

UP⁷ No. CR



DA
or DTI
CO
be BG

10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

28 September 1987

Sean M. O'Brien

I know that my office have been in touch with you about your letter of 30 July and the excellent report you enclosed on business in the inner cities. But I wanted to write to add my thanks for the obvious hard work which had gone into the production of such an impressive document. I am most grateful for your many suggestions for Government policy - as you know, these are now being considered by those most closely concerned.

The ideas which you expressed in the report are very much in tune with my own, and I am very much looking forward to continuing my involvement with Business in the Community. In particular I have asked my office to keep in touch with you with regard to the possibility of my becoming involved with the annual Dragon Awards for Business Involvement in the Community.

One suggestion I have heard is that Business in the Community might publish their ideas in a form directed at the business community itself. Such a venture would certainly have my full support.

With very best wishes,

Yours sincerely

Margaret Thatcher ✓

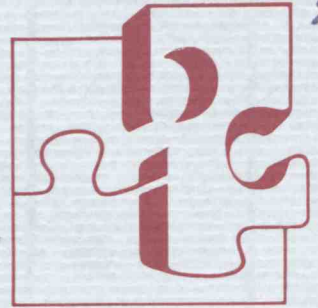
Stephen O'Brien, Esq.

OK Ack please, and return. DCW. 27/11

Business in the Community

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

27/11
file
BF Thws.
President: HRH The Prince of Wales



Rt. Hon. Margaret Thatcher MP,
Prime Minister,
10 Downing Street,
London,
SW1.

Our Ref: RSOB/pd
25 November 1987

Dear Prime Minister,

Since we last spoke about the leadership roles which Business in the Community and private sector business could play in inner city regeneration initiatives, Sir Hector Laing and I have made enormous progress in securing the support for the ideas I discussed with you from top business leaders associated with BiC. At our Annual General Meeting in Birmingham tomorrow, to be attended by over 400 leading figures from the business world and local communities, Sir Hector Laing and I will be making a series of announcements about how BiC will be taking this forward.

First, we have gained considerable support for the idea of a series of business led 'Target Teams', each comprising half a dozen or more top business leaders and chaired by leading figures from City institutions and industry who will focus on getting many more private sector companies actively engaged in taking practical inner city regeneration initiatives around the country. I have attached a list of the first eight, which will be dovetailing their thinking and activities with government inner city policies, and promoting business led initiatives in the fields of training, education, enterprise and small firms development, inner city property development and investment.

They will be commencing work as soon as possible to maintain the momentum and will be reporting their targets and results to you through Sir Hector Laing. It would be enormously supportive if, through your office, it could be arranged that you could send the respective Target Team chairmen a brief letter of encouragement.

Secondly, in discussion with the major national private sector sponsors of the almost 300 enterprise agencies around the country, together with the relevant government officials, we have been developing a practical action plan to expand their activities from their traditional role of assisting small firms start-up to broader economic regeneration initiatives in up to 20 selected inner city areas. These independent enterprise agencies, whose local Boards comprise groups of local business

leaders, will play a crucial role in promoting and delivering more private sector leadership for the urban regeneration initiatives we have already piloted in Halifax and elsewhere. In due course we will be bringing together the chairmen of the local 'business action teams' who will be leading this exercise, and we would like to think of some suitable way by which you might consider associating yourself with their efforts.

You asked me to come back to you if there was something that you might do to help get these private sector led initiatives underway. We are now poised on the brink of getting this action plan underway, with considerable private sector enthusiasm and support and Sir Hector Laing's leadership of BiC. If we are to be successful in greatly increasing the results of the 20 or so selected inner city enterprise agencies it is now important that the government departments most closely involved with the enterprise agencies, led by the Department of Employment consider with some urgency a number of changes in their existing level of support for enterprise agencies so as to match the offers of greater private sector support and leadership:

1. by modifying the Department of Employment 'Local Enterprise Agency Grant Scheme' so as to allow private sector contributions to increase amongst the 20 or so target agencies without an equivalent decrease in level of grant, which would otherwise be a major disincentive for increase private support;
2. by increasing the overall resource allocation under the grant scheme at least to match additional private sector resources being offered for initiatives undertaken by the 20 or so target agencies. We would of course assume that the existing government support to agencies outside inner city areas which are also supported by the private sector would not be reduced.

In addition there are a number of other avenues which we are pursuing with government departments, such as secondments, collaboration with DTI Task Forces, dovetailing with MSC programmes and the DOE inner cities programme.

We are enormously grateful for your interest and encouragement at such a significant moment for the development of private sector initiative.

Yours sincerely
Stephen O'Brien

STEPHEN O'BRIEN

cc: Sir Hector Laing

URBAN REGENERATION BiC TARGET TEAMS

The following BiC Target Teams are being established, to commence work at the start of the New Year, to promote greater private business leadership in urban regeneration through practical local action programmes targeted at selected inner city and other priority areas. Each is chaired by a leading figure from the City or industry and will comprise a handful of top business leaders drawn from the 300 members of BiC's Governing Council.

PRIORITY HIRING AND TRAINING

Chaired by David Rowland, Deputy Chairman of Willis Faber, to promote action by employers to target their recruitment and training at unemployed inner city youngsters.

BUSINESS AND EDUCATION PARTNERSHIPS

Chaired by Martin Findlay, Deputy Chairman of Whitbread, to promote school based partnerships between employers and the education system to improve school performance and employment opportunities for school leavers.

