



PRIME MINISTER

INNER CITIES

The Cabinet Office Interim report on Inner Cities, E(UP)(87)3, is a useful start to our work and sets out clearly the problems with which we must deal. The case studies illustrate the enormous variety of the different inner city areas; there can be no single solution.

2 We need to prepare our next steps but must be careful to avoid raising expectations too high. It will take years for the inner city areas to be restored; by the early 1990s we can only expect to have demonstrated - in a few areas - that solutions are possible. The best way to achieve this will be a comparison of developments in those areas with what they were like in 1987. The preparatory work to establish the "before" position must be done now.

3 We could launch our initiative by a White Paper in the autumn, perhaps with an accompanying document designed for a more popular circulation. It should set out the areas chosen for this purpose, the problems and the action proposed. I recognise the risks but believe such an approach is necessary. It will demonstrate our commitment and produce a firm timetable and focus for action, not just by Government but by others. I see no other way in practice to ensure that the detailed work required of a large number of government departments is coordinated and kept to time. Essentially this amounts to imposing the equivalent of Rayner-type disciplines in order to manage the programmes in a business

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like way and identify clear lines of responsibility. In any case, I am sure we need a system of internal targets and deadlines, even if we decide not to make them public.

4 Whether or not we issue a White Paper, we must decide the next work to be done by officials, so that they can take it on during the holiday season. I see no need for a meeting to discuss the interim report but it would be helpful if a firm timetable could be set for the next phase. I suggest that we should aim to agree about 20 areas for inclusion in the programme by 18 September. This would take into account their particular circumstances and the programmes already started or in prospect.

5 Based on this work the detailed plans for individual government departments in those areas should then be ready by 30 October. I realise that this will have to run in parallel with the PES discussions but I see no alternative if we are to maintain the momentum; in any case we shall look principally to the better direction of existing funds rather than increases in expenditure. Obviously it would be helpful if you could set a timetable of this kind yourself.

6 I am copying this minute to Sir Robert Armstrong.

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27. July 1987

DEPARTMENT OF TRADE & INDUSTRY

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