

FA Inner Cities

~~Mr Gray~~

about

You may like to see,

just to keep in

touch.

R.T.J.

From: R T J Wilson

16 February 1988

P 03021

PS/CHANCELLOR OF THE DUCHY OF LANCASTER

INNER CITIES

1. As I promised at the Chancellor's meeting yesterday afternoon I have completed my editing of the White Paper and attach the result.
2. It includes a new Foreword for the Prime Minister. This has been prepared by Mr Ingham and cleared by him with the Prime Minister last night.
3. I would be most grateful if Mr Sorensen could arrange for someone in his unit to check this text and make sure that it does not misrepresent policy or get the facts wrong.

R.T.J.

R T J WILSON

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FOREWORD

by the Prime Minister

This booklet is an action document. It shows you what the Government is doing to help improve life in our "inner cities". It adds up to a £5,000 million attack on the host of problems covered by the "inner cities" label.

I ought at the outset to define "inner cities" more clearly. The term conjures up an image of a rundown urban environment. It covers towns as well as cities and areas ranging from those which have seen better days to acutely depressing examples of crime-ridden dereliction.

There is, of course, nothing new in urban decline. Throughout our history towns and cities have risen and fallen only to rise again. Some have responded to new markets and technologies. Others have clung to old ways and allowed opportunities to pass them by. A number have suffered from a civic hostility to enterprise. Latterly all too many have had their problems intensified by misguided post-war planning and development which had the best of intentions but the direst results for the people living there.

Every area covered by the term shares one common need: new hope for the future.

The Government is resolved, in partnership with the people, to generate that hope and help create a new, lively environment in which to live, work and prosper.

This is an opportune time to step up the effort because:

- a strong economy and seven continuous years of steady growth have provided the right springboard;
- the Government has created an atmosphere conducive to enterprise and has demonstrated a willingness to remove obstacles in the way of inner city recovery;
- our wider policies - on training for work, education and housing - are dedicated to promoting choice and giving people a bigger stake in their community;
- there is no lack of individual commitment, effort or money to transform dereliction, to eliminate eyesores, to invest in the people and to encourage others to live in inner cities by improving the whole quality of life there.

This booklet shows you that the Government has a comprehensive approach to inner cities renewal starting with site clearance and extending to help with improving sporting facilities and the cultural environment. It also shows you some of the inspiring results which have been achieved.

We are embarked on a great enterprise which will leave its mark on Britain for decades and carry our towns and cities into the 21st Century in much better shape.

I commend the programme to all who are seeking opportunities to invest in Britain and revitalise our "inner cities".

SEIZING THE OPPORTUNITIES

1.1 A major new drive is under way to restore Britain's inner cities. The Government already spends nearly £5 billion a year on them. It is now stepping up the pressure for results, tackling the problem from every angle in a campaign of Action for Cities.

What is the problem?

1.2 Many older towns and cities have failed to keep up with change. They grew fast in the last century, financed by great Victorian industries such as steel, cotton, wool. They had civic pride. They successfully tackled the problems of overcrowding, bad housing and disease brought by the first wave of economic change.

1.3 But now they are trapped by their past. Their industries have declined, too often propped up by the taxpayer, without much thought about what would replace them. Civic pride has been elbowed out by local and central Government. Land clearance and rebuilding and the social policies of the post-war decades have disrupted communities and businesses. Wealth-creation has been treated as a low priority, and people have found themselves faced with poor housing, shops and schools, rising crime and high rates.

1.4 The result has been a flight of people - particularly the skilled and enterprising - and business. Those left behind are often the less skilled, the elderly and others less able to compete and support themselves and their families. The population of the inner cities has fallen by 25 per cent in 20 years but they still have a third of England's population, and half the unemployed. The belief has taken root that such areas are in permanent need of ever more public money.

Time for action

1.5 The Government emphatically rejects this pessimism about the prospects for the inner cities.

1.6 For seven years Britain has enjoyed sustained growth on a scale unknown since the war. We have the fastest growing economy in Europe, instead of the slowest. We have rediscovered enterprise and resourcefulness. Barriers to business and growth have been swept away.

1.7 There was a belief that this return to prosperity was impossible. This belief has been shown to be wrong. The gloom about inner cities must now be dispelled.

1.8 People in inner cities must have their chance to share in the new prosperity. Their neighbourhoods must become attractive places for businesses to invest in. Skilled people must be encouraged to live there, as their predecessors did a century ago. And there must be better opportunities - and a better environment - for those already there.

1.9 The Government believes that people everywhere want to be responsible for their own lives and have greater freedom and choice. People are no longer content to take what they are given. They want quality and choice in education, housing and other basic services. They want convenience in transport and shopping. And they want their families to live in a safe and decent environment.

1.10 Businessmen want these things, too. But they need more. They need to be allowed to press ahead with sensible development without pointless red tape. They must be able to keep their costs as low as possible. And they must feel welcome, not frustrated. The inner cities need to rediscover the civic pride that once united residential and business communities.

Making it happen

1.11 The key to reviving the inner cities lies in generating wealth locally. For this to happen they must become attractive places to invest in, work in and live in. They need to acquire a scent of success, a reputation for being places where new things

are happening, a sense of purpose and pride. Some cities have shown the way. The Government is determined that others should have the chance to follow.

1.12 Success cannot be imposed by central Government. The inner cities, their histories and problems, are all different and there is no universal formula which can be prescribed from Whitehall. The spark of regeneration must come from within the inner cities themselves. This does not mean leaving it all to local authorities which for many years were allowed to decide the priorities and be the main channel for finance. It means kindling the enthusiasm of local businesses, local leaders, local people: those who know the cities from the inside and have the will to change them.

1.13 The Government believes that the conditions are right for a revival of the inner cities. Britain's economic success provides the best chance in years to create new wealth and new jobs. Government policies on a range of key national issues - jobs, education, housing, business enterprise, defeating crime - have a special relevance to the inner cities. And they are reinforced by policies and programmes which are targeted directly at inner city needs.

