



H M Treasury

Parliament Street London SW1P 3AG

A.17 and B.14 Corresp.

Switchboard 01-233 3000
Direct Dialling 01-233 5618

23 January 1984

A N Ridley
Special Adviser

Stephen Sherbourne Esq
Policy Unit
10 Downing Street
London S W 1

Dear Stephen,

I promised to write to you to explain the need to consider, in the review of the terms and conditions of Special Advisers which is now in train following the last election, the rules or provisions which affect the activities of advisers at election times.

2. The problem (in the past) and risks (for the future) begins with the "terms and conditions" written into each adviser's contract of employment and/or the references in them to the Estacode rules concerning the political activities of officials. As past experience has actually proved*, Ministers, Permanent Secretaries, Establishment Officers, or the Cabinet Office sometimes insist that the rules require a Special Adviser at election time: either (1) to resign, cease using his office, end all access to officials and papers etc., if he is to "play a part" in the election, e.g. by augmenting CRD or briefing Ministers at Central Office; or (2), if he stays put as Special Adviser, not to touch "election" or campaign business with a barge-pole. This is likely to include insisting that the adviser does not take part in his Minister's political tours, brief him for "political" radio & TV programmes, or help CRD in person with press conferences, documentation, etc.

3. Even if officials and others are less sticky ex ante about interpreting such rules strictly in the future than they were in the past, they could well be stirred up ex post by catty newspaper comments and criticism. Many of the advisers are now known to quite large numbers of journalists, any of whom might chose to make an issue of the legitimacy of the adviser's role, or to put the idea into our opponents' minds. Some of the relevant journalists are themselves ex-advisers with first hand knowledge of what the rules have been, so this is a very real possibility.

4. No one can know what form the Euro-Election campaign will in the event take. However it must be likely that the campaign debate will extend well beyond the narrow confines of European policy to involve any domestic issues which may be conveniently dragged in at the time. Certainly that possibility cannot at present be excluded; and we must be prepared for it.

5. Equally, no one can know much about the opposition parties' tactics. It could be that they will all decide to concentrate their efforts exclusively at the local level, and let the national campaign

/unfold....

* A quick survey of the treatment of colleagues last year would help illustrate this.

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unfold as peacefully as in 1979, and according to plan (whatever that may be). But on past experience, it must be probable that Labour will, on occasions, try their usual tricks of bogus initiatives, leaked documents, press conferences called at odd times of day and so on. [It is worth recalling that the press conference at which Shore released and publicised the LTPE papers was called at about 11.00 a.m. for mid-day on a Sunday. Happily I was free and able to deal with it - which took 14 hours of continuous work...]

6. For their part, many Ministers will be tied up conducting normal Government business during the campaign - much more so than during a normal general election. This will both reduce their ability to react swiftly to sudden initiatives from our opponents, and make it more important to have a reliable and well-informed group in the cockpit at CUCO at all times (or at least on instant call).

7. I am sure I do not have to tell you how vital the advisers could be in this process! If this general argument is accepted, then there is a very strong case for redrawing quickly every adviser's contract in whatever respect is needed (or circulating a suitable clarificatory codicil to all Permanent Secretaries), as part of the current, post-election review of advisers' terms and conditions of employment. The new dispensation should, of course, be one which is equally applicable to the next general election....

8. So much for the key issue. If you or others are going to have a little time for further investigation, it might be a good topic for one of our 8.45 a.m. meetings. [So might the wider issue of "terms and conditions", come to that.] But it would also be valuable if some one could form early ideas of what needs of our services CRD, CUCO and our Ministers might now foresee during the Euro campaign. The key issue here is, of course, that there should be a sensible CUCO game plan for the central structure and key procedures of the campaign. Mr Gummer has spoken of it, but no details have yet been revealed.

I am sending a copy of this letter to Peter Cropper and John Houston only.

Yours ever

Adam

A N RIDLEY

11. The rules on the political activities of civil servants are set out in Code paragraphs 9923-9950. As a Special Adviser you will be subject generally to the provisions set out in those paragraphs which are applicable to civil servants in the "politically restricted" group. In particular:

(a) an Adviser publicly identified as a Parliamentary candidate or prospective candidate either by adoption by a political party or in any other way must thereupon resign his or her appointment (see Code paragraph 9923a, 9948);

(b) an Adviser who wishes to take part in a general or by-election campaign, or to help in a Party headquarters or research unit during such a campaign, must first resign his or her Civil Service appointment (Code paragraphs 9923c to e);

(c) it is essential that public funds should not be used in any way for party political purposes, eg by the use of departmental resources for party political business.

12. However, subject to the approval of the Chancellor, you may be permitted:

(a) to attend Party Functions (although you may attend the Party Conference only as an Observer) and to maintain contact with Party members;

(b) to take part in policy reviews organised by the Party, or officially in conjunction with it, for the purpose of ensuring that those undertaking the review are fully aware of the Government's view and your Minister's thinking and policy; it will not be open to you to advocate policies going beyond or departing from those of the Government as a whole.

