

PP's
CCBT

Agree Policy unit
draft. not

MR FLESHER

22 March 1985

PRIME MINISTER'S MESSAGE ON URBAN POLICY

We believe that the Prime Minister should agree to provide a preface for Patrick Jenkin's booklet on Urban Policy.

But the draft offered by DoE is inadequate. It implies that:

1. The Government wants to arrest economic changes.
2. The Cities are all declining under this administration.
3. Our only response is to throw money at the problem.

I attach a revised version.

Oliver Letwin

OLIVER LETWIN



*Much better More than
doubt. me*

In the course of a nation's life, cities change in size and character. People look for new opportunities in new places.

We should welcome such change. It is a sign of vitality.

But rapid alteration can have painful effects. In our inner cities, it has caused many problems, both social and economic.

There is no single solution. Action is required on many fronts - the creation of new businesses, clearing derelict sites, refurbishing old buildings and building new ones, improving homes, training in new skills and supporting volunteers who help the old and lonely.

Our national policies are helping to achieve these aims by fostering an enterprise culture, by making more effective use of our resources, and by providing more up-to-date training.

But we have also spent huge amounts of taxpayers' money on special projects to ease the pains of transition in our towns and cities. The Urban Programme alone has been increased from £50 million to £350 million. This is spent in partnership with the local authorities and in many cases with the private sector. In addition, we are devoting £100 million to specific training schemes and £35 million to industrial schemes.

I am convinced that these programmes could produce better results if they were better focussed. That is why we are setting up City Action Teams in five areas - Birmingham, Liverpool, London, Manchester/Salford, and Newcastle/Gateshead. Their task is to use money more effectively in these areas - to help make the inner cities more habitable for individuals and more attractive to business. I am sure that they will be widely welcomed.

Inner Cities : REGIONAL POL. Pt 6.