1.14 The climate is right. The will is there. Huge sums are already being spent on the inner cities. The Government is determined that there should now be results. ACTION FOR CITIES explains how.

Prosperity

1.15 The main theme is prosperity. In each of the sections which follow the Government has set out the key ingredients of prosperity which are at the heart of the plight of inner cities. Inner cities will only become prosperous:

- if their local businesses grow and are successful;

- if the people who live in them have the skills and experience which enable them to get jobs;
- if their derelict land is properly developed;
- if they are safe and attractive places to live in.

1.16 The Government has the will and the policies to play its part. So does private sector business which, as later sections show, has a key contribution to make on every front. And so do the inner cities themselves. What is needed now is ACTION FOR CITIES.

HELPING BUSINESSES SUCCEED

2.1 Inner cities only become prosperous if their local businesses grow and are successful. This lies at the heart of the inner city problem. People in inner cities need above all else to see industry and commerce providing more real jobs near their homes.

2.2 The climate for attracting new investment to the inner cities is good. The rising price of land and houses in the South East gives a big advantage to depressed areas where development costs are low. And the introduction of the new uniform business rate will help firms in older cities which are rated too highly and have to pay what councils demand. More and more firms see good commercial reasons for setting up in inner cities.

How Government helps

2.3 But the barriers to success, particularly for small firms and people who want to start up on their own, often lie in a lack of management training or skills or sheer business knowhow. The Government has a wide range of programmes aimed at meeting these needs and helping businessmen to succeed. Details of these schemes and how they can be reached are set out in the supplement at the end of this booklet. But they include:

the Enterprise Initiative which offers inner-city businesses help to improve performance of their managers. Firms of under 500 employees can have grants for consultancy projects to improve marketing, design, quality of product and manufacturing processes. For the first time, a national scheme to encourage business development is aimed at cities. Inner City companies receive a higher rate grant of 66% of the cost to help pay for these consultancies.

the Enterprise Allowance scheme which helps unemployed people to set up in business. There were more than 33,000 entrants to this Scheme in 1986-87. It has now been expanded to provide training and advice.

Managed Workshops which offer new businesses easy access to small premises on no-nonsense terms together with advice and support, often from on-site management teams. They contain many units, so that those working there can share services such as typing and a canteen. There are roughly 300 managed workshops, mostly in inner cities.

the Small Firms Service which provides a counselling service for small businesses. The Service gave over 11,000 counselling sessions in inner cities in 1986-87. New offices are opening in inner cities with specially trained staff.

the PICKUP Programme of collaboration between colleges, polytechnics, universities and local industry which provides the training which businesss need to keep up to date and competitive. Nationally, 1 in 30 of the working population train each year under this scheme. Regional Technology Centres provide complementary advice and training to local firms on introducing new technology.

the Loan Guarantee Scheme which provides guarantees for loans which companies could not otherwise have taken out. It has provided cover for 18,800 loans since it started in 1981.

How business helps

2.4 Many major companies, both individually and through organisations such as the CBI and Business in the Community, and local chambers of commerce are now taking the lead in inner city regeneration and in helping smaller businesses succeed.

2.5 Companies are backing Local Enterprise Agencies with funds, advice and secondees. They are supporting Managed Workshops, Task Forces and Task Force Development Funds, and other jointly-sponsored

business development agencies. They can renew business confidence in inner cities by their example, and stimulate the local economy by their purchasing policies.

2.6 The Government warmly welcomes this involvement and would like to see it increase. Many of its programmes are designed to encourage this. There is a supplement at the end of this booklet which sets out ways in which other major companies, not yet involved, could help.

LOCAL ENTERPRISE AGENCIES: in business to help business.

2.7 Local Enterprise Agencies (LEAs) are companies limited by guarantee and managed by a board drawn from their sponsors. These include major companies as well as local firms.

2.8 Day-to-day management of LEAs is in the hands of an executive director. Two-thirds of executive directors are permanent, the rest secondees from industry. Their main activity is free advice to new or existing businesses.

2.9 On average two-thirds of this is for potential new businesses. Most is by the agency itself. But in some cases applicants are offered specialist help from another business advice service or an LEA sponsor prepared to give free advice or technical support.

2.10 Many agencies go beyond this basic role. They offer training courses, newsletters, property registers, small business clubs, trade directories, loan funds and managed workshops. They are supported by Government grant. New grants will contribute to the costs of some of these extra projects.

PREPARING FOR WORK

3.1 People who live in inner cities can only share in the opportunities around them if they have the skills and experience which enable them to get jobs. In inner cities more than anywhere the standards in schools need to be improved. And industrial change and new technology have left many older people unprepared for new jobs.

Better Schools

3.2 Preparing for a job starts at school. The Government's programme of major educational reforms has a special relevance to the inner cities. If approved by Parliament it will mean that all schools will have to offer a broad, balanced national curriculum, which will equip school leavers to meet employers' needs. A pupil's performance will be assessed against national targets. This too will help raise standards and boost the expectations of both children and parents.

3.3 The Government has already changed the law to give parents a far greater say in how schools are run. Parents and local people will soon be a majority on school governing bodies. They will directly influence standards and discipline. And the Government is now seeking the agreement of Parliament to still greater powers for governing bodies of secondary schools and larger primary schools: powers over school budgets and appointment of teachers. It has also introduced legislation to allow schools to opt out of local authority control altogether. Where this happens local people would effectively run their school to provide the education they want.

3.4 Links between schools and local industry help young people understand the qualities and qualifications they need to find work. This applies particularly in inner cities, where traditional employers have declined and new skills are in demand. Initiatives like the "IT in Schools" programme, City Technology Colleges and schools/industry Compacts will be developed further.

