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PREM 19 / 1098

House of Commons Procedure
Reorganisation of Select Committees
Departmental Select Committees
Disclosure of Documents
Advance Copies of Command Papers
Replies to Select Committee Reports
Procedure for Changes

PARLIAMENT

PART I MAY 1979

PARTS SEPTEMBER 1980

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
10.9.81		25.5.82					
30.10.81		3.6.82					
5.11.81		29.7.82					
22.11.81		16.9.82					
2.12.81		30.9.82					
7.12.81		10.11.82					
9.12.81		25.11.82					
14.12.81		26.11.82					
20.12.81		6.12.82					
4.1.82		7.12.82					
11.1.82		14.12.82					
19.1.82		15.12.82					
22.1.82		15.12.82					
10.2.82		17.1.83					
24.2.82		21.1.83					
2.3.82		22.2.83					
3.3.82		24.2.83					
5.4.82		25.2.83					
20.5.82		28.2.83					
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		26.3.83					
		30.3.83					
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		At Ends-					

PREM 19/1098

TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

Reference	Date
CC(83) 11 th Meeting, item 1	24/03/1983
CC(82) 8 th Meeting, item 2	04/03/1982

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate **CAB (CABINET OFFICE) CLASSES**

Signed J. Gray

Date 22/4/2013

PREM Records Team

PART 5 **ends:-**

WR to LPL's Office 30/3/83

PART 6 **begins:-**

Ld Chancellor's Office to RTA 12/4/83



Parliament

10 DOWNING STREET

From the Private Secretary

30 March, 1983.

Report from the Select Committee on
Standing Orders (Revision) 1982-83

The Prime Minister was grateful for the Lord President's minute of 28 March, which she has noted without comment.

I am sending copies of this letter to Murdo Maclean (Chief Whip's Office), and Richard Hatfield (Cabinet Office).

W.F.S. HICKETT

Nicholas Huxtable, Esq.,
Lord President's Office.

vk

Published Papers

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

House of Commons HANSARD, 11 November 1982, columns 669 to 678: Security

House of Commons HANSARD, 15 December 1982, columns 285 to 286: Criticism of Judges (Mr Speaker's Ruling)

House of Commons HANSARD, 19 April 1982, columns 29 to 98: Public Accounts

Signed

S. Gray

Date

22/4/2013

PREM Records Team

Prime Minister:

To note

A

28/3

PRIME MINISTERREPORT FROM THE SELECT COMMITTEE ON
STANDING ORDERS (REVISION) 1982-3

A report was made to the House of Commons earlier this month by the Select Committee on Standing Orders (Revision). An early response is desirable so that the Standing Orders of the House can be reprinted, and in order that arrangements can go ahead for a new edition of Erskine May.

Select committees of this type are set up by the House from time to time - the last was in 1970 - to "report upon the rearrangement and redrafting of the Standing Orders so as to bring them into conformity with existing practice". They are mainly concerned with the removal of procedural dead wood; the standardisation of phraseology; renumbering; and clarification. Almost all of the present Committee's 263 proposed amendments to Standing Orders are of this "tidying up" kind and would appear uncontroversial.

The report does, however, contain two more significant recommendations which I would wish to bring to the attention of colleagues.

The first (paragraph 14 of the report) proposes that Members suspended from the House for disorderly conduct should "forfeit their salary during their suspension". This is represented as a clarification of the punitive intention of the present SO No 24. It would seem, however, to lie well outside the Select Committee's terms of reference. Moreover, it could be controversial, not least because a suspended Member still has his constituency responsibilities.

The other is the recommendation (paragraph 18) that Standing Order No 86A(5), which would enable a sub-committee on the Nationalised Industries to be formed from members of the relevant Departmental select committees, should be revised so that the committee would become a sub-committee of whichever Departmental select committee its chairman is a member. This is designed to remove a procedural obstacle which has hitherto rendered the provision inoperative. But it would again seem outside the Committee's terms of reference, and runs contrary to a recommendation recently made by the Liaison Committee of Select Committee Chairmen in the report on the select committee system. It is also relevant to the Parliamentary Control of Expenditure (Reform) Bill now in Committee. It, therefore, seems best to defer consideration of this particular recommendation.

.../...

This report will come before the House next Wednesday, 30 March. I would propose to table a Government Motion accordingly, recommending the adoption of all the Committee's proposed amendments, except for the proposed fines on suspended Members, to be rejected, and the proposed revision of Standing Order No 86A(5).

I am copying this to Cabinet colleagues, and to Sir Robert Armstrong.

WJB

JB

28 March 1983

U.S. MAR 1965

U.S. MAR 1965



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MUS 29/3

Am

Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Tom King MP
Secretary of State
Department of the Environment
2 Marsham Street
London SW1P 3EB

28 March 1983

2 Tom,

SELECT COMMITTEES: DEPARTMENTAL MEMORANDUM ON MAIN ESTIMATES

Many thanks for your letter of 24 March, letting me know about the approach from the Environment Committee for a memorandum on the DOE main Estimates for 1983-84.

I do not think this creates a precedent. The Treasury know of similar memoranda from the FCO, the Ministry of Agriculture and DHSS; there may well be others.

As the departmental Select Committees extend their activities, following the report from the Procedure Committee last year, we must expect similar requests. I am sure it is right that we should cooperate. We have already improved the presentation of Estimates to make them more informative and useful to Parliament (and the wider public). A good deal of relevant information is also provided in the annual Public Expenditure White Paper. As your officials know, we are thinking of ways of improving this and relating it more closely to the content of the Estimates. But I am sure the Select Committees will require further explanations, and I believe it is right that we should provide them with the material they need to understand the Government's proposals for Supply. The larger departments may indeed find it prudent to anticipate such requests, and start preparing such memoranda once the Estimates themselves have been finalised. My officials would be glad to see copies of such memoranda, and if necessary to discuss them in draft with departments.

I am sending copies of this reply to all members of the Cabinet and to Sir Robert Armstrong.

Y
L
C

LEON BRITTAN

20 MAR 1967



CONFIDENTIAL



24c A71

10 DOWNING STREET

From the Principal Private Secretary

MR HATFIELD
CABINET OFFICE

PUBLIC APPOINTMENTS : TREASURY AND CIVIL SERVICE
COMMITTEE

The Prime Minister has seen Miss Buchan's minute of 18 March, a copy of which was forwarded to this office. She has noted that there are no strong grounds on which objection could be made to an inquiry by the Treasury and Civil Service Committee into the general topic of public appointments procedure. But she considers it important that evidence should be related to general questions of principle and practice and should not cover individual appointments, and that the conventions which apply to Parliamentary Questions on advice to The Queen should be held to apply to the provision of evidence to the Committee on appointments which are made following advice to The Queen.

F.E.R.B.

24 March 1983

CONFIDENTIAL

Parliament



NBRM

Mus 24/3

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

24 March 1983

Dear Len,

SELECT COMMITTEES: DEPARTMENTAL MEMORANDUM ON MAIN ESTIMATES

We have received a request from the Clerk of the Environment Committee for a memorandum on DOE's Main Estimates for 1983/4. Although we have received a number of requests in the last two years for memoranda on Supplementary Estimates (which we have supplied) this is the first time that we have been asked for a memorandum on the Main Estimates.

In view of this explicit request and Parliament's developing interest in scrutiny of the Estimates I see little alternative but to put in a memorandum. But before doing so, I felt that you, John Biffen and other colleagues should be aware of our action, since I understand we shall be establishing a precedent in this area. We shall aim to put in our memorandum on Monday 28 March.

I am copying this letter to all members of Cabinet and to Sir Robert Armstrong.

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k

TOM KING

24 MAR 1963

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Parliament

NBPM



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AJ

24 March 1983

Her Lordship

SELECT COMMITTEE ON EDUCATION, SCIENCE
AND ARTS

...

I enclose a copy of the letter dated 22 March which I have received from the Clerk to the Committee and which we discussed on the telephone.

I am copying this to Robin Butler (No 10).

Yours truly,

D C R

D C R HEYHOE
Private Secretary

Richard Hatfield Esq
Private Secretary to
Sir Robert Armstrong
Cabinet Office



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA

01-219 3000 (Switchboard)
01-219 6243 }
01-219 5774 } (Direct Line)
01-219 6304 }

LORD PRESIDENT
OF THE COUNCIL
RECEIVED
24 MAR 1983
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EDUCATION, SCIENCE AND ARTS COMMITTEE

D.C.R. Hayhoe Esq.
Private Secretary
The Lord President
of the Council
House of Commons

22 March 1983

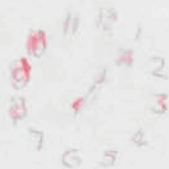
Dear Hayhoe

Thank you for your letter of 14th March. I have now had a chance to discuss it with the Chairman, following the Committee's return from France. They will seek to arrange a meeting with the Departmental Records Officer and other witnesses from the Cabinet Office soon after Easter. I shall be in touch with you soon on the exact date and time but it would seem that Wednesday 20th April at 10.30am is the most likely possibility. The meeting would not be expected to last more than an hour.

However, the Chairman has pointed out to me that, while your letter to me overcomes the misunderstanding arising from the third paragraph of his letter to Sir Robert Armstrong of 14 February, it does not deal with the question of evidence on the treatment of sensitive material referred to in the second paragraph of that letter. I understand that Mr Price is writing to Sir Robert shortly on this matter.

A.J. Hastings
Clerk to the Committee

24 MAR 1963



Mr Butler o/r

Prime Minister

To see MPO advice. It

CONFIDENTIAL

looks as if this inquiry will go ahead, but if you agree I will say that the MPO's introductory memorandum should make the points at A and B below.

- 1. MR PETERSON
- 2. PS/PERMANENT SECRETARY

FEB 22.3.

Mrs Flanagan (o/r)
Mr Barrows

PUBLIC APPOINTMENTS : TREASURY AND CIVIL SERVICE COMMITTEE

You asked in your minute of 18 March for advice and material which could be used in argument against an Inquiry into the public appointments procedure.

It does not appear to us that there are strong grounds on which we could object to an inquiry by the Committee into the general topic of public appointments procedure.

Public appointment procedures, insofar as the work of the Public Appointments Unit is concerned, are within the administrative functions of MPO and thus within the scope of the Treasury and Civil Service Select Committee. Two previous inquiries have touched on this topic; in 1979 the Select Committee on Nationalised Industries and in 1980 the TCSSC took evidence on the function and operation of the PAU. It would be difficult therefore to justify at this stage an attempt to put the general subject of Public Appointments Procedure outside of the remit of TCSSC.

This does not mean that the Committee, once the inquiry has been initiated, have totally unrestricted access to evidence on the topic. Government can, and in the past has, refused to give evidence on particular areas or aspects of enquiries. In general these refusals are based on the guidance contained in the Memorandum of Guidance to Officials and in the Memorandum of Guidance to Ministers (extracts attached). In the case of public appointments the SC on the Nationalised Industries accepted when taking evidence on the work of the PAU that questions should relate to general questions of principle and practice and should not cover individual appointments.

At this stage MPO have been asked to provide an introductory memorandum on appointments procedures to assist the Committee to determine the precise scope of its enquiry. This memorandum could, in addition to providing the factual material requested, register any reservations which Ministers wanted observed, such as:-

a. that as the MPO role through the PAU is advisory and the selection process for each appointment remains with the Department and Minister concerned, our evidence would be limited to our central function;

b. that the conventions which apply to Parliamentary Questions on advice to The Queen will be held to apply to the provision of evidence to the Committee on appointments which are made following advice to The Queen.

Jay Buchan.

CONFIDENTIAL

(Miss) J M E Buchan
18 March 1983

LIMITATIONS ON THE PROVISION OF INFORMATION

General

23. Committees' requests for information should not be met regardless of cost or of diversion of effort from other important matters. It might prove necessary to decline requests which appeared to involve excessive costs. It may be necessary for a Department to consult their Minister if a particular request seems to involve an unreasonable amount of extra work.

24. The Procedure Committee recognised that there may be occasions when Ministers may wish to resist requests for information on grounds of national security. Appendix C of the Committee's Report (the memorandum by the Clerk of the House) reproduces the text of a letter of 9 May 1967 to the Chairmen of certain Select Committees from the then Lord President of the Council and Leader of the House, which refers (among other limitations on the provision of information) to "information affecting national security, which would normally be withheld from the House in the national interest". Guidance to departments on the release of classified information to Committees is given in the manual "Security in Government Departments". This manual is the overriding authority; what follows must be read subject to its guidance. Officials must not disclose information which the manual says must be withheld; they should consult their Departmental Security Officers if in doubt.

25. Officials should not give evidence about or discuss the following topics:

i. In order to preserve the collective responsibility of Ministers, the advice given to Ministers by their Departments should not be disclosed, nor should information about interdepartmental exchanges on policy issues, about the level at which decisions were taken or the manner in which a Minister has consulted his colleagues. Information should not be given about Cabinet Committees or their discussions (see paragraphs 26-28).

ii. Advice given by a Law Officer (see paragraph 31).

iii. The private affairs of individuals or institutions on which any information held by Ministers or their officials has been supplied in confidence (including such information about individuals which is available to the Government by virtue of their being engaged in or considered for public employment).

Officials should also, where possible, avoid giving written evidence about or discussing the following matters. Where appropriate further guidance is provided in the succeeding paragraphs:

iv. Questions in the field of political controversy (see paragraphs 29-30).

v. Sensitive information of a commercial or economic nature, eg knowledge which could affect the financial markets, without prior consultation with the Chancellor of the Exchequer; sensitive information relating to the commercial operations of nationalised industries, or to contracts; commercial or economic information which has been given to the Government in confidence, unless the advance consent of the persons concerned has been obtained (but see paragraph 48 on the kind of contract information which may, in certain circumstances, be provided).

vi. Matters which are, or may become, the subject of sensitive negotiations with Governments or other bodies, including the European Community, without prior consultation with the Foreign and Commonwealth Secretary, or in relation to domestic matters the Ministers concerned (see paragraph 32).

vii. Specific cases where the Minister has or may have a quasi-judicial or appellate function, eg in relation to planning applications and appeals, or where the subject-matter is being considered by the Courts, or the Parliamentary Commissioner (see paragraphs 33-34).

Where, exceptionally, matters such as iv-vii have to be discussed, application may be made for "sidelining" (see paragraph 46). There is no objection to saying in general terms why information cannot be given and it is very unusual for a Committee to press an official who indicates that he is in difficulty on such grounds in answering a question. If however this happens, it may be best to ask for time to consider the request and to promise to report back. Paragraphs 6-7 should be referred to.

Collective Responsibility

26. Departmental witnesses, whether in closed or open session, should preserve the collective responsibility of Ministers and also the basis of confidence between Ministers and their advisers. Except in a case involving an Accounting Officer's responsibility (see C8 and 9 of "Government Accounting") the advice given to Ministers, which is given in confidence, should not therefore be disclosed, though Departments may of course need to draw on information submitted to Ministers. It is necessary also to refuse access to documents relating to interdepartmental exchanges on policy issues. Equally the methods by which a current study is being undertaken, eg by the Central Policy Review Staff, should not normally be disclosed without the authority of Ministers, unless they have already been made public. Nor should Departments reveal the level at which decisions were taken. It should be borne in mind that decisions taken by Ministers collectively are normally announced and defended by the Minister responsible as his own decisions, and it is important that no indication should be given of the manner in which a Minister has consulted his colleagues (see also paragraph 31 on the special position of the Law Officers).

27. In no circumstances should any Committee be given a Cabinet paper or extract from it, or be told of discussions in a Cabinet Committee. Nor should information be given about the existence, composition or terms of reference of Cabinet Committees, or the identity of their chairmen, beyond that information disclosed by the Prime Minister in answer to a Parliamentary Question on 24 May 1979 (see Appendix B), and if witnesses are questioned on such matters they must decline to give specific answers. There is, however, no objection to pointing out in general terms that consultation between Departments runs through the whole fabric of government and occurs at all levels both official and Ministerial.

28. Departmental files will tend to concern the matters referred to in paragraph 25 above, and Departments should consult their Ministers, and should also advise the Civil Service Department when dealing with any request

generally comply with the requests of Committees, and Committees themselves have rarely pressed their requests if good reason were shown for not meeting them, there is little recent experience of a Committee exercising its formal powers, or of a dispute requiring resolution by the House. Ministers should aim to avoid such disputes unless a matter of principle or overriding importance is at stake.

Attendance

Ministers

5. The general power of Select Committees to send for "persons" does not apply to Members of either House of Parliament. Ministers who are Members of either House can be "invited" by a Commons Select Committee to attend to give evidence to it. Only the House of Commons can order a Minister who is a Member of the House to attend before a Select Committee. A Minister who is a Member of the House of Lords must be given leave by that House to appear before a Commons' Select Committee and need attend only 'if he thinks fit'.

6. Ministers should, so far as possible, accede to requests from Select Committees to attend before them. A Select Committee may choose to study a subject which concerns other Departments in addition to its "parent" Department, and there will therefore be occasions on which a Minister is invited to appear before a Select Committee other than that for his own Department to give evidence on matters within his own sphere of responsibility. Nevertheless, it might still be a proper ground for refusal of an invitation that a Minister is not ministerially responsible for the matter about which he is asked to give evidence. Ministers have declined invitations on these grounds in the past. If a Select Committee wished to press a request, regardless of ministerial responsibility, only the House as a whole could order a Minister to attend.

Officials

7. Officials* appearing before Select Committees do so on behalf of their Ministers. It is customary, therefore, for Ministers to decide which officials (including members of the Armed Services) should appear to give evidence. Select Committees have in the past generally accepted this position. Should a Committee invite a named official to appear, the Minister concerned, if he did not wish that official to represent him, might suggest to the Committee that another official could more appropriately do so, or that he himself should give evidence to the Committee. If, however, these suggestions were rejected, and the Committee insisted on a particular official appearing before them, they could issue a formal order for his attendance. In such an event, the official would have to appear before the Committee. Arrangements might be made, if necessary, for the official to attend in company with his Minister. In any event, the official would remain subject to Ministerial instructions as to how he should answer questions.

Answers in oral evidence

Ministers

8. Erskine May (19th edition, page 687) states that: "when a Member submits himself to examination . . . he is not at liberty to qualify his submission by stipulating that he is to answer only such questions as he pleases". It is, however, recognised that the extent to which a Minister gives a direct and full answer to a question must be a matter for his judgment, taking account of considerations of public policy. Speaking for the Government in the debate on 25 June 1979 the Chancellor of the Duchy of Lancaster said:

"Inevitably there will be occasions when Ministers will have to decide that it would not be in the public interest to answer certain questions or to disclose information. There are conventions governing these matters that the House has accepted over a long period and that the Government will respect. They are dealt with in the Procedure Committee's report, and the Committee for the most part was satisfied with them.

"The Government will make available to Select Committees as much information as possible, including confidential information for which, of course, protection may have to be sought by means of the sidelining procedure. There may also from time to time be issues on which a Minister does not feel able to give a Select Committee as much information as it would like. But on these occasions Ministers will explain the reasons for which the information has to be withheld." (*Hansard*, 25 June 1979, column 45.)

9. The conventions to which the Chancellor of the Duchy of Lancaster referred were summarised in 1967 by the then Leader of the House (Mr. Crossman) and, though never formally endorsed by the House, have been largely followed since then. The matters on which Ministers were said to be unwilling to give them information included matters of national security, the private affairs of individuals or companies where information had been given on a confidential basis, matters which were or might become the subject of sensitive negotiations with Governments or with other bodies, and specific cases where the Minister concerned had a quasi-judicial or appellate function. These categories are not exhaustive and Ministers should not, for example, disclose information which is commercially or financially sensitive.

10. Information may be given to Select Committees on a confidential "not for publication" basis and Ministers can ask that a Committee sit in private session, rather than in public, if they are likely to be asked for information which they would not be willing to provide except on such a basis. The decision about publication rests, however, with the Select Committee. Such matters apart, the extent to which information would be given in answer to a Parliamentary Question is a useful, but not conclusive, guideline in considering whether it should be given in answer to a question from a member of a Select Committee.

Officials

11. In the past, Select Committees have recognised that officials who appear before them do so on behalf of their Ministers and under their directions. A Minister may therefore instruct his officials about the manner in which they should answer questions or about matters on which they should decline to answer questions. He should, of course, be ready to appear before the Committee or the House to answer in the usual way for the conduct of his officials.

12. The Memorandum of Guidance for Officials Appearing before Select Committees gives details of the matters on which officials should not provide information, including matters mentioned in paragraph 9 above. Officials are advised not to express opinions on matters of Ministerial policy or indicate the advice that they or other officials have given to Ministers, and they are to avoid, so far as possible, entering into matters of political controversy.

13. There is no record of a civil servant being ordered by a Select Committee to provide a substantive answer to a question when he has declined to do so, or of a Select Committee reporting such a refusal by a civil servant to the House.



10 DOWNING STREET

Prime Minister

I have asked M P O

to advise on the attached
before 11 a.m. on Monday

so that there would be
time for someone to talk

to Mr. du Cann or

another member of the

Committee before their meeting on
Monday afternoon.

(I remember that the TCSC
had an inquiry into public
appointments only a year or two ago)

RESTRICTED



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

F E R Butler, Esq
No 10 Downing Street
LONDON SW1

18 March 1983

New Robin,

...
I told you that a Sub-Committee of the Treasury and Civil Service Committee may be about to hold an enquiry into appointments to "public sector bodies". I attach a copy of a letter from the Committee's Clerk, which reached us - and the MPO - yesterday: as you will see, it suggests that the precise scope of the proposed enquiry is as yet undetermined. So, I gather, is the composition of the Sub-Committee, though the Clerk has told Peter Kemp that it is possible that Michael English might be its Chairman. All may apparently become clearer after a TCSC (in-house) discussion on the afternoon of 21 March.

2. It occurs to us that if any action were to be taken to fend off this enquiry, or limit its scope, it might be best taken before Monday afternoon. But this is of course something on which you will wish to have MPO advice, and I am accordingly copying this letter to Mary Brown, Richard Hatfield and Colin Peterson.

Yours ever,

J O Kerr

J O KERR
Principal Private Secretary

RESTRICTED



COMMITTEE OFFICE
 HOUSE OF COMMONS
 LONDON SW1A 0AA
 01-219 (Direct Line)
 01-219 3000 (Switchboard)

TREASURY AND CIVIL SERVICE COMMITTEE

16 March 1983

Dear Peter

Appointments by Ministers

The Committee have decided that they would like their Sub-committee to enquire into the subject of the appointments which Ministers have to make to various bodies in the public sector. I think it would help the Sub-committee to determine the precise scope of its enquiry if you could let us have a preliminary note on the subject. Such a note might give us some idea of the range and number of appointments involved, to what extent they were made under statutory authority, to what extent (if any) Parliament was involved in particular appointments, how a field of candidates was assembled and the degree to which the actions of individual Ministers were coordinated from the centre.

It may be that this is a matter for the MPO rather than, or as well as, the Treasury and I am copying this letter to Jenny Flanagan in case this is so.

The Sub-committee have also been asked to review the responses the Committee have had to their report on the Acceptance of Outside Appointments by Crown Servants. This is, I think, a matter for the MPO but I am not asking for any submission on that at the moment - beyond the up-to-date information about such appointments which Colin Peterson sent us on 3rd March 1983.

Yours sincerely

C.A. Larsen
C.A. Larsen

Peter Kemp Esq.
 H.M. Treasury
 Parliament St.
 London SW1P 3AG

MPO.
 Miss E.C. Flanagan
 AS.
 JB
 5145

114 17/3

Privy Council Office,
Whitehall,

London, SW1A 2AT

*With the Compliments
of the
Private Secretary
to the
Lord President of the Council*



Mr Butler
PARLIAMENT

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

14 March 1983

Dear Hastings,

Thank you for your letter of 3 March, from which I note that your Committee believe that it would be useful for them to take evidence on the machinery of record keeping in the Cabinet Office on exactly the same basis as they have already taken evidence from the Foreign and Commonwealth Office, the DHSS and the Department of Energy.

The Lord President has discussed this with the Secretary of the Cabinet, who has agreed to ask the Principal Establishments and Finance Officer, Mr John Stevens, and the Departmental Records Officer, Mr Dennis Morris, of the Cabinet Office to make themselves available to give oral evidence to the Committee on the machinery of record keeping in the Cabinet Office on this basis.

Yours sincerely

D C R Heyhoe

D C R HEYHOE
Private Secretary

A J Hastings Esq
Clerk to the Select Committee
on Education, Science and Arts
House of Commons
LONDON SW1A 0AA



NBPM

MR HATFIELD

SELECT COMMITTEE ON EDUCATION, SCIENCE AND ARTS

... The Clerk to the Select Committee has, in the event, written to me in response to the letter that I sent him on 28 February. I enclose a copy of his reply. The Lord President would be happy to discuss this with Sir Robert Armstrong whenever that would be convenient.

I am copying this to Robin Butler (No 10).

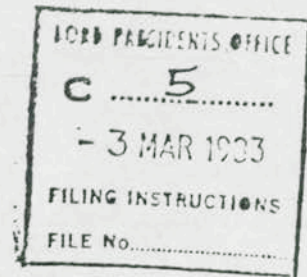
John Hargrave

D C R HEYHOE

4 March 1983



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA
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01-219 3000 (Switchboard)
01-219 5774 (Direct Line)



EDUCATION, SCIENCE AND ARTS COMMITTEE

D.C.R. Hayhoe Esq.
Private Secretary
The Lord President of the Council
House of Commons
London SW1

March 3 1983

Dear Hayhoe

Thank you for your letter of 18th February. I think you already know that at their meeting yesterday the Committee discussed both that letter and Sir Robert Armstrong's letters to me and to the Chairman of the Committee of 3rd and 7th February respectively. You also know that a second meeting took place yesterday between Mr Price and the Lord President at which the issues raised in the letters were discussed.

The Chairman has asked me to emphasise that it is his intention, and that of the Committee, to find an agreed basis upon which a constructive session of public evidence can eventually take place, and that he firmly believes that, in the light of misunderstandings which appear to have arisen through correspondence, an informal meeting between Sir Robert and some members of the Committee would be the most appropriate method of exploring the possibilities for a formal session and defining the matters to be discussed.

In reply to your letter to me of 18th February, the Committee feel that it would be inappropriate at this stage for me to send you a detailed questionnaire. It is not usual for select committees to take evidence in this manner except occasionally as a means of gathering preparatory information for oral evidence or to clarify matters unresolved by such evidence: consequently they would hesitate to extend a procedure which might undermine the traditional method of inquiry by oral questioning.

However, I have been authorised to make it clear that the Committee have no intention whatever of extending the limits of their present inquiry which directly relate to the implementation of the Wilson Committee's Report on the Public Records. Questions would not depart from the subject areas already considered at earlier meetings of the Committee. They do not intend, and they have never intended, to investigate the Cabinet Office or its administration.

Nevertheless they believe it would be useful to take some oral evidence on the machinery of record keeping in the Cabinet Office on exactly the same basis as they have already taken oral evidence from the Foreign Office, the DHSS and the Department of Energy. In view of the emphasis placed by the Wilson Committee on the crucial role of initial selection of papers for preservation by Departments, and the variation in practice between them, the Committee regard this part of their inquiry as essential and this has been understood by other Departments. The Committee have no intention of insisting that any particular official should give evidence on this subject. It would be for the Cabinet Office to decide who is most appropriate.

Yours sincerely,



A.J. Hastings
Clerk to the Committee

Palmanut: Select others P+5-

Privy Council Office,
Whitehall,
London, SW1A 2AT

*With the Compliments
of the
Private Secretary
to the
Lord President of the Council*

Mr Townley
Sir Robert Armstrong

PARLIAMTARY
PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

28 February 1983

Dear Hastings,

The Lord President has asked me to write to you to follow up the meeting which he had with the Chairman of your Committee and Mr Brinton on 24 February.

It remains his view that it would be inappropriate for the Secretary of the Cabinet to give oral evidence on general questions of record-keeping practice or administration in the Cabinet Office, for the reasons which were set out in his letter of 21 February.

The Lord President noted, however, that Mr Price thought that there might have been some misunderstanding of the Committee's intentions. The Lord President considers that the best way forward would be for you to let me have a note in detail of the questions to which the Committee is seeking answers. That would enable him to consider how far they avoided the difficulties encountered in the earlier approach, and what might be the most appropriate way of proceeding.

Yours sincerely,

David Heyhoe.

D C R Heyhoe
Private Secretary

A J Hastings Esq
Clerk to the Select Committee
on Education, Science and the Arts
House of Commons
LONDON SW1A 0AA

7 MAR. 1983



F E R Butler Esq.



CABINET OFFICE

With the compliments of
Sir Robert Armstrong KCB, CVO
Secretary of the Cabinet

70 Whitehall, London SW1A 2AS
Telephone: 01-233 8319



Parliament

CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 8319

From the Secretary of the Cabinet: Sir Robert Armstrong KCB, CVO

Ref. A083/0660

25th February 1983

Select Committee on Education, Science and the Arts

I discussed with the Lord President this morning the upshot of his meeting with Mr Christopher Price, MP on 24th February.

I said that as a matter of principle I was very anxious to avoid creating a precedent for evidence to a Select Committee on the administration or "policy" of the Cabinet Office. I thought that the Cabinet Office had advisedly been excluded from the list of Departments specified in the resolution of 25th June 1979. The Cabinet Office was not a Department in that sense: it was really the machinery which serviced the process of collective discussion by the Government and did not deal with any matter of policy which was not the primary responsibility of one of the Departments headed by a Minister. If it became accepted that the Cabinet Office could be summoned to give evidence, there really was no reason why it should not be summoned by any Select Committee, because it was concerned with discussion of policies right across the board. (It was no doubt because the Cabinet Office is not in that sense a policy Department that it was also excluded from the ambit of the Parliamentary Commissioner for Administration.)

