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PRIME MINISTER

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FUTURE ROLE OF BNSC: DRAFT REPOSE TO HoL REPORT

Kenneth Clarke's recommendation to retain the present structure of BNSC is the line of least resistance which panders directly to all the special interest groups.

BNSC, with its headquarters in Millbank, employing 30 staff, is responsible for some 200 employees and contractors throughout the UK at organisations such as the Remote Sensing Centre at Farnborough. The newly appointed Director General of BNSC was a DTI Under Secretary in Birmingham and Clarke's proposal is for him to continue the office previously held by Roy Gibson. The reporting line to the DTI is vague without clearly defined policy responsibility.

It was for this reason that BSNC under Gibson was able to lobby so vociferously against Government policy last year! You may recall that they presented a space plan which called for enormous expenditures based on exhortation about the importance of Britain's keeping up with the Joneses. It was only after they were sent back to do a properly costed set of alternatives, and then sent back again to keep within their previously agreed funding levels, that real efforts were made to push industry into financing space activity directly. BNSC had been completely captivated by the French argument for grandiose 'man in space' projects rather than concentrating where success had already been demonstrated in communication satellites and remote sensing.

The DTI proposals therefore should not be supported as they stand. The proposal to leave BNSC with policy responsibility outside the DTI but without its own separate budget simply perpetuates a bureaucratic eunuch with powers to confuse. Our continued national programme and membership of certain ESA programmes gives Government a project management responsibility. The BNSC team should fulfil this

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responsibility and also coordinate the activities of other Government departments with a space interest. But this would be done more effectively within the DTI and not as some pseudo-independent quango. BNSC was set up with all the internal structure to become one of Government's great spenders (cf. the old UKAEA). Fortunately this scheme was nipped in the bud last year and to perpetuate its existing structure would be anachronistic.

Recommendations

1. Recognise that there is an administrative task connected with Government's continued space activity and that an efficient machine within the DTI is necessary to carry this out.
2. Question the need to continue employing 30 people at Millbank under a downgraded 'Director General' but with policy responsibility for British space involvement.
3. Reject the DTI case that to disband BNSC now will send embarrassing political signals. The disbanding of BNSC is simply the logical consequence of decisions already made and announced.
4. Reject the argument that the activities of several Government Departments cannot be coordinated within one of them. The Foreign Office and the Treasury do this all the time. Why not the DTI for space?
5. The draft response to HoL is good with a strong statement in Paragraph 7 about industry's role. Paragraph 12, however, would need amendment if the BNSC function were curtailed as described above.



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