3.5 The schools/industry Compact is a partnership between schools and local businesses. The forms of partnership vary, but in London 40 companies are offering firm job prospects, work experience or other help to 1,000 pupils in 6 schools. Students have to meet agreed standards, such as 85% attendance and 90% punctuality. Another scheme has been set up in Sheffield. And there is widespread interest in setting up compacts in inner cities throughout the country.

3.6 City Technology Colleges will be new secondary schools offering free education with a strong element of science and technology for pupils of wide ranging ability in urban areas. The first one opens in September 1988 in Birmingham. The next one will be in Nottingham in September 1989. Private industry is helping to fund their building and equipment and will play a leading part in running them. It will offer experience of work and help launch pupils into employment. Many more Colleges will come in the next two years.

3.7 The Government attaches great importance to extending these links and helping pupils understand business and meet the need of employers.

Closer Links Between Schools and Industry

The Government aims for 10% of all teachers to gain experience of working in business each year. All final year pupils will have 2-3 weeks' experience of working in industry. In 1987, this applied to 400,000 pupils. The target over five years is 600,000. In addition the Government plans:

- more CTCs
- more Schools/Industry Compacts
- business representatives on governing bodies.

From September 1988 most school governing bodies must include governors from local business. The new Education Bill proposes that up to half the governors of every further education college should represent local employment interests.

Better Skills

3.8 The Government has made three guarantees to the unemployed to ensure that opportunities to acquire skills go to those who need them most:

- all 16 and 17-year-olds who don't get jobs are guaranteed a place on the Youth Training Scheme;
- all those unemployed over six months are guaranteed a Restart interview every six months;
- all those 18-to-25-year-olds unemployed for 6 to 12 months are guaranteed training, a place in a Jobclub or support under the Enterprise Allowance Scheme.

3.9 Action for Jobs reaches nearly half a million people in inner cities a year. Well over half are adults. In the last year there have been almost a million Restart interviews to help the unemployed into suitable training or jobs. (Graph/bar chart/pie chart with caption to show how Action for Jobs' money is spent in cities.)

3.10 The Government has announced a single new training programme for unemployed people over 18 to replace the current Community Programme, Job Training Scheme and other adult programmes from September 1988. It will provide a better service for both unemployed people and employers.

3.11 In addition the REPLAN programme provides education for adults who are long-term unemployed. It aims to build their confidence and improve their job chances. The courses are run jointly with local industry in inner cities and will be expanded from April 1988.

3.12 Problems with literacy and numeracy often need to be tackled before people can learn new skills for work. The Government proposes to expand existing programmes and set up new centres in

inner cities where adults can tackle their difficulties, using modern computer aids.

[Picture of Jobcentre with caption:

"The newly-created Employment Service has joined Jobcentres and Unemployment Benefit Offices in a single network. It now provides unemployed people with unequalled access to jobs and Action for Jobs programmes. Nearly 500 offices in inner-city areas now offer a gateway to these opportunities."]

[Picture of Jobclub with caption:

"Nearly 500 inner-city Jobclubs help 50,000 people a year. About two-thirds - all unemployed for some time - get jobs."]

How Employers can help

3.13 Here again local businesses have a key role to play in inner cities. Links with and between schools and industry are crucial if school-leavers are to be properly equipped for jobs. And the effectiveness of Government programmes for those who need new skills is greatly increased if businesses are involved. Some private sector companies have already shown the way with imaginative initiatives such as (pictures):

Broughton Road	- training attached to building scheme
Birmingham Hotel scheme, including Cophorne Hotel	- training aimed at the new jobs which investors are creating

The Next steps X

New local programmes specially designed for the most needy neighbourhoods will

- add more training in business skills to the skill training programmes
- involve more employers in the Youth Training Scheme so that inner city youngsters can get on the best training schemes in real workplaces
- appoint specialist development officers to match the training of inner city people to real job opportunities
- sell the benefits and opportunities of good training schemes to disenchanting residents using special teams of staff working in inner-city areas
- street wise publicity.

Improve skills and preparation for work by

- developing special training for basic difficulties

Help residents to compete for new jobs by

- relaxing rules for Youth Training Schemes
- improving links with employers to make sure Government programmes provide what's needed.

DEVELOPING CITIES

4.1 Inner Cities need to be places where people want to live and work. This and later sections explain the Government's drive to help bring this about.

4.2 Clearing and developing vacant land is a key first step. Too many run-down inner city buildings and sites are derelict. Too many industries have moved away or died, leaving large areas of land idle and depressed. The Government has a wide range of programmes directed to reclaiming derelict sites, encouraging development and improving buildings.

Urban Development Corporations

4.3 Urban Development Corporations (UDCs) are the most important attack ever made on urban decay. They are transforming inner cities. They have been set up and financed by the Government to:

- assemble sites and reclaim and service large areas of derelict land;
- provide land for housing, industry, commerce and leisure;
- build roads, improve the environment, raise confidence;
- encourage private investment and jobs;
- ensure quick planning decisions; and
- give financial assistance to developers where necessary.

4.4 In six years the London Docklands Development Corporation has attracted private sector investment of £220m with £350m in public money. The Merseyside Development Corporation has opened up and reclaimed 600 acres of river frontage.

4.5 The Government launched five more UDCs, in April 1987, in the Black Country, Teesside, Trafford Park, Tyne and Wear and Cardiff. Already plans for (X) major projects are well advanced in those five areas. Another three UDCs were announced in December 1987: Bristol, Leeds and Manchester as well as an extension of the Black Country UDC to Wolverhampton.

4.6 Now another two are proposed, in the Lower Don Valley, Sheffield, and a major expansion of the Merseyside DC.

4.7 Taken together these Corporations cover over 40,000 acres. The Government will support them with grants worth over £200 million in 1988-89, encouraging private investment worth many times more. They are a major, exciting new force in the drive to make inner cities prosperous.