Nor was I very happy about the idea of an informal discussion of the kind suggested by Mr Price: it was difficult to see what useful purpose that could serve which avoided getting sucked in.

We discussed at some length how the problem might be dealt with and defused. In the end we agreed that the best course would be for you to write to the Clerk of the Committee on the Lord President's behalf, taking up Mr Price's indication that the intentions had been misunderstood and inviting the Clerk to

/set out in

D C R Heyhoe Esq.

CONFIDENTIAL

set out in detail the questions which the Committee had in mind to ask. We could then consider how far they could be answered without prejudice to the main position, and how best to proceed.

--- I attach a draft letter on these lines, for the Lord President's consideration.

I am sending a copy of this letter and of the draft reply to Robin Butler.

ROBERT ARMSTRONG

CONFIDENTIAL

DRAFT LETTER TO A J HASTINGS ESQ,
Clerk to the Select Committee on Education,
Science and the Arts

The Lord President has asked me to write to you to follow up the meeting which he had with the Chairman of your Committee and Mr Brinton on 24th February.

It remains his view that it would be inappropriate for the Secretary of the Cabinet to give oral evidence on general questions of record-keeping practice or administration in the Cabinet Office, for the reasons which were set out in his letter of 21st February.

The Lord President noted, however, that Mr Price thought that there might have been some misunderstanding of the Committee's intentions. The Lord President considers that the best way forward would be for you to let me have a note in detail of the questions to which the Committee is seeking answers. That would enable him to consider how far they avoided the difficulties encountered in the earlier approach, and what might be the most appropriate way of proceeding.

CONFIDENTIAL

Parliament



2-6 AH

*ces 40
fco
MOD*

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

SELECT COMMITTEE ON DEFENCE :
INQUIRY INTO POSITIVE VETTING

The Prime Minister has seen your minute of 22 February to me (A083/0624) and agrees the line which it is recommended that MOD officials should take before the Defence Select Committee in their inquiry into positive vetting.

I am copying this minute to the recipients of yours.

F.R.B.

24 February 1983

CONFIDENTIAL

AH

CONFIDENTIAL

Parliament

NBPM



MR HATFIELD

SELECT COMMITTEE ON EDUCATION, SCIENCE AND
THE ARTS

... I attach a note of the Lord President's meeting this evening with Mr Christopher Price MP. We have arranged for Sir Robert Armstrong to discuss this with the Lord President at 11.30 tomorrow morning.

I am copying this minute to Robin Butler (No 10).

Mr

D C R HEYHOE

24 February 1983

CONFIDENTIAL

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NOTE FOR THE RECORD

Mr Christopher Price MP and Mr Tim Brinton MP came to see the Lord President at 5.30 this evening to discuss the Lord President's letter of 21 February in which Mr Biffen had explained to Mr Price the reasons why he had advised the Secretary of the Cabinet not to comply with the request from the Select Committee on Education, Science and the Arts to give oral evidence to them.

Mr Price said that he hoped the discussion could be informal and off the record. He wanted to explore what the next step for the Committee ought to be. Having observed in passing that, according to his reading of Erskine May (page 635), Select Committees were the sole judges of their own Terms of Reference, he explained the background to the Committee's present inquiry and pointed out that the Committee had already taken oral evidence from officials in a number of Departments. He hoped that the present difficulty in relation to the Committee's interest in Cabinet Office records could be sorted out. He understood that it was open to him to bring witnesses before the Committee through the offices of the Serjeant at Arms; alternatively, the Committee could bring pressure to bear by Peter Hennessy raising the matter in "The Times". However, he would much prefer to deal with the problem differently. What the Committee had in mind was "not a general inquiry into record keeping"; rather the Committee "only wanted to inquire into record keeping in the Cabinet Office in exactly the same sense as they had done in other Departments".

In reply, the Lord President said that his own role in these matters was to some extent that of arbiter. He himself judged, on reading the Resolution of the House dated 25 June 1979, that the Cabinet Office was not covered by any of the Select Committees. He asked whether, in view of Mr Price's remarks, the Committee had tried to demonstrate that there was indeed a misunderstanding about their intentions. Mr Price said that he recalled a sentence in one of the Committee's earlier letters (he could not from memory specify which) that had implied a wish on the Committee's part to have a general inquiry into Cabinet Office record keeping and might

.../...

CONFIDENTIAL

therefore have given rise to a misconception. He would be very happy to have an informal conversation with an appropriate official in the Cabinet Office to see whether such a misunderstanding did exist and, if so, to try and clarify areas on which the Cabinet Office would feel able to give oral evidence to the Committee. In the event of such a discussion Mr Price would expect to be accompanied by the Clerk to the Committee and by a Government member of the Committee.

The Lord President said that he would be willing to explore whether such an informal discussion would be useful. He emphasised that he could commit himself neither to whether such a discussion was possible nor to what its outcome might be. Nevertheless he promised to report back to Mr Price as soon as possible.

DM

DH

24.2.1983

Ref: A083/0624

CONFIDENTIAL

MR. BUTLER

Prime Minister

1
Agree with the line which
it is recommended that
MOD officials should take
before the Defence Select Committee?

Select Committee on Defence:
Inquiry into Positive Vetting

FEES

23.2.

The Select Committee on Defence (Chairman Sir Timothy Kitson) is conducting an inquiry into positive vetting as it applies to members of the Armed Forces and Ministry of Defence civilian staff.

2. The Select Committee sent the Ministry of Defence a questionnaire, which the Ministry have answered in a memorandum which was agreed with the Departments concerned and approved by the Secretary of State for Defence.

3. The Ministry of Defence is likely to be asked to give oral evidence to the Select Committee next month. I have discussed with the Permanent Secretaries concerned and the Director General of the Security Service some of the questions which are likely to be raised.

4. The purpose of this minute is to tell the Prime Minister how it is proposed to deal with such questions.

5. One of the questions in the questionnaire was to ask what is the difference in procedure between positive and negative vetting. The answer read as follows:

"Positive vetting consists of checks against records and a full field investigation which includes interviews with the subject, supervisors, referees and previous employers. For access to less sensitive information a more limited range of checks is made."

6. There is in fact no such thing as negative vetting. As the answer implies there is a system of more limited checks for access to less sensitive information, which is known as "normal vetting" (NV). NV consists of checks with departmental employment records, Security Service records and police records. It does not involve any process of investigation by means of interviews of referees of colleagues. Over the years there have been a number of public references to the existence of another vetting process besides

CONFIDENTIAL

positive vetting (PV) which is of course overt, in the sense that the individual concerned knows that it is happening. Successive Governments have always taken the view that the details of NV, and so far as possible its existence, should remain confidential. If the system had to be declared and details disclosed, that would undoubtedly lead to pressure for an appeals procedure, which would imperil Security Service sources, which it is necessary to protect; and an overt procedure would also call into question the use of checks with the police, who co-operate on the understanding that the practice remains confidential.

7. The Security Commission, in its last report, endorsed the view that NV should continue to be covert and that the nature of the NV checks should not be disclosed. For obvious reasons this recommendation was not included in the published statement of the Commission's findings.

8. The arguments for not disclosing the details of the NV process, and for keeping the process itself covert so far as possible, remain valid, and we are agreed that this line should be maintained in oral evidence to the Select Committee on Defence. The Ministry of Defence officials will therefore refuse to go beyond the written answer already given and quoted above.

9. Once the Select Committee realise - as we think they have not yet done - that, though the Ministry of Defence carries out positive vetting investigations, the policy is laid down centrally, they may press for more information about central policy and practice. The Ministry of Defence officials will of course be able to answer for anything which is public knowledge, or for questions related to the Ministry of Defence and the Armed Forces. We think that the Committee should be given no encouragement to probe further than that into general policy on PV. The object should be to avoid officials from the central Departments or from the Security Service having to give evidence to the Committee.

10. Finally, the Select Committee may ask about the strengths and weaknesses of the PV process. The process is under renewed scrutiny by the Security Commission, in the course of its inquiry

CONFIDENTIAL

into the Prime, Ritchie and Aldritch cases, and we think that the Select Committee should be discouraged from trying to cover the same ground, at least ahead of the report of the Security Commission. Ministry of Defence officials will therefore not go beyond what the Prime Minister has already said in answer to Supplementary Questions on 11th November, 1982, when she made her statement on the Prime case.

Statement
attached.

11. I am sending copies of this minute to the Private Secretaries to the Home Secretary, the Foreign and Commonwealth Secretary and the Secretary of State for Defence.

R. Armstrong
Approved by
Robert Armstrong
and signed in his absence.

22nd February 1983

CONFIDENTIAL



This apparently took
6 days to cross Whitehall
and has been overtaken by
subsequent minutes.

MO 23/2

FERB

28.2

PRIME MINISTER

SELECT COMMITTEE ON EDUCATION, SCIENCE AND ARTS:
PUBLIC RECORDS

Francis Pym sent me a copy of his minute to you of 14th February about the request for him to appear before this Select Committee and I have seen your Private Secretary's letter of 17th February.

2. I agree entirely that Christopher Price and the Committee have already had all the information which can possibly be given to them in the letter from Sir Robert Armstrong to the Clerk of the Committee and in Michael Havers' reply to the oral question on 14th February. It would therefore serve no purpose if the Foreign Secretary were to agree to appear before the Committee.

3. MOD has of course an interest in the particular question of withholding of intelligence-related records, and we make use of the blanket authority to withhold those records which have originated from intelligence sources. My immediate concern however is with the point the Foreign Secretary has made about the creation of a precedent which other Select Committees might follow.

4. You will know that the Select Committee on Defence has initiated an Inquiry into Positive Vetting. We have submitted a memorandum in response to a list of questions the Committee has asked about the process of vetting, and my officials will be appearing on 2nd March to give oral evidence. It is not difficult to imagine that some Committee members may well want to use this as an opportunity to probe other areas of security, or to enquire into the activities of the Security Services - although so far the questions have been strictly confined to the activities of MOD in Positive Vetting.



5. If the Committee does want to stray beyond the confines of the activities of MOD we shall have to think very carefully about how far it might be possible to accede to any of their requests. My initial view is that it would be very difficult to do so. What is absolutely clear however is that we would be in a weaker position to refuse the HCDC were the Foreign Secretary to agree to appear before another Committee - and one with a much less obvious entree to the whole field of sensitive security and intelligence subjects.
6. I am sure therefore that the approach in the draft attached to the minute to you is right.
7. Copies go to the Lord Chancellor, the Home Secretary, the Foreign Secretary, the Leader of the House of Commons and Sir Robert Armstrong.

MSJ

Ministry of Defence
22nd February 1983

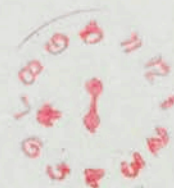
Pam: Select Committees: Pt 5



COMMISSIONER
LONDON

637

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28 FEB 1985



Parliament
Lee AH

10 DOWNING STREET

From the Principal Private Secretary

21 February 1983

Dear Tony,

SELECT COMMITTEE ON EDUCATION,
SCIENCE AND ARTS : PUBLIC RECORDS

The Prime Minister has seen and noted the Home Secretary's minute of 17 February commenting on the Foreign and Commonwealth Secretary's minute of 14 February.

You will have seen from my letter of last week to the Foreign Office that the Prime Minister agrees with the Home Secretary's and Foreign and Commonwealth Secretary's line.

Your sincerely,

Robin Butler

A R Rawsthorne Esq.,
Home Office.

AH

CONFIDENTIAL



10 DOWNING STREET

From the Principal Private Secretary

Sir Robert Armstrong

Select Committee on Education, Science and the Arts

The Prime Minister saw over the weekend your letter of 17 February to David Heyhoe about the request you had received from Mr. Christopher Price, M.P., asking you to give oral evidence to the Select Committee on Education, Science and the Arts, on record keeping in the Cabinet Office.

The Prime Minister took the view that it was right that this request should be turned down, and also that it would be preferable for the Lord President to convey this refusal to Mr. Price.

I am sending a copy of this minute to Mr. Heyhoe.

T. P. BUTLER

21 February, 1983.

CONFIDENTIAL

NR.

Privy Council Office,
Whitehall,
London, SW1A 2AT

*With the Compliments
of the
Private Secretary
to the
Lord President of the Council*

Mr. BrownMR HATFIELDSELECT COMMITTEE ON EDUCATION, SCIENCE AND THE ARTS

The Lord President of the Council has seen Sir Robert Armstrong's letter to me dated 17 February. He agrees that the preferable course would be to write to Mr Price on the lines of draft 2. I therefore attach a copy of the letter which the Lord President has sent to Mr Price this afternoon.

with request is required

I am sending copies of this minute and its attachment to the Private Secretaries to the Home Secretary, the Lord Chancellor and the Foreign and Commonwealth Secretary; and to Robin Butler.

HN

D C R HEYHOE

21 February 1983

cc: PS/home Sec.
Lord Chanc.
FCO
Robin Butler
Mr Townley
Sir Robert Armstrong



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

21 February 1983

Dear Christopher,

The Secretary of the Cabinet has consulted me about your request to him, in your letter of 14 February, to give oral evidence to the Select Committee on Education, Science and the Arts on the record keeping of the Cabinet Office.

I note that in his letters of 3 and 7 February he has dealt with the specific points raised with him in the Clerk's letter of 7 December and, in response to your letter of 2 February, has explained the system of selection for records for release (or extended closure) which is operated in the Cabinet Office. What you now appear to have in mind, however, would seem to be a more general inquiry into record keeping in the Cabinet Office. The Secretary of the Cabinet has represented to me that your Committee's terms of reference do not extend to the practice or administration of the Cabinet Office, and that it would accordingly be inappropriate for him, or any member of his staff, to give evidence to your Committee on this matter as proposed.

I am bound to say that I see great force in these representations. I have therefore advised the Secretary of the Cabinet that he ought not to comply with your request to give oral evidence to the Committee.

*Yours
John*

JOHN BIFFEN

Christopher Price Esq MP
House of Commons
London SW1A 0AA

Parliament,
Select Committee,
P75

21 FEB 1983



1

PRIME MINISTER

SELECT COMMITTEE ON EDUCATION, SCIENCE AND THE ARTS

I showed you earlier this week a minute from the Foreign and Commonwealth Secretary, and you agreed that he should refuse a suggestion that Sir Antony Acland should appear before Mr. Christopher Price's Committee.

The attached letter from Sir Robert Armstrong to the Lord President is about a suggestion from Mr. Price that Sir Robert Armstrong should appear before the Committee, to answer questions about record keeping in the Cabinet Office. This is undoubtedly part of the effort of Mr. Price's Committee to enquire into the handling of papers connected with security.

On Mr. Pym's minute, you commented that if there was Parliamentary criticism of a decision not to give evidence on security matters, the Minister of the Department concerned would have to answer it and, if necessary, appear before the Committee. It would appear to be consistent with this that:

- (i) Mr. Price's request that Sir Robert Armstrong should give evidence to his Committee should be turned down, and
- (ii) that the Lord President should send the letter of refusal, rather than Sir Robert himself, on the lines of draft 2 attached to Sir Robert Armstrong's letter below.

Do you agree?

It might be convenient for you to have a word with the Lord President and the Home Secretary about this when they come in at 1215 on Monday morning.

Yes mt

F.R.B.

18 February 1983

~~ROBIN~~

presumably it is unnecessary

to send copies of this
to the recipients of the
Home Secretary's minute ? *Yes*

Or should one go to the FCO ? *No*

A



Prime Minister

2

You have already approved the Foreign Secretary's refusal to appear before Mr. Price's Committee. The Home Secretary also agrees; and you may like to see the final version of his reply to Sir John Eden (below)

FEB

18.2

PRIME MINISTER

SELECT COMMITTEE ON EDUCATION, SCIENCE AND ARTS:
PUBLIC RECORDS

The Foreign and Commonwealth Secretary sent me a copy of his minute to you of 14 February, seeking views on the reply he should send to the Select Committee on Education, Science and the Arts, and in particular on the question of whether he or Sir Antony Acland should appear before the Committee.

I agree that this is something on which we need a common line. There seems at the moment to be a concerted attempt to discuss security and intelligence matters in Select Committees and I believe that this is something which we must resist, and be prepared if necessary to defend our action on the floor of the House. Sir John Eden recently raised with me the possibility of the Home Affairs Committee undertaking an inquiry into the Parliamentary accountability of the security services and their organisation. Enclosed is a copy of the reply I have sent to him with your agreement. It seems to me right that the Foreign and Commonwealth Secretary should take a similar line regarding the appearance of himself or Sir Antony Acland before the Education, Science and Arts Committee, which in any case appears to be straying from its proper field of responsibility in seeking to discuss intelligence matters.

.....

Flag A -

I note that, in addition to Sir Robert Armstrong's letter to the Clerk to the Committee giving a general response to the specific points raised about public records, the Attorney General on 14 February answered a Parliamentary Question from the Chairman of the Committee on the distinction between wartime intelligence records and those of the inter-war years. This would seem to strengthen the argument that the Foreign and Commonwealth Secretary and his officials should not go before the Committee and be exposed to further questioning on these matters.

I am copying this minute to the Lord Chancellor, the Foreign and Commonwealth Secretary, the Defence Secretary, the Leader of the House and Sir Robert Armstrong.

February 1983



QUEEN ANNE'S GATE LONDON SW1H 9AT

16 February 1983

Dear John

Thank you for your letter of 10 February about the possibility that the Home Affairs Committee might wish to undertake an inquiry into the Parliamentary accountability of the Security Services and their organisation.

In response to this suggestion I must start from the position that I explained to the Committee in December 1979, to which you refer in your letter, that the Government stands by the long established convention that detailed information concerning matters of security and intelligence is not disclosed to Parliament.

The basis of this convention is that information about the functions, activities and organisation of agencies working in this field needs to be protected and kept secret if their effectiveness is to be maintained.

It is for this reason that, as the then Parliamentary Under-Secretary of State, Home Office, said in the House of Commons on 28 July 1977, the tradition in this country is that the services in question are responsible to Ministers, and Parliament accepts that the accountability must be to Ministers rather than to Parliament, and trusts Ministers to discharge that responsibility faithfully. The Prime Minister made clear in the House as recently as 11 November last her belief that the present arrangements are most appropriate, and that, if we went further, we should undermine the effectiveness of the services with all the damage to the interests of this country which that would entail.

In your letter you say that the primary wish is to scrutinise the actual machinery by which the services are organised. I am afraid that these are matters on which neither I nor my officials would be able to answer the Committee's questions without disclosing secret information which ought not to be disclosed. Indeed, I do not believe that matters affecting the Security Services can be divided in such a way as to make it possible for the Home Affairs Committee - or any other Select Committee - to undertake an inquiry without having access to information which must be kept secret and which the Government would not, therefore, think it right to disclose to a Select Committee. It follows that security and intelligence, and the role, functions, organisation and activities of the bodies concerned with security and intelligence, are not in the view of the Government appropriate subjects for inquiry by the Home Affairs Committee or any other Select Committee, and why Select Committees have been right to refrain, as the Liaison Committee in paragraph 25 of its recent report said, from inquiries in this field.

What may have been done in other countries with different historical traditions and constitutional arrangements is not a reliable guide in matters of this sort.

If the Committee were to decide to pursue the idea of undertaking the sort of inquiry indicated in your letter, they could not expect any but the most generalised response from me or from officials; indeed, we could say little if any more than I have said in this letter. I am sure that you would agree that this would be an unsatisfactory situation for all concerned. In these circumstances I hope that the Committee will be able to find some other subject for its next inquiry.

All of us who have responsibility for these services feel, as our predecessors in office have felt, that we must protect their ability to operate without fear of exposure, even when disclosure is sought with the best of intentions, because their effectiveness in the national interest depends upon it.

Yours truly

Wilkie

Parkment,
Select Comm,
p+5

FEB 1988

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5 6 7 8 9

F E R Butler Esq



CABINET OFFICE

With the compliments of
Sir Robert Armstrong KCB, CVO
Secretary of the Cabinet

70 Whitehall, London SW1A 2AS
Telephone: 01-233 8319



CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 8319

From the Secretary of the Cabinet: Sir Robert Armstrong KCB, CVO

Ref. A083/0586

17 February 1983

Dear David,

I am afraid that I have to trouble the Lord President about a letter which I have received from Mr Christopher Price MP, asking me to give oral evidence to the Select Committee on Education, Science and the Arts on record keeping in the Cabinet Office.

The Select Committee is conducting an inquiry into access by academics to records in the Public Record Office (PRO) in the light of the Wilson Report, Cmnd 8204, and the Government's reply, Cmnd 8531. In pursuance of this inquiry the Clerk to the Committee wrote to me on 7 December 1982 to enquire what plans the Cabinet Office had for the release of papers of the Secret Service Committee of the Cabinet of 1919-1921. I replied on 3 February 1983 that these papers were withheld from the PRO under an approval given by the then Lord Chancellor in 1967. I also commented on a matter relating to certain intercepted German communications of the Second World War which had been raised by the Committee with witnesses from the Foreign and Commonwealth Office and the Lord Chancellor's Department, and on which the Committee had asked those witnesses to consult me.

On 2 February Mr Price himself wrote to me, before he had seen my letter of 3 February to the Clerk. He asked me to give oral evidence to the Committee on some of the questions that had already been the subject of correspondence (which I had dealt with in my letter of 3 February), and on Cabinet Office record keeping and the extent to which the Cabinet Office feels compelled to keep papers out of the PRO beyond the 30 year norm. I replied on 7 February in a letter in which I dealt with the second group of points raised in Mr Price's letter of 2 February, and indicated that I should have nothing further to say in oral evidence. Mr Price's letter of 14 February is the response to that.

Mr Price also wrote to the Foreign and Commonwealth Secretary and to the Lord Chancellor; the Lord President has had a copy of the Foreign and Commonwealth Secretary's minute (PM/83/15) of 14 February to the Prime Minister on this, and of the Lord Chancellor's letter of 16 February to the Foreign and Commonwealth Secretary on the same subject. The Lord President will have seen that the Foreign and Commonwealth Secretary proposes to reply that neither he nor his Permanent Under Secretary of State will give oral evidence to the Committee.

/ I think

D C R Heyhoe Esq

I think that, in response to the request which I have received, I have a choice between three possible courses of action:

- (i) to comply with the request;
- (ii) not myself to give oral evidence, but to send my Principal Establishment Officer to do so;
- (iii) to refuse to give evidence myself, or to ask any member of my staff to do so, on the ground that, while it was not necessary to take issue on the Committee's right to inquire into the policy followed on the release of Cabinet Office records to the PRO, the Cabinet Office as such was excluded from the list of Departments covered by Select Committees, and record keeping in the Cabinet Office is none of the business of the Select Committee on Education, Science and the Arts.

Mr Price is known to be working to extend the scope of Select Committees in general and of his own in particular. It seems to me as if he is trying it on in a number of directions in this instance. I suspect that he may be being moved thereto by people who are, I believe, acting as official or unofficial advisers to the Committee: Mr Christopher Andrew, who is anxious to expose the security and intelligence services to outside inquiry, and Mr Peter Hennessy, who has a declared mission to break down what he sees as the secrecy surrounding the Cabinet Office, and is on record as regretting that there is no Select Committee which has the responsibility of inquiring into the Cabinet Office.

When the Select Committees were set up, the Cabinet Office was deliberately excluded from the Departments covered by them. The Cabinet Office is not therefore open to scrutiny by any Select Committee, though I have twice given evidence to Sub-Committees of the Committee on the Treasury and the Civil Service, once on the way in which the machinery of the centre of government is organised, and the other time as Permanent Secretary of the Management and Personnel Office to the Sub-Committee on Efficiency and Effectiveness in Government.

This general questioning on record keeping in the Cabinet Office is beyond the remit of the Select Committee on Education, Science and the Arts. I am anxious to avoid if at all possible setting a precedent for the Secretary of the Cabinet or any member of his staff giving evidence to a Select Committee about administrative arrangements in the Cabinet Office, given that the Cabinet Office was as a matter of policy excluded from the list of Departments covered by Select Committees. I should therefore like not to have to comply with the request that has been sent to me.

--- If the Lord President agrees with this, I could myself write to Mr Price a letter on the lines of draft 1 attached. But I believe that it might be desirable to demonstrate to Mr Price that my refusal to comply with his request had high Ministerial authority and that it might therefore be preferable for the Lord President (if he --- would) himself write on the lines of draft 2 attached.

/ I am

CONFIDENTIAL

I am sending copies of this letter and the drafts to the Private Secretaries to the Home Secretary, the Lord Chancellor and the Foreign and Commonwealth Secretary; and to Robin Butler.

ROBERT ARMSTRONG

CONFIDENTIAL

DRAFT LETTER FROM SIR ROBERT ARMSTRONG TO
CHRISTOPHER PRICE ESQ MP, House of Commons

Thank you for your letter of 14 February, asking me to come and give oral evidence to the Select Committee on Education, Science and the Arts on the record keeping of the Cabinet Office.

In my letters of 3 and 7 February I sought to deal with the specific points raised with me in the Clerk's letter of 7 December and explained, in response to your letter of 2 February, the system of selection of records for release (or extended closure) which is operated in the Cabinet Office. I did not at that stage seek to call in question the Committee's locus in relation to the Cabinet Office. Your latest letter suggests, however, a more general inquiry into record keeping in the Cabinet Office. I have considered this matter very carefully, and I have to say that I cannot see that the Committee's purview can be regarded as extending to an investigation into the practice or the administration of the Cabinet Office, which is not a Department covered by the Committee's remit.

I am afraid therefore that I have to say that I believe that it would be inappropriate for me to give evidence to your Committee, and that I do not feel able to comply with your request.

DRAFT LETTER FROM THE LORD PRESIDENT OF THE COUNCIL TO
CHRISTOPHER PRICE ESQ MP, House of Commons

The Secretary of the Cabinet has consulted me about your request to him, in your letter of 14 February, to give oral evidence to the Select Committee on Education, Science and the Arts on the record keeping of the Cabinet Office.

I note that in his letters of 3 and 7 February he has dealt with the specific points raised with him in the Clerk's letter of 7 December and, in response to your letter of 2 February, has explained the system of selection for records for release (or extended closure) which is operated in the Cabinet Office. What you now appear to have in mind, however, would seem to be a more general inquiry into record keeping in the Cabinet Office. The Secretary of the Cabinet has represented to me that your Committee's terms of reference do not extend to the practice or administration of the Cabinet Office, and that it would accordingly be inappropriate for him, or any member of his staff, to give evidence to your Committee on this matter as proposed.

I am bound to say that I see great force in these representations. I have therefore advised the Secretary of the Cabinet that he ought not to comply with your request to give oral evidence to the Committee.

SECRET



File 6
GR

10 DOWNING STREET

From the Principal Private Secretary

17 February, 1983

Dear Brian,

SELECT COMMITTEE ON EDUCATION, SCIENCE AND
ARTS : PUBLIC RECORDS

The Prime Minister has seen the Foreign and Commonwealth Secretary's minute of 14 February attaching a letter from Mr. Christopher Price, M.P., Chairman of the Select Committee on Education, Science and Arts.

The Prime Minister agrees with Mr. Pym's minute and with the letter attached to it. She has commented that if there were Parliamentary criticism of Ministerial decisions that officials should not appear before Select Committees to answer questions about the Security and Intelligence Services, the Minister responsible for the department concerned would have to answer and, if necessary, appear before the Select Committee. She does not believe that it can be left to officials to defend decisions not to give further information on these matters to Select Committees.

I am copying this letter to Tony Rawsthorne (Home Office), David Staff (Lord Chancellor's Department), Richard Mottram (Ministry of Defence), David Heyhoe (Lord President's Office) and Sir Robert Armstrong.

Yours ever,

Robin Butler

Brian Fall, Esq.,
Foreign and Commonwealth Office

SECRET

NR



QUEEN ANNE'S GATE LONDON SW1H 9AT

16 February 1983

Dear John

Thank you for your letter of 10 February about the possibility that the Home Affairs Committee might wish to undertake an inquiry into the Parliamentary accountability of the Security Services and their organisation.

In response to this suggestion I must start from the position that I explained to the Committee in December 1979, to which you refer in your letter, that the Government stands by the long established convention that detailed information concerning matters of security and intelligence is not disclosed to Parliament.

The basis of this convention is that information about the functions, activities and organisation of agencies working in this field needs to be protected and kept secret if their effectiveness is to be maintained.

It is for this reason that, as the then Parliamentary Under-Secretary of State, Home Office, said in the House of Commons on 28 July 1977, the tradition in this country is that the services in question are responsible to Ministers, and Parliament accepts that the accountability must be to Ministers rather than to Parliament, and trusts Ministers to discharge that responsibility faithfully. The Prime Minister made clear in the House as recently as 11 November last her belief that the present arrangements are most appropriate, and that, if we went further, we should undermine the effectiveness of the services with all the damage to the interests of this country which that would entail.

In your letter you say that the primary wish is to scrutinise the actual machinery by which the services are organised. I am afraid that these are matters on which neither I nor my officials would be able to answer the Committee's questions without disclosing secret information which ought not to be disclosed. Indeed, I do not believe that matters affecting the Security Services can be divided in such a way as to make it possible for the Home Affairs Committee - or any other Select Committee - to undertake an inquiry without having access to information which must be kept secret and which the Government would not, therefore, think it right to disclose to a Select Committee. It follows that security and intelligence, and the role, functions, organisation and activities of the bodies concerned with security and intelligence, are not in the view of the Government appropriate subjects for inquiry by the Home Affairs Committee or any other Select Committee, and why Select Committees have been right to refrain, as the Liaison Committee in paragraph 25 of its recent report said, from inquiries in this field.

