

CONFIDENTIAL

Prime Minister

RESEARCH DEPARTMENT

One sometimes hears the criticism that the Research Department is absorbing £500,000 of good money each year and not giving particularly good value for it.

In fact, the figure of £500,000 is highly misleading. Only about half that amount is being used productively for basic Research Department purposes.

The main part of the work of the Department is being done by a dozen very hard working executives (including Director and Deputy Director), with a pay roll of £130,000 or so. Adding to that the cost of secretaries and of the information library and other overheads and one has a budget of around £250,000.

The rest of the half million pounds is made up of deadweight, and of items of expenditure which do not properly belong in the Research Department budget at all. For example:

1. Some half dozen executives who are making a limited contribution and who would benefit from the stimulus of new jobs: cost about £80,000 per annum.
2. Their secretaries: cost £20,000.
3. Quasi-pensions to Geoffrey Block and Charles Bellairs, paid because of past inadequacies in pension fund management: £17,000.
4. Deficit on cost of producing Politics Today, not recovered in sales: £10,000.
5. That part of the activities of the International Office not strictly related to Research Department work: a sum of maybe £60,000, including £25,000 subscription to the European Democratic Union.
6. Cost of research officers in Wales and Yorkshire offices: £15,000.

These items add up to nearly £200,000. They contribute relatively little, net, to the main functions of the Research Department which are to produce:

Parliamentary Briefs
Politics Today
Weekly Briefing Notes
Campaign Guide
Manifesto Briefing
General Election Speakers Notes
Input for speeches, replies to
correspondence, answers to enquiries.

It is questionable whether any of these products could be scrapped within two years of a General Election.

Assessment

As things stand, the main work of the Research Department is being carried on by a dozen stalwarts at an all-in cost, with overheads, of not much over £250,000. Another £200,000 is not really CRD expenditure at all, or it is expenditure we are incurring unprofitably because promising careers have become bogged down.

If any of the basic dozen were to leave us before the General Election we would be in trouble. We have no cadets in training.

We would like to be in a position to make fresh new appointments. For example:

1. An understudy/successor to Mr Greenland as editorial director. A difficult post to fill.
2. Up to four bright young desk officers to sharpen up the general attack and provide succession.
3. An information librarian to put the existing political section reference files on a secure basis, and to supervise the revival of a press cuttings service (regrettably closed down in 1981).

These expenditures would add up to something like £80,000 per annum. If the total budget is restricted at its present level in real terms, then we would have to look critically at some of the existing out-goings.

The Options

The choice of options is therefore:

Either: Batten down the hatches, hope that our present key staff will stay with us until after the General Election and then carry out a thorough overhaul.

Or: Bring in some new personnel now as above, and make room for them in the budget by helping a certain number of existing staff to find new jobs.

Recommendations

The present management team at Central Office would like to launch an overhaul now. They realise that there is some risk in rocking the boat even two years out from a General Election. New recruits would have to learn their jobs quickly, even now. But we feel that it is a risk we should take. It is all too easy to take the cautious route and postpone the radical action until another day. The morale of the Party would, we submit, be better served by tackling the problem here and now.

PJC

P.J. Cropper
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