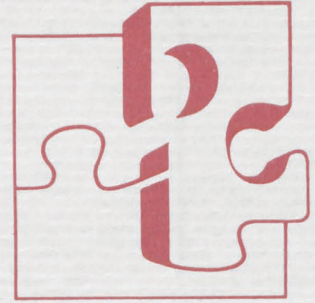
?His Excellency the Ambassador of Japan

R28/5

# Business in the Community

227A City Road  
London EC1V 1LX  
Telephone: 01-253 3716  
Facsimile: 01-253 2309

President: HRH The Prince of Wales



Our Ref: RW/ah/7587Z+  
5133z  
27th May, 1988

Mr Andrew Bearpark,  
10 Downing Street,  
London, S.W.1.

*Already dealt with on fax.*

*Sam Army*

## Teesside Reception 6/6/88.

I enclose some action notes of our planning meeting at the Teesside Development Corporation on May 26th. I would be most grateful if you and Terry Perks could advise us on the particular points raised, and indeed on any strategic matters which you feel need revision.

I shall be in the office today Friday, and on Tuesday 31st May until 16.00 when we travel to Lancashire.

Very many thanks for all your help.

*Richard Wade*

**RICHARD WADE**  
Director, Marketing & Resources

cc: Terry Perks

ACTION NOTES  
26TH MAY 1988

<u>NAME</u>	<u>ADDRESS</u>	<u>TELEPHONE</u>
Andrew Bearpark Terry Perks Sue Goodchild	No. 10	01 930 4433
Eric Sorensen	Cabinet Office	01 270 0431
John Owen Richard Bell	Dept. of Environment Newcastle	091 232 7575
Ron Norman Duncan Hall Fiona Blackwell	TDC	0642 230636
John Bridge	NDC	091 260 0026
Nigel Clark	ICI	0642 454144
Albert Dicken	Dickens & Co.	0642 679701
Roger Lindsey	NE Market Surveys	0642 370 320
Alex Penman Margie Coldray	Penman & Partners	01 724 2818
John Reay John Wilkinson	Tyne Tees Television	091 261 0181
Eleanor Bannister Neville Martin Stephen O'Brien Robert Davies Richard Wade Michaela O'Brien - Trish Evans -	BiC      not at No. 10 on 6th June.	01 253 3716

ACTION NOTES  
TEESSIDE RECEPTION - 6TH JUNE 1988  
10 DOWNING STREET

1. Speakers: It was suggested that, as the video showing is the first item and there is no reception line, the order of speaking should be thus:

The Prime Minister:	a welcome
Ron Norman:	about Teesside
Nigel Clark:	about BiC and the video
The Video	
The Prime Minister:	2 project announcements

This will take about half an hour. Guests then disperse from the dining room to the reception rooms for refreshment.

2. Guests

We understand some 120 people are expected. BiC will provide Duncan Hall with the names of those who are not attending.

Action: BiC

3. Lapel Labels

We should be grateful, if acceptable at No. 10, for those present to bear lapel badges showing name and provenance, with different coloured badges for Teesside representatives from those of potential investors. Can No. 10 provide these? If not, I'm sure TDC could.

Response: No. 10, please

4. Meeting guests

It is suggested that the PM be flanked by Ron Norman and Nigel Clark during the reception to introduce guests to her. Duncan Hall will act as shepherd and other Teesside representatives as sheepdogs to those guests whom TDC is particularly anxious for the PM to meet. Ministers will be briefed similarly by John Owen and Richard Bell. BiC staff count as Teesside reps. for this purpose.

Response: No. 10

List of sheepdogs and their target guests: Duncan  
Ministers: John Owen and Richard Bell.

5. Follow up Events

- a) Dinner: TDC will host a dinner at The House that evening for key guests, Ministers, Teesside representatives etc. to follow up prospects.
- b) Debriefing: A meeting will be sought between TDC, BiC et alii in the week ending 10th June to review guests and their prospective interests.
- c) Marketing: TDC will follow up subsequently by mail to all prospects.

Action: Dinner & marketing - TDC  
Debriefing - BiC

6. The Video

John Reay, TV Director of Tyne Tees Television, who directed the 17 minute video has made an altered version appropriate to this reception. On 6/6, at the reception, he would like not only to shoot the PM's speeches, but to use part in a revised version for promotion later. Is this acceptable:

- (a) presence of minimal Tyne Tees crew
- (b) use of material.

This is an addition to TV news coverage assumed in para. 9 below.

Response: Terry Perks No. 10

7. Rigging for the Video

4 monitors, speakers, 2 play back machines and other equipment, needs to be rigged in the dining room and tested. John Reay is responsible. He, with the technician John Wilkinson, asks for access from 14.00 on 6th June together with chaps from the equipment hirer "Viewplan"

Response on timing: Andy Bearpark No. 10

Action: names of viewplan people from John Reay to No. 10 for security.

8. Others' access

May all those to whom this is copied please be allowed access to No. 10 from 16.30 to ensure everything is Bristol fashion.

Response: Andy, No. 10

9) Media Coverage

We understand Terry Perks will be inviting TV, Radio, Press and still photographer. Alex Penman is our TDC/BiC media linkman and will coordinate with Terry (to include good coverage on Teeside itself).

Action: Alex.

10) Publicity Pack

a) Penman & Partners have designed an elegant 2 pocket pack, with material part TDC, part BiC. A sample will be made available in advance to the PM with her briefing material by John Owen.

Action: Alex, John Owen.

b) These packs are for distribution to guests on departure. May Penman deliver these to No 10 at 16.30? Can No. 10 provide people to hand them out as guests leave or shall TDC/BiC do this?

Response: No. 10

Action: Margie Coldray of Penman & Partners.

11) Contents of Pack

- a) TDC is printing their material and, generously, a sheet for BiC. Alex will Fax a proof to Richard Wade before finalising printing.

Action: Alex.

- b) BiC material will be couriered to Penmans on Wednesday 1/6 by Michaela O'Brien, BiC publicity person.

Action: Michaela.

12) Advertising

TDC are planning splendid full page adds in national dailies for 7/6 featuring "Teesside at No. 10" (not just TDC) and including the BiC logo. BiC would be most grateful if it could just see a final rough of the ad. before artwork is irrevocable so that we feel comfortable.

Action: Alex (in my absence to Trish Evans, Stephen O'Brien or Robert Davies, please)

12a) Central Coordination

There are many strands interweaving - please could you keep Richard Wade's office au fait or advise him of omissions. Many thanks.

13) Contacts

Eleanor and Richard (BiC) will be in Blackburn Wednesday 1/6 and Thursday 2/6 for a visit of HRH The Prince of Wales, but back in the office on Friday 3/6. Contactable in Blackburn via 01-253 3716.

14) Next Meeting

A final planning meeting will be held to fine tune arrangements at 12.30 sharp at: ICI HQ., Imperial Chemical House, Millbank, SW1P 3SF. Tel: 01-834 4444.

All those listed on the front sheet will be welcome But victuals will only be provided by ICI for those who confirm their intended presence by 17.30 on Thursday 2 June to Dorette Smith at Penman on 01-724 2818.

Action: all those with an appetite.  
(Eleanor to consult with Dorette)

ACTION POINTS - FOLLOW UP 27/5/88

Highspeed follow up from Andy Bearpark and Terry Perks

(para 3)  
earlier  
notes

Lapel Badges:

No. 10 cannot supply. I have asked TDC if they would supply via Alex Penman. Eleanor can hand out at the door.

Action: TDC

(para 6)

The Video:

Terry agrees the Tyne Tees request.

Action: names of crew to Terry please  
by close of play 3/6 - *John R.*

(para 7)

Rigging

Access at 14.00: agreed

2 chaps from Viewplan agreed - names to No. 10  
please

Action: John Reay

(para 8)

Others' access

We can get in from 17.30, not 16.30

(para 10b)

Publicity Pack

Okay to deliver at 16.30

We must hand them out to departing guests - we can  
arrange handers-out at lunch on 6/6

RW/7591Z  
27.9.88



(A) CONFIDENTIAL



Cite PM  
cc BG

10 DOWNING STREET

LONDON SW1A 2AA

*From the Principal Private Secretary*

24 May 1988

*Dear Peter,*

ACTION FOR CITIES

The Prime Minister has seen the Chancellor of the Duchy of Lancaster's minute of 31 March and subsequent Ministerial correspondence from the Home Secretary, Secretary of State for Employment, Secretary of State for Environment, Secretary of State for Scotland and the Chief Secretary. She has also seen the Chancellor of the Duchy's further minute of 20 May.

She agrees that it is important to maintain the momentum on inner cities and, subject to the points below, is generally content with the action which the Chancellor of the Duchy is proposing to take. She also welcomes the contribution which other Ministers are making.

On the question of targeting, she agrees that it would be wrong to try to draw up a fixed short list of areas for favourable treatment but believes that it is nonetheless important to look for opportunities to co-ordinate Departmental initiatives so as to increase their effect, particularly in the areas where they seem likely to achieve results. The aim should be to produce a string of success stories in inner cities over the next two or three years which the Government can point to as the results of its policies.

On the role of the Cabinet Office Unit on the Inner Cities, she thinks it is important that the Unit should concentrate on co-ordinating the Government effort within the terms of the announcement on 18 December and that it should not expand beyond its present size. She would not want it to take on an executive role, for instance by taking the lead in exploring with major companies practical ways in which they can help inner city regeneration: this must be a matter for Departments. Similarly she thinks that an inward seconded from the private sector might be a good idea but the secondment should be to a Department with executive responsibilities for direct contact with industry, not the Cabinet Office.

CONFIDENTIAL

10

BF || If it proves necessary, the Prime Minister will hold a meeting in a month or so to review the progress which Ministers have made with their various initiatives since the launch of Action for Cities on 7 March, and to ensure that every opportunity is being taken to co-ordinate action. But before there is any decision about a meeting, she suggests that the Chancellor of the Duchy of Lancaster should circulate a paper which summarises progress of the various initiatives.

I am copying this letter to the Private Secretaries to other members of E(UP) and to Sir Robin Butler.

*Yours sincerely*  
*Nigel Wicks*

N. L. WICKS

Peter Smith, Esq.,  
Chancellor of the Duchy of Lancaster's Office

REG POLICY: Inner Cities  
pt 13

SRWBLJ

Garden Rooms.  
PC type letter at  
end for my signature  
N.

PRIME MINISTER

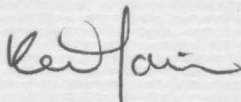
INNER CITIES COORDINATION

You agreed at your meeting with Robin Butler this morning with the conclusions in his minute of 19 May - namely that the Cabinet Office inner cities unit should not develop more of an executive role; nor have a private sector secondee.

It now transpires that, simultaneously with that meeting, Kenneth Clarke was sending you his further minute of 20 May, in which he continues to advocate that the Cabinet Office unit should become more high profile.

Can I take it you are not  persuaded by Kenneth Clarke's arguments and that you still want me to minute out on the basis recommended by Robin Butler?

Yes  
no



(PAUL GRAY)

20 May 1988

PP

CONFIDENTIAL

NCLW

DRAFT LETTER FROM PRIME MINISTER'S PRIVATE SECRETARY TO MR CLARKE'S PRIVATE SECRETARY

ACTION FOR CITIES

The Prime Minister has seen ~~the~~ Chancellor of the Duchy of Lancaster's minutes of 31 March and subsequent Ministerial correspondence from the Home Secretary, Secretary of State for Employment, the Secretary of State for the Environment, the Secretary of State for Scotland and the Chief Secretary. *She has also seen the Chancellor of the Duchy's minute of 20 May.*

She agrees that it is important to maintain the momentum on inner cities and, subject to the points below, is generally content with the action which the Chancellor of the Duchy is proposing to take. She also welcomes the contribution which other Ministers are making.

On the question of targeting, she agrees that it would be wrong to try to draw up a fixed short list of areas for favourable treatment but believes that it is nonetheless important to look for opportunities to co-ordinate Departmental initiatives so as to increase their effect, particularly in the areas where they seem likely to achieve results. The aim should be to produce a string of success stories in inner cities over the next two or three years which the Government can point to as the results of its policies.

On the role of the Cabinet Office Unit on the Inner Cities, she thinks it is important that the Unit should concentrate on co-ordinating the Government effort within the terms of the announcement on 18 December and that it should not expand beyond its present size. She would not want it to take on an executive role, for instance by taking the lead in exploring with major companies practical ways in which they can help inner city

A27

regeneration: this must be a matter for Departments. Similarly she thinks that an inward secondee from the private sector might be a good idea but the <sup>sementment</sup> it should be to a Department with <sup>executive</sup> responsibilities for direct contact with industry, not the Cabinet Office.

*If it would be helpful, it is necessary to read well*

The Prime Minister would like to hold a meeting in a month or so to review the progress which Ministers have made with their various initiatives since the launch of Action for Cities on 7 March, and to ensure that every opportunity is being taken to co-ordinate action. She would be grateful if the Chancellor of the Duchy of Lancaster <sup>should</sup> would circulate a paper which could serve as a basis for the discussion when it is arranged.

I am copying this letter to the private secretaries of other members of E(UP) and to Sir Robin Butler.

*There is  
But before of decision about  
a meeting, she suggests that*

*summarizes progress with of  
the various initiatives.*

dti

the department for Enterprise

CCBG

TO:

PRIME MINISTER

FROM:

KENNETH CLARKE

20 May 1988

**ACTION FOR CITIES**

Progress continues to be encouraging.

2. We have now had the first three Action for Cities Breakfast Presentations in Newcastle, Leeds and Manchester. Each has produced an enthusiastic response from the private sector audience. So far over 150 companies have already said that they want to become involved, or to increase their involvement, in locally based urban regeneration.

3. The willingness of business leaders to take part in Action for Cities - you of course saw it first hand at the Anglo-American Conference on Private Sector Initiatives at Lancaster House on 3 May - convinces me more than ever that a key part of the work of the Cabinet Office Unit must be to liaise between business and Government. Companies should

CD5ABY

have a single initial point of contact so that they receive swift and clear advice as to how they can best make their contribution. I suggested in my minute to you of 31 March that we should attach a senior private sector secondee who knows his way round the business world to the Cabinet Office Unit to help perform that job. I have since received a number of offers of suitable secondees and remain anxious to make such an appointment as soon as possible.

4. More generally, the Unit seems to be getting on well with its task of pulling together the Government's inner city activities. All Departments are now using a common Action for Cities Press Notice, Ministerial visits - and briefing for those visits - are being properly co-ordinated, and boards and banners signposting Government funding for inner city projects have started to go up. I believe that the Unit has proved its usefulness and has shown that the judgement that the Cabinet Office was the most sensible place for it to be located was the correct one.

5. I am copying this to Sir Robin Butler.

KC



ORIGINAL  
RETURNED →

Greg Baine

REC 6 23/5

Prime Minister

Seems exciting. I assume  
you would wish the Policy  
Unit to explore  
this possibility  
further.

COMMERCIAL IN CONFIDENCE

PRIME MINISTER

19 May 1988

REC 6

CANARY WHARF/TRANSPORTATION

Yes please  
REC 6 20/5

Two days after you drove the first pile at Canary Wharf I visited the areas to see the changes that had taken place since I last visited docklands six years ago.

I was amazed, delighted and excited at the progress that has been made and the potential for the future.

My guides were Olympia and York who's main aim was to introduce me to the transport infrastructure problems of the area and one potential solution.

Both the problem and the solution are commercially sensitive.

The Problem

The Docklands Light Railway has achieved its objective of encouraging development in docklands but it may not be the most practical or cost effective way of serving the scale of development now envisaged.

Indeed, the transportation infrastructure may prove to be a choke on growth and economic development in the area. It is not in the interests of O&Y to admit this publicly.

The Solution Proposed

Rather than just suppressing the issue, O&Y in their entrepreneurial way have proposed an imaginative solution - extending the Bakerloo line!

The proposed route (see attachment) would link:

Waterloo - London Bridge - Surrey Docks -  
Isle of Dogs - Greenwich

and thence onwards along the existing surface line to Stratford.

Direct access to East London and docklands would then be available from Waterloo, the West End and Paddington. (If a Heathrow-Paddington high speed link is built it should be possible to travel from Heathrow to the Isle of Dogs in less than one hour).

Most importantly the line would be heavy duty-high capacity and would open up the development potential in Surrey Docks, the Greenwich Peninsular and the Lea Valley. Again this is commercially sensitive.

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#### The Next Steps

O&Y have discussed the scheme with Paul Channon who, I believe, is quite impressed with the way it has been thought through. His officials and LRT are evaluating the proposal more carefully to see if it fits in with their plans for improvements to London's transportation system.

Are you interested in knowing more?

Yes please

Do you wish me to follow this up with Paul Channon?

Yes

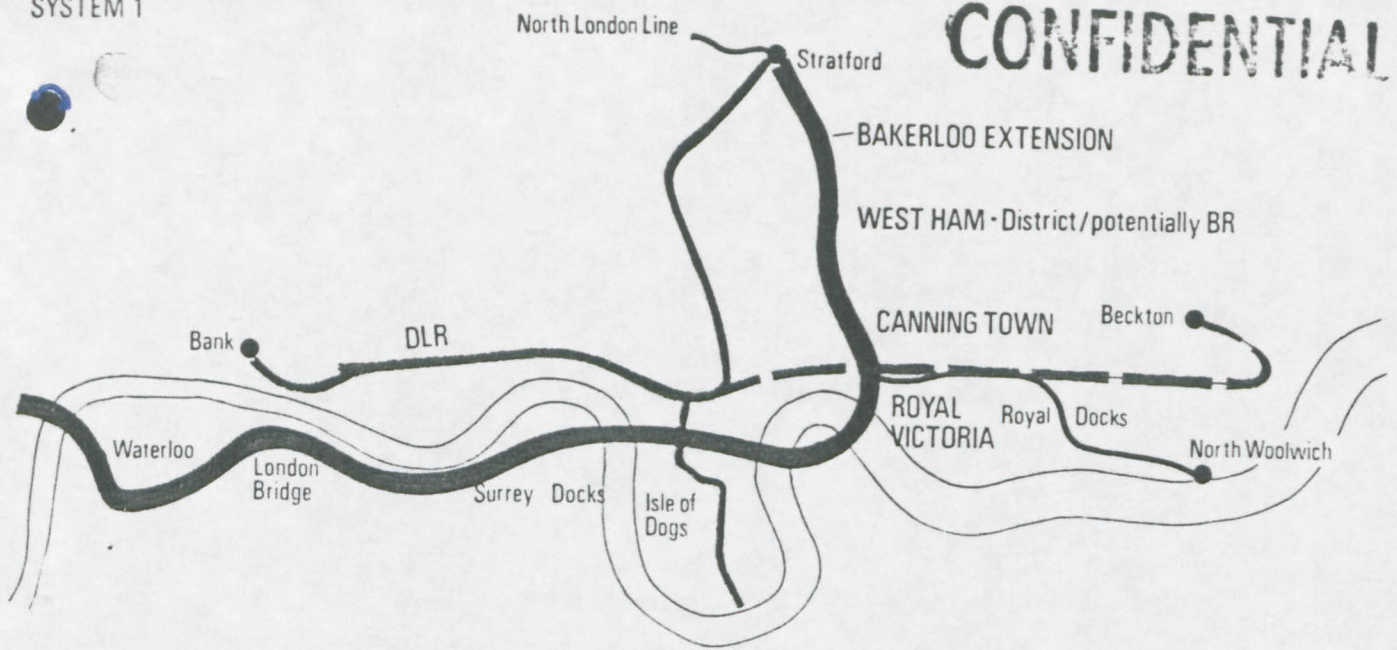
no



GREG BOURNE

SYSTEM 1

**CONFIDENTIAL**



SYSTEM 2

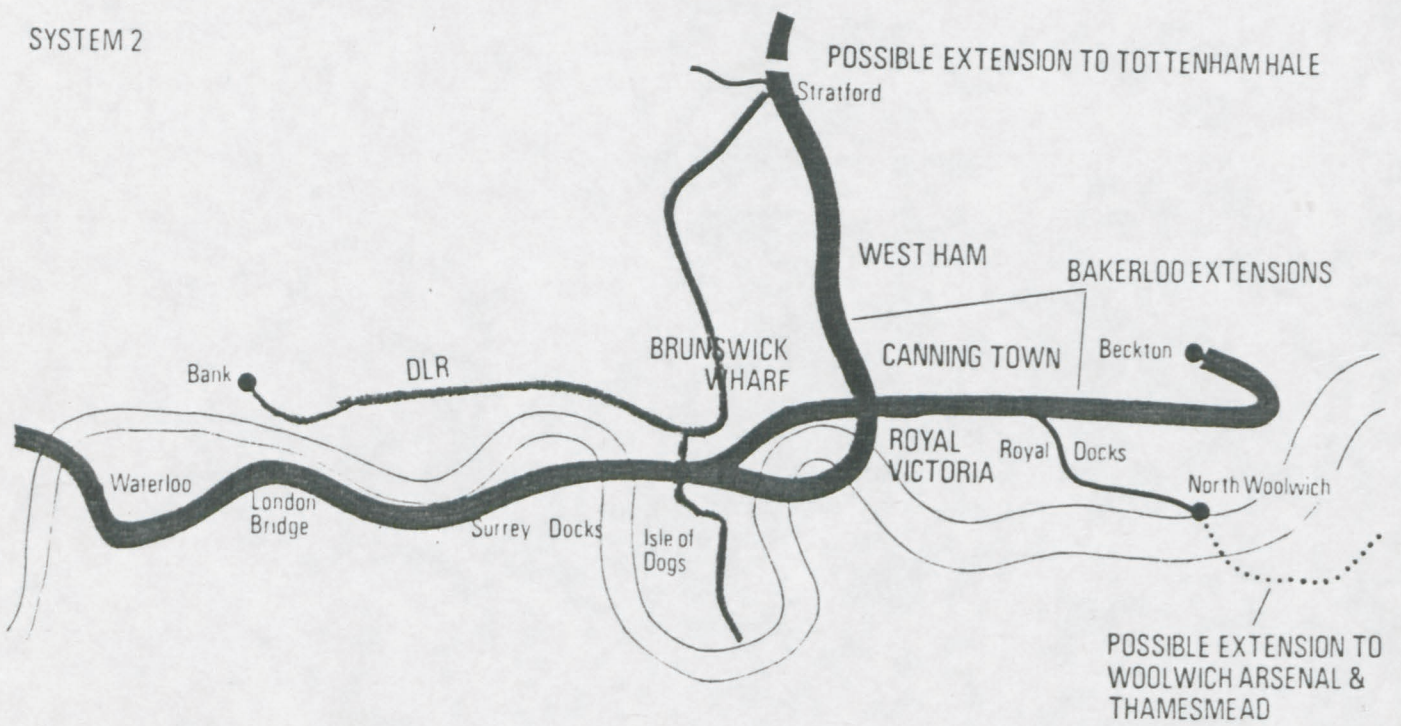


Figure A. System options

**CONFIDENTIAL**



Ref. A088/1552

MR WICKS

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Inner Cities: Co-ordination

At the end of last year, it was agreed that we would review the role of the Cabinet Office Unit on the Inner Cities in the light of experience after about six months. Mr Wilson has been carrying out this review. I attach a minute setting out the options and his conclusions on them. I agree with what he says.

2. I have spoken to Sir Brian Hayes and Sir Terence Heiser and believe that the conclusions for the most part are not contentious. The Cabinet Office Unit should remain in the Cabinet Office; it should remain within its present size; and the policy aim should be to produce a string of success stories in inner cities over the next two or three years which the Government can point to as the result of its inner cities campaign.

3. There is, however, one area where the Chancellor of the Duchy of Lancaster is likely to disagree with what we propose: namely, the extent to which the Unit should develop an executive role in relation to private sector companies, and the allied question whether there should be an inward secondee from the private sector in the Unit to handle such contacts.

Mr Clarke has told me that he would like to see the Unit develop a close relationship with large companies and to co-ordinate the different interests of departments with them. He does not want companies to be contacted on the same issue by different departments and he would like to see a larger, executive team in the Cabinet Office to take this on. He would also like to have



a private sector secondee located in the Cabinet Office to facilitate its contact with major companies.

4. Relations with private sector companies are clearly an important element in inner cities policy. But my view is that this sort of executive role should be handled by departments. The purpose of the Cabinet Office Unit is to support the Prime Minister and, under her, the Chancellor of the Duchy of Lancaster in co-ordinating departmental effort on the inner cities within the Government. This was the intention behind the announcement which the Prime Minister made on 18 December which made it clear that departmental responsibilities remained unaffected by Mr Clarke's appointment. He was designated as the initial point of contact for private sector companies wanting to offer support to Government inner city policies, and he has a large Inner Cities Unit in the DTI, containing 38 people to help him do it. It would be wrong to develop the Cabinet Office Unit into an executive operation, responsible for taking the initiative with the private sector and negotiating with them on behalf of all departments. You will remember that a similar issue arose over whether the Cabinet Office should man the 'freephone' answering system and the Prime Minister resisted Mr Clarke's pressure. Once the Cabinet Office Unit took on such a role, we would be taking on an executive function outside the Cabinet Office's duties and the Prime Minister herself would increasingly become vulnerable to questions about the activities of the unit, in Parliament and elsewhere.

5. For the same reason I believe any secondee from the private sector should be located in the DTI's Inner Cities Unit, with direct responsibility for stimulating contacts from the private sector, rather than in the Cabinet Office which is primarily concerned with co-ordination of initiatives within Government.



6. If the Prime Minister agrees, you may wish to reply to Mr Clarke's minute of 31 March in the terms of the draft below.

R.R.B.

ROBIN BUTLER

19 May 1988

CONQUEROR

III

CONFIDENTIAL

DRAFT LETTER FROM PRIME MINISTER'S PRIVATE SECRETARY TO MR  
CLARKE'S PRIVATE SECRETARY

ACTION FOR CITIES

The Prime Minister has seen the Chancellor of the Duchy of Lancaster's minute of 31 March and subsequent Ministerial correspondence from the Home Secretary, Secretary of State for Employment, the Secretary of State for Environment and the Home Secretary.

She agrees that it is important to maintain the momentum on inner cities and is generally content with the action which the Chancellor of the Duchy is proposing to take. She also welcomes the contribution which other Ministers are making.

On the question of targeting, she agrees that it would be wrong to try to draw up a fixed short list of areas for favourable treatment but believes that it is nonetheless important to look for opportunities to co-ordinate Departmental initiatives so as to increase their effect, particularly in the areas where they seem likely to achieve results. The aim should be to produce a string of success stories in inner cities over the next two or three years which the Government can point to as the results of its policies.

The Prime Minister notes your proposal that the Cabinet Office Unit on Inner Cities should add a private sector secondee to its strength but wonders whether it might not be better for such an individual to be located in a Department. She believes that the Unit should confine itself to co-ordination, without taking on an executive role, and that it should not expand beyond its present size.

I am copying this letter to the private secretaries of other members of E(UP) and to Sir Robin Butler.



File ✓

MRS GAISMAN

MEETINGS IN JUNE

Could you please put in hand arrangements for two meetings in early June.

First, a reconvened meeting on merchant shipping. The cast list is as for the earlier meeting (including Mr Hurd). If possible I should like this in the week beginning 6 June.

BP // Second, a stocktaking meeting on inner cities. Those attending should be Messrs Clarke, Ridley, Hurd, Channon. Baker, Fowler, Major and Lord Young. You might aim for the week beginning 13 June.

In both cases please add Robin Butler (if he wants to come) and Richard Wilson.

Paul Gray

13 May 1988

CONFIDENTIAL

From: R T J Wilson  
26 April 1988

P 03089

SIR ROBIN BUTLER

cc Mr Wicks

INNER CITIES

1. You asked me to review the future of the Urban Policy Co-ordinating Unit in the Cabinet Office. What follows reflects discussion with a number of people most closely concerned, including the Chancellor of the Duchy of Lancaster and the Secretary of State for the Environment.

OPTIONS

2. My main conclusion is that the Unit should remain in the Cabinet Office but that there must be clear understandings about its size and role. Before spelling out what this means, it may be helpful to run through the other options.

Transfer to DTI

3. The main alternative would be to transfer the Unit to the DTI. Mr Clarke would account to Parliament for all its activities and Sir Brian Hayes would be its Accounting Officer. The Cabinet Office would continue to provide the secretariat for E(UP). There might if necessary be a Ministerial MISC chaired by Mr Clarke to provide formal machinery for co-ordination. This approach would be consistent with what has been done in other areas where a particular Minister has co-ordinating responsibilities (eg Lord Young and deregulation). If the task of co-ordination later moved to a Minister in another Department the Unit could move too.

4. The main objection to this approach is that it would not be acceptable to the Secretary of State for the Environment. The tensions which were evident before Christmas are still not far from the surface and would almost certainly re-emerge if we were to propose transferring the Unit to DTI. I doubt whether either Mr Clarke or the Unit would be able to do their jobs as effectively as at present if we forced such a change through, and there might be more adverse publicity which would spoil what we have recently achieved. So I do not recommend it.

Abolition

5. Abolishing the Unit is a possibility for the longer term. But for the time being a Unit is essential to support Mr Clarke in his new role. It would look very odd to disband the Unit so soon after the Prime Minister's press conference. And there needs to be some machinery for keeping an eye on how things are going.

iii. the more the Unit became an executive outfit, the less it would be trusted by the Department of the Environment.

There need to be clear understandings therefore about the size and role of the Unit.

#### Role of the Unit

10. The role of the Unit should continue to be to support the Prime Minister and, under her, the Chancellor of the Duchy of Lancaster, in the matters set out in the announcement of 18 December 1987 (attached at A): that is, co-ordinating Government action towards the inner cities and providing a focus for the presentation of policies. Departmental programmes should continue to be the responsibility of the Secretaries of State concerned but Mr Clarke should be available as the initial point of contact for private sector companies wanting to offer support.

11. This has the advantage of sticking to a formula which has already been agreed. It is not always easy to draw the line between co-ordination and executive action, but the acid test should be whether or not an activity is something which would more appropriately be carried out on behalf of the Prime Minister, rather than be situated in a Department. Seen in that light, the Freephone proposal was clearly appropriate for DTI, not the Cabinet Office. On the other hand the co-ordinating activities described in your note of 8 February to Permanent Secretaries are all things which properly flow from the Prime Minister's lead position on inner cities.

12. There are two particular points on which friction may arise, which we need to watch.

#### Initial Point of Contact with Business

13. One is Mr Clarke's position as the initial point of contact for private sector companies. There is some concern that this may lead to commitments being made to companies without the responsible Department having had a proper chance to consider its position. Mr Clarke himself has mentioned that he would like to see the Unit play a positive role in encouraging private sector companies to become involved in specific projects. I think we should approach this role very warily. I do not rule out this role for the Unit; but to some extent it must also make sure that it hands over responsibility to the relevant Department once the initial contact has been developed. We should make sure that any cases of difficulty are drawn to the attention of the Prime Minister's group.

#### Targeting a Small Number of Areas

14. Second, there is a difference of philosophy about 'targeting' initiatives. Mr Clarke in his minute of 31 March said that new initiatives needed to be targeted on a relatively small number of areas where the Government could expect to see an improvement; Mr

## Creation of a new "Office of the Chancellor of the Duchy of Lancaster"

6. Sir Terence Heiser floated this possibility a little while ago. I am still not sure what he had in mind but there are three interpretations, none of them promising.

i. Attachment to the existing Duchy Office in the Strand. This is a non-starter. The Office administers the Duchy Estates, is part of the Royal Household and its staff are not civil servants.

ii. A subordinate department within the Cabinet Office, like the OMCS or the Royal Mint. The new office would have its own Accounting Officer (like the OMCS) but ultimate Ministerial responsibility would still rest with the Prime Minister.

iii. A new small Department on the model of the Office of Arts and Libraries. This would be independent of other Departments. It would have its own Accounting Officer and Mr Clarke would be wholly answerable for its work.

7. To adopt the alternatives at (ii) and (iii) for a unit which at present comprises only 6 staff and has no budget apart from its running costs would seem to me a wholly disproportionate response to the present problem. I also think that it would be wrong as a matter of principle to give the Unit a title which mentioned the Chancellor because the prime responsibility rests with the Prime Minister, not the Chancellor, and the Unit supports her as well.

### RECOMMENDED APPROACH

8. None of these options is attractive. The best course therefore seems to be to keep the Unit in the Cabinet Office. We may need to review the situation again if there is a Ministerial reshuffle or the workload changes. But until that happens I would suggest giving the Unit a period of stability.

9. It is important however to ensure that the Unit does not stray into direct executive responsibilities which should be undertaken by Departments. There are three particular risks which we need to guard against:

i. it would be highly undesirable for the Prime Minister to become directly answerable to Parliament for day-to-day executive action on the inner cities as opposed to its overall co-ordination;

ii. we do not want Accounting Officer responsibilities to become tangled. It would be very easy to get into a position where the Unit was effectively spending Departments' money without proper lines of financial control;

Ridley in his reply of 15 April demurred, questioning the defensibility of earmarking particular areas to receive greater attention than the rest.

15. My own feeling is that the aim of Government policy should be to have a string of success stories in inner cities in two or three years' time which it can point to as the result of its inner cities campaign. It would be wrong to try to draw up now a list of a dozen inner cities selected for special treatment. Equally, it is important to improve on the previous practice where each Department beavered away with its own inner cities initiatives regardless of other Departments' plans. One of the main tasks of Mr Clarke and the Unit should be to keep closely in touch with events in Departments and in the inner cities; and present regular reports to the Prime Minister and her colleagues so that they can see the overall picture and consider where more can be done to intensify Government action in promising areas. This may well mean that in practice we end up with, say, a dozen or so areas where a special effort is being made to produce results: but we should not try to spot them straightaway.

#### Size of the Unit

16. On size, the Unit at present has 6 staff:

- 1 Grade 3
- 3 Grade 7s drawn from the Departments of Environment, Employment and DTI (one of them a PIO)
- 1 Senior Personal Secretary
- 1 Administrative Officer.

Mr Ridley sees no real need to have more than one or two people in the Unit although he doesn't press the point. Mr Clarke, on the other hand, would like there to be some modest expansion, with the addition of an HEO to assist with correspondence and an inward secondee from industry.

17. My own feeling is that imposing a firm ceiling on the number of staff in the Unit would be one of the best ways of preventing it slipping into an executive role. I propose therefore that the present strength should be regarded as a maximum, and that it should be made clear that it is not going to be allowed to grow (although we may wish to change the grading of one or two posts). Indeed, the workload may gradually diminish as the main lines of action become established, in which case we shall need to consider shedding posts. But for the time being, the important thing is to draw the line at the Unit's present size.

18. As to the private sector secondee proposed by Mr Clarke, I have reservations. I am not clear that we have a full-time job for such an individual and I am concerned that it could lead the Unit into the sort of executive role which more properly belongs to Departments. I understand that NatWest have already offered to arrange such a secondment and it may well be right that there

should be such an individual in Government to help with Action for Cities. But I would have thought that the right place would be the DTI or DOE.

#### Name of the Unit

19. I fear that the title of Urban Policy Co-ordinating Unit has not stuck. No one is using it. The Unit is most often referred to as the Cabinet Office Unit or the Urban Policy Unit. I know that Mr Wicks is not happy with the latter title in case it is confused with the Number 10 Policy Unit. DTI have already pre-empted Inner Cities Unit. I suggest we settle for the Cabinet Office Unit on Inner Cities and leave it at that.

#### CONCLUSION

20. You may wish to consider discussing these points with Sir Terence Heiser and Sir Brian Hayes, although I am not sure that it is necessary. Subject to that, if you are content, I suggest that all that is needed is for the No. 10 Private Office to reply to Mr Clarke's minute of 31 March and other Ministerial correspondence on the lines of the attached draft. We could then follow this up with a meeting of the Ministerial Group - or E(UP) - towards the end of May at which the various Ministers could report on what progress was being made with their initiatives. The Unit could be asked to prepare a paper which drew the threads together and provided a bird's eye view. And we would hope to repeat this pattern every few months, so that the Prime Minister can keep in touch with what is emerging from Action for Cities without being bothered too much with the detail.

R.T.J.

R T J WILSON

## INNER CITIES

The Chancellor of the Duchy of Lancaster, the Rt Hon Kenneth Clarke QC, MP will in addition to his duties in respect of the Duchy of Lancaster and at the Department of Trade and Industry, take responsibility, under the Prime Minister, for the co-ordination of Government action on inner cities and for its presentation.

### Notes for Editors

1. Mr. Clarke will assist the Prime Minister in the co-ordination of Government action towards the inner cities; and provide a focus, under the Prime Minister, for the presentation of those policies.
2. There is no change in the Departmental responsibilities of Ministers with programmes which are involved in inner city regeneration. These programmes will continue to be the responsibility of the Secretaries of State concerned and administered by their Departments. Mr. Clarke will be available as the initial point of contact for private sector companies wanting to offer support for Government inner city policies.

REGIONAL POL: Action  
for Citi  
Pt 13



RESTRICTED



Foreign and Commonwealth Office

London SW1A 2AH

4 May 1988

OTD  
Dear Andy,<sup>ps/s/s</sup>

Canary Wharf

/  
As I mentioned to you on the telephone, I enclose an extract from a recent teletype from our High Commissioner in Ottawa to the FCO, in case it is of interest as you prepare briefing for the Prime Minister's attendance at the Canary Wharf ceremony.

Yours sincerely,

(L Parker)  
Private Secretary

A Bearpark Esq  
PS/No 10 Downing Street

RESTRICTED

CANARY WHARF

1. AT THE RISK OF TELLING YOU SOMETHING YOU ALREADY KNOW, I SHOULD PERHAPS REPORT THAT WHEN I CALLED ON ALBERT REICHMANN IN TORONTO ON 28 APRIL HE REFERRED TO THE LAYING THE FOUNDATION STONE/ CUTTING TURF CEREMONY WHICH IS TO TAKE PLACE AT CANARY WHARF ON 11 MAY AND AT WHICH I UNDERSTAND THAT BOTH HE AND HIS BROTHER PAUL ARE TO BE PRESENT (ALBERT IS IN FACT FLYING OVER TO LONDON ON 7 MAY). THE PRIME MINISTER IS APPARENTLY TO ATTEND THE CEREMONY AND LAY THE STONE OR WHATEVER SEMI-COLON THE PLAN IS THAT SHE WILL THEREAFTER GO BACK WITH THE REICHMANNS TO THE OLYMPIA AND YORK OFFICE IN THE CITY FOR A CELEBRATION.
2. THIS IS OF COURSE BY FAR THE MOST PRESTIGIOUS AND LARGE CANADIAN PROJECT IN THE UK: INDEED IT IS THE LARGEST CITY DEVELOPMENT OF ITS KIND IN THE WORLD. AS YOU MAY HAVE SEEN, THE REICHMANN BROTHERS HAVE HAD VERY FLATTERING THINGS TO SAY PUBLICLY ABOUT THE UK ECONOMY AND THEIR REASONS FOR A CONFIDENCE IN LAUNCHING SUCH A VAST PROJECT IN LONDON AT THIS TIME. ALL THIS WAS AMPLY REINFORCED TO ME BY ALBERT REICHMANN IN PRIVATE, WHEN HE REMARKED ON THE COMPLETE CHANGE OF ATMOSPHERE WHICH HAD OCCURRED IN THE UK OVER THE LAST DECADE AND WHICH HAD MADE IT POSSIBLE FOR THE REICHMANNS TO GO AHEAD WITH THIS PROJECT (WHEREAS AN EARLIER ATTEMPT AT A SIMILAR PROJECT IN THE 1970S HAD BEEN DROPPED BY THEM BECAUSE OF THE MANY DIFFICULTIES THEY HAD ENCOUNTERED ALONG THE ROUTE). HE PARTICULARLY UNDERLINED THE COOPERATIVE ATTITUDE HE HAD FOUND AMONG MINISTERS, CITY PLANNERS AND EVEN THE LOCAL BOROUGH COUNCIL WHO, DESPITE LEFTWARD TENDENCIES, HAD DONE EVERYTHING THEY COULD TO MAKE THINGS EASY. FOR HIS PART, ALBERT SAID HE WAS DETERMINED TO KEEP THINGS THIS WAY AND TO SPARE NO PAINS TO HAVE THE PLANNING AND OTHER AUTHORITIES ON SIDE.
3. I ASKED HIM WHETHER IT WAS POSSIBLE TO COME TO ANY ESTIMATE

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MDTTAN 2693

OF THE LIKELY SIZE OF THE DIRECT CANADIAN FINANCIAL INVESTMENT CANARY WHARF REPRESENTED. THIS LED HIM TO EXPOUND AT SOME LENGTH ON PRESENT DAY METHODS OF FINANCING SUCH MEGA-PROJECTS. HE CLAIMED THAT, FOR EXAMPLE, HE HAD NO IDEA HOW MUCH CANADIAN (AS DISTINCT FROM JAPANESE, US OR OTHER) MONEY HAD GONE INTO THE CONSTRUCTION OF THE VAST OLYMPIA AND YORK DEVELOPMENTS' TORONTO HEADQUARTERS WHERE WE HELD OUR MEETING. THE SAME WOULD APPLY TO CANARY WHARF. THE FINANCING WOULD COME FROM SO MANY DIFFERENT SOURCES AND BANKS THAT IT WAS REALLY MISLEADING TO SPEAK, AS THE PRESS SOMETIMES DID, OF A POUNDS 3 BILLION CANADIAN INVESTMENT IN THE UK.

4. NONETHELESS, THIS NOT ONLY REPRESENTS A HUGE VOTE OF CONFIDENCE IN BRITAIN BY THE REICHMANNS, BUT ALSO WHAT WILL BE BY FAR THE MOST VISIBLE SYMBOL OF A CANADIAN PRESENCE IN LONDON. WITHOUT THE REICHMANNS, WHOSE EXPERIENCE WITH SIMILAR PROJECTS ELSEWHERE NOTABLY IN NEW YORK TO DRAW ON, IT SEEMS DOUBTFUL WHETHER CANARY WHARF WITH ALL THE OPPORTUNITIES IT OPENS UP FOR FURTHER INVESTMENT AND EMPLOYMENT IN THE UK WOULD HAVE GOT OFF THE GROUND SUCCESSFULLY. IT IS PARTICULARLY GRATIFYING FOR OUR RELATIONS WITH CANADA THAT, FOLLOWING SO SOON AFTER THE QUEEN'S PRESENCE AT THE OPENING OF THE ROYAL BANK OF CANADA'S NEW HEADQUARTERS IN THE CITY, THE PRIME MINISTER SHOULD BE ATTENDING THE CANARY WHARF CEREMONY.

The Rt. Hon. Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster and  
Minister of Trade and Industry

Rt Hon Nicholas Ridley MP  
Secretary of State  
Department of the Environment  
2 Marsham Street  
LONDON  
SW1P 3EB

Department of  
Trade and Industry

1-19 Victoria Street  
London SW1H 0ET

Switchboard  
01-215 7877

Telex 8811074/5 DTHQ G  
Fax 01-222 2629

Direct line 215 5147

Our ref

Your ref

Date 20 April 1988

*Dear Nick,*

**ACTION FOR CITIES**

*at 4/*

I was pleased to read your agreement in your 15 April letter to a number of my proposals. I remain a little concerned about your reluctance to see inner city initiatives targetted wherever possible on a relatively small number of areas. Certainly colleagues all agreed that we should not publish or establish formally a new list of target areas. However we did all accept, I recall, that initiatives had a better chance of success and changing the economic climate of an area when they were run alongside each other. We also agreed that the Government should concentrate on those places where we saw the best prospects of success and could reasonably expect to be able to demonstrate some achievement over the next three years.

I suspect however that there is no practical difference of opinion between us and I do not want to split hairs over the slight difference of emphasis in our letters. I quite agree that there is bound to be some difference in the location of initiatives aimed at housing, education, crime and training. I have asked the Urban Policy Unit to continue to liaise closely with your officials and those of other Departments to ensure that there is some reasonable overlap between these and that all Departments do consider certain places as priority locations if they are suitable. The fact that one Department is considering actions in a particular city should make that city a more

AP2ACH


attractive candidate for another Department's proposals. I have asked the Unit to bring me up-to-date with Departments' provisional intentions and I expect to find that we are indeed well on the way to achieving a suitable pattern of activity in practice.

I was therefore pleased that you asked the Urban Policy Unit to let your officials have suggestions for HAT locations as soon as possible. Your 21 September minute to the Prime Minister on HATs said that, while you would not want your hands tied, you would have very much in mind the location of other existing or proposed initiatives. I therefore assume you will view the Unit's proposals sympathetically.

On the common format for press notices for Action for Cities announcements, you will recall that I was asked to circulate this following our meeting with the Prime Minister before the 7 March launch. We have made some further improvements since 7 March. I attach a copy of the final format which I understand is now being used by most Departments. I hope your Department will now also be content to use it for future announcements.

I was pleased to read that your Department is already using blue signboards with the Action for Cities logo to publicise UP schemes. I very much hope that we will be able to use these as a basis for signboards for projects from all other Departments that fall within the £3 billion total announced in our Action for Cities document. I have asked the Urban Policy Unit to pursue this.

