



CONFIDENTIAL

NBPM at this stage

RECC
25/7

W0733

PRIME MINISTER

25 July 1988

SPACE: FUTURE ROLE OF BNSC

WITH PG?

In his minute to you of 21 July, the Chancellor at the Duchy acknowledges the awkwardness of his preferred solution. I remain doubtful, as I have explained to his officials, that it is right to maintain the existing structure of the BNSC.

2. The heart of the matter, it seems to me, is that BNSC in its present form does have a degree of separate identity and that this makes it inherently difficult for it to take policy responsibility where the resources implications are matters for the contributing Departments. I would therefore favour slimming down the BNSC and give it the job simply of managing national projects and working with ESA on agreed programmes. Policy responsibility for any new programmes and for overall direction should then be located firmly in the spending Departments. I believe this would bring DTI practice into line with that in the other Departments. For example it is clearly a policy matter for SERC and DES whether there should be increases in ESA funding on space science, an issue on which there will continue to be pressure applied.

3. I recognise that my solution is not completely tidy either. It will not always be easy to separate the discussion with ESA on existing programmes from that on new ones. Nevertheless, I believe the risks are less significant than leaving BNSC as a halfway house, neither wholly separate nor entirely integrated.

4. I am copy this minute to members of E(ST) and to Sir Robin Butler.

JOHN W FAIRCLOUGH
Chief Scientific Adviser