City Grant

4.8 Some inner city sites stand idle simply because it is not worth anyone's money to develop them. High costs and low demand mean developers cannot get an adequate return on them even though, once developments are under way, confidence may quicken. The Government has for some years run a number of successful grant schemes, designed to get things moving. Some 240 inner city sites are being developed under these schemes, often in places where there has been no private investment for years. Public money of £144 million is bringing in £578 million in private investment. Nearly 30,000 jobs are being provided, over 7000 homes, and nearly 1200 acres reclaimed.

4.9 The Government has now decided to streamline these schemes. A new grant called City Grant is replacing Urban Development Grant, Urban Regeneration Grant and private sector Derelict Land Grant from May 1988. It is designed to:

- support private investment in inner cities which offers jobs and better homes but could not be carried out without grant;

- bridge the gap between costs and value to allow a fair return on investment; and
- simplify procedures with quicker decisions direct from the Department of the Environment.

Freeing Land

4.10 Too much inner city land lies idle. It is a symbol of waste and too much of it is owned by the public sector. Another key element in the Government's campaign is to free it for development.

4.11 National Land Registers have been introduced by the Government to highlight unused land owned by local authorities and others in the public bodies. Since 1981, publicity, statutory action, and financial disciplines on public landowners have led to nearly 50,000 acres of land on the Registers being sold and brought back into use. But there are still 9,000 sites totalling 90,000 acres on the Registers.

4.12 The Government has introduced legislation in Parliament which would improve the information available from the Registers and streamline the procedures for requiring public sector owners to sell sites.

4.13 An Audit Commission report in February 1988 highlighted the need for better management by local authorities of the land and buildings which they own, including selling what they do not need. The Government will act on the Audit Commission's recommendations and ensure that local authorities provide more information about their land and buildings. Other public sector landowners will do the same. This will improve efficiency, stop land hoarding by local authorities, and help mobilise local land markets. More information for businesses and developers will help them use sites which are now idle.

Making decisions easier and quicker

4.14 Cutting out red tape is another key element in encouraging investment in inner cities. The Urban Development Corporations have shown what can be done. So have Enterprise Zones which encourage development through both tax relief and much simpler planning processes, and have shown that these processes can work without harmful effects. The Enterprise Zone experiment itself will not be extended because of the high cost to the taxpayer. But local authorities now have powers to set up Simplified Planning Zones which can be used widely in inner cities to lift barriers to investment and lessen delays. Derby and Birmingham are among the first inner-city authorities to launch these Zones. More will follow.

The Urban Programme

4.15 Finally, there is the Urban Programme which was the first major public spending programme targeted solely on the inner cities.

4.16 The Urban Programme gives specific grant through local authorities to some 12,000 projects a year in the inner cities. The emphasis has shifted to supporting projects which involve capital expenditure of lasting benefit which bring in private investment. For each project there are clear performance indicators and targets. Urban Programme projects

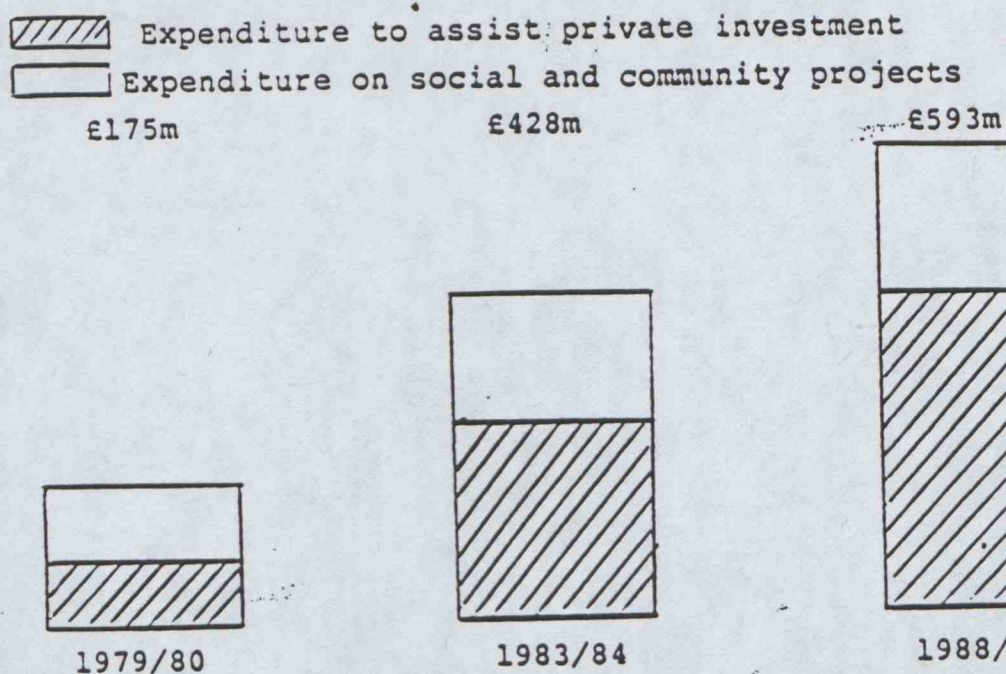
- encourage individual enterprise and help local companies
- improve sites and buildings to raise business confidence, encourage development and remove eyesores
- help local people to help themselves
- encourage local authorities to find cost-effective and innovative ways of meeting local needs

- promote joint projects which, for example, combine job training with improving inner city housing.

In 1987/88 the Urban Programme is supporting:

- 560 new firms in managed workshops;
- the improvement of nearly 5000 acres of unsightly land;
- management improvements for over 85,000 council homes;
- nearly 90,000 inner city jobs or training places.

Since 1979 some £3,600 million has been spent on improving inner cities through urban development programmes. Expenditure on the Urban Programme, Development, Regeneration and Derelict Land Grants, and the UDCs is shown below.



BETTER TRANSPORT

5.1 Good transport is essential in inner cities, to attract new industry and jobs and to provide people with good links with shops, schools and work.