I am copying this letter to the Prime Minister, Members of E(UP) and Sir Robin Butler.



KENNETH CLARKE

REGIONAL POLICY : Jura bitis A13



# **ACTION FOR CITIES**

## **PRESS INFORMATION**

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88/277

01-215 5069

20 April 1988

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### SMALL BUSINESSES GAIN FOCUS FOR GROWTH IN LONDON

Some of Britain's largest companies are cooperating with the Government in one of London's inner city areas on a project to help 60 small businesses start up and grow, announced Trade and Industry Minister Kenneth Clarke today.

The Government's London City Action Team is putting £300,000 in a £1.5 million scheme to turn a 100 year old building in Blackfriars Road, Southwark, into a business centre being developed by the London Enterprise Agency (LENTA).

LENTA is backed by 17 major companies who work together to tackle some of London's inner city problems, and refurbishment of the building will be made by LENTA Properties Ltd which is owned by four of LENTA's sponsors - Barclays Bank, British Petroleum, Midland Bank, and Shell UK.

Small businesses based at the centre will have access to reasonably priced workspace and a wide range of LENTA support services, including business training and counselling. The centre building is being leased to LENTA by the City of London Corporation.

"Encouraging small businesses is essential if we are to breathe new life into our inner city areas." said Mr Clarke. "What impressed me most about this project is the large number of businesses which will be helped to grow and get off the ground in a very practicable way by people with a wealth of business experience."



MORE/...

NOTES FOR EDITORS

1. The London City Action Team (CAT) brings together the Regional Directors of the Departments of Employment, Environment, and Trade Industry, with the Manpower Services Commission. The CAT coordinates Government help and action in inner-city London, particularly by focussing on boosting business confidence and development, improving training opportunities and the business environment, and by encouraging small business development.

2. Further information on LENTA can be obtained from Tim Baldwin on telephone 01-236 3000.

ENDS



CCB9



2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3454

My ref:

Your ref:

The Rt Hon Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster  
Department of Trade and Industry  
1-19 Victoria Street  
LONDON  
SW1H 0ET

15 April 1988

CF  
R. M. J. early  
BIF

Dear Chancellor,

RCCG.14

## ACTION FOR CITIES

I am broadly <sup>at least</sup> content with the proposals in your minute of 31 March to the Prime Minister. I entirely agree that we must keep up the momentum created by the Action for Cities launch. And we must be able in due course to demonstrate how much we have done and the impact which our policies have had. I can see the advantage of being able to point to tangible successes in specific locations. However, as the Chief Secretary has pointed out in his letter of 12 April, the Prime Minister's Group did not agree that there should be a list of areas within the 57 UP areas which should receive greater attention than the rest. You will recall that members of the Group had doubts about the merits of such an approach, whether the list was made public or not. And I see considerable force in John Major's point about the difficulty of justifying the choice of areas for such a list if we had to do so.

In my view, the basis for selecting a particular location for a particular initiative must depend primarily on the nature of the initiative and the problems it is seeking to tackle, and I doubt whether we will achieve the best results by limiting our scope for action from the outset. It will not necessarily be the case, for example, that the best area for a compact will also contain a housing estate which requires Housing Action Trust treatment.

Turning to the specific proposals in paragraph 11 of your minute, if the Cabinet Office Unit have any ideas about HAT locations, I should be grateful if they would let officials here have them as soon as possible. It is important to bear in mind that Part III of the Housing Bill sets out the kind of criteria which should guide my selection of HAT areas and I shall need to take these into account, along with other relevant factors in reaching my decisions. I shall of course be consulting colleagues about my proposals before announcing them in Parliament.

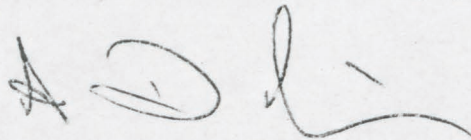
I am content to use a common format Press Notice for inner cities announcements, but I was not aware that a particular format had been agreed. I suggest that officials should liaise further about the design details.

As regards signboards I should mention that my Department is already using blue signboards with the Action for Cities logo to publicise UP schemes. These have only recently been produced - at some cost - and I would not want to waste this money unless redesign was absolutely essential.

I am content with recommendations (iii) and (iv) in your minute and with the other practical measures proposed in paragraph 8 to 10.

I am copying this letter to the Prime Minister, members of E(UP and Sir Robin Butler.

Yours sincerely



pp

NICHOLAS RIDLEY

(Approved by the Secretary of State and signed in his absence)

REG POL: Inner cities pt 13



Caxton House Tothill Street London SW1 9NF  
5803

Telephone Direct Line 01-213.....

Switchboard 01-213 3000

The Rt Hon Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster  
and Minister of Trade and Industry  
Department of Trade and Industry  
1-19 Victoria Street  
LONDON  
SW1H 0ET

*April 14*

*[Handwritten signature]*

**ACTION FOR CITIES**

*Heap*

Thank you for copying to me your minute of 31 March to the Prime Minister.

The note provides a helpful report of the progress that has been made since 7 March particularly in our efforts to promote greater private sector involvement. I am very pleased that John Cope will be with you at the first Action for Cities breakfast meeting in Newcastle on 13 April.

The proposals in your note to improve publicity and promotion of the Government's inner cities policies (recommendations (ii) to (iv)), including arrangements for Ministerial visits, should prove helpful in maintaining an effective profile for the scale of effort new underway and highlighting new developments as they arise. I know that my officials are in touch with the Urban Policy Unit on the various aspects of this and they will be pleased to discuss detailed arrangements to put the further suggestions in your note into operation.

You also suggest that the Cabinet Office Unit should be consulted on the location of specific projects including the Schools - Industry Compacts to be supported by the MSC.

I agree that we should endeavour to target initiatives on those areas where they are most likely to achieve results and that it is important for Departments' efforts to complement

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one another. Officials here will work with the Unit with that in mind. But as we have discussed in meetings of the inner cities group chaired by the Prime Minister, this approach should be taken with care; it should not be our intention to draw up a fixed shortlist of areas for favourable treatment at the expense of other less successful areas.

In the specific case of Compacts, officials here will, of course, liaise closely with the Cabinet Office Unit. I must however emphasise that the success of the Compacts initiative will depend on our identifying and supporting ventures which are viable because of the strong commitment of the parties in a particular locality. The scope for influencing from the centre is limited although we will be making efforts to stimulate interest in Compacts with help where appropriate from organisations such as the CBI and Business in the Community.

I am copying this letter to other members of E(UP) and to Sir Robin Butler.

*Jow.*

*Norman Fowler*

NORMAN FOWLER

CONFIDENTIAL

REG POLICY: Inner Access pt 13



CONFIDENTIAL

CC/B9



Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Kenneth Clarke QC MP  
 Chancellor of the Duchy of Lancaster  
 Department of Trade and Industry  
 1 - 19 Victoria Street  
 London  
 SW1H 0ET

*B/F* // *C.F.*  
*Rt Hon* *cc* *B/F*  
*at flap.*  
*PLC*  
*12/4*

12<sup>th</sup> April 1988

Dear Chancellor,

**ACTION FOR CITIES**

I have seen a copy of your minute of 31 March to the Prime Minister and other members of E(UP).

In general I am content with the measures suggested in your minute. I note that you are proposing targeting programmes on a relatively small number of areas where we might expect Government policies to produce the best results. Provided this means refocusing existing public expenditure, I am in favour of targeting the use of Government programmes as a means of pulling through early and visible results and therefore encouraging local initiative elsewhere. But, as you will recall, during discussions of this issue last year the balance of opinion was against selecting particular areas for favourable treatment, though this was in the context of a published document on inner cities policy. Though I understand that you do not have in mind publishing a list of selected areas, the way in which we choose to allocate resources from existing or planned new programmes is bound to generate questions about the reasons for our choice. We therefore need to be very clear about the criteria for the choice of areas including what can be said publicly if this proves necessary.

I am copying this letter to the Prime Minister to members of E(UP) and Sir Robin Butler.

Yours sincerely,

PP JOHN MAJOR  
 (Approved by the Chief Secretary  
 and signed in his absence)

REGIONAL POL: LINDA C. STEIN

pg 13







CCBG

NPPM will be  
near BIF.

Prime Minister

ALG  
11/4

**ACTION FOR CITIES**

AAR

I welcome Kenneth Clarke's minute to you of 31 March.

I agree that we must make sure that our policies achieve the maximum possible impact and I fully support the recommendations which he makes. The Home Office will work closely with the Cabinet Office Unit in deciding the location of future Safer Cities projects; we will use the Action for Cities format for press notices and sign boards; and we will co-ordinate arrangements for Ministerial visits in the way proposed.

The Safer Cities programme has already received an enthusiastic welcome. John Patten visited Wolverhampton last Thursday for the first local launch of the programme: the arrangements were made at short notice (since the annex to Kenneth's minute was prepared) to suit our local supporters but the Cabinet Office Unit has been kept fully in touch. The Action for Cities logo was used on all press material, of course. We will naturally do the same for the further visits which he and I intend to make.

I look forward to seeing the further material promised in Kenneth's minute in due course.

Doug's Amd-

11 April 1988

Rec. Pol. Unas Cile





CF 888

10 DOWNING STREET  
LONDON SW1A 2AA

*From the Private Secretary*

5 April 1988

The Prime Minister has approved the draft message for the forthcoming Inner Cities Working Breakfast Seminars which you enclosed with your letter of 28 March.

P. A. Bearpark

Ms. Carolyne Akers,  
Office of the Chancellor of the Duchy  
of Lancaster

✓

cc/B

TO:

PRIME MINISTER

Prime Minister

FROM:

KENNETH CLARKE

Contact, subject to any  
comments for Robin B. Me?

31 March 1988

RAEB  
21/3

yes mb

ACTION FOR CITIES

1 I am keen to maintain the momentum of the successful Action for Cities launch on 7 March. Departments are already carrying forward their new initiatives. In order to maximise the impact it is my view that we need to co-ordinate all new inner city announcements and that we should concentrate on a small number of priority areas.

2 In due course we will want to be able to demonstrate that our policies have had a significant impact on specific locations. New initiatives therefore need to be targetted on a relatively small number of areas where we can expect to see an improvement. I have asked the Urban Policy Unit at the Cabinet Office to review urgently with Departments the targetting of their existing programmes.

And visits by Ministers

3 At the same time, we need to consider where new initiatives should be located. There are three major new programmes - Housing Action Trusts, Safer Cities and Compacts - where individual projects are currently being worked up. I would like the Cabinet Office Unit to be closely involved, with the responsible Department, in deciding where these should be located. I would also like colleagues to consult the Unit when considering locations under any other initiatives within the £3bn total that we announced in our Action for Cities document.

#### Private companies

4 Companies have responded well to the Action for Cities launch. I see as a key role for the Cabinet Office Unit exploring with major companies practical ways in which they can help inner city regeneration. Business in the Community and other organisations can be used to ensure that companies get clear guidance about inner city opportunities.

5 Plans are well advanced for the series of breakfast presentations. The first one will be on 13 April in Newcastle. These are specifically aimed at local business leaders and will provide them with comprehensive information about inner city business opportunities. An expanded and free-standing Guide to Action for businessmen is being prepared, jointly with business organisations, based on that included in the Action for Cities

document. I am also hoping to have a private sector secondee located with the Cabinet Office Unit to facilitate their contact with major companies.

### Publicity

6 Although much has been done by Departments to ensure that Government gets credit for its effort and investment in inner cities, people are still largely unaware of the extent of its contribution. I would like to see our contribution to inner city projects acknowledged by Departments using prominent Action for Cities signboards on all their projects within the £3bn total and for all related Press Notices to be in the standard Action for Cities format. A format for Press Notices has already been agreed with Departments and I have asked the Cabinet Office Unit to consult Departments on a standard format for signboards.

7 The attached table of Ministerial inner city visits over the next two months shows the considerable scope for getting the message across. This table will be regularly updated and will show the purpose of visits and opportunities for linking announcements and themes for speeches. Again, however, it is essential that the Cabinet Office Unit should try to co-ordinate these visits to achieve the maximum impact. I hope

Departments, who will receive the schedule, will continue to keep the Unit informed of their plans for Ministerial inner city visits. The Unit in turn will give advice about announcements they would like visiting Ministers to consider making during particular visits.

#### Other Practical Measures

8 I will let you have regular reports on progress with the measures within the £3bn budget, including any additions to the portfolio of success stories. I have asked the Cabinet Office Unit to prepare a schedule showing where and when progress on inner city measures can be expected.

9 I am also arranging for there to be a standard master brief on inner cities for use by Ministers. This will be regularly updated. Area profiles giving facts and figures about individual towns and cities will be made available to Ministers making visits to inner city areas.

10 There is at present no systematic photographic record of inner city projects. I have asked the Cabinet Office Unit to set up a system so that successes in inner cities can be clearly demonstrated through before and after photographs.

Recommendations

11 I therefore propose that:

i) the relevant Departments should consult the Cabinet Office Unit on the location of specific Action for Cities projects, notably Housing Action Trusts, projects under the Safer Cities initiative and Schools-Industry Compacts.

ii) Departments should confirm their agreement to using the Action for Cities Press Notices and should consult the Cabinet Office Unit on a standard format for Action for Cities signboards.

iii) Departments should check the attached table of Ministerial inner city visits and ensure that it is kept up-to-date.

iv) Departments should ensure that all Ministers making visits are provided with the Cabinet Office profile of the city being visited as part of their briefing material.



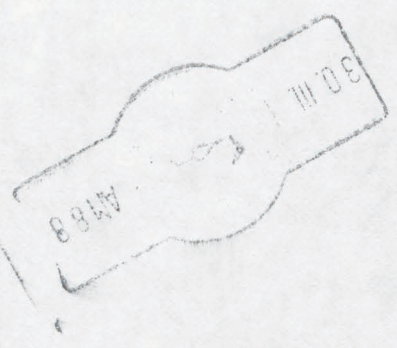
12 I hope you and colleagues are content with these proposals.  
I am copying this minute to members of E(UP) and Sir Robin  
Butler.

L

KC

14.

Attachment Clarke to PM, 3/13/88



Mr. Clarke]

transformed. That has to be compared with the position in the late 1970s, when the Government of the day intervened and poured taxpayers' money into the industry to enable it to remain uncompetitive, overmanned and inefficient, in the belief that somehow that would safeguard jobs in the industry. One sees that there are plenty of Opposition Members who fondly imagine that that is the right way for a Government to behave towards an important commercial undertaking.

**Mr. Gould:** Can the right hon. and learned Gentleman assure the House, preferably with the authority of his right hon. Friend the Leader of the House, who is sitting beside him, that there will be a full opportunity to debate this extraordinary statement during the week that we return from the Easter recess, particularly so that we can press him for the answers that he has notably failed to give us this afternoon on such issues as the prospective job losses, which the Rover Group must surely have discussed with him? Is he aware that in the absence of any such assurance I shall ask you, Mr. Speaker, to consider an application this afternoon under Standing Order No. 20 for a debate forthwith?

**Mr. Clarke:** The Lord President of the Council and Leader of the House is sitting beside me, and he has intimated that he will welcome an opportunity to discuss, through the usual channels, the possibility of a debate on this matter. I do not think that he would want me to bind him to exactly when that debate is to take place, but I am sure that he has taken on board the request for an early debate. I personally would welcome such a debate.

I realise that the details of this deal are complex but I attempted to be as explicit as possible in my statement. It is remotely possible that when people have studied the details they will not wish to press for such a debate, but if they do so we shall be happy to debate the matter once more. I look forward to taking the matter further. I hope that by the time we hold our debate I shall have more encouraging news about our progress towards making this conditional agreement a final agreement—as we make progress with the European Commission and as we move towards the general meeting of British Aerospace shareholders.

4.29 pm

## Urban Policy (Scotland)

**The Secretary of State for Scotland (Mr. Malcolm Rifkind):** With permission I should like to make a statement about urban policy in Scotland. I am today publishing a document entitled "New Life for Urban Scotland" which explains our policies and sets out our plans for major new initiatives. Copies are available in the Vote Office and have been placed in the Library.

Since the 1970s much has been done to revive Scotland's urban areas and in particular to bring new life to inner city areas, for example through Glasgow Eastern Area Renewal in Leith and in Dundee. It is generally agreed that Glasgow and other areas of Scotland are being transformed. But in the 1980s it is the people living in the large peripheral estates who are suffering most from choice in the type of housing they occupy, who have the least say in running their communities, and who are most dependent on state benefits and services.

In drawing up our proposals, we have carefully examined the lessons of recent experience. Future action will therefore be firmly based on the principles of helping residents take more responsibility in various ways for their communities, of full involvement of the private sector, and of partnership between different public bodies and the private sector.

It is especially important that we renew the self-confidence and initiative of local people and help them to assume increased responsibility for their communities. The way is open through, for example, involvement in training opportunities, tenant co-operatives, housing associations, school boards, small businesses and self-employment. It is essential that residents are fully involved and committed to plans to regenerate their areas.

The private sector has already demonstrated the important part it can play in bringing back new life to deprived urban areas. The Government are committed to increasing further their involvement, both through our wider economic policies and through encouraging investment in deprived areas. It is part of the task of both central and local government to create a climate in which the private sector feels able to invest. We hope the private sector will examine with enthusiasm the scope for investment in areas currently neglected. We want to see it involved from the outset in new urban regeneration initiatives. There are opportunities for investment which would both be of benefit to the private sector and make a major contribution to the economic and social regeneration of these areas.

For the Government's part, there is in place in Scotland a strong array of instruments to pursue urban renewal. Some £500 million will be spent on urban renewal in Scotland in 1988-89, over and above local authority spending. The Scottish Development Agency is using its comprehensive powers in many places. Last year it spent £62 million on urban renewal. Urban renewal is a major priority in its corporate plan over the next few years. The urban programme will spend £44 million this year, an increase of £6.4 million. We are announcing today approval of 225 urban programme projects, worth £8.9 million. Scottish Homes is soon to be created as a new and important housing agency, which will work alongside the SDA in pursuing urban regeneration. It will build on the expertise of the Housing Corporation and the Scottish

Special Housing Association, which between them spend over £125 million per year on urban renewal and which fully support the proposals that I am announcing today.

In addition, we are announcing today that £25 million is being specifically earmarked next year for new housing-related urban regeneration initiatives by the Housing Corporation. This replaces the original figure of £12 million referred to in paragraph 45 of the document. As announced on Friday, we have also just issued extra housing capital allocations to district and islands councils totalling £77 million, as a result of the popularity of council house sales. Policies on health and social services, crime, education and training provide special support to areas of urban deprivation. Enterprise is to be encouraged through the wide network of enterprise trusts, the enterprise allowance scheme, training and the new range of regional assistance. The Manpower Services Commission will spend some £250 million in urban areas, which will contribute to urban renewal.

With so much already happening, the Government's first aim is to sustain the momentum. But this is not enough; over the next 10 years a new priority must be given to tackling the problems of the peripheral estates. The Government will therefore establish a number of initiatives which will simultaneously pursue economic, environmental, housing and social objectives in peripheral estates. Four major new initiatives will be located in Castlemilk in Glasgow, Ferguslie Park in Paisley, Wester Hailes in Edinburgh and Whitfield in Dundee, subject to consultation with the local authorities and other bodies concerned.

Partnership will be required for taking forward these initiatives, involving the local community, the Government, the SDA, Scottish Homes, the local authorities, the private sector, the health boards, the MSC and other public bodies. The Scottish Office will initiate the development of such partnerships over the next few months and will be responsible for steering their progress. Ministers will be directly involved. The government will look to the SDA and, in due course, Scottish Homes, to play a leading role in implementing the initiatives, and the initiatives will need a local base in the communities themselves.

Moreover, the SDA, with local authorities, the Housing Corporation and the private sector, has plans well advanced for smaller-scale local initiatives in peripheral estates at Barlanark in Easterhouse, Glasgow, Forgewood in Motherwell and Tulloch in Perth. These pilot initiatives are aimed at revitalising these estates through action on housing, employment and the environment. The public and private sectors will contribute an estimated £45 million to these smaller new pilot initiatives. The SSHA, in consultation with the Housing Corporation, also has in hand an important housing initiative in Castlemilk, which will cost several million pounds.

We expect that these new initiatives will make a major contribution to tackling the characteristic problems of urban decay and will set a pattern for urban regeneration in Scotland into the 1990s. The work of urban renewal in Scotland, however, will extend more widely than these outlying estates, and the policies which we have set out are aimed at bringing new life to cities and towns throughout Scotland.

**Mr. Donald Dewar** (Glasgow, Garscadden): After all the advance publicity and public relations hype, this

statement is a sad anticlimax. What can we say? It is a beautifully produced brochure; it is glossy; it is splendid in its layout; but, sadly, it contains nothing. There is little hope here for those struggling with the effects of urban deprivation. The statement that the Secretary of State has made takes us no further forward. It deals in banal generalities.

Is financial provision not the key? And what have we been given, apart from a gathering of bric-a-brac from the past ingeniously packaged to give the impression of generosity? What new money is included over and above what has already been announced, and what new money is coming directly from the Government? How can anyone be impressed by talk of an additional £77 million for housing authorities when this depends entirely upon receipts? Glasgow's nominal share is £11 million, but all of it is to be found by selling assets. There will not be a penny, as I understand it, from the Government.

Is it not a fact that capital spending on housing in the public sector was scheduled to fall between 1987-88 and 1988-89 from £556 million to £505 million? The one specific addition that I can detect in this document, which is an additional £13 million for urban regeneration, announced today, still leaves in effect a cut of some £38 million between this year and next year. This whole presentation has been a mirage and a confidence trick.

We are promised four new initiatives; it is stated as a bald fact. But where are the details on structure or on funding? We are told that it is too early to specify what these initiatives will cost, clearly because neither the right hon. and learned Gentleman nor his advisers have thought out what is to be done. The document discouragingly warns that the overall level of expenditure on urban regeneration will be determined annually through the public expenditure machinery. On top of that, we are promised that Ministers will be directly involved. There is certainly little to cheer about there.

The Secretary of State boasts about the role of the private sector, but there is not a name to be seen, no hard information, no figures. Unlike the Chancellor of the Duchy of Lancaster, he cannot even promise breakfast for the eager entrepreneurs.

Will the right hon. and learned Gentleman accept that we welcome any initiative that involves all the relevant agencies, including local government, is properly funded and does not represent a takeover bid against the wishes of the local community? There is absolutely no guarantee in this document or in this apology for a statement that those criteria have been met.

Does the Secretary of State recall that he and his colleagues have recently been given to quoting the Grieve report? Has he read the Committee's final statement, published yesterday? If so, did he notice its view, on the question whether finance could realistically be expected from the private sector to tackle the problems of urban deprivation, that

"the Scottish Office produced no evidence of a conclusive or even convincing character and obscurity remains"?

Is that not a fair and balanced judgment on today's shoddy exercise in window dressing?

**Mr. Rifkind:** I can now see what the *Glasgow Herald* meant this morning when it said:

"Labour's problem is that it opposes everything and appears to have nothing constructive to say."

That sums it up more eloquently than anything that I could possibly say.

[Mr. Rifkind]

I noticed that towards the end of his remarks, the hon. Member for Glasgow, Garscadden (Mr. Dewar) said that the Opposition would welcome any new initiatives that sought to work with the local community and to provide partnership between the public and private sectors, leading to proper provision for the problems. The hon. Gentleman should be aware that that is exactly what the statement does.

I would make the following points in answer to the hon. Gentleman's questions. First, the hon. Gentleman was right to say that, for the most part, we are not talking about new money — [HON. MEMBERS: "Ah!"] No, because resources have not been the problem in the past. Hundreds, if not thousands, of millions of pounds have been invested in Glasgow's housing and in the housing stock of local authorities throughout Scotland. If we are faced today with these appalling problems on peripheral housing estates, as Professor Grieve concluded, resources by themselves will not solve the problem unless we know how to use them adequately.

It so happens that the statement includes about £25 million of new resources to be used by the Housing Corporation. Much of it will be available in the four areas in which the initiatives are to take place. I take pride in the fact that those additional resources are available because of the popularity of the Government's policies of house sales. Tenants have responded to the Government's policy and as a result we can now reinvest the resources into the housing stock in a way that gives double chargin to Opposition Members. They are upset and annoyed that tenants are buying their houses and that the money is going back into housing to improve the remaining housing stock. I can understand their disappointment, but they cannot expect anyone else to share it.

Secondly, the hon. Member for Garscadden said that he of course welcomed any new initiatives but believed that there was nothing in these initiatives to be welcomed. It will be interesting to see whether Glasgow district council shares his view and whether Edinburgh district council and other local authorities declined to co-operate on the grounds that there is nothing in the proposals to benefit the housing estates in their localities.

**Mr. Dewar** indicated dissent.

**Mr. Rifkind:** The hon. Gentleman is now trying to withdraw that insinuation, but he cannot have it both ways. If local authorities believe that the proposals do not represent any significant new initiative, they will doubtless show complete disinterest. But the hon. Gentleman knows as well as I do that if local authorities have the interests of their tenants at heart they will welcome these initiatives.

Finally, the hon. Gentleman asked about the Grieve report. He will appreciate that Professor Grieve identified what the Government have been saying for a long time — that single-tenure housing estates are one of the causes of the problem. Professor Grieve recommended that Glasgow district council should dispose of up to 25 per cent. of its total housing stock, and up to 50 per cent. in the peripheral areas, to have any prospect of resolving the social and economic problems in those localities. If the hon. Member for Garscadden quotes Professor Grieve, I hope that he supports the report's analysis.

**Several Hon. Members** rose—

**Mr. Speaker:** Order. I remind hon. Members from Scotland that we have a day ahead of us in which they are heavily involved. It may just be possible—I cannot be certain—that some of their questions to the Minister could be raised in the debates to come. I ask them to ask brief, preferably single, questions, so that we do not delay too long.

**Sir Hector Monro** (Dumfries): Does my right hon. and learned Friend agree that the attitude of the Opposition to any new initiative, whether in housing or Ford at Dundee, is utterly depressing and negative? Will he accept my congratulations on his new policies and, realising that they are so popular, extend them to the rural areas of Scotland, which are anxious to have the opportunity of further urban development? Will he bring in the Scottish Sports Council to help improve the quality of life, either through private money or directly through Scottish Sports Council aid?

**Mr. Rifkind:** I thank my hon. Friend and acknowledge that many of the rural areas have difficulties which the Scottish Development Agency and other bodies must take into account.

As for my hon. Friend's general point, it is very sad that the Labour party, which claims so often to speak for Scotland, has produced over the years virtually no original thought on housing, education or urban regeneration; it appears merely to believe that resources, irrespective of how they are used, are the solution to all the social problems that we face. The party offers a depressing prospect.

**Mr. Bruce Millan** (Glasgow, Govan): The Secretary of State has mentioned four peripheral estates, but is he aware that they are all in areas that have suffered seriously over the past few years from cuts in housing grant and housing capital allocations? If that money had been available to local authorities, many of the problems in those estates would not exist.

It is pathetic that, even after announcing these initiatives, the right hon. and learned Gentleman cannot give a single penny of new money. He says it is "too early" to specify how much the initiatives will cost, and there is no commitment to extra money. If he wants to call GEAR in aid, he might at least acknowledge that it was launched by the Labour Government—by me, in fact. At the time of its launch we took on the financial commitment for the following five years—that is the difference between what we did and what he is doing.

**Mr. Rifkind:** If the right hon. Gentleman believes that the problems of Castlemilk or Whitfield, or the other areas, began in 1979—

**Mr. Millan:** I did not say that.

**Mr. Rifkind:** I am glad that there is a common view that the peripheral estates in Scotland have suffered problems for many years, on which the resources that even the Labour Government provided for them appeared to have little practical effect.

The GEAR initiative, initiated by the right hon. Gentleman and continued with the full enthusiasm of the present Government, has been a great success. He should therefore be the first to acknowledge that other initiatives, this time in the peripheral housing estates, that involve some principles similar to those of GEAR but which also seek to learn the lessons of GEAR, may have an even

better prospect of success. One of the problems of GEAR was that, although it produced major environmental and housing improvements, it did not provide job opportunities for the local population within GEAR areas, partly, perhaps, because the people were not sufficiently involved in the development of economic opportunities in those areas.

**Mr. Archy Kirkwood** (Roxburgh, and Berwickshire): Does the right hon. and learned Gentleman accept that if there is no new money, people are entitled to consider this afternoon's statement a piece of cynical window dressing? Does he acknowledge that the statement portrays a worrying trend of seeking to write down the role of local authorities in the new initiatives? That is of great concern to us.

I ask the Secretary of State how towns such as Hawick in my constituency and schemes such as Burnfoot can expect to benefit from his announcement?

**Mr. Rifkind:** First, I said that there was going to be an additional £25 million for the Housing Corporation. Secondly, areas such as Hawick in the hon. Gentleman's constituency have pockets of severe deprivation.

**Mr. Kirkwood:** Pockets?

**Mr. Rifkind:** Yes, pockets: they are small towns.

**Mr. Kirkwood:** The whole town of Hawick?

**Mr. Rifkind:** The hon. Gentleman is free to express his view. If the local authority wants to apply for urban aid, it will be eligible for consideration.

**Mr. Nicholas Fairbairn** (Perth and Kinross): Will my right hon. and learned Friend appreciate that every time he announces Christmas, the hon. Member for Glasgow, Garscadden (Mr. Dewar) and Opposition Members suggest, by mirage and con tricks, that it is in fact a crucifixion? We welcome today's statement. We in Perthshire are delighted with my right hon. and learned Friend's announcement about Tulloch in Perth. We are glad that he is imitating the great events that occurred, thanks to a Tory Administration, in Pilton in Edinburgh, and look forward to him doing the same for the country towns and steadings of Scotland.

**Mr. Rifkind:** My hon. and learned Friend is correct to give the example of Pilton. There, the involvement of the private sector has, as anyone who knows it will confirm, made a substantial difference to improving the locality and the quality of life of those who live in it.

**Mr. John McAllion** (Dundee, East): If the Secretary of State can tell me what new money falls to the Whitfield estate in my constituency—over and above money already in the pipeline—I shall be pleased to welcome it. However, I remind him that there is more than one peripheral housing estate in Dundee. Half Dundee's population live in estates such as Whitfield. Can the right hon. and learned Gentleman give me a guarantee that the four major area-based initiatives will not be pursued at the expense of less funding, less attention and less care for housing estates everywhere across Scotland?

**Mr. Rifkind:** I certainly thank the hon. Gentleman for what I think was an indirect welcome for the inclusion of Whitfield in the list of initiatives. While some priority will be given to the four main initiatives, we recognise of course that many other areas in Scotland, including in Dundee,

require similar treatment. They cannot all be included in the first areas to be considered. We have tried to achieve a geographical balance, and to recognise some of the different kinds of peripheral estate that require to be the subject of the initiatives we put forward.

**Mr. Bill Walker** (Tayside, North): Is my right hon. Friend aware that the people of Scotland will recognise this initiative as something that really begins to tackle the problems, for the first time, of so many people living in council houses that are in appalling conditions? Successive Governments have failed to tackle these problems, so this initiative will be so welcome along with the involvement of people in their own affairs and in the community in every respect, as well as the involvement of the private sector. All this is real devolution, from which the people of Scotland will benefit.

**Mr. Rifkind:** My hon. Friend is correct. Unless one gets active participation and not simply acquiescence of the local community one cannot claim to have regenerated that community. Therefore, we genuinely believe that the local community must be involved in a very substantive way in the developments and initiatives that will take place within their area. It is not simply a question of regenerating buildings, as we must be able to provide a quality of life for the people in that area. That does not mean that we must provide for them; they must be part of that provision if it is to be at all meaningful.

**Mr. Norman Buchan** (Paisley, South): Is not the real situation that the Government, through their policy of cutting and capping local authorities, have created a situation in which building and improvement is grinding almost to a halt? In so far as the glossy developments illustrated in the brochure have come from local authorities, that has been achieved despite and against the actions of the Government. They have given us the HP sauce: when shall we see the bloody meat? When will we get new money? Is there any new money?

**Mr. Rifkind:** The hon. Gentleman, representing as he does a Paisley constituency, might have preceded his remarks by welcoming the fact that Ferguslie Park is included. [*Interruption.*] It may not be in his constituency, but it is a rather curious concept that the hon. Gentleman has suddenly become so protective about anything that happens in the other half of Paisley. I do not take it entirely seriously. This is good news for Paisley and the hon. Gentleman should have had the courtesy to recognise that.

In relation to resources, we announced just two days ago £77 million of new allocations for local authorities, because of the success and popularity of council house sales. Today, I have announced a further £25 million for the Housing Corporation, also as a result of receipts from sales. That will all go towards rehabilitating the housing stock in these localities.

**Mr. Alex Salmond** (Banff and Buchan): Does it not accurately summarise the Government's priorities that £800 million can be found to privatise the Rover Group, but only £30 million can be found for Scottish housing, as set out in this document? Is it not the case that £30 million is entirely inadequate to deal with the enormity of the problems in Scottish housing? Will the people of Scotland not read the Secretary of State's glossy brochure and ask where the cash is?

**Mr Rifkind:** On the contrary. If people wish to know about the cash, they will find out about the £500 million to be spent on urban renewal over the next year in the various ways that I have mentioned. The hon. Gentleman, as an economist, should be the first to appreciate that, despite large sums of money being spent already, it is not the sum of the resources, but how they are spent, that determines whether schemes are successful.

**Mr. Dick Douglas** (Dunfermline, West): Will the Secretary of State accept that, when we are considering past economic developments, the builders of the new town in Edinburgh and the merchant city of Glasgow did not do their discounted cash flow sums? We are looking for co-ordination of initiatives that involves not just urban Scotland but the whole of Scotland. Will he accept that there are problems, particularly in mining communities, which I have referred to before? They are being decimated under his Administration. People have no buildings like those in the centre of Glasgow, to look up to. This is a severe problem. The Secretary of State ought to give it some attention, and give additional money and real resources to these communities.

**Mr. Rifkind:** I do not dissent from much of what the hon. Gentleman says. It is sad that neither he nor his hon. Friends have said how they believe these additional resources should be spent. They approach this issue simply by saying, "Please give us more money." [Interruption.] Well, in none of the contributions made today and on other occasions have we heard any explanation of new ways in which the hon. Gentleman and his friends would wish to use new resources. My statement indicates a new approach to urban regeneration. If the hon. Gentleman disagrees with it, he should address himself to providing a coherent alternative strategy that does not just depend on the incantation, "Give us more money."

**Mr. Eric Forth** (Mid-Worcestershire): Does not my right hon. and learned Friend agree that the quality of life in council house estates over many decades has suffered from the tyranny of mismanagement by local authorities, lack of involvement by the tenants, the iniquitous points system, and may other factors? Will he assure the House that, within his proposals today, there will be a real effort to delegate and devolve to people real responsibility for their own homes and estates? Will he do everything possible to assist in that, and in the continued sale of council houses, as in that way, a new sense of pride and involvement can be engendered in Scottish council house estates.

**Mr. Rifkind:** My hon. Friend is correct. Glasgow district council is the largest landlord in western Europe. In several local authorities, such as Motherwell, about 80 per cent. of the housing stock is still owned by one landlord — the local authority. I do not think that anyone, whatever his political views, believes that that is healthy. To be fair, even the Labour party seems to have come round to realising, with varying degrees of enthusiasm, that that position is not in the interests of their constituents. The real debate is not in terms of the argy-bargy that we have heard today, but about how we can meet the aspirations of people in Scotland who live on these housing estates, and who do not believe that the existing arrangements meet their aspirations or provide them with the sort of community or housing that they want for themselves and their families.

**Mr. Allen Adams** (Paisley, North): I think the House should be aware that the Minister and his colleagues have received in the past week, to the best of my knowledge, four or five invitations to visit the north end of Paisley. They have turned down every one of them. That shows how much they care about the north end of Paisley.

Twenty years ago, I was elected by the people of Ferguslie Park to Paisley town council. Ever since then, I have seen every cheapskate Tory politician use the poor as a platform to peddle nonsense. Is the Secretary of State aware that the solution for Ferguslie Park is capital investment and jobs? Unemployment there runs at least 60 per cent.

There is no excuse for the Secretary of State's failure. Next to Ferguslie Park is the biggest airport in Scotland. We have one of the best road systems in Scotland and an excellent railway link from Ferguslie Park and Paisley. Yet the Secretary of State has failed abysmally to attract any medium-sized industrial firm into that area in a decade.

**Mr. Rifkind:** If the hon. Gentleman is implying by his question that he would rather we did not include Ferguslie Park in our major initiatives, I shall be very happy to consider that.

**Mr. Thomas McAvoy** (Glasgow, Rutherglen): The Secretary of State expressed in his statement enthusiasm for partnership to implement his four initiatives. In Castlemilk, part of which is in my constituency there is a Castlemilk area liaison committee, comprising local authority representatives and statutory bodies and, most important, local community representatives. Will the Secretary of State give an assurance that the Castlemilk liaison committee will be a focal point for implementing the initiative in Castlemilk?

**Mr. Rifkind:** I hope that it will be very much involved. We shall need to consider who are the proper representatives of the community; if that organisation is representative, of course it will be involved. I must repeat that, with the possible exception of the hon. Member for Dundee, East (Mr. McAllion), it is typical of the Opposition that even hon. Members representing constituencies affected by these initiatives are unable to give them even a general welcome. That shows more clearly than anything I could say that it would not matter a whit what the Government say, as Opposition Members are adopting a negative and hostile attitude that is as boring as it is predictable.

**Mr. Menzies Campbell** (Fife, North-East): Paragraph 63 of the document that we have been discussing refers to the contribution of sport and the arts to the quality of life in urban areas. Indeed, both the Scottish Sports Council and the Scottish Arts Council are then referred to with approval in the document. In the light of that approval, and the contributions made by both agencies, what additional funds are the Government prepared to make available to both of them so that they can extend and expand the work that the Government obviously approve of?

**Mr. Rifkind:** The hon. and learned Gentleman, I am sure, should know that the Government are providing the Scottish Sports Council with particular new resources to enable it to have new headquarters. That has been identified by the Scottish Sports Council as crucial to its continuing work. The Sports Council and the Scottish Arts

Council have the same necessity as everyone else, which is to identify the priorities to be attached to their overall activities. I agree with the hon. and learned Gentleman that those activities are relevant to urban regeneration. That is why the Government have drawn attention to them.

**Mr. Tony Favell** (Stockport): Is my right hon. and learned Friend aware that one of the most welcome pieces of news this afternoon is that a realisation is dawning among the Scots media that if Scotland were promised the moon, the Labour party would vote against it? Are the Scots aware that their image in the rest of the United Kingdom is that of a bunch of negative nellys?

**Mr. Rifkind**: There is a lot of sad truth in what my hon. Friend says, because there is an assumption that it would not matter what the Government announced because the Opposition, and even their Members in constituencies that are most directly affected, would find every possible reason—*[Interruption.]* The fact is that that is the sad reality. It is a matter for great sadness that, instead of seeking to identify in a constructive way changes or improvements that might be made to the Government's proposals, the Opposition simply react in the most predictable and tedious fashion—as they are doing today.

**Dr. Norman A. Godman** (Greenock and Port Glasgow): Paragraph 30 of this document refers to the three extant enterprise zones. It also says that there may be exceptional circumstances which might lead to the creation of a further enterprise zone. What is the likelihood of an announcement about an Inverclyde enterprise zone being made during the Prime Minister's proposed visit to my constituency? Incidentally, I have not been notified of that visit by the right hon. and learned Gentleman or by any other Scottish Office Minister. What is the likelihood that there will also be an announcement about new jobs in Greenock and Port Glasgow during the Prime Minister's proposed visit to my constituency?

**Mr. Rifkind**: The hon. Gentleman will have to wait to see whether there is an early announcement about an enterprise zone for Inverclyde. I appreciate that the hon. Gentleman attaches enormous importance to Inverclyde obtaining enterprise zone status. I hope that he will show some patience, so that a decision can be reached in due course.

**Dr. Godman**: Next time, I should be informed.

**Mr. Speaker**: Order.

**Mr. Tony Worthington** (Clydebank and Milngavie): Does not the Secretary of State recognise the sheer anger on the Opposition Benches? This document was written 13 years ago in Strathclyde and we have been hamstrung for that time by the lack of resources. Then what occurs? The Secretary of State produces a glossy document claiming the ideas for the Government, but still does not produce resources. I should like to ask the Minister one specific question. Page 7 of the document says:

"The private sector effort has been focused through the Glasgow Action initiative."  
How much money is there?

**Mr. Rifkind**: The hon. Gentleman should know that the private sector has in many ways made a major contribution of a kind that the Opposition prophesied would not happen. For example, Local Enterprise Grants

for Urban Projects is a Government initiated scheme, and £29 million of LEGUP has brought in over £170 million from the private sector. The hon. Gentleman should be the first to appreciate that the private sector would like to make a major contribution to jobs in his constituency, despite his opposition to its efforts.

**Mr. David Marshall** (Glasgow, Shettleston): Since my constituency received some of the benefits of the Glasgow Eastern Area Renewal project, I welcome this initiative for other areas even though, unfortunately, it is too little, too late. Will the Secretary of State give us an assurance that these projects will receive the resources that they need to complete the job? The GEAR project did not receive such resources. Will he guarantee that the Government will not pull the plug two thirds of the way through, leaving people feeling bitter and disillusioned, as happened with the GEAR project?

**Mr. Rifkind**: First, I thank the hon. Gentleman for the comments in the first part of his question. On his latter comments, he will appreciate that, throughout the period of the GEAR project, the Government ensured that major sums of public resources were provided. The fact that GEAR has been the success that almost everyone says it is, must lead him to accept that it could not have been a success if the Government had starved it of resources over the last nine years. The GEAR project was initiated by the hon. Gentleman's Government, but since 1979 the project has been the responsibility of this Government. It could not be the success that it is acknowledged to be throughout the United Kingdom if it had not been generously treated in the way that I have mentioned.

**Mr. Kenneth Hind** (Lancashire, West): As one who is interested in urban renewal—*[Interruption.]*

**An Hon. Member**: Is he a Member?

**Mr. Speaker**: Order.

**Mr. Hind**—may I congratulate my right hon. and learned Friend on a very imaginative approach to a very difficult problem?—*[Interruption.]*

**Mr. Speaker**: Order. We are in the United Kingdom Parliament.

**Mr. Hind**: Thank you, Mr. Speaker. Are hon. Members to understand that my right hon. and learned Friend sees the sale of council houses as one of the major vehicles of his urban renewal policy? Is it not an achievement for his Department that he has been able to make £77 million available to councils throughout Scotland to add to the money that he is putting in for urban renewal throughout Scotland?

**Mr. Rifkind**: There is undoubtedly a need and a desire for greater home ownership in Scotland, but it is not simply a question of home ownership. The crucial objective in these very large peripheral housing estates is a multiplicity of tenure, involving housing associations, tenant co-operatives, home ownership and municipal housing. It is only when we get such a wide variety of housing stock that we can claim to have a proper spectrum of housing opportunity for the people in the locality.

**Mr. Nigel Griffiths** (Edinburgh, South): Is the Secretary of State aware that, in the Wester Hailes area, his report and statement will not be welcome because his record shows the Secretary of State's commitment to Wester



[*Mr. Nigel Griffiths*]

Hailes to be poor? Three years ago, rather than give additional funds to Wester Hailes, the Secretary of State starved Edinburgh district council of capital allocation and the council had to go to Japan to find extra money.

**Mr. Rifkind:** I say to the hon. Gentleman, as kindly as I can, that in the months that he has ceased to be a councillor for Wester Hailes he has obviously got out of touch with the local community, because only some weeks ago the people in the community wrote to me saying that if the Government were to initiate projects of this kind, they hoped that Wester Hailes would be included.

**Mr. Tom Clarke (Monklands, West):** Will the Secretary of State confirm that, unlike my hon. Friends the Members for Paisley, North (Mr. Adams) and for Paisley, South (Mr. Buchan) we in Monklands endured a recent visit by the Secretary of State? It is not something that I would necessarily recommend to my hon. Friends. Like this glossy document, which covers a multitude of missed opportunities, the visit had much to do with public relations and very little to do with real jobs.

Does the Secretary of State accept that the second largest employer in my constituency, the laudable Summerlee heritage park, deals with industrial archaeology? Have the Government abandoned any industrial strategy that means investing in manufacturing industry? Will our people who have suffered long-term unemployment continue to do so? There is nothing in this document, just as there was nothing in the Secretary of State's visit, that offers those people any real or tangible hope.

**Mr. Rifkind:** If the hon. Gentleman had been present when I visited his constituency, he would know that the claim that he has just made is unfair. The purpose of my visit was to open some industrial workshops that are providing employment in the Coatbridge area. So relevant was the visit thought to be that the provost of Monklands, who I understand is a political colleague of the hon. Gentleman, and representatives of Strathclyde regional council who are of the same political persuasion as the hon. Gentleman, thought the occasion sufficiently important to merit their attendance, even if the local Member of Parliament did not.

