

cc ~~OL~~

Ref. A085/2902

PRIME MINISTER

Inner City Youth

Flay
A — You are having a meeting on 14 November with the Ministers most directly concerned with the issues raised by the Home Secretary's minute of 23 October, on which a number of Ministers have already commented. In the light of the meeting it will be necessary to decide whether and, if so, how to set in train a new policy initiative, and the timescale to which it should work. This minute summarises the main areas that will need to be covered at the meeting.

The present position

2. The first thing must be to take note of what is already in place. Urban policy is a conceptually difficult matter that straddles the boundaries between Departments, between central and local government, and between the public and private sectors. The Home Secretary's minute brings out the main components of existing policy, and other Ministers (particularly the Secretaries of State for Employment and the Environment) have stressed that this was reviewed last year in MISC 104, and co-ordination much improved as a result.

— 3. The annexed note briefly summarises the present state of play on policy objectives, delivery mechanisms and resources.

The problem

4. The essence of the Home Secretary's minute is the suggestion that within the wider problems of urban decay and deprivation there is a particular threat from volatile, uneducated, unoccupied, mostly black, young people, and that this merits a

particular response beyond general urban policies. The propensity for this kind of mob violence is clearly not an inevitable part of the inner city scene: there are many deprived areas where there is no such threat. There is a strong ethnic, specifically black, dimension, and perhaps only a small number of places at risk.

5. The argument for separating out the area identified by the Home Secretary for special action rests not so much on theoretical analysis of inner city problems (though that can be sustained) as on the proposition that what we face here is a unique threat to the wider social fabric. Ministers will doubtless see a lot of force in that view; in particular, the prospect of escalating confrontation between the disaffected group (politically manipulated as it may be) and the police is extremely disturbing. Nevertheless, the crucially important decision to be made at the outset is whether these problems should be extracted from the generality of urban policy and pursued and presented on their own terms, or whether they can await the structural improvements that are sought in the Government's wider approach to inner city problems. If it is decided to extract the topic, it will need to be accurately identified: the Home Secretary's formulation of "inner city youth" seems close to the mark.

Aims of a new initiative

6. In general terms the main aim must be in the direction of reducing the instability and volatility of the group in question, to give these young people more of a stake in their own community, to keep them safely occupied, to improve their morale. That will probably mean working in unconventional and imaginative new ways as well as improving the targeting of existing programmes.

7. There is another side to the equation. The recent disturbances needed sparks, not just tinder. If there is to be a new policy review, policing methods should presumably have a place in it.

Delivery mechanisms and resources

8. Securing effective delivery will be a major challenge. Some Ministers have already made suggestions of using new kinds of agencies, to bypass existing authorities. There may prove to be something in that, but any move in that direction would need to be considered when it is clear what it is sought to achieve, and decisions on such points of machinery need not and should not be made at the outset.

9. The availability of resources is a major factor. The Chief Secretary, Treasury has made clear that there is no new money available. It may be that what is needed will not be very costly, but some diversion of money within programmes seems inevitable in response to the identification of new priorities. This needs to be analysed in more depth.

Next steps

10. If this is to proceed as a new initiative, focused on young black people, you will want to set objectives in the light of the meeting, and set up the machinery to work towards them. This could be on the analogy of the CATs, in which case the new initiative would be made the responsibility of a Cabinet Minister with an interdepartmental remit and the full authority of the Cabinet to pursue action. He should be supported by a small unit of vigorous officials and possibly with the assistance of well-known and respected outside figures, possibly including some from the ethnic minorities. Interdepartmental co-operation is vitally important, and he should perhaps chair an interdepartmental group of junior Ministers to ensure the necessary co-ordination. For the present, I would see this exercise as quite separate from the

work of MISC 116, which would continue in parallel with the development of the CATs. Clearly the work of the two groups might eventually merge.

11. Finally you will wish to consider the question of timing. Views here will depend on the decisions taken, but there is probably a political need for a statement early in the New Year.

CONCLUSION

12. If action is to be taken the next steps could be:

- (a) to take firm decisions now about the Government's objectives in the area identified by the Home Secretary, and the resources allocated to meeting them;
- (b) to invite one Minister to co-ordinate the preparation of a detailed plan covering delivery on the ground, in particular;
- (c) to ask that Minister to present his plan for approval to another meeting of these Ministers (or to a wider group, say, MISC 104) and to oversee its implementation if it is approved.

13. I am sending copies of this minute to all Ministers who are attending the meeting, namely the Lord President of the Council, the Secretary of State for Trade and Industry, the Home Secretary, the Secretaries of State for Education and Science, Scotland and Social Services, the Chancellor of the Duchy of Lancaster, the Secretaries of State for Employment and the Environment, the Paymaster General, the Chief Secretary, Treasury and the Minister for Housing, Urban Affairs and Construction (Mr Patten).

