



SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

Rt Hon Kenneth Clarke QC MP  
Paymaster General's Office  
Caxton House  
Tothill Street  
LONDON  
SE1H 9NF

13 March 1986

NBAM

Dear Ken,

Thank you for your letter of 19 February about the new inner city initiatives in England.

I am naturally disappointed that you should take the view that none of the extra resources should come to Scotland, especially as £3 million of the resources have been withdrawn from other DE/MSD programmes, which would otherwise have been available on a GB basis. This means that Scotland has clearly lost proportionately.

The sum is, however, small and I would be content not to press you unduly on this point, if I could have your reassurance that there is scope for subsequently extending to a few chosen areas in Scotland whatever relevant new approaches are developed for the English areas. As you rightly say, my predecessor concluded that the proposed mechanism of small task forces of civil servants from the different departments concerned was not appropriate in the Scottish context, and so did not press for a Scottish inner city pilot area to be included. But he did emphasise, throughout the discussions that led up to your announcement on 6 February, that we would wish instead to focus primarily on joint initiatives in Scotland which essentially aimed at tackling the same problems. In this context, it would be very helpful - and, it seems to me, entirely appropriate - for us to be able to say that any suitable new approaches for the 8 pilot areas might in due course be applied in chosen Scottish areas. I understand that you will be reviewing the pilots in the autumn, and I suggest that it would be appropriate to see what would be of relevance in the Scottish context at that point.

If you agree in broad terms to what I have proposed, I suggest that we might ask our officials to pursue this in detail in due course.

I am sending a copy of this letter to the other members of MISC 104.

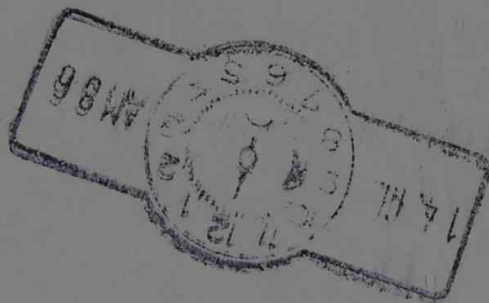
Yours ever  
Malcolm

MALCOLM RIFKIND

RECORDAL POLICY

FINNICK CITIES

P.T.D.



cc BG



Department of Employment  
Caxton House Tothill Street London SW1H 9NF  
Telephone Direct Line 01-213.....5949  
Switchboard 01-213 3000

Malcolm Rifkind Esq MP  
Secretary of State  
Scottish Office  
Dover House  
London SW1

19 February 1986

NBRM

Dear Malcolm,

Thank you for your letter of 7 February about our new inner city initiative.

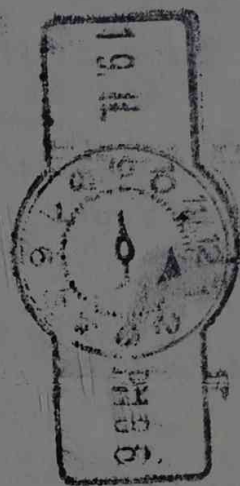
I am afraid that I am quite clear that the extra resources agreed for this initiative must be devoted to the eight pilot areas we have chosen and that there can be no question of their diversion to other areas. No one is denying that some Scottish (and other English) cities face comparable problems, but we agreed that this is a pilot approach, not one at this stage designed to apply universally in inner city areas. Indeed, your predecessor expressed a wish not to be involved in this initiative and the tentative selection of a Scottish city was therefore dropped.

I would be happy to discuss your plans for adopting new approaches in some Scottish areas at some stage, and indeed would consider it essential to do so if MSC or DE programmes might be involved. But on the whole I think it would be preferable to concentrate on getting the 8 pilots properly launched before we start considering further areas.

I am sending copies of this letter to the other members of MISC 104.

KENNETH CLARKE

REGIONAL POLICY: Inner Cities: Pt 8





NEW ST. ANDREW'S HOUSE  
ST. JAMES CENTRE  
EDINBURGH EH1 3SX

CCBG

CONFIDENTIAL

Rt Hon Kenneth Clarke QC MP  
Paymaster General's Office  
Caxton House  
Tothill Street  
LONDON

Prime Minister

DLW  
11/2

7 February 1986

Dear Ken,

I have seen a copy of your Principal Private Secretary's letter of 5 February to the Chief Secretary to the Treasury's Private Secretary, enclosing a copy of the statement you made on 6 February on new inner city initiatives in England.

As you know, I took the view at MISC 104 last week that the proposals for new inner city initiatives had no direct implications for Scotland, where (particularly because of the role of the Scottish Development Agency) administrative and co-ordination arrangements are very different. However, the fact that none of the 8 pilot areas is in Scotland does not mean that there are not comparative urban unemployment problems. In principle we should be keen to explore with you the scope for adopting for a few chosen areas in Scotland the new approaches on training and employment which you have in mind for the 8 chosen areas in England.

I was pleased to hear that you had managed to secure an extra £5 million for this purpose. As these extra funds will presumably go to complement existing Community Programme resources (which are held by your Department on a GB basis), I am naturally keen that an equitable proportion of these resources come to Scotland.

I am asking my officials to get in touch with yours as a matter of urgency to follow this up.

I am copying this letter to members of MISC 104.

Yours ever,  
Malcolm Rifkind

MALCOLM RIFKIND

REGIONAL POL  
FUNKER CITIES  
PTA

