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PRIME MINISTER

MINISTERIAL RESPONSIBILITIES FOR THE INNER CITIES

When Mr Ridley sees you tomorrow, he is likely to say how unhappy he is with your plan that Mr Clarke should take responsibility for the co-ordination of policy and presentation on inner cities.

Mr Ridley may well say that it would be better to leave things as they are rather than give Mr Clarke this work. He may also argue that one possibility would be for Mr John Patten to take on the co-ordinating function in addition to his present responsibilities as Minister of State at the Home Office. The main problem here is that Mr Patten is already heavily burdened in the Home Office, particularly in getting the Criminal Justice Bill through the Commons. Indeed, Mr Hurd, who knows nothing of the current discussion but who has seen newspaper reports, has told the Chief Whip that he would be most reluctant to lose Mr Patten. In any event, the objections already identified to the Minister of State in the Cabinet Office approach apply to this approach too.

Mr Ridley is the loyalist of Ministers who carries a heavy burden. I am sure that you will want to give him every possible assurance. I suggest below how this might be done.

His concerns are broadly two-fold:

- (i) The presentation of your decision:
He fears that the decision would be treated by the press as a "defeat" for him (and perhaps Lord Young), a defeat made more unpalatable because of the different political approaches referred to at (ii) below.
- (ii) Possible policy consequences of the decision:
Mr Ridley may fear that Mr Clarke's interventionist

approach will conflict with the market and enterprise oriented approach which he believes that you and he share. He may believe that this could result in Mr Clarke steering the development of inner city policy in undesirable directions.

The Presentation of your Decision

Mr Ridley's fears about press presentation have some substance. There have been too many stories about Ministerial jockeying for position. Journalists will read the runes of your decision to discern who has "won the battle". Good presentation should go a long way to put a stop to such stories. You could tell Mr Ridley that the presentation will make clear that:

- (i) Mr Clarke will operate under your direction. He will in no sense be the inner city "supremo". Your close relationship with Mr Ridley on inner city matters will continue. Mr Clarke's draft terms of reference are at Flag A. Note the underlined passages which make clear that he will be operating under your direction.
- (ii) The press notice will similarly emphasise that Mr Clarke will be operating under your direction. A possible draft is at Flag B. You could ask Mr Ridley whether he has suggestions to make on the draft.
- (iii) Bernard will make clear in his briefing, in the firmest terms, that anyone who interpreted your decision as a "victory" for any Minister is barking up the wrong tree.
- (iv) Mr Ridley himself should make clear that he was relaxed about, and indeed welcomed, Mr Clarke's appointment. You would tell Mr Clarke (and Lord Young) in unambiguous terms that anything they say about the appointment was supportive of

Mr Ridley.

Possible Policy Consequences of your Decision

Under this heading, you can assure Mr Ridley that Mr Clarke will be operating under your close direction so you can ensure that the policies you and Mr Ridley share will be kept to firmly. You could tell him:

- (i) You will be ready to hold regular meetings with the three lead Ministers (Lord Young, Mr Ridley and Mr Clarke) - perhaps over breakfast - as part of your oversight of Mr Clarke's work.
- (ii) You will want to keep in close touch with Mr Clarke's work by regular meetings with him. Obviously, you would be prepared to see Mr Ridley if he has any concerns at any particular time. All he need do is to be in touch with your office, either to ask for a bilateral, like your present meeting, or a meeting of the small group referred to at (i) above.

I suggest that you make the points under the two headings above to Mr Ridley. You would of course be ready to do more if he had anything further to suggest.

N.L.W.

N.L. Wicks

25 November 1987

POSSIBLE TERMS OF REFERENCE OF THE CHANCELLOR OF THE DUCHY
OF LANCASTER

- a. assisting the Prime Minister in the management and co-ordination of Governmental policies towards the inner cities;
- b. ^{7/2} co-ordinating and directing the presentation of Government policies towards the inner cities, under the Prime Minister. This would include making regular visits to the areas chosen for special attention and co-ordinating the visits of other Ministers, with appropriate briefing;
- c. being available as an additional point of contact for business interests and others wishing to contribute to or know about Government policies towards, and support for, inner cities.