THS

for ROBERT ARMSTRONG

12 November 1985

Objectives, Targets and Organisation

1. MISC 104 agreed on four objectives for Urban Policy:
 - i. to reduce the number of people in acute housing stress;
 - ii. to reduce the number of derelict sites and void buildings;
 - iii. to increase the job opportunities in certain areas and the employability of certain groups;
 - iv. to strengthen the social fabric of the inner cities and to reduce individuals' dependence on the public service.
2. Decisions taken by MISC 104 last year were designed to secure better value for money from expenditure on the Urban Programme and other programmes which address inner city problems. The Urban Programme Management initiatives had been implemented in the form agreed. City Action Teams (CATs) have been set up, initially comprising representatives from the Departments of the Environment, Employment and DTI, and limited to the 7 Partnership areas. The CATs were asked to provide specific targets for their operations, reflecting the first 3 urban policy objectives agreed by MISC 104. Their activities are supervised by MISC 116 under the Chairmanship of the Secretary of State for Employment. Their establishment is helping the Government to publicise what it is actually doing already for the inner cities. The main question now here is whether there should be some redefinition of the objectives, to reflect the preoccupation with the problems of alienated young people (particularly blacks).
3. It was always envisaged that the scope of the CATs would expand. Work is in hand on further co-ordination with the three social Departments (Education, Health and Social Security and Home Office) and the Department of Transport. There can be no doubt that they have a substantial contribution to make, not least in the provision of information from a local level. The Home Office, in addition to its responsibility for the police,

contributes to the solution of the problems that face ethnic minorities in the inner cities by grants to local authorities to meet part of the salaries of employees dealing with special needs of Commonwealth immigrants. (Section 11 of the Local Government Act 1966). Expenditure on S.11 functions was over £90 million in 1984/85 as compared to the £340 million of the Urban Programme. DES and DHSS have smaller amounts of discretionary expenditure which may have an impact on inner city areas.

4. Work is also in hand on proposals to extend the areas covered by the CATs. Additional Civil Service manpower would be required for major extensions or to set up new CATs. However, the effects of the co-ordination established between the members of the CATs is already spilling over into some adjacent areas and this could be developed further.

Implementation of Objectives and Delivery Mechanisms

5. The CATs are a means of ensuring that existing spending programmes reflect the agreed urban policy objectives. It is still early days to judge their performance. Their work has concentrated on the physical and employment creating aspects of urban policy, but this may change as the social Departments become more integrated. Much of their work depends on the co-operation of local authorities, although they do work with voluntary organisations and the private sector whenever possible. Their effectiveness could perhaps be increased by further impetus towards:

- i. the involvement (to some extent) of CATs in decisions about all discretionary central government expenditure which had an impact on the inner cities;
- ii. 'bending' main programmes towards inner cities; ie allowing the use of different criteria to determine expenditure decisions in inner cities which are more favourable than those used nationally;

- iii. expanding the area covered by CATs, say to the Programme Authorities - or to areas with similar problems.

6. Alternatively, new delivery mechanisms could be set up to improve the targeting and effective delivery of Government programmes. There is a clear need for a 'bottom up' approach, which would involve local communities in the projects to improve their own environment or increase employment within their own area, whilst at the same time improving their perception of what Government is doing for them. This might be most readily achieved through the stimulation of community organisations or voluntary bodies, but it has been suggested that where these are absent or ineffective, it might require the setting up of agencies specifically to stimulate and manage community programmes. These could be small and very local, drawing on the CATs for resources and advice and with no special powers, or large with statutory powers covering a wider area, on the lines of the Urban Development Corporations (UDCs) which operate in Merseyside and the London Docklands. One problem with any new agencies is that legislation might be required. The suitability of the UDC model for what is not essentially a development role would need careful thought.

Resources

7. The financing of the Urban Programme has been held level in cash terms for the last two years and will be reduced in 1986/87. Any new initiative will be seen against this background and the question of new resources will inevitably be raised. The Government's commitment to solving the problems of inner cities may be questioned if no new resources, other than for the police, are apparent. The difficulties of finding new resources are obvious in present circumstances. One possibility would be to reorder priorities through the greater use of specific grants, such as the Home Office S.11 grants and Education Support Grants, or to create more specific grant regimes. Ministers could then authorise grants only to those local authorities who were prepared to run projects of which they approved, with the local authority

contributing a proportion of the relevant expenditure. This route could have wider implications. It might lead to an increase in aggregate local authority expenditure, and local authorities would strongly object to the reduced control they would have over the deployment of expenditure.