What may have been done in other countries with different historical traditions and constitutional arrangements is not a reliable guide in matters of this sort.

If the Committee were to decide to pursue the idea of undertaking the sort of inquiry indicated in your letter, they could not expect any but the most generalised response from me or from officials; indeed, we could say little if any more than I have said in this letter. I am sure that you would agree that this would be an unsatisfactory situation for all concerned. In these circumstances I hope that the Committee will be able to find some other subject for its next inquiry.

All of us who have responsibility for these services feel, as our predecessors in office have felt, that we must protect their ability to operate without fear of exposure, even when disclosure is sought with the best of intentions, because their effectiveness in the national interest depends upon it.

Yours ever

W. L. White



17 FEB 1988





10 DOWNING STREET

Letter attached

C.F.

Pl. ask Home Secretary's
office for a copy of the
final version of the
Home Secretary's letter to
Sir John Eden. These
papers can then be
filed or destroyed. (Keep
the draft with the PM's
comments on it)

FRB



HOUSE OF LORDS,
SW1A 0PW

16 February 1983

My dear Francis:

Select Committee on Education, Science and
Arts : Public Records

Thank you for sending me a copy of your minute to the Prime
Minister of 14 February. *w.H. FERB*

It appears that most of the withheld records which the Select Committee have enquired about are to be found among the domestic records of the security and intelligence agencies. Their retention is thus authorised by the so called "blanket" approval given by the then Lord Chancellor in 1967. It is not I think generally appreciated that that approval covered all the records of the intelligence agencies, including the very oldest. If anyone were to give evidence to the Select Committee about these records it would be difficult to conceal this fact, which would probably lead to renewed pressure for the oldest records to be opened up. (You will recall that the White Paper on Modern Public Records accepted the recommendation of the Wilson Committee that "the word "never" cannot justifiably be used in connection with the release of any public records"). I understand that any proposal that even the oldest records of the security and intelligence agencies can yet be placed in the public domain would be most unwelcome to the agencies concerned, so I support your view that the best tactic would be to refuse to give any further evidence to the Committee beyond what they have already been told. Such a refusal will of course tend to add force to the existing pressure that Select Committees should be empowered to investigate security and intelligence matters.

The Right Honourable Francis Pym, MP,
Secretary of State for Foreign
and Commonwealth Affairs

. . . /

SECRET

Your minute enclosed a copy of a letter which Mr Price has written to me asking about the general question of responsibility for release of records to the Public Record Office. I attach a draft of the reply which I propose to send him, which I think you will agree is consistent with the line you are proposing to take. You will note however that my reply makes the point that the responsibility for deciding whether or not a particular record falls within the terms of a "blanket" approval rests with the Department concerned and therefore ultimately with the Minister responsible for that Department.

There is one further point I should make. In paragraph 3 of your minute you suggest that the existing "blanket" approval extends to 1992. This is correct, but you will recall that paragraph 30 of the White Paper described revised arrangements for "blanket" approvals which would in future relate to batches of records created during a specified period of not more than 10 years, with review at 20-year intervals. (Although the White Paper did not say so, this change was introduced as a result of advice from the Law Officers about the vires for the existing "blanket" approvals). It is the intention to revise the existing "blanket" approvals to bring them into line with the proposed new regime, which means that the opportunity for review will arise much sooner than 1992. But this is not at present relevant to the Select Committee's investigation.

I am sending a copy of this letter to the recipients of yours.

Yrs i

A handwritten signature consisting of several overlapping loops and a long horizontal stroke at the bottom.

DRAFT REPLY FOR THE LORD CHANCELLOR TO SEND TO
MR PRICE'S LETTER OF 28 JANUARY

1. Thank you for your letter of 28 January.

2. As I think you know, records may, with the Lord Chancellor's approval, be withheld from the Public Record Office under Section 3(4) of the Public Records Act. It is the duty of the Lord Chancellor to ensure that he has been informed of the facts before granting his approval. Certain of the approvals which have been given by me and my predecessors cover records relating to clearly defined subjects, notably security and intelligence matters. These are known as "blanket" approvals. In ~~this sort of~~ this sort of approval it is then a matter for individual Departments to decide whether particular records fall within the terms of the approval. In cases of doubt Departments will seek advice from the originating Department or from the Public Record Office.

3. I understand that Sir Robert Armstrong has recently reaffirmed to you the assurances given to the Wilson Committee that security and intelligence records are being properly preserved for transfer to the Public Record Office as and when it is decided that such transfer should take place. Departments periodically review their retained records with a view to their possible release to the Public Record Office when the imperatives of national security no longer prevent their opening.

H. of S. 12

10 FEB 1953

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PRIME MINISTER

I mentioned to you that a co-ordinated campaign appears to be developing to get Parliamentary Select Committees into the area of the security service. You approved this morning the Home Secretary's reply to an approach from Sir John Eden.

The papers below are about an approach to the Foreign and Commonwealth Secretary from Mr. Christopher Price, Chairman of the Education, Science and Arts Committee, who are conducting an inquiry into the "access by academics to records in the Public Record Office". The Committee want Sir Antony Acland to give evidence on the release to the Public Record Office of pre-war intercepts of communications of foreign governments. They have also asked Mr. Pym some specific questions in a letter. The Committee have already had from Sir Robert Armstrong a full written statement of the Government's attitude to the handling of these papers and there is nothing that the Foreign and Commonwealth Office would want to add to it.

*So is the
Lord
Chancellor -
Flag B*

You will see from Sir Robert Armstrong's minute at Flag A that he is content with the reply which Mr. Pym proposes to send to Mr. Christopher Price. Are you also content with it?

You will see that Sir Robert Armstrong will be letting you have advice shortly on how to deal with the general campaign which Mr. Du Cann appears to be instigating.

F.R.B.

16 February 1983



From the Secretary of the Cabinet

Mr Butler

Letter to Sir John
Eder:

I attach a copy
of the draft letter
attached to my letter
of 15 February to Sir
Brian Lubbock, showing
the amendments I
have agreed with
Sir B. Lubbock.

RA 15. ii

DRAFT LETTER FROM THE HOME SECRETARY TO
THE RT HON SIR JOHN EDEN, BT, MP

Thank you for your letter of 10th February about the possibility that the Home Affairs Committee might wish to undertake an inquiry into the parliamentary accountability of the Security Services and their organisation.

In response to this suggestion I must start from the position that I explained to the Committee in December 1979, to which you refer in your letter, that the Government stands by the long-established convention that detailed information concerning matters of security and intelligence is not disclosed to Parliament.

The basis of this convention is ~~(of course the general acceptance)~~ that information about the functions, activities and organisation of agencies working in this field needs to be protected and kept secret if their effectiveness is to be maintained.

It is for this reason that, as the then Parliamentary Under Secretary of State, Home Office, said in the House of Commons on 28th July 1977, the tradition in this country is that the services in question are ~~accountable~~ ^{responsible} to Ministers, and Parliament accepts that the accountability must be to Ministers rather than to Parliament, and

trusts Ministers to discharge that responsibility faithfully. The present Prime Minister made clear in the House as recently as 11th November last her belief that the present arrangements are most appropriate, and that, if we went further, we should undermine the efficiency of the services in question.

In your letter you say that the primary wish ^{is} of Parliament ^{is} ~~is~~ - and therefore presumably ~~the primary purpose of any inquiry which the Committee might undertake would be~~ to scrutinize the actual machinery by which the services are organised. I am afraid that these are matters on which neither I nor my officials would be able to answer the Committee's questions without disclosing secret information which ought not to be disclosed to the Committee. Indeed I do not believe that matters affecting the Security Services can be divided in such a way as to make it possible for the Home Affairs Committee - or any other Select Committee - to undertake a meaningful inquiry without having access to information which in the Government's view must be kept secret and which it would not therefore think it right to disclose to a Select Committee. It follows that security and intelligence, and the role, functions, organisation and activities of the bodies concerned with security and intelligence, are not in the view of the Government appropriate

subjects for inquiry by the Home Affairs Committee or any other Select Committee, and why Select Committees have been right to refrain, as the Liaison Committee in paragraph 25 of its recent report said, from inquiries in this field.

If the Committee were to decide to pursue the idea of undertaking the sort of inquiry indicated in your letter, they could not expect any but the most generalised response from me or from officials; indeed, we could say little if any more than I have said in this letter. I am sure that you would agree that this would be an unsatisfactory situation for all concerned. In these circumstances I hope that the Committee will be able to find some other subject for its next inquiry.

As you know, there will be an opportunity for a general debate on security matters when the House considers the report of the Security Commission on the Prime case. This will, I suggest, provide a suitable opportunity and forum for members of the Home Affairs Committee to ask the question of parliamentary accountability, if they wish to do so.

What may have been done in other countries under different historical conditions and constitutional arrangements is not a reliable guide in matters of this sort.

PRIME MINISTER

There are one general and two specific issues in the attached papers.

The general issue is that a co-ordinated campaign appears to have started to get Parliamentary Select Committees into the areas of the security services. The evidence is in paragraphs 5 to 7 of Sir Robert Armstrong's minute of 14 February at FLAG A. Sir Robert is preparing advice on how to deal with this, which will be coming forward later this week.

Meanwhile, there are two specific approaches from Select Committees to which replies need to be sent. One is to the Home Secretary from Sir John Eden, Chairman of the Home Affairs Select Committee, suggesting that his Committee might want to conduct an inquiry into "the Parliamentary accountability of the security services, their organisation and the opportunities for subjecting them to a similar degree of Parliamentary scrutiny as in the USA and Germany". A draft reply agreed between Sir Robert Armstrong and Sir Brian Cubbon, and cleared by the Home Secretary, is at FLAG K. It is urgent because the Committee meets tomorrow morning: the Home Office have arranged to get the letter to Sir John Eden before the meeting provided that I can give them your comments first thing tomorrow.

The second is an approach to the

~~The second is an approach to the~~ Foreign and Commonwealth Secretary from Mr Christopher Price, Chairman of the Education, Science and Arts Committee who are conducting an inquiry into the "access by academics to records in the Public Record Office". The Committee want Sir Antony Acland to give evidence on the release of pre-war peacetime intercepts of communications of foreign governments to the Public Record Office. In the mean time, they have asked Mr Pym some specific questions. They have already had from Sir Robert Armstrong a full statement of the Government's attitude to the handling of papers relating

and there is nothing that the FCO can add to it.
to the security services in a letter ~~from Sir Robert Armstrong.~~
attached to his minute
The reply which Mr Pym proposes to send is at FLAG B, and
Sir Robert Armstrong is content with it.

The Government's response to the general campaign which Mr Du Cann appears to be initiating can be considered when we get Sir Robert Armstrong's advice. In the mean time, do you agree:-

- ii)* the draft reply from the Home Secretary to the Chairman of the Home Affairs Committee (FLAG K) ?
- i)* the draft reply from the Foreign and Commonwealth Secretary to the Chairman of the Education, Science and Arts Committee (FLAG B) ?

F E R Butler Esq.



CABINET OFFICE

With the compliments of
Sir Robert Armstrong KCB, CVO
Secretary of the Cabinet

70 Whitehall, London SW1A 2AS
Telephone: 01-233 8319



Arms

CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 8319

From the Secretary of the Cabinet: Sir Robert Armstrong KCB, CVO

Ref. A083/0546

15th February 1983

We had a word this morning about the letter which the Home Secretary has received from Sir John Eden, seeking the Home Secretary's view of a possible move by the Home Affairs Committee to undertake an inquiry into the parliamentary accountability of the Security Services and their organisation. The Home Secretary's Private Secretary wrote to Robin Butler yesterday with a copy of the letter and with the draft reply which the Home Secretary was proposing to send to Sir John Eden. I had suggested that the reply should wait until we had had time to consider this approach in relation to paragraph 25 of the recent report by the Liaison Committee and in relation to the approaches made by the Chairman of the Select Committee on Education, Science and the Arts to the Foreign and Commonwealth Secretary and to me about the withholding of security and intelligence related records from release to the Public Record Office. You told me that the Home Secretary thought that it was important that Sir John Eden should receive a reply before the next meeting of the Home Affairs Committee on the morning of Wednesday 16th February, and wanted to be in a position to send such a reply this evening.

With that in mind, I have considered the draft circulated with the Home Secretary's Private Secretary's letter yesterday. I agree with its general tenor; but I wonder whether it could be strengthened by certain omissions and one or two additions. I have attempted a re-draft on the lines I have in mind, and I attach a copy herewith.

I am sending a copy of this letter and the revised draft to Antony Acland; and I am also sending copies to Robin Butler and Brian Fall, in view of the shortage of time.

ROBERT ARMSTRONG

Sir Brian Cubbon, KCB

DRAFT LETTER FROM THE HOME SECRETARY TO
THE RT HON SIR JOHN EDEN, BT, MP

Thank you for your letter of 10th February about the possibility that the Home Affairs Committee might wish to undertake an inquiry into the parliamentary accountability of the Security Services and their organisation.

In response to this suggestion I must start from the position that I explained to the Committee in December 1979, to which you refer in your letter, that the Government stands by the long-established convention that detailed information concerning matters of security and intelligence is not disclosed to Parliament.

The basis of this convention is ~~of course the general acceptance~~ that information about the functions, activities and organisation of agencies working in this field needs to be protected and kept secret if their effectiveness is to be maintained.

It is for this reason that, as the then Parliamentary Under Secretary of State, Home Office, said in the House of Commons on 28th July 1977, the tradition in this country is that the services in question are ~~accountable~~^{responsible} to Ministers, and Parliament accepts that the accountability must be to Ministers rather than to Parliament, and

trusts Ministers to discharge that responsibility faithfully. The ~~present~~ Prime Minister made clear in the House as recently as 11th November last her belief that the present arrangements are most appropriate, and that, if we went further, we should undermine the ^{effectiveness} efficiency of the services ^{with} ~~in question~~ ^{all the damage to the interests of this country} which that would entail.

damage -

In your letter you say that the primary wish of Parliament is ~~and therefore presumably the primary purpose of any inquiry which the Committee might undertake would be~~ to scrutinize the actual machinery by which the services are organised. I am afraid that these are matters on which neither I nor my officials would be able to answer the Committee's questions without disclosing secret information which ought not to be disclosed ~~(to the Committee)~~. Indeed I do not believe that matters affecting the Security Services can be divided in such a way as to make it possible for the Home Affairs Committee - or any other Select Committee - to undertake ^{an} ~~a meaningful~~ inquiry without having access to information which ~~(in the Government's view)~~ ^{the Govt.} must be kept secret and which ~~it~~ would not therefore think it right to disclose to a Select Committee. It follows that security and intelligence, and the role, functions, organisation and activities of the bodies concerned with security and intelligence, are not in the view of the Government appropriate

subjects for inquiry by the Home Affairs Committee or any other Select Committee, and why Select Committees have been right to refrain, as the Liaison Committee in paragraph 25 of its recent report said, from inquiries in this field.

What may have been done in other countries with different historical traditions and constitutional arrangements is not a reliable guide in matters of this sort.

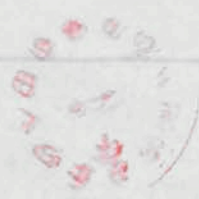
If the Committee were to decide to pursue the idea of undertaking the sort of inquiry indicated in your letter, they could not expect any but the most generalised response from me or from officials; indeed, we could say little if any more than I have said in this letter. I am sure that you would agree that this would be an unsatisfactory situation for all concerned. In these circumstances I hope that the Committee will be able to find some other subject for its next inquiry.

[As you know, there will be an opportunity for a general debate on security matters when the House considers the report of the Security Commission on the Prime case. This will, I suggest, provide a suitable opportunity and forum for members of the Home Affairs Committee to ask the question of parliamentary accountability, if they wish to do so.]

○ Personal Journal

All of us who have responsibility for ~~Successive Ministers~~
~~All of us who have been in charge~~
of these services ^{feel} ~~have~~ felt strongly, ^{as our predecessors have done,} that their secrecy of ~~these services~~ ^s must be protected: if ~~they are not~~ ^{it is ended,} great and lasting damage will be done.

15 OCT 1957



...and your report
...with the
...with the
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...with the

for those services
All of us who have responsibility feel,
as our predecessors in office have felt, that
we ~~owe it to them and to the country~~ ^{we must} to protect their
ability to operate without fear of exposure ~~or of~~ ^{even when}
disclosure ~~even~~ ^{is sought} with the best of intentions, because their
effectiveness ^{in the national interest} depends upon it.

[

All of us who have responsibility
of these services have felt strongly that
secretary of these services must be protected
if the... part and lasting damage will be

14 February 1983

ATTORNEY-GENERAL

Historic Documents

43. Mr. Christopher Price asked the Attorney-General what is the Lord Chancellor's policy in considering applications by Ministers to withhold historical documents beyond the 30-year period.

The Attorney-General (Sir Michael Havers:) The Lord Chancellor considers applications on their merits in the light of the provisions of section 3(4) of the Public Records Act 1958 and in the light of the policy laid down by section 5 regarding closure after transfer. In considering applications under section 5 of the Act, the Lord Chancellor has regard to these provisions and the criteria set out in paragraph 26 of the White Paper "Modern Public Records".

Mr. Price: May we know more about the criteria? What possible sense is there in relating all the Foreign Office intercepts that took place during the second world war while refusing to release those that took place between the first and second world wars, with the exception of those that Lloyd George took away and placed in the House of Lords Library? Is it not reasonable to assume that the years between 1919 and 1939 are now history?

The Attorney-General: I understand the hon. Gentleman's great interest in this matter. The matter has

been considered with great care, especially with regard to second world war intercepts. The arguments for exempting security and intelligence-related records from public release have less weight in relation to records of interceptions of messages transmitted by the services of a country with which the United Kingdom was then at war.

Mr. Newens: Is there any truth in reports that public records dealing with the British Union of Fascists are likely to be withheld for the full 100 years? Bearing in mind that attempts were made a few years ago to withdraw certain Metropolitan police records relating to the hunger marches of 1933 and 1934, which were later countermanded, is there not a case for great vigilance in these matters to ensure that too many exceptions to the 30-year rule are not allowed?

The Attorney-General: This is very carefully supervised. The matter raised by the hon. Gentleman falls within the responsibilities of the Lord Chancellor, but I will certainly write to the hon. Gentleman about it.


SECRET

MR. BUTLER

The Foreign and Commonwealth Secretary has sent me a copy of his minute of 14th February (PM/83/15) to the Prime Minister about the request which he has received from the Chairman of the Select Committee on Education, Science and Arts that he and another Foreign and Commonwealth Office Minister should give oral evidence to the Committee on the withholding of certain intelligence related records from release under the 30 year rule.

2. The records in question are certain pre-war peacetime intercepts of communications of foreign governments. Some (but not all) of the German intercepts from the Second World War have been indirectly disclosed, in that their contents are included in our own military communications which have been deposited in the Public Record Office. But it is one thing to disclose intercepts made of enemy communications in time of war; it would be quite another to disclose intercepts of communications of foreign governments who are not enemies in times of peace. Peacetime intercepts have therefore been withheld in accordance with the approval given by the then Lord Chancellor in 1967 for the withholding from release to the Public Record Office of all security and intelligence related records.

3. As the Foreign and Commonwealth Secretary said in his minute, the Committee has also been putting certain questions to me in this field. I enclose copies of letters from the Clerk to the Committee of 7th December and the Chairman of the Committee of 2nd February, and of my replies.

4. I agree in general with the approach proposed in the Foreign and Commonwealth Secretary's minute and in his proposed draft reply to Mr. Price.

5. The Prime Minister should be aware of two other recent developments:

- (i) The first Report of the Liaison Committee, on the Select Committee system, published last month, included a paragraph which declared that the work



SECRET

of the Security Services falls within the ambit of Departmental Select Committees. I attach a photocopy of the relevant paragraph.

- (ii) Sir John Eden MP, as Chairman of the Home Affairs Committee, has written to the Home Secretary, saying that the Home Affairs Committee is considering as a possible subject for its next inquiry the Parliamentary accountability of the Security Services, their organisation and the opportunities for subjecting them to a similar degree of Parliamentary scrutiny as is done, for example, in the United States and Germany. I attach a copy of Sir John Eden's letter.

6. It begins to look as if all these approaches may be related. Mr. Du Cann, who is Chairman of the Liaison Committee, is known to want to bring the Security ^{and Intelligence} Services under the scrutiny of Select Committees. I hope that I may not be unduly suspicious in wondering whether he is orchestrating these various approaches.

7. I am proposing to discuss these matters further with the Home Office and the Foreign and Commonwealth Office, with a view to our giving concerted advice to Ministers as soon as possible. But I do not think that that need delay a reply by the Foreign and Commonwealth Secretary to Mr. Price on the lines which he has suggested.

RIA

Robert Armstrong

14th February 1983



PM/83/15

PRIME MINISTER

Select Committee on Education, Science and
Arts: Public Records

1. You may have seen from the press that, when an official from my Department appeared before the Select Committee on Education, Science and Arts on 24 January, questions were asked about records retained by the security and intelligence services. In addition, the Clerk to the Committee wrote to Sir Robert Armstrong on 7 December with certain questions on the same subject. The Chairman of the Committee has now written to me, and asked me to appear before the Committee. He has also written to the Lord Chancellor. I should appreciate the views of yourself and other colleagues before replying.

2. The background is that the records held by the intelligence and security agencies are exempted, under a blanket approval given by the Lord Chancellor in 1967, from the normal requirement that records should be sent to the Public Record Office after 30 years. This blanket approval was given on the grounds of national security, and in practice all the domestic records of the agencies are currently retained on this basis. However, some intelligence-related material held by other Departments in respect of the wartime periods has been released. The Committee want to pin down the exact criteria for release, and who is responsible for taking the necessary decisions.

/3.



3. I understand that the intelligence agencies are responsible for the preservation of their domestic records in suitable condition for transfer to the PRO if and when a decision is taken that they should be transferred. However, because of the blanket approval, which extends to 1992, they do not at present need to review their records for release. But there is a continuing process of review for the records, including intelligence-related records held by Departments (i.e. not held by the agencies).

4. The Secretary to the Cabinet has general responsibility for the policy on intelligence records as a whole, and for advising the Lord Chancellor, while the Home Secretary, Defence Secretary and I have Ministerial responsibility for our respective intelligence organisations. I should add that some changes in the criteria for release have been made over the years, and some papers have been released which should have been retained, thus creating apparent anomalies and confusing the public presentation of the situation.

5. There is the further consideration that neither the existence of SIS nor the intelligence activities of GCHQ have ever been publicly avowed, and that it is necessary to avoid doing so in any reply. In these circumstances Sir Robert Armstrong, in his reply to the Clerk to the Committee, rightly confined himself to a very general explanation of the situation, and I would propose to reply in similarly broad terms to Mr Price's letter. I enclose a copy of the letter and of a draft reply.

//

6. The question on which I think we should form a common view is whether I, or Sir Antony Acland, should accept the Committee's invitation to appear before them.

/Government



Government policy is that we should be as helpful as possible to the Select Committees. I agree. But if we were to agree that Ministers or senior officials should accept invitations to give evidence in person on this subject, we should very soon, if not immediately, have to fall back on the standard refusal to comment on intelligence matters. This would be unlikely to impress the Committee as a helpful response. On the other hand, if we declined to appear, they could so report to the House and if this were then debated we should expect to face some fairly hostile questioning to which it would not be easy to produce convincing answers. The recent Liaison Committee report (HC 92 of 19 January) drew attention (in paragraph 25) to 'the work of the security services and the question of their accountability to Parliament' and indicated that Select Committees were already free to decide for themselves whether or not to enquire into intelligence and security matters. This particular Committee has little apparent standing to concern itself with security and intelligence matters, and there might therefore be advantage in confronting the issue in this case rather than in that of another Committee with a more obvious claim. Certainly, it is clear that if we accede to the present request, this will create a precedent which the Select Committees concerned would extend as far as they could. The Foreign Affairs Committee, in particular, has already shown signs of wanting to look into GCHQ expenditure in the context of the FCO estimates, and might well press for the extension of the precedent to this or other areas of concern to the agencies under my responsibility.

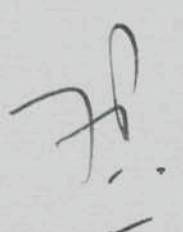
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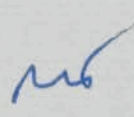


7. Thus there are difficulties in both directions, but my inclination is to reply, as in the enclosed draft, that I see no useful purpose in my appearing or asking Sir Antony Acland or other FCO officials to do so. I should be grateful to know whether we are all agreed that this is the right approach.

8. I am sending copies of this minute to the Lord Chancellor, the Home Secretary, the Defence Secretary, the Leader of the House of Commons and Sir Robert Armstrong.

I agree. If there were any criticism in the House - the Minister responsible for any dist. would have to answer & it necessary to appear. We could not possibly leave this to officials.


 (FRANCIS PYM)



Foreign and Commonwealth Office

14 February 1983

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM:

Reference

Secretary of State

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

Christopher Price Esq MP
 Chairman
 Select Committee on Education,
 Science and Arts
 House of Commons
 LONDON
 SW1A OAA

Copies to:

PRIVACY MARKING

SUBJECT: PUBLIC RECORDS

.....In Confidence

Thank you for your letters of 28 January and 2 February about your Select Committee's enquiry into public records.

CAVEAT.....

Before addressing your questions I should like to emphasise that of course I stand by what I said while Leader of the House about the Government being as helpful as possible to Select Committees. I personally attach great importance to their work and it remains the Government's policy to ensure that the fullest possible information is made available to the Committee. However, as you may be aware, there are some limitations which Ministers have over the years been obliged to impose on what they say to the Committees. These limitations, as the Lord President wrote to the Chairmen of certain Select Committees on 9 May 1967, extend to information affecting national security, and that inevitably includes all information about the activities of the intelligence and security services.

Enclosures—flag(s).....

Against that background, I am afraid there is not very much that I can say in reply to the questions which you ask in your letter of 28 January. The attitude

of this and previous Governments to the handling of papers relating to the security and intelligence services was set out in Sir Robert Armstrong's letter of 3 February to Mr Hastings. The last paragraph, in particular, gives a full account of the present position, on which responsibility for co-ordinating action lies with the Cabinet Office. In these circumstances there is really nothing that I can add to what you have already been told, and I do not think that any useful purpose would be served by the appearance of myself or Sir Antony Acland before the Committee.

From: THE PRIVATE SECRETARY



HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

14 February 1983

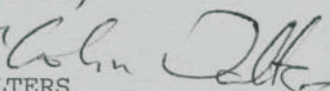
Dear Robin

..... I attach a copy of a letter which the Home Secretary has received from Sir John Eden in his capacity as Chairman of the Select Committee on Home Affairs, seeking the Home Secretary's view on a possible move by the Home Affairs Committee to conduct an inquiry into the Security Services.

..... I also attach a draft reply which the Home Secretary proposes to send to Sir John. Sir John has asked to have the reply in time for him to report to the next meeting of the Committee on Wednesday morning, 16 February. I should therefore be grateful to know whether you have any comments on the draft by close of play tomorrow (Tuesday).

I am sending copies of this letter to Brian Fall (Foreign Office) and to Richard Hatfield (Cabinet Office), and would also be grateful to know whether they have any comments on the draft by tomorrow evening.

I am also sending a copy to David Hayhoe (Lord President's Office)

Yours sincerely 

C. J. WALTERS

Robin Butler, Esq.

DRAFT LETTER

ADDRESSEE'S REFERENCE

TO	ENCLOSURES	COPIES TO BE SENT TO
<p>The Rt. Hon. Sir John Eden, BT., MP.</p> <p>House of Commons</p> <p>LONDON, S.W.1.</p>		
(FULL POSTAL ADDRESS)		(FULL ADDRESSES, IF NECESSARY)

LETTER DRAFTED FOR SIGNATURE BYHOME..SECRETARY.....
(NAME OF SIGNATORY)

Thank you for your letter of 10 February about the possibility that the Home Affairs Committee might wish to undertake an enquiry into the Parliamentary accountability of the Security Services and their organisation. You made clear that the Committee were looking for a way to enable Parliament to scrutinise the machinery by which those services are organised, and were not aiming to investigate particular cases or examine working methods.

In responding to this suggestion I must start from the position that I explained to the Committee in December 1979, to which you refer in your letter, namely that the present Government stands by the long established convention that detailed information concerning matters of security is not disclosed to Parliament. I recognise that there have been some recent steps towards greater openness on these matters; for example the enquiry into vetting procedures undertaken by the Select Committee on Defence. But this does not alter the general principle that security work is by its nature secret and cannot be publicly discussed.

I am afraid that I could not agree to co-operate in the kind of investigation you outline in your letter. I appreciate that you have tried to confine its scope; but in practice I do not believe that matters affecting the security services can be divided in such a way as to make it possible for the Home Affairs Committee to undertake a meaningful enquiry without having access to information which in the Government's view must be kept secret in the national interest. I fear that I am unable to suggest any aspect of this subject on which the Government would be able to answer detailed questions without disclosing secret information, and which would therefore be appropriate for an inquiry by the Committee. What may have been done in other countries with different historical and constitutional traditions is not, I think, a reliable guide in a matter of this sort.

If the Committee were to decide to pursue the idea of undertaking an inquiry into this area, it would not be right for them to expect any but the most generalised response from me or my officials. I am sure you would agree that this would be unsatisfactory and unwelcome to all those concerned, but I see no alternative. In the last resort, this is a position which the Government would be prepared to defend in the House. In these circumstances I hope that the Committee will be able to find some other subject for its next Inquiry.

