

MEMO

PERSONAL AND CONFIDENTIAL

From: The Chairman of the Party
To: The Prime Minister

The Conservative Party Organisation

The reviews of Party Organisation; Agent Training; and Party Finance which I set in train earlier this year have now all been completed and their recommendations are being implemented. The following is a resumé of the situation revealed and the changes made.

1. Constituency Organisation

The examination of our constituency organisation shows a very much worse situation than even I had expected. There are seats with Tory majorities over 10,000 yet with memberships of less than 200; one seat has a Member who sees no reason to act even though his organisation has lost every local council by-election it has fought since June 1983; another with a huge majority where the Member's inaction has destroyed the organisation and made it one of the Liberals' main targets; there are many seats with Conservative majorities - some of them comfortably large - where the organisation raises less than £5,000 a year. All round the country the story is of falling membership, less money, and poorer leadership.

This is no new phenomenon. It is in no sense the product of passing political difficulties. Rather it is the legacy of a long period in which we have failed to match the changes in social attitudes and have allowed our organisation to get stuck in the patterns which succeeded in the 'Fifties.

This has been placed in sharp relief by the recent boundary changes which tore constituencies apart and in doing so revealed their weaknesses.

The stark fact is that we are not producing the leaders, the membership, or the money we need. It is our prime task to put this right.

1.1 The Constituency Assessment

Part of the reason for our failure to deal with this decline has been our almost total lack of information about constituency organisation. This has now been remedied and over 90% of constituencies have completed their assessment. Details of membership, organisation, finance, and officers (analysed down to ward level) has been put on the computer. From this information and using the Area Agents' personal knowledge of the situation we have drawn up a list of some sixty vulnerable seats,

1.ii The Vulnerable Seats

This concept replaces the old idea of a critical marginal. This is partially because the arrival of the Alliance makes a more complex assessment of seats at risk necessary. But it is also because we need to concentrate attention upon some seats whose large majority belie the real state of affairs.

Each Area Agent has drawn up a list of six vulnerables in all of which organisation, membership, and finance is in serious need of improvement. In every case the operation starts with an interview with the Member of Parliament, the Area Agent, and me. These have been very revealing and have provided a good deal of the hard evidence for the assertions about our organisation in para 1. above. We have now completed more than 50 of these discussions and the first round will be finished before the end of the month.

1.iii Action

Once the vulnerable seat is identified and the interview with the MP has taken place, then an Action Plan designed to set targets to remedy deficiencies, is drawn up by the Area Agent in consultation with the constituency officers. This becomes the basis for continual monitoring and a copy is sent to me at Central Office

We have recruited 100 experienced volunteers (usually former Area or Constituency officers with a proven record). These have been given a weekend training course in new techniques of money-raising and membership. They are then assigned to the vulnerable seats to act as liason with the Area staff and as a catalyst in carrying out the Action Plan.

Every two months either I or a Vice-Chairman goes through the Action Plans with the Area Agents to ensure that they are being implemented and to plot progress.

At the same time mini-Action Plans are being prepared by Area Staff with all other Conservative-held seats so that they, on their own, can seek to improve performance. They will be monitored through the annual assessment. As we make significant progress on the first list of vulnerables we shall concentrate on additional seats replacing those which are seen to be looking after themselves.

1.iv Central Office

In order to make it possible to face these new priorities there have been major changes in Central Office. We have also produced job descriptions for Area Agents and their Deputies for the first time and we shall be able to assess their performance and encourage them to use their time effectively.

2. The Changes at Smith Square

2.i) The Organisation Department has been relieved of all but its direct organisational responsibilities so that it can bend all its efforts to seeing that the renewal of the Party Organisation is a reality. Sir Anthony Garner accepts that this is his one priority upon which he will be judged.

2.ii) The training of agents has failed to produce the agents we need. Of those completing training in 1980, 50% had ceased to be agents by mid-1984. The training takes little account of today's needs and remains stuck somewhere in the 1950s.

Agents

We need more flexibility to attract men and women of maturity - particularly those who at 50 would take early retirement and give us 15 years of service. The recommendations of the report on agents' training are now being implemented.

I have appointed John Lacy to take over responsibility for training - not merely of Agents but of voluntary workers. He will do this as his continuing job but will also take command of the new by-election unit.

2.iii) You will remember that Cecil shared the view that we had to have a special by-election unit if we were to wrong-foot the Liberals and match their techniques. Without it we fail to learn from one by-election to another, we are not off to a quick enough start, and we react to the Liberals instead of setting the pace ourselves. Already we have moved in this direction by using a small core team of people in each by-election. Now we have made the real change. All Area Agents have supported John Lacy's appointment with enthusiasm. The next moment we know of a by-election he will take sole charge and dispose his team. He is good at gaining the confidence of the voluntary workers and he will arrive in the constituency with all the necessary equipment so that he can fight a tighter and more professional campaign than we have in the past.

