E.R.

RESTRICTED

Roserfregage With

From: Sir R Kidd

To: S of S

Copied to:

PS/Junior Ministers (L & B)

PS/PUS (L & B)

Mr Hannigan

Mr Lane

Mr Davenport

Mr Gee

Mr Gilliland

Mr Palmer

## LONDONDERRY

- 1. Following your meeting of 6 November last with Mr Ross and Bishop Eames, you asked that a study be made of ways in which the drift of Protestants from the West Bank of the Foyle to the East Bank could be countered. The initial work on this has now been completed and I attach a report by the District Development Officer, Mr White and one by Mr Neilson, regarding the conclusions which he and other officials reached following a visit to Londonderry.
- 2. Mr Ross and Bishop Eames started from the assumption that this movement of population was undesirable and that Government should take some positive action to maintain the West Bank population. Examination leaves no doubt about the fact of the drift to the East Bank and the undesirable political and social consequences which this might give rise to. Nevertheless, officials have concluded (and this is a view which I would endorse)

## RESTRICTED

that the solution lies not with any attempt at sectarian

engineering of population patterns but rather in encouraging

the free movement of population within Londonderry. Above all, the city centre should be developed in such a way as to prove an attractive magnet to East Bank Protestants both as a place of work and a shopping and recreation centre. This we consider is the best way to maintain the unity of the city and avoid a "two-city" syndrome. The Richmond development promises to be an important facility for the whole community, whilst the second bridge will greatly ease the movement of the working population from the West Bank to the East Bank industrial estates. The new urban park and facilities on the West Bank waterfront will do much to improve the appearance of the area between the existing bridge and the Guildhall. The proposal for a police presence in the Shantallow is important in retaining that estate as an area of relative calm and contentment. I am glad to say that initial planning permission for this station has recently been sought.

4. Having discussed these reports with certain Permanent Secretaries and Sir Brian Cubbon, I am sure that we should continue (particularly at a time when cash limits might be strictly applied) to give priority to the city centre and ensure that any programme reductions are handled in such a way as to maintain its impetus and coherence.

## RESTRICTED

A critical factor in the success of the Richmond Street development will be the attraction of a major UK store like Marks and Spencer, Boots or C & A. So far such attempts have been unsuccessful and I believe that intervention at Ministerial level would be the most effective way in which to overcome these firms' reluctance and to demonstrate Government's commitment to Londonderry. [If the Secretary of State would be willing to make such an approach, the necessary drafts will be put forward.]

RECOMMENDATIONS

- 5. The Secretary of State is invited to agree:
- a. that the general line of our approach to Londonderry's development should continue to be one which stresses interdependence of the West and East Banks and avoids the "two-city" syndrome;
- b. priority should continue to be given to the development of the city centre and the second Foyle bridge and that in volume reduction in programmes special care should be given to maintaining the coherence of these programmes;
- c. that a Ministerial approach should be made to a major UK retailing concern inviting them to locate in the Richmond Street Development;
- d. that officials should pursue the detailed recommendations arising out of the study as a matter of urgency;

## RESTRICTED

e. that for the moment no written report should be sent to Mr Ross or Bishop Eames, as we consider that steady progress on the already established course is more likely to persuade them of the essential rightness of what is now proposed and the difficulty of adopting the course which they suggest.

- 4 -

RESTRICTED