**Mr. Brian Wilson (Cunninghame, North):** Will the Secretary of State confirm that every pretty picture in this brochure is the product of work initiated by or involving either a creative Labour local authority or an organisation brought into being by a Labour Government? Will he reflect upon that before spitting any more venom at the Opposition and the Labour party in general? I exclude from the category of pretty pictures his own rather unflattering portrait, for which we claim absolutely no responsibility.

Will the Secretary of State say what there is in this document for areas such as my constituency, which contain many manifestations of urban blight but which apparently are not to be offered any solutions? Does he agree that, while we might ingratiate ourselves temporarily with the right hon. and learned Gentleman and his colleagues by expressing warm welcomes for glossy documents, we would scarcely be doing a duty to the over 50 per cent. of people of Scotland who placed their faith in the Labour party if we were to lead them to confuse myth with reality?

**Mr. Rifkind:** Making the same exception as the hon. Gentleman did with regard to my portrait, I can confirm that all the projects to which those photographs refer were entirely funded by the Government or while the Government have been in office.

With regard to the value of the proposals, I find some paradox in the hon. Gentleman's question. On the one hand, he says that the document is worthless and of little value to the areas mentioned, but he then goes on to ask why no one from his constituency is included. He must make up his mind. If it is of little value to anyone, he should be uninterested in whether his constituency is affected.

**Mr. John Redwood (Wokingham):** What scope is there for increasing asset sales and raising more money that way from underused or badly managed assets in the public sector and for attracting more private capital? Does my right hon. and learned Friend agree that it would be a sign of even greater success for Scotland when he can come to the House and say that the economy is so flourishing that the amount of dependency and reliance on public subsidy has reduced rather than increased?

**Mr. Rifkind:** That would be true of the United Kingdom as a whole, not simply of any one part of the United Kingdom.

There is indeed a substantial opportunity for further investment through asset sales. In the past week, some £90 million of additional housing expenditure has been announced as being financed as a result of the popularity of the right to buy for council tenants. That example can be emulated in other areas, given that it not only brings pleasure to the tenants involved, but enables much important work to be done on the residual housing stock.

**Mr. Henry McLeish (Fife, Central):** Will the Secretary of State concede that unemployment remains one of the key issues in the inner cities in Scotland and on the peripheral estates? Does he accept that a sizeable proportion of the 300,000 people currently unemployed in Scotland are in the age group 18 to 25 and that many of them are located in the peripheral estates and the inner-city areas? Does he accept that the time is now ripe for a major initiative to be undertaken by the Scottish Office, the Manpower Services Commission and the Scottish Development Agency to move beyond YTS and the community programme and to give some life to many young people who are seeking hope in our great cities and deserve a better deal than they are getting at present?

**Mr. Rifkind:** I certainly acknowledge that the hon. Gentleman has made perhaps the only constructive contribution from the Labour Benches this afternoon. He is right to say that the problem goes beyond the physical infrastructure and includes employment and economic opportunities in the area concerned. That is why, when the hon. Gentleman has a chance to read the document, he will see that we attach special importance to the fact that only initiatives that provide economic opportunities, either through the generation of small businesses in those estates or through the infusion of private sector investment for employment prospects, will give the full success that we seek.

The right hon. Member for Glasgow, Govan (Mr. Millan), who referred to the GEAR project, would be entitled to say that it did not succeed in every respect. The

main area in which it did not succeed as we would all have wished was in respect of jobs in the locality. Although many jobs were created, they were not necessarily created in the GEAR area, but in other parts of Glasgow. We must ensure that employment is created as a result of those initiatives and that it is to the benefit of the people in the locality and not in the wider area.

**Mr. Alistair Darling** (Edinburgh, Central): Will the Secretary of State acknowledge that, in Edinburgh, many of the urban problems that afflict the peripheral estates such as Wester Hailes also afflict the city centre where, not very far from Princes's street, unemployment is running at one of the highest rates in the region, at over 20 per cent?

In an effort to be helpful, will the right hon. and learned Gentleman consider two points? Perhaps he will consider, first, the Government's policy in respect of grants for house improvements, which has endured a stop-start programme over the past three or four years. Secondly, perhaps he will consider MSC schemes and particularly the MSC's policy of funding a project for perhaps one or two years, then withdrawing funding or insisting that the staff change round so that, as soon as the programme gets off the ground, it has to start from square one again. That problem afflicts the city centre and the Secretary of State's constituency.

**Mr. Rifkind**: There are problems in the city centre in Edinburgh. My hon. Friend's announcement of a new non-HRA additional allocation to Edinburgh district council as well as to other local authorities will undoubtedly have helped in that matter.

The hon. Gentleman should discuss with his colleagues in the Edinburgh district council the poor level of application that the council makes for help under the urban programme. Compared with some 45 applications from Glasgow district council, there has been a total of four from Edinburgh district council. The hon. Gentleman should realise that, if Edinburgh district council has the interests of the people of Edinburgh at heart, it is astonishing that it has made a tiny fraction of the applications that Glasgow district council has made. Both local authorities live under the same public expenditure regime. Therefore, if Edinburgh district council has been so inadequate in using the opportunities under the urban programme—it has been even more inadequate than the Lothian regional council—it has only itself to blame if there are many unresolved problems in the city centre.

**Mr. Frank Doran** (Aberdeen, South): Later today the Secretary of State will be moving new clause 8 to the Housing (Scotland) Bill. That new clause will abolish four specific subsidies under the Housing (Scotland) Act 1987, which were specially targeted at inner-city areas. I cannot help thinking that there is a paradox between what the right hon. and learned Gentleman is saying now and what he intends to do later. Will he explain that paradox?

**Mr. Rifkind**: It will be discussed in detail later. Those are all marginal grants which are of little practical benefit. The resources are still being made available, but in a more effective way.

**Mr. Thomas Graham** (Renfrew, West and Inverclyde): The Secretary of State said earlier that Opposition Members never came up with anything at any time. May I recommend that he reads the Strathclyde document called "Social Strategy for the Eighties"? He has certainly

picked up a great deal from that document and put it into his document. Strathclyde regional council has been pushing for many years to involve local communities, private groups and other groups. It is strange to see such a document.

I remember when the previous Secretary of State for Scotland visited the Linwood site and said, in front of many people, that, if anyone came along and wanted to build a factory to produce rubber ducks, the money would be available. The local people set up a group called the Linwood enterprise group. It came forward with a plan to use certain sections of a building to produce goods and work and to give the local folk in Linwood an opportunity to get off the dole and start being creative. Lo and behold, the Scottish Office turned the plan down. It did not want the group to produce rubber ducks. It wanted it to produce something meaningful and useful to the community.

When we fly into the airport, as many hon. Members do, we fly over the old factory of India Tyres, which is now vacant. We come along the motorway and we see—

**Mr. Speaker**: May I interrupt the hon. Gentleman? He must ask the Minister a question.

**Mr. Graham**: I was just going to put my question.

There are two major areas in my constituency which are lying vacant and are desperate for regeneration and money. This document is meaningless because it does not afford local voluntary organisations the opportunity to get money. It does not show them anything.

**Mr. Rifkind**: I have no doubt that the hon. Gentleman has problems in parts of his constituency. I can assure him that the document is relevant to the whole of urban Scotland and not simply to the four areas which will be the subject of the major initiatives. Clearly there are areas on which we wish to concentrate in the short term, but the resources currently available bring benefit to useful and meaningful projects all over Scotland, including the hon. Gentleman's constituency.

**Mr. John Maxton** (Glasgow, Cathcart): Is the Secretary of State aware that flashy advertising and cheap political jibes are no answer to the problems of urban regeneration in Scotland? Is he also aware that his performance this afternoon has been an insult both to his position and to the people of Scotland?

If the right hon. and learned Gentleman is so keen to keep saying that Opposition Members want nothing but money thrown at them, does he remember receiving from myself a document called "The Castlemilk Initiative" some three years ago? That document was as glossy as this, but it had much more substance. It was produced by the Castlemilk liaison committee, to which my hon. Friend the Member for Glasgow, Rutherglen (Mr. McAvoy) referred earlier.

We discussed that document with the then Minister, Michael Ancram. We had lengthy discussions with him. We produced every idea and initiative on economic planning, jobs, housing and environmental improvements in Castlemilk. We and Castlemilk representatives had the ideas and asked for one thing—money. Does the Secretary of State remember his junior Minister's answer? It was no.

**Mr. Rifkind**: After listening to the hon. Gentleman's contribution, I am not clear whether he is pleased or disappointed that Castlemilk is to be one of the areas for

[Mr. Rifkind]

the major initiatives. When the hon. Gentleman has said whether he welcomes or is disappointed by that news, it will begin to be possible to have a coherent dialogue with him.

**MATRIMONIAL PROCEEDINGS (TRANSFERS)  
BILL [LORDS]**

*Ordered,*

That the Matrimonial Proceedings (Transfers) Bill [Lords] be referred to a Second Reading Committee.—  
[Mr. Lennox-Boyd.]

**Horses, Ponies and Donkeys**

5.20 pm

**Mr. David Amess (Basildon):** I beg to move,

That leave be given to bring in a Bill to protect horses, ponies and donkeys against abandonment by their owners; to provide for statutory code of practice on the tethering of horses and ponies; to oblige owners to arrange for a humane method of identification for their animals; and for purposes connected therewith.

I have been reliably informed by people throughout the country that this is the moment for which horses, ponies and donkeys have been waiting. Indeed, a representative of each of those groups was brought to Westminster this afternoon, but I thought it inappropriate to attempt to bring them into the Chamber.

On a more serious note, the Bill attempts to deal with the abuses that these animals undoubtedly suffer. A report recently produced by the Royal Society for the Prevention of Cruelty to Animals states that 3,000 horses in Britain live a miserable existence, tethered by a length of rope or chain to a stake in the ground. That restrictive life style is made even worse in many cases when poor tethering and lack of attention mean that horses suffer severe discomfort and even death.

People who lack suitable facilities for these animals choose to restrict their movement by tethering, usually by a rope or chain attached around the animal's neck to a head collar and then fastened to a stake secured to the ground. Increasingly, parents buy a pony for their child without giving any thought to the requirements of the animal's upkeep or the costs involved in looking after it properly. The RSPCA inspectors' research found that many people had no idea of the amount of land required or quality of food needed to look after these animals properly. The cost of keeping a horse is enormous.

The horsemeat trade to the continent is especially prevalent in my part of Britain, the south of England. Horses waiting for the knacker's yard have a low economic value and do not receive anything like the attention they require. A particular cause for concern is the large number of horses and ponies left to fend for themselves on areas of hostile or non-habitable land, such as the Essex marshes. They are often left for several months before being rounded up. In the middle of the night, a van mysteriously arrives, the horses, ponies and donkeys are put into them, and they are then used for horsemeat. These incidents are repeatedly reported but neither the police nor the local authority can take any action.

We should consider the plight of horses used to earn a livelihood—for example, in sea coaling in the north-east of England. Many areas have a tradition of horse keeping dating back to the use of pit ponies, which were well cared for, but now some of these animals are not kept in a wholly suitable fashion.

I should like to outline the precise need for this legislation and why I believe that the Protection of Animals Act 1911 is not sufficient to give the protection that so many hon. Members want for these animals. Over the past year, the number of convictions secured against cruelty to animals increased by 17 per cent. Complaints to the RSPCA from the general public about tethered horses rate second only to those about the ill-treatment of dogs. Complaints increase when temperatures drop and horses tied to stakes or trees on wasteland are exposed to rain, wind or snow, with no shelter or little attention. An



the department for Enterprise

cc: B...

The Rt. Hon. Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster and  
Minister of Trade and Industry

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Private Secretary to  
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Our ref

Your ref

Date

28 March 1988

Andy

Yes.

Rec'd  
21/3

Dear Andy,

Part. - contact?

I attach a draft message from the Prime Minister which it is proposed should be included in the pack which delegates will be given at the end of the forthcoming inner city breakfast seminars. Please would you advise whether this is acceptable.

Yours

CAROLYNE AKERS  
ASSISTANT PRIVATE SECRETARY

IS3AAF

I am sorry that I cannot join you at  
[Newcastle/Leeds/Manchester/Birmingham/Liverpool/London] on  
what I know will be an exciting occasion. I commend to you  
the opportunities which will be presented to you.

Prime Minister

Content with the message?

2013  
31/3

**ACTION FOR CITIES WORKING BREAKFASTS**

Draft Message from the Prime Minister (No 10 notepaper, facsimile signature)

Yes not

(Date of Presentation)

Dear Guest

When I launched Action for Cities on 7 March I said that its aim was to help our cities prosper through enterprise and civil pride. The measures needed to achieve this cannot be imposed. Success depends upon a partnership of Government with commerce and industry.

Much has already been achieved and the Government is now stepping up momentum to make inner city decay a thing of the past. There are many opportunities for companies, large and small, to become involved and you will learn at this Working Breakfast about the opportunities and the benefits which can result from this important work.



~~CCB~~

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NBRM

ALG

23/3

The Rt Hon Malcolm Rifkind QC MP  
Secretary of State for Scotland  
Dover House  
Whitehall  
LONDON  
SW1

22 March 1988

*John Malcolm*

*Alap*

Thank you for copying to me your letter of 15th March to Kenneth Clarke enclosing a copy of the latest draft of the Scottish Office document "New Life from Urban Scotland".

I understand my officials are in touch with yours about the reference to compacts in the document (paragraph 51) and more generally about support for employer/school compacts Scotland. Apart from this minor point I am quite content with the document as it stands.

I am copying this letter to the recipients of yours.

*Norman Fowler*

NORMAN FOWLER

REG POLICY: Inner Cities pt 136





**dti**

the department for Enterprise

*QBA*

*NBA*  
*Ree*  
*12/3*

The Rt. Hon. Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster and  
Minister of Trade and Industry

Rt Hon Malcolm Rifkind QC MP  
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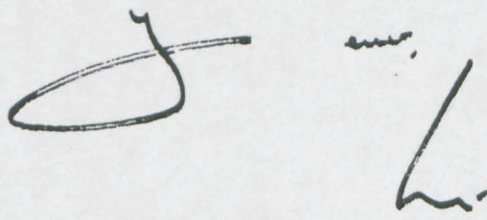
*Dear Malcolm,*

*at Harp*

Thank you for your letter of 15 March attaching a copy of "New Life for Urban Scotland". Officials have of course already been in touch about earlier drafts, and the document was foreshadowed in Action for Cities.

I think the document is excellent; it draws out the background and issues very well, and sets out clearly the practical measures which the Government intends to implement. I was pleased to see that the document refers to the Enterprise Initiative and to the necessity of involving the private sector in urban regeneration.

I am copying this letter to the Prime Minister, other Members of E(UP) and to Sir Robin Butler.



KENNETH CLARKE

IS1AAC

REGIONAL POL: Inner Cities P413





NEW ST. ANDREW'S HOUSE  
ST. JAMES CENTRE  
EDINBURGH EH1 3SX

CABG

Note Spurred to  
Richard Wilson (Cds. Office)  
Let the inner cities Unit hold  
take a careful look at  
min and other comms.

Prime Minister

CONFIDENTIAL

PRCC  
16/3

At a quick glance,  
not as good as the English document, though  
it is difficult to judge without the photos.

Do you want to offer any  
comments?

The Rt Hon Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster and  
Minister of Trade and Industry  
Department of Trade and Industry  
1 - 19 Victoria Street  
LONDON SW1H 0ET

PRCC

15 March 1988 12/3

Dear Kenneth  
Hap 0512

My minute of 26 January to the Prime Minister about "Action for Cities" set out how I proposed to present our urban policies in Scotland. It was agreed that "Action for Cities" should focus on the position of England but should contain a short section on Scotland, and that I should publish separately an explanatory document explaining in more detail the Government's policies and programmes in Scotland.

I now attach the text of the Scottish document. Like "Action for Cities" it will also contain a range of photographs illustrating different types of urban renewal projects in Scotland.

I intend to launch the document before the Easter recess with a Press Conference and an oral statement in the House. The text has now gone for printing and I should therefore be grateful if any comments on it could reach me by lunch-time on Thursday 17 March.

Final decisions have still to be made on the location of the three or four new initiatives planned for peripheral estates. This will be decided this week.

I have copied this letter and enclosure to the Prime Minister, other members of E(UP) and to Sir Robin Butler.

Yours ever,  
Malcolm Rifkind

MALCOLM RIFKIND

LEC074F3

CONFIDENTIAL

NEW LIFE  
FOR  
URBAN SCOTLAND

[ Photograph ]

[ SCOTTISH OFFICE CREST ]

SCOTTISH OFFICE

FINAL REVISE:  
(14 March 1988)

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## NEW LIFE FOR URBAN SCOTLAND

## FOREWORD

By the Rt Hon Malcolm Rifkind QC MP  
Secretary of State for Scotland

[Photograph of Secretary of State]

Since the time of the industrial revolution, Scotland's cities and towns have been subject to rapid economic and social change. Centres of population have expanded and contracted and industries have emerged and disappeared. The long decline of the old heavy industries has been accompanied by the decline of large parts of city and town centres.

Overcrowding in poor inadequate housing in city and town centres gave way in the 1950s and 1960s to the removal of large numbers of people to new local authority housing estates on the outskirts. These peripheral estates grew up lacking the local economic base and many of the services needed to sustain them as viable communities.

Since the 1970s much has been done to revive Scotland's urban areas and in particular to bring new life to inner city areas. But in the 1980s it is the people living in the large peripheral estates who are suffering most from social and economic deprivation, who have the least choice in the type of housing they should occupy, who have the least say in running their communities, and who are most dependent on state benefits and services.

Future action should be based firmly on the principles of helping residents take more responsibility in various ways for their communities, of full involvement of the private sector, and of partnership between different public bodies and the private sector.

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It is especially important that we renew the self-confidence and initiative of local people and help them to assume increased responsibility for their communities. That is why, for example, our housing policies aim to increase people's control over the houses they live in, and our education policies offer parents increased responsibility for their local schools. We must make it easier for people to exercise greater influence over their own lives and make it easier for them to use their fair share of the opportunities provided through economic recovery and growth.

This document sets out our plans for sustaining the momentum of urban regeneration and for taking new initiatives in the peripheral estates. This will be the Government's objective and we hope it will be that of local authorities as well.

[ Signature ]

MALCOLM RIFKIND

**NEW LIFE FOR URBAN SCOTLAND**

1. The Government's publication "Action for Cities" explained our policies for regenerating run-down urban areas throughout Great Britain. This document sets out the policies in Scotland and plans for new initiatives.

## BACKGROUND

2. The industrial revolution in Scotland brought great social change. Towns and cities grew dramatically as people flocked to them to take up the new jobs available there. Nowhere was this more apparent than in Glasgow where the population rose from 500,000 in 1871 to 750,000 in 1891 and topped one million in 1914. The size and density of inner city populations rose to intolerable levels.

3. Consequential deep-rooted problems of urban congestion and poor housing were acknowledged in the Clyde Valley Plan published in 1946. The need to reduce the inner area population and to provide for the requirements of modern industry were clearly stated. Large clearance programmes were then put into effect. New Towns were established. The plan warned that "to move large numbers of people out to the fringes of the conurbation, leaving industry where it is will only increase to a vast extent the problems of internal planning". But the overwhelming demand for better housing led to the development in the 1950s and 1960s of large peripheral estates, where all the houses had the basic amenities but where there was little else. The warning was ignored and the seeds of urban deprivation were resown.

4. By the early 1970s it was generally agreed that urban deprivation was more severe and more concentrated in Scotland, particularly Clydeside, than elsewhere in Britain. Since then both Central and Local Government have tackled the problems of the inner areas in changing ways. Tenement clearance gave way to improvement funded by the Housing Corporation and with increased help from Central Government to local authorities. New community-based housing associations began to emerge. New uses were found for existing buildings and new



developments were encouraged in inner areas. Plans for comprehensive redevelopment of inner areas were gradually replaced by policies for rehabilitation. The new Regional and District Authorities set up in 1975 defined priority areas for treatment and joined with the equally new Scottish Development Agency (SDA), Central Government and other agencies to mount a major inner area initiative.

#### The Transformation of Glasgow

5. This initiative was the GEAR (Glasgow Eastern Area Renewal) project. It was a major experiment in co-operative effort towards comprehensive regeneration of what was then perceived as one of the most run-down areas in Europe. It involved a positive lead from the Scottish Office, through direct Ministerial involvement and the application of the resources of the Urban Programme, and project leadership by the SDA, in partnership with Glasgow District and Strathclyde Regional Councils, the Scottish Special Housing Association (SSHA), the Housing Corporation in Scotland (HCiS), the Manpower Services Commission (MSC), and the Greater Glasgow Health Board. The £300 million of public money spent over the 10 years of the project attracted a further private sector investment of some £200 million, introducing, for example, owner-occupied housing to an inner city area in which it had previously been almost completely absent. But the task is by no means over. The original project, which ended in 1987, has been replaced by a new agreement between the participating organisations to maintain their commitment to the area.

6. Elsewhere in Glasgow, the SDA, the local authorities, other public bodies and private enterprise have worked together to achieve far-reaching change. The private sector effort has been focussed through the Glasgow Action initiative. The District Council, the SSHA and the HCiS have deployed considerable resources in housing-led urban regeneration. The Government has recently made additional resources available for a pilot project in Castlemilk to illustrate the scope for greater co-operation between the local community and the 3 housing agencies in improving houses and diversifying their ownership and management. The Council, using its capital allocation from the Government and receipts from council house sales, has spent over

£330 million over the last 5 years on its stock, almost solely on modernisation and upgrading. Substantial rehabilitation has been achieved by the Council's improvement and repair grants for privately-owned housing, with up to 90% of the cost met by grant.

7. In the Merchant City, a run-down part of the inner city has been turned into an attractive residential, shopping and leisure area. There have been changes in Maryhill. Many individual buildings have been put back into new and productive use. It is generally agreed that Glasgow is undergoing a transformation. As a result, the city has become an attractive destination for tourists with beneficial employment and income effects. Its progress will be enhanced by the Glasgow Garden Festival in 1988, sponsored by the SDA, and by the city's designation as European City of Culture in 1990 following a recommendation to that effect by the Government.

#### Area Initiatives

8. The SDA has also been active, using funds provided by the Government, in leading initiatives with economic and environmental objectives in Leith, Motherwell, Coatbridge, Dundee, Inverclyde and Clydebank. The larger projects involve formal agreements with local authorities and private sector interests, and concentrate resources on the chosen area for a set time. All of these projects have achieved substantial change in the environment, have helped the local economy and have changed perceptions of the area. The Regional and District Councils too have taken joint initiatives, again with support from the SDA, the MSC, the Urban Programme and other Government agencies, in several areas, including some large local authority housing estates such as Drumchapel.

9. Whitfield, in Dundee, has had a particularly encouraging housing initiative. Combined investment, from the District Council, housing associations and building societies, has led to substantial improvements in housing for both rent and sale. The proceeds of sales are being reinvested in the remaining council stock. The involvement of the local community and diversification of tenure have been important features and a co-operative has recently been formed in one part of the area.

## LESSONS

10. Several lessons can be drawn from this experience. Most importantly, plans for the regeneration of problem areas must have the full understanding, involvement and commitment of the local community. Another lesson is the need for a strong private sector involvement. A further lesson is the importance of partnership. Events in Glasgow have shown that it is possible to transform an inner city by effective partnerships of private and public money and effort. The GEAR experiment also demonstrated that the combination of social, economic, housing and environmental problems typical of run-down areas can be tackled simultaneously, although some difficulties, particularly the economic problems faced by residents, are very hard to solve. Another lesson is the importance of undertaking at the outset an assessment of local problems and opportunities, to ensure the proper definition of objectives and programmes.

11. A great deal has therefore been achieved. Results are there for all to see and the economic potential of areas once neglected is now being realised. Greater attention must now be given to a wider range of run-down urban areas, particularly peripheral areas of the cities and large towns where the problems are now akin to those once prevalent in inner areas. These large public sector housing estates have populations comparable to major towns, but lack the facilities and services that a town (or, indeed, many residential suburbs) of such a size would offer. They now contain many of the worst examples of deprivation, and they present the greatest challenge for urban regeneration in Scotland.

## PROBLEMS

12. Characteristic urban problems in Scotland are:

- (i) unemployment, with related high dependence on state benefits;
- (ii) lack of industrial and commercial activity in certain urban areas;

(iii) run-down housing, often in public sector estates with little or no alternative housing tenure available;

(iv) derelict land, run-down or underused industrial and commercial properties and environmental blight in urban areas;

(v) people suffering from multiple deprivation: a combination of the problems of poor environment, high unemployment, high dependence on state benefit and poor housing. Related problems are a lack of social and recreational facilities. These problems co-exist with high crime rates (including vandalism), poor health and low educational achievement.

## OBJECTIVES

13. A range of urban policy objectives flows from these problems.

Social objectives are:

(i) Encouraging self-help by the community.

(ii) Expanding parental involvement in local nursery, primary and secondary schools.

(iii) Improving health services and support for families in need in deprived areas.

(iv) Reducing crime and fear of crime by the active participation of local residents in support of the police.

(v) Extending community and recreational facilities in deprived areas.

(vi) Ending the monopoly of municipal housing estates.

Economic objectives are:

(vii) Improving the ability of residents of deprived areas to initiate small businesses and to compete for the jobs which are

available, both locally and within the wider urban travel-to-work area (TTWA). This could include education and training measures. Without such efforts, new jobs created in or near a deprived area may be of little benefit to residents.

(viii) Increasing economic activity within the deprived area itself. This could involve increasing local jobs through new commercial and retail centres in a deprived estate, and encouraging local small businesses, self-employment and community businesses.

(ix) Increasing private sector economic activity in the TTWA, which indirectly will benefit deprived areas. The central issue is to encourage private investment, and/or influence its location decisions.

Housing objectives are:

(x) Encouraging greater individual responsibility for, and control over, the conditions in which people live.

(xi) Encouraging home ownership, tenant co-operatives, housing associations and other alternative forms of rented accommodation.

(xii) Improving the supply and quality of housing.

Environmental objectives are:

(xiii) Enabling and encouraging local people to improve the environment in run-down housing areas.

(xiv) Clearing derelict land to encourage economic activity.

(xv) Improving transport facilities in deprived areas.

The particular objectives to be pursued will vary from area to area, according to the local problems and opportunities. For example in some areas housing may overshadow other problems, whereas in others economic difficulties and dereliction may predominate.

## ● THE WAY AHEAD

14. In looking to the future the Government have carefully examined the lessons of recent experience. Future action will therefore be based firmly on the principles of residents taking more responsibility in various ways for their communities, of full involvement of the private sector, and of partnership.

The Residents

15. The Government's central aim is to renew the self-confidence and initiative of local people and to help them to assume increased responsibility for their communities. It is essential that the residents are fully involved and committed to plans to regenerate their areas. They can take responsibility for helping themselves through, for example, involvement in training opportunities, tenant co-operatives, housing associations, school boards, small businesses and self-employment. Suitable initiatives in the field of community development must also be stimulated. It is indisputable that deprivation and disadvantage cannot be measured merely by statistics. They affect individuals and families directly and often deeply. Local needs and aspirations must therefore figure very largely in whatever is done.

The Private Sector

16. Economic development comes from profitable businesses which provide jobs. It is essential to encourage and enable local residents to establish their own small businesses with a combination of expert advice and financial assistance from the Government and other agencies. The private sector has already demonstrated the important part it can play in bringing back new life to deprived urban areas. There is a fast-growing number of examples in Scotland, such as housing and property development in Glasgow and Leith, and allied to these the private sector has made a major contribution to environmental improvement and to the development of tourism facilities. It is increasingly helping to finance the improvement of housing and the extension of home ownership. It provides shopping, leisure and other facilities, and can bring new investment to long derelict sites.

17. The Government is committed to increasing further the involvement of the private sector in urban renewal, both through its wider economic policies which increase business confidence, and through encouraging investment in deprived areas. For example, LEG-UP (Local Enterprise Grants for Urban Projects) grants will continue to be available and their wider use will be encouraged. It is part of the task of both central and local government to create a climate in which the private sector feels able to invest.

18. The Government acknowledge that private sector enterprise can be harmed by the burden of business rates, particularly the often large and unpredictable increases which many have had to face in recent years. In future, businesses in Scotland will be protected from these damaging effects. From 1 April 1989, under the provisions in the Abolition of Domestic Rates Etc (Scotland) Act 1987, increases in business rate poundages set by local authorities will be limited to the rate of inflation as measured by the Retail Prices Index.

19. The Government look to the private sector to continue to regenerate urban areas by pursuing opportunities for profitable investment, and hope it will examine carefully the scope for investment in areas currently neglected. For example, the peripheral estates enjoy very little private investment in any form. Where necessary the private sector must work in close partnership with the public sector. We want to see the private sector involved from the outset in new urban regeneration initiatives.

20. Much has already been achieved in developing the tourism potential of urban areas, particularly in Glasgow and Dundee, by the private sector in partnership with local authorities and Government agencies. Many opportunities, however, remain for the provision of a wide range of activities, attractions and accommodation, for making the environment more attractive to visitors, and for improved promotion of urban areas as tourist destinations. Such developments will provide employment opportunities and the spending by visitors will, in turn, open up further opportunities. It is for the private sector to take the lead but the Government, principally through the SDA and the Scottish Tourist Board, can provide advice and financial support.

21. One remarkable development in private and public partnership over the past 6 years has been the growth of more than 40 local enterprise trusts, most of them in urban areas. All are making significant contributions to the development of local economic activity. In Leith, for example, the initiative started by the SDA is now being taken forward by the Leith Enterprise Trust. The local enterprise agency movement in Scotland, led by the private sector through Scottish Business in the Community (ScotBIC), exemplifies the potential role of partnership in encouraging and assisting local communities to adopt an entrepreneurial approach to their problems. Such arrangements offer a cost-effective means to encourage local growth through self-employment, small business development and the creation of community enterprises. There is ample scope to develop such activities.

#### Proposals for Action

22. For the Government's part, there is already in place in Scotland a strong array of instruments to pursue urban renewal. They are described in more detail later in this document. The Scottish Development Agency is using its comprehensive powers in many places. Urban renewal is a major priority in its Corporate Plan over the next few years. Funds for the Urban Programme are being further increased. Scottish Homes is soon to be created as a new and important housing agency which will work alongside the SDA in pursuing urban regeneration. Funds have been specifically earmarked next year for new housing-related urban regeneration initiatives. Policies on health and social services, education, training and crime provide special support to areas of urban deprivation. Enterprise is to be encouraged through the wide network of Enterprise Trusts, the Enterprise Allowance Scheme, enterprise training, Enterprise Zones and the new range of regional assistance. Local authorities can now set up Simplified Planning Zones to clear the way for new development or redevelopment. These measures should ensure considerable progress in urban renewal throughout Scotland.

23. With so much already happening, the Government's first aim is to sustain the momentum. But this is not enough. Over the next 10 years a new priority must be given to tackling the problems of the peripheral



estates, which now contain many of the worst problems. As its second aim, ~~the Government propose to set up as an experiment a number of~~ initiatives in peripheral estates, which will simultaneously pursue economic, environmental, housing and social objectives. As a first step the SDA is planning, with local authorities and the private sector, pilot initiatives in housing estates at Barlanark (Glasgow), Forgewood (Motherwell) and Tulloch (Perth). The SSHA has in hand a major housing initiative in Castlemilk (Glasgow). In adding to such a list the Government will have in mind the range of problems and opportunities in deprived areas and the desirability of ensuring a fair spread of activity in Scotland.

24. Objectives will include increasing economic activity in the wider travel-to-work areas and in the estates, at the same time as improving the ability of residents to compete for available jobs; improving the local environment; improving housing and the range of housing tenure; improving health, educational and recreational services, community facilities and community structures; and reducing crime levels and the fear of crime.

25. It is too early to specify what these initiatives will cost, but it will be necessary to resource them adequately. There are already very substantial sums of public expenditure going into urban areas which can be drawn on. For example, overall current expenditure provision for Scottish local authorities in 1988-89 is £3.6 billion, and capital provision is a further £1 billion: the bulk of this is likely to be spent in urban areas. The HClS is spending around £90 million, the SSHA £45-50 million, and the SDA over £60 million per year on urban renewal. The greater involvement of private sector investment will mean a higher level of output than has previously been achieved for any given level of public expenditure. The overall level of public expenditure on programmes relevant to urban renewal will of course be determined annually, as at present, through the public expenditure machinery.

26. Each area has its own problems, and so tailor-made local programmes and objectives will be required for each place. The Government will look to the SDA and, in due course, Scottish Homes to play a leading role in ~~developing these initiatives, in partnership with the private sector, the~~

circumstances other measures, which have since been developed, will be more effective. There may however be exceptional circumstances where an Enterprise Zone is still the best approach.

30. The Enterprise Allowance Scheme now run by the Department of Employment has enabled many unemployed people to launch into self-employment. Thus at the end of 1987 nearly 9000 people were participating in the scheme.

31. The Government's recent White Paper "DTI -- the department for Enterprise" (Cm 278) and the Industry Department for Scotland booklet "Regional Development: Encouraging Enterprise in Scotland", announced changes to industrial and regional policy which will benefit areas of urban deprivation. Indigenous small and medium size firms have a key wealth and employment creating role. Because of their size, access to outside expertise can be invaluable in improving competitiveness and development. Government-assisted business advisory services are therefore being expanded, with higher rates of support available not only in assisted areas but in locations outside them which contain significant concentrations of urban deprivation. Most areas of urban deprivation do, however, fall within assisted areas and companies so located can benefit from Government schemes of regional assistance. In the future regional assistance can be expected to make a more cost-effective contribution. Planned spending is being maintained but automatic grants are to end in favour of a selective approach. Regional Selective Assistance offers significant support to eligible projects throughout the assisted areas. In addition new regional investment and innovation grants, to be introduced from 1 April 1988 will help the smallest firms in development areas.

32. European funding is also an important source of help, for example through the European Regional Development Fund (ERDF) National Programmes of Community Interest for Glasgow, Tayside and West Lothian. The ERDF contribution through these Programmes, mainly for infrastructure, is over £100 million.

local authorities, the Health Boards, the MSC, other public bodies and the community itself. The voluntary sector, which can marshal invaluable local resources, will also be an essential ingredient. The private sector has a crucial role to play, both in making additional resources available, and in helping people to escape from the dependency on the state and the isolation from markets which is such a characteristic feature of these estates.

27. Partnership arrangements involving all or most of such interests will be required for each area. The first steps in developing such partnerships will be taken over the next few months by the Government. Through these partnerships it is important to ensure that the resources available to the different agencies are brought together with maximum effect and that all the relevant policies and programmes are implemented in a properly co-ordinated way. Careful evaluation and monitoring will be essential to ensure that maximum benefit is drawn from the initiatives. We shall also be careful to ensure that efforts are not restricted to those peripheral estates selected for major initiatives, but that new developments are also supported in other estates, drawing as necessary on the lessons learnt from the experiments.

28. The work of urban renewal in Scotland, however, must extend much more widely than the peripheral estates. Important work remains to be done in bringing new life to our city centres and large towns by exploiting market opportunities, in restoring economic health to urban areas of high unemployment where industries have declined, and in bringing back into productive use areas of environmental dereliction.

#### HOW THE GOVERNMENT CAN ASSIST

##### Encouraging Enterprise

29. The Government have taken a number of steps to encourage enterprise. Among the first was the creation, on an experimental basis, of a number of Enterprise Zones, three of which were established in Scotland, at Clydebank, Invergordon and Tayside. In 1987 the Government undertook a review of the experiment so far. The conclusion was that a general extension was not desirable and that in many

The Scottish Development Agency

33. The SDA is one of our major public instruments for achieving urban renewal in Scotland. It has wide powers for economic development, land renewal and environmental improvement, and these are basic elements in almost all its urban work. Important activities are building factories and workshops, land engineering and derelict land renewal, environmental work from landscaping to stonecleaning of buildings, and support for businesses.

34. The LEG-UP scheme is a key instrument of the SDA in tackling urban renewal, which encourages private sector investment in deprived urban areas to create jobs and improve the environment. By offering LEG-UP assistance the SDA can enable viable projects to proceed where the risks involved cannot be matched by an adequate level of return on the investment, thereby securing private sector funds which would otherwise be lost and demonstrating that real opportunities exist in areas which in the past have all too readily been overlooked.

35. Throughout Scotland a wide variety of projects have received LEG-UP support. Examples are: converting redundant warehouses in the Merchant City area of Glasgow into housing, the refurbishment of shopping centres in Drumchapel and Arbroath, creating workshops and small business units in Stirling and Stevenston, establishing ice rinks in Ayr and Dundee, building hotels in Inverclyde and Glasgow, and creating tourism attractions in Edinburgh. An estimated private sector investment of over £170 million has so far been levered into urban areas with LEG-UP support of some £29 million.

36. Given the existence of the SDA, its powers, and the role we have given it to deal with urban renewal, the Government does not consider that there is at present a case to set up Urban Development Corporations in Scotland. Last year the SDA spent £62 million, 47% of its budget, on a wide variety of urban renewal work. The Government has agreed with the SDA that this should be a major aim in its corporate plan over the next few years.

The Urban Programme

37. Through the Urban Programme, introduced in the late 1960s, the Government supports the local authorities in their efforts to focus spending - such as on education, social work, leisure and recreation - on the worst areas of urban deprivation. In Strathclyde, for example, the Programme complements the Regional Council's policy of discrimination in favour of 80 areas it has identified for priority treatment. Alongside the SDA's powers to tackle economic and environmental problems, the Urban Programme has helped to ensure that social problems, and special needs such as those of ethnic minority groups, also receive attention. It has been the main support of community businesses, a developing sector in which Scotland is leading the way. The resources of the Programme have increased substantially in recent years, and 1988-89 will see a further £6.4 million increase, to a total of £44.2 million.

38. Increasing priority has been given to projects which form part of a wider strategy for improving economic and social conditions. In this way the Programme has been used in support of area-based initiatives, whether led by the SDA, a local authority or the local community. Increasing priority has also been given to projects run by voluntary organisations and community groups. Over one-half of the Programme's resources now goes to such projects. In this way the Programme has been a useful means of harnessing the experience and skills of the voluntary sector for the benefit of disadvantaged areas, and of involving local communities. Funding of community groups through the Urban Programme has demonstrated the ability of people in deprived areas to help themselves. The Urban Programme will continue to be available to support a wide range of projects. It could also be used more to encourage local enterprise.

Scottish Homes

39. Our policies for the continued improvement of housing and diversification of tenure in Scotland were set out in the White Paper, "Housing: The Government's Proposals for Scotland" (Cm 242). Provisions to give effect to these policies are being taken forward in the Housing (Scotland) Bill presently before Parliament. A powerful

instrument for achieving many of these policies will be the new housing development agency, Scottish Homes, which will also have a major role in promoting and coordinating urban renewal activities. Scottish Homes will be able to build upon a substantial level of existing activity.

40. The SSHA, HClS and many local authorities are already heavily involved in housing-led urban regeneration projects. Scottish Homes will bring a greater degree of co-ordination to these activities. As a pilot scheme for Scottish Homes' activities both the SSHA and the HClS are involved in an initiative in Castlemilk peripheral estate, mentioned in paragraph 6 above. The tenants of a group of houses owned by Glasgow District Council within the estate have indicated that they wish to participate in the initiative. The SSHA is nearing completion of its negotiations to take over the houses. In conjunction with the Housing Corporation, the SSHA will promote the diversification of tenure and the improvement of the stock, drawing upon resources which will be allocated by the Government for the purpose.

41. Housing associations have made a very substantial contribution to urban regeneration in the inner cities, largely through the refurbishment of tenements. The successful concept of community-based housing associations in inner city areas has now been extended to local authority estates in Glasgow where tenants have taken over the ownership of their homes and are undertaking major repairs and refurbishment work. Tenant ownership co-operatives are now flourishing in Barlanark (Calvay), Castlemilk and Broomhouse with a further three at an early stage of development within Glasgow, at Possil, Drumchapel and Priesthill. This important advance in the direct involvement of local communities in control over and responsibility for their housing and environment has begun to spread outside Glasgow. Among the tenant co-operatives proposals now being taken forward are projects in Edinburgh and Perth and at Whitfield in Dundee and Ferguslie Park in Renfrew. The Government has made additional resources available to encourage the growth of these co-operatives and Scottish Homes will continue to promote the growth of co-operatives alongside other options for diversification of tenure, such as housing associations.

42. The Government's promotion of the growth of home ownership has also played an important part in urban regeneration. The tenants' right to buy has enabled tenants to become homeowners, contributing to the increase in the percentage of owner-occupied houses in Scotland from 35% to 42% since 1979. Improvement work in about 250,000 houses, one in four of the private sector stock, has been assisted by improvement and repairs grant. As well as reducing the volume of substandard housing, particularly in pre-1914 tenements, the availability of grants has assisted the improvement for sale of empty council houses and the conversion of disused commercial premises and other property into low cost private housing. Initiatives of this type in large housing estates, such as Easterhouse and Priesthill in Glasgow, Pilton in Edinburgh, and in Glasgow's Merchant City, have been highly successful in regenerating rundown council estates and bringing life to abandoned commercial areas. Homesteading initiatives have allowed former tenants to take over, improve and repair difficult-to-let council houses.

43. Although many housing estates have benefited to some extent from these policies and initiatives, the overall improvement over the years has been relatively small in relation to the number of tenants who live in the large peripheral estates. Sustained improvement will only be achieved if the estates are allowed to become more diverse in terms of tenure and ownership. Different solutions will emerge for different areas. But the Government wants tenants themselves to consider the choices open to them for different management or ownership arrangements which will allow them to enjoy improved services, better housing conditions and greater control of their housing.

44. Scottish Homes, in partnership with local authorities and the private sector, will be expected to develop proposals for housing-led initiatives in peripheral and other estates. It will build particularly on the expertise in the urban renewal field of the SSHA and HCiS. In advance of the establishment of Scottish Homes, the Government is in 1988-89 setting aside £12 million for new housing-related urban renewal projects and has invited the SSHA and HCiS to submit proposals.

Health and Social Work Services

45. Health Boards have in recent years undertaken a programme of building health centres in areas of multiple deprivation which tend to be concentrated in peripheral housing estates. This has been beneficial in improving the co-ordination of and accessibility to the primary care services. The 1980 Report "Scottish Health Authorities Priorities for the Eighties" (SHAPE) identified as a top priority for the health service in Scotland the provision of services for the multiply deprived, and Health Boards' programmes to achieve this objective are being monitored by the Scottish Home and Health Department. A review of the SHAPE priorities is currently being carried out by the Scottish Health Service Planning Council.

46. Local authorities have developed their own strategies for concentrating appropriate social work resources in areas of social deprivation, involving the contribution where possible of local voluntary agencies: marked progress has been made by Strathclyde Regional Council in parts of Glasgow and in other localities where the most serious problems arise.

Education and Training

47. The Government have published a Bill to enable parents to take a more active role in the running of local schools. New school boards with a majority of parent members will, for example, play a part in the selection of senior staff and in decisions about expenditure on books and materials. The boards will be able to take on additional functions as they develop in confidence and experience. This is an important step towards giving local residents greater responsibility for their communities.

48. A central aim in recent years has been to develop courses which do much more than in the past to motivate young people of lower academic ability and which are much more relevant to employment. This is of particular importance in deprived urban areas with an above average proportion of less able children from poor backgrounds. Standard Grade courses have been designed to set appropriate goals for pupils of different levels of ability and lay increased emphasis on oral and practical



skills which are assessed by teachers. Experience so far shows that pupils who could not have succeeded at Ordinary Grade rise to the challenge of Standard Grade and can now obtain a nationally recognised qualification.

49. The Technical and Vocational Education Initiative in Scotland, funded by the MSC, is also playing its part by building on the more relevant approach of Standard Grade. It is intended for all areas and young people of all abilities, and a variety of work-related activities, such as running mini-companies, work experience and work simulation, forms a basic part of the curriculum. TVEI covers the 14-18 age group and it is hoped that many of the youngsters involved will continue in full-time education beyond 16 years of age.

50. The Government are also vigorously promoting economic awareness and the development of enterprise skills in schools. Initiatives like Young Enterprise and Mini-Enterprise in Schools are already, with the support of the private sector, well established. We are now planning under the new Business and Enterprise Initiative for a substantial expansion of work experience for pupils and teachers and for a general strengthening of school/industry links.

51. As recently announced, the Department of Employment and the MSC will give support to a number of compacts between employers and schools. At least one should be located in Scotland. The basic aim of compacts will be for employers to guarantee jobs with training for young people from schools in areas of urban deprivation who meet agreed standards of achievement and motivation, and for this to be set down in an agreement between employers and schools.

52. The Government have also recognised the case for additional teachers in areas of urban deprivation. A specific grant scheme (known as the Circular 991 Scheme) has operated since 1977-78 to enable Central, Fife, Lothian, Strathclyde and Tayside Regional Councils to support up to 500 teaching posts in schools serving deprived urban areas. In 1982 the scheme was amended to enable the deployment of some posts in schools with a substantial proportion of ethnic minority pupils and to appoint

some non-teaching staff. For 1988-89 it is proposed that the present support of 500 posts should continue and a further £1.1 million will be provided for school equipment and resources other than teaching staff.