I am sorry not to be able to be more positive. As you know, there will be an opportunity for general debate on security matters when the House considers the report of the Security Commission on the Prime case. This would seem to be the appropriate forum in which to pursue the question of Parliamentary accountability if members of the Home Affairs Committee so wish.



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA
01-219 6243 (Direct Line)
01-219 3000 (Switchboard)
01-219 5774 (Direct Line)
01-219 6304 (Direct Line)

CABINET OFFICE
A 2617
15 FEB 1983
FLILING INSTRUCTIONS
FILE No. _____

~~cc - Mr Stevens
Mrs Forbes~~

EDUCATION, SCIENCE AND ARTS COMMITTEE

14 February 1983

Sir Robert Armstrong KCB CVO
Secretary of the Cabinet
70 Whitehall
London SW1A 2AS

~~cc - Mr Balstrode .~~

Dear Sir Robert

Thank you very much for your detailed letter of 7 February in reply to mine of 2 February. I have carefully considered the contents of both this letter and the letter which you sent on 3 February to the Clerk to the Committee.

I note your opinion that you do not feel that you can add anything in oral evidence to the information which the letters contain. I think you are being a little pessimistic, but even so, I feel sure that the Committee may well find it valuable to ensure, by way of question and answer that they fully understand Cabinet Office practice in relation to sensitive material. I am therefore writing to you with the authority of the Committee to ask you to give oral evidence before them at an early opportunity. I have asked the Clerk to contact your office to arrange a mutually convenient date.

The Committee would not propose to confine themselves wholly to questions on sensitive material. We would like to look a little more closely at the record keeping of the Cabinet Office.

Yours sincerely

Christopher Price

Christopher Price MP
Chairman



HOUSE OF COMMONS

LONDON SW1A 0AA

10th February, 1983.

Dear Willie,

At their discussion yesterday, the Home Affairs Committee considered possible subjects for their next Inquiry. These included an enquiry into the Parliamentary accountability of the security services, their organisation and the opportunities for subjecting them to a similar degree of Parliamentary scrutiny as is done in, for example, the U.S.A. and Germany.

It was made clear that there is no desire to investigate particular security cases, or to examine the working of the security services. The primary wish is for Parliament to scrutinize the actual machinery by which the services are organised. In putting this forward members were mindful of the fact that in December 1979, when appearing before the Committee, you had expressly reserved to yourself as Secretary of State the final decision as to how much, if anything, you could disclose about the services without putting at risk the national interest. You reminded the Committee that this had been the position in all previous Governments.

I am now writing to enquire whether in the light of recent events, you have reconsidered the position, and whether you have any comments to make on the growing demand for greater Parliamentary scrutiny and accountability of the services? In this connection, you will be familiar with the observations contained in the recent report of the Liaison Committee.

I should add that the Committee were not unanimous in expressing an interest in this subject as a possible area for enquiry, but we would all appreciate as full an analysis as you can give of the sort of difficulties we might encounter were we to decide to embark upon it.

Yours ever,

R. Whitelaw
p.p. Sir John Eden

Dictated by Sir John and
signed in his absence.

The Rt. Hon. William Whitelaw, CH., MC., DL., MP.



CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 8319

SECRET OFFICE
From the Secretary of the Cabinet: Sir Robert Armstrong KCB, CVO

Ref: A083/0435

9 FEB 1983

7th February 1983

FILING INSTRUCTIONS

FILE No. _____

Thank you for your letter of 2nd February 1983.

It was of course sent before you had had an opportunity of seeing my letter of 3rd February, to Mr. Hastings, Clerk of the Committee, in which I responded to the question in his letter of 7th December 1982 about the release to the Public Record Office of the papers of the Secret Service Committee of the Cabinet which met from 1919 to 1921, and also sought to deal with questions about certain security and intelligence related records from the Second World War raised by the Committee when it was taking evidence from officials of the Foreign and Commonwealth Office and the Lord Chancellor's Department on 24th January.

In your letter of 2nd February you also raise questions about Cabinet Office record-keeping. The Cabinet Office approaches this matter in the same way and works to the same criteria as other Departments. A two-tier system of selection is operated as recommended by 'Grigg'; the system of control is thorough and comprehensive. The final decision about preservation, release or extended closure rests on an individual examination of files. The reviewers are provided with advice about what should be preserved and with broad guidelines particularly on national security and international and diplomatic sensitivity. Sensitive records are referred first to the responsible Department and then, by the Departmental Records Officer through the Departmental Records Adviser to the Secretary of the Cabinet. The approach adopted at all levels of consideration is that records which are selected for preservation should be released to the Public Record Office, except when they fall into the specific category to which the Lord Chancellor's exemption applies as described in my letter of 3rd February; or when their retention is otherwise necessary and approved under Section 3(4) of the Public Records Act. Where records are transferred to the Public Record Office but remain closed under Section 5(1) of the Act, strict attention is paid to ensuring that the application for extended closure clearly falls within the definitions approved by the Lord Chancellor (see the report of the Wilson Committee, page 54, paragraph 178). To illustrate the effects of all this, in the last 5 years 99 per cent of Cabinet memoranda and minutes coming due for release under the 30 year rule have been released to the Public Record Office at the normal 30 year point.

/You may

Christopher Price, Esq., MP

You may consider that what I have been able to tell you in this letter and my letter of 3rd February to the Clerk makes it unnecessary for the Committee to seek further oral evidence on these questions. I doubt indeed whether, if I were to give oral evidence, I should have much if anything that I could add to what is already covered in my letters. None the less, if there are any further questions which the Committee would like me to try to answer, no doubt you or the Clerk will let me know, and I will be ready to see what further information I can give.

ROBERT ARMSTRONG



10 DOWNING STREET

From the Private Secretary

4 February 1983

Dear Julian,

The Prime Minister has now seen your Secretary of State's minute about the request of the Select Committee on Energy for a copy of the Rayner Scrutiny on the Government's measures to encourage the efficient use of energy. The Prime Minister has agreed that Mr. Lawson may accede to the Select Committee's request on the basis described in the minute.

I am sending copies of this letter to Caroline Varley (Department of Industry), Toby Johns (Department of Transport), John Gieve (Chief Secretary's Office), Mary Brown (Lord Privy Seal's Office) and Roger Bright (Department of the Environment).

Yours ever,

T. F.

Timothy Flesher

Julian West, Esq.,
Department of Energy.

088



CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 8319

CABINET OFFICE

From the Secretary of the Cabinet: Sir Robert Armstrong KCB, CVO

A

Ref: A08370382

FILING INSTRUCTIONS

FILE No.

3rd February 1983

You wrote to me on 7th December 1982 to inquire what plans the Cabinet Office has for the release to the Public Record Office of the papers of the Secret Service Committee of the Cabinet which met under the chairmanship of the then Foreign and Commonwealth Secretary from 1919 to 1921.

I am very sorry that, because your letter went temporarily astray in the Cabinet Office, you have had to wait until now for a reply. But the delay at least enables me to deal with points raised by the Committee in taking evidence from Miss Blayney of the Foreign and Commonwealth Office and Mr. Dempster of the Lord Chancellor's Department on 24th January, on which the Committee asked Mr. Dempster to consult me.

In 1967 the then Lord Chancellor, by virtue of the powers in Section 3(4) of the Public Records Act 1958, as amended in 1967, approved the retention by Departments of security and intelligence related records over 30 years old. The records to which you refer in your letter, and which were the subject of the exchanges with Miss Blayney and Mr. Dempster on 24th January, have been withheld from release to the Public Record Office under that approval. The terms of that approval provided that it should be reviewed in 1992. As the Committee knows, however, new approvals are to be sought from the Lord Chancellor to bring the existing approvals into line with the system of batches described in the White Paper on Modern Public Records (paragraphs 29 and 30).

The Lord Chancellor's approval for exemption was sought and given on grounds of national security. It was thus in accordance with the accepted practice that information about the activities of the security and intelligence agencies is not made publicly available.

On 5th February 1979, in a Written Answer by Mr. Evan Luard to Mr. Jeffrey Rooker, the House of Commons was told that records over thirty years old would no longer be withheld from the Public Record Office merely because they revealed the existence of certain security or intelligence organisations.

/As I

A.J. Hastings, Esq

As I understand the Committee noted when it was taking evidence from Miss Blayney and Mr. Dempster, records of the intelligence directorates of the three armed services which include material derived from certain enemy military communications intercepted during the Second World War have been deposited in the Public Record Office, notwithstanding the Lord Chancellor's approval for exemption. The arguments for exempting security and intelligence related records from public release have less weight in relation to records of interceptions of messages transmitted by the services of a country with whom the United Kingdom was at the time at war. Such records have not therefore been withheld merely because they are intelligence related records; where they have been withheld, it has been on account of some other consideration of national security. The exemption has continued to apply to all peacetime security and intelligence related records.

Copies of some of the papers of the Secret Service Committee of 1919-1921 were included in papers which Mr. Lloyd George took away with him when he ceased to be Prime Minister, and are now, as the Committee has noted, available in the Lloyd George papers in the House of Lords Record Office. The papers in question were classified papers of a kind which a Minister would not now be permitted to retain on leaving office. The papers of the Committee in question are papers to which the Lord Chancellor's approval for exemption applies, and they have not been released to the Public Record Office by the Government.

As your Committee will have seen from the report of the Wilson Committee, I was able to tell that Committee that, although the records of the security and intelligence services were papers to which the Lord Chancellor's approval for exemption applied, no decision had been taken that they could never be released, and that records of those services were being carefully selected for permanent preservation in accordance with the principles laid down by the Grigg Committee, and were being kept in such a way as to ensure that they would be available and in a suitable condition for transfer to the Public Record Office if and when a decision was taken that they should be transferred.

25. One Government activity which already falls within the ambit of the departmental select committees is the work of the security services, and the question of their accountability to Parliament arises from time to time. The arguments against a wide parliamentary discussion of these matters are well known, and have led the committees concerned to refrain from inquiries in this field. On the other hand expenditure of public monies on a large scale should not go wholly unexamined, especially when an examination could be a spur to efficiency. Nor should it be overlooked that the security services, who are frequently criticised in the House, have not in the past had any parliamentary opportunity of putting the record straight. With such a strong case on each side of the question, one thing is clear: the House, having given to the committees a wide and unambiguous duty of overseeing all the functions of the departments, has at present left them in each case to decide for themselves where the balance of the argument lies, and so whether or not to inquire into these matters.

PRIME MINISTER

010
1

✓ CO

Prime Minister
Agree?
R 2/2

Yes not

Last year my Department conducted a Rayner Scrutiny with a view to improving the effectiveness of Government's measures to encourage the efficient use of energy. The Scrutiny's main recommendation was that an Energy Efficiency Office be established within my Department to bring together a number of closely related programmes previously spread over several departments. I am discussing the recommendations with colleagues. The Report would not normally be published until it had been agreed by Government as a whole.

Last year the Select Committee on Energy published a Report on Energy Conservation in Buildings, which was critical of that lack of co-ordination of the Government's programme which the Scrutiny report addresses.

Although the customary six month period has elapsed since the Committee made their report, I have delayed my response, because I wished it to take account of the recommendations of the Rayner Scrutiny report.

The Select Committee has now asked me for a copy of the Scrutiny report. I think that it would be unnecessarily provocative to refuse. In the circumstances I am minded to accede to the Select Committee's request, making it clear that the recommendations are still being discussed.

I am sending copies of this minute to the Secretaries of State for Industry and Transport, the Chief Secretary to the Treasury, the Lord Privy Seal and the Secretary of State for the Environment.

X
M

SECRETARY OF STATE FOR ENERGY

2 February 1983



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA

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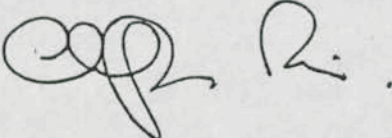
EDUCATION, SCIENCE AND ARTS COMMITTEE

2 February 1983

Sir Robert Armstrong KCB CVO
Secretary to the Cabinet
10 Downing Street
LONDON
SW1

Dear Sir Robert

The Committee have discussed the further progress of their inquiry into the public records. As you may know, we took evidence at an early stage in our inquiry from Lord Trend. To complete our evidence we would be grateful if you would make yourself available for a brief session of oral evidence at some mutually convenient time in the near future. We would wish to raise with you some of the questions on sensitive papers which have already been the subject of correspondence, but the Committee's questions would go wider, into Cabinet Office record keeping and into the extent to which it feels compelled to keep papers beyond the 30 year norm.

Yours sincerely,


CHRISTOPHER PRICE MP
Chairman of the Committee

Mr Murray PSD
(Murray & others
attended)
AS 21/1

~~PS~~
Advice me in
consultation with PSD
✓ PS
PS/PS
Sir J. Bullard
N. Wright
Lord N. G. ...
Lemmon
PSD

COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA
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EDUCATION, SCIENCE AND ARTS COMMITTEE

Rt. Hon. Francis Pym, MC, MP
Secretary of State
Foreign and Commonwealth Office
Downing St
London SW1

Jan 28/1
+ Mrs Blaney (LRD)

28 January 1983

Dear Francis

Evidence given before the Committee on 24 January for Inquiry into Public Records

As you may be aware, the Committee asked several questions of Miss Blaney, the Head of the Library and Records Department at the Foreign Office concerning telegram intercepts of the inter-war period. The Committee were rather surprised when Miss Blaney said that she could not answer those questions and did not have any knowledge about such material or who in the Foreign Office would know. We found her answers particularly surprising since my Clerk wrote to an official, Mr Butler, at PCCU about this matter on 2 December of last year. We are minded to call Sir Anthony Acland before us to pursue the matter, which we feel is of great importance, but in the meantime I felt that it would be very useful to submit a few questions directly to you:

1. Why are the so-called 'Ultra-intelligence' Second World War intercepted German messages available in the Public Records Office while similar intercepts for the inter-war period are not? There are references to these inter-war documents in the early chapters of the government published book by F.H. Hinsley and others, 'British Intelligence in the Second World War', Volume I.
2. If the publication of inter-war papers mentioned above poses a risk to national security, why were the later war papers thought not to do so?

cont/...

3. The Foreign Office have actually quoted extracts from intercepted telegrams in several inter-war Command Papers, for example, Cmnd 2874 (1927) and Cmnd 1869 (1923). Will the Foreign Office, over 60 years later, now release the full text of all these telegrams? If not, why not?

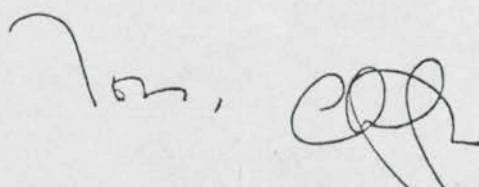
4. Why are some of the inter-war intercepts available in the House of Lords Record Office (e.g. Russian intercepts for the early 1920's in the Lloyd George Papers) or in the India Office Library (e.g. Russian and French intercepts for the early 1920's in the Curzon Papers) and yet they are not available in the Public Records Office? Does the Foreign Office intend to release them?*

5. Which Department, and in particular, which Officer or Minister decides whether or not such papers should be released to the PRO or elsewhere?

We are conducting this inquiry wholly within the context of historical and academic access to records in general rather than focusing on the Foreign Office in particular, although this matter obviously raises important questions. We are pursuing the general issue with the Lord Chancellor's Department who are responsible for the Public Records Office. I am writing to the Lord Chancellor and will attach a copy of my letter to you for his information.

You will remember that, as Leader of the House, in a debate about Select Committees you re-emphasised your predecessor's pledge that the Government would be as helpful as possible to the Committees. In that light I am sure that you will feel able to respond generously to my questions. I would be especially grateful if you were to find it possible to reply by 10 February.

If you think that it would be useful for me to talk to you or your officials in private, I would be very willing to do so.


Christopher Price
Chairman

* For exact references please see Dr C. Andrew's papers in The Historical Journal 1977 No.3 and 1982 No.4.



HOUSE OF COMMONS

LONDON SW1A 0AA

01-219 6243 (Direct Line)
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EDUCATION, SCIENCE AND ARTS COMMITTEE

Rt. Hon. Lord Hailsham
of St Marylebone, CH, FRS, DL
House of Lords

28 January 1983

Public Records Inquiry

You may be aware that difficulties arose on Monday when my Committee questioned one of your officials, Mr J.W.S. Dempster, and officials from the Foreign Office about the availability of certain inter-war intercepts of diplomatic telegrams of other posers. In particular, I asked Mr Dempster whom we should summon before us who was responsible for such matters. I and my Committee felt very strongly that, even if such papers are withheld, Parliament is entitled to information about who is responsible for, and what the criteria are, for the release or retention of these and similar documents.

I attach for your information a copy of my letter to Francis Pym, which contains more detailed references. I hope that the specific question of the intercepts can be resolved in discussion with the Foreign Office, but I feel that the more general issue of responsibility for release of documents to the Public Records Office will be of particular concern to you.

I would be most grateful if you could assist the Committee in this matter. If you feel that it would be helpful for me to talk to you or your officials privately, I would be very willing to do so.

Christopher Price
Chairman

Parliament

Sen



Mr Speaker

Speaker's Office House of Commons London SW1A 0AA

15th December 1982

Dear Miss Stephens

Would you please advise the Prime Minister that Mr Speaker will be making the enclosed statement this afternoon.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D J Lord'.

D J Lord

Miss C M Stephens
Personal Asst to Prime Minister
10 Downing Street
London SW1

Enc

DRAFT RULING

THE HOUSE WILL RECALL THE EXCHANGES WHICH TOOK PLACE YESTERDAY AFTERNOON ON A JUDGMENT AND SENTENCE WHICH HAD RECENTLY BEEN GIVEN IN A CASE OF RAPE. ON READING THESE EXCHANGES, I AM DRAWN TO THE CONCLUSION THAT I NEEDLESSLY TOOK UPON MYSELF THE BLAME FOR AN IRREGULARITY WHICH DID NOT IN FACT OCCUR.

THERE IS A FIRM DISTINCTION TO BE DRAWN BETWEEN CRITICISM OF THE CHARACTER AND CONDUCT OF A JUDGE, WHICH IS OUT OF ORDER EXCEPT ON A SUBSTANTIVE MOTION, AND OF THE SUBSTANCE OF ONE OF HIS JUDGMENTS, WHICH IS QUITE PERMISSIBLE. I DREW THIS DISTINCTION VERY CLEARLY ON 19TH JULY 1977 (HANSARD, C. 1381), IN A RULING FROM WHICH I WOULD VENTURE TO QUOTE:

"THE RULE IS NOT SO RESTRICTIVE AS SOME HON. MEMBERS MAY THINK. IT IS NOT NECESSARY TO HAVE A SUBSTANTIVE MOTION BEFORE THE HOUSE TO ALLOW MEMBERS TO ARGUE THAT A JUDGE HAS MADE A MISTAKE, THAT HE WAS WRONG, AND THE REASONS FOR THOSE CONTENTIONS CAN BE GIVEN WITHIN CERTAIN LIMITS, PROVIDED THAT MODERATE LANGUAGE IS USED.

ON THE OTHER HAND:

REFLECTIONS ON THE JUDGE'S CHARACTER OR MOTIVES CANNOT BE MADE EXCEPT ON A MOTION. NO CHARGE OF A PERSONAL NATURE CAN BE RAISED EXCEPT ON A MOTION. ANY SUGGESTION THAT A JUDGE SHOULD BE DISMISSED CAN BE MADE ONLY ON A MOTION".

BOTH THE HON. MEMBER FOR CHICHESTER'S QUESTION YESTERDAY AND THE PRIME MINISTER'S REPLY, FELL QUITE CLEARLY WITHIN THE TERMS OF THE EARLIER PART OF THE RULING.

I HAVE FELT BOUND TO MAKE THIS STATEMENT NOW IN ORDER TO ENSURE THAT NOTHING WHICH HAPPENED YESTERDAY WILL TEND TO INHIBIT HON. MEMBERS FROM EXERCISING A RIGHT OF CRITICISM WHICH THEY HAVE ALWAYS ENJOYED, AND WHICH IT IS IN THE INTERESTS OF THE HOUSE THAT THEY SHOULD ALWAYS HAVE FREEDOM TO ENJOY.

CONFIDENTIAL

Burton



DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

*1 Mr. G. Howe
2 Prime Minister*

The Rt Hon Sir Geoffrey Howe, QC, MP
Chancellor of the Exchequer
HM Treasury
Treasury Chambers
Parliament Street
SW1P 3AG

*GH
14/12*

14 December 1982

Dear Sir

MS

PARLIAMENTARY CONTROL OF EXPENDITURE (REFORM BILL)

John Biffen has sent me and other colleagues a copy of his letter to you of 7 December about this Bill, and his discussions with Norman St John Stevas and Edward du Cann.

I recognise from the preliminary discussion at Cabinet that the position is really very awkward. But acceptance of this Bill will mean a reversal of a decision which we took in "E", and will also have fundamental implications for our policies for nationalised industries, following the CPRS report. In these circumstances, it seems to me that it would be most undesirable to have a discussion with Norman St John Stevas, Edward du Cann and Joel Barnett, in which you would inevitably have to extend the discussion beyond the limits agreed in 'E' until we have had an opportunity to consider this collectively. It may be that our broad plan for changing the character of our 'nationalised industries' can be harmonised with, even strengthened by, the changes proposed in the Bill. But we have to be quite clear about the direction in which we are going.

Copies of this go to those to whom John Biffen copied his letter.

*Yours ever
Daw*

DAVID HOWELL

CONFIDENTIAL

Parliament House of Common Procedure ; B Pt 5.

BRITISH
LIBRARY

4 DEC 1982



Prime Minister (2)

Mus 13/12

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref: H/PSO/18528/82

Your ref:

13 December 1982

PARLIAMENTARY CONTROL OF EXPENDITURE REFORM BILL

I have seen your letter of 7 December to Geoffrey Howe. My first concern is that the Bill should not cover local authorities. As you will know, following pressure from Joel Barnett and Edward du Cann, a provision was inserted in the legislation setting up the Audit Commission requiring the Commission to undertake studies of the impact of statutory requirements on value for money in the provision of local authority services. The C and AG is to have access to the documents relating to the studies and is to report to Parliament on matters arising from them.

Joel Barnett made it clear at the time that, although the provision did not go as far as the PAC's original proposal for local authority audit, it was a step in the right direction and he was well satisfied with it. At the back of his mind, no doubt, was the fear that closer involvement by the C and AG in local authority audit would undermine the constitutional position of the local authorities in relation to their electors. In the light of local authority sensitivity on this point and of the fact that we are on the point of setting up the Audit Commission, it is essential to reach an agreement now with the Bill's promoters that it will not cover local authorities.

Water authorities should also be excluded. With minor and specific exception their activities are financed by charges and by NLF borrowing. They have commercial auditors whom I will appoint from 1 April 1983, and I am arranging for continuation of VFM work and reports by the auditors to the Department. We have preserved the public right of access to water authority auditors who are required to make special public interest reports if necessary. The annual reports of the authorities contain very full information on their financial and other affairs and they are laid before Parliament and can be debated. We use the machinery of external investigations - MMC reports and consultants - fully. I do not see that there is anything useful that the C and AG can do in addition to what is already being done nor do I think he has the right sort of resources.

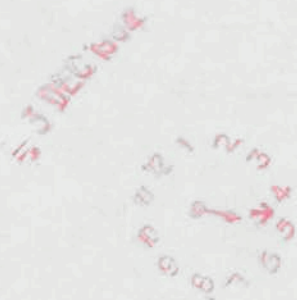
As regards the other non Departmental Public Bodies for which I am responsible I do not object to E and AD having access to the books, but I would be concerned if there was any proposal to cut across the work of the private sector auditors I have appointed to bodies such as the Urban Development Corporations. I am sure that our own supporters would readily recognise the

dangers of the dead hand of bureaucracy stifling sound commercial practice.

It may also be worth suggesting to the promoters that there should be some de minimis exemption. It is patently absurd that large private sector companies should be subject to E and AD scrutiny for relatively insignificant amounts of government assistance or that every voluntary group in receipt of government assistance should have its books turned over.

I hope these points can be given due weight when you meet the promoters.

I am copying this to members of "E" and "L" Committees and to Sir Robert Armstrong.



Yours
MHE

MICHAEL HESELTINE



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA
01-219 6243 (Direct Line)
01-219 3000 (Switchboard)
01-219 5774 (Direct Line)

CABINET OFFICE
A 976.....
8 DEC 1982
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FILE No. _____

EDUCATION, SCIENCE AND ARTS COMMITTEE

RIA
Sir Robert Armstrong KCB, CVO
Secretary of the Cabinet
Cabinet Office
70 Whitehall
London SW1A 2AS

7 December 1982

Dear Sir Robert

The Select Committee are conducting an inquiry into the 'access by academics to records in the Public Record Office in the light of the Wilson Report, Cmnd 8204 and the Government's reply, Cmnd 8531.' Oral evidence has already been taken from Sir Duncan Wilson, Lord Denning and Lord Trend.

In the course of their inquiry the Committee have received a number of suggestions from academics relating to particular classes of papers; and one of these draws attention to apparent anomalies in the access given to Government papers relating to the security services which are more than thirty years old.

The representations have lead the Committee to direct me to write to you to enquire what plans the Cabinet Office has for the release of the papers of the Secret Service Committee of the Cabinet which met under the chairmanship of Lord Curzon, the Foreign Secretary, from 1919 to 1921. They gather that copies of some of the Secret Service Committee papers for 1919-21 have been freely available in the Lloyd George papers in the House of Lords Record Office for some years, but that none are available in the Public Record Office and that the index to the Cabinet minutes for these years appears to have been compiled in such a way as to conceal even the existence of this Committee in that there is a substantial blank area between 'Second Chamber' and 'Secretary Permanent' from which even the heading 'Secret Service' would appear to have been removed, though a cross-reference to 'Secret Service' under 'Scotland Yard' is entered.

Yours sincerely,

A.J. Hastings
Clerk to the Committee

CONFIDENTIAL

Parliament

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

Prime Minister

The Lord President proposes (page 2)

(a) that the Chancellor should hold a meeting ~~7~~ 8 December 1982 with Mr St John Stevas, Edward du Cann, Noel Barnett, and the Lord President to discuss this Bill, with a view to putting recommendations to Cabinet next week; and

(b) that the best course would be to reach agreement with the Bill's supporters on instructions to be sent to Parliamentary Council before Christmas.

MS

Dear Geoffrey

PARLIAMENTARY CONTROL OF EXPENDITURE (REFORM BILL)

Wh
7/12

I have now had an opportunity to discuss this Bill informally with both Norman St John-Stevas and Edward du Cann. Norman tells me that he has already had a draft prepared which, in broad terms, would give effect to the proposals put forward in the Public Accounts Committee's First Special Report. He has agreed to let me see this draft on a confidential basis and for me to pass to you a copy on the same basis. I will forward this on as soon as it arrives. The Bill is down for Second Reading on 28 January and I think it clear that we need to proceed quickly with a reassessment of the position we have adopted to date on the status and powers of the Comptroller and Auditor General and his Department.

When we met, Norman made evident his determination to press ahead with implementing the changes envisaged by the PAC. He expressed very considerable confidence in the support the Bill would receive from MPs generally and I have to say that he has good reason for taking this view of the will of the House. Nevertheless he emphasised his wish to proceed in agreement with the Government on as many points as possible and hoped that an early meeting could be arranged. Edward du Cann is also anxious for a meeting in the near future. From our own point of view

.../...

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
HM Treasury
Parliament Street
London SW1P 3AG

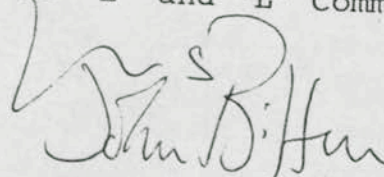
(a) I judge that such a meeting is essential, so that a collective discussion with colleagues can then take place before Christmas. I suggest therefore that we ought to aim for a meeting as soon as possible next week, perhaps at Number 11 with you in the Chair and with Norman St John-Stevas, Edward du Cann, Joel Barnett and myself also present. The objective would be to establish exactly what scope there may be for negotiation so that Cabinet on Thursday that week can take decisions on the Government's negotiating position and on the Bill's handling. Thereafter, I imagine detailed negotiations might best be carried forward in a small group consisting of a Treasury Minister, Norman St John-Stevas, Edward du Cann, and Joel Barnett.

..
(b) First Parliamentary Counsel has indicated the timing constraints affecting the Government's handling of this issue (I attach a copy of his recent letter to the Private Secretary to the Government Chief Whip). The best course would undoubtedly be to reach speedy agreement with the Bill's supporters on the points at issue in order to allow drafting instructions to go to Parliamentary Counsel before Christmas, with a view to an agreed Bill being published by Friday 21 January. But this may prove impractical, in which case it might be necessary to allow Norman St John-Stevas to publish his own Bill before Second Reading and to make amendments agreed with the Bill's supporters in Committee. However the first course is much to be preferred because the Government will be in a weaker negotiating position once Norman St John-Stevas' PAC-inspired version of the draft legislation has become public.

Finally I must stress the importance of reaching an understanding with the Bill's promoters. As you know support for changes along the lines proposed by the PAC is widespread in all parts of the House. This is evident both from the debate held in November last year and from the consequent Early Day Motion which attracted 288 names. In the absence of agreement there is a substantial risk that any attempt to block either the whole Bill, or any part of it, will fail, and nor do I see any attraction in resorting to procedural devices, such as withholding of Financial Resolutions, where the views of the House are so clearcut.

If you believe it would be helpful to discuss this question before arranging a meeting for next week I would of course be happy to do so.

I am copying this letter to members of 'E' and 'L' Committees and to Sir Robert Armstrong.



