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PRIME MINISTER

5 November 1987

AGW  
6/11.

MAINTAINING MOMENTUM ON INNER CITIES

On the night you won the General Election your statement on inner cities raised enthusiasm and expectations. However, there are now growing 'mutterings' that we are not following through fast enough with proposals and action. We thought you might find it useful to do a short round-up of where we are, and what needs to be done to maintain momentum.

Breaking silence

While the Government's apparent silence may seem puzzling to those outside our discussions, we do not believe it has yet been damaging; indeed it has probably stimulated a lot of thinking and initiative in the private sector that would not have taken place if you had declared in July that Government had the solution to the inner cities problem. However, while a period of discomfiting uncertainty may be both healthy and inevitable, our business contacts are probably right to warn that business may begin to lose both interest and confidence unless Government can soon demonstrate that it knows where it is going and what role it expects business to play.

We are now close to being able to do that with the discussions we have had on business leadership and the work that Eric Sorensen is now undertaking on focussing Government programmes. We are developing a note on 'partnership' which brings these together, setting out how the combination of effective Government action and the confidence created by business leadership can reinforce each other to produce high levels of private sector/public sector leverage. We can now also point to the role that BIC and now the CBI are playing in taking up your challenge in a way that would not have been credible earlier in the summer. But we need to "go public" soon to maintain momentum.

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Key decisions

This requires urgent decisions on a number of questions on which we suggest possible responses.

- 1 When should we target to produce a Government publication, and what form should it take?

For discussion at your next meeting. But you could ask for preliminary work to begin now. Agree? Yes Mr. DAV.

Announcing a publication date of early February now would be very helpful in crystallising internal and external thinking and would provide enough leadtime to prepare photographs, etc. We support a glossy presentation rather than a conventional White Paper.

- 2 Who should play the lead communication role?

For consideration later.

Your role in chairing the Committee is crucial and the initiative must remain closely identified with yourself. But there is a strong case for someone being put in charge of the process of selling the Government's approach and acting as a lead contact for business organisations who want to become involved. Much needs to be done to ensure the Government gets full credit for what is achieved. If you agree, the sooner the better - even if we have to settle for a non-cabinet minister.

- 3 Where should Government focus national resources in order to get rapid results?

For your next meeting.

This will be the subject of Eric Sorensen's next paper, and will be heavily influenced by where the private sector believes it can mobilise leadership. We should aim for a concrete decision at the next meeting.

- 4 What mechanics are needed to co-ordinate Government programmes on the ground?

For your next meeting.

Extending CAT teams is not enough - we need an individual

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in each area who can actively weld together packages across Government departments to meet the needs of particular development opportunities. An individual seconded to take this role in a particular city could either report to the City Action Team or work with private sector leadership - like the Staff Director seconded from the SDA to Glasgow Action. A decision on this is also needed at the next meeting.

5 What is the future of Eric Sorensen's cabinet office team?

*I should like to explore this with Richard Wilson and then put advice to you. RTA is likely also to have views.*

There is a programme of work to complete which is put at risk by current uncertainties. To counter pressures from DOE to pull this unit back into the Department, reinforced by concerns by some in the Cabinet Office about its continued role, we strongly recommend that you confirm the continued need for this unit as a central resource for at least six months - giving time to launch the policy statement, co-ordinate action on the ground and provide a central liaison point for BIC, CBI and other corporate contributors. If you appoint a minister to lead the communication of Government policy, this unit would provide essential support.

In short, we do not need to panic - but we do need to ensure that we have something to say soon enough to maintain momentum and get the multiplier effect of private sector involvement working on our behalf.

We attach a rough diary of events over the next 6 months.

*NRB.*

NORMAN BLACKWELL

*HB.*

*PP* HARTLEY BOOTH

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INNER CITIES 'DIARY'

Probably  
23 November.

- 1 Your next meeting is due to be held in 3/4 weeks - possibly 25 November or 2 December.
- 2 The selection of candidates for local leadership is going ahead largely through BIC and CBI. BIC will publicise their approach at their AGM on November 26th, but will probably hold back from committing to specific cities until the Government has had time to consider priorities. However, they might be in a position to announce 6 new BIC target areas early in the new year.
- 3 The Government's presentation package could be ready early February.
- 4 You have scheduled visits in the early New Year to Dean Clough and more inner city areas. These will be opportunities for further statements.
- 5 In February/March you might hold the proposed Inner City seminar - helping further to mobilize private sector interest and commitment.
- 6 A number of local presentations/roadshows could take place in the spring?
- 7 The CBI task force will be working through the first half of next year and can build on the Government's policy statement to draw in a wider business commitment by the summer.

This could be a useful exercise, but it might be given when the White Paper is published.

In due course would you also like us to work with Eric Sorensen to produce a draft speech or statement for you to set out the direction of Government thinking? A statement from you before Christmas presaging the formal policy document could be helpful - it might be released, for example, in response to BIC announcements.

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