53. In further education the National Certificate, a new qualification available in a flexible modular form, can meet the needs of young people and adults of varying skills, abilities and background. The versatility of the modular form allows students to learn new job-related skills or improve their existing ones by taking individual modules suited to their needs. The community education service helps to develop and enrich the quality of life in deprived communities. For example, provision is offered in adult literacy and numeracy, youth counselling, and a wide variety of leisure classes.

54. The MSC's wide range of training programmes has helped many people. Through YTS, all young people under 18 now have the opportunity of high quality training and practical work experience, leading to vocational qualifications. This year we shall provide some 63,000 places in Scotland at a cost of around £100 million.

55. For unemployed adults there is a clear need for a greater emphasis on training. A new programme was announced on 16 February 1988 in the White Paper "Training for Employment". This programme will replace from September 1988 the Community programme, the old and new Job Training Schemes and other adult training programmes for the unemployed. All those unemployed for over 6 months will be eligible for up to 12 months' training. The new programme will have an important role to play in helping the long term unemployed in deprived urban areas into employment.

#### Fighting Crime

56. In recent years there has been a growing awareness that adjustments to the criminal justice system have not, by themselves, been sufficient to combat the gradual general increase in crime. It has also been recognised that a variety of social and economic factors affecting crime lie outside the control and direct influence of the police, and that the

prevention of crime can only be effectively approached as a task for the community as a whole. Much could be done by the public taking simple precautions to protect their own property. For example, crime figures show that only 1 in 10 houses have what the police regard as good security arrangements and it is estimated that more than a quarter of housebreakings do not involve forced entry because a door or window is left open. It is further estimated that 80 per cent of theft of, and from, cars is opportunist. Against this background, Government policies have been aimed at creating within society a better understanding of the nature of crime and at reducing the fear of crime and the opportunities for it to occur.

57. This approach has required a close liaison between central and local Government, the police, commerce, industry, the community and voluntary organisations. It has involved a variety of publicity initiatives and specific crime prevention projects have been supported through the Urban Programme and the Community Programme National Initiative on Crime Prevention. Police forces have also played a prominent role in establishing crime prevention panels and in vigorously promoting the concept of Neighbourhood Watch. The aim is to increase substantially the number of such schemes in Scotland during 1988. The possible application to Scotland of the "Safer Cities" initiative which the Home Secretary has announced for England and Wales is under consideration and an announcement about this will be made as soon as possible. In order to build further on the commitment of local crime prevention initiatives the Government also plan to establish a National Organisation for Crime Prevention.

#### Transport

58. Good transport is essential for urban renewal. Greater mobility opens a wider choice of jobs and places to live. Better transport systems make areas more attractive to incoming employment.

59. The Government are responsible for the national road network. Local authorities are responsible for the local road network which links into it. New road building, particularly in Strathclyde, has been an essential part of the strategy to open up areas for economic initiatives.

The capital requirements of these initiatives are taken into account by the Scottish Office in making its annual capital allocations to local authorities for roads and transport. Examples of major projects are the substantial new road schemes developed in GEAR.

60. The deregulation of buses in 1986 has freed operators to respond to the substantial demand for bus services from peripheral housing estates, both with traditional buses and with new mini-bus services. Easterhouse in Glasgow has seen a significant increase in the buses available and has benefited from price competition. The peripheral housing estates of Edinburgh have also benefited from new mini-bus services operating on streets where traditional buses have not operated and providing innovative services such as hail and ride. The Government's decision to privatise the Scottish Bus Group should make bus operators still more sensitive to the demands of the market.

61. Railways provide an important component of local transport systems in Strathclyde. The Government have recognised this by their contribution of £14 million to the refurbishment of rolling stock in the Strathclyde area. Railways offer an efficient and swift way of meeting transport needs within congested urban areas.

#### Sport and the Arts

62. Sport and the arts make an important contribution to the quality of life in urban areas. The Scottish Sports Council promotes participation in sport and the provision of facilities, notably through its Actionsport Scotland programme which, since 1987, has been funded as a Community Programme National Initiative. The Scottish Sports Council's community leadership training courses at the National Sports Training Centre at Inverclyde help to sustain progress.

63. The Scottish Arts Council has for many years promoted interest in the arts as an element of urban renewal. Its promotion of arts projects in Dundee is a notable example in a spectrum of activity ranging from support for Edinburgh's International Festival to Glasgow's nomination as European City of Culture 1990.

CONCLUSION

64. We want our cities and towns to offer everyone decent housing, a pleasant environment, good schools, proper services and facilities, freedom from the fear of crime, the opportunity of jobs and the chance to help themselves through their own enterprise. This document shows how we intend to do it.

RGA Pol Linner Cells PT15





CCB

Treasury Chambers, Parliament Street, SW1P 3AG

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 Department of the Environment  
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 London  
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NB

RUB

15/3

14<sup>th</sup> March 1988

Dear Secretary of State,

**LDDC: DOCKLANDS LIGHT RAILWAY, EASTERN EXTENSION**

Thank you for your letter of 19 February.

As you clearly recognise, value for money is the fundamental criterion in weighing the various funding options. The funding vehicle could be the best solution provided any additional financing cost is offset by management and efficiency gains, and I am content that LDDC should press forward with preparing detailed arrangements for a funding vehicle. However, as you also recognise, whether the necessary management and efficiency gains are likely to be achieved or not will depend crucially on the detailed arrangements. It will therefore be helpful if you can set out exactly what benefits will offset the 3 per cent or so cost premium attached to the vehicle. I also believe we will both want to be convinced that the terms under which a vehicle would operate were satisfactory. I should be grateful therefore if your officials could continue to keep mine in close touch with developments.

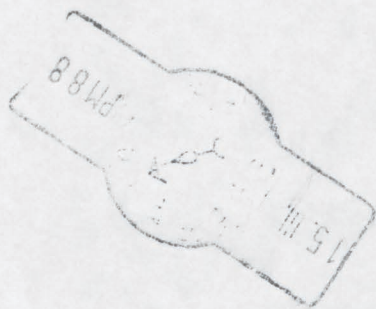
I am copying this letter to the Prime Minister, other members of E(A), and to Sir Robin Butler.

Yours sincerely,

PP JOHN MAJOR

(Approved by the Chief Secretary and signed  
 in his absence.)

Reg. No. / Under Title







10 DOWNING STREET

*From the Principal Private Secretary*

Personal

Dear Richard,

You will be interested to see Peter Sault's note & we attached. Please don't show it to anyone - not even Eric.

Everyone is too damned sensitive on this subject. They forget that we want for a

Govment whod though collective  
responsibility, is supposed to  
act as a seamless web!

I told Peter, in  
an amiable conversation, but if  
he had had problems, he should have  
picked up the telephone and asked  
for Eric to submit advice through  
the C.D.I.'s office. In any event, I  
did not regard the C.D.C. as  
having a monopoly of Eric's Unit's  
services.

But it all just  
shows how sensitive people are.  
Yours sincerely  
Nigel

Richard Wilson, C.O.

Paul, Sue  
Award Pl.  
Nigel  
dti

the department for Enterprise

OFFICE OF THE CHANCELLOR OF THE  
DUCHY OF LANCASTER  
AND  
MINISTER OF TRADE AND INDUSTRY

Nigel

cc R Wilson

I hope you don't mind me saying this but I thought it might have been better if this had come direct to me. We would then have referred it to Eric for advice in the normal way. There seems to me a slight oddness of Eric's unit taking on a separate existence & perhaps not necessarily reporting to the Chancellor of the Duchy. I might add that these are my comments; the Chancellor has not raised it with me. Apologies for missing the deadline in your letter!

Peter Smith 10/3



10 DOWNING STREET  
LONDON SW1A 2AA

*From the Principal Private Secretary*

1 March 1988

*Dear Eric,*

**BUSINESS IN THE COMMUNITY AND TEESIDE**

Sir Hector Laing, Chairman of "Business in the Community" (BIC) came to see me the other day about an idea of Stephen O'Brien's, the Chief Executive of BIC, that the Prime Minister should host at No.10 a small reception of southern based business leaders in order to interest them in the investment possibilities of Teeside. Details of what Stephen O'Brien has in mind are in his letter of 22 February, a copy of which I attach.

The Prime Minister recognises that if she holds a reception for Teeside, she may have requests for similar receptions from Tyneside, Merseyside and so on. But she regards Teeside as different, for a variety of historical and economic reasons. She thinks that we have to make a special effort to help that region with its hitherto intractable problems.

She is therefore inclined to give the reception which Stephen O'Brien seeks. I have told her that I understand from Sir Hector that all that is required is some 1½ hours of her time. The Prime Minister would like the Chancellor of the Duchy and the Ministers with particular inner city interest to be present at the reception.

Before informing Sir Hector of the Prime Minister's willingness to give such a reception, I should be glad to know that neither the Chancellor of the Duchy nor your Unit sees any difficulties here.

I should be grateful for advice by Tuesday, 8 March.

I am sending a copy of this letter to Peter Smith (Office of the Chancellor of the Duchy of Lancaster).

*N. L. Wicks*

(N. L. WICKS)

Eric Sorensen, Esq.,  
Cabinet Office.

*ca BB*



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The Rt Hon John Major MP  
Chief Secretary  
HM Treasury  
Treasury Chambers  
Parliament Street  
London  
SW1P 3AG

*ABPM*

*REC  
14/3*

*March 7*

*Dear John.*

**INNER CITY COMPACTS**

*Will request if required*

Thank you for your very helpful letter of 29 February agreeing that I should make a statement about Compacts at the inner cities launch on 7 March. As you know our officials subsequently agreed the text of my announcement and the specific expenditure commitments of £3m a year for four years. It was also very important to be able to announce the funding available for potential Compact partners at £50,000 for working up a full proposal and £100,000 a year for four years for 12 Compacts.

My officials are now, as you say, preparing a full submission with detailed costings, proposals for monitoring and evaluation and assurances about minimising deadweight. They discussed the outline of such a submission with your colleagues last week.

Many thanks again for your quick agreement to my proposals.

I am copying this letter to members of E(UP) and to Sir Robin Butler.

*Norman Fowler*

**NORMAN FOWLER**

## Newspaper Article (Privilege)

3.50 pm

**Mr. Speaker:** I have a further statement to make on a matter of privilege.

I have received a complaint from the hon. Member for Newham, North-West (Mr. Banks) about an article in *The Guardian* of Wednesday 2 March. The article, in referring to the absence of Members from the House, made reference to a particular Member, and to Members in general, in terms which I was asked to consider could be regarded as being in contempt of the House.

I have considered this complaint, and have decided that it does raise issues which justify me in giving precedence to a motion relating to it. In consequence, if the hon. Member for Newham, North-West tables such a motion, it will be taken as first business tomorrow.

## Inner-city Policy

**Mr. Nigel Spearing** (Newham, South): On a point of order on the statement and the documents relating to it, Mr. Speaker. Earlier today, I made inquiries as to the documents that would be related to the known announcement and was told that they would be available in the Vote Office at 11 am today. Since they were not available at that time, my office made arrangements to collect and deliver them to my town hall, where I was at that time. The only available document in the Vote Office was labelled "City Grant — Simplification of Urban Grants". The press statements and the glossy paper "Action for Cities" were not included.

I understand that the documents were made available in the Vote Office at 3 pm today, but only because I made inquiries about them. I therefore wish to raise the matter of the Prime Minister, who made the statement earlier today in public, not providing Members of Parliament and their borough councils with documents about public announcements, which should be made in the first instance in the House.

**Mr. Speaker:** I understand that five Departments have supplied documents to the House in connection with the subject matter of this statement, but that the number of copies of at least one proved to be insufficient and has now been supplemented. The House will be aware of the importance that I attach to the timely and adequate supply of papers. I am glad that the earlier deficiency has now been put right.

3.53 pm

**The Chancellor of the Duchy of Lancaster and Minister of Trade and Industry (Mr. Kenneth Clarke):** With permission, I should like to make a statement about inner-city policy.

The Government have today announced 12 new Government initiatives and commended three major private sector developments aimed at furthering our policy of renewal and regeneration of the inner cities. We have also published a booklet entitled "Action for Cities" which is a clear guide to the Government's inner-city policies and is intended for use by people prepared to make a contribution to a combined public and private sector effort in this area.

The new Government measures add to existing major regeneration programmes.

First, a new urban development corporation is to be established in the lower Don valley, Sheffield, which will cover 2,000 acres to the north-east of the city centre. It will have a budget of about £50 million over seven years.

Secondly, the area of the Merseyside development corporation is to be doubled by adding 800 acres on both sides of the Mersey. The enlarged MDC could spend between £50 million and £90 million over eight to nine years in the new areas.

Thirdly, two new city action teams are to be set up in Leeds and Nottingham. This adds to the five established three years ago, which have successfully pulled together Government support for enterprise and development in their areas.

Fourthly, a new simplified grant to support private sector developments in inner cities is to be introduced from May 1988. It will replace urban development grant and

hundreds of innocent people in Gibraltar. Will he acknowledge that it shows that terrorism knows no boundaries—that it can strike anyone, anywhere, at any time? The people of Gibraltar may sometimes be irritated by the delays at their frontiers with Spain, but, today's action shows that Spain, Britain and the people of Gibraltar stand together in the fight against terrorism.

**Sir Geoffrey Howe:** I agree entirely with my hon. Friend. We all stand together in the fight against the wicked and continuing threat of terrorism. In that fight we all share a common interest in the freedom of movement across frontiers as far as possible. However, that must always come second to our determination to take whatever action is necessary to prevent terrorism in every way possible.

**Mr. Eric S. Heffer** (Liverpool, Walton): As someone who has always opposed terrorism, whether of the IRA or anyone else, and who still condemns terrorism and who, like everybody else in the House, would have been affronted if people had been killed in Gibraltar, can I ask the Foreign Secretary to explain why those three people who, although accepted as members of an active service unit of the IRA, were shot and killed when it was admitted that they were not carrying guns and had not planted any bombs in Gibraltar? Can the right hon. and learned Gentleman explain why that happened and how that can help us in the fight against terrorism? Will that not help terrorism?

**Sir Geoffrey Howe:** I am afraid that the hon. Gentleman must stand almost alone in the House in offering that point of view.

**Mr. Heffer:** Well, I have done that before.

**Sir Geoffrey Howe:** I have described the circumstances giving rise to suspicion in this case. I have described the circumstances in which the terrorists were shot. I have made plain to the House the statement by the IRA that the three people were members of an active service unit on active service in Gibraltar. It is difficult to see how I could possibly conclude that the security services could have acted other than they did when faced with the events of that day.

**Mr. Ian Gow** (Eastbourne): Is my right hon. and learned Friend able to confirm that the co-operation between Madrid and London and the cross-border co-operation between Spain and Gibraltar could not possibly have been better in this case and that that co-operation took place without the existence of an Anglo-Spanish agreement?

**Sir Geoffrey Howe:** I acknowledge the generosity of my hon. Friend's tribute to the co-operation that took place in this case. I acknowledge also his ingenuity in pursuing one argument in whatever circumstances he may find it convenient to do so. As a matter of fact, there are a number of Anglo-Spanish agreements, at least two of which I helped to negotiate, which have helped considerably to increase the prospects of co-operation of the sort that took place.

**Several Hon. Members** *rose*—

**Mr. Speaker:** Order. I remind the House that this is a continuation of Question Time. There is a statement and a busy day ahead, in which a great many right hon. and hon. Members wish to take part.

## Member's Letter (Privilege)

3.49 pm

**Mr. Speaker:** I have a statement to make about the privileges of the House.

I received last week complaints from several hon. Members about the contents of a letter sent by the hon. Member for Liverpool, Mossley Hill (Mr. Alton) to the constituents of certain members of the Standing Committee on the Licensing (Retail Sales) Bill. The letter accused the members concerned of choosing to filibuster on that Bill as a means of obstructing the Abortion (Amendment) Bill. It went on to urge the recipients of the letter to take action to persuade members to desist from conduct which, it was said, "would scandalise millions of people".

The letter from the hon. Member was sent before the proceedings on the Licensing (Retail Sales) Bill had begun, and in my opinion its tone and the manner of its distribution amounted to an attempt to bring unacceptable pressure upon Members of this House in the performance of their duties.

The hon. Member for Mossley Hill has written to every Member concerned and to all those to whom his original letter was addressed, withdrawing any suggestion of a filibuster. He has also made this letter public. In these circumstances, I do not propose to use my power to grant precedence to a motion on this matter. I do, however, wish to give a serious warning about the care which those involved with this Bill on both sides must take to avoid committing contempts of the House by seeking to bring improper pressure upon hon. Members.

In considering the present complaints, I have received considerable evidence of unacceptable conduct by bodies outside the House. Efforts appear to have been made to prevent Members from speaking about matters upon which they must be free to speak in this House, and there has been personal harassment of Members in their constituencies. I wish to make it clear that I shall take very seriously any continuation of this conduct and I urge hon. Members to use their influence to ensure that the merits of business before Parliament can be discussed calmly and responsibly without threats of intimidation.

urban regeneration grant, which have produced from the private sector over £580 million in investment, providing 28,500 jobs and more than 7,000 homes since 1982.

Fifthly, the drive to bring unused and under-used inner-city land onto the market is to be stepped up by requiring publication of information about land in public ownership.

Sixthly, two new inner-city roads costing £109 million, both of which will directly benefit inner cities—a £59 million improvement of the A13 between Limehouse and Dagenham, and a £50 million spine route through the black country to the M5 and M6, have been added to the Government's roads programme.

Seventhly, a major new initiative to tackle crime and the fear of crime will be introduced in 20 inner cities over the next three years; £2.3 million is being made available in the first year to support the initiative, which has been successfully piloted in five urban areas.

Eighthly, more help for small businesses is to be provided, including new offices for the small firms service, a fund to support local enterprise agency projects helping businesses, an 85 per cent. guarantee on bank loans to firms in task force areas, and help to encourage people into self-employment.

Ninthly, the Manpower Services Commission will give financial and other support to 12 inner-city employer-school compacts, in which groups of employers work with schools to guarantee a job with training for all young people aged 16 to 18 leaving school who meet agreed motivation and achievement standards.

Tenthly, we will be revising our help to unemployed people in inner cities. There will be more MSC and employment service staff working in local communities advising and helping residents, new information points to guide people on training and jobs, and special training in literacy and numeracy and English as a second language. There will be new measures to increase the involvement of employers in training.

Eleventhly, we will be making extra provision of premises for new businesses in rundown inner cities. English Estates, in partnership with private companies, will set up managed workshops. Up to £11 million of public funding will go into the programme in the first year.

Twelfthly, we will be building on our efforts to work with the private sector. The Government are organising a series of breakfast presentations to leading business men up and down the country, starting in Newcastle on 13 April. A free telephone link has been set up today so that businesses can find out from a single contact point how they can play their part.

The Government measures announced today build on the programmes and initiatives introduced since 1979 to tackle urban dereliction and inner-city decay, and to raise skills and encourage enterprise. In all, about £3,000 million will go to support urban regeneration in Britain in 1988-89, bringing in several times that total in private investment.

**Mr. Bryan Gould (Dagenham):** Is it not typical of this tawdry exercise that the right hon. and learned Gentleman's statement should end with the ludicrous assertion that coffee and cornflakes with Ministers will somehow provide the sustenance that the inner cities desperately need?

Why is the right hon. and learned Gentleman making the statement and not the Prime Minister, whose

responsibility it is? Why was the Prime Minister so keen to spearhead the media hype this morning, yet so reluctant to face the House of Commons this afternoon? Is it because she knows that glossy brochures cannot conceal the simple fact that there is virtually no new money; no new proposals; no White Paper; no legislation; and no involvement of the local communities—in short, that there is almost nothing to offer hope to the people in the inner cities? Is it because after identifying, perhaps unwisely, an electoral problem on election night nine months ago, she now finds that she does not have the faintest idea how to tackle the real social and human problems in the inner cities that have been created by her policies?

Is it because the right hon. Lady knows that the only way to help the inner cities is to abandon the policies that have already caused so much damage and, in particular, to overcome her obsessive antipathy both to local government and to public spending? Is it because she knows that soft words from construction companies, which happen to include many major donors to the Tory party, are no substitute for involving those who really matter—local communities and their elected representatives?

How much longer will the Prime Minister turn her back on the consensus that has now emerged, which includes the Prince of Wales, the Church of England, local government and private developers, to the effect that a partnership that fully involves local government and local communities, as well as private capital, is the only way forward?

When did the right hon. and learned Gentleman first discover the awful truth that his much-touted White Paper had been torn up and that, as the Minister left without any clothes, his simple role was to shelter behind the Prime Minister's skirts? Is it not the case that changes in benefit and the poll tax will have a much greater impact, for the worse on the inner cities than anything that has been announced today?

When will the Prime Minister, who is surprisingly not present to hear this statement, abandon her ideological prejudices and produce the new resources, new policies and new partnership that alone can help to rescue the people in the inner cities from the poverty, unemployment, disorder, slum housing and despair to which her policies have condemned them?

**Mr. Clarke:** There is an awful air of sour grapes in the Labour party's reaction to what we have announced. I thought that the hon. Member for Dagenham (Mr. Gould) summed up the right note of pessimism and cynicism, which he and his colleagues tried to whip up over the weekend, but he was unable to put much energy into it.

The hon. Gentleman criticises the booklet that we have produced. I commend it to him and I believe that he might read it some time with profit—[HON. MEMBERS: "Where is it?"] As Mr. Speaker explained, the copies in the Library this morning went rapidly, but hundreds of copies are now in the Vote Office. I am delighted that there is such demand for it.

If the Opposition parties were asked to set down their policies for the inner cities they could not fill the back of a postage stamp. If they wished to hold a conference to explain those policies to anyone, they would not fill a telephone box. The hon. Gentleman comes out with his usual litany of, "Where is the money? Where are the new proposals?" As I said in my statement, we are spending £3



[Mr. Clarke]

billion in the next financial year on urban regeneration. The new programmes announced today come within that total, but they represent about £250 million directed into new policy areas—targeted on the inner cities—that we have not announced before.

I set out a statement explaining the 12 propositions that we have announced today. However, the hon. Gentleman did not ask me a question about one of them.

**Mr. Gould:** Where are the new proposals?

**Mr. Clarke:** I will answer the hon. Gentleman's question when he states which of the propositions he is against. Is it simply the fact that he objects to the timing of meetings with business men at breakfast time? Does he object to the Government going to provincial cities and seeking to revive private-sector leadership in urban regeneration?

The hon. Gentleman should read our document. It is not a White Paper, because it is intended to be an action document to be used by those concerned with inner-city revival. When he has read it, he might know more about the subject and will be able to make a better job of questioning our policies the next time round.

**Sir Hugh Rossi** (Hornsey and Wood Green): May I tell my right hon. and learned Friend that his statement will be widely welcomed on the Conservative Benches and also by the all-party Environment Select Committee? That Committee recommended three things that my right hon. and learned Friend has adopted today—the expansion of the number of UDCs, the simplification of the three types of urban land grant and the greater use of the “domesday book” of property in public ownership. Will the simplified city grant be demand-led, as the Committee requested? Will my right hon. and learned Friend ensure that the “domesday book” is not limited by a minimum size of land to be registered in it?

**Mr. Clarke:** I thank my hon. Friend for his commendation for what we have done. I recall that the all-party Select Committee, including members such as himself, has been pressing for three of the specific changes that we have made.

The existing UDCs have been hugely successful, and I am sure that the two new UDCs will be welcomed in South Yorkshire and on Merseyside, where they have a great deal to offer. The amounts to be spent on city grant will largely depend on the response that we receive from developers coming forward seeking the grant. We have simplified the various types of grant that we currently have available so that grant can be paid more quickly in response to applications to speed up the process. I am sure that my hon. Friend agrees that more and more developers are acquiring confidence in the ability to invest on inner-city land, and the new simplified grant will help speed up the process.

With regard to the register of land, I shall refer the details to my right hon. Friend the Secretary of State for the Environment, but I believe that no minimum size will be placed upon it. My hon. Friend rightly underlines that all our announcements will receive widespread approval from people seriously interested in the subject. I still wait to hear—I am not sure that I will—any member of the Opposition get up and say that he disagrees with a solitary

one of the propositions that we have made. All they are doing is sitting there, embittered, because they cannot think of what to say in reply and they are trying to pour general scorn on the whole thing.

**Mr. Simon Hughes** (Southwark and Bermondsey): Although a sincere interest in the inner cities is welcome, is not the watchword of the Government's announcement “power away from the people.”? Does not the best experience from home and abroad demonstrate that one does best for inner cities when local people, local councils, local businesses and the local voluntary sector are involved? Is it not evidence of the Government's dishonesty that they have taken two local schemes—the urban regeneration in Sheffield conducted by the city council and the ILEA education-business compact—and pretended that they are their own? Partnership has been ignored. Surely the truth behind the Government's initiative is that, instead of giving power to the people in the inner cities, they are more determined to advantage their friends and themselves rather than the urban poor and disadvantaged?

**Mr. Clarke:** First of all, I agree with the broad proposition that policies make best progress when they are conducted in agreement with local people of good will; that is what our inner-city policies do. [Laughter.] Of course it is. Anyone who takes the trouble to involve themselves in the work of our inner-city task forces or the city action teams, or who considers the people who are on the UDCs and the way in which local authorities tend to welcome such things happening in their areas, would agree. Not all local authorities enter into that partnership: that is the difference between our experience and that of the Americans. Obviously it will be greatly to the advantage of the inner-city revival when all local authorities are genuinely business-friendly, prepared to cooperate, keep down the costs they impose on business and join in the effort.

It simply is not the case that we have stolen the credit from other people. The Sheffield UDC will bring to a derelict area in the Don Valley the ability of a UDC to assemble land for grant, to give it positive value and to take decisions quickly. There is no doubt that UDC spending is up.

The idea that compact is an invention of ILEA is an extraordinary proposition. The hon. Member for Southwark and Bermondsey (Mr. Hughes) knows that it came from Boston in the United States—[Interruption.] I am delighted to know that we have people who are keen on the Boston compact, however stridently. It was introduced into this country by the London enterprise agency with support from people in government. It is to ILEA's credit that it has agreed to become party to it.

I should have thought that, with ILEA as a party to it, there would be no one Left-wing enough in the country who would be hostile to the idea of more compacts elsewhere. The new idea today, which comes from my right hon. Friend the Secretary of State for Employment, is that Government money from the MSC will extend the compact idea to 12 other cities. That is a new, positive idea and it should be welcomed.

**Several Hon. Members** *rose*—

**Mr. Speaker:** Order. I draw the attention of the House to the fact that no fewer than 36 right hon. and hon.

Members wish to speak in the subsequent debate. May I ask hon. Members to direct single questions to the Minister, which will give me the opportunity to call more of them?

**Sir George Young** (Ealing, Acton): Is my right hon. and learned Friend aware that those Conservative Members who represent city seats will welcome the package of measures that he has announced, as will the thousands of people who live in the areas targeted by the new initiatives? Does he agree that, once the huffing and puffing is out of the way, the Labour party will work happily with urban development corporations and the city action teams, and that Labour Members will be queuing up for the new city grant as long as it is to be spent in their constituencies?

**Mr. Clarke:** I agree with my hon. Friend. That has been our experience so far, and I am sure that it will be again. The huffing and puffing that we hear from the Labour Benches is strangely out of line with the practice on the ground, even among Labour supporters.

**Mr. Ron Leighton** (Newham, North-East): Is the right hon. and learned Gentleman aware that there is a sense of disappointment and let-down, because we were expecting a proper White Paper? All that we have is this mouse of a consultation paper on grants, which shows confusion in the Government, a lack of clarity and no new money.

Is the Minister aware that 96 per cent. of the population of the London borough of Newham live outside the development area, that the borough comprises half the traditional east end of London, that this morning the borough council composed a letter to him about the plight of the borough and that, on Friday, I have an Adjournment debate on this very subject, when I shall ask for co-operation between the Government and the council to tackle the borough's problems? Will the Minister give me a guarantee that he will seriously consider both initiatives—he will receive the letter tomorrow—and respond adequately?

**Mr. Clarke:** I am delighted to hear that the hon. Gentleman is such an avid reader of White Papers. I did not want a White Paper, because a White Paper is suitable—[*Laughter.*] Perhaps from the laughter of the Leader of the Opposition we now know what their policy is: they would produce a White Paper. White Papers are almost as unread as Acts of Parliament. It is an extremely suitable document when one is contemplating a change in legislation, but it is usually published, read the next day and never referred to again by anyone.

What we have produced is not a consultation document, as the hon. Gentleman described it. He should obtain a copy—[*Interruption.*] He has one. He should obtain the full document about which we are talking, a copy of which is being waved by the hon. Member for Liverpool, Walton (Mr. Heffer). It is a full exposition of a complete package of policies, covering a wide range of activities.

In response to the hon. Gentleman's latter point, may I say that I am delighted to hear him lobbying for Newham to be allowed to join in the Government's policies. As my hon. Friend the Member for Ealing, Acton (Sir G. Young) said a moment ago, I expect that that will be the response of most Labour Members the moment this afternoon's session is over. Everyone will be queuing up trying to get similar announcements made for their areas.

**Mr. Michael Grylls** (Surrey, North-West): Does my right hon. and learned Friend accept that there will be a warm welcome for the provision of more small nursery units for starter firms? For too long, it has been too difficult to find the right premises on the right terms, and what he suggested today will go a long way to meeting that problem, which will then create more new firms and jobs.

**Mr. Clarke:** I am grateful to my hon. Friend. A variety of such units has been provided so far, and they have been such a success in practice that we thought it important to find a new way of putting extra public finance and a new agency, English Estates, into providing more of them. The present state of the economy makes it easier for small businesses to start up and expand, and we must give special support to that in the inner cities.

**Mr. Merlyn Rees** (Morley and Leeds, South): Will the Minister consider a special problem and answer more directly the point made by the hon. Member for Southwark and Bermondsey (Mr. Hughes)? I represent an inner-city area. Like many others in the House, two weekends a month I hold constituency surgeries, and 98 per cent. of the issues discussed are local matters. They include jobs, unemployment—[HON. MEMBERS: "And housing."] And housing. Along come the Minister's officials to Leeds to define an urban development corporation area. No one consults us. I talk to the councillors and ask, "What areas have been designated?" They say, "No one discussed it with us." Along come those civil servants, operating from the middle of Leeds and knowing nothing about the area. Everything is imposed from above. If that is the way the Government intend to set about it, it will just be another glossy magazine that will not work.

**Mr. Clarke:** The city action team for Leeds comprises the regional officers of the Department, all of whom know the area extremely well and all of whom have constant—almost daily—contact with the local authorities in the area—

**Mr. Rees:** Action now.

**Mr. Clarke:** I am sorry if the right hon. Gentleman has not been consulted recently, but he must know the regional officers of the Department in his city. They are not outsiders. They work in Leeds.

The urban development corporation has been announced and should be welcomed by people in Leeds, because it will speed redevelopment and bring back into active use derelict land in the city. There is a task force on the ground in the middle of Leeds, staffed by people who live and work in Leeds who have the closest contact with many voluntary bodies and with the local authorities. When I visit various bodies in Leeds, I frequently meet the leader of the council and people from the local authority and discuss these matters.

I apologise to the right hon. Gentleman if he has been left out of discussions recently, but he need only contact any of those bodies or me, and we shall happily keep him abreast of what we are doing.

**Mr. Anthony Steen** (South Hams): On behalf of the Conservative Back-Bench urban and inner-city committee, may I warmly congratulate my right hon. and learned Friend on doing a magnificent job in promoting urban and inner-city regeneration? Unlike the Opposition, may I offer a constructive suggestion that might help the

[*Mr. Anthony Steen*]

Government to get rid of some of the derelict and vacant land in public ownership? Has my right hon. and learned Friend considered privatising public land, passing it to a private company and giving the value of the land, in the shape of a share certificate, to the public authority so that the private company can market the land and regenerate the inner city?

**Mr. Clarke:** The proposals that we have announced are designed to ensure that the large amounts of public land that are still derelict and vacant should be brought into productive use more quickly. I shall pass my hon. Friend's commendable suggestion to my right hon. Friend the Secretary of State for the Environment, if it turns out that the latest moves in relation to the register do not have the desired effect of speeding the release of public land for development.

**Mr. Frank Field (Birkenhead):** May I welcome the extension of the Merseyside development corporation to Birkenhead, and ask the Minister for two undertakings? Will he draw the attention of the MDC to the wish of many of my constituents to live in the centre of the town which, at present, having been handed over to the private sector, is an industrial desert? Secondly, when the redevelopment is carried out, will the planning powers be handed back to the local authority?

**Mr. Clarke:** The hon. Gentleman's reaction to the extension of the urban development corporation into his constituency is in line with that of most local authorities, of all political persuasions, in all the recent extensions. We hope that things can be achieved on his side of the Mersey in line with what has been achieved in the Albert dock and the surrounding area on the other side of the Mersey. I share his desire to see as wide a range as possible of people living in the centres of cities and towns, but we must ensure that those who live in derelict inner-city areas are not people who are there because they have no choice and who would leave the moment they were given an alternative. We need a good mix of development in the centres of towns to get the mix of population that we require. Once the work of the UDCs is over—they will not be timeless organisations—I expect that the planning powers will revert to the local authorities.

**Mr. William Shelton (Streatham):** Does my right hon. and learned Friend accept that this is clearly a good day for inner cities? Does he further accept that I am lobbying on behalf of Lambeth? We need a mini UDC at Waterloo, where the new rail terminal of the Channel tunnel debouches, and we need a housing action trust in Brixton. May I visit my right hon. and learned Friend some time and discuss it with him?

**Mr. Clarke:** Lambeth is already included in the area served by the city action team. Both the points made by my hon. Friend are relevant to the well-being of the people of Lambeth. I suggest that he arranges a meeting with my colleagues at the Department of the Environment, to whom both his questions should be directed, and I am sure that they will take note of what he says. Housing action trusts are an important new development which will be taken further this year, and in due course my right hon. Friend the Secretary of State for the Environment will

announce where those housing action trusts are to be set up. I shall draw my hon. Friend's suggestion to my right hon. Friend's attention.

**Ms. Harriet Harman (Peckham):** Is the Minister aware that, last week, I met officers of the North Peckham task force? Does he understand that people in Peckham are angry because, during the past two years, the Government have removed £20 million from Southwark council yet they expect to be congratulated on the fact that, during the same two years, they have put in less than £1 million through the task force? Why are the Government prepared to put £700 million of public money into the London Docklands development corporation to attract private capital for luxury housing yet they are not prepared to give the £18 million that is desperately needed to rebuild the Gloucester Grove estate or the £18 million that is needed to lift the threat of asbestos that hangs over the tenants of the Willowbrook estate? Is not his statement a cynical public relations exercise which shows that the Government are concerned about profit, property and politics, not about people and poverty?

**Mr. Clarke:** I owe the hon. Lady an apology. At this morning's press conference someone referred to her attacks on the North Peckham task force and I said that for two years she had not bothered to meet it or to discover what it was doing. She has now discovered that it is spending money, organising training and job opportunities, and targeting a great deal of money into north Peckham. I am delighted that the hon. Lady has crossed the threshold. I hope that she does not lose the nomination for her seat as a result of being seen talking to departmental officials. If she follows up these matters, she will find that much good will continue to come from the North Peckham task force.

The hon. Lady mentioned some estates in her constituency that suffer from some of the worst combinations of social and other problems of which I am aware anywhere in the United Kingdom. I am sure that she shares my pleasure that such large grants from Estate Action, for example, are being made available to improve the Gloucester Grove estate. I am delighted also that the hon. Lady is now aware of the existence of the London Docklands development corporation, which has been shunned by most of the politicians in Southwark ever since it was established and began to revive part of their area.

If the hon. Lady continues to learn more about the inner-city policies that are being applied in her constituency, I am sure that we shall be able to welcome her co-operation and support.

**Mr. Anthony Beaumont-Dark (Birmingham, Selly Oak):** Will my right hon. and learned Friend accept that many in Birmingham and the west midlands will welcome action for cities? Regional development grants always acted against our best interests. The city grants are bound to be useful to us.

I ask my right hon. and learned Friend to take a word of advice from those of us in Birmingham and the west midlands. If he could stop my right hon. Friend the Secretary of State for the Environment from giving one permission after another for incursions into the green belt—all builders want to build on easy ground rather than difficult ground—the tens of thousands of acres of derelict land in the midlands would be taken up more quickly without any cost to the Government. As long as

my right hon. Friend gives easy work to builders, they will continue to build in Solihull and Meriden rather than in difficult areas in the west midlands.

**Mr. Clarke:** I am always grateful to my hon. Friend for his advice on Birmingham. I am glad that he welcomes the new city grants. A great deal of effort is going into inner-city Birmingham through the task force in Handsworth and through the support that we are giving to the Birmingham heartlands attempt to rebuild on the derelict land around Saltley. The local authority, central Government and the private sector are working closely together. I shall draw my hon. Friend's opinions on planning policy in the west midlands to the attention of my right hon. Friend the Secretary of State for the Environment.

**Ms. Clare Short** (Birmingham, Ladywood): Is the Minister aware of the work of Sally Holterman on the nature of urban deprivations and inner-city problems, which shows that all these areas are merely a concentration of poor people? We have a Government who have increased unemployment, poverty, and low pay and worsened the housing stock, and that is why the inner cities have become worse. The gimmicks that have been announced will not address the fundamental problems. We shall use any money that we can get, of course, but it is the Government who are damaging inner cities and making the problem worse. The Government's gimmicks will not put right that which is wrong.

**Mr. Clarke:** I have not read the work to which the hon. Lady referred and I do not agree with the analysis that has been put forward, if the hon. Lady has described it accurately, as I am sure she has. I do not agree with the proposition that the only problem in inner cities is poverty and that all that we need to do is to alleviate poverty, there being no need for other policies. [HON. MEMBERS: "She did not say that."] I do not accept either the Right-wing proposition that we need only to make the country better off as a whole without making any special effort in the inner cities.

The hon. Lady knows that we are taking positive action in her constituency to bring the unemployed into contact with work experience and training opportunities—

**Ms. Clare Short:** Just 12 jobs in Broughton road, which the Minister talks about constantly.

**Mr. Speaker:** Order. The hon. Lady has already put her question to the Minister.

**Mr. Clarke:** I shall be happy to introduce the hon. Lady to other projects apart from the excellent Broughton road one, of which I am satisfied she has knowledge. A great deal is happening in her constituency, with the result that unemployment is steadily dropping and deprivation is becoming less. I am sure that we can improve the quality of life in her constituency and in other parts of inner-city Birmingham if we increase our efforts.

**Mr. Richard Holt** (Langbaugh): My right hon. and learned Friend will know from his own experience that Teesside has enjoyed an urban development corporation for the past six months, and that as a consequence there has been a complete change in the atmosphere surrounding the economics of the region. We already see new entrepreneurs and new businesses coming into the area. It was significant that on the one o'clock news today

on Radio Cleveland it was announced that there were no further sites left in north Teesside, in Hartlepool, for a company that wants to build a factory there to expand.

Given the expansion that is taking place in the area, it is disappointing that the Government continue to neglect the north-east by failing to recognise the need for a three-lane motorway from the south to the north along the east coast.

**Mr. Clarke:** The new Teesside urban development corporation appears to be making the fastest progress. The enterprise zone has been of great benefit there. The task forces in Middlesbrough and Hartlepool have both been welcomed and they are doing a considerable amount of work. I agree with my hon. Friend that it is a welcome change to read that there are shortages of factory accommodation for the expanding businesses in the region. However, that is a problem and we must ascertain what we can do to tackle it. I shall draw to the attention of my right hon. Friend the Secretary of State for Transport the remarks of my hon. Friend about the need to improve the great north road to take the ever-increasing traffic to the booming north east.

**Mr. Nicholas Brown** (Newcastle upon Tyne, East): If the urban development grant has been the success that the Minister claims, why is it being scrapped? Why is he undermining the work of local authorities such as Newcastle city council, which has a good record of co-operation with the private sector, in favour of extending the powers of the colonial government in the north, the urban development corporation? This will mean that new schemes will be development-led rather than planning-led, which leads many of us to fear the return of old-style corruption to the region.

**Mr. Clarke:** I think that urban development grant has been a considerable success, as was its short-lived successor, urban regeneration grant. The new city grant is a process of deregulation. We are simplifying the procedures for applying for it and we hope to speed up the payment of grant for desirable development, which should be welcomed.

Urban development corporations should not be seen as the imposition of some sort of penalty on areas. They are seen as such only by a few officers in the local planning department. They have a proven track record of success in hastening the clearance of derelict land and introducing new developments. I am sure that my right hon. Friend has done a favour to the north-east by setting up a regional development corporation in the area and that residents will quickly come to appreciate that.

**Sir Peter Hordern** (Horsham): Will my right hon. and learned Friend add to the register of unused building land that is owned by local authorities the unused building land and houses that are owned by the Ministry of Defence? Some of the land has lain empty for many years.

**Mr. Clarke:** I shall draw my hon. Friend's remarks to the attention of my right hon. Friend the Secretary of State for Defence. I am sure that he and I are agreed that it is wrong for any unused land, housing or other sorts of building to stay in the hands of a public body for more than the essential length of time. All our efforts are designed to ensure that all unused land and buildings are put back into productive use as soon as possible.

**Mr. A. E. P. Duffy** (Sheffield, Attercliffe): Is the Minister aware that the announced budget for Sheffield, which will enable a partnership of public and private bodies to revitalise an important but old industrial area, is extremely important, although it is a budget that might have to be re-examined in future? It could have been welcomed by the Sheffield district council and it is unfortunate that that body has been by-passed.

Why must the right hon. and learned Gentleman introduce the UDC? He is aware of the talks that it has had with his Department in recent years and he knows that the council needs only the budget that he has announced. The council has provided leadership and has set the right example. It is willing to co-operate with the private sector and the evidence shows that that sector is responsive, and might be more responsive to the approaches of the city council than to those of the Minister. What response does he expect his civil servants to get from private bodies in Sheffield when they are not sure whether the council will be in a position to continue to provide leadership in what is supposed to be a democratic community?

**Mr. Clarke:** Urban development corporations can take decisions more quickly and produce results faster than the processes of local government in the cities where my right hon. and noble Friend the Secretary of State has established UDCs. Once Sheffield city council and responsible people in Sheffield give a few moments' thought to the implications of today's announcement, they will realise that it should be welcomed. I am sure that my right hon. and noble Friend will welcome their co-operation in taking forward the work of the Don Valley UDC.

**Mr. Robin Squire** (Hornchurch): The many thousands who use the A13 each day will welcome my right hon. and learned Friend's announcement of the improvement between Dagenham and Limehouse—perhaps the hon. Member for Dagenham (Mr. Gould) will welcome it to. When does he expect work to start? If it is to start earlier than 1992, can he extend it a bit further, to Rainham?

**Mr. Clarke:** I agree with my hon. Friend that the hon. Member for Dagenham (Mr. Gould) should be more enthusiastic about something that eases traffic jams between here and Dagenham. One problem is that the success of the London Docklands development corporation has added considerably to congestion on the roads going out to the east. This is an important follow-up to the improvement of the roads by my right hon. Friend the Secretary of State for Transport.

The timing is a matter for my right hon. Friend, who is confined by the large number of statutory procedures that must be gone through before a road can be built. If the local inhabitants ease the passage of the road and there are not too many pointless objections—there is bound to be a great deal of consultation about the route—it can be built more quickly. I shall draw my right hon. Friend's attention to my hon. Friend's point about the timing.

**Mr. Nigel Spearing** (Newham, South): In respect of urban development corporations, should not the Chancellor of the Duchy think again? They are unelected centralised quangoes.

Is the right hon. and learned Gentleman aware that the London Docklands development corporation, which he

has mentioned, has suffered a number of spectacular resignations, including that of the chief executive, who resigned after less than a fortnight? Is he aware that the Comptroller and Auditor General is preparing a report for possible presentation to the Public Accounts Committee on the LDDC's accounts? Would it not be wise for him to wait and see what the Public Accounts Committee says before he lays further orders for places such as Sheffield and Leeds?

**Mr. Clarke:** Like me, the hon. Gentleman remembers what the docklands area of London was like only six or seven years ago, when vast expanses of water lay idle and unused, surrounded by derelict warehouses that were rarely visited by ships and were surrounded by further areas of dereliction. My judgment at the time was that the prospects of rapid progress being made in reviving that area by the combined efforts of the Port of London authority and three local authorities involved were next to nil—

**Mr. Spearing:** It was being developed.

**Mr. Clarke:** On a trivial scale.

Of course, the London Docklands development corporation is a public body and must be subject to the PAC. It may have had its administrative difficulties, but if the hon. Gentleman goes to the heart of docklands now and sees how transformed it has been, what a model it is for urban regeneration and what a tribute it is to the work of all those involved, he should perhaps reconsider some of his continual snide criticisms of it.

**Mr. Nicholas Bennett** (Pembroke): As a former Conservative leader of an inner-London borough, may I congratulate my right hon. Friend on his initiative and assure him that we ignore the ragbag of carping, vacuous comments from the Opposition who have been in power in most of the inner cities for most of the past 50 years? Does my right hon. and learned Friend remember that one of the problems facing the inner cities in the past has been that there has not been enough private housing for those who wish to live there? One of the successes of the LDDC has been the bringing back to the inner city of people who wish to own their homes.