5.2 The Government has already done a great deal to provide new roads and to improve bus and rail services in the inner cities. But there is still a lot more that could be done, by private enterprise as well as public authorities.

Government grants for local roads

5.3 Inner cities will benefit from over 120 major schemes under construction or planned worth about £600m which will be supported by Transport Supplementary Grant. A large number of smaller schemes will improve transport and safety in inner cities.

Examples:

Wigan Inner Ring Road	£15 m
South Bank and Grangetown Bypass in Cleveland	£17m
Wolverhampton Ring Road	£24m
Old Kent Road and Bridge in Southwark	£ 5m

Schemes currently under construction

Hunter Street improvement in Liverpool	£ 8m
Middlesbrough Bypass	£23m
Bradford City Ring Road	£32m
Birmingham Middle Ring Road	£57m

Schemes planned

Ryton-Crancock Bypass in Gateshead	£ 6m
Lewisham Town Centre improvement	£27m
Access from M1 to Lower Don Valley	£10m

Buses

5.4 Privatisation of the National Bus Company and deregulation of local buses outside London has given operators greater flexibility and passengers more choice.

5.5 Minibuses are particularly successful on housing estates. They enable deregulated bus operators to bring new services to areas which conventional buses cannot reach. Housing estates and inner urban areas around the country are now benefiting from minibus services. Toxteth in Liverpool; Easterhouse in Glasgow; Seacroft in Leeds: these are all examples of inner cities which are benefiting.

Railways

5.6 Britain's industrial growth in the last century was founded on railways. These same railways are often today ideally placed to benefit inner cities. The Government has approved substantial investment in British Rail and London Regional Transport so that inner cities can have more attractive and efficient rail services, with new trains and brighter stations.

- Liverpool's Lime Street Station has been renovated;
- Brixton Station and its immediate surroundings have been improved;
- a £20m scheme at the Angel Underground Islington has recently been approved.

5.7 Light rail systems offer fast and clean means of moving large numbers of people. The Tyne and Wear Metro was the first British system. More recently the London Docklands Light Railway has shown how an innovative transport scheme can be a major element in attracting the £3000m development of Canary Wharf whose developers are jointly funding the railway's extension to Bank Station. Another £140m extension eastwards to Beckton will be paid for entirely from increases in land values generated by the new railway.

5.8 Other cities are looking at light rail technology. Most advanced of these is the proposal to build a 19-mile system in Manchester. This would take over existing British Rail tracks and run in city centre streets.

Ports

5.9 Special opportunities have also opened up for the large-scale redevelopment of docklands close to city centres. In some cases old docks have lent themselves to novel uses: for instance, powerboat racing in Bristol and waterskiing in London. Waterside development includes housing, leisure and business projects. In London, the scale of the old Royal Docks enabled the construction of a new airport near the City.

BETTER HOUSING

6.1 Better housing is another key ingredient in making inner cities places where people want to live and work.

6.2 British housing compares well with the best in Europe. Our level of home ownership is among the highest in the world, and even in inner cities there are areas of excellent housing.

6.3 But there are also many parts of inner cities with areas of very low quality housing for tenants. And those who want to buy their own homes often cannot find the kind of housing and environment they are looking for. Many people who work in city centres have moved out to the suburbs and beyond to find homes and more pleasant surroundings. Those who remain are often the poor, the unemployed and the unskilled, people without the resources to exercise choice.

A better balanced society

6.4 This has not always been the case. In the heyday of the older industrial centres, people who managed or owned businesses lived in the city centres. They shared a common pride and interest in the quality of life in those cities with the people who worked in them. The Government is keen to create conditions which encourage more managers and professional people to return to the cities. To do this there must be a better choice of high quality rented and owner-occupied housing which they will find attractive.

Stimulating the private rented sector

6.5 The Government wants to stimulate a revival of the private rented sector. It has introduced a Housing Bill into Parliament which if approved will enable private landlords to charge market rents. Unless landlords can get a reasonable return on their investment, they will have little incentive to invest, to let their properties or to improve them. There are more than half a

million privately owned homes currently lying empty, many of them in inner city areas. The Government's aim is to encourage landlords to bring these properties back into use and invest in new housing to rent. Tenants will be offered a growing choice of private houses to rent again. So will people starting work but not yet able to afford to buy, and people who need to be mobile for their jobs.

6.6 The private sector is already setting up organisations like the Quality Street initiative, backed by the Nationwide Anglia Building Society. These will re-invest in rented housing and compete for tenants through their quality of service and efficiency.

Improving Council Estates

6.7 At the moment almost all rented housing is provided by local councils. The quality in many areas is good. But in the inner cities much of the post-war local authority housing consists of monotonous concrete estates where few would choose to live. The worst estates suffer from poor design and layout, bad repair, poor environment, with vandalism, graffiti and rubbish-strewn streets, and high levels of crime. The problems of managing such estates are formidable. Many local authorities have failed dismally in the task. These estates suffer too often from remote and bureaucratic management, insensitive allocation procedures, and a poor record on maintenance and repair. Tenants rightly feel that they have no power and no say.

6.8 The Government is determined that these problems can and must be solved. The inner cities must become places where people of all backgrounds and income groups can find the housing which they want and can afford.

Tenants' Choice Scheme

6.9 The Government's new Tenants' Choice Scheme will give council tenants the right to seek an alternative landlord. For the first time, tenants will have a genuine opportunity to choose

another landlord if they are not satisfied with their local authority. They will be able to choose to transfer to a tenants' co-operative or a housing association or a private landlord. And they will at last be given some power to do something about their complaints. They will be able to agree better management arrangements and ensure that they have a say in the future of their estates. The spur of competition will benefit all tenants in local authority housing, whether or not they choose to remain with the local authority.

Housing Associations

6.10 Housing Associations own and manage half a million homes. They have a proven record of providing good quality housing for tenants, and they already concentrate their efforts in the inner cities. They will be encouraged to get support from the private sector and to tap new sources of finance to expand their building programme. This will lead to an increase in the amount of property to rent in the inner cities. It will also provide more competition, better standards of service and more choice for tenants and home buyers.

