

PERSONAL AND CONFIDENTIAL

PRIME MINISTER

TALK WITH SIR ANTHONY PARSONS
AT CHEQUERS ON SATURDAY 23RD OCTOBER

As I mentioned to you, I am bringing Sir Anthony Parsons to Chequers at 6.30 so that you can have an hour with him before Sir Robert Armstrong and Sir Antony Acland arrive at 7.30. John Coles will also come at 6.30, if you do not mind. This note suggests some points you may like to cover.

Terms of the appointment

Sir Anthony Parsons wants to work three days a week. I suggest that the post be graded Second Permanent Secretary, like Professor Walters. The Treasury and MPO would be content with this. I can settle the salary with Sir Anthony Parsons, and so you need not do so; but for your information I have in mind £21,000 (three fifths of the second permanent secretary rate) which is about the maximum Sir Anthony Parsons can earn without abatement of his pension under the Civil Service rules.

I suggest that the appointment should be on similar terms to a special adviser, i.e. it would terminate with the Administration and would be covered by the normal rules applicable to Civil Servants on political activity, broadcasting or writing about matters covered by the job etc. I also suggest that any other appointment Sir Anthony Parsons might want to accept in his remaining time should be subject to a) normal rules governing acceptance of appointments by Permanent Secretaries; b) the additional safeguard that it should not be inconsistent with his role at No 10.

His title might be 'Foreign Affairs Adviser'.

Function

On the model of Alan Walters you might describe the function as being

Proposed Parsons' and early warning especially

- to keep a watch on developments, inside the Government and outside it, and alerting you to points in which you might be interested;
- to represent your interest with the FCO and other departments in the formation of policy;
- to act as adviser to you on ~~your ideas and~~ initiatives, including ~~your~~ speeches;
- to advise you on major policy issues.

Subject to Sir Anthony Parsons's own comments, these proposed terms of reference could then be the basis of discussion with Sir Robert Armstrong and Sir Antony Acland at dinner.

Coverage and support

You want advice to cover defence and intelligence as well as foreign affairs. What structure do we need for this? If Sir Anthony Parsons is going to work three days a week, he probably needs a full-time supporter. Should we borrow a Vereker-style Principal from MOD to act as general support to Sir Anthony Parsons and provide expertise on defence? On intelligence, I attach a minute from Sir Robert Armstrong in which he proposes a post-Franks reform of the JIC, including the suggestion that Sir Anthony Parsons should be a member or should be free to attend meetings. Does this cover the point? *No*

Date of starting and of announcement

I know of no reason why Sir Anthony Parsons should not start very soon. You have said to Mr Pym that his appointment will not be announced until after he has seen Sir Anthony Parsons.

Could we aim at an announcement in the latter part of the coming week and Sir Anthony Parsons starting on the following Monday 1 November ?

F.R.B.

22 October 1982