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CONFIDENTIAL

17 December 1986

The Rt Hon Kenneth Baker MP
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Ken Kenneth

will request if required

THE UK NATIONAL SPACE PLAN : E(A)(86)60

Thank you for your letter of 16 December. I am glad you agree on the need for a permanent new status for the BNSC. I attach importance to this because, as you say, it would create the necessary strong coherent machinery for co-ordinating civil space expenditure.

The reason I have to propose now that there should be a PES transfer is that BNSC need to be clear about their resources to enable them to plan effectively for the future. We also need a single point for the determination of our priorities in space; it cannot be left for each Department to determine separately since this results in different criteria being applied and undermines the long term security of resources needed by BNSC in order to plan over the long timescales by space projects. As Geoffrey Howe said in his minute of 1 December, we have in the past suffered from dispersal between a number of Departments both of the funding and of the authority for our space activities.

The precise arrangements will need detailed discussions and I agree that there should now be consultations both at official level and with the Chairmen of NERC and SERC. I accept that this will mean there should be some flexibility on the timing of the new arrangements. Nevertheless, I think all these discussions should clearly be on the basis that the BNSC should have effective

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control, and in particular that this should be achieved soon by means of a PES transfer of the resources allocated to space.

I am copying this letter to members of E(A) and to Geoffrey Howe, Sir Robert Armstrong and John Fairclough.

Yms,
Paul

PAUL CHANNON