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PRIME MINISTER

INNER CITIES

At your meeting on 14 November you invited me to chair a meeting involving the Secretaries of State for the Home Department, Education and Science, Scotland, the Environment and Employment to select ten inner city areas for further study at your next meeting on the subject. I have now held that meeting, at which we were also joined by the Paymaster General, the Minister of State, Treasury, and the Minister of State, Department of the Environment (Mr Patten), and this minute reports our conclusions.

2. We took the view that, for the present exercise, we needed to be looking at areas appreciably smaller than local authority districts. Officials had prepared for our consideration a short list of possible areas with populations of the order of 30,000-40,000, and that seemed to us to be about right.

3. We also were confident that you would not want this exercise to be focused exclusively on areas (tending to have heavy concentrations of black people) that are identified as having particular potential for public disorder, and that we should suggest a more balanced list containing examples with considerable urban deprivation but without a significant ethnic minority element. The Secretary of State for Scotland was anxious that a Scottish area should be included. I saw much advantage in that, and also felt that it would be right to include a Welsh example, at least at this stage. (I understand that the Secretary of State for Wales is, indeed, content for an area of Cardiff to be involved, though he would naturally like to consider this involvement as the exercise clarifies.)

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4. With all these considerations in mind, we selected the areas set out in the attached list. The areas in Glasgow and Middlesbrough were not assessed as presenting particular public order problems; the areas in Cardiff and Leicester were assessed by the police as presenting a public order threat, but at the lower end of the scale; all the other areas were assessed as presenting a more significant public order problem. We considered, but rejected, other areas such as Brixton where there have been disorders since we were anxious to avoid giving the impression that riot was being rewarded.

5. The group of officials that was set up following your meeting will now proceed to assemble the requested information about these areas, for consideration at your meeting on 19 December. I should, however, emphasise that the Ministers at my meeting were quite clear that it would not be possible to collect detailed and precise information about areas of the size we had chosen without making enquiries of organisations at local level, and especially local authorities. In the case of Handsworth, there has been a lot of detailed study on the ground, following the recent riot, but information at that level of detail would not be available for the other areas without our being seen to be making enquiries which nobody at my meeting thought would be prudent at the present stage. I have therefore instructed the official group to assemble the very best information that they can, making use of informal local contacts in the few areas where that can be done discreetly, but not making formal approaches to the local authorities in any area. This will mean that the information for your meeting will be of variable quality, to some extent impressionistic, and based on estimates where precise data are not available. I am sure, however, that the information that can be collected will be sufficient for a useful and properly informed discussion at your next meeting.



6. I am sending a copy of this minute to the Secretaries of State for Trade and Industry, the Home Department, Education and Science, Scotland, Wales, Social Services, Employment, and Environment, to the Chancellor of the Duchy of Lancaster, the Paymaster General, the Chief Secretary, Treasury, the Minister of State, Department of the Environment (Mr Patten), and Sir Robert Armstrong.

WSD

Privy Council Office
5 December 1985

SUGGESTED LIST OF URBAN AREAS FOR FURTHER STUDY

| 1 Local Authority (Urban Programme Status). | 2 Deprived areas for study within 1. | 3 Indicator of youth unemployment in 2. % | 4 Concentration of New Commonwealth immigrants in 2. % |
|--|---|--|---|
| Birmingham (Partnership) | HANDSWORTH | 56 | 60 |
| Manchester (Partnership) | MOSS SIDE | 43 | 25 |
| Bristol (Trad) | ST PAULS | 45 | 24 |
| Leeds (Programme) | CHAPELTOWN | 43 | 20 |
| Southwark (ODD) | NORTH PECKHAM | 44 | 23 |
| Kensington & Chelsea (Trad) | NOTTING HILL | 31 | 15 |
| Cardiff | BUTE TOWN/ RIVERSIDE | 38 | 10 |
| Leicester (Programme) | HIGHFIELDS | 34 | 64 |
| Middlesbrough (Programme) | NORTH CENTRAL MIDDLESBOROUGH | 51 | 14 |
| Glasgow | *EASTERHOUSE or DRUMCHAPEL | | |

μ The indicator of youth unemployment used is the current number of unemployed under 25 as a percentage of the total number of unemployed and employed persons under 25 as recorded in the 1981 census. This is only a crude indicator because of changes in the size and structure of economic activity since 1981.