Tackling the worst estates

6.11 Better management, especially in the large run-down inner city estates, is essential. The Government has shown what needs to be done, through the Priority Estates Project and Estates Action. The Government will maintain its commitment to these programmes.

Estate Action

The Priority Estates Project, begun in 1979, has shown how to improve the management and maintenance of unpopular estates. Sensitive locally-based management, working together with tenants, has turned round some of the most difficult estates, and made them decent places to live in again. The Estate Action programme brings extra Government financial support to help - £140m in 1988/89. Tenant self-management, co-operatives,

ownership trusts are examples of the different solutions being tried. But the success of these projects should not be measured in terms of improved houses alone. Another big achievement is the re-establishment of tenants' self respect, and of their pride in their own homes and neighbourhoods.

Estate Action

- brings empty homes back into use
- increases security and combats crime and vandalism
- cleans up squalor
- improves repair standards and maintenance services generally
- increases variety of tenure
- provides opportunities for local business enterprise
- stimulates tenant self-help
- brings private sector money and initiative into council estates.

Housing Action Trusts

6.12 In some inner city estates, problems have become so chronic that local authorities cannot be expected to solve them. For some of the worst estates, the Government proposes to set up Housing Action Trusts. These will be single-minded organisations, modelled on Urban Development Corporations. They will take over estates from their present council landlords, improve them using public and private sector resources, and manage them better, fully involving tenants. The estates will then be passed to new owners: housing associations, private landlords, tenant co-operatives or home owners, or if the tenants so decide, the local authorities.

6.13 These Trusts will help to encourage opportunities for jobs and local people's enterprise. They will help break the link between council estates and very high rates of unemployment. They will demonstrate that given effort and dedication, new hope and life can be brought to the most depressing areas of inner city housing. HATs will have £125M of taxpayers' money to spend over the next three years.

A wider range of housing for sale

6.14 The provision of high quality homes for sale in the inner cities is also important to attract back into the community the people who will create new employment to stimulate the local economy. Unused or derelict land can be made available to the private sector for new house building and the Government's measures to encourage development will play an important part in this process.

SAFER CITIES

7.1 Inner cities will only be prosperous if they are safe places to live. All the steps described in earlier sections will fail if they are undermined by crime.

The problem of crime

7.2 Crime makes inner-city problems worse. Burglary, violence, racial harassment, drugs: all fuel the pace of economic and social decline. Local residents move away - if they can. Businesses close. Traditions which have kept a community together break down.

7.3 Inner cities contain nearly a third of the population but 42% of all recorded crime including:

- 49% of burglaries
- 49% of motor vehicle thefts
- 46% of thefts from vehicles

The most deprived inner cities have 12% of the population but:

- 37% of residential burglaries
- 23% of thefts of motor vehicles
- 33% of thefts and robberies from people.

7.4 Fear of crime is itself a problem. Surveys show that half the people who live in inner cities are worried about being burgled or robbed in the street. Half the women fear rape or sexual assault. Almost as many feel very unsafe walking alone at night. Over half the residents expect to be burgled in the coming year. Around a third think they will be mugged.

7.5 The Government strongly supports crime prevention initiatives both nationally and locally.

The Police

7.6 The police take the lead in the fight against crime, and since 1979 police and civilian manpower has increased by 19,000. More uniformed police are on the streets. Action has been taken to improve relations between police and the communities they serve. More ethnic minority policemen are being recruited.

Turning the tide

7.7 Crime has to be fought from inside the community. Government support for the police and other statutory services, and encouragement of the voluntary and private sectors, have created the right climate for local action. The active citizen - the neighbourhood watch organiser, the youth club leader, the victims' support co-ordinator, the conscientious businessman - can make all the difference between success and failure.

7.8 Police and the community have to work hand in hand to control crime. Recent Home Office demonstration projects in Bolton, Croydon, North Tyneside, Swansea and Wellingborough brought together police, local authorities, voluntary organisations and the private sector. These "Five Towns" projects have shown what can be done. With Government support key local organisations have come up with effective measures, and put them into action. Some, such as fitting locks, tackle crime directly. Others boost confidence by facing the fear of crime. Yet more show that young people can be diverted from crime into helping the community. They can find new interests and a new sense of purpose in their lives.

Five Town initiative. Some achievements:

- burglary is down by 21% on a Bolton estate;
- theft of cars is down by 23% in part of North Tyneside;

- the fear of crime is decreasing: 62% of people living on an estate in Swansea are now more confident about going out at night.

Making cities safer

7.9 The Safer Cities programme will be launched in 20 inner city areas where crime and fear of crime are at their peak. Small local teams will try to bring together all those involved in helping to reduce crime and the problems leading to it. New initiatives will curb crime directly; existing measures will be strengthened; potential offenders will be steered towards constructive activities. And the Programme will help ethnic minorities who wish to contribute to the revival of areas blighted by crime.

Safer Cities

- (i) Objectives: to engage energy and commitment of local people in action to reduce crime and the fear of crime
- (ii) Structure: a project Steering Committee supported by local team and a Home Office co-ordinator - in touch with local people and local services and able to get decisions and achieve results
- (iii) Assessment: survey to show public and business confidence, crime rates, fear of crime and the development of opportunities for employment and constructive leisure activity.

7.10 In the first year the Home Office will make £2m available to support initiatives which cannot be funded from existing resources. Schemes should be in operation in up to 8 areas within the next 12 months and in up to 20 areas within 3 years.

What can be done

1. Develop lock-fittings, entry-phones and neighbourhood watch schemes - to reduce burglary and help people to feel safe in their homes.
2. Involve local residents in the running of high crime housing estates - to restore confidence, pride and sense of belonging.
3. Working with young people - to steer them away from crime and drug abuse and give them a sense of responsibility and purpose.
4. Protect local businesses from crime so that they can continue to serve their communities and develop their enterprise and initiative.
5. Draw together the many local services (both voluntary and statutory) already working in inner city areas to restore community spirit, raise confidence and reduce crime.