POSSIBLE TERMS OF REFERENCE OF THE CHANCELLOR OF THE DUCHY
OF LANCASTER

- a. assisting the Prime Minister in the ~~oversight and~~ co-ordination of Governmental policies towards the inner cities; *the implementation of*
- b. co-ordinating and directing the presentation of Government policies towards the inner cities, under the Prime Minister. This would include making regular visits to the areas chosen for special attention and co-ordinating the speeches and visits of other Ministers, with appropriate briefing;
- c. being available as an additional point of contact for business interests and others wishing to contribute to or know about Government policies towards, and support for, inner cities.

DRAFT PRESS NOTICE

INNER CITIES

The Chancellor of the Duchy of Lancaster, Mr Kenneth Clarke, will, in addition to his duties in the Department of Trade and Industry, take responsibility, under the Prime Minister, for the co-ordination of ^{Government policies} policy and presentation ^{there} on inner cities.

Notes for Editors

1. Mr Clarke will assist the Prime Minister in the ^{day to day} oversight and co-ordination of Government policies towards the inner cities; ^{provide a central focus} co-ordinate and direct, under the Prime Minister, ^{for} the presentation of those policies; and be available as an additional point of contact for those wishing to contribute to, or know about, Government policies towards, and support for, inner cities.

~~2. Existing Departmental responsibilities will not change.~~

ALTERNATIVE

DRAFT PRESS NOTICE

INNER CITIES

The Chancellor of the Duchy of Lancaster, Mr Kenneth Clarke, will, in addition to his duties in the Department of Trade and Industry, take responsibility, under the Prime Minister, for ~~the co-ordination~~ of policy and presentation on inner cities.

co-ordinating the implementation

Notes for Editors

co-ordinating the implementation

1. Mr Clarke will assist the Prime Minister in ~~the oversight and co-ordination~~ of Government policies towards the inner cities; co-ordinate and direct, under the Prime Minister, the presentation of those policies; and be available as an additional point of contact for those wishing to contribute to, or know about, Government policies towards, and support for, inner cities.
2. Existing Departmental responsibilities will not change.

PRIME MINISTER

MINISTERIAL RESPONSIBILITY FOR INNER CITY MATTERS

You are seeing Mr. Ridley and Lord Young at 1700 on Monday to tell them that you have decided that Mr. Kenneth Clarke should assume the responsibility for the co-ordination and presentation of inner city policies.

You might take the following line with the two Ministers:

(1) you accept the analysis in their minute of 10 November that there needs to be a Minister to co-ordinate policy and presentation on inner cities, and to reduce the load on yourself;

(2) a Minister of State in the Cabinet Office could not fulfil that function because:-

- difficulties of finding the right person. The names mentioned by the two Secretaries of State are excellent. But they are needed in the jobs they are already doing;

- it would not be a full time job;

- no department to run and little or no executive responsibility. So a good calibre Minister would start searching round for ways to strengthen his empire. That would not be a welcome development;

- however able, a Minister of State would not carry enough clout for the necessary policy co-ordination function;

- putting a Minister of State in charge of presentation might be viewed as down-grading the importance of the task.

(3) you are clear that the importance of the task requires a Cabinet Minister to take on the role envisaged by the two Secretaries of State. It is obviously not a full time job for a Cabinet Minister. You have decided that Mr. Clarke should carry out the role, in addition to the duties that he already carries out in DTI. His post as Chancellor of the Duchy gives him the necessary cachet. His precise terms of reference would be as follows:

- a. assisting the Prime Minister in the oversight and co-ordination of Governmental policies towards the inner cities;
- b. co-ordinating and directing the presentation of Government policies towards the inner cities, under the Prime Minister. This would include making regular visits to the areas chosen for special attention and co-ordinating the speeches and visits of other Ministers, with appropriate briefing;
- c. being available as an additional point of contact for business interests and others wishing to contribute to or know about Government policies towards, and support for, inner cities.

He might chair E(UP) when more detailed matters are on the agenda. You will decide later whether Mr. Clarke should be given a small co-ordinating unit in the Cabinet Office, based on Mr. Sorensen's existing unit.

