CONFIDENTIAL COS - COLOR TODIECTOR FOR POLICY STUDIES . AS THE

To: "Sir Keith Cc.: Nigel Vinson From: Martin Wassell et

Date: 24.6.75.

We, Martin, Alfred, Jock and Simon, all wish to convey to you in writing our profound concern at the continued drift and uncertainty that surrounds the future of the Centre. The whole staff is most unsettled and the health of some of them is being adversely affected. Not surprisingly, there is reason to believe a number of them are exploring alternative employment.

You yourself have informed is on several occasions that both you and Margaret believe the Centre has an independent role and thus that you both wish it to continue in being.

That being so, the following questions must be answered:

- 1. What is our budget to be for our second year,

  July 1975/July 1976? It is the view of all

  four of us that there exists a minimum budget

  threshold below which the Centre is not viable

  because it will be unable to fulfil its

  conceived role effectively. We believe this

  minimum budget to be close to £100,000 p.a. at

  mid-1975 prices.
- 2. Are you prepared to authorise Nigel to approach existing donors with a request to top-up their donations to cover inflation? Alternatively, are you prepared to authorise Nigel to approach new firms as potential additional donors? What is the state of play of FEE? Will FEE contribute to the easing of our financial difficulties?

3. We all of us have doubts whether Nigel is sufficiently committed to the continued existence of the Centre in broadly the shape and size that it now possesses. Since Margaret's election to the leadership, he has on several occasions indicated a preference for slimming the Centre down, if not closing it altogether. You yourself, Keith, have occasionally displayed the same inclination.

4. Is it true, as Nigel has mentioned in the past, that the new authority of yourself and Margaret in the Tory Party makes it more difficult for the Centre to raise money? What noises have Thorneycroft, Ashdown, Chelmer spontaneously made about the Centre's finances? What concrete evidence is there that any of our donors are any less willing to contribute to us than they were last year? May not the contrary be the case?

- 5. If satisfactory answers can be given to the above questions, it still remains to determine and clarify the precise roles of you and Nigel in the Centre. We are not happy with some aspects of the present arrangements.
- 6. Could these matters be treated urgently?

(also agreed by Sumon who is out of London)