7.11 By tackling the fear of crime and the problems which lead to criminal behaviour, the Safer Cities Programme will help local people to create communities where enterprise and personal responsibility can flourish. This is the first programme of its kind in Europe.

PLEASANT CITIES

8.1 Inner cities need to become pleasant places to live in. The Government actively supports a wide variety of programmes to improve the quality of life in inner cities.

Sport

8.2 The Sports Council, which handles all Government money earmarked for sport, gives priority to the inner cities. It now spends about £11 million each year on projects for areas and groups of special need including the young, the unemployed and ethnic minorities. Where possible it also encourages projects which provide employment and training in sport. The Government is increasing its grant to the Council by nearly £2 million for this purpose in 1988-89, to a total of £38.8 million.

8.3 Another £30 million of Urban Programme funding is used to assist the development of community sport, recreation and leisure facilities. And many other bodies contribute to community sport. Many police forces for instance run sport programmes for children in deprived areas; and the Football Trust has given £6 million to community football since 1978.

8.4 The Minister for Sport, with the Sports Council, will be undertaking a review of sport in inner cities over the next few months to see how more private sector support for the right kinds of schemes can be secured.

Improving the Environment

8.5 The Government spends some £50m through the Urban Programme each year on environmental improvements. Untidy sites are cleared and planted, parks and open spaces are improved, buildings are cleaned and restored, key road and rail corridors and waterways are relandscaped. The programme deals with some 6,000 acres and 2,000 rundown buildings and shops each year. These projects all bring a sense of order and responsibility where there was neglect and indifference.

8.6 The most important contributions are coming from local people. There are many schemes and projects which enable them to play a part: for instance, the Groundwork Trust, UK 2000 and the many schemes for the young - such as the Duke of Wellington's Award Scheme, Outward Bound and Operation Raleigh - which have given a special inner city focus to their work.

The Arts

8.7 The arts have long been a focus for civic pride. The great Victorian city centres gloried in their museums, theatres, art galleries and libraries. The importance of that heritage is being seen anew. Arts projects which attract local support make places much more attractive to live and work in and encourage commercial development.

8.8 This has been a theme of recent arts policy. The Arts Council of Great Britain set out a strategy of transferring arts provision to the regions in their 'Glory of the Garden' proposals in 1983. These have increased regional arts provision by some £6m each year. Much is now being done to bring together local public and private sector interests in stimulating the growth of arts projects. Examples are:

Birmingham: the City of Birmingham Symphony Orchestra has an international prestige which has become a selling point in persuading business to come to Birmingham. It has also integrated into the education system, running workshops and musician-in-residence schemes.

Bradford: the historic Alhambra Theatre has been reopened. A National Museum of Film, Photograph and Television opened in conjunction with the Science Museum, together with exploitation of the city's industrial heritage, has made a major contribution to the growth of tourism.

Bristol: the disused dock area has been extensively redeveloped, with the Arnolfini arts centre, the Watershed multi-media centre and industrial museums, including the SS

Gt Britain. Watershed in particular provides a focus for business conferences and industrial exhibitions.

Liverpool: the Albert Docks development when completed will house the Merseyside Maritime Museum, the Tate Gallery of the North and Granada TV's news centre.

Manchester: the Palace Theatre and the Opera House have been redeveloped with funding by Nor-West Holst. The Cornerhouse multimedia centre has been developed with the support of private sector interests.

Newcastle on Tyne: the derelict Tyne Theatre has been reopened. Behind it a warehouse has been converted into dance studios in daily use by many young people. Newcastle Arts Centre, in a run-down area near the station, is being developed as a self-financing complex housing crafts and arts-related shops, workshops, video training facilities and exhibition space.

Sheffield: the multi-purpose Leadmill arts centre has attracted much private support, and has become the focus of an urban improvement programme.

Swansea: maritime dockland development includes studio and gallery facilities for a wide range of artists including a stained glass co-operative.

Glasgow: has been chosen by the European Community to be "European City of Culture" in 1990.

8.9 The Government will continue to draw attention to the possibilities and to encourage local business support.

- £146 million committed in private investment in schemes backed by urban development grant;
- projects to build over 2,000 new homes with UDG support often in areas which have not seen new private housing in years.

[CAPTION

1. Cardiff Bay Development Corporation - bring new life to the docklands of Cardiff.
2. Town centres are being transformed by the Valleys Initiative.]

SCOTLAND AND WALES

9.1 The emphasis of preceding sections has been on inner cities in England. But the Government is equally concerned to tackle the problems of inner cities in Scotland and Wales.

Scotland

9.2 The problems faced by Scotland's cities and industrial towns are often similar to those elsewhere in Britain. So is the Government's approach to tackling them. But the means used in Scotland sometimes differ. The Government are publishing a separate document "Urban Renewal in Scotland" to explain in more detail current action in Scotland and plans for new initiatives.

9.3 In the early 1970s urban deprivation was greater in Scotland and Clydeside than anywhere else in Britain. Many lessons have been learnt in tackling it. The city of Glasgow is being transformed through the work of the public and private sector. The Scottish Development Agency (SDA) is a major instrument for dealing with urban renewal in Scotland.

9.4 The SDA has led or is currently leading important area initiatives in GEAR (Glasgow Eastern Area Renewal), Leith, Motherwell, Coatbridge, Dundee, Inverclyde and Clydebank. The GEAR project was a major experiment in a co-operative effort to revive one of the most run-down areas in Europe. Very substantial resources have been deployed by local authorities, the Scottish Special Housing Association (SSHA) and the Housing Corporation in Scotland (HCiS) to develop and improve housing: and encouragement has been given to agencies to tackle housing problems in run-down areas such as GEAR and through other community-based initiatives.

