

PRIME MINISTER

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Shunt
mt.

MARK: COSTS OF RESCUE OPERATION, ETC.

The attached FCO letter contains advice on how the costs should be apportioned and the public line which should be taken where necessary.

All the hotel expenses in Tamanrasset have been met by the Algerian Government. The attached telegram describes the background.

One or two bills may emerge later which are not taken account of in the attached letter. But I am sure they will not be large. The letter does not take account of telephone calls made from Downing Street. These were numerous but I think they are a proper charge to public funds either because:

- (a) they were required for reasons of courtesy towards a foreign government, or
- (b) they were connected with an operation to locate a UK citizen in distress and it is not normal practice to make a charge for such calls.

In advising how to apportion the costs the FCO based themselves, with my agreement, on two principles:

- (a) As regards what may broadly be called the Consular aspect (the various activities carried out by British officials in support of the search and rescue operation), public funds should bear only such costs as they would have done if Mark had been an ordinary UK citizen.
- (b) As regards other costs a distinction should be made between those which were incurred for reasons of diplomacy (e.g. messages to the Presidents of Algeria and France), which are a proper charge to public funds, and other costs which cannot properly be so charged.

/If you agree

If you agree with the advice, the total cost to be met by you or your family personally would be, subject to any unforeseeable bills coming in later, a maximum of £583.14. (This is made up of £412.50, which is the higher rate for items 1-3 in the table of costs and is explained at 'X' on page 1 of the attached letter) and the bill of £170.64 for the Swiss Rally Team (item 4). There is no need to pay now. I will arrange for the bills to be sent to us.

We have had a number of enquiries from the public and one or two from MPs about the expense. I believe that the arrangements described in the FCO letter will enable us to deal with virtually all of these in an entirely reasonable and justifiable way.

There is one line of criticism which is less easy to deal with. This is that it is wrong for a developing country like Algeria to have taken on such a large bill. We can of course reply by saying that this is a matter for the Algerian Government and that we are grateful for their generosity. But this perhaps does not entirely dispose of the criticism. You earlier considered whether you wanted to make some gesture towards an Algerian charity and may want to think further about this. I do not think it essential for you to do anything of this kind (we have not heard much criticism of this sort).

Do you agree that:

- (a) As and when bills for the total of £583.14 arrive they should be presented to you for settlement?
- (b) We should as necessary use the public line at the end of the FCO letter?

*Yes
(and the bill for
the Swiss Rally
Team)*

Yes.

A-J-C.

4 February 1982