By election Unit

We shall only have a chance of holding seats against the Liberals if we fight short, tough campaigns, countering their techniques before they employ them and keeping the initiative throughout. Up until now we have suffered from the fact that no-one was really in charge - the candidate, the candidate's friend, the constituency agent, the constituency chairman, the area agent, and the Director of Organisation - all felt they were running things.

Now there is a clear line of command. John Lacy will of course have to use all his experience to gain the co-operation and support of local workers. He showed himself particularly good at that in the S.W.Surrey By-election and he sets to his new task with the wholehearted co-operation of his colleagues.

2.iv) Two other changes which affect our fighting of by-elections are important. First - we aim to set up a caps of campaigners who will go into each by-election and form the nucleus of outside aid. The Liberals have always had this ability to call on a group of enthusiastic workers right from the beginning of the battle. It is obviously more difficult for us in Government but we hope to achieve it. The core of this new group will come from the candidates list

The Campaign Corps

These are after all people who hope to represent the party in Parliament, they are among our best presenters, and they are asked to do very little that is special once they have got on the list. In future they will be asked to take an active part in all by-elections and their work will be recorded each year and form part of the dossier which is submitted to a constituency which wishes to interview them. Obviously there will be those who cannot for good reason take a full part in this, although there will be few! They will be given the opportunity of showing what other work for the Party they have done during each year they are on the Candidates' List. Others who hope to get on the list or who wish to be able to take a fuller part in Party activities will also be able to join this "Campaign Corps", and we intend that it will be seen as an important qualification for those with ambition within the Party.

Selection Methods

The second improvement in dealing with by-election is designed to make it easier for us to get off the ground quickly. Our system of selection has been designed in a way which has given the maximum amount of publicity and the longest time to the early rounds of choice. This has resulted in speculation, bad publicity, and above all delay. By some simple changes which do not reduce the choice in any way, we have streamlined the process which I hope will be a great advantage. The more experience we have the more we can see that the short campaign is the best one for us as it gives our opponents less time to take off.

Research Department

2 v.) During January you will receive a short-list of applicants for the job of Director of the Research Department. We have had some outstanding candidates for the job from within and without present team. Whoever is chosen will start with all the authority which comes from being picked from a first rate field. When you have had a chance to look over the list, we could then perhaps discuss the next stage.

Whoever is appointed will have a major job in welding the Research Department into a tighter and more effective unit, capable of putting their material into much more directly useful form. We need to win much stronger support from the Party for our policies - particularly on the central economic strategy and local government. That will require a Research Department which is much quicker at getting the political arguments into the most effective form so that it can be used more immediately by M.P.s and other activists. 1985 is a year in which we have to make a major effort to keep the Party with us as the hard decisions bite.

Local Government

2 vi) In Local Government, our major challenge is the County Council Elections in May. We shall face them in particularly difficult circumstances as the necessary changes in Local Government finance have to be made. Although many in the Party have no real love for Local Government, there are many of our Associations where local councillors play an important part and there are many others where the County Councils are well regarded and where the Shire Counties' feeling of unfairness has reached well beyond those directly involved. We must also n

overlook the important role which success in local elections has played in boosting the Alliance and giving them a platform upon which to begin their assault upon the Parliamentary seats.

We are therefore taking these elections very seriously even though it would be wrong of me to suggest that we are likely to do very well. The new Local Government Department under Roger Boaden has already started the regular briefing of local councillors in a much improved manner. From January we shall have in place the central campaign organisation which will seek to identify marginal Councils and marginal wards within those councils so that we can see that everything is done to ensure the best possible results. This again will be the first time that anything of this kind has been set up.

The
CPC

2vii) The CPC has for a long time been a self-regarding side of the National Union Organisation. Instead of reaching out to new people beyond the Party structure, it has all too often been a series of discussion groups dominated by those for whom the rough work of doorstep canvassing has been unappealing. We intend to change that this year. A major reform of the CPC is envisaged which will seek to make it an outward-looking organisation which in local areas and in constituencies will bring in outsiders to take part in projects and discussions on issues of importance to the local community. Michael Howard, the Member for Folkestone and Hythe, will take a major part in this regeneration and its particular purpose will be to help counter the Liberal threat.

3. FINANCE

As I have warned in our previous discussions, the Treasurers have not been able to meet their target for income this year. We have happily kept expenditure under tight control and made a number of changes which will mean savings in future years. This will not be enough to meet the shortfall and it certainly will not cope with the problems which the Treasurers foresee for the next financial year when so many of our city donors have been taken over by non-donor institutions. We shall therefore be taking the major economy measures which have been prepared after the very full survey of our spending which has been carried out by Roger Freeman over the past three months. These changes will not be popular as they are designed to cut expenditure by up to 20%. I hope that we shall be able to discuss this early in January as I shall need to implement the report as soon as possible.

The changes which we make will be designed to carry out the essential function of the Party which is to win elections. They will be radical because I am not prepared to risk the kind of financing muddle we reached between the last elections. In the end we must look for a higher proportion of our money from the Constituencies and that will only come about if we carry through the reforms which I have outlined above.

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