

2 March 1984

MR COLES

✓ AM 7/3

D. U. to me

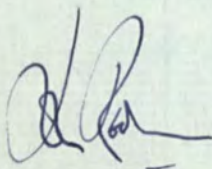
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A. J. C. 7/3

f-a.

BBC EXTERNAL SERVICES

I am writing to confirm that you will not put our note to the Prime Minister in to her. I understand you wish to ascertain the facts about the service first, and will satisfy yourself that there is no scope for later embarrassment about possible cuts to the external services as a result of this activity.



JOHN REDWOOD

MR. REDWOOD

BBC External Services

I held up your minute (attached) in order to bring to your attention some of the background.

The idea of a review of the external services arose in August 1983. The Foreign Secretary and the Chief Secretary were keen on the idea and the Prime Minister endorsed it.

It is not my impression that anybody intends to keep the review secret. The FCO do not envisage a public announcement - nor publication of the report - but they do expect the BBC to make an announcement to their own staff. Nor is it my impression that those who are sponsoring this review intend it to lead to further cuts. They want to ensure value for money and find a solution to the pay problem.

You may care to discuss.

A.J.C.

29 February 1984

Mr Coler ✓ Letter to F/C.O. first AD $\frac{1}{3}$.

I have tried several times without success to catch you to discuss. The Efficiency Unit tell me that it is intended to keep it secret. In view of the PM's agreement you are right that my first recommendation is inappropriate. I wonder, however, if you could draw her attention to the dangers of secrecy & failure to explain, at least in background briefing, the fact that cuts are not intended?

28 February 1984
Policy Unit

E. R. Wood
PRIME MINISTER

BBC EXTERNAL SERVICES

I hear from the Efficiency Unit that it is likely there will be a review of the BBC External Services. Total spending on overseas information services is £128 million in 1983/84, and this includes the grant-in-aid in respect of British Council expenditure.

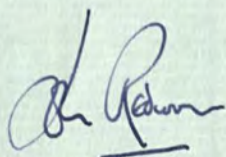
Whilst the sums of money involved are tiny, the potential political aggravation is quite considerable. When the BBC External Services was reviewed before, and suggestions came forward for cuts, there was a storm of protest.

The intention at the moment is to keep this review secret. That would be doubly fatal. It would be bound to leak out from somewhere in the FCO, and the press would then run a whole series of scare stories about the Government intending to cut away at the much valued BBC External Services.

Recommendation

It is probably best to intervene at this stage, and to say that this is not a suitable area for review.

If you wish to go ahead, I would advise that the fact of the review be made public at an early stage, along with broad guidelines as to the reason for the review. These should concentrate upon greater efficiency rather than upon reducing the network of services. In this way there would be some reassurance, and the review would not be as accident-prone as it would be if conducted in secret.



JOHN REDWOOD