JOHN BIFFEN

CONFIDENTIAL

Office of the Parliamentary Counsel 36 Whitehall London SW1A 2AY

Telephone Direct line 01 273 5288
Switchboard 01 273 3000

M Maclean Esq
Government Whips Office
12 Downing Street
London SW1

3 December 1982

Dear Murdo

PARLIAMENTARY CONTROL OF EXPENDITURE (REFORM) BILL

It may help if I put on paper a few thoughts on the procedural and timing aspects of this Bill which is down for Second Reading on 28 January.

PROCEDURE

2. I understand that Mr St John Stevas ("the promoter") has had a draft Bill prepared for him in the Commons Public Bill Office and that this covers all the proposals for legislation contained in the P.A.C.'s 1980-81 First Special Report. If he hands in this or any other text of his own devising, what he hands in will be published as the Bill. He could in theory withdraw this version before Second Reading and hand in another version; but this would cause the Bill to lose its place as first order on 28 January and would, as regards the substitute version, put the promoter in no better position than the successful mover of a ten-minute rule Bill.

3. The promoter will obviously not be willing thus to throw away his present advantage as first order on 28 January; from which it follows that, if he hands in his own version of the Bill, the only courses open to the Government (if they cannot deny it a Second

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Reading) will be -

- (a) to amend it in Standing Committee;
- (b) to refuse to move any necessary Financial Resolution;
- (c) to withhold Queen's consent (should this be required).

4. As regards course (a), there is nothing to prevent every single clause of the Bill as introduced being left out in Committee in favour of new clauses, which would not have to cover the whole of the ground covered by the original clauses. But it may well be difficult for the Government or the Member in charge of the Bill to persuade the Committee to leave out a clause on a given topic if nothing is to be put in its place.

5. Course (b) is open to the Government; but it would not prevent any clause not requiring a Financial Resolution from being considered, and might be unpopular.

6. Course (c) is also open to the Government, though the usual practice is for Queen's consent to be signified even for private Members' Bills to which the Government is opposed. The only mooted proposal aware of that would require Queen's consent is the restriction or removal of the Queen's present power to appoint (subject to Ministerial advice) whoever she likes as Comptroller and Auditor General. This, unless it emerged as a leading feature of the Bill, would not require Queen's consent to be signified until Third Reading; and its prospective non-signification would not affect the earlier progress of the Bill. So there seems little or no future in this course.

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TIMING

7. If the idea is for the Government to afford the promoter drafting assistance with a view to the publication of a Bill drafted by Parliamentary Counsel, the timing considerations are as follows. The Bill could in theory be published as late as the day before 28 January (the day named for Second Reading); but in practice it ought to be published not later than Friday 21 January. Unless Legislation Committee is bypassed, the Bill would have to be considered by Legislation Committee on, say, Wednesday 19 January, and for this purpose it would need to be sent to the ^{printer} ~~promoters~~ on 12 or 13 January. So there will be only two weeks between the end of the Christmas break and the date of printing for Legislation Committee. And there is only a week between 17 December (the day after the Cabinet is to discuss the matter) and Christmas Eve. So even if firm and complete drafting instructions were delivered on 17 December, this would leave only three weeks in which to draft the Bill. This might be long enough for a short and simple Bill, but is obviously not long enough for anything large or difficult.

3. If the promoter publishes his own text and the Bill gets a Second Reading on 28 January, the position will be as follows. Standing Committee C will not start work until Wednesday 2 February, when it will consider Mr Corrie's Diseases of Fish Bill. If that Bill's Committee stage takes only one day, then Mr St John Stevas' Bill could start in Committee on 9 February; so any amendments ought to appear not later than Monday 7 February (and be handed in on 4 February). This would allow five weeks after Christmas for drafting suitable amendments. The draftsman would be in some

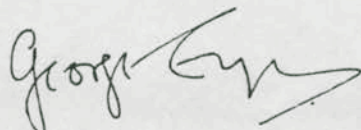
CONFIDENTIAL

CONFIDENTIAL

difficulty if the promoter delayed publication of his Bill until well after Christmas, since he would not know what text he was trying to amend. But this difficulty could probably be avoided or overcome by arrangement with the promoter.

I am sending copies of this letter to David Hilary, David Heyhoe and Anthony Rawlinson.

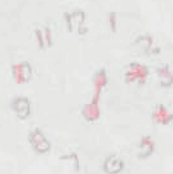
Yours sincerely

A handwritten signature in cursive script, appearing to read "George Engle". The signature is written in dark ink and is positioned below the typed name.

GEORGE ENGLE

CONFIDENTIAL

-7 DEC 1982





Parliament

10 DOWNING STREET

From the Private Secretary

6 December, 1982.

Treasury minute in reply to Reports of the Public
Accounts Committee

Thank you for your letter of 3 December. As I told your office this morning, the Prime Minister is content for this Treasury minute to be published on 15 December. I have asked Bernard Ingham to get in touch with you about the question of releasing pre-publication copies.

I am sending copies of this letter to David Heyhoe (Lord President's Office), Murdo Maclean (Chief Whip's Office), and Bernard Ingham.

W. P. S. RICKETT

AM

A. J. Salveson, Esq.,
HM Treasury.



ca 81

Prime Minister 1

The Treasury intend to publish HMG's response to the outstanding PAC reports of last session on 15 December. The only points in which

Treasury Chambers, Parliament Street, SW1P 3AG

01 ~~XXXXXXXXXX~~ 233 4749

the media might show an interest are listed at X below.

Agree, subject to any comments Bernard Ingham

3rd December 1982

may have?

Yes
mt

W F S Rickett Esq
10 Downing Street
LONDON
SW1

Dear Willie,

WR
8/12

TREASURY MINUTE IN REPLY TO REPORTS OF THE PUBLIC ACCOUNTS COMMITTEE

We propose to publish the Government's response to the outstanding Public Accounts Committee Reports of the 1981-82 Session as a Command Paper on Wednesday 15 December of 3.30pm. The Financial Secretary has already given his consent to the reply to the PAC - in the usual form of a Treasury Minute - being presented in his name.

There is nothing absolutely crucial about the precise date of publication, it is merely the end of a logical sequence of consultations with departments and a printing programme devised by HMSO. We are, however, under pressure from the PAC to publish the reply to their Reports as soon as possible as some of them have been around for some months now.

I enclose a list of the PAC Reports to which we are replying (at Annexe A) with a summary (at Annexe B) or the main conclusions and recommendations which appeared in the various Reports. These Treasury Minutes usually attract little attention, except from the Members of the PAC themselves. The media, too, normally show scant interest. There is little of significance in the Treasury Minute itself to disturb this traditional somnolence, although it does refer to some half dozen matters which are currently exercising Parliament and the media:-

- X Replies to the 9th and 16th PAC Reports - control of Ministry of Defence expenditure, particularly on large, sensitive projects, eg Chevaline and successor missile systems - always attracts comments;
- Reply to the 10th PAC Report - comment on previous flotations, eg British Aerospace, Amersham International, are bound to be seized on in the wake of the recent Britoil flotation;

and overleaf

X
Replies to the 14th
and 17th PAC Reports

- as with the reports on MOD matters, comment on the NHS always attracts interest, probably more so in the light of events since the CPRS Report;

Reply to the 20th PAC
Report

- Mr Tam Dalyell is one Member who will probably show a keen interest in the sale of British Leyland assets (the Bathgate tractor line was in his Constituency);

Reply to the 22nd PAC
Report

- there is continuing interest in the subject of reducing civil service staff numbers against employing more investigative staff where a high cost/yield return would result (eg in the Revenue Departments and DHSS);

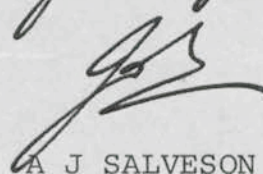
Reply to the 25th PAC
Report

- evidence of fraud in the civil service always attracts attention.

We have asked HMSO for pre-publication copies (CFRs) as usual, for laying, for supply to PAC Members and for the Treasury's Information Division's use (eg for the lobby). Although there have been references in the press to discontinuance of the present arrangements for providing advance copies of Government statements etc., in the wake of the row over the Falklands honours, I have seen no formal instructions. Could you please let me have any revised guidance that may be appropriate on pre-publication release of this Treasury Minute to the media.

If we are to adhere to HMSO's projected timetable for printing and publication of this Minute, a reply by close of play on Monday 6 December would be appreciated.

I am copying this letter to David Heyhoe, Murdo Maclean and Bernard Ingham.

Yours ays


A J SALVESON
Parliamentary Clerk

-3 DEC 1982

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PAC REPORTS

7th Report	Excess Votes
<u>9th Report</u>	Ministry of Defence - Chevaline
<u>10th Report</u>	Department of Industry - Sale of Share in British Aerospace; Sales of Government Shareholdings in other publicly-owned Companies and BP Ltd.
11th Report	DES/UGC matters
12th Report	Court Fees
13th Report	Department of Transport - Road Construction Units
<u>14th Report</u>	Health departments and PSA - Fees to works consultants; opticians' costs
15th Report	Scottish and Welsh Development Agencies' Accounts
16th Report	Ministry of Defence matters
<u>17th Report</u>	Health departments - financial control and accountability in the NHS; costs of remedying defects in hospitals; NHS working practices
18th Report	Appropriation Accounts
<u>20th Report</u>	Department of Industry - British Leyland, Bathgate
21st Report	Highlands and Islands Development Board's Accounts
<u>22nd Report</u>	Revenue departments, Department of Energy and DHSS - "Black economy"; cost-effectiveness of investigation staff; financial effects of strike action by by Civil Servants; administrative powers; royalties and taxes levied on oil industries North Sea operations
23rd Report	DHSS - National Insurance Fund
24th Report	ECGD Accounts and Balance Sheets
<u>25th Report</u>	DOE/PSA - Fraud and irregularities
26th Report	C&AG's certificate to Appropriation Accounts
27th Report	Crown Estate Abstract Accounts
28th Report	HM Treasury/PSA - Investment Appraisal
29th Report	Department of Trade - General Lighthouse Fund
30th Report	HM Stationery Office Trading Fund Accounts.

SUMMARY OF MAIN CONCLUSIONS AND RECOMMENDATIONS OF PAC REPORTS

7th Report

Examination of Excess Votes. No substantive comment.

9th Report

The Committee criticised poor project management, forecasting and cost control. They also expressed dissatisfaction with the limitations of the existing financial systems which prevented proper disclosure to Parliament, and thus accountability, of information about the costs of major defence projects. Accordingly, MOD were asked to provide PAC each year with summarised information on progress and costs of major defence projects.

10th Report

The Committee recommended the Treasury should re-examine the procedures for future flotations (ie. after British Aerospace, Cable and Wireless and Amersham International): in particular to maximise the benefit to the Exchequer, reduce the cost of underwriting and widen the ownership of shares in the former publicly-owned companies. There was a warning about avoiding the arrangements entered into for financing the Airbus project causing liabilities on public funds, and criticism of Department of Industry postponing some payments to avoid an Excess Vote.

11th Report

The Committee recommended one or more annual cash limits to cover the whole of higher education; urged the early introduction of a new form of contract for academic staff; expressed reservations about the monitoring and reporting arrangements for control of university building projects introduced from 1 April 1981; and suggested greater freedom for certain schools to incur expenditure on repairs and minor works before departmental approval is needed.

12th Report

The Committee supported an early review of present policy on charging for court fees; including the full costs of services in memorandum accounts as the basis for decisions on fees; asked the Treasury to produce annual summaries of memoranda accounts where full costs were not recovered.

13th Report

The Committee criticised Department of Transport for not informing Parliament of the full financial implications of transferring work on road construction units to the private sector when that decision was announced. There is also comment on the work so transferred being performed by too narrow a selection of consultant firms.

14th Report

The Committee made a number of suggestions to PSA and the Health departments with the intention of improving the financial terms to the Exchequer when private consultant firms are employed to design and construct NHS hospitals. DHSS are criticised for inadequate monitoring of payments to opticians and failing to act quickly enough to recover over-payments which resulted.

15th Report

The Committee expressed concern at the delays in establishing financial duties or targets for certain of the SDA/WDA's functions. They criticised some aspects of the duties now set. The Treasury are urged to keep the arrangements for Government agencies standing behind creditors of wholly-owned subsidiaries under review to keep abreast of best commercial practices.

16th Report

An omnibus report criticising MOD's financial control systems and their inability to respect cash limits; urging review of the REME workshop organisation to see whether industry can play a larger role in repairing army vehicles; and criticising MOD and Treasury for allowing defence contractors over-generous profit rates under the profit formula. The Committee urged a speedy conclusion of the review of the profit formula arrangements.

17th Report

An omnibus report criticising the Health departments on a number of fronts: poor control over staff numbers; need for better vetting of hospital designs and departments passing on information to one another about the shortcomings of particular consultants and contractors; inadequate monitoring of some productivity formula schemes and duties performed outside normal working hours.

18th Report

The Committee urged legislative action as soon as possible to allow even earlier completion and publication of Appropriation Accounts than is currently planned this year.

20th Report

The Committee criticised a number of aspects of Department of Industry's relationship with Leyland Vehicles Ltd over the sale of Leyland's tractor assembly line at Bathgate: principally, the Memorandum of Understanding which requires too little consultation by the company, and lack of departmental involvement in disposal of BL assets. There was also an implied criticism of the Government's general line on the role of the C&AG and his access to the books of Government-owned companies.

21st Report

The Committee identified a number of shortcomings in the financial management of H I D B . They suggested a more stringent financial regime with more precise financial objectives; better accounts;

and a thorough review of the arrangements for financial control and monitoring projects assisted by HIDB.

22nd Report

Mainly an omnibus report on the Revenue departments: prescribing stricter and heavier enforcement of penalties for tax evasion; and more investigations; concern at the revenue lost because of the strike by some civil servants; recommending (again) statutory backing for the increasing number of administrative concessions; more information for potential beneficiaries of the existence of unpublished concessions. Additionally, the Committee developed its opposition to the Government's policy on reducing civil-service staff numbers as an objective in itself by recommending recruitment of additional staff in the Revenue departments and DHSS by reference to their beneficial cost/yield ratio. Separately from all of this the Committee criticised the present fiscal regime for North Sea oil operations for being too complex and needing to be based much more on profits.

23rd Report

The Committee recommended a fundamental review and re-statement of the basis of operation of the National Insurance Fund including setting the level of its working balance. The current presentation of the Fund's Accounts is criticised as misleading. Looking back to the previous (22nd) Report, the Committee recommended more and closer investigation of under-collection of NI contributions.

24th Report

The Treasury are urged to produce performance measures for ECGD to meet the objective that the department operates at no net cost to the Consolidated Fund. The Committee noted the potential risks for the Government's borrowing requirement in circumstances such as Poland's recourse to re-scheduling of debts.

25th Report

The Committee criticised PSA's attitude and slowness to react to evidence of fraud in the Agency. They also expressed concern about the difficulty of line management to pursue cases of negligence or worse while legal proceedings have to run their course. MPO are urged to offer central guidance on reinstatement of officers found guilty of criminal practices.

26th Report

The Committee noted a change in the form of the C&AG's audit certificate and indicated the need to consult the Committee about the audit standards covering E&AD's work which are currently being developed.

27th Report

The Committee criticised the absence of a general valuation of the Crown Estate which meant no balance sheet and no means of satisfactorily accounting for the Commissioners' stewardship. The Report made some critical comments about the way the major Millbank redevelopment scheme was conducted but failed to provide any clear conclusions or recommendations for the future.

28th Report

The Committee criticised departments, in general terms, for resisting the systematic use of investment appraisal and recommended that departments should place on the record any decisions against use of investment appraisal to form capital investment decisions. The Committee made a number of general recommendations for achieving better performance: closer involvement of departmental finance branches, more training, more post-audit and monitoring. The Treasury are urged to keep results and progress under review centrally, and are recommended to consider expanding their central guidance so that departments are fully alert to using investment appraisal for decisions on continuing use of existing assets as well as on future investment in new ones.

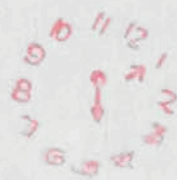
29th Report

The Committee recommended a fundamental review of lighthouse services, particularly of financial and accounting arrangements. There was criticism of Department of Trade for failure to use its current powers adequately to control the lighthouse authorities' staff numbers and estimates, and of the way the accounts are drawn up. The Committee urged a speedy settlement of long-standing problems with the Irish Government over the collection and assessment of dues for lights operated in the Republic.

30th Report

The Report noted, with concern, the threat to the financial structure and viability of the HMSO's Trading Fund resulting from the high level of NLF interest rates current when the trading fund was established. The report implied some action was expected of the Government to assist HMSO resolve this predicament in the current review of HMSO's future financial viability and structure.

E 3 DEC 1982



Parliament

Wm
Wp

THE PARLIAMENTARY AND SCIENTIFIC COMMITTEE

GENERAL COMMITTEE

There will be a meeting of the General Committee on:

Tuesday, December 14th, 1982 at 5.30 p.m.

in the Grand Committee Room
(off Westminster Hall)

House of Commons

A G E N D A

1. MINUTES of the last Meeting (November 16th, 1982)
2. NEW MEMBERS
3. FUTURE ARRANGEMENTS
4. ANY OTHER BUSINESS
5. ADDRESS on the Government's response to the House of Lords Select Committee on Science and Technology's report, Science and Government, by Sir Henry Chilver, Chairman of ACARD, introduced by Lord Sherfield.

MRS. RENEE SHORT, M.P.

Chairman

26th November, 1982.



10 DOWNING STREET

THE PRIME MINISTER

25 November, 1982

Dear Mr. Price,

Thank you for your letter of 11 November in which you asked me for a copy of "the report of the Central Policy Review Staff relating to the future financing of the welfare state".

There was no such report. The CPRS prepared a confidential analysis for Ministers, outlining a number of possible ways of limiting the growth of public spending in the longer term, so that we could decide whether to commission further work on any of them. As I explained to the House on 11 November, that paper was not discussed and no further work is being done on it.

In view of your request I have considered whether the paper should be made available to the Committee but I have concluded that it should not. It is well established that advice by officials to Ministers on policy issues is not made available to the House itself or to Select Committees, whether in confidence or otherwise, save in the most exceptional circumstances. It does not seem to me that the circumstances in this case are so exceptional as to justify a departure from the rule.

C. Price, Esq., M.P.,

Yours sincerely
Margaret Thatcher

WJ



Ref. A082/0248

MR RICKETT *mgre* *cm* *24/11*

Select Committee on Education, Science and Arts: CPRS
"Report on Welfare State"

In your letter of 12th November you requested a draft reply for the Prime Minister to send to the Chairman of the Education, Science and Arts Committee in response to his request to the Prime Minister to make available to the Committee a copy of the "report of the CPRS relating to the future financing of the welfare state". Similar requests have been made to the Prime Minister and to the CPRS in the past by the Chairmen of the Select Committees on Energy (PM's reply of 9th July 1980) and Transport (PM's reply of 14th December 1981).

2. In both previous cases the Prime Minister's refusal led to requests from the Committee in question that members of the CPRS should appear before the Select Committee to give oral evidence. In both cases the CPRS declined and the Committees decided not to press the matter any further.

3. It is recommended that the Prime Minister should take the same line as she took in these previous cases, arguing that it is well established that advice to Ministers is not made available to the House itself or to its Select Committees. If this refusal leads the Committee to follow up with a similar request to those made in previous years for the appearance of the CPRS members concerned in order to give oral evidence, this will have to be duly considered. It is also worth repeating the point made by the Prime Minister in the House on 11th November that the CPRS document was not a report as such but simply a paper suggesting further work which was not in the event pursued.

4. I attach a draft reply on the above lines which the Prime Minister may care to send to Mr Christopher Price.

RH
R P HATFIELD

24th November 1982



DRAFT LETTER FROM THE PRIME MINISTER TO CHRISTOPHER PRICE, MP

Thank you for your letter of 11th November in which you ^{asked} ask me for a copy of "the report of the Central Policy Review Staff relating to the future financing of the welfare state".

There was no such report. The CPRS prepared a confidential analysis for Ministers, outlining a number of possible ways of limiting the growth of public spending in the longer term, so that ^{we} ~~Ministers~~ could decide whether to commission further work on any of them. As I explained to the House on 11th November, that paper was not discussed and no further work is being done on it.

In view of your request I have considered whether the paper should be made available to the Committee but I have concluded that it should not. It is well established that advice by officials to Ministers on policy issues is not made available to the House itself or to Select Committees, whether in confidence or otherwise, save in the most exceptional circumstances. It does not seem to me that the circumstances in this case are so exceptional as to justify a departure from the rule.

THE PARLIAMENTARY AND SCIENTIFIC COMMITTEE

Minutes of a Meeting of the General Committee held on Tuesday 16th November 1982 at 5.30 p.m. in Committee Room 12, House of Commons

PRESENT: Mrs. Renee Short M.P. (Chairman), K.R. Ackerman Esq, G.F.W. Adler Esq, Ronald Adair Esq, Miss G.M. Ashworth, G.A. Ashton Esq, H. Ball-Wilson Esq, G.W. Barraclough Esq, The Earl of Bessborough, Russell Bowden Esq, Dr. Jeremy Bray M.P., Peter Brooke Esq M.P., Dr. Ivan Brown, Sir Andrew Bryan, Dr. D.W. Budworth, Mrs. Hilda Butler, C.W. Capp Esq, John Catt Esq, H. Connor Esq, G. Constable Esq, T.D. Dampney Esq, I.L.L. Davies Esq, Dick Douglas Esq M.P., Dr. K.P. Duncan, David Firnberg Esq, Dr. M. Goldsmith, D.P. Gregory Esq, The Lord Gregson, B. Hamilton Esq, D. Harcombe Esq, Derek Harding Esq, John Harvey Esq, G.W. Hastings Esq, D. Haxby Esq, E.J. Howe Esq, Donald Huddart Esq, W.E. Ingham Esq, M.K. Jones Esq, Dr. N.A. Keen, P.P. King Esq, Prof. John Kingman, John Lee Esq M.P., D.A.B. Llewelyn Esq, Ian Lloyd Esq M.P., W. McCall Esq, A. McKay Esq, Michael Marshall Esq M.P., D. Mitchell Esq, Miss. C. Murland, Brian Murphy Esq, Prof. T.G. Onions, The Lord Orr-Ewing, T.S.R. Parkin Esq, J.R. Pickin Esq, Miss J.M. Plaister, The Lord Rhodes, M.S. Ridout Esq, Dr. M.G. Rinsler, Gwilym Roberts Esq M.P., Geoffrey Robinson Esq M.P., Prof Sir Gordon Robson, Tom Robson Esq, Prof. E. Rolfe, Dr. H. Rose, Dr. N.A. Schofield, Dr. C.H. Shrimpton, Trevor Skeet Esq M.P., D.G. Spickernell Esq, R.H. Spikes Esq, Leslie Spriggs Esq M.P., The Lord Stamp, C.C. Stevens Esq, A.M. Taylor Esq, Dr. W. Thoday, P.M. Victory Esq, Gary Waller Esq M.P., J.B. Walsby Esq, Dr. K.G. Warren, H.R. Watson, A.L. Whitear Esq, R.T. Whiteley Esq, William Whitlock Esq M.P., J.S. Whyte Esq, The Rt. Hon. Fred Willey M.P., C.T. Wyatt Esq, M. Young Esq, Arthur Butler Esq (Secretary).

MINUTES of the previous meeting (October 26th, 1982) were agreed and signed.

NEW MEMBERS

It was noted that the Rt. Hon. Roy Jenkins M.P. was elected to parliamentary membership.

FUTURE ARRANGEMENTS

It was noted that there would be a visit to the BBC Research Department at Kingswood Warren, Tadworth, Surrey, on Tuesday, November 30th for which there were still places available.

It was also noted that the next meeting of the General Committee would be on Tuesday, December 14th when the subject would be the Government's response to the House of Lords Select Committee on Science and Technology's Report on Science and Government. Lord Sherfield will open the meeting, followed by Sir Henry Chilver, Chairman of ACARD.

Kenneth Baker M.P., Minister of State for Industry and Information Technology, then addressed the committee.

① 22/11

Christopher PRICE MP 20



19/11

10 DOWNING STREET

From the Private Secretary

12 November, 1982.

I enclose a copy of a letter to the Prime Minister from Christopher Price, M.P. He writes as Chairman of the Select Committee on Education, Science and Arts, asking if she will provide the Committee with a copy of the CPRS report on future financing of the welfare state. I should be grateful for the draft of a reply the Prime Minister might send to Mr. Price by 19 November, if at all possible. I imagine the Prime Minister will wish to reply to Mr. Price in much the same terms as she replied to Alf Morris at Question Time last Thursday (Official Report Col. 667).

W. F. S. RICKETT

Richard Hatfield, Esq.,
Cabinet Office.

A handwritten signature, possibly 'JH', in the bottom right corner of the page.



to

10 DOWNING STREET

From the Private Secretary

12 November, 1982.

I write on behalf of the Prime Minister to thank you for your letter of 11 November which you wrote in your capacity as Chairman of the Select Committee on Education, Science and Arts.

I will place your letter before the Prime Minister, and a reply will be sent to you as soon as possible.

W. F. S. RICKETT

Christopher Price, Esq., M.P.

JP



10 DOWNING STREET

PRIME MINISTER

Christopher Price writes as Chairman of the Education, Science and Arts Committee to ask if you would provide the Committee with a copy of the CPRS "report" on the welfare state. I imagine you will wish to reply in much the same terms as you replied to Alf Morris at Question Time on Thursday. *ms*

We will let you have a draft reply.

wh

ms

12 November, 1982.



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA
01-219 6243 (Direct Line)
01-219 3000 (Switchboard)
01-219 5774 (Direct Line)

EDUCATION, SCIENCE AND ARTS COMMITTEE

The Rt Hon Margaret Thatcher, MP
10 Downing Street
London SW1

11 November 1982

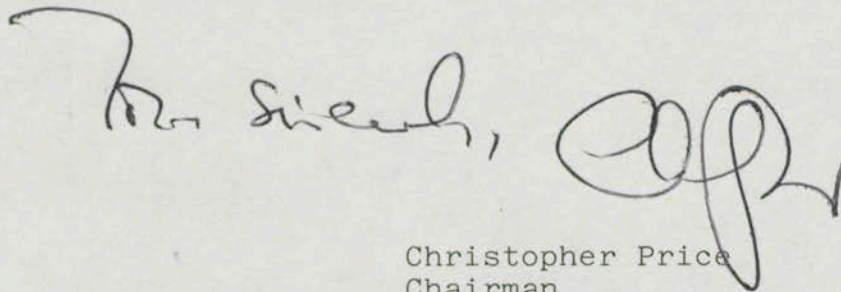
Dear Prime Minister

At their meeting yesterday the Committee directed me to ask you whether you would be prepared to provide them with a copy of the report of the Central Policy Review Staff relating to the future financing of the welfare state.

In view of the substantial comment there has been on the alleged contents of the report in the press and elsewhere, not least on the education expenditure options which are said to have been considered, the report is bound to be mentioned at our Expenditure meeting with the Secretary of State on 13th December.

In addition, the Committee are naturally concerned with any possible options that are considered by Government in the field of education, since this is closely akin to matters which it is the concern and duty of the Committee to consider also.

I very much hope that you will find it possible to give a favourable response to our request.



Christopher Price
Chairman

Prime Minister



The opposition are insisting that all proposals to put Bills to Second Reading Committee procedure should be discussed with them through "the usual channels" rather than between ministers and their opposite numbers.

PRIVY COUNCIL OFFICE

WHITEHALL LONDON SW1A 2AT

10 November 1982

I understand this is because Mr Sprouat wrote to his opposite number proposing second reading committee procedure for a Bill, and failed to sign the letter, which also contained a number of typing errors. Michael Cooks seems to have overreached.

As you know, we have customarily had an arrangement with the Opposition whereby the Minister in charge of a Bill which the Government judged suitable for Second Reading Committee procedure would discuss with the Opposition Front Bench spokesman whether or not the Opposition would be prepared to agree to this procedure. Only in the light of that agreement would the Bill be introduced.

WR
10/11

MS

I am writing to inform you and other colleagues that the Opposition have now put a block on this arrangement. Would you therefore please ensure that no further discussions with Opposition spokesmen take place on these matters? Any Bills which were scheduled to be dealt with in this way should be referred to Mr Maclean in the Chief Whip's office. Proceedings on any Bills to which the Opposition have already agreed must be postponed until further discussions have taken place through the usual channels.

I am copying this to all Cabinet colleagues, Michael Jopling, the Chief Whip (Lords) and Sir Robert Armstrong.

John Biffen

JOHN BIFFEN

The Rt Hon William Whitelaw CH MC MP
Secretary of State for the Home Department
Queen Anne's Gate
London SW1

Parliament

FILE

RM



10 DOWNING STREET

From the Private Secretary

30 September, 1982

Thank you for your letter of 17 September about the House of Commons Defence Committee's Second Report 1981-82 on Ministry of Defence Organisation and Procurement.

Mrs Thatcher has noted that your Secretary of State proposes to publish the Government Observations as a Command Paper on 6 October.

L. L. COLES

N H R Evans, Esq.,
Ministry of Defence

FW



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Prime Minister (2)

M/S 17/9

Telephone 01-218 2111/3 (Direct Dialling)

01-218 9000 (Switchboard)

MO 21/8/16

17th September 1982

Dear Michael,

MS

The House of Commons Defence Committee's Second Report 1981-82 on Ministry of Defence Organisation and Procurement was published on 22nd July 1982. My Secretary of State ~~proposes to publish~~ the Government Observations as a Command Paper on 6th October 1982. The text of the observations, which are not controversial, is enclosed.

