

Prime Minister

This will need to be considered in detail, to reduce the risk of conflict and overlapping responsibilities. How do you feel about this being looked out with BIC and the CBI? DES 2/10.

PRIME MINISTER

1 October 1987

LEADERSHIP IN INNER CITIES

Glasgow details.

Templeton Centre
etc.

The attached chart is a first attempt to make concrete the ideas we have suggested for local leadership in regenerating our cities. The key individual - who I imagine taking a high profile leadership role in a city community such as Birmingham, Leeds or Newcastle - is labelled on the chart as the local Director, Action for Cities, with an umbrella responsibility for co-ordinating across all the public and private sector initiatives in his area.

He would exercise this co-ordination role not by statutory fiat, but by providing the vision and leadership for the rebuilding of the community into which detailed public and private sector programmes could then be fitted. Line responsibility for executing the programmes - and the formal flow and control of money - would stay with the departments. However, he would obviously work closely with the CAT team, and could be supported by a small staff group drawn both from CAT departments and from the local business community (BIC, etc). He would also link in with other departments - such as DES - in, for example, arranging school/business compacts or gaining sponsorship for city technology colleges. He might also be given formal responsibility for steering task forces, UDCs, etc, in his area and exercise control over a small discretionary budget through the CAT mechanism.

vines? |

He would have direct links to a lead minister who would provide political cover and 'clout' within Whitehall to sort out conflicts.

Such leadership will obviously only work if someone of sufficient stature can be found from the business community - for example a chairman of a major company who is prepared

to spend up to half his time directing the effort for a period of years. In that role, however, he would provide what no city council planner could provide - namely, the ability to draw commercial proposals behind him for the redevelopment of land, the building of new industrial parks, the sponsorship of community schemes, etc. And since both BIC and now the CBI are throwing their weight behind organising business to provide leaders and staff to take a role in this way, we would be able to say that we are truly responding to business leadership.

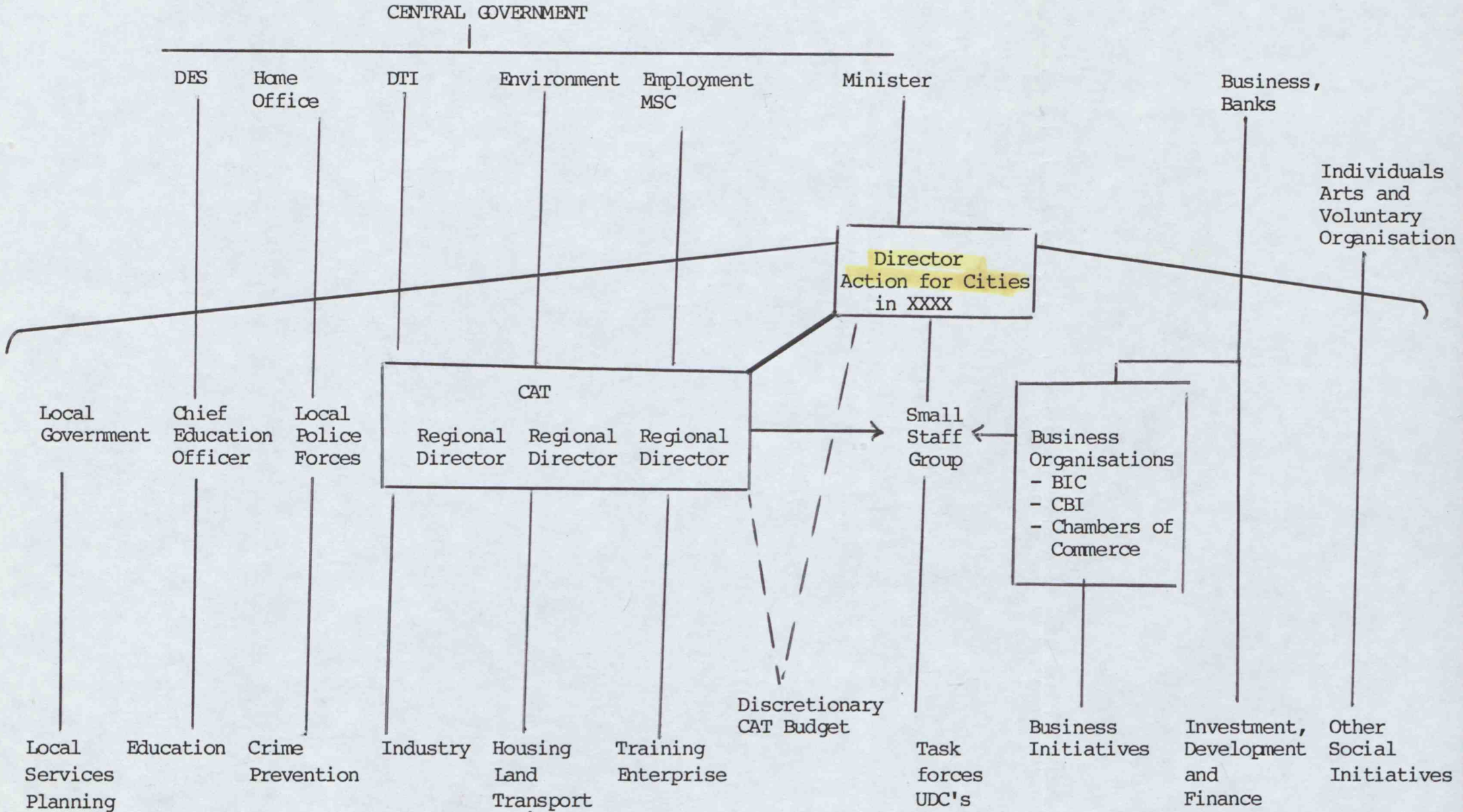
The relationship with the local council would obviously depend on the attitude that the local council took; but it need not be antagonistic. Glasgow provides a model of this approach in action - with an action team chaired by Sir Norman McFarlane - Chairman of both McFarlane group and Guinness - with a team that is strongly supported by Glasgow City Council. (The profile of the Glasgow team is attached.) In the US, this leadership is often provided by an elected mayor; but we know that in the UK major figures are often simply not prepared to give their time to the frustrating role that elected councillors usually play. We need an attractive mechanism to get high calibre leadership in place.