**Mr. Clarke:** I strongly agree with my hon. Friend. It is desirable that there should be the right mix of housing and population in all the inner cities—of people who have chosen to own their own homes or flats and who have chosen to rent in the private or public sector. That is the tenor of the housing parts of the document that we issued today.

I have already agreed with my hon. Friend's comments about the Opposition. I did not think there would be any specific objections to anything. I am almost tempted to ask my right hon. Friend to take away the urban development corporations from the constituencies of hon. Members who have grumbled—but I do not think I shall do so. They would all change their minds overnight if he did.

**Mr. Barry Jones** (Alyn and Deeside): Will the right hon. and learned Gentleman tell the House of new moneys and measures that will affect Wales and Scotland? I challenge him to name one measure that affects Wales? Where are his right hon. Friend the Secretary of State for Wales and his right hon. and learned Friend the Secretary of State for Scotland? Where is the Governor-General for Wales? Are we to have a statement from him tomorrow?

**Mr. Clarke:** It is true that the 12 announcements I have made do not include any that were relevant to Wales or Scotland, but there is a page on Wales and Scotland in the document, and a great package of proposals for which my right hon. and right hon. and learned Friends are responsible.

Scotland contains some of the best examples of urban regeneration in this country—particularly in Glasgow. What is being done with the urban development corporation in Cardiff, in Swansea bay, and with my right hon. Friend's proposals for the valleys, is equally ambitious. As we have devolved government in this country, those things are the responsibility of my right hon. and right hon. and learned Friends the Secretaries of State for Wales and Scotland.

**Mr. Hugo Summerson (Walthamstow):** Will my right hon. and learned Friend give us his assurance that local authorities will not be permitted to enter into purely artificial schemes with third parties to develop land, under which the tenants of the houses subsequently built will not be permitted to exercise their rights to buy under the Housing Act 1980?

**Mr. Clarke:** My hon. Friend raises a serious point. There is a problem of local authorities seeking to evade the right to buy or the tenants' choice of landlord in future years. I know that my right hon. Friend the Secretary of State for the Environment is anxiously considering this, and I shall refer my hon. Friend's comments to him. No doubt he will consider what proposals to bring forward.

**Ms. Diane Abbott (Hackney, North and Stoke Newington):** Is the Minister aware that what will cause concern about his statement to those of us who represent and care about the inner cities is what is absent from it? We know only too well that, since 1979, we have lost £7 billion in rate support grant and £8 billion in housing investment programme, which would have built 150,000 houses. This document contains no proposals for any new money, and it insults the people of the inner cities.

Are not large areas of policy that are essential to regenerating the inner city missing from the document? One is transport. What is there in the document to develop and build up public transport?

Finally—

**Mr. Speaker:** Order. I think the hon. Lady has had a good run. Many other hon. Members wish to ask questions, and I am trying to get them all in.

**Mr. Clarke:** The hon. Lady is not the first person to produce all those figures about lost rate support grant, housing allocations and so on. Although, fortunately, I do not usually have to face them, I regard them as—on the whole—bogus, based as they are on suppositions about what level of grant would have been paid if certain actions had been taken by local government. We allocate grants to local government according to objective assessment of need. It is true that some local authorities have gone into penalty and lost grant, but that is not a valid comparison to make with the measures announced today.

As for transport, I have mentioned two important roads, but there are other references to transport in the document, which I commend to the hon. Lady. They include references to the London Docklands development corporation's light rapid transit scheme—the railway that goes out to docklands—and to the fact that the

Government are looking, with Manchester, at a proposal that a similar rail network might be set up in inner Manchester.

**Mr. Tony Favell (Stockport):** Does my right hon. and learned Friend's American experience bear out the views of many—that one of the greatest threats to inner cities and to employment in them are out-of-town shopping centres?

**Mr. Clarke:** In certain circumstances, I have no doubt that that proposition can be argued, but I suspect that my hon. Friend is skilfully trying to draw me into some planning dispute in his locality. I shall draw his views to the attention of my right hon. Friend the Secretary of State for the Environment, who will no doubt consider them carefully, if indeed my hon. Friend has a proposition on hand in the neighbourhood of Stockport.

**Mr. Eric S. Heffer (Liverpool, Walton):** The glossy document "Action For Cities", which I had to get from friends who are journalists because it was not issued to the House of Commons, says that the new Merseyside development corporation will cover the north docks and Parliament street in Liverpool. What does that mean? Parliament street is a residential area of council houses, which are now about to be pulled down by the present Labour authority in that city and replaced with good council houses. Does it mean that the Labour authority, elected by the people, will now receive enough money from the Government to help it carry out its programme; or does it mean that that land will be taken over by an unelected authority and handed over to private enterprise, which will do a great deal of damage to local people?

Can the right hon. and learned Gentleman also explain what he means when he says that the north docks will also be taken over by this authority because of the great work that has been done by the authority up to now? We are talking about an unelected authority. What great work has it done? It has done some work, but how many jobs and how much industry has it produced, and what has it done to rehabilitate industry in Merseyside?

**Mr. Clarke:** I concede that the hon. Gentleman knows more about the exact geography of Parliament street, Liverpool than I do. I shall refer his detailed inquiry to my right hon. Friend the Secretary of State for the Environment, who will no doubt give the hon. Gentleman a specific answer. The hon. Gentleman attacked what he called an unelected urban development corporation for Liverpool's docks. His comments were wide of the mark. The redevelopment that has already been done in Liverpool docks by the Merseyside urban development corporation is one of the best things that has happened in Liverpool in many years.

**Mr. John Redwood (Wokingham):** While I welcome the summary of the Government's actions so far, may I ask my right hon. and learned Friend to look urgently at the question of the supply of industrial space in the north-east? Could he not use the powers that he already has to organise a public auction of land to bring forward suitable factory space? Would it not be more sensible for factory space to be made available in the north-east at about a third or a half of the rental level in the south-east, given that a much higher proportion of the work force are unemployed in the north-east?

**Mr. Clarke:** We have not cut at all the activities of English Estates in helping to produce factory accommodation in the north-east. There has not until recently been a shortage of industrial land in the north-east. Obviously, one hopes that as quickly as possible there will be a reaction to the growing demand and that we shall see the necessary factory and office buildings coming on to the market. It is a problem that needs to be tackled by the private and public sectors. I can only reflect that it is a novel problem for the north-east that industrial expansion there is going on so quickly that we are beginning to get the first shortages of land and buildings.

**Mr. Robert N. Wareing** (Liverpool, West Derby): Does the Minister realise that his statement will be taken as a sick joke on Merseyside, given that this Government abolished Merseyside county council which did more for private business than the Government have ever done and that the Government robbed the city of over £300 million in rate support grant? Can he say when the Government will enter into real partnership with the real people of Merseyside—its elected councillors? Can he tell us how many disabled people looking for a telephone or adaptations to their homes, people seeking housing repairs and those looking for real jobs will be happy with his statement?

**Mr. Clarke:** I am interested in what the hon. Gentleman says. People will just have to judge the respective contributions to well-being on Merseyside made on the one hand by Merseyside urban development corporation, and on the other hand by Liverpool city council under its recent Militant control. The announcement I made today, that my right hon. Friend the Secretary of State for the Environment is about to extend the urban development corporation on both sides of the Mersey, should be welcomed by most people in that area. If what the hon. Gentleman says is any sign of a mellowing on the part of Liverpool Labour party towards the private sector and the attracting of new enterprise, it is a welcome sign. If the council could make itself more business-friendly and help redress the bad reputation that it has given to the city in the last few years, that would do a great deal of good.

**Mr. Tony Marlow** (Northampton, North): As the mould of Socialism is dependent for its growth on the feedstock of dereliction and decay, is not the hostility and ill-humour of the party opposite explained by the fact that my right hon. and learned Friend's statement today is a very grave threat to their few remaining strongholds?

**Mr. Clarke:** There is a mixed bag of motives on the Opposition side, and a mixed bag of responses. I entirely agree with my hon. Friend that, at its worst, when one finds real extremists inside the Labour party in some of our cities, they are people who have a personal commitment to making sure that nothing works and who feel that their political base lies in dereliction and decay. At its worst, that becomes quite a serious problem.

**Mrs. Rosie Barnes** (Greenwich): Does the Minister agree that more and more young people doing valuable and essential jobs — nurses, electricians, postmen, teachers—are being driven out of London because of a lack of affordable housing? Does he further agree that, unless this problem is tackled, inner London will never be regenerated and, sadly, its work force will be depleted? Does he think that his proposals will redress that fundamental problem?

**Mr. Clarke:** I agree with the hon. Lady's assertion. This is an extremely serious problem. That is why we are proposing reforms in housing legislation so as to make sure that there is a variety of housing in London and that the number of organisations and landlords providing private rented accommodation should be greatly extended. We also need to tackle the question of the payment of people in London who perform some of these essential public services compared with payments in other parts of the country.

I am glad to see that the idea of more regional differentiation in the pay of people in these great public services is again a live issue. Today's proposals will make a further contribution, and in all we do we must pay attention to the points that the hon. Lady has made. We need a good mix of housing in London, offering the right choice in order to attract a variety of employed and self-employed people to the city.

**Mr. John Marshall** (Hendon, South): Does my right hon. and learned Friend agree that the inner cities have been the major victim of the doctrinaire policies of extremist local authorities, which have frustrated development by hoarding land, which have destroyed jobs through high rates and whose educational policies have failed a whole generation? Does he further agree that the only hope for inner cities lies not in the nostrums of Opposition Members but in the proposals that he has announced, in the uniform business rate and in the Education Reform Bill?

**Mr. Clarke:** I agree with my hon. Friend. Certainly, some councils deserve all the strictures that he has applied. Our policies are based on the proposition that we need to bring the enterprise economy into the inner cities. That has been successful in reviving the national economy as a whole. It can be a success in the inner cities if the same principles are applied consistently by the Government and by leading people in business throughout Britain. Following my hon. Friend's analysis, it is obvious that many Opposition Members still have to be converted to his view and need to realise that many of their friends in local government have done far more damage than good.

**Ms. Mildred Gordon** (Bow and Poplar): Will the Minister allow a public inquiry into improvements on the A13 and, in particular, the proposed docklands highway spine road? Is he aware of the considerable opposition in my constituency to the proposed docklands highway, which will destroy badly needed houses and cause misery to people who will continue to live along the route? My constituents consider that this will be a gift of a huge amount of public money to Olympia and York to bring people into the area from outside to work in the new offices. That money should be used to provide jobs for local people and much-needed houses. Is he aware that my constituents think that the Government's proposals will bring as much benefit to the east end as a plague?

**Mr. Clarke:** Of course the choice of route for a new road in an urban area is an extremely sensitive matter. My right hon. Friend the Secretary of State for Transport will go through all the processes of consultation and the statutory procedures as this road is promoted and brought near to being built. I hope that the hon. Lady will play a constructive part in all this. There is a danger that sometimes some of the community activists in the east of

London and elsewhere are very clear about what they are against: they are against most things that involve any change in their neighbourhood. There needs to be a positive surge to find solutions to the traffic problems that urban regeneration in east London is causing.

**Ms. Gordon:** My constituents know what they want. They want houses and jobs.

**Mr. Speaker:** Order.

**Mr. John Fraser (Norwood):** One significant difference between urban development grant and urban regeneration grant is that the latter bypasses local authorities. Will the new grant bypass local authorities? Secondly, much of the bias of the Minister's policy is directed at the development of vacant and derelict land and does not help boroughs such as Lambeth, which have very little such land left.

What specifically is in it for Lambeth? Will there be any compensation for the 13 per cent. cut in the urban development assistance that we had last year, for the doubling of the burden that will come as a result of the poll tax, or for the shocking housing conditions that we have as a result of cuts in housing investment programmes over the last nine years?

**Mr. Clarke:** Obviously the new city grant will be administered by the Department of the Environment in consultation with local authorities when it considers possible suitable sites for development. It is true that, unlike urban development grant, it will not require local authority consent before it can be given. As the hon. Gentleman is aware, a few local authorities still simply refuse to put forward applications for urban development grant because they are against the Government giving any help to redevelopment in their areas. The hon. Gentleman asked, "What's in it for Lambeth?" There is a great deal of empty and derelict housing stock in Lambeth. I am sure that the Government's proposals on housing policy will have a beneficial effect on that borough.

**Mr. Tony Banks (Newham, North-West):** I do not need glossy publications with soft-lighted pictures of "Mama Doc" on page two to inform me about the inner-city problems in Newham. I have to live with those problems daily. They arise directly from Government policies. Newham has lost £127 million in rate support grant since 1979. Poverty and unemployment have doubled since 1979. Those are the root causes of the problems in inner city areas. Why does the Minister not just come clean and tell us that the statement is part of the process of dismantling Labour-controlled local authorities in the inner cities—[HON. MEMBERS: "Hear, Hear."] Exactly—and turning them over to Tory business men to take decisions behind closed doors? What is more, they will even get free breakfasts for doing that.

**Mr. Clarke:** I am sorry that the hon. Gentleman is so upset by the pictures. May I commend the words to him? If he reads the words between the pictures, he will discover that his description of the document is something of a parody.

**Mr. Max Madden (Bradford, West):** Is the Chancellor of the Duchy of Lancaster aware that the official unemployment figures show that 16 out of every 100 of my constituents of working age are unemployed and that many of those in work have low-paid, part-time jobs involving night and weekend working and that they include a group of men and women who — it was

revealed last week — are earning 12p for every kilo of onions that they peel? Whether they are men and women desperately looking for work or people peeling onions for 12p a kilo, they understand that the city of Bradford has declined as a result of the millions of pounds that have been taken from the local economy through cuts in rate support grant, housing benefit and social security payments. Is he aware that they will not take seriously the Government's promise to regenerate the inner cities until and unless substantial amounts of new money are pumped into Bradford to create new, better paid jobs that offer some promise to the people who have them?

**Mr. Clarke:** I simply do not agree with the proposition put forward by the hon. Member for Bradford, West (Mr. Madden), and by others, that somehow the inner-city problems have been created by cuts in rate support grant by the Government. The inner-city problems are long-standing and are a reflection of a long-standing industrial and commercial decline in some places. The Member does not do justice to the city of Bradford, which has mainly been affected by the industrial recession and the decline of the textile industry in west Yorkshire, upon which in the past it was too dependent. It is now bouncing back very well. It has done much to help itself and it will receive added support from the Government through the new city action team that I have announced today, which will be based in Leeds and will serve both Leeds and Bradford.

**Mr. Neil Kinnock (Islwyn):** On a point of order, Mr. Speaker. As we heard earlier, the Prime Minister chaired a press conference at which she presided over at least six of her Cabinet Ministers, one of whom has just provided us with a statement during which, in his replies to questions, he referred to no fewer than 11 of his colleagues to whom he said that he would refer matters raised by hon. Members on both sides of the House.

In anticipation of that kind of problem, efforts were made, as you know, Mr. Speaker, to ensure that the Prime Minister would come to the Dispatch Box to answer the variety of questions about a matter which she is supposed to be co-ordinating. Those efforts were not productive.

However, I read shortly after midday today on the Press Association tapes:

"Later today the Prime Minister faces an emergency Commons question about the initiative".

I know that there is a well-established and entirely understandable convention that you, Mr. Speaker, do not comment on any possible applications for private notice questions. However, given the completely unsatisfactory nature of the Minister's responses this afternoon and the number of references that he has been forced to make to his right hon. Friends, and the fact that the person who chaired the press conference this morning could not be here to answer questions this afternoon, will you give your view on the advisability of multidepartmental press conferences and the failure subsequently to provide the House of Commons with at least the facility offered to the press and broadcasting media?

**Mr. Speaker:** I had not anticipated that the right hon. Gentleman would raise a point of order. I thought that he was going to put a question to the Minister. I believe that those questions are for the Minister rather than for me.

**Mr. Marlow:** On a point of order, Mr. Speaker. Hopefully it will be a more helpful point of order than the one that we have just had. It concerns the hon. Member



[Mr. Marlow]

for Dagenham (Mr. Gould). Obviously you are concerned that the rules of the House should not change by precedent. You are well aware, Sir, that page 428 of "Erskine May" states:

"Her Majesty cannot be supposed to have a private opinion, apart from that of her responsible advisers; and any attempt to use her name in debate to influence the judgment of Parliament is immediately checked and censured. This rule extends also to other members of the Royal Family."

Mr. Speaker, you will have heard the hon. Member for Dagenham, in his original question to my right hon. and learned Friend the Chancellor of the Duchy of Lancaster—probably inadvertently and he would probably like to put it right in the circumstances—state that the Prince of Wales had a point of view which was in conflict with that of the Government. In other words, he was ascribing to the Prince of Wales a private point of view. Further, he was bringing that private point of view or supposed private point of view forward in order to influence debate. I feel that the hon. Member for Dagenham will realise that what he has done is inappropriate, and he may wish to put the record straight.

**Several Hon. Members** *rose*—

**Mr. Speaker:** Order.

**Mr. Gould:** On that matter—

**Mr. Speaker:** Order. Allow me to rule. I can answer the points made by the hon. Member for Northampton, North (Mr. Marlow). It is not in order to use alleged private opinions of members of the royal family to influence a debate. However, where a member of the royal family has expressed opinions publicly on a matter, it is in order to refer to those opinions without, of course, reflecting adversely on the member of the royal family concerned. Nothing out of order has occurred today.

**Mr. Graham Allen** (Nottingham, North): Further to the former point of order, Mr. Speaker. Given that the Government have abolished the metropolitan counties and the Greater London Council and are now taking more powers away from local democracy, is there not yet more reason to support and defend the parliamentary accountability of the Prime Minister and other Ministers who give press conferences in preference to coming to the House to explain their positions?

**Mr. Speaker:** I am not responsible for who makes statements from the Front Bench.

## Customs and Excise (South Armagh)

4.57 pm

**Mr. Harold McCusker** (Upper Bann): I beg to ask leave to move the Adjournment of the House, under Standing Order No. 20, for the purpose of discussing a specific and important matter that should have urgent consideration, namely,

"the complete withdrawal of all British customs and excise services in South Armagh on Saturday 5 March 1988."

The matter is specific because it refers to the complete shutdown of Newry customs clearance station and the 10 customs clearance agencies that operate there. It is important because the Newry customs station is by far the largest and most important customs post on the frontier with the Irish Republic and is responsible for processing the bulk of legitimate trade between Northern Ireland and the Irish Republic and for controlling other movements across the border, and for reducing the massive swindles involving smuggling and other EEC procedures. The Newry customs station is normally open every Saturday until 5.30 pm.

The matter is urgent because the withdrawal of customs service occurred as a result of a single telephone call, allegedly from a terrorist or terrorist sympathiser. That telephone call did not contain any identifying code and was not accompanied by any public threat from the IRA, yet it resulted in not one member of the customs service turning up for work last Saturday, the day on which two terrorists were buried who had blown themselves up with their own bomb.

Within the next few days, the bodies of three more terrorists will return to Northern Ireland for burial. Will a number of telephone calls be allowed to bring chaos to Northern Ireland again, or will the Government take a stand against such intimidation? That matter requires to be debated urgently in the Chamber today.

**Mr. Speaker:** The hon. Gentleman asks leave to move the Adjournment of the House for the purpose of considering a specific and important matter that should have urgent consideration, namely,

"the complete withdrawal of all British customs and excise services in South Armagh on Saturday 5 March."

I have listened with care and concern to what the hon. Gentleman said. He knows that in Standing Order No. 20 applications I have to decide whether to give the matter precedence over the business set down for today or for tomorrow. I regret that I do not consider that the matter that he has raised is appropriate for discussion under Standing Order No. 20, and I therefore cannot submit his application to the House.



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

7 March 1988

*Dear Mr. Reichmann.*

Thank you for your letter of 16 February following our earlier meeting when you explained your exciting plans for Canary Wharf. I need hardly add that I share your confidence in the potential for further growth in the UK economy in general and the London Docklands in particular.

I recognise that access for construction traffic and those working there will be crucial to the success of the Canary Wharf project. And the London Docklands Development Corporation and the Government Departments concerned fully appreciate that the Limehouse Link road must be designed and built with all the stops pulled out.

I believe one important step would be to strengthen the project management of the road scheme. So we are planning to reinforce the LDDC with civil engineering expertise of its own to provide project management skills. The alternative schedule you provided has been sent to LDDC and can be developed in further discussion. The fact that the utility services criss-cross the road line and will each have to be relocated will complicate the programme of work. But I can

*DA*

assure you we will keep up the pressure to reduce the time absorbed by both the procedures and engineering work on the Limehouse Link - and on other transportation projects in Docklands.

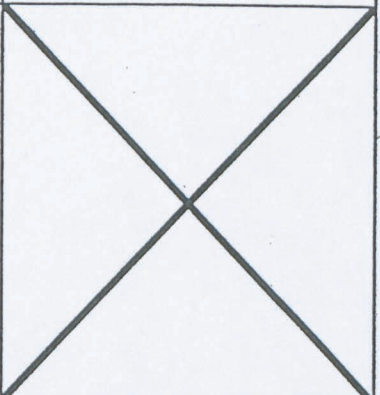
Y  
ours sincerely

Raymond Stalder

—

Paul Reichmann, Esq.

# **A** The National Archives

DEPARTMENT/SERIES ..... <i>PM 19</i> ..... PIECE/ITEM ..... <i>2465</i> ..... (one piece/item number)	Date and sign
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PRIME MINISTER

INNER CITIES LAUNCH - PRESENTATION

The objective of the launch of the booklet tomorrow should be to create the following impression:

- ① - your determination to sharpen up the attack on inner city problems with practical measures and to change the face of our urban environment over the next ten years or so;
- ② - your determination to advance across a broad practical front - as evidenced by the involvement of so many Ministers at the Press Conference;

*Business & the Community*  
*Investors & Industry*  
*British Under Development*  
③ your success in winning the increasing involvement of the private sector - the key to real success because it engages the commitment of people who have a real stake in the inner cities;

③ your deliberate approach to the issue over the last six months culminating in the publication of the booklet, the announcement of a dozen measures and the further involvement of the private sector, bringing the many disparate parts of the overall approach cohesively together; and providing a day to day focus for the effort through Kenneth Clarke, backed up by a free phone arrangement.

I think you should give the impression of being broadly satisfied with the way things are going - although you always want more to happen in less time - and of being determined to keep visiting inner cities to see how things are progressing.

I think it is very important for you to indicate you will be a "hands on" Prime Minister so far as inner cities go - for that is what will give confidence to all those you want to get involved with a development.

### Questions

I rehearse below some of the main questions which are likely to arise and suggest some answers.

### Local Government

Q: Is not your entire inner city policy designed to marginalise local government?

A: No. But equally we cannot allow anti-enterprise, spendthrift, irrelevant local government to condemn urban areas to deprivation for which the Government is then blamed. The attachment of some local authorities to high rates, gay rights, Nicaragua and nuclear free zones does not offer much hope to their residents. Through a whole raft of policies from rate, education and housing reforms, encouraging land sales and partnership with the private sector, we are trying to get local government to be more responsive to people's needs. And where we find useful instruments such as Urban Development Corporations and City Action Teams we should press ahead with them.

Q: But won't your policies mean worse rather than the better people offering themselves for local government service?

A: No. The prospect of a more vibrant urban environment should encourage rather than discourage successful people to identify with that success. Where we bring hope we shall also bring people who want to make a go of it.

Q: Doesn't all this smack of Whitehall knows best?

A: What you are really saying is that if a local authority wants to proceed indefinitely with decline, decay and a dependent culture then it should be allowed to do so. But it doesn't work out like that. They don't go into an election saying vote for us and you will get more decline, more decay, and you will love it. Instead they present the Government as the reason for their incompetence. Well, I am no longer prepared to leave

them to their ill-founded excuses. That is the message of our rate, education and housing reforms and our determination to ensure that inner cities share in the country's prosperity. For too long some local authorities have conducted a guerilla war against the Government at the expense of their rate-payers. It has got to stop.

#### Money

Q: This is not much of a package because you are not spending much more money. Where's the beef?

A: The beef is in the £3,000 million (£3 billion) of taxpayers money we are spending this year in inner cities - an outlay which will bring much more in profit investment. Our aim is to spend it more effectively and more tellingly and to coordinate the action better. If spending taxpayers money could solve problems we would have much fewer of them by now. What we have got to do better is to see that the money going in is more effectively applied and encourages others to invest. Over the years you will see whether that is happening - as you can already see for example in London Docklands, on Merseyside and in Salford Docks.

#### Booklet

Q: Does the booklet have the status of a White Paper? If so why haven't you made a statement to the House?

A: The booklet is not a White Paper as such, though if it were it would not be much different in its coverage. We have produced this free booklet - 12,000 copies so far - with one very clear objective: to excite the interest of all those people who might play a part in regenerating our inner cities. Consequently it shows what is being achieved, what the opportunities are, how the Government can - and is - helping and how the private sector can get involved. It is money well spent.

[So far as a Parliamentary statement is concerned we are not so much announcing new policies as intensifying the attack through existing policy. We have placed the booklet and supporting material in the libraries of both Houses.]

NB: It would serve your purpose if the Opposition were daft enough to ask for a statement.]

Timetable

Q: How quickly do you expect our inner cities to be transformed?

A: There is no date you can put upon it because different cities have different problems. No one is alike. But already you can see a difference in many parts of the country - East Central Glasgow, London Docklands, Albert Docks, Liverpool, Gateshead Metro Centre, Salford Quays. I don't suppose I shall ever be satisfied with the pace. But we are determined to make it happen.

Teesside

Q: When do you think you will see the wasteland on which you were photographed transformed?

A: Well, not this month but watch this space. [Eric Sorensen says he hopes for an April announcement.]

*Vanessa*

*mp* BERNARD INGHAM

6 March 1988



PRIME MINISTER

INNER CITIES LAUNCH

I attach the papers for Monday's launch at the QEII Conference Centre. Immediately below this note is one from Bernard concerning basic mechanics and logistics for the day. You will wish to check you are content with Bernard's proposals.

Then below that is:

IN FOLDER { Flag A - Your opening statement plus the statements by your six colleagues;

Flag B - Some briefing material for the questions session prepared by the Cabinet Office. This is organised in the order of the opening statements by your colleagues;

Flag C - The final version of the document and the various press releases.

Bernard is also working on a list of the <sup>most</sup> ~~main~~ difficult questions you might face, and he will be putting this in for your return from Chequers on Sunday.

PEG.

PAUL GRAY

4 March 1988

DASAIV

ACTION FOR CITIES

DEFENSIVE BRIEFING

- **Nothing achieved since last June.** Measures described in booklet. But more fundamental change; confidence is returning on part of local people and companies;
- **Cosmetic exercise.** No. It is what companies, local authorities and others have been crying out for - a clear practical account of what the Government is doing and how business and local agencies can help;
- **Ignores local authorities.** Booklet contains many examples of projects where local authorities are involved - Salford Quays itself. But too many authorities do not take up opportunities, although many are learning the lesson that co-operation with the private sector is essential;
- **Ignores ethnic dimension.** Many examples of projects aimed at ethnic minorities. Pay tribute to Project Fullemploy and other bodies which train black youngsters;
- **No extra spending.** New measures like UDCs, new roads add up to massive spending over next few years. Steps like Safer Cities to cut crime are less easy to quantify but vastly improve inner city quality of life;
- **Glossy brochures not the answer.** Serves purpose of showing what can be achieved before and after. This is the acid test of inner city success. We will build up string of success stories, with help of private investment;
- **Too much emphasis on buildings.** Physical transformation essential to attract people and investment. People also have to be fitted to work. Our inner city programmes are aimed at people and places;
- **One off exercise.** No. We will track progress and build up momentum. Departments will continue to work together - Kenneth Clarke's role is to help pull together their efforts.

ACTION FOR CITIES

HOUSING

Defensive briefing

Housing Bill

- **Housing Bill a yuppies' charter.** Housing Bill will ensure better supply of all kinds of rented accommodation. Policies on land will ensure better supply of inner city land for housing;

local authorities

- **Local authorities' role to be reduced.** Local authorities will in future be enablers rather than providers, using skills and resources at their disposal to help those in private sector and in housing associations meet housing needs;

Private rented sector

- **Deregulation of new lettings does not help those on low incomes.** Deregulation is essential if private landlords are to be encouraged to let property. Those eligible for housing benefit will have increases in rents up to market levels met in full;

Housing Associations

- **Housing Associations will have to raise rents about levels those on low incomes can afford.** Government grant will continue to be available to keep rents within reach of traditional clients;

Housing Action Trusts

- **When announced.** Before the Housing Bill receives Royal Assent. There will be 6/7 HATs on current plans;

Problem Estates

- **Government turning its back on council estates.** Resources to tackle run-down estates doubled from £75 million in 1987/88 to £140 million in 1988/89.

RATES REFORM: GENERAL BULL POINTS

Accountability

- Out of an adult population of 35 million in England, only 18 million are liable to pay domestic rates, and only 12 million pay rates direct and in full. In some areas - eg Manchester - fewer than one voter in four pays full rates.
- The community charge will spread the burden of payment more widely, giving voters a direct financial stake in the decisions of their Councils.

Fairness

- Domestic rates are unfair: property values bear little relation to people's ability to pay and even less to the use they make of local services. 40% of homes with above average rateable values are occupied by households with below average incomes.
- How can it be fair for a single pensioner to pay the same rates bill as a family next door with 3 or 4 working adults?
- Many of the poorest will benefit. The majority of single pensioners and one-parent families will pay less with the community charge than with rates.
- As with rates, those on low incomes will receive assistance in paying their contribution to the community charge through the income support system.
- The severely mentally handicapped; old people living in homes; those living in hospitals and prisons will be exempt. Students will pay only 20% of the charge in their college town.

Transition

- Considered the many representations made to us. Decided that for all but highest spending local authorities, the community charge should be implemented in full in 1990.
- Confirm that major changes in 1990 will be prevented by safety net. This will be phased out by 1994.

Alternatives

- Domestic rates are unfair, outmoded and discredited. The Labour Party says it wants to keep them, but has run away from the idea of a revaluation.
- The Alliance can only offer a half-baked proposal for local income tax. LIT would mean higher and higher taxes on income, in direct opposition to the Government's efforts to reduce income tax.

- And LIT is bad for accountability. Out of 35 million adults in England, only 20 million pay income tax (compared with 18 million who pay rates). Only the community charge can restore local accountability.

- Banded community charge would have all the drawbacks of LIT (heavy burden on moderate income earners, greatly reduced accountability) plus pernicious earnings traps: a person earning £1 extra a year, who moved up one income band, might have to pay hundreds (in some cases thousands) of pounds more.

#### Labour Party accusation: no representation without taxation

- Right to vote will not depend on registration for, or payment of, the community charge.

- It will not be possible to avoid registration for the community charge by failing to register to vote.

- There will be separate registers compiled on a different basis for community charge and for electoral purposes.

#### Rich will pay same as poor

- Those on low incomes will receive rebates and will pay only part of the charge.

- Half of local services are funded from national taxation. The highest paid 10% of households will pay nearly 16 times as much towards the cost of local services as the lowest paid 10%.

- National redistribution of income is a job for the Chancellor.

#### Impact on business/the North-South divide

- If the National Non-Domestic Rate is set at the national average poundage, rates will fall in the high-rated areas - the areas where local spending and unemployment are high - and increase in low-rated areas.

- This means business rates would fall in most parts of the North: by 32% in Newcastle upon Tyne, by nearly 37% in Manchester and by almost 31% in Liverpool. Together with the revaluation of non-domestic property in 1990, businesses in the North stand to be better off by £700m every year.

- Clearly this is good news for commerce and industry in the depressed parts of the country, particularly the North. It will also remove a significant disincentive to redevelopment in the run down inner cities.

- Conversely, in most shire counties business rates would rise - typically by 5 to 15%. In Westminster they would rise by 38% and in Kensington and Chelsea by 91%.

- For the minority of businesses facing large increases from NNDR and revaluation combined, there will be generous transitional arrangements spread over 5 years.



TRANSPORT: BULL POINTS

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Black Country Spine Route

- Will provide fast, easy access from Black Country Development Corporation area to motorway network (M5 and M6)
- Will help BCDC to stimulate new enterprise and jobs
- Will bring environmental improvement to a largely derelict area

A13 Improvements

- Improvements necessary to help local roads to cope with the success of Docklands
  - part of a £1 billion effort to improve transport links to East London (road improvements and Docklands Light Railway)
  - Complements LDDC's proposals for the "Docklands Highway" (an east-west spine road through Royal Docks, Isle of Dogs and Limehouse)
-



TRANSPORT: DEFENSIVE BRIEFING

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General Policy

Q1. Why doesn't the Government do more for public transport? Why so much emphasis on roads?

A. The Government does do a great deal for public transport. Docklands Light Railway a good example of this. Proposals for similar in Greater Manchester well in hand. Others may follow. Bus deregulation has enabled operators to introduce minibuses and so new services to inner city areas and housing estates. And good roads mean faster, cheaper bus travel.

Q2. Why only helping Docklands and Black Country?

A. Government improving transport throughout the country. Two-fifths - £2 billion - of the road programme will help inner city areas. We are also paying half the cost of 120 current local authority schemes in urban areas. Today's announcement is just the latest addition to the programme. More schemes will follow.

Black Country Spine Route

Q3. When will the road be built?

A. Subject to statutory procedures. But if all goes well, could be completed by 1992.

Q4. Will the proposal involve compulsory purchase of private homes?

A. Not possible to say until the fine detail has been decided. Statutory procedures mean those affected will be able to express their views.

A13 Improvements

Q5. Why are these improvements needed?

A. The success of Docklands has brought quite severe congestion. We need to improve the A13 to cope with this and to allow for future traffic growth. We hope to complete by the mid-1990s.

TRANSPORT: MAIN FACTS

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Black Country Spine Route

1. The Spine Road, 7km long, will link with Junction 1 of M5, and Junction 10 of M6, using the Black Country Route currently under construction. It will eventually form part of an extended trunk road network in the West Midlands. The Government has agreed to pay 100 per cent of the costs of the road (£50 million).

A13 Road Improvements

2. A package of six proposals, at a total cost of £59 million, to improve the ability of the A13 to cope with existing severe congestion in Docklands and predicted future traffic growth

- Widening of Ironbridge on the River Lea
- Improvements to the A13/Leamouth Road Junction
- Improvements to the A13/Blackwall Tunnel and Cotton Street Junctions
- Improvements to the A13/West India Dock Road Junction etc

These complement the LDDC's Docklands Highway and form part of a comprehensive road improvement strategy for East London.

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## SAFER CITIES: BULL POINTS

1. A local programme - operated by and for local people. Local crime problems can best be tackled locally.
2. Directly relevant to one of the Government's central objectives - making inner city areas places in which businessmen will wish to invest and people will want to live.
3. Based on experience gained by the Home Office in developing a range of local initiatives against crime. Particularly relevant is the recently completed Five Towns pilot programme (in Bolton, Croydon, North Tyneside, Swansea and Wellingborough) which used local co-ordinators. Substantial reductions were achieved in some crime figures (examples in Defensive Brief).
4. Provides machinery for co-operation between the police and the local community in a partnership against crime. It will bring together local authority services, voluntary organisations and private sector firms in a co-ordinated and well targeted endeavour to reduce local crime problems.

SAFER CITIES: DEFENSIVE

1. How will 'Safer Cities' bring down crime rates?

Based on an approach which has already worked. Examples of success in areas in which the recently completed 'Five Towns' pilot programme operated (with local co-ordinators and local steering groups) include

- 23% reduction in domestic burglary,
- 15% reduction in theft of vehicles, and
- 18% reduction in criminal damage.

2. Yet another example of central government imposing its ideas on local communities?

Programme is to be local. Will enable local people to tackle local problems more effectively. Projects will be established in selected areas after full consultation with local interests, local authorities, other statutory services, voluntary agencies and, it is hoped, the private sector. Staff will be recruited locally. Each project will be guided by a local committee.

3. Will 'Safer Cities' money be well spent?

Co-ordinators' work will be monitored by supporting Home Office unit. All locally devised schemes will have objectives and, wherever possible, measures of performance. Grant giving to selected local schemes will be monitored.

4. Police should be making our cities safer

Police already give a high priority to inner city crime problems. They will continue to do so. But crime not just a matter for the police. Will be tackled most effectively by an active partnership between police and the community, like Safer Cities.

5. 'Action for Cities' says little about special problems facing inner city residents and nothing about racial disadvantage of extending equal opportunities. Will Safer Cities be relevant here?

Yes. Government's inner city policies will benefit all inner city residents - improving opportunities for employment and enterprise and helping to break down areas of discrimination. Safer Cities in particular will provide opportunities for black and Asian residents, like others, to play a full part in making our inner cities a better place to live.

6. Where will Safer Cities start?

Approaches are to be made right away. We shall only set up projects where there is a positive favourable response from local interests.



EDUCATION: BULL POINTS

The national curriculum would -

- i. ensure all pupils have a good, broad and balanced education;
  - ii. help teachers set their expectations to stretch each child, yet realistic;
  - iii. check the progress of each child regularly.
2. The Education Reform Bill will do away with artificial ceilings on the number admitted at popular schools. So more parents will be able to send their child to the school of their choice.
3. True choice should not simply be the privilege of those who can afford to pay fees. Under opting out, parents will effectively be able to run their schools.
4. Work Experience
- i. In 1986 about 400,000 15 year old pupils in England (about two-thirds of the total) had attachments of two to three weeks with firms. Government aims to expand the programme to 600,000 attachments a year, within five years;
  - ii. The Government is encouraging enterprise activities in schools, and aims to develop economic awareness as a cross-curricular theme in the national curriculum.
5. Government aims by 1990 to have 10% of teachers a year gaining industrial experience.
6. Government makes special grants available to local education authorities for teacher training related to "industry, the economy and the world of work".

7. The Government will use the MSC machinery to stimulate education-business Compacts in, initially, 12 of the 57 urban programme areas. A compact is an arrangement between groups of schools and local firms, whereby - in return for attaining agreed performance standards in academic and personal skills - students are guaranteed priority recruitment with the firms involved. Grants will be used as an incentive, and MSC's extensive local office network would be deployed to ensure delivery to the right standard.

8. Following legislation in 1986, parents and local people, including people from the business community, will between them have the majority of seats on school governing bodies.

9. The Education Reform Bill will -

i. increase the proportion of businessmen and other employers on further education college governing bodies;

ii. require LEAs to delegate to colleges greater powers over the spending of budgets and the appointment and dismissal of staff.

10. Education and training for adults is available via PICKUP, REPLAN and adult literacy centres.



EDUCATION: GENERAL: DEFENSIVE

National Curriculum

1. How inner city areas have the funds to pay for the national curriculum?

1988/89 local authority spending plans for education represent an increase of over £1 billion in cash, or nearly 8 per cent, over 1987/88.

Opting Out

2. Won't grant maintained schools just provide a privileged education for the better off?

Grant maintained schools will provide free education just like local authority schools. No more and no less generously funded than local authority schools in their area. Admissions arrangements will have to be agreed with the Secretary of State.

Work Experience

3. Can industry provide the required number of placements?

Industry responded admirably to the challenge of Industry Year in offering placements to pupils. I am sure that companies will be keen to help.

Compacts

4. Isn't the Government backing an idea of ILEA's?

Compacts started in the United States. We believe it has wide potential here, especially in our inner cities. We welcome the decision of employers in London, with ILEA, to establish a London Compact.



## CITY TECHNOLOGY COLLEGES: MAIN FACTS

### MIDDLESBROUGH

1. The CTC Trust have bought the premises of the former St Michael's RC Secondary School, closed in 1981. The site borders both Middlesbrough and Stockton. The Department of Education and Science is negotiating with three possible sponsors: until these negotiations are successfully completed the names have to be kept confidential.

### LONDON

2. A sponsor has undertaken to provide £1m towards a London CTC. The Department is actively looking into possible sites.

3. The Mercers' Company and Thamesmead Town announced on 14 December their intention of sponsoring a CTC in Thamesmead. A number of sites have been considered but no final decision has yet been taken.

### SOLIHULL

4. Kingshurst will open in September 1988, less than two years after the programme was announced.

### BULL POINTS

1. £16m already pledged by the private sector. More will be raised. Many other firms have pledged additional assistance such as gifts of equipment and industrial placements. Shows the value employers attach to the CTC programme.

2. Parents already voting with their feet. Kingshurst had more than twice as many applicants as places available.

3. CTCs offer a unique partnership with industry and commerce, which will be directly involved in their effective management.



EDUCATION: DEFENSIVE

City Technology Colleges

1. Why has the programme made slow progress?

Not true. Speed at which CTCs can be opened depends how quickly sponsors can be linked with suitable sites and the necessary groundwork completed. Experience of planning the first two CTCs will help accelerate planning in future.

2. Is it true the Treasury's contribution to capital costs will be larger than originally planned? Up to 80 per cent of the cost?

The Government is prepared to meet up to 80 per cent of the capital costs of a CTC. But sponsors will have to find a very substantial sum of money: at least £1 million.

3. Will the Government force LEAs to make available existing schools in London and elsewhere for the establishment of the CTC?

Entirely for local education authorities to decide whether they wish to make school premises available to the sponsors of a CTC. Any such proposal which falls to the Secretary of State for Education and Science to decide will be treated strictly on its merits.



INNER CITIES: DE AND MSC  
PROGRAMMES: DEFENSIVE POINTS

1. PROGRAMMES DO NOT PROVIDE REAL JOBS

- Successful businesses provide jobs
- Government sought to
  - provide a stable economic climate.
  - promote an enterprise culture
  - given direct help to new or expanding firms.

-As a result over 1 million new jobs and 500 small firms a week created nationally

-DE/MSD programmes give unemployed people skills and motivation to compete for jobs, encourage enterprise and help small firms.

2. JOBS NOT GOING TO INNER CITY RESIDENTS

-Yes they are:

- unemployment in UPAS has fallen by 188,000 in 12 months (-15%)
- over 30,000 people started a business under the Enterprise Allowance Scheme this year.

-MSD/DE programmes help 500,000 people annually in UPAS: giving them skills, enterprise, motivation or helping them start a business

3. EMPLOYERS DISCRIMINATE AGAINST INNER CITY RESIDENTS

- Not if they have the right skills
- Employers central to delivery of MSD training programmes
- DE/MSD mounting a campaign to encourage more firms to take on unemployed people.

4. INNER CITY RESIDENTS DON'T USE MSD/DE SCHEMES

- 500,000 will do this year.
- yet DE/MSD taking further steps to
  - improve information about programmes
  - make them more accessible
  - reach out with advice on how programmes can help
  - tailor programmes to give people sought after skills

5. DE/MSD SHOULD SPEND MORE ON PROGRAMMES TO IMPROVE QUALITY

-DE/MSD already spending £1.1bn pa in UPA's.

-First priority to use that money to best effect - it is an investment by all of us in the skills and enterprise of inner city people.

-New initiatives

6. PROGRAMMES DON'T PROVIDE THE RIGHT SKILLS

- Through involving employers DE/MSD makes sure they do.
- YTS provides 2 years of high quality training. Now well established.
- The new adult training programme will provide up to 12 months high quality training covering basic skills to high tech skills.
- Recognised vocational qualifications will be on offer, all participants to have a record of achievement
- Both programmes adopted to the needs of a rapidly changing labour market.

7. HOW WILL THE NEW PROPOSALS HELP

- boost existing support to small firms (over 80,000 helped in UPAS this year)
  - make information/advice more widely available (6 new Small Firms Services Offices)
- Support projects directly helping small firms (up to 60 pa cost £600k)
- Encourage more people to consider self employment and help those that do with advice training and support.

Jobs -help unemployed residents get training or jobs

- provide better information about jobs and training
- provide special advice, out in the community to unemployed people
- tailor training for those needing literacy/numeracy or English as a second language skills
- engage more employers in programmes.

Tourism -stimulate new tourism projects which provide jobs, help business and improve rundown areas.

Overall -they aim to stimulate increased use of programmes and will lever more of the national MSD/ DE resource into UPAS.



DE/MSC: BULL POINTS

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In the 57 UP areas

- DE/MSC spend over £1.1 billion
- over 500,000 people are involved in programmes
- 500 Employment Service offices.

2. Helping new and small businesses in the 57 UP areas

- About one-third of Enterprise Allowance Scheme entrants (nationally, 110,000 places in 1988/89)
- 11 200 Small Firms Service counselling sessions
- over 40,000 people had enterprise training in 1987/88, costing £5.8 million
- Around 80 Local Enterprise Agencies (including 5 in areas with high ethnic population) out of 400 nationally.