PRIME MINISTER

INNER CITY YOUTH

Sir Robert Armstrong suggests (paragraph 9) that you should say at the beginning of the meeting that you will be making up your mind about Ministerial responsibilities outside the meeting. This seems right, and is in line with your initial reaction when Sir Robert Armstrong suggested to you that the Paymaster General might chair the follow up work.

I suggest that however the follow up work is handled, there should be probably an interim report to you, and a final report before anything goes to a full Cabinet committee or to Cabinet itself.

You will wish to bear in mind that the fact of a review is public knowledge. The Autumn Statement says:

"The Government is reviewing the level and effectiveness of assistance for the inner cities. Meanwhile provision for the urban programme remains unchanged."

Martin Sauer

PP DAVID NORGROVE

13 November 1985

1
PRIME MINISTER

INNER CITY YOUTH

You saw a minute from Robert Armstrong yesterday about the arrangements for following up the Home Secretary's minute about inner city youth. You did not express a view on whether the territorial Ministers or Mr. Heseltine should be invited. Do you:

(i) wish the territorial Ministers to be invited - the Secretary of State for Scotland has put in a bid.

(ii) Mr. Heseltine to be invited or turned down on grounds of non-departmental interest.

*(academice - he is out of the country
OK)*



(TIM FLESHER)

7 November 1985

*Let C.Y. come - but
no small territorial
Minister - the problems
are different*

Inner Cities

TPM





MINISTRY OF DEFENCE

MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 ^{2111/3} (Direct Dialling)

01-218 9000 (Switchboard)

MO 21/8/5

7th November 1985

Dear David,

nmw

As I mentioned to you, the Defence Secretary has been following with interest the relevant correspondence on inner city youth. He has commented that he would very much like to attend any meeting on this subject, if the timing were to permit it.

I am sending copies of this letter to Stephen Boys-Smith (Home Office) and to the Private Secretaries to other members of the Cabinet, the Chief Whip and Sir Robert Armstrong.

*Yours ever,
Jeremy Wright*

(J S WRIGHT)

D Norgrove Esq
No 10 Downing Street

UNITED STATES DEPARTMENT OF THE INTERIOR





RW Norgrove

CC BG

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

4 November 1985

Dear David,

PPS ATTACHED

PP. Following your letter of 31 October to Stephen Boys Smith, the Lord President has commented that he would like to be included in any meeting which is held on Inner City Youth.

I am sending a copy of this letter to Stephen Boys Smith in the Home Secretary's office, to the Private Secretaries to the other members of the Cabinet, the Chief Whip, and Sir Robert Armstrong.

Yours sincerely

Joan.

JOAN MACNAUGHTON
Private Secretary

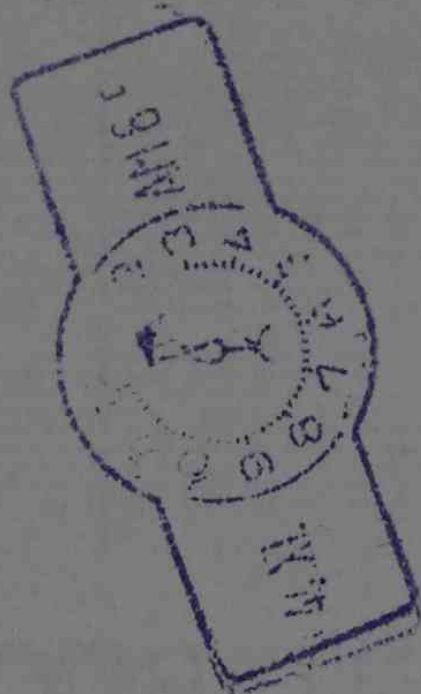
CF

*Please tell
Ros,*

DRV

D Norgrove Esq

WHITE TAIL LODGE SWISS ALPS
FISH CROUCH OFFICE



CONFIDENTIAL



70 WHITEHALL, LONDON SW1A 2AS

01-233 8319

From the Secretary of the Cabinet and Head of the Home Civil Service

Sir Robert Armstrong GCB CVO

Ref. A085/2869

11 November 1985

Mr.
Dear Caroline,

Inner City Youth

This is to confirm that the Prime Minister's meeting on Inner City Youth has been arranged to take place after Cabinet (at about 12.00 noon) on Thursday 14 November.

I am sending copies of this minute to the Private Secretaries to those who are invited to attend, namely, the Lord President of the Council, the Secretaries of State for Trade and Industry, the Home Department, Education and Science, Scotland, Social Services, Employment and the Environment, the Chancellor of the Duchy of Lancaster, the Paymaster General, the Chief Secretary, Treasury, and the Minister for Housing, Urban Affairs and Construction (Mr Patten).

Yours
Ros

(Rosalind Mulligan)
Assistant Private Secretary

Mrs Caroline Ryder

CONFIDENTIAL