

## PRIME MINISTER

I am sending you separately my report to cabinet colleagues on Merseyside. The problems of Merseyside are political and organisational as well as economic and social. My experience there has convinced me of the value of a continuing Ministerial presence as I have suggested in my report. I have suggested that you may wish to extend the proposals to other conurbations where the problems are of the same kind if not quite so acute.

I believe that the drive and commitment of a senior Minister identified to an area can make an immense difference to getting things done through harnessing the efforts of central government with those of local government and other local bodies.

In making this proposal I considered a range of solutions. You might for instance appoint a Minister for Urban Affairs without other functional responsibilities. You could appoint a number of Ministers of State for each of the conurbations or a senior political figure as a commissioner. I cannot recommend any of these alternatives, for the reality to my mind is that a senior Minister, preferably a cabinet Minister, can command a degree of authority and has access to the scale of power that cannot be matched in any other way.

My suggestion therefore is that you could appoint me and several of my colleagues, preferably those in charge of the relevant departments, each to exercise special responsibility for one of the conurbations. Our tasks would be to co-ordinate the activities of central government; to act as trouble-shooters and take initiatives; and secure maximum value for money from expenditure programmes.

One of the essentials is to increase the flexibility of government action. This may mean altering policies in relation to particular local needs and conditions. Clearly it would be right in the first place to seek the agreement of the Minister responsible for the policy. But failing agreement there would have to be machinery for considering and resolving these issues. I think it would also be important for Ministers with conurbation responsibilities to keep you and one another in touch with developments. If therefore you decide to appoint some of your colleagues to have special responsibilities for the conurbations you may also wish to set up a cabinet committee under your Chairmanship to review progress from time to time and to settle outstanding issues.



## CONFIDENTIAL

In my report I have made only passing reference to the other conurbations. If you are attracted in principle to the idea it will be necessary to decide how many conurbations were to be covered by the new arrangements. Merseyside and Manchester, West Midlands and Tyneside are clear cut cases. Parts of Inner London certainly merit special attention though the complications would be immense. And there is also a case to be made for the metropolitan areas of South and West Yorkshire.

In passing, I know you will have appreciated the media impact open to anyone undertaking the local tasks I have mentioned. It is not without its political opportunity.

Naturally I make no suggestions about Ministerial appointments beyond suggesting that so far as possible Ministers with functional responsibilities relating to the conurbations should be considered first.

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13 August 1981