The number of persons resident in households where the head of household was born in the New Commonwealth and Pakistan as a percentage of the total population of the area at the 1981 census.

* Selection still to be made.

Regional Policy: Inner Cities Pt 7



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10 DOWNING STREET

From the Private Secretary

10 December 1985

Dear Joan,

INNER CITIES

The Prime Minister has seen the Lord President's minute of 5 December which set out proposals for areas within the inner cities to be studied. The Prime Minister is content with the list of areas proposed and with the method of proceeding.

I am copying this letter to Edmund Hosker (Department of Trade and Industry), Clare Pelham (Home Office), Ian Hughes (Department of Education and Science), Robert Gordon (Scottish Office), Colin Williams (Welsh Office), Elizabeth Mothersill (Department of Health and Social Security), Chris Snell (Department of Employment), Robin Young (Department of the Environment), Andrew Lansley (Chancellor of the Duchy of Lancaster's Office), Jacob Franklin (Paymaster General's Office), Richard Broadbent (HM Treasury), Neil Kingham (Minister of State's Office, Department of the Environment) and to Michael Stark (Cabinet Office).

Yours ever

David

(David Norgrove)

Miss Joan MacNaughton,
Lord President's Office.

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2 pps

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

5 December 1985

Dear Nick

INNER CITIES

Thank you for your letter of 3 December. I understand the Prime Minister is content for you to be present at the meeting on Thursday 19 December and I too would welcome your attendance.

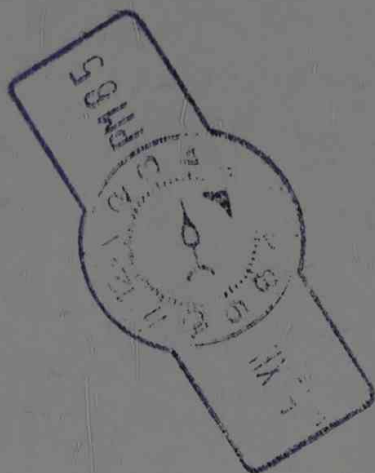
I am sending a copy of this letter to the Prime Minister, the Secretaries of State for Trade and Industry, the Home Department, Education and Science, Scotland, Social Services, Employment, and Environment, to the Chancellor of the Duchy of Lancaster, the Paymaster General, the Chief Secretary, Treasury, the Minister of State, Department of the Environment (Mr Patten) and Sir Robert Armstrong.

[Handwritten signature]
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The Rt Hon Nicholas Edwards MP

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Regional Policy: Inner Cities A7



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From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

3 December 1985

De Willie

NBM

I understand that, following a meeting on Inner Cities chaired by the Prime Minister on 14 November, you are preparing a list of 10 possible urban areas for further study and that you will be meeting Ministerial colleagues on Wednesday to select 10 areas from a list of about 20 areas being put forward by a group of officials under Cabinet Office chairmanship. There is to be a further meeting with the Prime Minister on 19 December to consider your selected list.

Although I have not so far been involved in the Ministerial discussions, this is a subject in which I have a particular interest - as expressed in my letter of 31 October to Kenneth Baker - and I understand from my officials, who have taken part in the Cabinet Office group discussions, that part of Cardiff has been identified as one of the 20 areas you will be considering on Wednesday. In the circumstances, and irrespective of whether you decide to select Cardiff as one of the 10 areas for further consideration, I think it would be appropriate if I were to be present at the meeting with the Prime Minister on 19 December and I hope that this can be arranged.

/ I am copying this to the Prime Minister, other members of Cabinet, the Chief Whip and Sir Robert Armstrong.