3. Changes in unemployment in 57 urban programme areas, January 1988/January 1987

- overall, down 15.6 per cent
- long term, down 16.65 per cent
- youth unemployment, down 18.75 per cent

4. Helping individuals in 57 urban programme areas, 1987/88

- estimated 957,000 interviews and 37,000 Restart courses
- estimated 50,000 helped through Job clubs
- estimated 123,000 Community Programme participants
- estimated 21,500 Voluntary Projects programme participants



## INNER CITIES DE/MSC PROGRAMMES: MAIN FACTS

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### HELPING BUSINESSES SUCCEED

1. 6 New offices for the Small Firms Service; appoint 5 special small business advisers

Will make the service more accessible to inner city businesses and encourage more of them to use the Service which currently provides 11,000 counselling sessions pa in urban programme areas.

2. £600,000 fund for Local Enterprise Agency Special Projects

New fund, with matching private sector cash, will encourage private sector support for special projects such as managed workshops, training courses and big company local purchasing from small firms. It will complement BIC's efforts to expand/improve inner city LEAs (about 80 exist, providing advice and training to small business with private sector backing).

3. New advice and training for people on the Enterprise Allowance Scheme (EAS)

Will encourage more unemployed people to consider self employment, provide business training for those wanting to join EAS, provide facilities to enable people to develop and plan a business and will improve business advice. EAS pays £40 a week, and helps over 30,000 people a year in inner cities.

4. Increase Small Firms Loan guarantee to 85 per cent in Task Force areas

The 85 per cent guarantee in Task Force areas is designed to encourage more loans to small firms (which often experience problems getting finance) and complement other special loan funds now available. The Loan Guarantee Scheme normally provides a 70 per cent Government guarantee on loans made to small firms by banks.



PREPARING FOR WORK

5. MSC to support 12 industry/Education Compacts

Compacts between employers and schools/colleges guarantee jobs to students meeting agreed attendance, motivation and qualification targets. Building on YTS and TVEI, MSC will invite local employer/school/college groups to bid for development contracts and finance to run 12 new Compacts.

6. More Specialist staff to work in inner city communities: "outreach"

By providing information to unemployed people (especially black and Asian) specialist staff encourage more of them to use MSC programmes. Over 500,000 people in inner cities take part in DE/MSD programmes annually; the Employment Service provides nearly 1 million Restart interviews to unemployed residents in UPAs.

7. Information points to be set up in inner cities

Building on experiments using information technology as a means to provide up to date information about jobs or training to unemployed people, new information points will be introduced to UPAs.

8. New adult training programme to include literacy, numeracy and English as a second language training

MSC's remedial training programme is likely to offer around 200,000 places in UPA's at a cost over £500 million. The whole adult training programme will provide training for 600,000 unemployed a year.

9. Employers will be encouraged to provide more training places and collaborate in planning inner city training provision

MSC has 130,000 YTS training places and will need around 200,000 adult training places in the UPAs. New marketing will encourage more employers to provide training places, groups of employers will be helped to decide what training is needed locally and collaborate in training.

BETTER HOMES AND ATTRACTIVE CITIES

10. English Tourist Board (ETB) to stimulate new tourism developments

The new promotion initiative will bring private and public sector together in towns/cities where tourism potential exists, raise their awareness and stimulate new tourism projects to redevelop inner city areas.



## CITY ACTION TEAMS: MAIN FACTS

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Five City Action Teams (CATs) were set up in April 1985, covering the inner areas of London, Birmingham, Liverpool, Manchester/Salford and Newcastle/Gateshead. The Teams bring together the regional organisations of DTI, DOE and DE/MSD to co-ordinate Government action in those cities. A sixth Co-ordinating team, covering County Cleveland, was set up in February 1986. All the CATs were given a budget in 1987/8 (of £1 million each, with £0.25m for Cleveland) to promote special projects especially with the private sector.

2. CATs have succeeded in focusing departmental and private sector effort on the particular needs of their cities. As a result two more are being set up: in Leeds (covering Leeds/Bradford) and Nottingham (covering Nottingham, Leicester and Derby).

3. The three Departments which combine in CATs have main programme budgets totalling some £1,000 million a year in the six areas the Teams formally cover.

### BULL POINTS

- Since the CATs received their special budgets in April 1987, around 100 projects have been supported, likely to commit all the available resources of £5.25 million
- CATs provide a focus for local business, as well as Government, action for cities.



## MANAGED WORKSPACE PROGRAMME: MAIN FACTS

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English Estates are the focus for the new programme, and have set up a subsidiary - English Estates Inner Cities - to run it.

2. Up to £11 million of public sector funding will go into the programme in the first year. Private sector involvement will also be substantial. Companies are being invited to adopt individual projects by providing land, buildings, investment or by seconding experienced managers to give business advice to tenant companies.

3. Projects are to be in England within Urban Programme Areas, with first preference to places within or immediately adjacent to the inner city task force areas. Projects are being considered in Manchester, Rochdale, Preston, Nottingham, Doncaster, Middlesbrough, Hartlepool, Spitalfields, Hackney and Peckham.

4. Projects will provide on-site or adjacent business advice and other support services, including training directed at the companies and their workforces. They will involve local interests to the maximum extent possible and will aim for a letting policy which gives preference to local people.

### BULL POINTS

#### Managed workshops

- provide new and small businesses with back-up: switchboard, receptionist, training, conference rooms etc
- encourage the local economy (knock-on effect)

## ENGLISH ESTATES: MANAGED WORKSPACE PROGRAMME

### DEFENSIVE POINTS

Q1 Why can't any specific projects be announced now?

English Estates' negotiations with a number of private sector companies are at a sensitive stage and an announcement now could jeopardise those negotiations.

Q2 Will English Estates be able to offer incentives to companies willing to support projects?

For projects offering good value English Estates will be able to offer incentives to companies willing to make substantial commitments. (The terms of partnership between English Estates and private sector companies are a matter for individual negotiation.)

Q3 The Managed Workspace Programme will divert funds from English Estates' Assisted Areas programme

No. The resources for managed workspace do not affect the level of English Estates' expenditure in the Assisted Areas. Their forecast expenditure in the Assisted Areas in 1987/88 is £47 million and they have been authorised to increase that level to £49 million in 1988/89 if they can generate the necessary resources from asset sales.

ACTION FOR CITIES EXPENDITURE 1988/89

	Estimated expenditure in the inner cities, England 1988/89            £m
Estate Action: involving tenants in management of their homes, and improving them. Housing capital expenditure by local authorities but borrowing approval only given by Government on strict conditions	140
Funding for Housing Associations through Housing Corporation and through local authorities (LA share £50m)	450
Training, and programmes to encourage enterprise, including support for small firms (Employment and MSC)	1100
Support for inner city business including Regional Selective Assistance, investment and innovation grants for small firms, and English Estates	200
Derelict Land Reclamation	25
Urban Programme including Urban Development and Urban Regeneration Grant	314
Urban Development Corporations	203
Task Forces, City Action Teams	21
Roads (DTp programme and TSG supported local authority roads)	250
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Scotland and Wales (Scottish Development Agency, Urban Programme, UDC, housing associations, MSC)	300 (at least)
	<u>3003</u>



# ● ACTION FOR CITIES

7 MARCH 1988

## PRIME MINISTER LAUNCHES ACTION FOR CITIES

The Prime Minister, the Rt Hon Margaret Thatcher FRS MP, today launched a new drive to bring the benefits of Britain's economic success to the inner cities.

She announced 12 new Government initiatives and commended three major private sector developments at a press conference to mark the publication of "Action for Cities", an illustrated booklet which sets out the Government's inner city policies and programmes.

Mrs Thatcher was joined at the launch in The Queen Elizabeth II Conference Centre, London, by six Cabinet Ministers - Douglas Hurd (Home Secretary), Norman Fowler (Employment), Nicholas Ridley (Environment), Kenneth Baker (Education), Kenneth Clarke (Chancellor of the Duchy of Lancaster) who has special responsibility for day-to-day coordination of inner city policies, and Paul Channon (Transport).

The Prime Minister said:

"The Government is determined to build on a strong economy a new vitality in our inner cities.

"In partnership with the people and the private sector, we intend to step up the pace of renewal and regeneration to make our inner cities much better places in which to live, work and invest.

"The new initiatives being taken by the Government and announced by the private sector show that we all mean business and that we are releasing the talent, enterprise and energy that is at the service of our inner cities.

"We are embarked on a great enterprise which will leave its mark on Britain for decades and carry our towns and cities into the 21st century in much better shape."



Issued by Cabinet Office Press Office

Contact John Bretherton on 270 6447 or 270 6354/5/6

Adding to existing major regeneration programmes, the new Government measures are:

- Urban Development Corporations: A new UDC in the Lower Don Valley, Sheffield, and the extension of the existing UDC on Merseyside.

The new UDC in the Lower Don Valley, Sheffield, will cover 2,000 acres to the north east of the city centre. It will have a budget of about £50 million over seven years.

- The area of the Merseyside Development Corporation is to be doubled by adding 800 acres on both sides of the Mersey. The enlarged MDC could spend between £50 million and £90 million over eight to nine years in the new areas.

- City Action Teams: Two new City Action Teams are to be set up in Leeds and Nottingham. This adds to the five established three years ago which have successfully pulled together Government support for enterprise and development in their areas.

- City Grant: A new simplified grant to support private sector developments in inner cities is to be introduced from May 1988. It will replace Urban Development Grant and Urban Regeneration Grant which have produced from the private sector over £580 million in investment, providing 28,500 jobs and more than 7,000 homes since 1982.

- Unused Land: The drive to bring unused and underused land onto the market is to be stepped up by requiring publication of information about land in public ownership.

- New Inner City Roads: Two new roads costing £109 million, both of which will directly benefit inner cities - a £59 million improvement of the A13 between Limehouse and Dagenham and a £50 million spine route through the Black Country to the M5 and M6.

- Safer Cities: A major new initiative to tackle crime and the fear of crime will be introduced in 20 inner cities over the next three years; £2.3 million is being made available in the first year to support the initiative, which has been successfully piloted in five urban areas.

- Helping Businesses: More help for small businesses including six new offices for the Small Firms Service, a fund to support Local Enterprise Agency projects helping businesses, an 85% guarantee on bank loans to firms in Task Force areas, and help to encourage people into self employment.

- Employer-School Compacts: The MSC will give financial and other support to 12 inner city Compacts in which groups of employers work with schools to guarantee a job with training for all young people aged 16-18 leaving school who meet agreed motivation and achievement standards.

- Helping Unemployed People: More MSC and Employment Service staff working in local communities advising and helping residents, new information points to guide people on training and jobs, special training in literacy and numeracy and English as a second language. New measures to increase the involvement of employers in training.
- Managed Workshops: Extra provision of premises for new businesses in rundown inner cities. English Estates in partnership with private companies will set up managed workshops. Up to £11 million of public funding will go into the programme in the first year.
- Working with the Private Sector: the Government is organising a series of breakfast meetings up and down the country, starting in Newcastle on 13 April. A free telephone link 0800 181518 has been set up today so that businesses can find out from a single contact point how they can play their part.

#### NOTES TO EDITORS

1. The private sector is separately announcing three new initiatives today. In summary these are:

- Business in the Community: BiC is establishing eight teams headed by business leaders in a campaign to promote business involvement in inner city regeneration. They will focus on key areas of business involvement in education, training, small firms and investment.
- Investors in Industry: The venture capital group 3i is launching a new inner city investment programme to expand its existing venture fund which has already put more than £2 million into schemes in London, Birmingham, Leeds, Manchester, Newcastle and Cardiff.
- Elevenco: The eleven largest British civil engineering and construction companies will seek out inner city development sites. The companies have pledged £55 million for a development programme.

2. The Government measures announced today build on the programmes and initiatives introduced since 1979 to tackle urban dereliction and inner city decay, and to raise skills and encourage enterprise. In all about £3000 million will go to support urban regeneration in Britain in 1988/89, bringing in several times that total in private investment.

Background about existing programmes in England which are the subject of new initiatives is given below.

Urban Development Corporations: have powers to acquire, reclaim and service land, bring land and buildings into effective use, promote new development and housing and support community facilities.

1981: London Docklands (LDDC)  
Merseyside Docklands (MDC)

1987: Trafford Park  
Teesside  
Tyne and Wear  
Black Country

announced Bristol  
December 1987: Leeds  
Central Manchester  
Extension of Black Country

announced Lower Don Valley, Sheffield  
March 1988: Extension of MDC

The English UDCs have a budget of £203 million, excluding receipts, in 1988/89.

City Action Teams: bring together the relevant programmes of the Department of Trade and Industry, the Department of Employment and Manpower Services Commission and the Department of the Environment. The City Action Teams are based in Birmingham, Liverpool, London, Manchester, and Newcastle.

Unused Land: Land Registers of unused and underused land owned by public authorities are held by DoE to help prospective developers obtain the release of particular sites. Public owners can be directed to sell land which is registered on the open market. The Land Registers currently contain over 90,000 acres; nearly 50,000 acres have been removed from the Registers since they were introduced in 1981.

Inner City Roads: The new roads announced will be in addition to the existing £2000 million programme of national roads benefiting inner cities.

Action for Jobs: MSC and DE spend over £1100 million annually on employment, training and enterprise programmes in the inner cities serving over half a million people. Programmes available in inner cities include:

Youth Training Scheme

Community Programme )  
Job Training Scheme )

to become new training  
programme from September  
1988

Enterprise Allowance Scheme

Small Firms Service

Employment Service (with new network of nearly 500  
offices)

Managed Workshops: give small businesses access to premises together with advice and support, often from on-site management teams. These small premises contain many units, which can share services such as typing and a canteen. There are over 300 managed workshops, mostly in inner cities.

# ● ACTION FOR CITIES

7 MARCH 1988

## NORMAN FOWLER ANNOUNCES BOOST FOR INNER CITY BUSINESS

New measures to encourage enterprise and help business prosper in inner city areas were announced today by Norman Fowler, Secretary of State for Employment as part of the Government's inner city initiative.

- Six additional inner city offices for the Small Firms Service are to be set up, improving access to business advice and counselling. Specialist counsellors will be appointed, to work in the local small business community, particularly with ethnic minority businesses.

- A new fund of £600,000 per annum has been established, to be used to match private sector contributions to local enterprise agencies' projects specially designed to help inner city firms.

- More encouragement, better training and advice for would-be entrepreneurs will be offered through increased marketing, more "enterprise days" in inner city Jobcentres and a new training course particularly suited to people on the Enterprise Allowance Scheme.



DEPARTMENT  
OF  
EMPLOYMENT

- The flow of finance to inner city business will be encouraged by increasing the guarantee to banks for the loans they make to small businesses under the Government's Loan Guarantee Scheme. This will be raised from 70% to 85% in the 16 Inner City Task Force areas.

- Greater emphasis on the option of self-employment will be included in YTS and the new training for employment programme.

Commenting on the measures, Mr Fowler said:

"The package I am announcing today will reinforce existing small firms measures which have already benefited inner city businesses. Last year over 30,000 unemployed inner city residents started a business through the Enterprise Allowance Scheme; 40,000 people were trained in business on our Training for Enterprise Programme 11,000 advice sessions were given through our Small Firms Service; and over 3,000 employers were helped by grants to enable them to identify and meet their training needs. We also provided financial support to nearly 80 Local Enterprise Agencies active in the inner cities.

"Today's announcement tailors existing help more closely to the particular needs of inner city areas. It reflects our confidence in the potential of our inner cities to nurture new businesses and provide the environment in which they can flourish and grow."

# ● ACTION FOR CITIES

7 MARCH 1988

## NORMAN FOWLER ANNOUNCES MORE HELP FOR INNER CITY JOBLESS

New plans to help unemployed people in inner city areas acquire the skills they need to take advantage of the new jobs now available were unveiled today by Norman Fowler, Secretary of State for Employment, as part of the Government's inner city initiative.

- More than 100 specialist staff will work in local communities giving information and advice about the Government's training programmes building on the help already being provided through 500 Jobcentres and Unemployment Benefit Offices.
- People living in inner cities will be given more immediate access to information on jobs and training programmes, for example in community centres or libraries, in some cases using new technology.
- Training in literacy, numeracy and English as a second language will be included in the Government's new training for employment programme. Special Restart assessment courses will be set up for people lacking these basic skills.



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EMPLOYMENT



- A campaign to recruit more employers as training providers, particularly for the new programme, will be mounted.

- The Manpower Services Commission will encourage employers to provide more training places and collaborate in planning inner city training programmes.

Commenting on the plans, Mr Fowler said: "Our central concern in inner cities is that those who have the most difficulty returning to employment should be helped to take advantage of the new jobs now available.

"We already spend over £1.1 billion a year on enterprise, training and employment programmes. The initiatives I have announced today will reinforce our efforts to improve the employment prospects of people in inner cities."

# **ACTION FOR CITIES**

7 MARCH 1988

## **NORMAN FOWLER ANNOUNCES SUPPORT FOR 12 EMPLOYER - SCHOOL COMPACTS**

The Department of Employment and the Manpower Services Commission will give financial and organisational support to 12 inner city Compacts for their first four years, said Norman Fowler today during the announcements on Government action for the inner cities.

Compacts are agreements, pioneered in Boston USA, between employers and local schools and colleges in which employers give priority in recruitment to school leavers who have reached agreed standards of achievement and commitment at school. The first British Compact is already operating in London's Docklands and employers and educationalists in other parts of the country are beginning to show an interest in this new form of inner city partnership on education, training and jobs.

Mr Fowler said: "The basic aim of compacts would be for employers to guarantee a job with training to young people from inner city schools who meet agreed standards of achievement and motivation, and for this to be set down in an agreement or compact between employers and schools.



**FOR  
CITIES**

**DEPARTMENT  
OF  
EMPLOYMENT**

"I now propose to deploy the resources of my Department to encourage the development and execution of 12 new Compacts within Inner City target areas. I shall do this in full cooperation with the Department of Education and Science and the Department of Trade and Industry. I am setting aside £3 million a year over the next 4 years to promote the Compact initiative.

"Local groups of employers would seek to agree the principle of a Compact with schools and colleges, and in cooperation with local education authorities would then bid for support in developing the proposal. We would provide up to £50,000 for this development work. Once developed, proposals for Compacts which meet our criteria would receive up to £100,000 a year for four years to support their operation. And YTS and the Technical and Vocational Education Initiative will provide additional support to participating employers and schools.

"I am today asking the Manpower Services Commission to make available immediately staff and programme resources to help get these Compacts off the ground. My aim is to help launch 12 first class Compacts which can transform the prospects of young people in these areas and help employers find the young people they need to revitalise business and social life in the inner cities.

"We now want to hear from any group of local employers and schools who wish to develop Compacts. We stand ready to help potential Compact partners in the target areas who need assistance to put together a full Compact proposal".

# ● ACTION FOR CITIES

7 MARCH 1988

## MANAGED WORKSHOPS - ENCOURAGING ENTERPRISE IN THE INNER CITIES

A major new programme providing more managed workshops for business start-ups in the inner cities was launched today by Trade and Industry Minister Kenneth Clarke.

The initiative will:

- be run jointly by the private and public sector, with English Estates in the lead for the Government;
- receive public sector funding of up to £11 million in the first year;
- receive financial and managerial backing from private sector companies which will "adopt" a workshop in the town or city of their choice.



DEPARTMENT  
OF TRADE AND  
INDUSTRY

MORE/...

Managed Workshops -2

Announcing the commitment of Government money to the programme, Mr Clark said:

"This is a major new programme to help new business in our inner cities. We want to make sure that premises and business advice are available in some of our most depressed inner city areas so that people can start new businesses. English Estates are in the lead with substantial new funding and are already actively engaged in working up projects in Manchester, Rochdale, Preston, Nottingham, Doncaster, Middlesbrough, Hartlepool, Spitalfields, Hackney and Peckham.

"Private sector companies will be involved either by investing directly in the projects or by providing land, buildings or experienced managers to give business support on site. English Estates are looking for as much private sector involvement as possible."

ENDS

# ACTION FOR CITIES

7 MARCH 1988

## WORKING WITH THE PRIVATE SECTOR

A series of Action for Cities Working Breakfasts will take place up and down the country, the Chancellor of the Duchy of Lancaster, Kenneth Clarke, announced today.

The Working Breakfasts will:

- be aimed at business leaders, explaining to them how they and their companies can help regenerate the inner cities;
- start in Newcastle on 13 April. Others will follow in Leeds, Manchester, Birmingham, Liverpool and London.

A free telephone link - 0800 18 15 18 - has also been set up today so that businessmen can find out from one central contact point how they can play their part.

Announcing these two initiatives, Mr Clarke said:

"Our presentations will show businesses how they can play their part in inner city revival. We believe we can persuade even more businessmen that it is a sensible commercial activity for a successful company to play a leading role in regenerating the cities which are their trading base. And with our new telephone link line, we will make it easy for firms to get in touch to find out how they can help."

ENDS



# ACTION FOR CITIES

7 MARCH 1988

## NEW CITY ACTION TEAMS FOR NOTTINGHAM AND LEEDS

Two new City Action Teams (CATs) - which pull together and focus the efforts and resources of the Departments of Industry, Environment and Employment - were launched today by Trade and Industry Minister Kenneth Clarke.

- One CAT will cover Nottingham, Leicester and Derby;
- the other will cover Leeds and Bradford;
- both will be given special top-up funds to make it possible for local projects - that would normally fall outside the national guidelines for Government programmes - to go ahead.

Announcing the decision to form the new teams Mr Clarke said:

"Experience has shown how vital it is to get the maximum impact from Government programmes by zeroing them all in on the areas of greatest need. City Action Teams have already proved their worth in six other cities by focussing our efforts more closely. They have also encouraged private sector companies to chip in and do their bit. This is the nuts-and-bolts end of inner city policy, but it is nonetheless crucial for that."



DEPARTMENT  
OF TRADE AND  
INDUSTRY

MORE/...

NOTES FOR EDITORS

1. City Action Teams were originally set up in April 1985 to cover the Inner City Partnership areas of London (Hackney, Islington and Lambeth), Birmingham, Liverpool, Manchester/Salford and Newcastle/Gateshead. A sixth Team - the Cleveland co-ordinating Committee - was set up in February 1986. The Teams consist of the Regional Directors of the three main Government Departments with a local presence - DTI, DE and DOE. Leadership of the Teams is shared between the three Departments.

2. In the Inner City Partnership areas covered by the Teams, the three Departments are estimated to be responsible for programme spending of at least £850m in 1987/8. The Teams aim to co-ordinate Government help to, and action in, the areas they cover with a particular focus on boosting business confidence and development, improving training and the built environment, and encouraging small business development.

ENDS



# ● ACTION FOR CITIES

7 MARCH 1988

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## NEW CITY GRANT

A new streamlined grant - to be called City Grant - will assist private developers in reviving Britain's inner cities, Environment Secretary Nicholas Ridley announced today.

City Grant will:

- support private investment in inner cities, providing jobs and better homes, which could not be carried out without grant;
- bridge the gap between costs and value to allow a fair return on investment;
- simplify procedures with quicker decisions direct from the Department of the Environment.

-1-



DEPARTMENT  
OF THE  
ENVIRONMENT

Announcing the new grant, Mr Ridley said:

"City Grant will build on the success of Urban Development Grant and Urban Regeneration Grant, which together will have attracted over £580m of investment and provided 28,500 jobs and 7,000 homes. The new grant, which replaces these grants and private sector Derelict Land Grant in inner cities will simplify and speed up assistance to private sector developments in urban areas. It will enable developers to deal direct with the Government. We shall also introduce new procedures aimed at giving developers an early indication of the prospects of grant being available for their projects.

"I believe that these changes will make investment in our most run down towns and cities that much more attractive for the private sector. City Grant will make a powerful contribution to our campaign to revive Britain's inner cities by creating the jobs and good quality housing that the people living there need most.

"We shall be consulting the development industry and others before the City Grant starts in May."

Press Enquiries: 01 212 3492/3495/4690  
(out of hours: 01 212 7132)  
Public Enquiries: 01 212 3434  
(Ask for Public Enquiries Unit)  
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-2F-

# ● ACTION FOR CITIES

7 MARCH 1988

## SAFER CITIES - TACKLING CRIME IN THE INNER CITIES

'Safer Cities' - a new programme to tackle crime in inner city areas - was launched today by Home Secretary Douglas Hurd.

As part of this initiative:

- co-ordinators, funded by Home Office, will be recruited in twenty inner city areas;
- they will gather around them local teams drawn from the police and probation services, the local authorities, voluntary groups and the business community;
- their task will be to identify the particular crime problems of those areas, design ways of dealing with them, see that those ideas are turned into action and measure the results;
- £2.3 million will be made available in the first year to pay for co-ordinators and to support local initiatives;
- the Home Office expects to see eight of the twenty projects under way in the coming year.

The essence is local initiative and action to solve local problems - involving all of the local statutory and voluntary bodies and other Government departments including City Action teams and Task Forces.



HOME OFFICE

FOR MORE INFORMATION CONTACT HOME OFFICE  
PRESS OFFICE: 01-273 4600.

Announcing 'Safer Cities', Mr Hurd said:

"We need to reinforce our policies in the cities with strong new action against crime. The Safer Cities initiative will build on the experience we have had with smaller scale pilot projects in five areas. Partnership between the police and the rest of the community holds the key to reducing crime. The special effort being made through the 'Safer Cities' programme will help those areas where the problem is most acute.

"This new initiative is a crucial part of our Action for Cities campaign. 'Safer Cities' will not only improve the quality of life for inner city residents, it will also play an important part in making our inner cities the kind of place where local enterprise can flourish".

# ● ACTION FOR CITIES

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## MERSEYSIDE DEVELOPMENT CORPORATION TO BE EXTENDED

The Government is to double the area of the Merseyside Development Corporation, Environment Secretary Nicholas Ridley announced today.

It is proposed that:

- 800 acres of land on both sides of the Mersey will be added to MDC's area;
- it will cover the North Docks and Parliament Street in Liverpool, land in central Birkenhead and New Brighton;
- consultants will be appointed shortly to study the proposed areas and advise on boundaries;
- the MDC could spend between £50 million and £90 million over eight to nine years in the new areas.

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DEPARTMENT  
OF THE  
ENVIRONMENT

# ● ACTION FOR CITIES

7 MARCH 1988

## £109 MILLION ON NEW ROADS FOR EAST-END AND BLACK COUNTRY

Paul Channon today gave the go ahead for two new road projects. They are:

- a £50 million 100% grant for the construction of the Black Country Spine Route; and
- the £59 million improvement of the A13 between Limehouse and Dagenham.

The Black Country Spine Route will provide an improved link through the Black Country to the M5 and M6.

The A13 improvements will assist the redevelopment of the London's Docklands and will link into the LDDC's distributor road.

Announcing the new roads, Paul Channon, Secretary of State for Transport said:

"Good transport is essential to the regeneration of our inner cities. Good roads provide both for movement within inner cities and links to the national network.

"More schemes will follow.

"The two strategic investments announced today will provide better transport links to stimulate new enterprise and jobs in these inner city areas."

Press Enquiries: 01-212 0431  
Out of Hours: 01-212 7071

Public Enquiries: 01-212 3434  
ask for Public Enquiry Unit



DEPARTMENT  
OF  
TRANSPORT

Announcing the extension Mr Ridley said:

"In seven years the Merseyside Development Corporation has transformed its area. It will have completed its task in about four years' time and I have now concluded that we should extend its scope.

"That is why I want the MDC to take in more land in the area. It too will benefit from the direct and determined approach that is the hallmark of the Urban Development Corporation.

"The extension will be a major boost for Merseyside. Substantial extra Government money will be spent. This extension will enable MDC to build on the success of several big private sector investment schemes, announced recently."

Press Enquiries: 01 212 3492/3495/4690  
(out of hours: 01 212 7132)  
Public Enquiries: 01 212 3434  
(Ask for Public Enquiries Unit)  
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# ● ACTION FOR CITIES

7 MARCH 1988

121

## NEW URBAN DEVELOPMENT CORPORATION FOR SHEFFIELD

The Government is to set up a new Urban Development Corporation in Sheffield, Environment Secretary Nicholas Ridley announced today.

It will:

- be located in the Lower Don Valley;
- cover an area of about 2,000 acres to the north east of the city centre;
- have a budget of about £50 million over seven years.

Announcing the new Corporation, Mr Ridley said:

"This is a tremendous opportunity for the public and private sector to work together to rebuild one of the most important industrial areas in the country.

-1-



"The UDC will be backed by substantial Government funds and I expect it to work closely with the City Council and business interests in Sheffield.

"It will adopt the comprehensive and integrated approach to regenerating the Lower Don Valley recommended by consultants last November."

Press Enquiries: 01 212 3492/3495/4690  
(out of hours: 01 212 7132)  
Public Enquiries: 01 212 3434  
(Ask for Public Enquiries Unit)  
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-2F-

-2F-

# ● ACTION FOR CITIES

7 MARCH 1988

120

## RELEASING UNUSED LAND IN PUBLIC OWNERSHIP

The Government is stepping up its drive to bring unused and underused publicly owned land onto the market so that it can be put to good use, the Environment Secretary Nicholas Ridley announced today.

It will keep up the pressure on local authorities and other public bodies through the land register system to sell unused and underused land. And it will ensure that they publish information about their ownership of such land so that housebuilders and other developers can see where there is potential for development and investment.

Mr Ridley said:

"The Government has powers to force local authorities and other public bodies to sell unused and underused land and we have shown that we are prepared to use them. So far the statutory powers to compel disposal have been invoked for nearly 250 sites covering over 1,400 acres.

-1-



DEPARTMENT  
OF THE  
ENVIRONMENT

"Since we brought the land register system into operation in 1981, some 50,000 acres of publicly owned land recorded on the register has been sold or brought into use as a result of publicity, financial discipline and forced disposals.

"The recent report by the Audit Commission on local authority property management shows how better information and management can help to free wasted land and property assets. I will be consulting the local authority associations on measures to implement the Audit Commission's report."

Press Enquiries: 01 212 3492/3495/4690  
(out of hours: 01 212 7132)  
Public Enquiries: 01 212 3434  
(Ask for Public Enquiries Unit)  
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ACTION FOR CITIES

Briefing for Prime Minister

BULL POINTS

- £3000 million Government drive to improve inner cities in 1988/89 in bringing in several times that in private investment
- London and Merseyside UDCs have brought in over £3000 million in private investment with £500 million in public money. This means 12,000 jobs
- Urban Development Grant of £145 million will bring in £580 million in private investment. Secretary of State for the Environment's plan to streamline procedures for UDC - new City Grant - will bring even greater success
- Business in the Community (Sir Hector Laing), Investors in Industry (Sir John Cuckney), Elevenco (Sir Clifford Chetwood) demonstrate the enormous contribution which private sector is making. Delighted to see them here today
- Booklet 'Action for Cities' shows success stories: Metrocentre, Gateshead (115 acres of marshland transformed); Royal Agricultural Hall, Islington; Wavertree Technology Park, Liverpool (30 companies, 800 jobs); IMI Holford, Birmingham (former chemical works, now 675,000 sq ft of industrial units)
- Public money not always needed. Ernest Hall at Dean Clough has created a 1.25 million sq ft complex employing 1700 people in a derelict mill.

A GOW/08

PRIME MINISTER

INNER CITIES PRESS CONFERENCE ETC

This note sets out your media arrangements for the launch of the Inner Cities booklet on Monday.

Arrival

It would be helpful if you could arrive about 11.05 in the Nightingale Room where all Ministers are to foregather for coffee. This is because Hartley Booth would like you and Kenneth Clarke to be photographed with him, Sir Clifford Chetwood, Sir Hector Laing and Sir John Cuckney. The most convenient thing to do is to have a shot taken just outside the Nightingale Room, before you go into the press conference.

Colour Scheme

As you know, the main auditorium at the Queen Elizabeth II conference centre is green. The predominant colouring on stage - ie backdrop, table cover, etc is blue in varying shades.

The agreed seating plan looking at the stage from the audience is:

x x x x x x x  
Mr Clarke Mr Fowler Mr Hurd PM Mr Ridley Mr Baker Mr Channon

There will be name tags on the seats.

Continuously live microphones will be in front of each Minister. You won't need to stand up to speak.

Press Conference

The media will be in possession of all the material for about half an hour before the press conference.

You will lead off with your opening statement and then call each Minister in the following order:

- Mr Ridley )
- Mr Channon ) built environment
- Mr Hurd )
- Mr Baker ) humanities - fighting crime; education;
- Mr Fowler ) training and jobs

Mr Clarke will wind up on an "enterprise" note.

~~\_\_\_\_\_~~

This will leave about 25 minutes for questions. You are to call the questioners and draw the press conference to a close.

It is important you close the press conference at 12 noon at the latest, in order to give short news interviews to radio and television and get back to No 10 for a meeting at 12.45. We need also a prompt 12 noon start with radio and television interviews to catch the lunchtime bulletins.

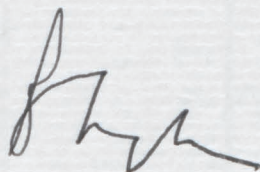
#### Radio/TV

The radio and television interviews will be conducted in the studios two floors below. You will go down by lift. I assume that we shall have requests for five interviews - BBC radio and television; ITN; IRN and TV-AM. We shall not know the precise number until Monday because for security reasons we are not telling the press about the press conference or its treatment until Sunday.

Kenneth Clarke will pick up later broadcasting bids of a general character - eg Newsnight, World Tonight and the Today programme. Other Ministers are also ready to do their bit for radio and television and several are leaving the press conference immediately to go to the regions.

I will be on hand throughout.

Content?



BERNARD INGHAM  
4 March 1988

DRAFT PRESS NOTICE

PRIME MINISTER LAUNCHES ACTION FOR CITIES

The Prime Minister, the Rt Hon Margaret Thatcher FRS MP, today launched a new drive to bring the benefits of Britain's economic success to the inner cities.

She announced 12 new Government initiatives and commended three major private sector developments at a press conference to mark the publication of "Action for Cities", an illustrated booklet which sets out the Government's inner city policies and programmes.

Mrs Thatcher was joined at the launch in The Queen Elizabeth II Conference Centre, London, by six Cabinet Ministers - Douglas Hurd (Home Secretary), Norman Fowler (Employment), Nicholas Ridley (Environment), Kenneth Baker (Education), Kenneth Clarke (Chancellor of the Duchy of Lancaster) who has special responsibility for day-to-day coordination of inner city policies, and Paul Channon (Transport).

The Prime Minister said:

"The Government is determined to build on a strong economy a new vitality in our inner cities.

"In partnership with the people and the private sector, we intend to step up the pace of renewal and regeneration to make our inner cities much better places in which to live, work and invest.

"The new initiatives being taken by the Government and announced by the private sector show that we all mean business and that we are releasing the talent, enterprise and energy that is at the service of our inner cities.

"We are embarked on a great enterprise which will leave its mark on Britain for decades and carry our towns and cities into the 21st century in much better shape."

Adding to existing major regeneration programmes, the new Government measures are:

- Urban Development Corporations: A new UDC in the Lower Don Valley, Sheffield and the extension of an existing UDC on Merseyside.

The new UDC in the Lower Don Valley, Sheffield covers 2,000 acres to the north east of the city centre. It will have a budget of about £50 million over seven years.

- The area of the Merseyside Development Corporation is to be doubled by adding 800 acres on both sides of the Mersey. The enlarged MDC could spend between £50 million and £90 million over eight to nine years in the new areas.

- City Action Teams: Two new City Action Teams are to be set up in Leeds and Nottingham in addition to the five established three years ago which have successfully pulled together Government support for enterprise and development in their areas.
- City Grant: A new simplified grant to support private sector developments in inner cities is to be introduced from May 1988. It will replace Urban Development Grant and Urban Regeneration Grant which have produced from the private sector over £580 million in investment, providing 28,500 jobs and more than 7,000 homes since 1982.
- Unused Land: The drive to bring unused and underused land onto the market is to be stepped up by requiring publication of information about land in public ownership.
- New Inner City Roads: Two new roads costing £109 million, both of which will directly benefit inner cities - a £59 million improvement of the A13 between Limehouse and Dagenham and a £50 million spine route through the Black Country to the M5 and M6.
- Safer Cities: A major new initiative to tackle crime and the fear of crime will be introduced in 20 inner cities over the next three years; £2.3 million is being made available in the first year to support the initiative, which has been successfully piloted in five urban areas.
- Helping Businesses: More help for small businesses including six new offices for the Small Firms Service, a fund to support Local Enterprise Agency projects helping businesses, an 85% guarantee on bank loans to firms in Task Force areas, and help to encourage people into self employment.
- Industry/Education Compacts: The MSC will give financial and other support to 12 inner city Compacts in which groups of employers work with schools and colleges to guarantee a job with training for all young people aged 16-18 leaving school who meet agreed motivation and achievement standards.
- Helping Unemployed People: More MSC and Employment service staff working in local communities advising and helping residents, new information points to guide people on training and jobs, special training in literacy and numeracy and English as a second language. New measures to increase the involvement of employers in training.
- Managed Workshops: Extra provision of premises for new businesses in rundown inner cities. English Estates in partnership with private companies will set up managed workshops. Up to £11 million of public funding will go into the programme in the first year.



- **Working with the Private Sector:** the Government is organising a series of breakfast meetings up and down the country, starting in Newcastle on 13 April. A free telephone link 0800 181 518 has been set up today so that businesses can find out from a single contact point how they can play their part.

**NOTES TO EDITORS**

1. The private sector is separately announcing three new initiatives today. In summary these are:

- **Business in the Community:** BiC is establishing eight teams headed by business leaders in a campaign to promote business involvement in inner city regeneration. They will focus on key areas of business involvement in education, training, small firms and investment.
- **Investors in Industry:** The venture capital group 3i is launching a new inner city investment programme to expand its existing venture fund which has already put more than £2 million into schemes in London, Birmingham, Leeds, Manchester, Newcastle and Cardiff.
- **Elevenco:** The eleven largest British civil engineering and construction companies will seek out inner city development sites. The companies have pledged £55 million for a development programme.

2. The Government measures announced today build on the programmes and initiatives introduced since 1979 to tackle urban dereliction and inner city decay, and to raise skills and encourage enterprise. In all about £3000 million will go to support urban regeneration in Britain in 1988/89, bringing in several times that total in private investment.

The measures described below cover initiatives in England.

**Urban Development Corporations:** have powers to acquire, reclaim and service land, bring land and buildings into effective use, promote new development and housing and support community facilities.

London Docklands (LDDC) - 1981  
Merseyside Docklands (MDC)

Trafford Park - 1987  
Teesside  
Tyne and Wear  
Black Country

Bristol - announced December 1987  
Leeds  
Central Manchester  
Extension of Black Country

Lower Don Valley, Sheffield - announced March 1988  
Extension of MDC.

The English UDCs have a budget of £203 million, excluding receipts, in 1988/89.

City Action Teams: bring together the relevant programmes of the Department of Trade and Industry, the Department of Employment and Manpower Services Commission and the Department of the Environment. The City Action Teams are based in Birmingham, Liverpool, London, Manchester-Salford and Newcastle-Gateshead.

City Grant: will from May 1988 replace Urban Development Grant and Urban Regeneration Grant which have produced from the private sector over £580 million in investment, providing 28,500 jobs and more than 7000 homes since 1982. City Grant will also replace private sector Derelict Land Grant.

Unused Land: Land Registers of unused and underused land owned by public authorities are held by DoE to help prospective developers obtain the release of particular sites. Public owners can be directed to sell land which is registered on the open market. The Land Registers currently contain over 98,000 acres; nearly 50,000 acres have been removed from the Registers since they were introduced in 1981;

Inner City Roads: The new roads announced will be in addition to the existing £2000 million programme of national roads.

Action for Jobs: MSC and DE already spend over £1100 million on employment, training and enterprise programmes in the inner cities serving over half a million people annually. Programmes available in inner cities including:

Youth Training Scheme

Community Programme )  
Job Training Scheme ) to become new training  
programme from September  
1988

Enterprise Allowance Scheme

Small Firms Service

Employment Service (with new network of nearly 500 offices)

Managed Workshops: give small businesses access to premises together with advice and support, often from on-site management teams. These small premises contain many units, which can share services such as typing and a canteen. There are over 300 managed workshops, mostly in inner cities.

PRIME MINISTER

ft

INNER CITIES: LETTERS TO BISHOPS

Robin Catford and I would like you to reconsider the decision to write to Bishops with a copy of the inner cities document.

Flg A. I attach a list of Bishops with inner city areas within their dioceses. We know that some are certainly interested in inner city matters. But others have no particular interest and they would undoubtedly be surprised to have a letter from you out of the blue, especially if they had never met you. Moreover, a letter to the Anglican Bishops does, I think, exaggerate their importance in this matter. They have no particular role. There are many other religious leaders who have an equal, if not greater, interest in inner city matters than those on the list attached. The Chief Rabbi and Cardinal Warlock are obvious cases in point. If we write to them, the list will extend - with letters to the Moderator of the Free Churches, the Church of Scotland, the ethnic churches and so on.

see at Flg B. I therefore wonder whether it is in fact appropriate to write to the Bishops. Much better for Kenneth Clarke to write to Bishops known to have an interest in inner cities along with the many others he is planning to write to. Kenneth Clarke is happy to do this. But in case you do wish to write, I suggest that your letter might be on the lines of the short draft attached.

Do you wish to write to Bishops? If you do, are you content with the draft letter attached?

(If you do write I agree with you that it would be best not to despatch their letters until after the Statement had been made. To arrange special delivery on Monday afternoon, after the press conference, would seem to exaggerate even further

the importance of the Bishops in this matter. If you are to write, a letter arriving first thing on Tuesday morning would seem to be ample.)

How would you like to proceed?

N.L.W.

N. L. WICKS

3 March 1988

DASAIP

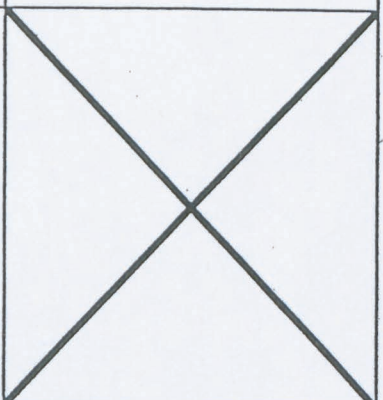
I should prefer not

to write. Please let

Kenneth Clark (and Christine Vall)

know.

# **A** The National Archives

DEPARTMENT/SERIES ..... <i>PREM 19</i> ..... PIECE/ITEM ..... <i>2465</i> ..... (one piece/item number)	Date and sign
Extract details:  <i>Wicks to PM dated 3 March 1988</i>	
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10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

As you may be aware, the Government's new initiative for the inner cities is being launched today, with the publication of a document entitled "Action for Cities".

I thought you might like to see this document, and accordingly I enclose a copy.

PRIME MINISTERINNER CITIES LAUNCH

You have already seen the draft material for next Monday's launch, and I gather you are broadly content with it.

I will put in the weekend box final versions of the various elements. But for logistical reasons the Press Notices need to be finalised tomorrow, Friday. So you may like tonight to have a further look at the attached summary Press Notice pulling together the various announcements. This follows the same lines as the earlier draft with the main differences being:

- i) Expanding the list of Government initiatives to twelve by dividing Mr Fowler's announcements into three - Helping Business, Industry/Education Compacts and Helping Unemployed People.
- ii) Expanding the Notes for Editors to give a summary of the main area of existing inner city programmes.

Content?

Yes not

PRCG.

Paul Gray

3 March 1988

Attachment to PG → PM 4.3.88

## ACTION FOR CITIES

### SECRETARY OF STATE FOR THE ENVIRONMENT

My Department is involved with the inner cities in nearly all aspects of its work, and we work closely with the other Departments concerned both at headquarters and in the regions.

Firstly there is our range of grant programmes. I am announcing today a new one called City Grant which combines and streamlines three existing types of grant in the inner cities (UDG, URG and private sector DLG). This year these three grants have put about £30 million into the inner cities and attracted private sector investment of around £120 million. Then there is the Urban Programme totalling £295 million this year, and which is increasingly concentrated on local economic and environmental projects.

Secondly, I am announcing today a new initiative to increase the pressure on local authorities to publish details of the unused land that they own and to offer it for sale so that it can be put to good use. Our policies and programmes for environmental improvement, historic buildings, land reclamation and sport all have an inner cities dimension, often involving the voluntary sector. For example, we are the main source of funding for Operation Groundwork and UK 2000 although they are also attracting very substantial support from private sector sponsors.

Thirdly there are the Urban Development Corporations which are our most direct and positive contribution to solving some of the worst problems of urban decline and dereliction. We already have six UDCs in operation in England with three more in the process of setting up, and today I am announcing proposals for a new UDC in the Lower Don Valley in Sheffield and for a major extension of the Merseyside UDC. So we will soon have ten UDCs



on the go, with a total programme budget of £203 million in the coming year rising to £223 million in 1990/91 plus the huge private sector investment that they generate.

Fourthly, our new Housing policies are concerned very largely with the inner cities, improving the housing stock and increasing the range of choice for those who already live in the inner cities and those who would like to live there. Again the involvement of the private sector is essential and our proposed Housing Action Trusts will provide a new mechanism for achieving this.

All of these programmes in DOE are concerned with regeneration, reclamation, development and investment in the inner cities. That is my Department's distinctive contribution to the Government's urban policy.

# MR CHAMBERLAIN SPEAKING NOTICE

## CONFIDENTIAL

### TRANSPORT IN THE INNER CITIES

\* Good transport is essential for the development of our inner cities.

