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TL
24 February 1988

Dear Mr Sorensen.

ACTION FOR CITIES DOCUMENT

Peter Smith's letter of 23 February to Roger Bright, enclosing a copy of the latest draft of the inner cities document, asked that Departments send comments on the document to you.

will request if required

My Secretary of State has considered the latest draft and is largely content with the document as it stands. He has however two comments of substance on the draft. There are also a number of detailed drafting suggestions which are set out on the sheet attached.

On substance, firstly Mr Fowler would like to see a distinct reference to the impact of tourism development on inner cities. The demonstrable success of some of the major private sector tourism projects and the fact that the English Tourist Board has as a priority sought to target its efforts on inner cities have done a great deal to convey the Government's aims for inner city regeneration to a wider audience. Mr Fowler intends to announce a new tourism initiative on 7 March which he would like described in the document. Officials have written to you with two draft paragraphs on Tourism (which are attached for ease of reference) last week; Mr Fowler would be pleased if they could be included in the document - if possible in the "Developing Cities" section.

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Secondly, you will be now have seen a copy of my Secretary of State's minute of 23 February to the Prime Minister putting forward his proposals to support the development of school/industry Compacts. Subject of course to the agreement of his Cabinet colleagues, Mr Fowler would like to suggest that the following indent be added to the box on page 12:

"- The Government intends to develop the programmes of the Department of Employment and the Manpower Services Commission in such a way that groups of employers in initially 12 of the Urban Partnership Areas are encouraged to work with schools and colleges to develop Compacts."

The incorporation of these two changes, as well as the detailed points attached would enable my Secretary of State to give his full endorsement to the document. As he will be departing for the USA tomorrow (and not returning until 3 March) I would be pleased to have your confirmation that these changes could be accommodated.

Officials are commenting directly to you on the Guide to Action. But I would stress that we were struck by the fact the current layout vis-à-vis contact points is confusing. Contact points should be unambiguously linked to the activities/items they concern.

Copies of this letter go to Paul Gray at No. 10 and the Private Secretaries to the other members of E(UP) and to Trevor Woolley.

yours sincerely

Peter Baldwin

PETER BALDWINSON
Private Secretary

ACTION FOR CITIES DOCUMENT

DETAILED COMMENTS

Page 6, para 1: Enterprise Allowance Scheme. Third line should read "a weekly allowance of £40 during their first year"

Fourth line; suggest "There will be over 30,000 entrants to this scheme in inner cities in 1986/87" this allows for some margin of error in our estimate of intake to the scheme.

Para 4: Loan Guarantee Scheme: should read "provides guarantees to banks for loans" and "has provided cover for 18,800 loans nationwide since it started in 1981".

Page 9: New Action

- transpose first and third indent
- reference to Small Firms Service should read "set up 6 new inner city offices"

Page 11, para 2: insert reference to Compacts; see covering letter

Page 13: Pie chart: Is this to be incorporated and if so will DE have the opportunity to check details?

para 3: suggest the following rewording:

"The recently announced new unified training programme, with its emphasis on practical learning, aims to improve significantly the number of people obtaining jobs on leaving the programme. It will provide a clear path

back to work for unemployed adults and a source of skills for employers in inner cities".

Page 14: Jobcentre caption, suggest "The newly created Employment Service has brought together Jobcentres"

Page 18: Suggest insertion of Tourism reference before section on "Freeing land" as follows:

"Tourism"

Tourism is already making an important contribution to inner city redevelopment. It builds on the industrial, commercial and cultural history of many of our cities. Spending by visitors helps local businesses, particularly in the retail and service sectors, encourages enterprise and stimulates investment. Environmental improvements which make cities attractive to visitors make them attractive to new investors and businesses also. Successful tourism projects are already providing this stimulus in many areas such as Bradford, Manchester, Wigan and Birmingham.

Financial assistance from the English Tourist Board has helped a number of major inner city tourism developments led by the private sector. The Urban Programme has also provided support for projects which help encourage inner city tourism. *The Government firmly believes that the tourism potential in inner cities remains largely under developed and intends to encourage the English Tourist Board and others to stimulate further tourist developments in such areas.*

Page 22: box - Insert reference to new Tourism proposal along the following lines "- ask the English Tourist Board to stimulate further tourism development proposals"