I am copying this letter to David Heyhoe, Bernard Ingham and Richard Hatfield.

Yours ever
Nick Evans

(N H R EVANS)

M C Scholar Esq

SECOND REPORT FROM THE DEFENCE COMMITTEE 1981-82

HC 22-I-II

MINISTRY OF DEFENCE ORGANISATION AND PROCUREMENT

Observations presented by the Secretary of State for Defence

1. The Second Report from the Defence Committee Session 1981-82 was published on 22 July 1982. The Government concurs in the Committee's identification of two major themes emerging in the inquiry (the emphasis on the role of the Centre as a policy source coupled with greater delegation of authority for the execution of policy decisions; and the increasing need to associate contractors more intimately with the planning of operational requirements) and welcomes the Committee's general support for the Ministry's current and evolving policy on both these issues. The Government regards the Committee's investigations as important and timely, particularly in view of the initiatives which the Ministry has been undertaking, often in consultation with industry, to improve its procurement procedures and practices. The Committee's views on this significant element of the Ministry's affairs have been helpful. The Government presents the following observations on particular issues singled out by the Committee for comment and recommendation.

Size of the Ministry of Defence

2. The size of the Ministry of Defence will continue to reduce in line with Government policy and in relation to the task. By April 1982, Headquarters numbers had been reduced by some 22% since 1974 and further reductions are planned to take place by April 1984. Reductions in the size of British defence establishments cannot, of course, be the sole criterion governing HQ numbers. The scale and complexity of the defence programme is also relevant. In contrast, between 1974/5 and 1981/2 the Defence Budget increased in real terms with a rising proportion going on equipment. It is the continuing aim of the Ministry of Defence to increase effectiveness and efficiency by simplifying its organisation and procedures wherever this is possible, and clarifying lines of responsibility and accountability. As part of this process, the role of the central organisation of the Ministry of Defence is being enhanced to bring a sharper focus on to major defence policy issues.

The Central Equipment Committees and the Fisher Report

3. The Minister of State for Defence Procurement has informed the Committee about progress in implementing the recommendations of the Fisher Report, in particular the decision to raise the financial thresholds for projects requiring scrutiny by the Central Committees from £25M to £50M for development expenditure and from £50M to £100M for production expenditure. Limits above which projects require Ministerial approval (£25M development and £50M production) will remain unchanged to enable Ministers to maintain a close interest in the equipment programme. The Ministry will keep the Committee informed about progress in implementing the remaining recommendations of the Fisher Report including, in particular, the proposal to amalgamate the DEPC and the ORC which is still being considered.

Organisational Changes and Delegated Powers

4. The decisions on organisational changes in the Central Staffs of the Ministry of Defence and on the raising of delegated financial powers are intended to improve the central overview of the Ministry's procurement programme and the responsibility of the Service Departments, the Systems Controllers and their Project Managers for implementing procurement decisions within constraints laid down centrally.

5. The Chief of Defence Procurement has delegated to his three Systems Controllers "full authority over the technical and financial management" of their respective programmes, the major limitations being that they keep within their available funds, and must report to him anything which bears on his responsibility as Accounting Officer for Vote 2. CDP has also told the Controllers that he wishes to encourage the maximum degree of delegation within the Controllerates consistent with efficiency. Officers at or above the level of Project Manager are entrusted with full management accountability for their projects, and may where appropriate sub-delegate to their staffs.

6. As regards the Ministry's project managers, the Government notes the Committee's views on the seniority, experience and responsibilities which they consider appropriate. It is Ministry policy to ensure that Project Managers have adequate seniority and experience, that appropriate authority is delegated to them to achieve approved project targets, and that they remain in post for reasonable periods of time, subject to individual career needs and the requirements of the Services.

Resource Allocation in the Ministry of Defence

7. The allocation of resources within the defence programme is a fundamental task of the Ministry of Defence, and the Government agrees that the means by which it is determined are crucial to the Ministry's effectiveness. It is, however, necessarily a highly complex task and there can be no simple method of determining the optimal allocation of limited resources between the many diverse commitments and roles of the Forces. Future manpower and equipment plans need to be formulated by the Service staffs within centrally determined guidelines and against the likely availability of future financial resources. These plans must be assessed in the light of their contribution to the effectiveness of defence expenditure. This is achieved by the decision of Ministers advised by their staffs, both military and civilian. Operational analysis can make a useful contribution to this process, and as much use as possible will continue to be made of the resources of the Defence Operational Analysis Establishment for this purpose. At the end of the day, however, major resource allocation decisions are and must be determined by Ministerial judgements, in the light of all relevant factors, political, strategic, scientific, industrial and financial.

8. Changes have been made in the central machinery for advising Ministers on resource allocation questions. Under the Chief of Defence Staff, and reporting to him through the Deputy Chief of Defence Staff, the central military staffs responsibility for programme matters and operational requirements have been grouped, together with a new concepts cell, under a post of Assistant Chief of Defence Staff (Programmes). Similarly on the civilian side, the staffs responsible to the Permanent Under Secretary for advice on resources and programme matters have been brought together under a new post of

Assistant Under Secretary (Resources and Programmes), which combines two existing Under Secretary charges. These changes are intended to improve effectiveness while achieving staff economies.

Reeves Report and Financial Control

9. The Ministry of Defence has been proceeding as quickly as staffing and other constraints allow to implement the recommendations of the first Reeves Report along the lines noted by the Committee. Many have already been put into effect. In particular the practice, begun in 1981/2, under which managers were notified as appropriate of cash allocations and told of their responsibility to monitor and control cash against them, has been continued in 1982/3.

10. The Ministry of Defence welcomes the Committee's view that the Government should agree a satisfactory scheme which would afford the Department end-year flexibility by the end of the 1982/3 financial year. The main problem perceived by the Government has been one of cost. The Ministry of Defence currently enjoys more flexibility in-year than most Government Departments, but believes that the constraints of annuality bear particularly harshly on a Department of such size and complexity, and that end-year flexibility could be introduced in the case of MOD at no extra cost in terms of public expenditure. As the Committee has noted, the issue of flexibility between years is currently receiving consideration; and the Government will take all relevant factors into account when reaching its decision.

Procurement Procedure and Relationships with Industry

11. As the Ministry stated in both oral and written evidence, more thorough liaison with industry is being developed with special emphasis on the early stages of consideration of possible new projects; care is being taken to avoid over-sophistication in equipment specifications wherever possible; overseas sales potential and the availability of off-the-shelf equipments are given particular attention as is the timely and responsible adoption of fixed price or incentive contracting and the need for delegation of authority and the simplest administration consistent with public accountability is fully recognised. The Ministry will continue to seek further improvements to its processes where these are clearly justified, in consultation with other Government Departments and the defence industry as appropriate.

12. The Ministry is mindful of the need to look to the position of its smaller contractors and sub-contractors as well as larger companies. Small firms or their representatives are regularly invited to briefing meetings for industry held by the Ministry. Moreover, although it remains the Ministry's general policy to utilise the Prime contractorship System of project management wherever it is appropriate, the Ministry has evolved a range of measures aimed at protecting the interests of their sub-contractors; these are set out in Sections E and F of the MOD Memorandum on Defence Procurement Arrangements (DP 37).

Project Monitoring

13. The Government notes the Committee's endorsement of the need for monitoring by the Ministry of Defence of the progress of projects. The Ministry's Guides to Defence Contracting (DEFCON Guides) set out

the Ministry's requirements for the planning and cost management of defence development and production contracts, and prescribe the frequency with which information is to be reported to the Ministry by contractors for the purposes of project monitoring, and the detail and form in which it is to be reported. These prescribed factors depend not only on the type of contract, but also on the value and technical complexity of the project. The overall intention is not to impose upon contractors' staff a burden in providing information for the Ministry's monitoring purposes which is out of proportion either to the value of the project or to its technical complexity, but simply to seek sufficient information for the Ministry to discharge its responsibility as custodian of the taxpayer's money in an adequate manner. The Ministry has recently undertaken a revision of the financial thresholds set out in the appropriate DEFCON Guides to bring them more fully into line with current economic conditions. The new thresholds are in the process of being promulgated: as an example, the level below which development contracts are defined for reporting purposes as "minor", and hence subject to considerably simplified monitoring procedures, has been increased from £1M to £3M.

The Design of Future Warships and the Management of Ship Procurement

14. The Government notes the Committee's recommendation that future warship designs should normally be produced by the appropriate British Shipbuilders yard after the Ministry have, in consultation with them, drawn up the specification. This is current practice. The Ministry and industry have their respective areas of expertise and responsibility. The Ministry's primary role in ship design is the conceptual one of defining the essential characteristic of what is

required. Industry translates these broad design characteristics into a fully developed detailed design suitable to form the basis of a controllable production contract. These roles necessarily interlock and the Ministry's practice is to maintain the closest possible contact with industry from the earliest stages in a ship programme. In the case of the Type 23, Yarrow Shipbuilders Ltd have been closely involved from the initial conceptual stage onwards and a contract for the detailed design stage has now been placed with them.

15. The Government does not accept that the higher direction of naval ship procurement is not seized of the fact that time is money. As explained in evidence to the Committee, the Ministry's experience suggests that to place a contract before a detailed design is ready leads inevitably to design alterations, delay and cost escalation. Cases in point are the Type 21 and 42 first-of-class ships on which the Public Accounts Committee reported in 1976 (5th Report Session 1975/76). At that time the Ministry accepted that experience gained from these projects served to re-emphasise the need to make as much progress as possible in the design and planning of warships before placing a contract for the first-of-class, and to limit alterations during constructions to a minimum. The Ministry believes firmly that this is essential to obtain value for money and dispense public funds properly. The contrast between the Type 21 and Type 22 in this regard (as described in the Ministry's Paper, DP21) is very noticeable. Nevertheless, the Ministry is conscious of the need to press ahead with design and development work at due speed; it does not accept that this has not been shown in the progressing of the T23 and T2400 Staff Requirements and subsequent designs, having regard to the crucial importance of these projects for both the RN and the export market which required the most careful consideration of the cost-effectiveness of alternative ship and system concepts.

Criteria for Procurement Decisions

16. The Ministry of Defence's procurement procedures are designed above all to provide the Services with the equipment they need to carry out their duties. However, in taking procurement decisions the Ministry must have regard to all relevant factors, whether military, financial or industrial and it is these factors which govern the Ministry's approach to the PAC and industry. It is the Ministry's responsibility to ensure that the taxpayer's money is properly spent, and that a satisfactory account of that expenditure can be rendered to Parliament; it is also the Ministry's duty to take into account the industrial implications of procurement decisions. In this connection the Department of Industry are consulted at an early stage in the procurement cycle; consultation at appropriate levels up to Ministers is maintained throughout the decision-taking process.

Quality Assurance

17. The Government notes the Committee's support for the arrangements for a National Strategy for Quality throughout British industry. Ministry of Defence direct contractors have been informed that their responsibility to that Department to satisfy themselves about the quality control systems of their sub-contractors will be considered met if the sub-contractor they choose has been assessed by the British Standards Institution to BS. 5750 supplemented by the appropriate technical schedule. The Ministry is co-operating with the Department of Trade in order that the technical schedules may be agreed and the BSI scheme become effective as soon as possible.

Contractor Selection

18. The Ministry of Defence does not maintain lists of firms which are either "favoured" or "blackballed" in relation to their "track records" and their right to be invited to tender for particular contracts. Nevertheless the Ministry has a responsibility to ensure that contracts are placed only with firms having both the technical and the financial competence and stability to ensure satisfactory performance of the work.

Collaborative Projects with Industry and with Allies

19. The Government welcomes the support of the Committee for the concept of joint ventures with UK firms in financing the development and production of defence equipment. The application of the joint venture concept to suitable projects is being pursued as the opportunity arises. The major current prospect is the future medium

helicopter (EH 101) which is the subject of an international collaborative agreement between Westlands and Agusta of Italy; the proposed investment of private as well as Government funds in the development is a recognition of the assessment that the largest market for that size of helicopter in the future will be provided by the civil sector.

20. As regards international equipment collaboration in general, the United Kingdom plays a full and active part in efforts to identify opportunities for collaboration and will continue to pursue these wherever they are militarily and economically advantageous.

Ministerial Aerospace Board

21. Formal and informal consultation between the Ministry of Defence and the Department of Industry is well-established at all levels. The Department of Industry is represented on the Defence Equipment Policy Committee where the significant discussion takes place prior to submission to Ministers for decision. In addition, for some time now Ministers from the two Departments have been meeting to consider defence industrial subjects; this continuing dialogue has included discussions of the current position and future prospects of the aerospace industry. These meetings provide an invaluable supplement to the numerous official contacts which take place at present. In the circumstances, and given the strengthening of the Ministerial oversight of procurement within MOD, the creation of a formally structured Ministerial Aerospace Board is regarded as unnecessary.



*For
Parliament*

10 DOWNING STREET

From the Private Secretary

16 September 1982

Thank you for your letter of 13 September to Willie Rickett about the Agricultural Training Board Annual Report and Accounts 1981/82.

We have no objection to the publication arrangements you propose.

I am sending a copy of this letter to Keith Long (Office of the Chancellor of the Duchy of Lancaster) and Murdo Maclean (Chief Whip's Office).

M. C. SCHOLAR

Mrs. R.A. Porter,
Ministry of Agriculture, Fisheries and Food.



Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

W Rickett Esq
Prime Minister's Office
10 Downing Street
London SW1

OK
type OK fms

M/S 15/9

13 September 1982

Dear Mr Rickett

THE AGRICULTURAL TRAINING BOARD
ANNUAL REPORT AND ACCOUNTS 1981/82

I am writing to seek your approval to the 'laying' before Parliament of the above Report on Friday 17 September. Publication will take place at 2.30 pm on the same day.

Yours sincerely

Rosemary Porter

Mrs R A Porter
Parliamentary Branch

✓ { *Mrs Rolleston*
Press Office

*Can you see any
objection to this?*

M/S 14/9

010

BF to myfs on 6/9
LH
Parliament 2/8

PA



COMMITTEE OF PUBLIC ACCOUNTS
COMMITTEE OFFICE
HOUSE OF COMMONS

01-219 3273
3274

INFORMATION FOR THE PRESS

There will be no further public meetings of the Committee until the Autumn. A press notice will be issued when the programme for public sessions in the autumn has been decided.

PUBLICATION OF REPORTS

Reports from the Committee will be published at noon on 9th September. There will be no confidential revise copies, and no Press Conferences will be held.

<u>Report</u>	<u>HC No.</u>	<u>Witnesses</u>	<u>Subject(s)</u>
23rd	369	DHSS	National Insurance Fund Accounts.
24th	373	ECGD	Trading Accounts and Balance Sheets
25th	382 417-ii	PSA & Directorate of Ancient Monuments and Historic Buildings	Frauds and irregularities in PSA and DAMHB
26th	495	C&AG	Comptroller and Auditor General's Certificate to the Appropriation Accounts.
27th	454	Crown Estate Commissioners	Abstract Accounts
28th	417	PSA, Treasury	Investment Appraisal
29th	438	Trade	General Lighthouse Fund

John R. Rose
Clerk to the Committee

29th July, 1982

51 JUL 1962

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10 DOWNING STREET

From the Private Secretary

28 June, 1982

Dear David

First Report from the Select Committee on
Procedure (Supply)

The Prime Minister has seen the Lord President's minute of 18 June. She is content with the approach set out in his minute, and agrees that he should now arrange for the preparation of the necessary Motions, and for these to be tabled for debate at an appropriate opportunity before the summer recess.

I am copying this to Private Secretaries to members of the Cabinet and to David Wright.

Yours ever

Willie Richett

David Heyhoe, Esq.,
Lord President's Office

6

SW.



Foreign and Commonwealth Office

London SW1A 2AH

28 June 1982

From the Secretary of State

Dear John

First Report from the Select Committee on Procedure (Supply)

Thank you for sending me a copy of your minute of 18 June to the Prime Minister.

I note what you and the Chief Whip have agreed with the Opposition and fully agree with the way in which you now propose to proceed.

I am copying this to Cabinet colleagues and Sir Robert Armstrong.

Yours ever

John Biffen

The Rt Hon W John Biffen



PRIME MINISTER

FIRST REPORT FROM THE SELECT COMMITTEE ON PROCEDURE (SUPPLY)

John Biffen sent me a copy of his letter to you of 18 June about the implementation of the recommendations of the first report from the Select Committee on Procedure (Supply). I am glad that the long drawn out discussions have now reached a satisfactory conclusion. Increasing the effectiveness of Parliamentary scrutiny of Estimates can only redound to our advantage in terms of efficiency and value for money. I hope it will prove possible for the necessary motions to be tabled in the fairly near future.

I am copying this to Cabinet colleagues and to Sir Robert Armstrong.

L. B.

LEON BRITTAN
24 June 1982

CONFIDENTIAL

25 JUN 1982



Prime Minister

7



It seems that Mr Biffen and the Chief Whip have managed to get the opposition to agree with the proposals you agreed with Francis Pym last November (page 2).

PRIME MINISTER

Yes not

You will wish to see the line Mr Biffen proposes to take on points A and B on page 3. Content for him to proceed as he suggests?

FIRST REPORT FROM THE SELECT COMMITTEE ON PROCEDURE (SUPPLY)

the Chief Sec is firmly in favour
21/6

In his letter to you of 25 November Francis Pym outlined his initial proposals for the handling of this report, which is mainly concerned with ways of providing the House of Commons with better opportunities to debate Departmental Estimates and with getting rid of the present misleading concept of Supply Days. The schedule attached to that letter summarised the report's recommendations and the suggested Government line.

A debate on the report subsequently took place on an Adjournment Motion on 15 February. Francis Pym then indicated the Government's broad support for the Committee's recommendations, but made clear some provisional reservations - in particular that there should initially be perhaps only 3 new 'Estimates Days' (rather than the proposed 8), and that it might be more appropriate if the Liaison Committee of Select Committee Chairmen, rather than a special Business Committee, were to advise the House on how these 'Estimates Days' should be structured.

The Chief Whip and I have recently concluded our discussions with the Opposition about the further steps to be taken on this report in the light of the debate, with a view to the tabling, as promised, of substantive Government Motions. I have also spoken to Edward du Cann, as Chairman of the Liaison Committee, and to the Chairman of the Committee, Terence Higgins. As a result, and despite the criticisms raised in the debate that the number of 'Estimates Days' proposed by the Government was too small, the Chief Whip and I have reached agreement with the Opposition that the Government Motions

.../tabled

tabled for debate should generally follow the proposals set out in Francis Pym's letter to you of 25 November and proposed by him when opening the debate on 15 February. This would mean that the Motions would provide that:

- a. there should only be three 'Estimates Days' - at least as a start;
- b. the Liaison Committee of Select Committee Chairmen, and not a special Business Committee, should have the function of advising the House on how these 'Estimates Days' might be structured (eg which Estimates should be debated and for how long); and that any divisions arising on such debates should be grouped together at 10 pm;
- c. the present 29 Supply Days should be replaced by 19 "Opposition Days", with those House matters (annual debates on the Armed Services, EC matters, select committees and Scottish affairs) at present traditionally taken in Supply time taken in future Government time;
- d. the proposed 19 'Opposition Days' should be granted entirely to the Opposition without any allocation to the minor parties;
- e. Consolidated Fund Bills would in future be taken formally;
- f. to compensate for the loss of Private Members' time arising from the ending of debates on the Second Readings of Consolidated Fund Bills, the time remaining on each of the three days after the remaining stages of the Consolidated Fund Bills had been taken formally would be allocated to Private Members' time. Provision would be made for automatic closure at 9 am on such days. An additional Friday would also be allocated to Private Members' time;

.../g.

- g. Motions providing for the dates of recesses would in future be debatable for 1½ hours only.

A { The most controversial of these proposals seems likely to be that providing that any allocation of the 19 'Opposition Days' to minor parties should be at the discretion of the Opposition. This is in accordance with the recommendation made by the Procedure (Supply) Committee. The Motion will be amendable, and the SDP, or the Liberals, will no doubt table an amendment. If necessary, we should seek to ensure its rejection. The Opposition have agreed that they will undertake to continue existing practice.

B { The Opposition have also expressed concern that if the various items of annual House business referred to at c. above were transferred from Supply time to Government time, they would lose all control over the timing of such debates. It seems desirable to retain the status quo in this respect. I would accordingly propose to offer during the debate an assurance, which the Opposition have indicated would be acceptable, that as far as possible the Opposition's "say" in the timing of business traditionally taken on "ex-Supply" Days should remain as at present. Thus the Opposition would have a veto on any Government proposal to use a particular day for such business. The Opposition could propose that such a day should be an Opposition Day, but the Government would, for their part, also have the right to deny its use either as an Opposition Day or for House business formerly taken in Supply time. Both Government and Opposition would thus retain their present power of veto over the use of particular days for all the former purposes of Supply Days. I would also propose to give an assurance, as necessary, that practice with regard to the use of Government and Opposition time for Opposed Private Business should effectively remain as at present.

.../I would

I would now propose to arrange for the preparation of the necessary Motions, and for these to be tabled for debate at some appropriate opportunity, probably after 10 pm, before the Summer Recess.

I am copying this to Cabinet colleagues and to Sir Robert Armstrong.

WJB

J B

18 June 1982

21 JUN 1982



COMMUNICATIONS

Parliament
cc JV

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

8 June 1982

✓
MAD
18/1

will request if required

As you know, your Secretary of State discussed with the Lord President this afternoon the reply to be given to Mr Christopher Price MP's letter of 26 May about the identification of local education authorities.

As I explained on the telephone, Sir Keith and Mr Biffen agreed that no concession should be made in relation to the past commitments given to the local authorities over confidentiality. Although two of the authorities (and, as you subsequently explained, now three) had made their positions known, this was a matter for them.

It was also agreed that no commitment could be given to the Select Committee about handling matters any differently in future. However, the Lord President explained that his own interest was in keeping relations between Select Committees and Departments at a suitably low temperature. He saw no prospect of providing time for a debate on the point at issue and he thought that Mr Price recognised this. It would nevertheless help in handling the matter in the House if there could be some indication of possible future movement in the direction which the Select Committee advocated. Sir Keith agreed that, without giving any commitment whatsoever, he would be willing to say that he was ready to consider the future position on its merits.

.../...

Mrs Imogen Wilde
Private Secretary to the
Secretary of State for Education and Science
Elizabeth House
York Road
London SE1 7PH

In the light of the above, the next step is, as we discussed, for your Secretary of State to reply to Mr Price's letter. You kindly agreed to let me have a copy of the draft when it is ready. Meanwhile, Mr Biffen would propose to take an early opportunity to discuss the point with Mr Du Cann, in his capacity as Chairman of the Liaison Committee in the hope that he might thereby further defuse the matter.

I am copying this letter to Mike Pattison (No 10) and David Wright in Sir Robert Armstrong's office.

Yours ever,

David

D C R HEYHOE
Private Secretary

cc TV
PRIVY COUNCIL OFFICE
WHITEHALL LONDON SW1A 2AT

25 May 1982
Pattison

Dear Imogen,

Thank you for the briefing material that you provided for the Lord President's talk with Mr Christopher Price MP yesterday.

The Lord President briefly mentioned the outcome of this meeting to your Secretary of State before Cabinet this morning. After reiterating his concern at the Government's unwillingness to provide the information requested, Mr Price said that he proposed to raise the matter again with his Committee when it meets tomorrow. He would then write formally to your Secretary of State confirming that the Committee was still of the same view and asking for a considered reply. He intends to send a copy of his letter to Mr Edward du Cann MP, as Chairman of the Liaison Committee, and to the Lord President.

The Lord President noted Mr Price's intentions and said that he would take the opportunity to talk the matter over with Mr du Cann and with Sir Keith after he had seen Mr Price's letter.

I am copying this to Mike Pattison (No 10) and David Wright in Sir Robert Armstrong's office.

Yours ever,

David.

D C R HEYHOE
Private Secretary

Mrs Imogen Wilde
Private Secretary to the
Secretary of State for Education and Science
York Road
Elizabeth House
LONDON SE1 7PH

22 MAY 1960

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Prime Minister

Christopher Price, as
Chairman of the Education
Select Committee, is
messing for confidential
information. He will not
get it. He may
try to raise the
issue with you.

BF 4



DEPARTMENT OF EDUCATION AND SCIENCE
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH
TELEPHONE 01-928 9222
FROM THE SECRETARY OF STATE

D C R Heyhoe Esq
Private Secretary to
the Lord President
Privy Council Office
Whitehall
LONDON SW1A 0AA

MF

24 May 1982

M/P 24/v.

Dear David

Thank you for your letter to Imogen Wilde of 20 May
about the refusal of information to the Select Committee
on Education, Science and the Arts about which Mr Price
is due to see the Lord President later today. I attach
a note for the Lord President, as requested.

I am sending copies of this letter to Mike Pattison at
No 10 and David Wright (Sir Robert Armstrong's office).

Yours sincerely

Nick Cornwell

N J CORNWELL
Private Secretary

NOTE ON REFUSAL OF INFORMATION TO THE SELECT COMMITTEE ON EDUCATION,
SCIENCE AND THE ARTS

1. When the Secretary of State, Dr Boyson and officials appeared before the Committee on 19 May they were questioned, inter alia, on the recently published report by HMI on the effects of local authority expenditure policies in England (copy enclosed). In various places the report refers specifically to a specified number of LEAs. One such reference (para 8) is to four LEAs whose level of provision for schools (not the quality of education offered) gave HMI most concern last year and who had further reduced their provision. The Committee asked the Senior Chief Inspector to name these four authorities. Under pressure, she confirmed that one of them was Gateshead, since that LEA had already made this fact known to the press. But she refused to name any other LEA, on the grounds that the HMI report had been prepared with the help of information from LEAs obtained on the understanding that no LEA would be mentioned by name in the report. The Secretary of State supported this refusal to break a confidence.

2. The purpose of the Report is to assess effects on the national system taken as a whole: it is not to produce self-standing assessments of individual LEAs. There is no doubt that the information necessary for an effective HMI report on the national picture would not be forthcoming from LEAs if they believed that the report might mention individual LEAs. However, it is the practice of the Senior Chief Inspector to inform each LEA which makes up a group specified in the report that it is included in that group (which is why Gateshead were able to identify themselves).

3. The information about each LEA's level and pattern of expenditure and the changes made from year to year is locally known or obtainable. The only information which is withheld from Parliament

and the public is the judgment of HMI of the success or failure of LEAs, in relation to each other, in translating the level of provision into a satisfactory educational offering, a translation which involves not only the volume of resources but the skill with which it is deployed, the quality of the teaching force, and many other factors.

4. Neither Parliament, nor the Government, has, under existing legislation, the power to control what each LEA spends on education and the pattern of that expenditure. The Government can only influence that level and pattern broadly through the Rate Support Grant and in other ways.

5. A balance has to be struck between the desire of the Select Committee to have as much information as possible and the ability of HMI to obtain the information needed to assist Parliament, the Government and the education service in judging the adequacy of provision nationally. The Committee last year gave precedence to the first objective and invited the Senior Chief Inspector to consider naming individual LEAs in the next report. After sounding the local authority associations she decided against such an approach in the interest of securing the second objective.

6. The Lord President will wish to reserve a final judgment on any points made by Mr Price until the transcript of the 19 May session is available. Subject to that, he is recommended to maintain the line that it is wrong in principle for the Government to reveal information secured on a promise of confidentiality: and that confidentiality is, on balance, necessary for the reasons set out in para 5 above.

7. Mr Price did not express any concern during the hearing about the Department's response to his request for papers on the question of the financing of education. This issue is currently under consideration by Ministers and is one on which Ministers hold differing views. It would clearly be inappropriate, therefore, at this stage for the Committee to be given any working papers.

010



Parliament

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON, SW1A 2AT

20 May 1982

✓ MAF

Dear Imogen,

During Business Questions today Christopher Price MP stated that at a meeting of his Select Committee yesterday your Secretary of State had refused to give information which the Committee had requested. He did not specify what the information was, but I imagine he was referring to the possible changes in the financing of local authority education about which you wrote to this office on 18 May enclosing copies of the previous correspondence between your Secretary of State and Mr Price. In the course of his intervention today Mr Price went on to refer to the "undertaking" given by the previous Leader of the House and he has subsequently telephoned to ask if he might come to see Mr Biffen about this on Monday or Tuesday of next week prior to a meeting of his Committee on Wednesday 26 May.

In the light of the above, it will be most helpful if you could provide Mr Biffen with a background note on the points at issue, and especially on what transpired at yesterday's meeting of Mr Price's Committee, together with a recommended line to take which Mr Biffen might use when Mr Price comes to see him. Could you please let me have this as soon as possible on Monday morning, since Mr Price will probably be calling on Mr Biffen during that afternoon.

I am sending copies of this letter to Mike Pattison (No 10) and David Wright (Sir Robert Armstrong's office).

*Yours ever,
David*

D C R HEYHOE
Private Secretary

Mrs Imogen Wilde
Private Secretary to the
Secretary of State for
Education and Science



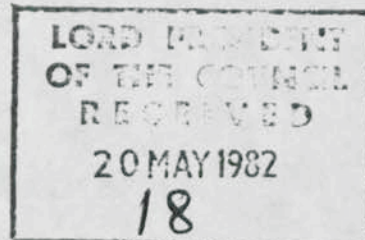
DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

N P M Huxtable Esq
 Private Secretary to the Lord
 President of the Council
 Privy Council Office
 Whitehall
 LONDON
 SW1A 2AT



18 May 1982

Dear Nick,

Thank you for your letter of 12 May about the letter from Mr Christopher Price to my Secretary of State about possible changes in the financing of local authority education. I enclose a copy of my Secretary of State's reply. He wished to be as helpful as possible and so is willing to discuss in general terms the various possibilities to which the Green Paper refers.