\* Transport links them with the nation's commercial arteries. It stimulates new industries and helps create new jobs.

\* New ideas in public transport are breathing new life into run-down areas.

- the Docklands Light Railway has drawn private sector investment into London's East End.
- Manchester is planning to follow this example.
- bus operators freed from 50 years of regulation have brought new minibus services to housing estates and inner areas, which were bus-free zones.

\* We are assisting local authorities in improving inner city road links, so essential for enterprise and business growth. We are committed to paying them £300 million, half the cost of 120 schemes. The £32 million Bradford City Ring Road is one example.

\* Two fifths - £2 billion - of my trunk road programme directly assists the development of the inner cities particularly:

- in the West Midlands;
- in Manchester;
- in Newcastle; and
- in London.

\* More schemes will follow but today I am adding 2 major projects to my programme:

- a £50 million grant to build a road through the Black Country linking the Black Country Development Corporation area to the M5 and M6; and
- a £59 million improvement to the A13 between Limehouse and Dagenham, to assist the development of the Docklands.

An over £100 million vote of confidence in the Docklands and the Black Country.

A further example of our commitment to the regeneration of our cities.

SPEAKING NOTE FOR THE HOME SECRETARY:  
ACTION FOR CITIES LAUNCH

Intensified work against crime is an essential part of our Action for Cities. It is in the inner cities that people suffer most from crime and anxiety about crime. The fact and the fear of crime can stunt the lives of those who live there - not least by discouraging the creation of jobs. A special effort is needed.

The police already give a high priority to the problems of inner city crime; they will continue to do so. Theirs will always be the primary role. But crime is not solely a matter for the police. They need, and they should be able to expect, the support of all responsible members of society. Passive support is not enough. I want to see an active partnership between the police and local agencies and concerned individuals - leading to a concerted and well-targeted programme of effective action in response to locally identified crime problems. That is what the Safer Cities initiative will provide and encourage.

The Safer Cities initiative will build on the successes already achieved by similar, smaller scale, approaches to local crime prevention. Safer Cities projects will be established in 20 local areas over the next three years. In each area, work will be guided by a local Steering Committee which will bring together representatives from the police and probation services, local authority services, the business community, and voluntary groups. To help the

Steering Committee the Home Office will fund a project co-ordinator - a locally recruited person who will be a key figure in developing effective local action - and a small administrative team.

In a Safer City project area, local people will identify particular crime problems, decide how they can most effectively be tackled, put those decisions into practice and measure the results.

The action taken will vary from area to area; but in each there is likely to be a combination of physical security measures, improved design, better management of property and services, and a range of constructive activities to engage the energies and interests of those who are most tempted to engage in criminal activity.

The programme will be steered nationally by the Home Office Crime Prevention Unit, which will be able to provide advice when necessary and some modest financial support to help promising local initiatives to get off the ground. We intend shortly to approach local agencies, including local authorities, in potential Safer Cities areas. I am confident that, with the goodwill and commitment of local people working together against crime, the Safer Cities initiative will help to restore confidence and provide new and much needed opportunities.

INNER CITIES 7 MARCH 1988

STATEMENT BY KENNETH BAKER, SECRETARY OF STATE FOR EDUCATION AND SCIENCE

Education can do a great deal for the inner cities. There - more than anywhere - youngsters need a decent education if they are to have a better future.

Our education reforms map out that future. We are establishing a NATIONAL CURRICULUM of basic subjects. That will set new standards of education for all our children, whatever their background, wherever they live. Parents in the inner cities can be confident that their children will get a basic mainstream education.

Many children in the inner cities do not have access to the kind of schools which measure up to their parents' reasonable expectations. The Government has a set of radical policies to extend parents' influence and choice.

OPEN ENROLMENT means popular schools will take in as many children as space allows.

OPTING OUT will give parents and governors the right to take over the running of their children's schools.

CITY TECHNOLOGY COLLEGES are another kind of new school, designed to give children in the inner cities high quality education with a technological bias. Private industry will help fund and run the new colleges.

The first one opens this September in Kingshurst, Birmingham; the second next year right in the heart of Nottingham. Prospective sponsors have already promised more than £16m to support the CTC Programme. Plans are in hand for CTCs in Middlesbrough, South London and Thamesmead.

A very encouraging start to a programme first announced just 16 months ago. And we are doing much more.

Our plans to give pupils and teachers DIRECT EXPERIENCE OF WORKING in industry and business will open up schools to the economic realities their pupils will have to face.

I'm delighted that my Department will be co-operating with the Department of Employment and the MSC in backing TWELVE NEW COMPACTS in inner city areas. Norman Fowler will be telling you about this invitation to get employers, schools and colleges working together. There are great mutual benefits to be had from this closer working relationship.

Getting that relationship right is a key factor in raising education standards and ensuring that children leave school with the qualifications they need for adult life.

Better prospects grow out of better education: that's what we intend to give the children who live in Britain's inner cities.

I shall use the resources of my Department and the Manpower Services Commission to encourage the development of 12 compacts between employers and schools. It will be for groups of employers to agree such compacts with schools and to bid for support. Up to £50,000 will be available at the development stage of each compact, followed by up to £100,000 per annum for 4 years for those approved.

The second series of initiatives seeks to ensure that all people in inner cities are aware of the job opportunities available, and of the range of help offered by employment and training programmes. More specialist staff will help both employed and unemployed people explore opportunities and develop the skills needed for the new jobs arising. New local information points will give immediate access to information on training and jobs in local centres such as libraries and community centres.

CONFIDENTIAL  
UNTIL 12.00 MIDDAY ON 7 MARCH.

1 STATEMENT BY THE SECRETARY OF STATE  
FOR EMPLOYMENT,

INNER CITIES POLICY DOCUMENT LAUNCH

Jobs are crucial to the development and prosperity of inner city areas, and to the people who live there.

The Government already spends over £1.1 billion a year in inner city areas providing unemployed people with skills, helping them find jobs, and encouraging small businesses to start up and grow.

We shall now build on our existing programmes, and focus our support on those who most need it. We shall take a number of important new initiatives.

The first of these is the development of new compacts between employers and schools in inner city areas. Our intention is that employers would guarantee a job with training to young people leaving schools in these areas who meet required standards of achievement.



DRAFT SPEAKING NOTES : NR CLARKE

There are two key themes in the Action for Cities Document which have been underlined by all the Ministerial announcements this morning.

- The first is the importance of co-operation between the private and public sector. The Government is anxious to encourage and assist more private companies to take a leading role in inner city revival. Our cities need business leadership and private sector investment.
- The second is the importance of co-ordinating the Government's activities, so that we get the maximum impact for what we put in by fitting our various policies together into one combined Government effort.

A major DTI contribution to co-operation between Government and the private sector will be made by a drive to provide more managed workspace for new business start-ups in inner city areas.

English Industrial Estates will lead for the Government and will receive up to £11 million in first year for the necessary physical conversion of suitable buildings. Private companies will contribute by offering financial and managerial backing to

The new training for employment programme will provide new help for long-term unemployed people who require basic skills such as literacy, numeracy and English as a second language.

Third, we are stepping up our support to small businesses in inner city areas. In Task Force areas, the guarantee to banks under the Loan Guarantee Scheme for loans to small businesses will be increased from 70 per cent to 85 per cent. More generally, we are increasing the help available by opening six extra offices run by the Small Firms Service, and specialist counsellors to work with ethnic minority businesses are also to be appointed.

New businesses will receive more help. Local Enterprise Agencies setting up new projects to help inner city businesses will receive special grants, and more business advice and training are to be given to those going into self-employment.

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All these initiatives will build on our current substantial effort in the inner cities. They will encourage more investment, and create more opportunities. Most of all, they will help us secure more jobs for people living in inner city areas.

the workshop once the businesses start to move in. Our corporate partners will in effect "adopt a workshop".

The workshop programme will help to provide premises for small and new businesses and business advice to help them through the first difficult years of growth. Experience has shown that this is a very practical and effective way of encouraging enterprise in inner cities.

Wide range of today's announcements emphasises scale and scope of the Government's contribution.

Need to pull that whole effort together and concentrate it in on areas of greatest need.

Two new City Action Teams in Nottingham and Leeds will help us achieve that aim. Building on success of existing six. They will pull together the programmes and resources of DTI, DOE and DE. They will also have special top-up funds to make it possible for local projects - that would normally fall outside the national guidelines for Government programmes - to go ahead.

I have two further announcements which will help to carry forward all the programmes we now have and help more companies to become closely involved in our efforts.

Next month will see the beginning of a series of Action for Cities Breakfast meetings.

Ministers will make presentations - initially in six cities - to explain to businessmen how they can play their part in inner city revival in their city. We will explain how they can work with the Government in doing so. We will be presenting them with a 'menu' of ways in which they can become involved. We believe we can persuade even more businessmen that it is a sensible commercial activity for a successful company to play a leading role in regenerating the cities which are their trading base.

We are also setting up centrally a Freefone Action for Cities <sup>11</sup> number <sup>~</sup> to provide a single contact point for businesses interested in taking part. Our people in Whitehall will offer advice about the range of possibilities and ensure contact with the right Department on the ground in the right City to take the matter further.

Why this emphasis on businessmen? Because we believe that the key to getting life back into our inner cities - just as it has been in promoting national prosperity - is encouraging enterprise. Businessmen provided leadership in the past that

made their cities great. 'City Fathers'. They can do so again. Our businessmen today have the resources, expertise and, I believe, commitment to help the Government make lasting and worthwhile changes in our inner cities.

The new Government measures are

- \* Urban Development Corporations: the Government is to build on the success of the Urban Development Corporations and double the area of the Merseyside Development Corporation, adding 800 acres on both sides of the Mersey. The MDC could spend between £50 million and £100 million over seven years in the new areas
- \* There will be a new UDC in the lower Don Valley, Sheffield which will cover 2000 acres to the north east of the city centre. It will have a budget of about £50 million over seven years
- \* City Grant: a new simplified grant to support private sector developments in inner cities will be introduced in May 1988. It will replace Urban Development Grant and Urban Regeneration Grant which will have levered over £580 million in investment, providing 28,500 jobs and over 7000 homes since 1982
- \* Unused Land: the Government will step up the drive to bring unused and underused land onto the market. It will ensure publication of information about land in public ownership and follow up the Audit Commission's recommendations about local authority property management
- \* New inner city roads: two new roads costing some £100 million - the £50 million improvement of the A13 between Limehouse and Dagenham and a £50 million spine route through the Black Country to the M5 and M6 - will directly benefit inner cities. They are in addition to the £[     ] million already planned to be spent on roads in urban areas
- \* Safer Cities: a major new initiative to tackle crime and the fear of crime will be introduced in 20 inner cities over the next three years. £2.3 million will be made available in the first year to support the initiative, which has been successfully piloted in five urban areas
- \* School-Industry links: school-industry Compacts give job opportunities to children reaching minimum standards of achievement and attendance. The Government will use MSC programme money to encourage the development of 12 new Compacts between groups of employers and schools and colleges in inner cities

- \* Action for Jobs: more help will be given to businesses and people seeking jobs in the inner cities. This includes strengthening the Small Firms Service and inner city Local Enterprise Agencies and appointing additional specialist staff to help local unemployed residents
- \* Managed Workshops: English Estates will be the focus of a new initiative to provide premises and business advice to enable people to start new businesses in run-down inner city areas. Up to £11 million of public funding will go into the programme in the first year
- \* City Action Teams: two new City Action Teams will be set up, based in Leeds and Nottingham to add to the five established three years ago which have successfully pulled together Government support for enterprise and development in their areas

Alongside these Government measures, the private sector has launched a series of initiatives

*S. S. White  
Lamp* \* Business in the Community: BiC have announced eight teams headed by business leaders in a campaign to promote business involvement in inner city regeneration. They will focus on key areas of business involvement in education, training, small firms and investment

*S. W. John  
Cudney* \* Investors in Industry: the venture capital group 3i has launched a new phase in their inner city investment programme which has already put over £2 million into schemes in London, Birmingham, Leeds, Manchester, Newcastle and Cardiff. 3i announced their £10 million inner city fund last October

*S. W. Clifford  
Chelwood* \* British Urban Development Elevenco: the eleven largest British civil engineering and construction companies have formed a consortium which will seek out inner city sites to develop. The companies have pledged £55 million towards a rolling programme of development

The Government has also announced a single contact point - Freefone 0800 181518 - for information on Government inner city initiatives and, in particular, on what companies can do to help inner city regeneration.

## ACTION FOR CITIES

### DEFENSIVE BRIEFING

- **Nothing achieved since last June.** Measures described in booklet. But more fundamental change; confidence is returning on part of local people and companies;
- **Cosmetic exercise.** No. It is what companies, local authorities and others have been crying out for - a clear practical account of what the Government is doing and how business and local agencies can help;
- **Ignores local authorities.** Booklet contains many examples of projects where local authorities are involved - Salford Quays itself. But too many authorities do not take up opportunities, although many are learning the lesson that co-operation with the private sector is essential;
- **Ignores ethnic dimension.** Many examples of projects aimed at ethnic minorities. Pay tribute to Project Fullemploy and other bodies which train black youngsters;
- **No extra spending.** New measures like UDCs, new roads add up to massive spending over next few years. Steps like Safer Cities to cut crime are less easy to quantify but vastly improve inner city quality of life;
- **Glossy brochures not the answer.** Serves purpose of showing what can be achieved before and after. This is the acid test of inner city success. We will build up string of success stories, with help of private investment;
- **Too much emphasis on buildings.** Physical transformation essential to attract people and investment. People also have to be fitted to work. Our inner city programmes are aimed at people and places;
- **One off exercise.** No. We will track progress and build up momentum. Departments will continue to work together - Kenneth Clarke's role is to help pull together their efforts.



## ACTION FOR CITIES EXPENDITURE 1988/89

	Estimated expenditure in the inner cities, England 1988/89      £m
Estate Action: involving tenants in management of their homes, and improving them. Housing capital expenditure by local authorities but borrowing approval only given by Government on strict conditions	140
Funding for Housing Associations through Housing Corporation and through local authorities (LA share £50m)	450
Training, and programmes to encourage enterprise, including support for small firms (Employment and MSC)	1100
Support for inner city business including Regional Selective Assistance, investment and innovation grants for small firms, and English Estates	200
Derelict Land Reclamation	25
Urban Programme including Urban Development and Urban Regeneration Grant	314
Urban Development Corporations	203
Task Forces, City Action Teams	21
Roads (DTp programme and TSG supported local authority roads)	250
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Scotland and Wales (Scottish Development Agency, Urban Programme, UDC, housing associations, MSC)	300 (at 1e
	<u>3003</u>

## ACTION FOR CITIES

### Briefing for Prime Minister

#### BULL POINTS

#### Attracting Investment

- £3000 million Government drive to improve inner cities in 1988/89 in bringing in several times that in private investment
- London and Merseyside UDCs have brought in over £3000 million in private investment with £500 million in public money. This means 12,000 jobs
- Urban Development Grant of £145 million will bring in £580 million in private investment. Secretary of State for the Environment's plan to streamline procedures for UDC - new City Grant - will bring even greater success
- Business in the Community (Sir Hector Laing), Investors in Industry (Sir John Cuckney), Elevenco (Sir Clifford Chetwood) demonstrate the enormous contribution which private sector is making. Delighted to see them here today
- Booklet 'Action for Cities' shows success stories: Metrocentre, Gateshead (115 acres of marshland transformed); Royal Agricultural Hall, Islington; Wavertree Technology Park, Liverpool (30 companies, 800 jobs); IMI Holford, Birmingham (former chemical works, now 675,000 sq ft of industrial units)
- Public money not always needed. Ernest Hall at Dean Clough has created a 1.25 million sq ft complex employing 1700 people in a derelict mill.

## ACTION FOR CITIES

### HOUSING

Defensive briefing

#### Housing Bill

- **Housing Bill a yuppies' charter.** Housing Bill will ensure better supply of all kinds of rented accommodation. Policies on land will ensure better supply of inner city land for housing;

#### local authorities

- **Local authorities' role to be reduced.** Local authorities will in future be enablers rather than providers, using skills and resources at their disposal to help those in private sector and in housing associations meet housing needs;

#### Private rented sector

- **Deregulation of new lettings does not help those on low incomes.** Deregulation is essential if private landlords are to be encouraged to let property. Those eligible for housing benefit will have increases in rents up to market levels met in full;

#### Housing Associations

- **Housing Associations will have to raise rents about levels those on low incomes can afford.** Government grant will continue to be available to keep rents within reach of traditional clients;

#### Housing Action Trusts

- **When announced.** Before the Housing Bill receives Royal Assent. There will be 6/7 HATs on current plans;

#### Problem Estates

- **Government turning its back on council estates.** Resources to tackle run-down estates doubled from £75 million in 1987/88 to £140 million in 1988/89.

RATES REFORM: GENERAL BULL POINTS

Accountability

- Out of an adult population of 35 million in England, only 18 million are liable to pay domestic rates, and only 12 million pay rates direct and in full. In some areas - eg Manchester - fewer than one voter in four pays full rates.
- The community charge will spread the burden of payment more widely, giving voters a direct financial stake in the decisions of their Councils.

Fairness

- Domestic rates are unfair: property values bear little relation to people's ability to pay and even less to the use they make of local services. 40% of homes with above average rateable values are occupied by households with below average incomes.
- How can it be fair for a single pensioner to pay the same rates bill as a family next door with 3 or 4 working adults?
- Many of the poorest will benefit. The majority of single pensioners and one-parent families will pay less with the community charge than with rates.
- As with rates, those on low incomes will receive assistance in paying their contribution to the community charge through the income support system.
- The severely mentally handicapped; old people living in homes; those living in hospitals and prisons will be exempt. Students will pay only 20% of the charge in their college town.

Transition

- Considered the many representations made to us. Decided that for all but highest spending local authorities, the community charge should be implemented in full in 1990.
- Confirm that major changes in 1990 will be prevented by safety net. This will be phased out by 1994.

Alternatives

- Domestic rates are unfair, outmoded and discredited. The Labour Party says it wants to keep them, but has run away from the idea of a revaluation.
- The Alliance can only offer a half-baked proposal for local income tax. LIT would mean higher and higher taxes on income, in direct opposition to the Government's efforts to reduce income tax.

And LIT is bad for accountability. Out of 35 million adults in England, only 20 million pay income tax (compared with 18 million who pay rates). Only the community charge can restore local accountability.

- Banded community charge would have all the drawbacks of LIT (heavy burden on moderate income earners, greatly reduced accountability) plus pernicious earnings traps: a person earning £1 extra a year, who moved up one income band, might have to pay hundreds (in some cases thousands) of pounds more.

#### Labour Party accusation: no representation without taxation

- Right to vote will not depend on registration for, or payment of, the community charge.

- It will not be possible to avoid registration for the community charge by failing to register to vote.

- There will be separate registers compiled on a different basis for community charge and for electoral purposes.

#### Rich will pay same as poor

- Those on low incomes will receive rebates and will pay only part of the charge.

- Half of local services are funded from national taxation. The highest paid 10% of households will pay nearly 16 times as much towards the cost of local services as the lowest paid 10%.

- National redistribution of income is a job for the Chancellor.

#### Impact on business/the North-South divide

- If the National Non-Domestic Rate is set at the national average poundage, rates will fall in the high-rated areas - the areas where local spending and unemployment are high - and increase in low-rated areas.

- This means business rates would fall in most parts of the North: by 32% in Newcastle upon Tyne, by nearly 37% in Manchester and by almost 31% in Liverpool. Together with the revaluation of non-domestic property in 1990, businesses in the North stand to be better off by £700m every year.

- Clearly this is good news for commerce and industry in the depressed parts of the country, particularly the North. It will also remove a significant disincentive to redevelopment in the run down inner cities.

- Conversely, in most shire counties business rates would rise - typically by 5 to 15%. In Westminster they would rise by 38% and in Kensington and Chelsea by 91%.

- For the minority of businesses facing large increases from NNDR and revaluation combined, there will be generous transitional arrangements spread over 5 years.

TRANSPORT: BULL POINTS

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Black Country Spine Route

- Will provide fast, easy access from Black Country Development Corporation area to motorway network (M5 and M6)
- Will help BCDC to stimulate new enterprise and jobs
- Will bring environmental improvement to a largely derelict area

A13 Improvements

- Improvements necessary to help local roads to cope with the success of Docklands
- part of a £1 billion effort to improve transport links to East London (road improvements and Docklands Light Railway)
- Complements LDDC's proposals for the "Docklands Highway" (an east-west spine road through Royal Docks, Isle of Dogs and Limehouse)

TRANSPORT: DEFENSIVE BRIEFING

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General Policy

Q1. Why doesn't the Government do more for public transport? Why so much emphasis on roads?

A. The Government does do a great deal for public transport. Docklands Light Railway a good example of this. Proposals for similar in Greater Manchester well in hand. Others may follow. Bus deregulation has enabled operators to introduce minibuses and so new services to inner city areas and housing estates. And good roads mean faster, cheaper bus travel.

Q2. Why only helping Docklands and Black Country?

A. Government improving transport throughout the country. Two-fifths - £2 billion - of the road programme will help inner city areas. We are also paying half the cost of 120 current local authority schemes in urban areas. Today's announcement is just the latest addition to the programme. More schemes will follow.

Black Country Spine Route

Q3. When will the road be built?

A. Subject to statutory procedures. But if all goes well, could be completed by 1992.

Q4. Will the proposal involve compulsory purchase of private homes?

A. Not possible to say until the fine detail has been decided. Statutory procedures mean those affected will be able to express their views.

A13 Improvements

Q5. Why are these improvements needed?

A. The success of Docklands has brought quite severe congestion. We need to improve the A13 to cope with this and to allow for future traffic growth. We hope to complete by the mid-1990s.

## TRANSPORT: MAIN FACTS

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### Black Country Spine Route

1. The Spine Road, 7km long, will link with Junction 1 of M5, and Junction 10 of M6, using the Black Country Route currently under construction. It will eventually form part of an extended trunk road network in the West Midlands. The Government has agreed to pay 100 per cent of the costs of the road (£50 million).

### A13 Road Improvements

2. A package of six proposals, at a total cost of £59 million, to improve the ability of the A13 to cope with existing severe congestion in Docklands and predicted future traffic growth

- Widening of Ironbridge on the River Lea
- Improvements to the A13/Leamouth Road Junction
- Improvements to the A13/Blackwall Tunnel and Cotton Street Junctions
- Improvements to the A13/West India Dock Road Junction etc

These complement the LDDC's Docklands Highway and form part of a comprehensive road improvement strategy for East London.



SAFER CITIES: BULL POINTS

1. A local programme - operated by and for local people. Local crime problems can best be tackled locally.
2. Directly relevant to one of the Government's central objectives - making inner city areas places in which businessmen will wish to invest and people will want to live.
3. Based on experience gained by the Home Office in developing a range of local initiatives against crime. Particularly relevant is the recently completed Five Towns pilot programme (in Bolton, Croydon, North Tyneside, Swansea and Wellingborough) which used local co-ordinators. Substantial reductions were achieved in some crime figures (examples in Defensive Brief).
4. Provides machinery for co-operation between the police and the local community in a partnership against crime. It will bring together local authority services, voluntary organisations and private sector firms in a co-ordinated and well targeted endeavour to reduce local crime problems.

## ACTION FOR CITIES

### Briefing for Prime Minister

#### BULL POINTS

- £3000 million Government drive to improve inner cities in 1988/89 in bringing in several times that in private investment
- London and Merseyside UDCs have brought in over £3000 million in private investment with £500 million in public money. This means 12,000 jobs
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- Booklet 'Action for Cities' shows success stories: Metrocentre, Gateshead (115 acres of marshland transformed); Royal Agricultural Hall, Islington; Wavertree Technology Park, Liverpool (30 companies, 800 jobs); IMI Holford, Birmingham (former chemical works, now 675,000 sq ft of industrial units)
- Public money not always needed. Ernest Hall at Dean Clough has created a 1.25 million sq ft complex employing 1700 people in a derelict mill.

SAFER CITIES: DEFENSIVE

1. How will 'Safer Cities' bring down crime rates?

Based on an approach which has already worked. Examples of success in areas in which the recently completed 'Five Towns' pilot programme operated (with local co-ordinators and local steering groups) include

- 23% reduction in domestic burglary,
- 15% reduction in theft of vehicles, and
- 18% reduction in criminal damage.

2. Yet another example of central government imposing its ideas on local communities?

Programme is to be local. Will enable local people to tackle local problems more effectively. Projects will be established in selected areas after full consultation with local interests, local authorities, other statutory services, voluntary agencies and, it is hoped, the private sector. Staff will be recruited locally. Each project will be guided by a local committee.

3. Will 'Safer Cities' money be well spent?

Co-ordinators' work will be monitored by supporting Home Office unit. All locally devised schemes will have objectives and, wherever possible, measures of performance. Grant giving to selected local schemes will be monitored.

4. Police should be making our cities safer

Police already give a high priority to inner city crime problems. They will continue to do so. But crime not just a matter for the police. Will be tackled most effectively by an active partnership between police and the community, like Safer Cities.

5. 'Action for Cities' says little about special problems facing inner city residents and nothing about racial disadvantage of extending equal opportunities. Will Safer Cities be relevant here?

Yes. Government's inner city policies will benefit all inner city residents - improving opportunities for employment and enterprise and helping to break down areas of discrimination. Safer Cities in particular will provide opportunities for black and Asian residents, like others, to play a full part in making our inner cities a better place to live.

6. Where will Safer Cities start?

Approaches are to be made right away. We shall only set up projects where there is a positive favourable response from local interests.

EDUCATION: BULL POINTS

The national curriculum would -

- i. ensure all pupils have a good, broad and balanced education;
  - ii. help teachers set their expectations to stretch each child, yet realistic;
  - iii. check the progress of each child regularly.
2. The Education Reform Bill will do away with artificial ceilings on the number admitted at popular schools. So more parents will be able to send their child to the school of their choice.
3. True choice should not simply be the privilege of those who can afford to pay fees. Under opting out, parents will effectively be able to run their schools.
4. Work Experience
- i. In 1986 about 400,000 15 year old pupils in England (about two-thirds of the total) had attachments of two to three weeks with firms. Government aims to expand the programme to 600,000 attachments a year; within five years;
  - ii. The Government is encouraging enterprise activities in schools, and aims to develop economic awareness as a cross-curricular theme in the national curriculum.
5. Government aims by 1990 to have 10% of teachers a year gaining industrial experience.
6. Government makes special grants available to local education authorities for teacher training related to "industry, the economy and the world of work".

7. The Government will use the MSC machinery to stimulate education-business Compacts in, initially, 12 of the 57 urban programme areas. A compact is an arrangement between groups of schools and local firms, whereby - in return for attaining agreed performance standards in academic and personal skills - students are guaranteed priority recruitment with the firms involved. Grants will be used as an incentive, and MSC's extensive local office network would be deployed to ensure delivery to the right standard.

8. Following legislation in 1986, parents and local people, including people from the business community, will between them have the majority of seats on school governing bodies.

9. The Education Reform Bill will -

i. increase the proportion of businessmen and other employers on further education college governing bodies;

ii. require LEAs to delegate to colleges greater powers over the spending of budgets and the appointment and dismissal of staff.

10. Education and training for adults is available via PICKUP, REPLAN and adult literacy centres.

EDUCATION: GENERAL: DEFENSIVE

National Curriculum

1. How inner city areas have the funds to pay for the national curriculum?

1988/89 local authority spending plans for education represent an increase of over £1 billion in cash, or nearly 8 per cent, over 1987/88.

Opting Out

2. Won't grant maintained schools just provide a privileged education for the better off?

Grant maintained schools will provide free education just like local authority schools. No more and no less generously funded than local authority schools in their area. Admissions arrangements will have to be agreed with the Secretary of State.

Work Experience

3. Can industry provide the required number of placements?

Industry responded admirably to the challenge of Industry Year in offering placements to pupils. I am sure that companies will be keen to help.

Compacts

4. Isn't the Government backing an idea of ILEA's?

Compacts started in the United States. We believe it has wide potential here, especially in our inner cities. We welcome the decision of employers in London, with ILEA, to establish a London Compact.

## CITY TECHNOLOGY COLLEGES: MAIN FACTS

### MIDDLESBROUGH

1. The CTC Trust have bought the premises of the former St Michael's RC Secondary School, closed in 1981. The site borders both Middlesbrough and Stockton. The Department of Education and Science is negotiating with three possible sponsors: until these negotiations are successfully completed the names have to be kept confidential.

### LONDON

2. A sponsor has undertaken to provide £1m towards a London CTC. The Department is actively looking into possible sites.

3. The Mercers' Company and Thamesmead Town announced on 14 December their intention of sponsoring a CTC in Thamesmead. A number of sites have been considered but no final decision has yet been taken.

### SOLIHULL

4. Kingshurst will open in September 1988, less than two years after the programme was announced.

### BULL POINTS

1. £16m already pledged by the private sector. More will be raised. Many other firms have pledged additional assistance such as gifts of equipment and industrial placements. Shows the value employers attach to the CTC programme.

2. Parents already voting with their feet. Kingshurst had more than twice as many applicants as places available.

3. CTCs offer a unique partnership with industry and commerce, which will be directly involved in their effective management.



EDUCATION: DEFENSIVE

City Technology Colleges

1. Why has the programme made slow progress?

Not true. Speed at which CTCs can be opened depends how quickly sponsors can be linked with suitable sites and the necessary groundwork completed. Experience of planning the first two CTCs will help accelerate planning in future.

2. Is it true the Treasury's contribution to capital costs will be larger than originally planned? Up to 80 per cent of the cost?

The Government is prepared to meet up to 80 per cent of the capital costs of a CTC. But sponsors will have to find a very substantial sum of money: at least £1 million.

3. Will the Government force LEAs to make available existing schools in London and elsewhere for the establishment of the CTC?

Entirely for local education authorities to decide whether they wish to make school premises available to the sponsors of a CTC. Any such proposal which falls to the Secretary of State for Education and Science to decide will be treated strictly on its merits.

DE/MSC: BULL POINTS

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In the 57 UP areas

- DE/MSC spend over £1.1 billion
- over 500,000 people are involved in programmes
- 500 Employment Service offices.

2. Helping new and small businesses in the 57 UP areas

- About one-third of Enterprise Allowance Scheme entrants (nationally, 110,000 places in 1988/89)
- 11 200 Small Firms Service counselling sessions
- over 40,000 people had enterprise training in 1987/88, costing £5.8 million
- Around 80 Local Enterprise Agencies (including 5 in areas with high ethnic population) out of 400 nationally.

3. Changes in unemployment in 57 urban programme areas, January 1988/January 1987

- overall, down 15.6 per cent
- long term, down 16.65 per cent
- youth unemployment, down 18.75 per cent

4. Helping individuals in 57 urban programme areas, 1987/88

- estimated 957,000 interviews and 37,000 Restart courses
- estimated 50,000 helped through Job clubs
- estimated 123,000 Community Programme participants
- estimated 21,500 Voluntary Projects programme participants

INNER CITIES: DE AND MSC  
PROGRAMMES: DEFENSIVE POINTS

1 PROGRAMMES DO NOT PROVIDE REAL JOBS

- Successful businesses provide jobs
- Government sought to
  - provide a stable economic climate.
  - promote an enterprise culture
  - given direct help to new or expanding firms.

-As a result over 1 million new jobs and 500 small firms a week created nationally

-DE/MSD programmes give unemployed people skills and motivation to compete for jobs, encourage enterprise and help small firms.

2 JOBS NOT GOING TO INNER CITY RESIDENTS

-Yes they are:

- unemployment in UPAS has fallen by 188,000 in 12 months (-15%)
- over 30,000 people started a business under the Enterprise Allowance Scheme this year.

-MSD/DE programmes help 500,000 people annually in UPAS: giving them skills, enterprise, motivation or helping them start a business

3 EMPLOYERS DISCRIMINATE AGAINST INNER CITY RESIDENTS

- Not if they have the right skills
- Employers central to delivery of MSD training programmes
- DE/MSD mounting a campaign to encourage more firms to take on unemployed people.

4. INNER CITY RESIDENTS DON'T USE MSD/DE SCHEMES

- 500,000 will do this year.
- yet DE/MSD taking further steps to
  - improve information about programmes
  - make them more accessible
  - reach out with advice on how programmes can help
  - tailor programmes to give people sought after skills

5. DE/MSD SHOULD SPEND MORE ON PROGRAMMES TO IMPROVE QUALITY

-DE/MSD already spending £1.1bn pa in UPAs.

-First priority to use that money to best effect - it is an investment by all of us in the skills and enterprise of inner city people.

-New initiatives

6. PROGRAMMES DON'T PROVIDE THE RIGHT SKILLS

-Through involving employers DE/MSD makes sure they do.

-YTS provides 2 years of high quality training. Now well established.

-The new adult training programme will provide up to 12 months high quality training covering basic skills to high tech skills.

-Recognised vocational qualifications will be on offer, all participants to have a record of achievement

-Both programmes adopted to the needs of a rapidly changing labour market.

7. HOW WILL THE NEW PROPOSALS HELP

-boost existing support to small firms (over 80,000 helped in UPAs this year)

-make information/advice more widely available (6 new Small Firms Services Offices)

-Support projects directly helping small firms (up to 60 pa cost £600k)

-Encourage more people to consider self employment and help those that do with advice training and support.

Jobs -help unemployed residents get training or jobs

•provide better information about jobs and training

•provide special advice, out in the community to unemployed people

•tailor training for those needing literacy/numeracy or English as a second language skills

•engage more employers in programmes.

Tourism -stimulate new tourism projects which provide jobs, help business and improve rundown areas.

Overall -they aim to stimulate increased use of programmes and will lever more of the national MSD/ DE resource into UPAs.

## INNER CITIES DE/MSD PROGRAMMES: MAIN FACTS

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### HELPING BUSINESSES SUCCEED

1. 6 New offices for the Small Firms Service; appoint 5 special small business advisers

Will make the service more accessible to inner city businesses and encourage more of them to use the Service which currently provides 11,000 counselling sessions pa in urban programme areas.

2. £600,000 fund for Local Enterprise Agency Special Projects

New fund, with matching private sector cash, will encourage private sector support for special projects such as managed workshops, training courses and big company local purchasing from small firms. It will complement BIC's efforts to expand/improve inner city LEAs (about 80 exist, providing advice and training to small business with private sector backing).

3. New advice and training for people on the Enterprise Allowance Scheme (EAS)

Will encourage more unemployed people to consider self employment, provide business training for those wanting to join EAS, provide facilities to enable people to develop and plan a business and will improve business advice. EAS pays £40 a week, and helps over 30,000 people a year in inner cities.

4. Increase Small Firms Loan guarantee to 85 per cent in Task Force areas

The 85 per cent guarantee in Task Force areas is designed to encourage more loans to small firms (which often experience problems getting finance) and complement other special loan funds now available. The Loan Guarantee Scheme normally provides a 70 per cent Government guarantee on loans made to small firms by banks.

PREPARING FOR WORK

5. MSC to support 12 industry/Education Compacts

Compacts between employers and schools/colleges guarantee jobs to students meeting agreed attendance, motivation and qualification targets. Building on YTS and TVEI, MSC will invite local employer/school/college groups to bid for development contracts and finance to run 12 new Compacts.

6. More Specialist staff to work in inner city communities: "outreach"

By providing information to unemployed people (especially black and Asian) specialist staff encourage more of them to use MSC programmes. Over 500,000 people in inner cities take part in DE/MSC programmes annually; the Employment Service provides nearly 1 million Restart interviews to unemployed residents in UPAs.

7. Information points to be set up in inner cities

Building on experiments using information technology as a means to provide up to date information about jobs or training to unemployed people, new information points will be introduced to UPAs.

8. New adult training programme to include literacy, numeracy and English as a second language training

MSC's remedial training programme is likely to offer around 200,000 places in UPA's at a cost over £500 million. The whole adult training programme will provide training for 600,000 unemployed a year.

9. Employers will be encouraged to provide more training places and collaborate in planning inner city training provision

MSC has 130,000 YTS training places and will need around 200,000 adult training places in the UPAs. New marketing will encourage more employers to provide training places, groups of employers will be helped to decide what training is needed locally and collaborate in training.

BETTER HOMES AND ATTRACTIVE CITIES

10. English Tourist Board (ETB) to stimulate new tourism developments

The new promotion initiative will bring private and public sector together in towns/cities where tourism potential exists, raise their awareness and stimulate new tourism projects to redevelop inner city areas.

## CITY ACTION TEAMS: MAIN FACTS

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Five City Action Teams (CATs) were set up in April 1985, covering the inner areas of London, Birmingham, Liverpool, Manchester/Salford and Newcastle/Gateshead. The Teams bring together the regional organisations of DTI, DOE and DE/MSD to co-ordinate Government action in those cities. A sixth Co-ordinating team, covering County Cleveland, was set up in February 1986. All the CATs were given a budget in 1987/8 (of £1 million each, with £0.25m for Cleveland) to promote special projects especially with the private sector.

2. CATs have succeeded in focusing departmental and private sector effort on the particular needs of their cities. As a result two more are being set up: in Leeds (covering Leeds/Bradford) and Nottingham (covering Nottingham, Leicester and Derby).

3. The three Departments which combine in CATs have main programme budgets totalling some £1,000 million a year in the six areas the Teams formally cover.

### BULL POINTS

- Since the CATs received their special budgets in April 1987, around 100 projects have been supported, likely to commit all the available resources of £5.25 million
- CATs provide a focus for local business, as well as Government, action for cities.

## MANAGED WORKSPACE PROGRAMME: MAIN FACTS

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English Estates are the focus for the new programme, and have set up a subsidiary - English Estates Inner Cities - to run it.

2. Up to £11 million of public sector funding will go into the programme in the first year. Private sector involvement will also be substantial. Companies are being invited to adopt individual projects by providing land, buildings, investment or by seconding experienced managers to give business advice to tenant companies.
3. Projects are to be in England within Urban Programme Areas, with first preference to places within or immediately adjacent to the inner city task force areas. Projects are being considered in Manchester, Rochdale, Preston, Nottingham, Doncaster, Middlesbrough, Hartlepool, Spitalfields, Hackney and Peckham.
4. Projects will provide on-site or adjacent business advice and other support services, including training directed at the companies and their workforces. They will involve local interests to the maximum extent possible and will aim for a letting policy which gives preference to local people.

### BULL POINTS

#### Managed workshops

- provide new and small businesses with back-up: switchboard, receptionist, training, conference rooms etc
- encourage the local economy (knock-on effect)

**ENGLISH ESTATES: MANAGED WORKSPACE PROGRAMME**

**DEFENSIVE POINTS**

**Q1** Why can't any specific projects be announced now?

English Estates' negotiations with a number of private sector companies are at a sensitive stage and an announcement now could jeopardise those negotiations.

**Q2** Will English Estates be able to offer incentives to companies willing to support projects?

For projects offering good value English Estates will be able to offer incentives to companies willing to make substantial commitments. (The terms of partnership between English Estates and private sector companies are a matter for individual negotiation.)

**Q3** The Managed Workspace Programme will divert funds from English Estates' Assisted Areas programme

No. The resources for managed workspace do not affect the level of English Estates' expenditure in the Assisted Areas. Their forecast expenditure in the Assisted Areas in 1987/88 is £47 million and they have been authorised to increase that level to £49 million in 1988/89 if they can generate the necessary resources from asset sales.





CG/BG

DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

From the Secretary of State for Social Services

N-BPM  
PACG  
3/3

Peter Smith Esq  
Private Secretary to  
The Chancellor of the Duchy of Lancaster  
Department of Trade and Industry  
1-19 Victoria Street  
LONDON  
SW1H 0ET

3 March 1988

Dear Peter

ACTION FOR CITIES DOCUMENT

Thank you for your letter of 23 February. I am grateful for the opportunity to comment on the draft of 'Action For Cities', and am sorry not to have been able to meet your deadline. We have no comments on the substance of the document, but one on presentation.

*with request if required*

For reasons which my Secretary of State understands and accepts the document says nothing about DHSS programmes. That is entirely explicable in terms of the main thrust of the policy, which is that the key to improvement of life in the inner cities lies in measures to promote economic and environmental regeneration there; and in our emphasis on the role of the private sector, in helping to bring this about. The inclusion in the document of some aspects of social policy may nevertheless draw attention to the absence of anything about DHSS programmes and provoke unfavourable comment. To forestall that, we must be ready to emphasise in presenting the document that its main purpose is to focus on economic regeneration as the key to improvement; that it does not therefore aim to provide a comprehensive catalogue of Government activity in the inner cities; and that some substantial areas of activity are not therefore covered including the important contribution of the health and social services in providing support for those who need it.

I am copying this to private secretaries to other members of E(UP), to Trevor Woolley and to Eric Sorensen.

Yours sincerely  
Rod Clark

ROD CLARK  
Private Secretary

dti

the department for Enterprise

B

CCB

The Rt. Hon. Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster and  
Minister of Trade and Industry

Alan Ring Esq  
Private Secretary to  
Rt Hon Nicholas Ridley MP  
Secretary of State  
2 Marsham Street  
LONDON  
SW1A 2AS

Department of  
Trade and Industry

1-19 Victoria Street  
London SW1H 0ET

Switchboard  
01-215 7877

Telex 8811074/5 DTHQ G  
Fax 01-222 2629

Direct line 215 5147

Our ref

Your ref

Date 3 March 1988

Dear Alan

**ACTION FOR CITIES: DISTRIBUTION OF DOCUMENT**

The Chancellor of the Duchy discussed earlier today with the Cabinet Office Unit how best to organise the distribution of "Action for Cities" to individuals and bodies who will expect to receive copies from Ministers and Departments. The following arrangements were agreed.

The Chancellor will write himself to:

- (i) MPs representing the 57 Urban Programme areas;
- (ii) the Chairman of the Trade and Industry Select Committee (Kenneth Warren), the Trade and Industry Opposition spokesmen (Bryan Gould and Malcolm Bruce), and also Ken Hargreaves of the all-party inner city group;
- (iii) BiC, 3i, CBI, the Industrial Society and the Association of British Chambers of Commerce;

MA3ABQ



the department for Enterprise

(iv) the local authority associations (the ADC and the AMA), which have letters awaiting a reply from the Chancellor anyway;

(v) a selected number of church leaders.

The Cabinet Office Unit will make sure copies of the document are in the Libraries of the House before the launch. The DTI Inner Cities Unit has already asked CAT leaders to make arrangements for copies to go on 7 March to all the 57 local authorities.

The Chancellor is sure that your Secretary of State and other colleagues will want to let their own Opposition spokesmen and Select Committee chairmen have the document on 7 March. Your Secretary of State will also want to make his own arrangements to deal with the professional and trade associations with which the Department is regularly in contact on inner city issues. I should be grateful if you could let me know to whom your Secretary of State is writing.

I hope that these arrangements are clear and acceptable to everyone. I am sending copies of this letter to Paul Gray, Peter Baldwinson (DE), Philip Mawer (Home Office), Chris de Grouchy (DES) and Jenny McCusker (DTp).

Yours,

PETER SMITH  
PRINCIPAL PRIVATE SECRETARY

MA3ABQ

Overtake - not done  
to PM.

RA.

Reub

3/3

PRIME MINISTER

3 March 1988

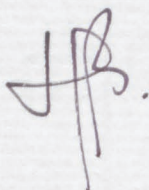
SPEECH NOTES FOR INNER CITY LAUNCH - MONDAY 7 MARCH

OUTLINE

- 1 The economy is successful but a problem which remains to be addressed nationally is the regeneration of derelict inner cities. You gave a pledge after the election. Since then time of serious thought. Today redeeming pledge.
- 2 Response jointly from all parts of the nation public sector (Government), voluntary sector (BIC, Phoenix and NAVS) and commercial sector (Elevenco/BUD). Welcome to all of these represented today.
- 3 Specific announcements from all parts of Government - list here.
- 4 Sound a chord of hope and confidence that regeneration can happen. Refer to your trip to Halifax last Friday. There valley filled with gloom. Largest carpet factory closed after the turmoil of the seventies. Today filled with new life, confidence and 200 businesses.
- 5 Not just about commercial regeneration through this is the keystone. It is about making places liveable - through education, through making towns attractive and people relieved of fear of crime. Above all, it is about the

creation of confidence of the British people in their own urban future.

Footnote BUD or British Urban Development is the trading name for Elevenco Ltd.

A handwritten signature in dark ink, consisting of stylized initials 'J.B.' followed by a period.

HARTLEY BOOTH

CF to file



10 DOWNING STREET  
LONDON SW1A 2AA

*From the Private Secretary*

2 March 1988

I am writing in the absence of the  
Prime Minister in Brussels to thank you  
for your letter of 29 February.

(P. A. BEARPARK)

Mr. Paul Reichmann.