If this framework fits your thinking, we will develop it with Mr Sorensen over the next few weeks and test it out with BIC and the CBI to find a practical way of engaging them. You will also be able to bring it up in your dinner with the CBI. We would then have a real business-led initiative to announce as the spearhead of our inner cities policy.

Norman Blackwell

NORMAN BLACKWELL

POSSIBLE LEADERSHIP/CO-ORDINATION ROLE FOR "LOCAL ENTREPRENEURS"





Sir Norman Macfarlane: Chairman, Macfarlane Group (Clansman) plc; Chairman, Guinness plc; Board Member, Scottish Development Agency.



Forbes Macpherson, CBE: Deputy Chairman, TSB Scotland; Chairman, Scottish Mutual Assurance Society; Chairman, Glasgow Opportunities.



William Brown, CBE: Managing Director and Deputy Chairman, Scottish Television plc; Director, Radio Clyde plc; Director, Scottish Opera Theatre Royal Ltd.



Colin Carnie: Partner, Crouch & Hogg; Director, Glasgow Chamber of Commerce.



Councillor Charles Gray: Leader, Strathclyde Regional Council; former Board Member, Scottish Development Agency.



Dr Graham Hills: Principal, University of Strathclyde; Director, Glasgow Chamber of Commerce; Fellow and Council Member, Royal Society of Chemistry.



Douglas Hume, CBE: Chairman, Howden Group plc; Chairman, Scottish Scientific and Technical Forum - University of Strathclyde.



Ron Lander: Chairman, Scotlander plc; Director, Centre for Entrepreneurial Development, University of Glasgow; Council Member, CBI Scotland.



Michael Lunn: Managing Director, Whyte & Mackay Distillers Ltd; Director, S.I.A.T.S.



Councillor Jean McFadden: Treasurer, and former Leader, City of Glasgow District Council; Chairwoman, Mayfest Ltd.



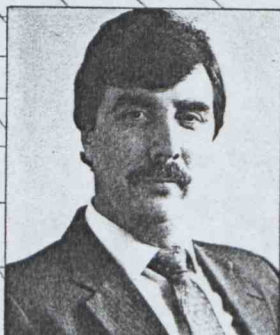
Martin Smith, CBE: Senior Partner, Doig & Smith; Post-president, Glasgow Chamber of Commerce.



Sir Eric Yarrow, Bt: Chairman, Clydesdale Bank plc; Member of Council, Institute of Directors; Director, Standard Life Assurance Company.



