



Prime Minister

Keith Joseph sent you a copy of his letter to me of 3 October about the proposed review of inner city policies which we discussed with you on 11 September.

I agree with Keith that we need a proper understanding of inner city problems if we are to take sensible decisions. But I am sceptical about the sort of wide-ranging external inquiry he suggests. Such a review would inevitably take a long time. My own view is that it would create uncertainty; it would therefore inhibit effective action and could create undesirable expectations. Moreover I doubt whether it would give us the basis for clear decisions.

At our meeting you said that any study should be completed within 6 months. My own preference would be for a quick internal review by officials culminating in a paper for colleagues setting out options. However, if it is felt that a parallel review with outside members is desirable, this should be carried out on the basis of specific and limited terms of reference, to be agreed by colleagues. Possible members could be Peter Hall, Tom Boardman, Frank Marshall, Nigel Mobbs and Sarah Morrison.



I am copying this to Keith Joseph in the first instance, although other colleagues will of course need to be involved.

*WJH*

M H

15 October 1979