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A N Ridley
Special Adviser

P J Cropper Esq
CRD
32 Smith Square
London S W 1

Dear Peter,

Here are a few quick comments on the note on special advisers' terms and conditions which you sent me ages ago now, on November 28.

2. I agree with the thrust and principal recommendations, though not with every detail, of your draft. The additional points I would stress are as follows:

Starting Salaries

3. The 105% rule is clearly as absurdly inflexible as pay research and the PRN was for fixing civil service pay. Its impact is particularly silly when a CRD officer is being recruited as adviser at a time when CRD salaries have long been held below market levels (as happened in recent years), and promotions have been denied by cash shortages. To apply the 105% rule rigidly in such conditions is to ensure that any distortions in a CRD desk officer's salary are automatically transferred into their salary as an adviser. Clearly nothing could be more idiotic.

Increments

4. The standard "letter of contract" which tends to get exhibited to most advisers on recruitment offers not only a salary at a maximum of 105% above the previous level, but also restricted increments - sometimes two, sometimes even only one. The possible reasons or motives for this are quite impossible to infer. To prevent an adviser getting near enough the top of the incremental scale of the grade he notionally belongs to justify notional promotion? Since advisers could properly serve up to five years, there is no obvious reason why they should not have up to four increments, or why they should be prevented from enjoying treatment comparable to that in such posts in the civil service.

5. The 105% rule and a maximum of 1 or 2 increments can combine together to drive advisers out pretty quickly (as they did Lynda Rouse).

"Promotion" while an adviser

6. Able people in their late 20's, 30's and early 40's tend to get promoted quickly. Even Civil Servants!! Where incremental scales are short or individual advisers do not start at the bottom, provisions which rule out, or make unduly awkward, promotion of an adviser from one grade to the next are absurd. But they are very real, even if the grading of the adviser is, in other respects, truly very notional. Once again, another device which makes sure the adviser's pay and conditions stagnate within a year or two.

/Age....

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Age comparisons

7. Yet another restriction which was deployed in my case, was to say that, though on other grounds (105% etc) the Under Secretary rank (notional) was appropriate for me, there would be "great delicacies" about such an appointment, since I was at that time (just) below the normal minimum age.

8. There are two or three general observations to be made about these tedious restrictions:

First, the Civil Service have adopted a profoundly ambivalent attitude towards special advisers. When characterising the nature of a special adviser's appointment, officials go out of their way to stress that the rankings temporarily offered an adviser are "notional"; but when they find the rules suggest something a little unusual, perhaps (exceptionally) even generous, such as a notional Principal under 26 or Under Secretary under 40, they argue furiously as if the ranking is substantive.

While there is clearly some case for using the notional ranking system if it is interpreted simply, flexibly and having regard to the very different nature and needs of the advisers' job, there is none whatever if it is to be used with even more arbitrariness and rigidity than it is on full-time officials. A distinct simple and separate system specially for advisers could easily be fashioned which would be far superior in every respect to the system we have today.

Though it is not, strictly, part of the argument, an ex-official such as I senses in the current rules and defects such as those outlined above a consistently petty and vindictive effort by some officials to ensure that advisers are treated shabbily at all times and encouraged to resign quickly!

9. Turning to Pension provisions, one can illustrate the latter point rather well. Advisers are informed they will be able to benefit from the principal civil service pension scheme (PCSPS); but also that they may not remain in post longer than five years, over which period the PCSPS exists. Tough "early leaver" provisions, make the formal position totally vacuous, however, as you yourself point out!

10. Proper and fair arrangements for advisers' pensions inevitably demand a solution to the early leaver's problems, as well as careful consideration by both adviser and department of his/her particular predicament.

11. Further needless and arbitrary restrictions on advisers are that they should not have any staff working for them other than in secretarial and clerical matters; and that the latter are only for (notional) Assistant Secretaries and above.

12. The motive may be to prevent Special Advisers from getting "mixed up" in whatever way in ordinary administration. But if so, it is needlessly draconian. For it means that able and very hard-worked advisers have absolutely no one to do any research, drafting, or other forms of support work. Indeed it leaves an SA with considerably less "power over men" than the youngest HEO(A), on entry to the service after University. This is palpably ridiculous as a use of resources. If it is worth employing an adviser, it is worth ensuring such reasonable administrative or technical support as may be needed, as some fortunate souls have already been able to arrange. In my own case, I probably waste $\frac{1}{4}$ to $\frac{1}{3}$ of my time in work which could easily be delegated to an intelligent assistant, and could vastly increase my effectiveness in those things that I do if I could use even one full-time assistant, let alone the two

/who...

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who worked for me when I was an Economic Adviser in the Treasury in 1970/71!

13. The restriction of proper secretaries to notional A/S, and above is so absurd as to call for no further comment!

14. The other major issue on my mind at present is the restriction on political activity, about which I have written to Stephen Sherbourne separately, as you will know.

I am copying this letter to Stephen

Yours ever
Alan

A N RIDLEY