*Yours sincerely,
 Inger Wilde*

MRS I WILDE
 Private
 Secretary

SECRET

PRIVATE COUNSEL OFFICE
WHITTINGTON ROAD, LONDON SW 18 1NE

12 May 1982

Dear Chris

The Chairman of the Select Committee on Education, Science and the Arts, Mr Christopher Price, has written to your Secretary of State about block grant for education; a copy of this letter was sent to the Lord President of the Council and Leader of the House of Commons. Mr Price suggested that successive Leaders of the House have given binding assurances that Ministers would be as helpful as possible to Select Committees and that factual papers would be available setting out the basis of pending decisions. He therefore sought a paper dealing with block grants for education before 19 May.

The Lord President has asked me to enquire whether your Department believes that this is a reasonable request. I would be very grateful if you would let me know the present position on this. In particular, it would be helpful if you could let us have copies of subsequent correspondence.

Yours ever
N.P.M.

N P M HUXTABLE
Private Secretary

Chris Eagles Esq
Private Secretary to the
Secretary of State for Education
and Science
Elizabeth House
York Road
LONDON



DEPARTMENT OF EDUCATION AND SCIENCE
 ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH
 TELEPHONE 01-928 9222
 FROM THE SECRETARY OF STATE

107

cc Mr Cross
 Mr Simpson
 Mr Alford
 Mr James
 Mr Sande
 Mr Shaw
 Mr Brook

Christopher Price Esq MP
 Chairman
 Select Committee on Education,
 Science and the Arts
 House of Commons
 LONDON SW1A 0AA

11 May 1982

Dear Christopher,

Thank you for your letter of 30 April.

The Government are now considering the responses to the Green Paper "Alternatives to Domestic Rates" and their own position on the various options canvassed in it, including those in Annex B relating to financing the education service.

There are in this case no factual papers which form the basis of a pending decision. How a different system of financing local education authorities might work would depend on what kind of system was adopted: Annex B mentions three possibilities. But what I can do to help the Committee on 19 May, if you wish, is to discuss with them the sort of considerations which arise and to try to amplify the illustrative explanations that the Annex already provides.

Erin

Kew



AGENDA ITEMS
4 and 6

HOUSE OF COMMONS
LONDON SW1A 0AA
01- 219 3437

The Rt Hon Sir Keith Joseph MP
Secretary of State
Department of Education and Science
Elizabeth House
York Road
London SE1

30 April 1982

Dear Sir Keith

PLUCK GRANT FOR EDUCATION

I enclose a copy of a report in today's Guardian which indicates that discussions are at an advanced stage within Government about a major change in the funding of education. You will also be aware that the issue was canvassed with you when you last visited the Select Committee and you were unable to help in any way.

You will however be aware that since the new Select Committee system has been set up, successive Leaders of the House have given binding assurances that Ministers will be as helpful as possible to Committees and that factual papers which form the basis of any pending decisions will be available. In my opinion a decision of this magnitude is one over which Parliament should be consulted in a greater measure than it has been so far, by the means of an annex to a Green Paper.

The report indicates that you see this new system in the context of maintaining standards in schools and evening out disparities between local authorities. Thus, the issue is central to our session on the 19 May.

I would therefore hope that the Department will be able to send us a paper before the 19 May, giving us as much information as possible on its view as to how such a system might work. It would be my view that failure to be of real assistance to the Committee on this issue would be a matter of 'general concern' in the terms of Mr Pym's pledge to the House on the 16 January 1981.

I am consulting with my Committee about this issue shortly and am sure they will feel as I do.

Yours sincerely

Chairman, Select Committee
Education, Science and the Arts

Parliament



QUEEN ANNE'S GATE LONDON SW1H 9AT

✓ MA

-5 APR 1982

Dear Janet

COMMENCEMENT OF STATUTES

will request if required

Thank you for your letter of 23rd March.

I agree with you that, while it is sometimes necessary for legislation to come into force on Royal Assent, if possible there should be an interval, set out in the Statute, between enactment and commencement. For Home Office Legislation it has been customary for some years to provide in Bills for the Act to come into force one month after Royal Assent unless there is some good reason for making other provision. The one month was intended to allow time for the Act to be published and put on sale and for people affected to assimilate its effect before it comes into operation. I agree with you that, in general, it would be worth having a longer interval, but I think six weeks could prove unsatisfactory. One would need a calendar to discover the actual date which, of course, unlike the date of Royal Assent, cannot appear in the Act because no one knows while the Bill is in passage quite when Royal Assent will be.

I would be in favour of extending the one month period of three months as the standard interval to be employed. This seems to be the interval now used in Consolidation Acts and an Act which makes a change in the law should, I think, allow at least as long a period for assimilation.

I agree with you also that there should be as few commencement orders as circumstances permit.

I have sent copies of this letter to Ministers in charge of Departments, Sir Robert Armstrong, First Parliamentary Counsel and First Parliamentary Draftsman in the Lord Advocate's Department.

Baroness Young

The Rt. Hon. Baroness Young.



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

2 March 1982

CF
End for Cabinet folder,
M.

Acw Mike,

MAO
2/3

... I attach a copy of a letter dated 24 February which the Lord President has received from the Speaker about the length of Ministerial answers. The Lord President has replied to the Speaker promising to draw the matter to the attention of his Ministerial colleagues and we agreed, when we briefly discussed the matter this morning, that an appropriate way to do this might be for the Lord President to raise the point at Cabinet on Thursday.

Cons over,
David M.

D C R HEYHOE
Private Secretary

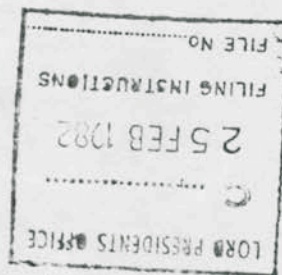
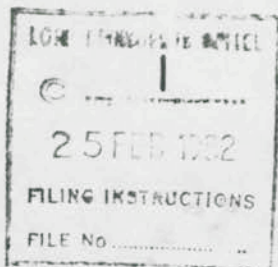
M Pattison Esq
Private Secretary
10 Downing Street
London SW1



Parliament

Speaker's House Westminster London SW1A 0AA

24th February 1982



Dear Francis,

I am becoming increasingly concerned at the recent length of some Ministerial answers. I am sure that you too have sensed the feelings of the House on this. Extended answers rob Back Benchers of their chance to put a Question - and Question Time is, after all, their time.

I hesitate to make a public statement on this - I am sure that if you let my views be known among your colleagues, there will be no need for me to do so.


*Yours ever,
George*

Speaker

The Rt Hon Francis Pym MC MP
Privy Council Office
Whitehall
London SW1.

-3 Wind 1502





Privy Council Office,
Whitehall,

London, SW1A 2AT

With the Compliments
of the
Private Secretary
to the
Lord President of the Council



→ MAP MAP Parliament

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

10 February 1982

Dear Jonathan

with MCS?

Thank you for sending us a copy of your letter of 5 February to Michael Scholar concerning the practice of making available uncorrected proof transcripts of public Select Committee hearings in the Library of the House of Commons.

I have sought the advice of the House authorities on this point and have shown your letter to the Lord President of the Council. The position is that this practice, although not widely known, is designed to ensure that Members of Parliament are able to inform themselves about evidence given during public proceedings in a Select Committee which may then be extensively reported in the media. The decision whether or not to make uncorrected transcripts available in the Library after a public hearing rests with the individual Select Committee. Generally, Select Committees will arrange for uncorrected transcripts to be placed in the Library whenever it is thought that a public hearing may give rise to press, radio or television interest. Since, however, this practice appears to be very little known, further thought will be given to the issue of appropriate guidance to Departments.

You also queried the marking of departmental copies of uncorrected transcripts of public hearings with the words "In Confidence until published". Since the hearing which gave rise to this query was held in public the marking of uncorrected proofs in this way self-evidently conveyed no indication of a security or a confidentiality classification. In fact the practice of marking proofs in this way probably began a number of years ago when public hearings were much less common than they are now. However, I should point out that these proofs are only made available at the discretion of Select Committees and that their contents cannot be treated as public knowledge, nor can they be made available outside departments, until the evidence is subsequently published in the usual way. For this reason they continue to be marked "In Confidence until publication".

I am sending a copy of this letter to Michael Scholar. ✓

Yours sincerely
N P M Huxtable

N P M HUXTABLE
Private Secretary

Jonathan Spencer Esq
Private Secretary to the
Secretary of State for Industry

10 FEB 1984





010
Parliament 2.
Prime Minister

MAP
2/2

DEPARTMENT OF EDUCATION AND SCIENCE
ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH
TELEPHONE 01-928 9222
FROM THE SECRETARY OF STATE'S Office

2 February 1982

M A Pattison Esq
Private Secretary
10 Downing Street
London SW1

Dear Mike,

RESPONSE TO FIRST REPORT OF EDUCATION, SCIENCE AND ARTS COMMITTEE 1981/82 SESSION

... I enclose a copy of our response to this Report. The Secretary of State decided to reply in the form of a letter since the recommendations were few in number and narrowly focussed.

The reply will be published later today by an arranged PQ together with a Press Notice.

Yours ever,

Imogen

MRS I WILDE
Private Secretary

2 FEB 1982



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535



DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

1 February 1982

Christopher Price Esq MP
Chairman
Education, Science and Arts Committee
House of Commons
London SW1A 0AA

Dear Christopher

I am writing to reply to your Committee's first Report of the 1981/82 session concerning expenditure cuts in higher education, which was published on 2 December 1981.

2 Your first recommendation proposed that I should review current policies to take account of the comparative costs of maintaining a student at university and an individual on the unemployment register. As the Prime Minister made clear in reply to a Question from Mr Dennis Canavan (Hansard, 2 December 1981 Vol 14 No 21 Cols 120-121), for someone of student age and with no special needs or responsibilities, supplementary benefits would amount to about £1,100 if that person were unemployed for a full year. This compares with an average recurrent cost including awards costs per student in full-time higher education of about £5,700 a year at current prices. For universities in the United Kingdom the average cost to the Government of educating a person for the last year for which comprehensive information is available (1979/80) was approximately £6,000 revalued at current prices. Some estimates of the cost of an unemployed person to Government include assessments of loss of revenue, for example from income tax and National Insurance contribution, which would have been paid if the person had been in employment. Full-time students as such pay neither, so that no loss of this nature would arise.

3 The figures quoted above show that very different scales of cost are involved in this comparison and I do not accept that the result necessitates any review of policy. Nor do I accept the underlying implication in the recommendation that a person who fails to obtain a university place necessarily becomes unemployed. He may find employment that would not otherwise have been filled. What is certain is that we shall not as a country sustain the economic progress needed to allow an expansion in employment unless public expenditure is restrained.

4 Someone failing to get a university place may find one elsewhere in higher education and, as is clear from the quotation in your report, the Robbins principle was not intended to guarantee admission to a particular course or the higher education institution of a student's choice. In reply to a Question from you on 1 December 1981 (Hansard, Vol 14 No 20 Col 103) I said "The Robbins Principle' is a desirable objective but successive Governments have allowed higher education to continue to expand faster than the capacity of the economy to afford the cost".

5 Your second recommendation concerned the timescale for the achievement of savings in the university sector and the cost of redundancies. We have received many representations on this point which have helped in our consideration of the difficulties faced by the university system in adjusting to a lower level of funding. As Mr Waldegrave explained in his reply to Mr Henderson on 23 December (Hansard, Vol 15 No 36 Cols 415-416) the comparison of the cost of the current funding proposals with the cost of allowing the operation to be spread over a longer timescale depends crucially on unverifiable assumptions about the total cost of redundancy and the total savings achieved or costs involved in dismissing staff or keeping them on. I do not accept that a case has been made for any overall relaxation in the timescale of run-down. This would only delay decisions affecting restructuring which need to be taken immediately. Nevertheless, I recognise that additional resources are necessary to give some flexibility to help ensure an orderly transition to the new level of funding. As I announced on 21 December 1981 in reply to a Question from Sir William van Straubenzee (Hansard, Vol 15 No 36 Part 2 Cols 315-316), the Government's further plans for university finance are that the universities' recurrent grant for 1982/83 should be increased in cash terms to maintain broadly the planned level of contraction of the university system already announced, but that in addition the Government should make available, to be allocated on the recommendation of the University Grants Committee, an additional £50m in the 1982/83 financial year to help with the cost of restructuring the university system. This extra money will be available to help universities adjust to the lower level of funding now proposed, either to help with the cost of redundancy and premature retirement or possibly, in a few cases, to moderate the rate of run-down at individual institutions to achieve the same result with fewer redundancies over a slightly longer timescale. A further additional amount for restructuring in 1983/84 will be announced later. The UGC are already discussing with individual universities their proposals for transition to their new level of funding.

6 The Committee of Vice Chancellors and Principals (CVCP) has drawn up guidelines to assist universities in preparing compensation schemes for academic and related staff. In reply to a Question from Mr Tristan Garel-Jones on 25 January (Hansard, Vol 16 No 42 Col 275) I announced the Government's agreement to the compensation provisions proposed by the CVCP, with two modifications specified in my reply. The agreement applies where such staff becoming redundant end their service on or before 30 September 1984. The scale of compensation reflects the fact that most academic and related staff in universities have tenured posts with terms of appointment which protect them against dismissal for reasons of redundancy or financial exigency. Details of the levels of compensation involved have been placed in the Library of the House.

7 Your final recommendation related to cross membership between the UGC and the new body for public sector higher education. It has been agreed that

the Chairman of the Board of Local Authority Higher Education will sit as an observer on the UGC and a Vice-Chairman or other member of the UGC will sit as an observer on the Board. Other forms of working relationships between the two bodies will be developed later.

Esimly

Keir



Parliament

✓ MP

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

The Rt Hon Francis Pym MP
 Lord President of the Council
 Privy Council Office
 Whitehall
 London SW1A 2AT

19 January 1982

Jan Francis

REVIEW OF THE WORK OF DEPARTMENTAL SELECT COMMITTEES

I have seen Janet Young's letter of 11 January to you in which she suggests that you might take up with Edward du Cann some of the problems we experience in getting adequate advance notice of the line of questioning planned by Select Committees for sessions with Ministers.

We have an informal arrangement with the Clerks to the Education, Science and Arts Committee to receive advance notice of the topics to be covered in such sessions. Often the information we receive from them only arrives at a late stage and is then very vague. Consequently my officials are forced to prepare a good deal of detailed briefing material which is subsequently proved to be unnecessary. I do not believe that this is solely the fault of the Clerks; they often admit that Committee members themselves have been no more precise in expressing their intentions. But it is certainly wasteful of the time both of Ministers and officials.

I therefore agree with Janet Young that this problem is worth raising with Edward du Cann in the way she suggests.

I am copying this letter to Cabinet colleagues, the Chief Whip and Sir Robert Armstrong.

Yours

Kear



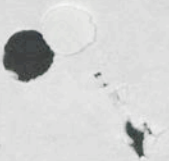
DEPARTMENT OF BUREAU OF WORKS
NEW YORK STATE
OFFICE OF THE STATE ENGINEER
ALBANY, N. Y.

11 9 JAN 1932




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Privy Council Office,
Whitehall,
London, SW1A 2AT

*With the Compliments
of the
Lord President of the Council*





PRIVY COUNCIL OFFICE
WHITEHALL LONDON SW1A 2AT

14 January 1982

Dear Michael,

FIRST REPORT FROM THE SELECT COMMITTEE ON PROCEDURE (SUPPLY)

You wrote to me on 4 January about the proposed Government response to the report of the Select Committee on Supply Procedure, referred to in my letter of 25 November to the Prime Minister.

The scrutiny of Departmental Estimates is already within the terms of reference of the Departmental select committees, and they have always been in a position to allot time to the consideration of Main and Supplementary Estimates if they chose to do so. The only change in this respect which would be brought about by the adoption of the proposals made in the report would be that the introduction of a certain number of 'Estimate Days' on the Floor of the House might lead to some Departmental select committees giving the scrutiny of Departmental Estimates a higher degree of priority.

As regards pressure for select committees to be given power to amend Departmental Estimates, this question was considered by the Select Committee on Supply Procedure, who rejected the idea. I doubt whether it has yet been finally scotched, but the report's recommendations should prove a considerable help in this respect.

In your third paragraph you suggest that there might be scope for saving Parliamentary time if statutory borrowing limits could be progressively dispensed with.

The Rt Hon Michael Heseltine MP
Secretary of State for the Environment
2 Marsham Street
LONDON
SW1P 3EB

Cont .../.

Apart from the discipline which the periodic need to promote legislation varying their external financing limits imposes on public sector bodies, such legislation does of course also give Parliament a periodic opportunity to debate the financial affairs of such bodies. And since provisions raising borrowing limits are normally linked with other legislative changes affecting the industry concerned, there is not always much additional expenditure of Parliamentary time.

There may, however, be occasions when Parliament has already had adequate other opportunities for debating the body concerned, and where it is considered that the introduction of, for example, some form of order procedure instead of primary legislation, would not weaken financial control. Any such justified reduction in the pressures on the legislative timetable would, of course, be welcome.

I am sending copies of this letter to Cabinet colleagues and to Sir Robert Armstrong.

Mr etc

Francis

FRANCIS PYM

14 JAN 1982





Chancellor of the Duchy of Lancaster

The Leader of the House of Commons
House of Commons
LONDON SW1

Parliament 2

Management and Personnel Office
Whitehall London SW1A 2AZ
Telephone 01-273 4400
GTN 273

11 January 1982

Prime Minister
Sensible proposals from
Lady Young.

Sen Francis,

MF

MA 12/1

REVIEW OF THE WORK OF DEPARTMENTAL SELECT COMMITTEES

Thank you for sending me a copy of your letter of 5 November to Willie Whitelaw. Although I was not involved in the early stages of the review I think that it has been a most useful exercise.

One point in particular concerns me and I suspect, reading between the lines of his letter, also Geoffrey Howe, whose letter of 22 November I have seen. It is clear from the review that Departments expend a great deal of time and effort on the preparation of briefs for Ministers and officials appearing before Select Committees. On some occasions this briefing has to be unnecessarily comprehensive and detailed simply because officials have been unable to ascertain the line of questioning which a Committee is likely to take and therefore cover all possibilities. Some departments have, I understand, an informal arrangement with the Committee Clerks whereby they receive advance warning of the proposed questions for oral evidence; but even then there is no certainty that a Committee will stick to the declared line, so officials still tend to brief copiously on a contingency basis.

I suspect that the lack of co-operation between Committees and those examined which is implicit in this situation stems from the early days of the Committees. But now I would hope that we might persuade them that experience of the last two years has shown that witnesses are increasingly willing to co-operate and be forthcoming, and that in practice are able to give the Committee far better and fuller information if the main lines of questioning are known in advance.

I understand that you are to meet Edward du Cann, in his capacity as Chairman of the Liaison Committee, next week. I wonder whether you might usefully raise this matter with him? Obviously it needs to be made clear that we in no way wish to curtail the investigative powers of the Committees, but are genuinely concerned to improve the effectiveness of oral evidence sessions - and I strongly believe it to be the case that a line of questioning better defined in advance would do so. At the very least, we might seek his co-operation in

persuading Committee Chairmen that their Committees should stick to any questions of which they have given advance notice; and in persuading those Committees that do not customarily give any advance notice of questions that they would benefit by doing so. It would be still better if we could develop more structured and systematic contacts between Committees and Departments on the line and scope of questioning to be pursued at each oral session. I think we might also usefully put Edward on warning that we shall be encouraging Departments to be a little less encyclopaedic in their approach, to concentrate more upon thorough in-depth briefing on key issues, and to be readier to admit ignorance and to offer written evidence on unforeseen points raised by Committee members. This last may even be welcomed by Committees.

I hope that you will see advantage in raising these points with Edward. I am copying this letter to the recipients of yours.

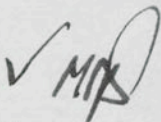
Yours ever
Paul

BARONESS YOUNG

172 JUN 1902

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8 7 6 5 4

Privy Council Office,
Whitehall,
London, SW1A 2AT

A handwritten signature, possibly 'M.P.', with a checkmark to its left.

With the Compliments
of the
Lord President of the Council



Pym

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

11 January 1982

Dear Pym,

REVIEW OF WORK OF DEPARTMENTAL SELECT COMMITTEES

Thank you for your letter of 22 December about this review.

As you point out, a clear general consensus does appear to have emerged in this review, both at Ministerial and official level, about the record so far of these committees, and about the points of criticism that can be usefully pursued.

I saw Philip Holland last month and expressed our general views on the membership of the committees, and in particular about the de facto exclusion of officers of back-bench committees. He undertook to bear what I said in mind. I also propose to see Edward du Cann when the House returns to discuss with him a number of other select committee matters, including relevant parts of the report. Other aspects are being pursued at official level.

As you suggest, I will be considering further the publication of parts of the report in the light of the outcome of the current discussions. I agree that it might well be useful to have a further review of the work of these committees in due course.

I am copying this letter to the other recipients of yours.

Yours truly
Francis Pym

FRANCIS PYM

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury Chambers
Parliament Street
London SW1



✓
MHP

2 MARSHAM STREET
LONDON SW1P 3EB

Parliament.

My ref: H/PSO/19781/81

Your ref:

24 JAN 82

De P...

FIRST REPORT FROM THE SELECT COMMITTEE ON PROCEDURE (SUPPLY)

Thank you for sending me a copy of your letter of 25 November to the Prime Minister.

Whilst I take the point that Departmental Select Committees have hitherto received pre-publication copies of Main and Supplementary Estimates, I cannot pretend to be over~~ly~~ enthusiastic about the suggestion that they should ordinarily allot time each Session to their scrutiny. I would see this leading on to pressure for Committees to be given power to amend Estimates and could in any event add to the burden on Departments in servicing Committees.

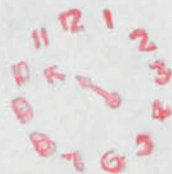
On the question of making time available for "Estimates Days", I do wonder, given that it is questionable whether overall statutory borrowing limits are an effective discipline on statutory corporations, whether we might not make Parliamentary time by progressively doing away with such limits and with the need to table orders, or primary legislation, to raise them.

I am sending copies of this letter to Cabinet Colleagues, and to Sir Robert Armstrong.

Yours ever
Michael Heseltine

MICHAEL HESELTINE

- 6 JAN 1962





Parliament

MA

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

22 December 1981

The Rt. Hon. Francis Pym MC MP
Lord President of the Council

Dear Francis

REVIEW OF WORK OF DEPARTMENTAL SELECT COMMITTEES

Thank you for sending me a copy of your letter of 5 November to Willie Whitelaw.

This review has been a useful exercise. It has, I think, established that there is a good deal of agreement among us on the lessons to be learned from our experience with Departmental Select Committees over the last two years. I note that the various points that have emerged are being followed up in different ways, and I welcome this. You will recall that in my letter to you of 11 August I suggested that, without piling work on work, it might be valuable if there were another review in a couple of years time, to see how the system, modified as may be, is then working; and I still think this would be a good idea.

One small point. You say in your letter that you have it in mind to place in the Library of the House some of the statistical material about the workings of the Committees, and scale of official evidence to them, which has been assembled in the course of the review. Obviously you may need to judge this in the context of the tactics of getting the various substantive changes accepted. Subject to that, I myself would welcome this sort of publication, as part of the process of educating people - not least the Committees themselves - about the costs and burdens which the system places on the Government machine. In the present atmosphere, the more this becomes clear, the better.

I am copying this letter to the other recipients of yours.

Geoffrey Howe

GEOFFREY HOWE

22 DEC 1981





10 DOWNING STREET

THE PRIME MINISTER

14 December 1981

CF

Parliament RM
c Co.
LPO
Transport
CWO

Thank you for your letter of 25 November in which you asked me to provide you with copies of the CPRS report on mainline railway electrification.

I have given your letter careful thought but I have concluded that I should not comply with your request. It is well established that advice by officials to Ministers on policy issues is not made available to the House itself or to select committees, whether in confidence or otherwise, save in the most exceptional circumstances. I recognise the importance of the enquiry which you are making into mainline railway electrification, but I am sure that there is enough publicly available material to permit your Committee to come to its own conclusion on Government policy in this area without access to the CPRS advice.

(SGD) MARGARET THATCHER

Tom Bradley, Esq., M.P.,

R

Ref. A06267

MR PATTISON

SELECT COMMITTEE ON TRANSPORT: THE CPRS REPORT ON RAILWAY ELECTRIFICATION

In your letter of 27th November to David Heyhoe you requested a draft reply for the Prime Minister to send to the Chairman of the Transport Committee in response to his request to the Prime Minister to over-ride Mr Howell's refusal to provide the Committee with copies of the CPRS report on railway electrification. I have agreed with both the Lord President's office and the CPRS that we should reply.

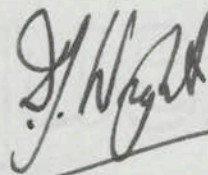
2. A similar request was made direct to the CPRS and subsequently to the Prime Minister herself last year by the Chairman of the Select Committee on Energy, when he sought to obtain a copy of the CPRS Report on the future of Heysham II and Torness. On that occasion the Prime Minister agreed that the CPRS should refuse the request on the basis that it was confidential advice to Ministers and it was a well established convention that such advice is not made available to those outside the Government. When the Chairman of the Committee himself raised the matter with the Prime Minister, the Prime Minister maintained this position and refused the request. I attach a copy of her reply of 9th July 1980.

3. Her refusal led to a subsequent wrangle with the Committee over a request that the members of the CPRS who had contributed to the Report on Heysham II and Torness should appear before the Select Committee to give oral evidence. In the event the CPRS did not appear and the Committee decided not to press the matter any further, although they signified that they did not regard this as a precedent for the future.

4. As for the Transport Committee's request, Sir Robert Armstrong believes that the Prime Minister should take the same line as she took over the Heysham II

and Torness report, arguing as in that case that it is well established that advice to Ministers is not made available to the House itself or to its select committees. I attach a draft for the Prime Minister to send to Mr Bradley in this sense, which has been agreed with the Lord President's Office, the Department of Transport, the Chief Whip's Office and the CPRS. If this refusal leads the Committee to follow up with a similar request to that made last year for the appearance of the CPRS members concerned in order to give oral evidence, this will have to be duly considered.

5. I am sending copies of this minute and of the draft to David Heyhoe, Anthony Mayer, Murdo Maclean and Gerry Spence.



D J WRIGHT

9th December 1981



10 DOWNING STREET

THE PRIME MINISTER

9 July 1980

Dear Sir,

Thank you for your letter of 26 June in which you ask me for a copy of "the recent report to Ministers on the future of the two AGR stations at Heysham II and Torness".

I have considered your request with great care, but have concluded that I should not comply with it. It is well established that advice by officials to Ministers on policy issues is not made available to the House itself or to Select Committees, whether in confidence or otherwise, save in the most exceptional circumstances. It does not seem to me that the circumstances in this case are so exceptional as to justify a departure from the rule. I am sure that the Select Committee on Energy will have no difficulty in making up its own mind on whether the Government's decisions on these two AGR stations were sensible, without access to the work done by the CPRS.

Yours sincerely

Rayner

Ian Lloyd, Esq., M.P.

29
1/22
x 17/4
x 17/55
30 FOLIO


Pl type for PM

cc 16 ✓ 9/12

DRAFT LETTER FROM THE PRIME MINISTER TO TOM
BRADLEY MP

Thank you for your letter of 25th November in which you asked me to provide you with copies of the CPRS report on mainline railway electrification.

I have given your letter careful thought but I have concluded that I should not comply with your request. It is well established that advice by officials to Ministers on policy issues is not made available to the House itself or to select committees, whether in confidence or otherwise, save in the most exceptional circumstances. I recognise the importance of the enquiry which you are making into mainline railway electrification, but I am sure that there is enough publicly available material to permit your Committee to come to its own conclusion on Government policy in this area without access to the CPRS advice.


Paulwood

7 December 1981

First Report from the Select
Committee on Procedure (Supply)

The Prime Minister has seen the Lord President's letter of 25 November.

She is content with the line which the Lord President proposes to take in discussions with the Opposition. In particular, she strongly supports his views on the number of "Estimates Days", and his ideas about the choice of a Committee to select subjects for debate on these days.

I am sending copies of this letter to Murdo Maclean (Chief Whip's Office) and David Wright (Cabinet Office).

M A PATTISON

David Heyhoe, Esq.,
Lord President's Office.

BK



10 DOWNING STREET

PRIME MINISTER

You looked at this paper from Francis Pym about the Select Committee on Procedure, but you did not say whether you wanted to comment on any of his proposals in the Annex.

There is now some pressure on these matters: they were raised on the Business Statement today.

MAP

3 December 1981

~~Kay~~
Please refer
to me for retention
20/11
CF



A TRANS
CND
CO

JFA

10 DOWNING STREET

From the Private Secretary

27 November 1981

I enclose a copy of a letter to the Prime Minister from the Chairman of the Transport Committee. You will see that Mr. Bradley asks the Prime Minister to overrule Mr. Howell, who has refused to provide for the Committee copies of the CPRS report on railway electrification.

B/F (

I am sure that the Prime Minister will wish to sustain Mr. Howell's judgement on this point, and I should be grateful if, in consultation with other Departments as necessary, you could let me have a suitable draft reply. I am sure you will wish to prepare the reply on the basis that this may become a standard point of reference on these matters, and not simply a further refusal in this specific case.

I am sending a copy of this letter to Anthony Mayer (Department of Transport), Murdo Maclean (Chief Whip's Office) and David Wright (Cabinet Office).

