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Prime Minister

You will wish to be aware that I have put in hand a comprehensive review of the activities and role of the Atomic Energy Authority (AEA). Major changes in the nuclear industry in the 30 years since the Authority's establishment, and recent ad hoc reviews of key programmes such as the fast reactor, make a wider examination timely.

The review is being chaired by one of my Deputy Secretaries, with direct Treasury and AEA participation. I intend it to be thorough and to cover all the possible options, including radical alternatives. To this end my officials have already been in touch with representatives of the nuclear industry (CEGB, the Nuclear Installations Inspectorate, BNFL), and the Department of the Environment about their relationship with the Authority on nuclear waste management R & D. They may also need to contact the Ministry of Defence about their sizeable repayment contracts with the Authority, and the Department of Education and Science about the possible role of the Science and Engineering Research Council (SERC). They additionally have it in mind to approach Dr Nicholson, Chief Scientific Adviser at the Cabinet Office. I understand that Dr Nicholson made a useful contribution to the fast reactor review a little while ago.

I envisage putting a comprehensive paper based on the outcome of the review to Ministerial colleagues before the summer break, with the objective of establishing a long-term framework for the Authority's activities and for public expenditure in this area.

I am copying for information to the Secretaries of State for Education and Science, Defence, Scotland, Environment and Trade and Industry, the Chief Secretary, and Sir Robert Armstrong.

SECRETARY OF STATE FOR ENERGY

2 March 1984



1984



CONFIDENTIAL

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10 DOWNING STREET

From the Private Secretary

6 March 1984

UK AEA

The Prime Minister has seen your Secretary of State's minute of 2 March, proposing a comprehensive review of the activities and role of the UK AEA. She welcomes this review and is content with the way in which he intends to conduct it.

I am copying this letter to Elizabeth Hodkinson (Department of Education and Science), Richard Mottram (Ministry of Defence), John Graham (Scottish Office), John Ballard (Environment), Callum McCarthy (Department of Trade and Industry), John Gieve (Chief Secretary's Office) and Richard Hatfield (Cabinet Office).

(ANDREW TURNBULL)

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Department of Energy.



10 DOWNING STREET

Prime Minister ⁽²⁾

A thorough review of UKAEA must be overdue. We have employed 15,000 people for 30 years but has the nation got value for money? Or is it a producer dominated organization?

Does it need to be financed so much (50 percent) by the taxpayers or could its customers (the electricity utilities and BNFL) contribute more?

Has one branch of science absorbed too much of our research effort?

Content?

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Yes not