(4) press will need to be told. Probably tomorrow (Tuesday 24th) after you have spoken to Mr. Clarke. In the meantime, please keep a decision strictly to yourself.

I have not yet consulted Bernard - and will not do so until after your meeting - about the presentation of your decision to give Mr. Clarke this task. Bernard may recommend that a short Press Notice should be issued to place the point upon

the record. I attach a first draft of a possible Press Notice. There is no need to discuss this with the two Ministers, though Mr. Clarke will need to see it before it is issued.

N.L.W.

N. L. Wicks

19 November 1987



10 DOWNING STREET

Prime Minister

I have pencilled
some amendments
on to alternative
versions of the terms of
reference and press
notice, which are
attached.

N. L. W.

26.11

DRAFT PRESS NOTICE

INNER CITIES

The Chancellor of the Duchy of Lancaster, Mr. Kenneth Clarke, will, in addition to his duties in the Department of Trade and Industry, take responsibility for the co-ordination of policy and presentation on inner cities.

Notes for Editors

- The Prime Minister*
under the Prime Minister
1. Mr. Clarke will assist ⁱⁿ the oversight and co-ordination of Government policies towards the inner cities; co-ordinate and direct ^{under the Prime Minister} the presentation of those policies; and be available as an additional point of contact for those wishing to contribute to, or know about, Government policies towards, and support for, inner cities.
 2. Existing Departmental responsibilities will not change.

CONFIDENTIAL

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PRIME MINISTER

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INNER CITIES

You should know that there have been recent difficulties between Mr. Ridley and Mr. Clarke over the inner cities.

You will remember that after the Election Mr. Clarke revived his group of junior Ministers to supervise the work of the task forces. Mr. Ridley objected at that time but not too strenuously.

Last week we learned that Mr. Clarke intended to hold a meeting of his group this Thursday, 22 October. Mr. Ridley objected strongly. He fears that the Clarke group could become the basis for supervision of the work of the inner cities in a way which would be undesirable from the point of view of his Department. I suspect he also does not trust Mr. Clarke generally in this area.

I took the view that the rights and wrongs of this argument were beside the point and in your absence in Vancouver sought to persuade Mr. Clarke that having waited four or five months for a meeting of his group he could well wait for another five days until your meeting on Monday to decide its future. I said I thought you might well be prepared to allow it to continue on the same basis as it had operated in the last Parliament. The result of this intervention was that Mr. Clarke and Mr. Ridley met, I think, twice, but agreed to differ. I believe that Mr. Clarke's meeting took place without representation from DOE.

I have no idea whether Mr. Clarke's committee does any useful work but if he is so determined to keep it I recommend that you should not squash it. Mr. Clarke is in a difficult position, working again as a Cabinet Minister below Lord Young. If he feels the committee is so necessary for his self respect there is nothing to be gained by putting him down.

DWS

David Norgrove

23 October 1987

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THE TIMES
24 SEPTEMBER 1987

Young and Clarke win inner city spotlight

By Robin Oakley
Political Editor

The Department of Trade and Industry and its two Cabinet ministers, Lord Young of Grafton and Mr Kenneth Clarke, have won the latest round in the Whitehall battle for the leading role in the Government's inner cities campaign.

Despite efforts by Mr Nicholas Ridley, Secretary of State for the Environment, to secure the role for his department, the speech on inner city policy at the forthcoming Tory party conference will be given by Mr Clarke, Chancellor of the Duchy of Lancaster and Minister for Trade and Industry.

Mr Ridley had even suggested at one point, according to Conservative sources, that the speech should be made by a "neutral" minister.

Mr Ridley will speak at the conference in the debate on the community charge, although the Government's campaign on that around the country has been conducted by Mr Michael Howard, Minister for Local Government.

With the Home Office, the Department of Education and Science and the Department of Employment all seeking a significant role in inner city initiatives, the Government's efforts are being hampered by a severe bout of Whitehall infighting.

Mr Ridley and Lord Young are said by colleagues to have had no great disagreement about who does what, but the same is not true of the officials.

Leading Civil Servants in Mr Ridley's department are said to be "tiger-like" in defence of what they perceive to be their territory.

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