David Macdonald: Director

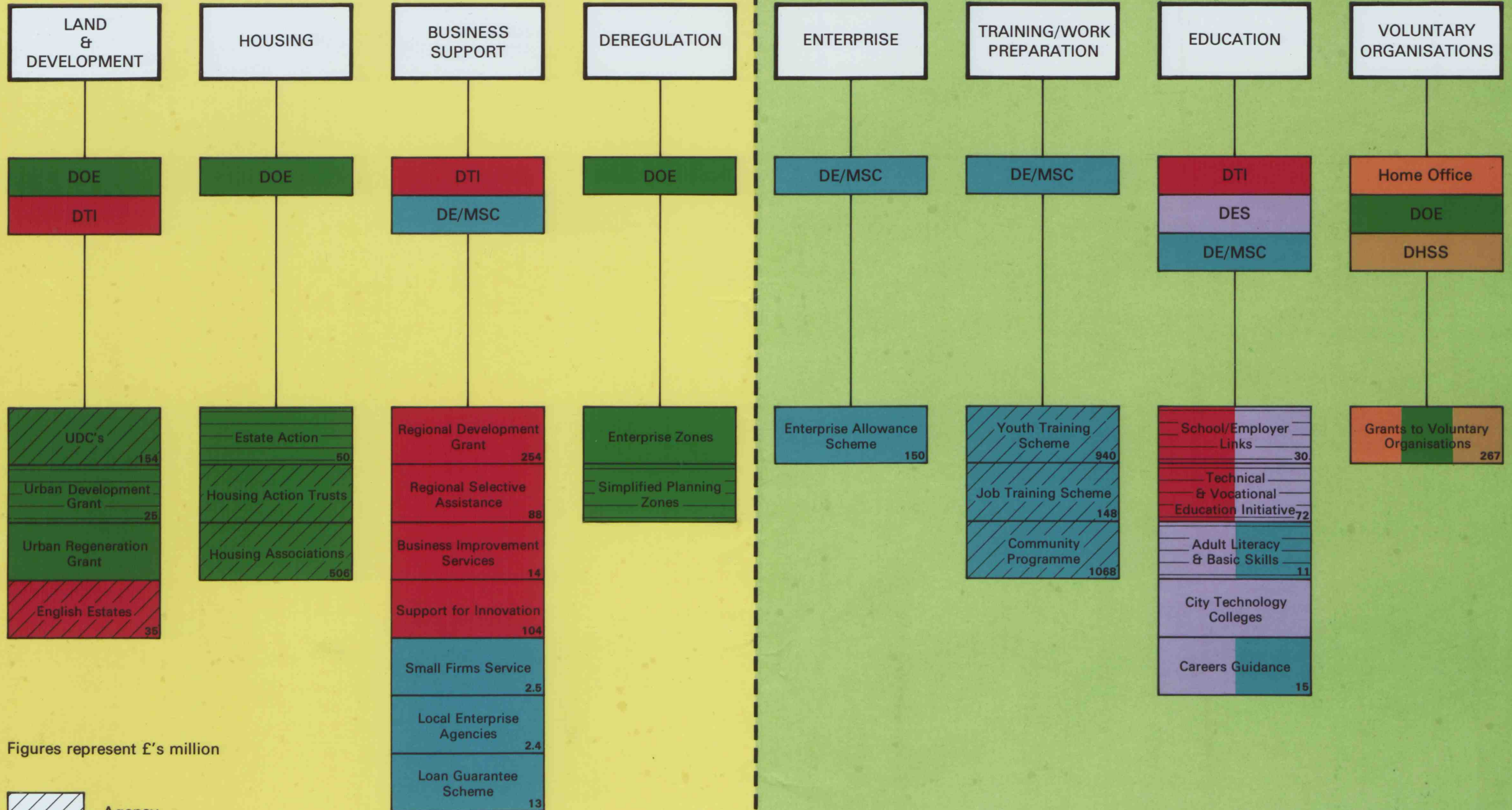


Colin Williamson: Programme Manager

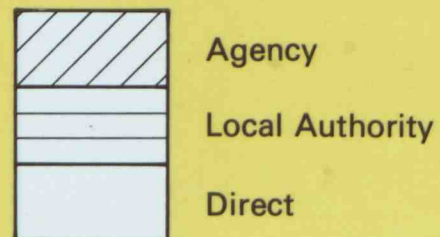


Margaret Sherry: Assistant

GRANTOGRAM



Figures represent £'s million



BUSINESS CONFIDENCE & DEVELOPMENT

MOTIVATION & ENTERPRISE

REG POL Inner cities Pg 9