✓ em
Nci

The Rt Hon Viscount Whitelaw CH MC
Lord President of the Council

REGIONAL POLICY INNER CITIES PT 7



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10 DOWNING STREET

From the Private Secretary

Mr. Langdon

INNER CITIES

1. Thank you for the copy of your minute of 15 November to Joan MacNaughton.
2. As I said, I think it would be useful to give the Prime Minister a sight of the 10 areas before things get too far advanced.

DN

15 November, 1985.

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Lower Cities, PA

15/11
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MISS MACNAUGHTON

cc Mr Stark
Mr Watson
Mr Eland
Mr Norgrave

u H/B
Vand pa.
INNER CITIES

1. Following the Prime Minister's meeting yesterday, the Lord President agreed to take on the task of selecting the 10 geographical areas on which the next meeting will focus at the beginning of December.

I said the 10 areas I have checked with No. 10 on this arrangement. would need to be cleared with the PM before things went further.

2. The other remit at yesterday's meeting was for a group of officials to prepare various specified information on the 10 areas. Sir Robert Armstrong has asked me to chair that group. The purpose of this minute is to suggest how the two remits might be co-ordinated.

3. Given that all the work needs to be done in 3 weeks, there is clearly not going to be time for a very elaborate exercise. But when Ministers come to select the 10 areas it will have to be on the basis of official advice and that, in turn, will need to be on the basis of some agreed criteria that have yet to be settled.

4. If the Lord President agrees, I think that the best way to proceed is as follows.

(i) The group of officials to be convened as soon as possible next week for the ground-rules to be set.

Members of the group to go away and work-up their nominations ^{say 15 or 20} of areas, together with assembling the requested data.

(We accept that there will be some wasted effort in assembling data for areas that are rejected).

(ii) Cabinet Office to compile a short-list of potential areas, for decisions by the Lord President's meeting with Ministers during the week beginning 25 November.

(iii) The next meeting chaired by the Prime Minister would consider a paper by the Lord President, ^{nominating} the 10 areas, explaining how they had been selected and neutrally setting out the possibilities for further work. There would also be a

factual report of the requested data from the group of officials.

5. As for the criteria themselves, I think that the thrust of yesterday's meeting was on delivery systems and was especially directed towards examining the feasibility of operating through quite new agencies. If that is right, I think that the 10 areas should be chosen so that they

(i) provide a useful study of the range of delivery problems and possibilities;

(ii) are high on the list of perceived needs, especially youth unemployment and public order;

(iii) would be practicable places for mounting pilot projects with new agencies, if that is what is eventually decided.

Other criteria - for example, on the size of practicable areas - may emerge as a result of official discussion.

6. It was clear at yesterday's meeting that there should be no specific orientation to blacks. I am not clear, however, how we should regard the recent riot areas. There can clearly be no question of angling this exercise toward them, but I myself would not think that they should be altogether excluded from the short-list.

7. Lastly, Scotland and Wales. The Prime Minister particularly wanted the Scottish Secretary at the meeting and it is proposed that he should be one of the Ministers who help the Lord President to select the 10 areas. But at MISC 104 the Scottish (and Welsh) case was that their problems were rather different from those of England. At the end of the day, it may be difficult to refuse Mr Younger one of the 10 areas if he really wants it, but there is a good case for saying that the problem is genuinely different. I suggest that, in the preparation of the short-list, we should accept Scottish candidates if the Scots push hard and meet the criteria. It would be then up to the Lord President's group to decide whether any of them should stand.

CONCLUSION

8. I should be very grateful to know whether the Lord President agrees that we should proceed as at paragraph 4 and that the

But can we have Scotland w/o Wales?

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criteria for selecting areas should be as at paragraph 5
I should also be grateful for his guidance on the point at
paragraph 6. Unless he thinks otherwise, I would not propose
to bring Scottish involvement to a head until we have to.

J. Hunt

15 November 1985

pp A J LANGDON

