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RPM RECO

Treasury Chambers. Parliament Street, SWIP 3AG

The Rt Hon Kenneth Clarke QC MP Chancellor of the Duchy of Lancaster Department of Trade and Industry 1 - 19 Victoria Street London SWIH OET

12 February 1988

Dear Chencellor.

ACTION FOR CITIES

Following the Prime Minister's meeting yesterday I thought I should write to you to underline a few points which I hope will be helpful to you in finalising the draft of the publication.

First, as you know, there are a number of policy initiatives either in the present text or intended for inclusion which have not so far been agreed with the Treasury. My officials will be discussing these with departments urgently to try to resolve them over the next few days.

Second, I am still doubtful whether the draft gives enough help and encouragement to private sector companies who may be keen to play a part but uncertain about how best to do this. The present draft gives plenty of description and exhortation. But I wonder whether it would not help to provide some tangible examples of how the private sector has become involved in particular places. This might provide some useful role models for other companies to follow (it occurs to me that the CBI Business and Urban Regeneration Task Force might be able to provide quotable examples).

Third, it clearly is essential that the text is combed through very carefully to ensure that all that is said stands up to close examination and does not provide amunition for our critics.

I am copying this letter to the Prime Minister to members of ${\tt E(UP)}$, to Richard Luce and to Sir Robin Butler.

Your succeey,

PP JOHN MAJOR

(Approved by the Chief Secretary + signed inhis absence).