9.5 The Government are determined to sustain the momentum. Urban renewal is to be a major priority for the SDA over the next few years. Funds for the Urban Programme are being further increased. Scottish Homes is soon to be created as a new and important

housing agency to develop housing and it will build on the expertise of SSHA and HCiS.

9.6 A new priority is to be given to the large peripheral housing estates, which now have problems like those which were prevalent in inner areas in Scotland. The Government propose to set up in peripheral estates a number of initiatives which (as in GEAR) will simultaneously pursue economic, environmental, housing and social objectives. The private sector will be invited to play a major role, in partnership with the public sector.

Wales

9.7 Tremendous opportunities are being created by targeted spending in urban Wales.

9.8 The Principality has seen one of the most ambitious land reclamation drives in Europe. 9,000 acres have been cleared since 1979. But much remains to be done. Over the next 3 years the Welsh Development Agency has been given £75 million to spend on its land clearance and urban renewal programme - a massive 40 per cent more than originally planned.

9.9 The urban areas of Wales are being reinvigorated. The Cardiff Bay Development Corporation - formed last year - is already well up on its plans to breathe new life into the derelict docklands. Vivid results can be seen in seven towns following the launch of the Valleys Initiative in 1986. The Valleys will also be at the heart of a new and exciting 3-year programme of urban regeneration which will be starting this year.

9.10 Opportunities for new businesses, new investment and new jobs are coming directly from urban grants. Since 1979 Wales has seen:

- the creation or safeguarding of 28,000 jobs by the conventional urban programme;

CONCLUSION

10.1 The Government is determined that the inner cities should be given a chance to share in the nation's prosperity. They should be made attractive places to invest in, work in and live in. This booklet explains how.

10.2 Many of the measures set out in preceding sections are bold and ambitious. They will not ~~all~~ be easy to achieve. Certainly they will not happen overnight.

10.3 But they are possible. The inner cities can be revived. The Government stands ready to play its part: that's why it has published this document. But success will only happen if everyone plays their part - above all, the people who live in the cities themselves.

10.4 The time has come to end the pessimistic talk about the inner cities. It holds people back and achieves nothing. What is needed now is action and results. ACTION FOR CITIES.

ENCOURAGING ENTERPRISE, EMPLOYMENT AND DEVELOPMENT : GOVERNMENT PROGRAMMES

NATIONAL PROGRAMMES

Most major Government spending programmes take account of the needs of inner city areas and help to foster enterprise, employment and development. Some concentrate heavily on the inner cities including

<u>Enterprise and Employment</u>	Inner city expenditure £m 1987/88
- training and programmes to encourage enterprise, including support for small firms	1200

Housing

- support for local authority housing capital programme, including improvement of inner city estates	2600
- support for Housing Associations	500

SPECIAL INITIATIVES

Over and above national programmes, there are special inner city initiatives and programmes

- Urban Programme	297
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Enterprise and employment

- 16 Inner City Task Forces	14
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Development

- Urban Development Corporations	133
- Urban Development and Urban Regeneration Grant	30
- Derelict Land Grant	81

Housing

- Estate Action, including special measures to involve council tenants in the management of their estates	75
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cc: Mr Wilson
Mr Sorensen
Mr Gray ~~→~~

RA.

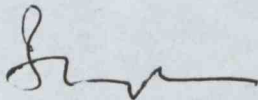
PRIME MINISTER

INNER CITIES - FOREWORD

Attached is a draft foreword for the Inner Cities booklet. I would appreciate your early approval.

The text of the booklet itself is, in my view, much improved and I have seen some new designs which are a great improvement.

Things look to be coming on well.



BERNARD INGHAM
15 February 1988

DRAFT

This booklet is an action document. It shows you what the Government is doing to help improve life in our "inner cities". It adds up to a £5,000 million attack on the host of problems covered by the "inner cities" label.

I ought at the outset to define "inner cities" more clearly. The term conjures up an image of a rundown urban environment. It covers towns as well as cities and areas ranging from those which have seen better days to acutely depressing examples of crime-ridden dereliction.

There is, of course, nothing new in urban decline. Throughout our history towns and cities have risen and fallen only to rise again. Some have responded to new markets and technologies. Others have clung to old ways and allowed opportunities to pass them by. A number have suffered from a civic hostility to enterprise. Latterly all too many have had their problems intensified by misguided post-war planning and development which had the best of intentions but the direst results for the people living there.

Every area covered by the term shares one common need: new hope for the future.

The Government is resolved, in partnership with the people, to generate that hope and help create a new, lively environment in which to live, work and prosper.

This is an opportune time to step up the effort because:

- a strong economy and seven continuous years of steady growth have provided the right springboard;
- the Government has created an atmosphere conducive to enterprise and has demonstrated a willingness to remove obstacles in the way of inner city recovery;
- our wider policies - on training for work, education and housing - are dedicated to promoting choice and giving people a bigger stake in their community;
- there is no lack of individual commitment, effort or money to transform dereliction, to eliminate eyesores, to invest in the people and to encourage others to live in inner cities by improving the whole quality of life there.

This booklet shows you that the Government has a comprehensive approach to inner cities renewal starting with site clearance and extending to help with improving sporting facilities and the cultural environment. It also shows you some of the inspiring results which have been achieved.

We are embarked on a great enterprise which will leave its mark on Britain for decades and carry our towns and cities into the 21st Century in much better shape.

I commend the programme to all who are seeking opportunities to invest in Britain and revitalise our "inner cities".



10 DOWNING STREET

Note for Mr Reed

SAFER CITIES

I spoke to Eric Sorenson (Cabinet Office) about the 12 February letter from Sanders. I had him to ensure that "Safe Cities" ~~is~~ formed a clearly distinct element of the document, although it might still form part of a broader section of a Quality of Life. Meanwhile I would not respond to Sanders's letter. It would handle it then we have a re-draft of the document.

RHC

12/2