

Ref. A087/3474

MR WICKS

Inner Cities

Thank you for your minute of 4 December.

2. I am generally content with the draft press notice attached to your minute. My only hesitation is to wonder whether, in the notice itself (and in the second line of the notes for editors) the reference were to be to "Government action on inner cities" rather than "Government policies on inner cities": it would perhaps avoid the risk of the sensitivity of the Chancellor of the Duchy seeming to co-ordinate the policies of other Cabinet Ministers; and it has a nice positive ring.

3. On the question of Cabinet Office support for the activities of the Chancellor of the Duchy of Lancaster, though it may well be preferable not to raise the matter at this stage, it is a matter which would need to be sorted out sooner rather than later, if misunderstanding were to be avoided. In the longer term, if the Chancellor of the Duchy is to be given a co-ordinating role, I think that the Unit now in the Cabinet Office should be transferred to the Department of Trade and Industry so as to be able to report direct to him. In that timescale it would of course be for question whether Mr Sorensen should move to the Department of Trade and Industry with the Unit, or whether he should go back to the Department of the Environment (who are very keen to have him back) and somebody else found to lead the Unit in the DTI.

4. But the immediate question is what is to happen about the White paper. If the Chancellor of the Duchy is to be put in charge of preparing the White Paper, then presumably the Inner

Cities Unit should go across to the DTI straightaway; we could probably arrange for Mr Sorensen to stay with it at least to see the White Paper through. If on the other hand the Prime Minister prefers to keep the drafting of the White Paper under her own hand, she will probably prefer that the Inner Cities Unit should stay in the Cabinet Office until the end of January in order to complete the White Paper. It could then quietly be disbanded; and in the meantime the Chancellor of the Duchy could be setting up his own internal arrangements in the DTI to support him in his new role.

5. For myself, I think that the second of these two arrangements is slightly to be preferred; but I have no strong views in that regard.

6. In his minute of 30 November the Chancellor of the Duchy suggested the appointment of a "board level secondee" from the private sector to the Cabinet Office, as the Prime Minister's adviser on private sector initiatives on inner cities and as a contact point for companies. I doubt whether such a post would be sufficiently demanding to justify a full-time appointment or to attract a person of the right calibre from the private sector. The important thing is to strengthen links between Government and business at the local level. If the Chancellor of the Duchy is to be given the task of co-ordinating action on inner cities, he and whatever supporting unit he has are surely the right point of central contact for companies interested in pursuing opportunities in the inner cities.

RA

ROBERT ARMSTRONG

8 December 1987



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*From the Principal Private Secretary*SIR ROBERT ARMSTRONGINNER CITIES

As you know, the Secretary of States for the Environment and for Trade and Industry sent the Prime Minister a joint memorandum on 10 November about the appointment of a Minister in the Cabinet Office with responsibility for certain Inner City matters. The Prime Minister has discussed the joint memorandum with the Secretaries of State. She had before her Mr. Wilson's useful note of 17 November.

The Prime Minister has come to no final decision on the nomination of a Minister who would particularly concern himself with certain aspects of the Government's inner city policies. But she has, I think, ruled out the approach in the two Secretaries of State's minute. She has told the two Ministers that she is inclined to give the Chancellor of the Duchy of Lancaster the sort of responsibilities which they alluded to in their minute, and she is going to talk to the Chancellor about the matter on Wednesday.

As a basis for the discussion, I have drafted a Press Notice which describes the responsibilities which the Chancellor might assume; and I attach a copy. Its terms are, I hope, carefully calculated to assuage the sensitivities of the other Ministers concerned, particularly the Secretary of State for the Environment, while giving the Chancellor a real task. If you have any comments on the draft, I would be pleased to have them before it is submitted to the Prime Minister on Tuesday evening.

I will not advise the Prime Minister to raise with the Chancellor the question of Cabinet Office support for his activities, or the future of Mr. Sorensen's unit. I believe that that is something that needs to be considered as a separate matter, and I would suggest to the Prime Minister that she should say as much to the Chancellor if he raises the matter himself.

Could I please ask that you should treat knowledge of Mr. Clarke's meeting with the Prime Minister and of the draft of the Press Notice below as for your personal information, though I would, of course, not object if you wish to show this minute to Mr. Wilson.

N.L.W.

N. L. Wicks

4 December 1987

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 on inner cities and for their presentation.

Notes for Editors

1. Mr. Clarke will assist the Prime Minister in the day-to-day management of Government policies towards the inner cities; and provide a focus, under the Prime Minister, for the presentation of those policies.
2. There is no change in the Departmental responsibilities of Ministers with programmes which are involved in inner city regeneration. Departmental Ministers will remain the primary point of contact for business interests and others concerned with inner city development. Mr. Clarke will 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.