DT

dti

the department for Enterprise

9A

The Rt. Hon. Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster and  
Minister of Trade and Industry

Mr Hamilton  
Political Office  
10 Downing Street  
LONDON  
SW1A 2AA

Department of  
Trade and Industry

1-19 Victoria Street  
London SW1H 0ET

Switchboard  
01-215 7877

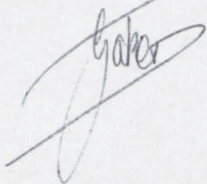
Telex 8811074/5 DTHQ G  
Fax 01-222 2629

Direct line 215 5147  
Our ref  
Your ref  
Date 2 March 1988

Dear Mr. Hamilton,

We spoke about the list of Bishops who it was thought appropriate that the Prime Minister should notify about the inner city announcements on 7 March. The list I attach was supplied by John Lyttle, the Archbishop of Canterbury's Adviser on Public Affairs. Mr Lyttle has asked if he could be included in the circulation. He can be contacted direct on 928 8282.

Yours sincerely,



CAROLYNE AKERS  
ASSISTANT PRIVATE SECRETARY

MA3AAP

ARCHBISHOP OF CANTERBURY  
LAMBETH PALACE  
LONDON SE1

Archbishop of York  
Bishopsthorpe  
York  
YO2 1QE

Bishop of Southwark  
Bishop's House  
38 Tooting Bec Gardens  
London SW16 1QE

Bishop of London  
London House  
9 Barton Street  
London SW1P 3NE

Bishop of Bristol  
Bishop's House  
Clifton Hill  
Bristol  
Avon BS8 1BW

Bishop of Chelmsford  
Bishopscourt  
Margaretting  
Ingatestone  
Essex CM4 0HD

Bishop of Coventry  
Bishop's House  
23 Davenport Road  
Coventry CV5 6PW

Bishop of Birmingham  
Bishop's Croft  
Harborne  
Birmingham B17 0BG

Bishop of Lichfield (INCLUDES WOLVERHAMPTON)  
Bishop's House  
22 The Close  
Lichfield  
Staffs WS13 7LG



Bishop of Leicester  
Bishop's Lodge  
10 Springfield Road  
Leicester LE2 3BD

Bishop of Sheffield  
Bishopscroft  
Snaithing Lane  
Sheffield  
S Yorks S10 3LG

Bishop of Wakefield  
Bishop's Lodge  
Woodthorpe Lane  
Wakefield WF2 6JJ

Bishop of Liverpool  
Bishop's Lodge  
Woolton Park  
Woolton  
Liverpool L25 6DT

Bishop of Manchester  
Bishopscourt  
Bury New Road  
Manchester M7 0LE

Bishop of Chester (INCLUDES A LARGE PART  
OF MERSEYSIDE)  
Bishop's House  
Chester CH1 2JD

Bishop of Bradford  
Bishopscroft  
Ashwell Road  
Bradford  
W Yorks BD9 4AU

Bishop of Blackburn  
Bishop's House  
Ribchester Road  
Clayton-le-Dale  
Blackburn  
Lancs BB1 9EF

Bishop of Ripon  
Bishop Mount  
Ripon  
N Yorks HG4 5DP

Bishop of Newcastle  
Bishop's House  
29 Moor Road  
South Gosforth  
Newcastle upon Tyne NE3 1PA

Bishop of Southwell  
Bishop's Manor  
Southwell  
Notts NG25 OJR

*See Vacant*

Bishop of Gloucester  
Bishopscourt  
Pitt Street  
Gloucester GL1 2BQ



RA

CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-235 200631

2 March 1984

Paul Gray King  
10, Downing St.

Dear Paul,

Action for Cities - Parliament

You will wish to see

- (a) Peter Smith's letter of today, attached.
- (b) Our minute to the Chancellor, also attached.

Yours

Eric.



CONFIDENTIAL

CONFIDENTIAL

DISTRIBUTION OF ACTION FOR CITIES

1. We need to decide at tomorrow's 11.30 meeting how and to whom Action for Cities is to be distributed.

2. Action for Cities is unpriced. Therefore particular care has been taken about its compliance with Government publicity conventions. Similar care needs to be taken with its distribution. The document is aimed at encouraging business and enterprise; this helps to define its audience.

3. Targeted distribution

- a) Parliament: copies should be placed in the Library of the House at the same time as the press conference (and possibly the press notices).

Opposition spokesmen and Chairmen of Select Committees should receive a copy when the Press conference begins. opportunity. Given the span of Action for Cities, there are several of these.

MPs representing the 57 inner city local authority areas should also receive a copy

- b) Local authorities: the local authority associations should have copies at the time of the press conference. Arrangements can be made through the Regional Offices to give the documents to the 57 local authorities

- c) business organisations and business leaders: a few will be present at the conference. Copies will be given to

- BiC
- CBI
- Industrial Society
- ABCC
- 3i

Given the targeting of the document should small firms organisations eg NFSE be included?

There are companies such as Dunn and Bradstreet who are familiar with targeting a large number of companies. We could be more restrictive by taking, for example, the Times top 1000, Task Force company contacts etc

- d) Professional and Trade Associations: each Department will have its own list of organisations which it deals with. These range from the surveyors, architects, training organisations, insurers and voluntary bodies

THIS IS A COPY. THE ORIGINAL IS  
RETAINED UNDER SECTION 3 (4)  
OF THE PUBLIC RECORDS ACT

TEMPORARILY  
RETAINED  
S. Gynn  
23/7/2016

4. Copies will go to the Archbishop of Canterbury and the Chief Rabbi.

#### Wider distribution

5. Distribution will be carefully targeted. There will be general requests for copies of the booklet, many through the Freephone service. But apart from the Freephone there is no information about how people can obtain a copy of the booklet. Should the address of a distribution house be included in the press publicity ?

#### Recommendations

7. I recommend that

- a) the Chancellor writes to Opposition spokesmen and MPs;
- b) he writes to leading business organisations;
- c) he writes to local authority associations;
- d) Regional Offices or CATs deal with the 57;
- e) each Minister writes to the trade and professional organisations which have dealings with their Department;
- f) subject to further advice from No 10 the Chancellor should deal with church leaders and VIPs

KRS

K E C SORENSEN

2 March 1988



the department for Enterprise

The Rt. Hon. Kenneth Clarke QC MP  
Chancellor of the Duchy of Lancaster and  
Minister of Trade and Industry

RESTRICTED

Rt Hon Douglas Hurd CBE MP  
Secretary of State  
Home Office  
50 Queen Anne's Gate  
LONDON  
SW1H 9AT

Department of  
Trade and Industry

1-19 Victoria Street  
London SW1H 0ET

Switchboard  
01-215 7877

Telex 8811074/5 DTHQ G  
Fax 01-222 2629

Direct line 215 5147  
Our ref  
Your ref  
Date | March 1988

PS/SOS  
PS/RA  
PS/SBH  
Miss L-smith.  
Mr Perry  
Ms McLean  
Mr Handbottle  
Mr Hill  
Mr Sorensen ✓  
(Cabinet office)

Dear Secretary of State,

**ACTION FOR CITIES**

Arrangements are well in hand for the launch of the Action for Cities Document on Monday 7 March. As you know, at the press conference for the launch, colleagues would be announcing a number of new initiatives. These will be accompanied by individual press notices. The Prime Minister has asked that the press notices have a common format under the Action for Cities logo. The design of the press notice is being finalised by Eric Sorensen's Urban Policy Co-ordination Unit at the Cabinet Office. At the same time we have been giving further thought to the common format for the text. We have decided that this should be a brief summary of the new initiative being announced followed by a quote from the relevant Secretary of State. We have worked through all of the drafts on this basis. I attach a copy of the resultant draft of the new initiative you will be announcing. I should be grateful if you could consider the draft and let Eric Sorensen have any comments, with a copy to my office, by 5pm today if possible. My apologies for the early deadline.

As you may be aware, I was asked to discuss with John Wakeham how best to inform Parliament of the new initiatives. I have agreed with him that there should be an ordinary written PQ for each of them. These will be answered at 11.00 am on 7 March, to coincide with the launch of the Document. There is a risk that

EC4AGX

P.A. and B (i.e. 3/3 p.m.)

PRIME MINISTER

ACTION FOR CITIES LAUNCH

IN FOLDER

Before you go to Brussels you may like to look at the present drafts of the material for next Monday's launch. There are three main items:

- (i) A draft of your opening statement. This has been put together by the Cabinet Office. I have discussed it with Bernard and we feel it is broadly on the right lines, but I have marked one suggested addition.
- (ii) A draft press notice summarising the action points. This is Bernard's work.
- (iii) Drafts of the opening statements by other Ministers. A number of these - particularly Messrs. Fowler and Clarke - are probably too long for two minutes. But you may like to look at the broad coverage proposed. One other point to note in this material is the example (at flag A) of the proposed format for all the press notices.

S. Morris

D. Clerk

P.P. PAUL GRAY

1 March 1988

Note

Spoke Eric Soessa and passed on the change to the opening statement. He will now circulate this pack to all other Ministers and seek to ensure all their contributions are trimmed back to 2 minutes.

RRG  
2/3

EL3COI

this will give rise to some concern in the House but John's advice, with which I concur, is that it is the best arrangement in the circumstances. In the case of your own initiative I would suggest the following wording for the question:

To ask the Home Secretary what further steps he is taking to combat crime in inner city areas?

I should be grateful if you could let me have any comments on the above draft as soon as possible. Could you also please let me know if you would like me to arrange for the question to be tabled. In any event, in order to avoid coinciding with other Action for Cities questions for answer on 7 March, and thereby possibly drawing premature attention to a major announcement on that day, I would like it to be tabled on Wednesday 2 March.

I am writing in similar terms to other colleagues who will be making announcements on 7 March, with copies to Eric Sorensen.

Yours sincerely,  
*Peter Smith*

PP

KENNETH CLARKE

(Approved by the Chancellor and  
signed in his absence)



Mr Gray



**CONFIDENTIAL**

**ACTION FOR CITIES LAUNCH**

1. As agreed I attach

IN  
FOWLER

- a) a draft of the Prime Minister's opening statement;
- b) a draft of the Press Notice covering all the announcements as amended by Mr Ingham. We need, of course, to marry the Prime Minister's quotation with her statement at the launch. We also need to add in a reference to another announcement - on Mr Fowler's School/Industry Compacts. This will bring the tally to ten Government announcements;
- c) drafts of the Ministers' statements, each one accompanied by their draft Press Notices.

2. The Secretary of State for Education is not issuing a Press Notice.

3. The Secretary of State for Employment may wish to add items to his Press Notice on his return from the USA.

*K.E.C.*

K E C SORENSEN

1 March 1988

- c Mr Ingham
- Mr Wilson
- Mr Lean/Ruth Thompson

ACTION FOR CITIES LAUNCH MONDAY 7 MARCH 1988

DRAFT OF PRIME MINISTER'S OPENING STATEMENT

1. The Government is today launching Action for Cities. The aim is to help our cities prosper by encouraging enterprise and civic pride. What is needed are good practical measures. This is what Action for Cities is about. These measures are not imposed by Government or local councils. They respond to people's aspirations and individual effort.
2. This is the eighth year of successive growth and we are now the fastest growing economy in Europe. This national economic success gives us better opportunities than for many years to help the inner cities prosper as they should.
3. Too often the impression which people have of our inner cities is one of dereliction and decay, of unrelieved gloom. I know from my own visits that this picture is false. There are examples galore of success. There is an immense well of energy and talent in our inner cities. Enterprise, initiative, new businesses and new investment are there for all to see.
4. What people want is the opportunity to benefit from our successive years of growth. The Government is giving them that opportunity through better education and training, through supporting enterprise and encouraging choice, through removing obstacles to development. We are now launching a drive to step up the momentum and make inner city decay a thing of the past.

5. The Action for Cities booklet brings out what can be done to regenerate our cities. Giving people the confidence that change is possible is such an important part of the process. The cover shows Salford Quays which I visited 10 days ago. Only a few years ago all that was here were the remnants of an inland port business, at the end of the Manchester Ship Canal, which was no longer competitive. 150 acres of dockland in the heart of the Greater Manchester conurbation lay idle, depressing to look at and a symbol of the need for change.

6. At Salford Quays I saw new homes for sale being built. I saw the new hotel. And alongside the new offices. A waterside restaurant and a marina are to come. And there is a multi-screen cinema. £25 million of pump-priming public money is encouraging total private investment of £150 million. It can be done and it is being done.

7. The measures we are announcing today add to the many radical and exciting initiatives already underway. The Urban Development Corporations are transforming the business climate of our cities. Private companies are helping people start up in business. They are also linking up with schools. The Government is spending a great deal of money to improve people's skills. These are practical and specific contributions to the regeneration of our cities. That regeneration rests on our wider economic, education and housing policies. These give local people more say and a stake in their communities.

8. The Government places much emphasis on the private sector. Of course public spending is essential to help prime the pump and to encourage people's initiative and enterprise. But it is the successful small businesses and the larger growing ones which generate the wealth and which provide jobs.

9. Competition ensures that the consumer is paramount and this is especially important in our inner cities. They have suffered from intervention which has not reflected people's wishes and not given them choices. Expensively built council estates have been massively rejected. Familiar neighbourhoods have been cleared in the name of planning.

10. What Action for Cities does is add to the momentum, opening up new opportunities, improving motivation and raising skills, encouraging business and enterprise, making cities secure and attractive places to live in. ↑

11. <sup>But</sup> I shall now ask my Colleagues to each say, briefly, what their latest contribution to Action for Cities is. First, the Secretary of State for the Environment.

So I am especially pleased that we have here today representatives of 3 important private sector organisations, who are today announcing details of their latest inner city ~~initiatives~~ initiatives.

You  
right  
who to  
add this.  
RRCB.

DRAFT PRESS NOTICEACTION FOR CITIES

7 March 1988

The Prime Minister, the Rt Hon Margaret Thatcher FRS MP, today launched a new drive to bring the benefits of Britain's economic success to the inner cities.

She announced nine new Government initiatives and <sup>? 10</sup> recommended three major private sector developments at a press conference to mark the publication of "Action for Cities", an illustrated booklet which sets out the Government's inner city policies and programmes.

Mrs Thatcher was joined at the launch in The Queen Elizabeth II Conference Centre, London, by six Cabinet Ministers - Douglas Hurd (Home Secretary), Norman Fowler (Employment), Nicholas Ridley (Environment), Kenneth Baker (Education), Kenneth Clarke (Chancellor of the Duchy of Lancaster) who has special responsibility for day-to-day coordination of inner city policies, and Paul Channon (Transport).

The Prime Minister said:

"The Government is determined to build on a strong economy a new vitality in our inner cities.

"In partnership with the people and the private sector, we intend to step up the pace of renewal and regeneration to make our inner cities much better places in which to live, work and invest.

"The new initiatives being taken by the Government and announced by the private sector show that we all mean business and that we are releasing the talent, enterprise and energy that is at the service of our inner cities.

"We are embarked on a great enterprise which will leave its mark on Britain for decades and carry our towns and cities into the 21st century in much better shape."

The new Government measures are:

- Urban Development Corporations: A new UDC in the Don Valley, Sheffield and the extension of an existing UDC on Merseyside.

The new UDC in the Lower Don Valley, Sheffield covers 2,000 acres to the north east of the city centre. It will have a budget of about £50 million over seven years.

- The area of the Merseyside Development Corporation is to be doubled by adding 800 acres on both sides of the Mersey. The enlarged MDC could spend between £50 million and £100 million over seven years in the new areas.
- **City Action Teams:** Two new City Action Teams are to be set up in Leeds and Nottingham in addition to the five established three years ago which have successfully pulled together Government support for enterprise and development in these areas.
- **City Grant:** A new simplified grant to support private sector developments in inner cities is to be introduced from May 1988. It will replace Urban Development Grant and Urban Regeneration Grant which have produced from the private sector over £580 million in investment, providing 28,500 jobs and more than 7,000 homes since 1982.
- **Unused Land:** The drive to bring unused and underused land onto the market is to be stepped up by requiring publication of information about land in public ownership.
- **New Inner City Roads:** Two new roads costing some £100 million, both of which will directly benefit inner cities - a £50 million improvement of the A13 between Limehouse and Dagenham and a £50 million spine route through the Black Country to the M5 and M6. [The £100m investment is on top of the £[...] already planned to be spent on roads in urban areas.]
- **Safer Cities:** A major new initiative to tackle crime and the fear of crime will be introduced in 20 inner cities over the next three years; some £2.3 million is being made available in the first year to support the initiative, which has been successfully piloted in five urban areas.
- **Action for Jobs:** More help for businesses and people seeking jobs in the inner cities, including strengthening the Small Firms Service and inner city Local Enterprise Agencies and appointing additional specialist staff to help unemployed residents.
- **Managed Workshops:** Provision of premises and business advice through English Estates to enable people to start new businesses in run-down inner cities areas. Up to £11 million of public funding will go into the programme in the first year.

- **Freefone:** The Government is introducing a single contact point - Freefone 0800-181518 - for information on Government inner city initiatives and, in particular, on what companies can do to help inner city regeneration.

#### NOTES TO EDITORS

1. The private sector is separately announcing three new initiatives today. In summary these are:

- **Business in the Community:** BiC is establishing eight teams headed by business leaders in a campaign to promote business involvement in inner city regeneration. They will focus on key areas of business involvement in education, training, small firms and investment.
- **Investors in Industry:** The venture capital group 3i is launching a new phase in its £10m inner city investment programme which has already put more than £2 million into schemes in London, Birmingham, Leeds, Manchester, Newcastle and Cardiff.
- **Elevenco:** The eleven largest British civil engineering and construction companies have formed a consortium which will seek out inner city sites to develop. The companies have pledged £55 million towards a rolling programme of development. The companies are:

2. The existing UDCs are..... Their total budget is.....

3. The existing CATS are.....

CONFIDENTIAL

ACTION FOR CITIES  
SECRETARY OF STATE FOR THE ENVIRONMENT

My Department is involved with the inner cities in nearly all aspects of its work, and we work closely with the other Departments concerned both at headquarters and in the regions.

Firstly there is our range of grant programmes. I am announcing today a new one called City Grant which combines and streamlines three existing types of grant in the inner cities (UDG, URG and private sector DLG). Last year these three grants put about £..m into the inner cities and attracted private sector investment of around £..m. Then there is the Urban Programme totalling £..m this year, and which is increasingly concentrated on local economic and environmental projects.

Secondly, I am announcing today a new initiative to increase the pressure on local authorities to publish details of the unused land that they own and to offer it for sale so that it can be put to good use. Our policies and programmes for environmental improvement, historic buildings, land reclamation and sport all have an inner cities dimension, often involving the voluntary sector. For example, we are the main source of funding for Operation Groundwork and UK 2000 although they are also attracting very substantial support from private sector sponsors.

Thirdly there are the Urban Development Corporations which are our most direct and positive contribution to solving some of the worst problems of urban decline and dereliction. We already have six UDC's in operation, with three more in the process of setting up, and today I am announcing proposals for a new UDC in the Lower Don Valley in Sheffield and for a major extension of the Merseyside UDC. So we will



Don have ten UDC's on the go, with a total programme budget of £..m this year rising to £..m in 1991, plus the huge private sector investment that they generate.

Fourthly, our new Housing policies are concerned very largely with the inner cities, improving the housing stock and increasing the range of choice for those who already live in the inner cities and those who would like to live there. Again the involvement of the private sector is essential and our proposed Housing Action Trusts will provide a new mechanism for achieving this.

All of these programmes in DOE are concerned with regeneration, reclamation, development and investment in the inner cities. That is my Department's distinctive contribution to the Government's urban policy.

## NEW CITY GRANT

A new grant - City Grant - was announced today by Environment Secretary, Nicholas Ridley. It will replace Urban Development Grant, and Urban Regeneration Grant in May 1988.

## City Grant will:

- support private investment in inner cities, providing jobs and better homes, which could not be carried out without grant
- bridge the gap between costs and value to allow a fair return on investment
- simplify procedures with quicker decisions direct from the Department of the Environment.

Announcing the new grant, Nicholas Ridley, Secretary of State for the Environment said:

"City Grant will simplify and speed up assistance to private sector developments in urban areas. It will encourage the private sector to invest in our most run-down towns and cities.

It will build on the success of Urban Development Grant and Urban Regeneration Grant, which together will have levered over £570m of investment and will have provided 25,000 jobs and 6,500 homes. In replacing these grants and private sector derelict land grant in the inner cities we shall introduce new procedures aimed at giving developers an early indication of the prospects of grant being available for their project.

We shall be consulting the development industry and others on those procedures before the City Grant starts in May."

DRAFT PRESS NOTICE

RELEASING UNUSED LAND IN PUBLIC OWNERSHIP

The Government is stepping up its drive to bring unused and underused publicly owned land onto the market so that it can be put to good use, the Environment Secretary Nicholas Ridley announced today.

It will keep up the pressure on local authorities [and other public bodies] through the land register system to sell unused and underused land. And it will ensure that [they] publish information about their ownership of such land so that housebuilders and other developers can see where there is potential for development and investment.

Mr Ridley said:

The Government has powers to force local authorities and other public bodies to sell unused and underused land and we have shown that we are prepared to use them. So far the statutory powers to compel disposal have been invoked for nearly 250 sites covering over 1,400 acres.

Since we brought the land register system into operation in 1981, some 50,000 acres of publicly owned land recorded on the register has been sold or brought into use as a result of publicity, financial discipline and forced disposals.

The recent report by the Audit Commission on local authority property management shows how better information and management can help to free wasted land and property assets. I will be consulting the local authority associations on measures to implement the Audit Commission's report.

DRAFT *Press Notice*

NEW URBAN DEVELOPMENT CORPORATION FOR SHEFFIELD

The Government is to set up a new urban development Corporation in Sheffield, Environment Secretary Nicholas Ridley announced today.

It will:

- be located in the lower Don Valley
- cover an area of about 2000 acres to the north east of the city centre
- have a budget of about £50 million over seven years.

Announcing the new corporation Nicholas Ridley, Secretary of State for the Environment said:

"The UDC will adopt the comprehensive and integrated approach to regenerating the lower Don Valley recommended by consultants last November.

"It will be backed by substantial Government funds and I expect it to work closely with the City Council and business interests in Sheffield.

"This is a tremendous opportunity to rebuild one of the most important industrial areas in the country."

MERSEYSIDE DEVELOPMENT CORPORATION TO BE EXTENDED

The Government is to double the area of the Merseyside Development Corporation, Environment Secretary Nicholas Ridley announced today.

It is proposed that:

- 1000 acres of land on both sides of the Mersey will be added to MDC's area;
- it will cover the North Docks and Parliament Street in Liverpool, land in Central Birkenhead and New Brighton;
- consultants will be appointed shortly to study the proposed areas and advise on boundaries;
- the MDC could spend between £50 million and £100 million over seven years in the new areas.

Announcing the extension Mr Ridley said:

"In seven years the Merseyside Development Corporation has transformed its area. It will have completed its task in about four years' time and I have now concluded that we should extend its scope.

"That is why I want the MDC to take in more land in the area which also need the direct and determined approach of the Development Corporation to restore economic vigour.

"The extension will be a major boost for Merseyside. Substantial extra Government money will be spent. This extension will enable MDC to <sup>build</sup> on the success of several big private sector investment schemes, announced recently."

CONFIDENTIAL

TRANSPORT IN THE INNER CITIES

\* Good transport is essential for the development of our inner cities.

\* Transport links them with the nation's commercial arteries. It stimulates new industries and helps create new jobs.

\* New ideas in public transport are breathing new life into run-down areas.

- the Docklands Light Railway has drawn private sector investment into London's East End.
- Manchester is planning to follow this example.
- bus operators freed from 50 years of regulation have brought new minibus services to housing estates and inner areas, which were bus-free zones.

\* We are assisting local authorities in improving inner city road links, so essential for enterprise and business growth. We are committed to paying them £300 million, half the cost of 120 schemes. The £32 million Bradford City Ring Road is one example.

\* Two fifths - £2 billion - of my trunk road programme directly assists the development of the inner cities particularly:

- in the West Midlands;
- in Manchester;
- in Newcastle; and
- in London.

\* More schemes will follow but today I am adding 2 major projects to my programme:

- a £50 million grant to build a road through the Black Country linking the Black Country Development Corporation area to the M5 and M6; and
- a £59 million improvement to the A13 between Limehouse and Dagenham, to assist the development of the Docklands.

An over £100 million vote of confidence in the Docklands and the Black Country.

A further example of our commitment to the regeneration of our cities.

INNER CITIES 7 MARCH 1988

STATEMENT BY KENNETH BAKER, SECRETARY OF STATE FOR EDUCATION AND SCIENCE

Education can do a great deal for the inner cities. There - more than anywhere - youngsters need a decent education if they are to have a better future.

Our education reforms map out that future. We are establishing a NATIONAL CURRICULUM of basic subjects. That will set new standards of education for all our children, whatever their background, wherever they live. Parents in the inner cities can be confident that their children will get a basic mainstream education.

Many children in the inner cities do not have access to the kind of schools which measure up to their parents' reasonable expectations. The Government has a set of radical policies to extend parents' influence and choice.

OPEN ENROLMENT means popular schools will take in as many children as space allows.

OPTING OUT will give parents and governors the right to take over the running of their children's schools.

CITY TECHNOLOGY COLLEGES are another kind of new school, designed to give children in the inner cities high quality education with a technological bias. Private industry will help fund and run the new colleges.

# ACTION FOR CITIES

7 MARCH 1988

## £109 MILLION ON NEW ROADS FOR EAST-END AND BLACK COUNTRY

Paul Channon today gave the go ahead for two new road projects. They are:

- a £50 million 100% grant for the construction of the Black Country Spine Route; and
- the £59 million improvement of the A13 between Limehouse and Dagenham.

The Black Country Spine Route will provide an improved link through the Black Country to the M5 and M6.

The A13 improvements will assist the redevelopment of the London's Docklands and will link into the LDDC's distributor road.

Announcing the new roads, Paul Channon, Secretary of State for Transport said:

"Good transport is essential to the regeneration of our inner cities. Good roads provide both for movement within inner cities and links to the national network.

"More schemes will follow.

"These two strategic investments will provide better transport links to stimulate new enterprise and jobs in these inner city areas."



DEPARTMENT  
OF  
TRANSPORT



The first one opens this September in Kingshurst, Birmingham; the second next year right in the heart of Nottingham. Prospective sponsors have already promised more than £16m to support the CTC Programme. Plans are in hand for CTCs in Middlesbrough, South London and Thamesmead.

A very encouraging start to a programme first announced just 16 months ago. And we are doing much more.

Our plans to give pupils and teachers DIRECT EXPERIENCE OF WORKING in industry and business will open up schools to the economic realities their pupils will have to face.

I'm delighted that my Department will be co-operating with the Department of Employment and the MSC in backing TWELVE NEW COMPACTS in inner city areas. Employers, schools and colleges will work in partnership. There are great mutual benefits to be had from this closer working relationship.

Getting that relationship right is a key factor in raising education standards and ensuring that children leave school with the qualifications they need for adult life.

Better prospects grow out of better education: that's what we intend to give the children who live in Britain's inner cities.

## SPEAKING NOTE FOR THE HOME SECRETARY:

### ACTION FOR CITIES LAUNCH

Intensified work against crime is an essential part of our Action for Cities. It is in the inner cities that people suffer most from crime and anxiety about crime. The fact and the fear of crime can stunt the lives of those who live there - not least by discouraging the creation of jobs. A special effort is needed.

The police already give a high priority to the problems of inner city crime; they will continue to do so. Theirs will always be the primary role. But crime is not solely a matter for the police. They need, and they should be able to expect, the support of all responsible members of society. Passive support is not enough. I want to see an active partnership between the police and local agencies and concerned individuals - leading to a concerted and well-targeted programme of effective action in response to locally identified crime problems. That is what the Safer Cities initiative will provide and encourage.

The Safer Cities initiative will build on the successes already achieved by similar, smaller scale, approaches to local crime prevention. Safer Cities projects will be established in 20 local areas over the next three years. In each area, work will be guided by a local Steering Committee which will bring together representatives from the police and probation services, local authority services, the business community, and voluntary groups. To help the

/Steering Committee

Steering Committee the Home Office will fund a project co-ordinator - a locally recruited person who will be a key figure in developing effective local action - and a small administrative team.

In a Safer City project area, local people will identify particular crime problems, decide how they can most effectively be tackled, put those decisions into practice and measure the results.

The action taken will vary from area to area; but in each there is likely to be a combination of physical security measures, improved design, better management of property and services, and a range of constructive activities to engage the energies and interests of those who are most tempted to engage in criminal activity.

The programme will be steered nationally by the Home Office Crime Prevention Unit, which will be able to provide advice when necessary and some modest financial support to help promising local initiatives to get off the ground. We intend shortly to approach local agencies, including local authorities, in potential Safer Cities areas. I am confident that, with the goodwill and commitment of local people working together against crime, the Safer Cities initiative will help to restore confidence and provide new and much needed opportunities.

**SAFER CITIES - TACKLING CRIME IN THE INNER CITIES**

'Safer Cities' - a new programme to tackle crime in inner city areas - was launched today by Home Secretary Douglas Hurd.

As part of this initiative:

- Co-ordinators, funded by Home Office, will be recruited in twenty inner city areas;
- they will gather around them local teams drawn from the police and probation services, the local authorities, voluntary groups and the business community.
- their task will be to identify the particular crime problems of those areas, design ways of dealing with them, see that those ideas are turned into action and measure the results;
- £2.3 million will be made available in the first year to pay for co-ordinators and support local initiatives.
- the Home Office expects to see eight of the twenty projects under way in the coming year.

The essence is local initiative and action to solve local problems - involving all of the local statutory and voluntary bodies and other Government departments including City Action teams and Task Forces.

Announcing 'Safer Cities', Mr Hurd said:

"We need to reinforce our policies in the cities with strong new action against crime. The Safer Cities initiative will build on the experience we have had with smaller scale pilot projects in five areas. Partnership between the police and the rest of the community holds the key to reducing crime. The special effort being made through the 'Safer Cities' programme will help those areas where the problem is most acute.

This new initiative is a crucial part of our Action For Cities campaign. 'Safer Cities' will not only improve the quality of life for inner city residents. It will also play an important part in making our inner cities the kind of place where local enterprise can flourish."

INNER CITIES POLICY DOCUMENT LAUNCH  
DRAFT SPEAKING NOTE FOR THE SECRETARY OF STATE FOR EMPLOYMENT  
(Yet to be cleared by Mr Fowler, who does not return from the  
United States until Wednesday)

The Government's commitment to stimulating jobs in our inner cities and to help people in those areas find work is substantial. My Department with the Manpower Services Commission already spends over £1.1 billion in providing unemployed residents with the skill and motivation to compete for jobs and in helping small businesses start-up and grow. Half a million people in inner cities are involved in our programmes. Unemployed people have been advised through over one million Restart interviews.

Enterprise and jobs are the key to inner city development and today, new initiatives are announced, building on our existing programmes, to reinforce our efforts and to focus support on those who most need it. In all this, we look to work closely with industry and commerce, which has its own major contribution to make to the development of the inner city economies.

First, we want to strengthen the links between businesses and schools to encourage young people to develop the right skills and aptitude for work and to encourage employers to take on inner city young people. The Industry-School Compact approach offers an effective route forward. I have asked the MSC to use its resources to encourage the development of 12 new Compacts. It will be for local groups of employers to agree such compacts with schools and colleges and to bid for our support. Once agreed, such schemes will benefit from special focussing of YTS and TVEI programmes. Our aim is to encourage employers to guarantee a job with training to all young people leaving school in those areas who meet the required standards of achievement and motivation.

Second, we want to ensure that all inner city residents know of our programmes and the range of help they offer, and have ready access to the job opportunities available. New measures are in

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hand to take our services out of Jobcentres and other offices. More specialist staff are to be appointed to help both the employed and unemployed to explore opportunities and to use our programmes to develop the skills needed for the new jobs arising. Information points, some based on new technology, will be developed to give immediate access to information on jobs in local centres such as libraries and community centres. Special help will be incorporated in the new training for employment programme to cover basic skills such as literacy, numeracy and English as a second language.

Thirdly, we are stepping up our support to small businesses in inner city areas. Jobs are only generated by healthy competitive businesses; the small business sector has a key role in building up local economies. We will be increasing the range of help directly available to small businesses in inner city areas by opening on a permanent basis six extra offices manned by the Small Firms Service. At the same time, specialist counsellors to work with ethnic minority businesses are to be appointed.

Further support will be given to those local enterprise agencies which, with private sector support, want to set up new projects aimed at helping inner city businesses. More encouragement and help are to be given to those going into self-employment under the Enterprise Allowance Scheme in our inner cities; and our training and employment programmes will do more to encourage people to consider self-employment as a work option. In the Inner City Task Force Areas, the banks will now receive a higher guarantee from Government for loans made under the Loan Guarantee Scheme; this, we hope, will encourage further bank lending in those areas.

Finally, the contribution of tourism to wealth creation and jobs, and improving the quality of life in inner cities is to be further encouraged. Tourism builds on heritage, it introduces new investment, it brings jobs and businesses to the inner cities and it helps makes cities better places in which to work and live.

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Today, I have asked the English Tourist Board to launch a new campaign to stimulate further tourism development. I hope to see businesses and local organisations come together to identify the wealth of undeveloped potential.

All these initiatives will build on our current substantial effort in the inner cities. They will encourage more investment and jobs and they will help local residents to compete for those jobs and to seize the opportunities now being created.



- The Manpower Services Commission will introduce new measures to encourage collaboration between employers, local colleges and other training providers to offer training relevant to the needs of local businesses.

Commenting on the plans, Mr Fowler said: "Our central concern in inner cities is that those who have the most difficulty returning to employment should be helped to take advantage of the new jobs now available.

The initiatives I have announced today will maximise the substantial investment in inner cities by my Department and the MSC. They will improve access to our training programmes, raise awareness of how they can help, encourage people to participate, and widen the range of opportunities available."

~~The full text of Mr Fowler's statement is attached.~~

NORMAN FOWLER ANNOUNCES MORE HELP FOR INNER CITY JOBLESS

New plans to help unemployed people in inner city areas acquire the skills they need to take advantage of the new jobs now available were unveiled today by Norman Fowler, Secretary of State for Employment, as part of the Government's inner city initiative.

- More specialist staff will work in local communities giving information and advice about the Government's training programmes.

- Inner city residents will be given more immediate access to information on jobs and training programmes, for example in community centres or libraries, in some cases using new technology.

- Training in literacy, numeracy and English as a second language will be included in the Government's new training for employment programme. Special Restart assessment courses will be set up for people lacking these basic skills.

- A campaign to recruit more employers as training providers, particularly for the new programme, will be mounted.

the workshop once the businesses start to move in. Our corporate partners will in effect "adopt a workshop".

The workshop programme will help to provide premises for small and new businesses and business advice to help them through the first difficult years of growth. Experience has shown that this is a very practical and effective way of encouraging enterprise in inner cities.

Wide range of today's announcements emphasises scale and scope of the Government's contribution.

Need to pull that whole effort together and concentrate it in on areas of greatest need.

Two new City Action Teams in Nottingham and Leeds will help us achieve that aim. Building on success of existing six. They will pull together the programmes and resources of DTI, DOE and DE. They will also have special top-up funds to make it possible for local projects - that would normally fall outside the national guidelines for Government programmes - to go ahead.

I have two further announcements which will help to carry forward all the programmes we now have and help more companies to become closely involved in our efforts.

DRAFT SPEAKING NOTES : MK CLARKE

There are two key themes in the Action for Cities Document which have been underlined by all the Ministerial announcements this morning.

- The first is the importance of co-operation between the private and public sector. The Government is anxious to encourage and assist more private companies to take a leading role in inner city revival. Our cities need business leadership and private sector investment.
- The second is the importance of co-ordinating the Government's activities, so that we get the maximum impact for what we put in by fitting our various policies together into one combined Government effort.

A major DTI contribution to co-operation between Government and the private sector will be made by a drive to provide more managed workspace for new business start-ups in inner city areas.

English Industrial Estates will lead for the Government and will receive up to £11 million in first year for the necessary physical conversion of suitable buildings. Private companies will contribute by offering financial and managerial backing to

made their cities great. 'City Fathers'. They can do so again. Our businessmen today have the resources, expertise and, I believe, commitment to help the Government make lasting and worthwhile changes in our inner cities.

Next month will see the beginning of a series of Action for Cities Breakfast meetings.

Ministers will make presentations - initially in six cities - to explain to businessmen how they can play their part in inner city revival in their city. We will explain how they can work with the Government in doing so. We will be presenting them with a 'menu' of ways in which they can become involved. We believe we can persuade even more businessmen that it is a sensible commercial activity for a successful company to play a leading role in regenerating the cities which are their trading base.

We are also setting up centrally a Freefone Action for Cities number to provide a single contact point for businesses interested in taking part. Our people in Whitehall will offer advice about the range of possibilities and ensure contact with the right Department on the ground in the right City to take the matter further.

Why this emphasis on businessmen? Because we believe that the key to getting life back into our inner cities - just as it has been in promoting national prosperity - is encouraging enterprise. Businessmen provided leadership in the past that

## PRESS NOTICE

### MANAGED WORKSHOPS - ENCOURAGING ENTERPRISE IN THE INNER CITIES

A major new programme providing more managed workshops for business start-ups in the inner cities was launched today by Trade and Industry Minister, Kenneth Clarke.

The initiative will:

- be run jointly by the private and public sector, with English Estates in the lead for the Government;
- receive public sector funding of up to £11 million in the first year;
- receive financial and managerial backing from private sector companies which will "adopt" a workshop in the town or city of their choice.

Announcing the commitment of Government money to the programme, Mr Clarke said:

"This is a major new programme to help new business in our inner cities. We want to make sure that premises and business advice are available in some of our most depressed

inner city areas so that people can start new businesses. English Estates are in the lead with substantial new funding and are already actively engaged in working up projects in Manchester, Rochdale, Preston, Nottingham, Doncaster, Middlesbrough, Gateshead, Hartlepool, Spitalfields, Hackney and Peckham.

Private sector companies will be involved either by investing directly in the projects or by providing land, buildings or experienced managers to give business support on site. English Estates are looking for as much private sector involvement as possible."



## PRESS NOTICE

### NEW CITY ACTION TEAMS FOR NOTTINGHAM AND LEEDS

Two new City Action Teams (CATs) - which pull together and focus the efforts and resources of the Departments of Industry, Environment and Employment - were launched today by Trade and Industry Minister, Kenneth Clarke.

- one CAT will cover Nottingham, Leicester and Derby;
- the other will cover Leeds and Bradford;
- both will be given special top-up funds to make it possible for local projects - that would normally fall outside the national guidelines for Government programmes - to go ahead.

Announcing the decision to form the new teams Mr Clarke said:

"Experience has shown how vital it is to get the maximum impact from Government programmes by zeroing them all in on the areas of greatest need. City Action Teams have already proved their worth in six other cities by focussing our efforts more closely. They have also encouraged private sector companies to chip in and do their bit. This is the nuts-and-bolts end of inner city policy, but it is nonetheless crucial for that."

NOTES FOR EDITORS

1. The City Action Teams were originally set up in April 1985 to cover the Inner City Partnership areas of London (Hackney, Islington and Lambeth), Birmingham, Liverpool, Manchester/Salford and Newcastle/Gateshead. A sixth Team - the Cleveland Co-ordinating Committee - was set up in February 1986. The Teams consist of the Regional Directors of the three main Government Departments with a local presence - DTI, DE and DOE. Leadership of the Teams is shared between the three Departments.

2. In the Inner City Partnership areas covered by the Teams, the three Departments are estimated to be responsible for programme spending of at least £850m in 1987/8. The Teams aim to co-ordinate Government help to, and action in, the areas they cover with a particular focus on boosting business confidence and development, improving training and the build environment, and encouraging small business development.

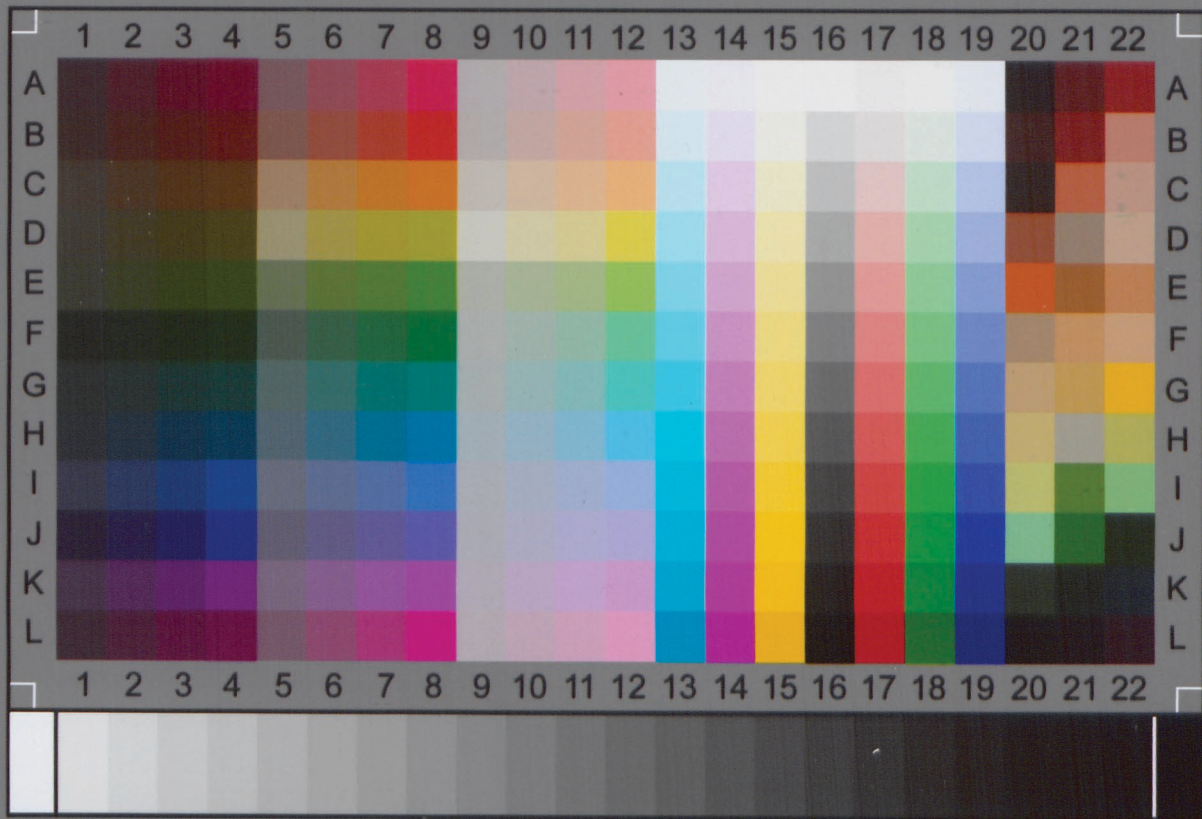
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PART 12 ends:-

Scottish office to Cad office (Sorensen)  
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PART 13 begins:-

PG to PM 1-3.88



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Date	NORTH EAST	NORTH WEST	YORKSHIRE & HUMBERSIDE	EAST MIDLANDS	WEST MIDLANDS	SOUTH WEST	SOUTH EAST
28 March		Mr Atkins: Preston, Moss Side  Mr Trippier: Liverpool (speech)					Mr Patten: North Peckham
29 March	Mr Channon: Teesside		Princess of Wales: Brigg				
30 March		Mr Trippier: Knowsley; Liverpool (speech)					
6 April						Mr Cope: Bristol	
8 April		Mr Ridley: Liverpool (speech)					
11 April	Mr Thompson, MAFF: Birmingham						
13 April	Mr Clarke, Mr Cope: Newcastle (working breakfast)					Mr Lee: Bristol	Mr Trippier: Brent
14 April							Mr Clarke: London

Date	North East	North West	Yorkshire & Humberside	East Midlands	West Midlands	South West	South East
18 April					Mr Trippier: Birmingham		Mr Clarke: London (C&I)  Mr Clarke: London (ETB)
19 April			Mr Cope: Sheffield				
20 April							Mr Clarke: Church Urban Fund, Westminster Abbey
21 April							Mr Clarke: Vauxhall Conser- vative Association (Speech)
26 April		Mr Lee: Bolton	Mr Clarke, Mr Trippier: (working breakfast) Leeds				
29 April					Mr Fowler: Walsall, speech		
3 May							Mr Clarke: Conference, Lancaster House, Business in the Community, speech

Date	North East	North West	Yorkshire & Humberside	East Midlands	West Midlands	South West	South East
9 May		Mr Atkins: Preston					
10 May							Mr Clarke: Federation of Civil Engineering speech
11 May		Mr Cope, Mr Trippier (working breakfast) Manchester					
12 May	Mr Trippier: Institute of Building, Newcastle, speech						
13 May		Mr Fowler: Bolton					
17 May							Mr Trippier: Barking and Dagenham
19 May						Mr Lee: Plymouth	Mr Nicholls: Health and Safety in Docklands

Date	North East	North West	Yorkshire & Humberside	East Midlands	West Midlands	South West	South East
23 May	Lord Young: Newcastle, speech						
24 May		HRH Prince of Wales, Mr Trippier: Liverpool			Mr Clarke, Mr Cope: (working breakfast) Birmingham		
26 May					Mr Lee, Walsall		