ENTERPRISE DEVELOPMENT

Chaired by Kent Price, Chief Executive of the Chloride Group, to develop the capacity of enterprise agencies for business growth and economic development.

LOCAL PURCHASING

Chair to be announced, to promote action by big firms to assist small firms through purchasing and contracts.

ENTERPRISE AND THE BUILT ENVIRONMENT

Chaired by Brian Corby, Chief Executive of Prudential, to promote business involvement in job creation through property developments, housing, workshops and improvement of the built environment.

INVESTMENT FOR ENTERPRISE

Chaired by Sir David Scholey, Chairman and Chief Executive of Warburgs, to promote private sector initiatives in loan funds and investments for minority enterprise.

In addition, BiC is appointing two further Target Teams associated with the process of increasing business involvement in local partnerships for urban regeneration.

MARKETING PRIVATE SECTOR INITIATIVES

To be announced, to promote far greater private sector commitment to local initiatives and the philosophy and corporate benefits of community involvement policies.

VOLUNTARY SECTOR INITIATIVES

Chaired by Claude Hanks-Drielsma, Chairman of the Management Committee of Price Waterhouse & Partners and Chairman of Action Resource Centre, to provide a focus for collaborative initiatives by the key voluntary organisations associated with BiC and corporate community involvement.

LOCAL 'BUSINESS ACTION TEAMS'

The national Target Teams will be complemented by the growing number of local 'business action teams' which exist around the country, associated with BiC activity in regions. In the coming months BiC will be reviewing how it can assist the growth and impact of these various forms of employers groups, sponsors groups and BiC regional boards, and linking them into the national BiC structure to provide a more dynamic thrust towards business involvement in local regeneration.

5777P

~~CCB/UP~~

PRIME MINISTER

MEETING WITH STEPHEN O'BRIEN

You are meeting Stephen O'Brien at your request. He had earlier sent you the two papers which are in the meeting folder. Also in the folder are a note by Eric Sorensen about BIC together with a note by Brian Griffiths.

BIC are proposing to identify five or six business leaders who would be involved in selected inner city local enterprise agencies, together with a team of committed local businessmen. This is along the lines you have had in mind in thinking about Sorensen's report on the inner cities. I suggest you might concentrate on this idea and on how it can be made to mesh in with the Government's own initiatives including particularly the City Action Teams and task forces. Ideally the efforts should be merged, rather than run in parallel.

Amanda Ross

PP

DAVID NORGROVE

20 October 1987

ECL/54

CCB/JP

PRIME MINISTER

20 October 1987

BIC MEETING: STEPHEN O'BRIEN

The Cabinet Office brief describes BIC's proposals to promote business leadership in a number of inner city locations. We believe this is a very exciting development which, if successful, will prove that business leadership can be forthcoming to carry the torch.

We believe we have reached common ground with Stephen O'Brien on the way in which these teams would operate, but you might like to run over the following questions to get his perspective first hand.

1 How wide a remit will the business leadership teams have?

The remit will obviously depend on the local group. We believe they can have a powerful role in creating an umbrella "vision" for the regeneration of the city, together with a few flagship projects in a variety of areas:

- major redevelopment opportunities
- business contribution to education
- marketing the city
- rebuilding local pride.

They should be providing a framework rather than getting involved in detailed initiatives.

You might ask him to be very specific in providing examples of how it will work.

2 What formal authority should they have?

In general the BIC team should be completely outside the

public sector, although it will need to build close links with local authorities and Government departments. It will exercise leadership through the stature and local base of the individuals, rather than through any formal designation.

3 How big an area should each team cover?

We suspect they will work best if they cover all city communities - such as the Glasgow Action Team - rather than a specific area of deprivation within the city. Other initiatives or Task Forces within the umbrella framework may take responsibility for providing business leadership in more localised areas.

4 What support is required from the Government?

The teams must be seen as a private sector initiative, built on the commitment of individual business leaders, rather than appointed by Government. Once established, however, it would be very helpful for you to endorse and publicise their approach. They are certainly not in the business of asking for new forms of Government subsidy.

5 Is the business leadership forthcoming?

BIC believes so, and Stephen O'Brien may be able to suggest some tentative names for his leadership teams. In some areas the problem may be too many prima donnas.

Conclusion

At the end of the meeting you will want to have some assessment of how much faith you can put in BIC delivery on what they promise, while assuring Stephen O'Brien of your enthusiastic support.

NRB
NORMAN BLACKWELL



10 DOWNING STREET

Prime Minister!

Would you like to
have Stephen O'Brien
of Business in the
Community in for
a talk?

Yes no

DCW
30/9.

NB: C/F Reject

PRIME MINISTER

28 September 1987

Business in the Community

I enclose a paper from Stephen O'Brien which outlines the way forward as BIC see it in setting up local, private sector "Target Teams". It complements the note which Norman Blackwell and myself put in last Friday evening on supporting local leadership. BIC is an important group through which it might be possible to identify such leadership.

One word of caution is needed. The paper does not ask or suggest increased Government funding for the Inner City initiative. Last Friday however Hector Laing telephoned and asked if I could clarify what the future position might be. He would like to ask existing contributors to double their contributions. He expects that they might agree but in return ask for some fiscal incentive from central Government.

Might this matter be raised at E(UP) on Thursday?

Brian Griffiths

BRIAN GRIFFITHS