M. A. PATTISON

David Heyhoe, Esq.,
Lord President's Office.

cc Mr Ingham ✓

2

PRIME MINISTER

Tom Bradley, Chairman of the Transport Committee, asks you to over-rule David Howell's refusal to provide the Committee with the CPRS report on Railway Eletrification.

I am sure that you will wish to uphold the line taken by Mr. Howell, but we will invite Mr. Howell and Mr. Pym to contribute to a draft reply.

MAD

[Handwritten signature]

27 November 1981

MFJ

27 November 1981

I am writing on behalf of the Prime Minister to thank you for your letter of 25 November.

I will place your letter before the Prime Minister and a reply will be sent to you as soon as possible.

MAP

Tom Bradley, Esq., M.P.



Prime Minister

You may want to have a word with Mr Pym about this. Do you have any specific comments on the detailed proposals?

I am very much in agreement with the hard President, especially with his

PRIVY COUNCIL OFFICE

WHITEHALL, LONDON SW1A 2AT

views on the number of days (3 or 4) and his idea on 25 November 1981

the relevant committee for the selection of members

MP 26/11

Dear Margaret,

FIRST REPORT FROM THE SELECT COMMITTEE ON PROCEDURE (SUPPLY)

The Chief Secretary to the Treasury, the Chief Whip and myself have been giving consideration to the response to be made to the First Report from the Select Committee on Procedure (Supply).

This Committee was established, on Government initiative, last Session to examine the present procedures for considering and voting on Government requests for Supply. The Chief Secretary to the Treasury and I gave evidence to the Committee earlier this year.

The Committee's First Report is primarily concerned with providing better opportunities for the structured debate of Departmental Estimates, and with getting rid of the present misleading concept of "Supply Days". Its principal recommendations are that instead of the present 29 Supply Days there should in future be 19 "Opposition Days" (with a number of annual debates traditionally taken in Supply time transferred to Government time), and that eight new "Estimates Days" should be introduced, divided up on the basis of recommendations made by a business committee. Helpfully, the Committee have come down against giving select committees any power to amend Departmental Estimates, and against making in order on the Floor amendments to increase individual items of expenditure.

... /In principle,

The Rt Hon Margaret Thatcher MP

In principle, these recommendations are in agreement with the line taken in the Government's evidence to the Committee. There are, however, a number of differences of detail, some substantial.

In particular, the suggestion that there should be eight "Estimates Days" differs considerably from our proposals - I had in evidence suggested the possibility of "three or four" such days. More than this would put at risk Government business.

It would also seem preferable that selection of the proposed subjects for debate on these "Estimates Days" should be in the hands of a committee with a Government backbencher as chairman, rather than a business committee with an Opposition chairman, as proposed in the report. There may be advantage in this task being given to the Liaison Committee of Select Committee Chairmen, which has a strong Government membership and Edward du Cann as chairman.

It will be necessary in due course to debate this report, probably sometime after Christmas. In the first instance, however, and since a number of the Committee's recommendations affect the allocation of Opposition time, it will be necessary to discuss our reaction to the report with the Opposition, and, in particular, to establish their views on the proposed arrangements for "Opposition Days", and on the possibility of some limited trial run of these procedures this session. Michael Jopling accordingly proposes to be in touch shortly with the Opposition Chief Whip. I will then, as necessary, speak to the Government Members of the Procedure Committee and with the 1922 Committee. I attach a schedule indicating the line we propose to take in the discussions with the Opposition.

I am copying this to Cabinet colleagues and to Sir Robert Armstrong.

John L. L.

John L. L.



FIRST REPORT FROM THE SELECT COMMITTEE ON PROCEDURE (SUPPLY)
SCHEDULE OF RECOMMENDATIONS AND PROPOSED ACTION

Recommendation

- (1) The Government should table the appropriate motion at the beginning of next Session to appoint a Select Committee "to examine the House's financial procedures and to make recommendations".
- Agree.
- (2) (a) The role of the existing departmentally-related Select Committees in relation to the estimates should be advisory rather than functional, and (b) the relevant estimates should be formally submitted to each departmentally-related Select Committee and those Committees should allot some time each session to the examination of their departmental estimates, but the amount of time and depth of such scrutiny should be a matter for each Committee to determine.
- Agree. This is basically a status quo recommendation. Estimates (Main and Supplementary) are at present informally submitted by the Treasury to select committees.
- (3) Initially eight "Estimate Days" should be allocated specifically for consideration of and voting on the estimates.
- It is proposed to suggest three "Estimates Days" as an experimental start. Eight is excessive and unacceptable from a Government time viewpoint.
- (4) An Estimates Business Committee, nominated by the Committee of Selection, should be appointed with similar powers to those given to the Business Committee on Bills under Standing Order No 43.
- It is proposed to suggest that it might be preferable for this function to be undertaken by the Liaison Committee of Select Committee chairmen, chaired by Mr du Cann. Any such committee would need to operate to a very tight time schedule especially if it could only be established after an Estimates Day had been announced and the relevant estimates were available. Time for select committee views would need to be taken into account. Procedure should provide for any votes on Estimates Days to be taken together at 10 pm.



- (5) When the estimates are discussed on the Floor of the House neither amendments to increase individual items nor motions stating that "in the opinion of the House" increases in a particular Vote should be made should be in order. Agree.
- (6) Any change in the present two-tier structure for granting money should wait until the completion of the full-scale review of the House's financial procedures. Agree.
- (7) (a) Proceedings on Consolidated Fund Bills should be formal, (b) three full days plus one Friday should be allocated to backbench Members for debates limited to one-and-a-half hours per topic, (c) proceedings on the three full days should be so arranged that two of the days continue until midnight and the third is open-ended, and (d) any motion providing for the dates of recesses should be debatable for an hour and a half. (a) seems uncontroversial. (b) and (c) might perhaps be for further discussion with the Opposition. It would seem necessary to ensure that the third day is not open-ended. (d) Accept. 1½ hour recess debates would be a considerable improvement on the present open-ended position.
- (8) (a) 19 days each session should be allotted by Standing Order as Opposition days, (b) the days traditionally provided in Supply time for discussion of the armed services, EEC matters, Select Committee reports and Scottish affairs should be provided in Government time, and (c) the decision on the use of the 19 days should remain with the official Opposition, subject to any arrangement it chooses to make with the smaller parties. (a) If the Opposition agree, this would seem as good an outcome from a Government viewpoint as could have been hoped for, especially if there were to be only three "Estimate Days". A procedural reservation would need to be made to permit the necessary Supply business to be taken on these Opposition days. (b) Agree. (c) Agree.



NOV 1981

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NOV 1981

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from the chairman



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA
01-219 3423 (Direct Line)
01-219 3000 (Switchboard)

THE TRANSPORT COMMITTEE

827 25th November, 1981

Rt. hon. Margaret Thatcher, MP
Prime Minister and First Lord of the Treasury,
10 Downing Street,
London SW1

Dear Margaret,

As you may know, my Committee have decided to undertake a short inquiry into main line railway electrification. I enclose a copy of the press release issued last week announcing the terms of reference for this inquiry.

On the instructions of the Committee, I wrote to David Howell in October to ask him to make arrangements for copies to be supplied to us of the report made to Ministers on this subject by the Central Policy Review Staff. David Howell has now replied, and has rejected our request on the grounds that advice given by officials to Ministers should remain confidential.

Although the Committee recognise the importance of confidentiality in the relations between civil servants and Ministers, they are greatly concerned that, as the Committee responsible to the House for monitoring the work of the Department of Transport, they should have sufficient information to enable them fairly to assess the Department's policy decisions.

Rt. hon. Margaret Thatcher, MP

25th November, 1981

Since it is quite clear that the CPRS report on the joint review of main line railway electrification has been a significant factor in determining the Transport Department's approach to this question, my colleagues and I believe that we will be unable to provide the House with a fair assessment of the Department's position unless we are fully informed of the advice on which that position is founded.

Accordingly, the Committee have now instructed me to ask you, as the Minister responsible for the CPRS, to agree to provide us with copies of the CPRS report on main line railway electrification on a confidential basis. We have already agreed, in view of the delicacy of the issues involved, to take much of our evidence on this subject in private (including evidence from Transport Department officials on 9th December) and we will of course look sympathetically on requests for sidelining before publishing any of the evidence concerned.

Although I can give no complete guarantee that the Committee would not draw on the information contained in the CPRS Report in any subsequent Report we may make to the House, I can give you an undertaking that we would consult with the Department of Transport, or your office, before doing so, and that we would seriously consider any representation made to us on this point.

My main concern - which is shared by my colleagues in the Committee - is that we should not be led to false conclusions about the Government's approach to this important issue because we are forced to rely on press leaks about the advice given to you and your colleagues by the CPRS. The Government has, as you will know, already received generally unfavourable press treatment on this issue, and, since we know that the Government are in fact approaching the problem with a good deal more seriousness than the press would have us believe, we would hope that in our Report to the House we would be able to present the issues as fairly and reasonably as possible. If we are unable to study the CPRS advice to Ministers on this matter we will, I fear, be forced to rely on press information and there will be a real danger of our misinterpreting the Government's position.

I would be most grateful if you could consider, as a matter of urgency, what assistance you and your colleagues can give us on

(3)

Rt. hon. Margaret Thatcher, MP

25th November, 1981

this matter, in order to ensure that we are fully briefed on the considerations which have led to the Government's approach to main line railway electrification.

John Goss
Tom.

Tom Bradley, MP

CONQUEROR

HOUSE OF COMMONS TRANSPORT COMMITTEE

Inquiry into Main Line Railway Electrification

Terms of Reference

A statement outlining the terms of reference for the Transport Committee's inquiry into main line railway electrification is attached.

Interested organisations and individuals are invited to submit written evidence in connection with this inquiry, which should reach Mrs Joan Pickett, Assistant to the Clerk of the Transport Committee, Committee Office, House of Commons, London SW1, not later than Friday 29th January 1982. It would be helpful if 20 copies of any written evidence could be supplied.

A separate announcement will be made of any public hearings to be held in connection with this inquiry.

Committee Office
House of Commons
London SW1A 0AA

November 1981

Inquiry into Main Line Electrification

The Committee have agreed the following terms of reference:

The Department of Transport and the British Railways Board published their Final Report on the Review of Main Line Electrification early in 1981. The Report concluded that ".... a substantial programme of main line electrification would be worthwhile".¹ Four alternative options of varying scale were considered, and it was found that the larger options, involving the electrification of between 2,300 and 3,400 route miles, would give the best returns.

The Secretary of State for Transport subsequently announced² that he was "not prepared to give an unconditional commitment to the electrification of an extensive network", and invited British Rail to "submit a 10 year programme of schemes for electrification". He commented that "The approval of each successive electrification project will be conditional on the profitability of the investment in question and on the achievement of necessary improvement in productivity".

The Select Committee on Transport in their Fifth Report of the 1980-81 session stated that they intended "to undertake, as soon as possible, our own investigation to evaluate British Rail's electrification proposals and the Government's response".³ In particular, in view of the possibility that the Government's present proposal to examine projects individually may create serious uncertainty, the Committee commented that it would wish to "examine the problems of the relevant supplying and contracting industries".

1 Review of Main Line Electrification - Final Report, para 4, Department of Transport, British Railways Board, HMSO, 1981

2 Official Report, 22nd June 1981, cols. 21-2

3 The Transport Aspects of the 1981 Public Expenditure White Paper, para 42. Fifth Report of the Transport Committee, 1980-81

The Committee has now decided that the Terms of Reference for this enquiry should be as follows:

1. to confirm or otherwise that the findings of the DTp/BRB Review of Main Line Electrification are based on realistic assumptions about the cost savings and revenue to be generated from electrification, and whether or not the expenditures proposed do represent an appropriate use of the nation's resources;
2. to examine whether ad hoc approval of individual projects would seriously increase the costs of electrification, and create planning difficulties for both British Rail and the contracting industries, in view of the comment contained in the Review of Main Line Electrification (para 11) that a commitment to a specific programme of electrification should "help to avoid abortive expenditure and to secure the cost reductions [which] result from continuity of production";
3. to examine the extent to which the benefits from electrifying individual routes are inter-related, and whether it is therefore possible to satisfactorily evaluate individual proposals without knowing the future extent of the electrified network (see para 11 (iii) of the Review of Main Line Electrification);
4. to examine the extent to which the success of electrification will depend upon improvements in productivity and working practices on the part of the work force;
5. to examine the Government's contention that the "inter-city" business has not made progress towards earning an adequate return on the assets employed"¹, to determine what measures the Government regards as necessary in order to improve the rate of return and to assess whether further investment in electrification will help or hinder the move towards commercial viability of the inter-city business.

1 Official Report, 22nd June 1981, cols 21-2

Parliament 4



Prime Minister

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

MB

Mr Pym's review has not produced any
startling insights - He 5 November 1981
proposes no major changes,
but intends to use
informal contacts to promote
more focussed enquiries.
He also hopes to be able to
broaden the membership
of the Committees. MAP 5/81.

Dear Willie

REVIEW OF WORK OF DEPARTMENTAL SELECT COMMITTEES

In my letter to you of 21 May I referred to a review which I had put in hand of the work so far of the Departmental select committees, and invited the views of colleagues on various aspects of their experience of these select committees. I am extremely grateful for the response to this request and for the helpful suggestions put forward.

This review is now complete. Whilst, as anticipated, this shows that no generalisation can be applied equally to the fourteen committees, a clear consensus has nevertheless emerged, both at Ministerial and official level, that at best these committees have so far made only, as you say, "a modest but useful contribution" to improved Parliamentary scrutiny - and this sometimes at the expense of disproportionate Ministerial and official effort.

It is also evident that colleagues generally consider that these committees have rarely unearthed any significant new sources of information, and that there have only been a few examples - for example the report of the Home Affairs Committee on the SUS laws - where committee reports have directly led to measures which might not have been taken otherwise. There are, however, a number of other instances where reports have played a more or less important part in focussing attention on matters where policy changes were already under consideration.

A number of replies have expressed concern about the heavy burden of work, both on Ministers and on senior officials, caused by select committee enquiries, especially in the case of those into matters of topical interest that are already causing pressure on Departments. In this connection colleagues may be interested to see the attached assessment of the time spent by Departments between February 1980 and February 1981 on work connected with these committees.

.../...

The main lesson to be drawn from this review seems to be, therefore, that we must strongly resist any pressures for further developments of the select committee system at the present time, either through the creation of further committees or sub-committees, or by the extension of their powers. I share this view and propose to proceed accordingly.

Certain points have emerged, however, in the course of the review where we might be able to take initiatives which might help to make these committees, and their contribution to Parliamentary scrutiny, more effective, without causing additional work.

A number of these, such as the need for closer liaison between Departments and the Clerks of these committees regarding information about the likely areas of committee questioning at oral hearings, and the most appropriate and economic level of Departmental representation, are being pursued at official and informal levels.

There are, however, a number of other possible changes to which colleagues have drawn attention, particularly regarding the membership of these committees, which I would propose to consider further with a view to possible subsequent approaches to the Opposition and to the Chairman of the Committee of Selection. One particular aspect of this is the present exclusion from the membership of Departmental committees of officers of back-bench committees. There also seems to be a need for better liaison with Government backbenchers serving on these committees in order to improve the presentation of the Government's position in matters under their enquiry.

One other important deficiency in the work of the committees so far to which a number of colleagues have drawn attention is the unsystematic way in which several committees have gone about their choice of enquiry, and the waste of effort that has been caused by too generalised and unfocused an approach. Examples would appear to be the Industry and Trade Committee's enquiry into Imports and Exports and to the Environment Committee's report on Housing Policy.

How far it may be possible to channel the future activities of some of these committees more effectively must inevitably depend on the receptiveness of individual committees and their chairmen, and it seems likely that any general Government attempt to influence committees in this way would be strongly resented. Some committees, and their chairmen, may, however, be more receptive than others to informal Ministerial advice, and in such circumstances colleagues may wish to consider whether suggestions might be made to them about their future programmes of work. But experience would suggest that progress towards more effective enquiries is most likely to come through the day-to-day development of relations between Departments and committees and from the increasing experience and knowledge of committee members about their areas of scrutiny.

.../...

The existence of this review is publicly known. But since its conclusions point to little more than the confirmation of the existing select committee structure, I would not propose to make any formal announcement to the House about its completion. I have in mind, however, to take the opportunity provided by the debate on the Queen's Speech to confirm in effect that the Government recognises the continuing role of these committees in the overall structure of Parliamentary scrutiny, and will continue to co-operate with them. I also propose to place in the Library of the House some of the statistical material about the working of these committees, and the scale of official evidence to them, which has been assembled in the course of the review.

I am copying this to Cabinet colleagues, to the Chief Whip and to Sir Robert Armstrong.

Francis Pym
Francis

FRANCIS PYM

The Rt Hon William Whitelaw CH MC MP
Secretary of State for the Home Department
Queen Anne's Gate
London SW1

ASSESSMENT OF THE TIME SPENT BY DEPARTMENTS ON DEPARTMENTAL SELECT COMMITTEES

An exercise to assess the time spent on work by departments for Departmental Select Committees was carried out for the period 18 February 1980 to 15 February 1981.

Departments were asked to provide broad estimates of the time spent on Select Committee work; estimates were divided between work on the preparation of memoranda and time spent in briefing. These estimates were then further divided into four grade groups, Under Secretary and above; Assistant Secretary; Principal and Senior Executive and below. It was not the intention of the exercise to produce more than a broad brush assessment of the workload and the unit of work measurement used by departments was man days rather than man hours.

Overall Figures

Departments estimated that over the 12 month period

- (a) 6202 man days were devoted to the preparation of written memoranda.
- (b) 5837 man days were devoted to providing briefing
- (c) there were 62 appearances by Ministers
- (d) Officials made 790 appearances at 239 sessions.

Distribution by Grade

Departments gave the following estimates of breakdown by grade.

Preparation of Written Memoranda

	<u>Man days</u>
Under Secretary and above	470
Assistant Secretary	927
Principal	2104
Senior Executive and below	2701
	<u>6202</u>

Provision of Briefing

	<u>Man days</u>
Under Secretary and above	715
Assistant Secretary	1066
Principal	2121
Senior Executive and below	1935
	<u>5837</u>

Broad indication of cost

A broad estimate of the costs involved was obtained by applying basic staff costs (including an element for accommodation) to the departmental estimates of man days by grade spent on the preparation of memoranda and provision of briefing.

- (a) estimated cost of written memoranda = £673,300
- (b) estimated cost of time spent on briefing = £676,700
- (c) total estimated cost = £1,350,000

These totals do not include any allowance for Ministers' or Officials' appearances before Select Committees.

COMMITTEE EXPENSES

Costs of specialist advisers to Departmental select committees and days at work

<u>Financial Year</u>	<u>Total Cost</u>	<u>Days worked</u>
1979-80	£8,150.77	155 $\frac{3}{4}$
1980-81	£126,937.62	2,425 $\frac{1}{4}$

[Source Parliamentary Reply by Mr Arthur Bottomley on behalf of the House of Commons Commission to Mr Bruce George (OR, 25 June, 1981, Col. WA 195)]

Cost of travel by Departmental select committees

<u>Committee</u>	<u>Visits Abroad</u>		<u>Visits within United Kingdom</u>	
	<u>No.</u>	<u>Total cost to date</u> <u>£</u>	<u>No.</u>	<u>Total cost to date</u> <u>£</u>
Agriculture	4	7,489	6	3,858
Defence	3	12,583	9	6,975
Education Science and Arts	4	11,470	23	2,013
Employment	2	11,025	12	5,050
Energy	3	18,542	6	1,030
Environment	—	—	1	23
Foreign Affairs*	5	34,179	—	—
Home Affairs†	1	8,011	6	1,411
Industry and Trade	2	31,006	—	—
Scottish Affairs	1	1,915	20	8,153
Social Services	1	200	6	3,985
Transport	2	3,072	2	19
Treasury and Civil Service‡	—	—	—	—
Welsh Affairs	—	—	2	1,338

* Including Sub-Committee on Overseas Development.

† Including Sub-Committee on Race Relations and Immigration.

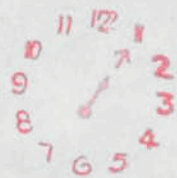
‡ Including Treasury and Civil Service Sub-Committee.

[Source Parliamentary Reply by Mr Arthur Bottomley on behalf of the House of Commons Commission to Mr Bruce George (OR, 25 June, 1981, Col. WA 196)]

Cost of transcripts of evidence and printing (1979-1980)

Committee	Transcripts of evidence	Printing (Gross)
Agriculture	4,158	66,240
Defence	4,837	29,520
Education, Science and Arts	5,601	127,440
Employment	5,348	46,800
Energy	6,368	51,840
Environment	2,412	31,440
Foreign Affairs	4,490	98,880
OD Sub-Co.	3,556	22,080
Home Affairs	3,123	81,120
RR & I Sub-Co.	3,895	65,280
Industry and Trade	8,074	62,160
Scottish Affairs	5,551	71,280
Social Services	3,844	158,160
Transport	6,827	51,840
Treasury and Civil Service	8,150	70,560
T & CS Sub-Co	2,072	24,960
Welsh Affairs	5,740	83,520

F. 5. NOV 1988





CABINET OFFICE

*will
for*

With the compliments of

M Caldon

Mark Caldon

70 Whitehall, London SW1A 2AS
Telephone 01 233 8550

*Parliament**42*

Department of Education and Science

Elizabeth House York Road
London SE1 7PHOffice of Arts and Libraries
From the Minister for the Arts

1

Telegrams: Aristides London SE1
Tel: 01-928 9222

10th September 1981

The Rt Hon Francis Pym MC MP
Chancellor of the Duchy of Lancaster
Privy Council Office
68 Whitehall
LONDON SW1

*Prime Minister**MS**12**1981**Dear Chancellor,*

You asked in May that colleagues should send you their views as to how the Departmental Select Committees have been working. As you know, the Education, Science and the Arts Committee has taken a great deal of interest in the Arts. I am sending you a separate return since my experience with the Committee has been quite different from Mark Carlisle's and indeed that of most of our colleagues.

The Education Select Committee has several members on it who take an interest in the Arts. Although they are not allowed under the rules to form a sub-committee, in effect they have an informal arrangement whereby Patrick Cormack takes the chair at meetings concerned with the Arts and only a small number of members turn up. As you know, Patrick Cormack is Chairman of the Backbench Arts Committee but under the rules he is not debarred from being a member of the Education Select Committee as he is not an officer of the Backbench Education Committee itself. I have found it tremendously useful that the Chairman of the Party Committee should also be a member of the Select Committee and I do strongly support what Geoffrey Howe said in his letter to you of 11 August that it would be sensible to allow the inclusion on Select Committees of officers of the Backbench Subject Committees.

On the whole, Arts policy over the years has remained relatively non-controversial. So members of the Select Committee have not divided on party lines. Indeed their interim report on Works of Art was unanimous. They tend to agree on all the major issues. As I think has always been the case, the less partisan the problem the better job a Select Committee does.

There are of course considerable disadvantages in the present system. The Committee have caused a lot of work to my officials and to me, not all of it ^{very} productive. One reason for this is that the Committee's own staff work does not seem particularly good. Another is that they wander off the point. I do not think they have interested the public or the House very much in their work. But they are quite prepared to talk to me informally before a full-scale enquiry is launched. Their work has on the whole been very constructive and they appear to be anxious to take an objective and sensible role. I think I ought to

Contd



Parker

CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01- 233 8550

cc Mr Rickett
Mr Colman (with Mr Larsen's)
File
Float

C A Larsen Esq
Treasury & Civil Service Committee
House of Commons SW1

30 October 1981

See Tony

ENQUIRY INTO EFFICIENCY & EFFECTIVENESS IN THE CIVIL SERVICE

Thank you for your letter of 22 October, which I have shown to Derek Rayner. *will regret regret.*

He is grateful for the Sub-Committee's invitation to comment on the replies it has received from Departments in response to its questionnaire, but it is not one that he can accept. Picking up your own questions to me, he does not think that - given all the demands on his time and attention - it is feasible for him to slog his way through the several pounds of paper you have received from Departments. Nor, even if he were able to do that, would he think it appropriate to offer comments without checking his impressions with the Departments whose answers are now before you. He thinks that it would serve the Sub-Committee, the Government and himself ill if he were to parade as an instant expert on business of which he has no first-hand knowledge and experience. To seek to go behind Departments' answers would be time-consuming for them and for him and he thinks that the Sub-Committee would be better served in this respect by its own advisers and by direct discussion with the Departments concerned.

I am however to offer you Derek Rayner's assurance that he will gladly, as before, submit evidence in writing or in person on matters with which he is more directly concerned.

Yours sincerely,

C. Priestley

C PRIESTLEY

13 OCT 1987

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put this on record since my experience seems to be somewhat different to that of some of my colleagues and quite different from my experience with the Treasury and Civil Service Select Committee when I had to deal with them last year.

Copies of this letter go to the recipients of yours.

Yours sincerely
Paul Channon

for

PAUL CHANNON

Dictated by Mr Channon and
signed in his absence.

10 SEP 1981

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QUEEN ANNE'S GATE LONDON SW1H 9AT

9 September 1981

Dear Francis

MS

Ann [unclear]

REVIEW OF WORK OF DEPARTMENTAL SELECT COMMITTEES

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1/9

I am replying to your letter of 21st May about the review of the work of the Departmental Select Committees. I have had the opportunity of seeing our colleagues' observations.

The Home Affairs Committee has on the whole been helpful, and while I would not wish to propose any extension of the role of the Committees, and thereby further increase the burden on Departments, I believe that on present evidence the balance of advantage lies in allowing the system to continue.

The Home Affairs Committee has produced some reports which have undoubtedly raised the tone of informed public debate. The recent report on prisons is likely to assist me in securing acceptance for what might otherwise be somewhat controversial policy developments. Earlier reports have served to defuse difficult situations. The Committee's consideration of deaths in police custody was of great value in helping us to deal with a mounting Parliamentary and public campaign against the police and their Report effectively brought the public debate to an end. One report has led directly to a change in the law: the report on Race Relations and the "Sus" law made it necessary for us to repeal "Sus" in the Criminal Attempts Bill and put us under pressure to introduce the Bill in the following session. You will remember that the Committee had threatened to bring in a Bill of its own if we did not signal our intention of doing so.

I also find it encouraging that in three of the reports the Committee has been prepared to refrain from making any recommendations, in sharp contrast to the normal experience with advisory committees.

I would readily admit that the Committee has not been able to tell the Department anything strikingly new (although the fact that some reports have gathered previously available material together for the first time has been useful).

Whether all this represents an overall improvement in Parliamentary control over the executive is more difficult to say. Obviously when the Committee embarks on an inquiry Ministers and officials are called to account. I would not underrate the importance of the existence of the Committee in raising the level of general political awareness among senior civil servants, and in exposing them physically to some of the pressures of Parliamentary opinion (even though the approach adopted by the Home Affairs Committee has been influenced to some extent by outside advisers operating behind the scenes, who are not themselves accountable to anybody!). But, generally speaking, although a Parliamentary body producing reports on Home Office subjects will obviously have influence, I doubt whether the existence of the Select Committee stands out as a major factor, separate from Parliamentary scrutiny generally, in influencing decision making on Home Office issues.

/In forming a

The Rt. Hon. Francis Pym, M.C., M.P.

In forming a balanced judgement of the work of the Committees it is important to adopt a realistic criterion. We should not dismiss the Committees' contribution on the basis that they have not demonstrably resulted in any dramatic improvements in our present arrangements for fact-finding and accountability. The real question is whether the Committees have brought about any useful changes, albeit minor, and how far they have improved the mutual understanding and interplay of Parliament and the executive. In this sense I would certainly regard the Home Affairs Committee as having made a modest but useful contribution. Certainly the Committee could have made a real nuisance of itself and may yet do so; Home Office issues lend themselves to instant criticisms and controversy. But the Home Office has gone out of its way to handle the Committee with kid gloves and to avoid any clash or friction with them. This has been one factor in keeping our affairs on a relatively even keel in Parliamentary and public terms over the last two-and-a-half years.

A major problem is the demands which the Select Committees make on resources, bearing in mind that many of their members do not agree with the Government's policies on Civil Service manpower and public expenditure. There are two aspects of this problem. First, the burden imposed on Ministers and officials by the preparation and giving of evidence to the Committees and the preparation of Departmental replies to reports. This is without doubt very substantial, although one should not overlook the fact that the Committees have to some extent only taken over the role previously performed by the Expenditure Committee. Secondly, reports from the Committees calling for increased resources to be devoted to a particular area, and pressure for these reports to be implemented. The Home Affairs Committee took the Home Office to task in their first report in the current session for failing to implement proposals made by various committees over the past eight years. In our reply (Cmnd. 8214) we made the point that the Select Committee appeared to have failed to appreciate that such proposals had to be judged in the light of the policies of the Government of the day and the resources available. We certainly could not be committed to implementing the proposals made in reports submitted to our predecessors.

A way of limiting the burden on resources and at the same time deriving benefit from the existence of the new Select Committees is to seek to involve them in subjects on which the Government needs in any event to take action, and to steer them away from areas to which we cannot afford to devote resources at the present time. This is easier said than done, not least because, as past experience with standing Departmental Advisory Councils has shown, there is a limit to the number of subjects which, from the Government's point of view, a body of this sort can usefully consider. I suspect that the time may come when the Committees, having exhausted the obvious topics for review, are in effect looking round for fresh subjects to occupy themselves.

One final point worth mentioning is that any initial tendency of Government supporters on the Committee to fall in with the views of Opposition members for the

/sake of an

sake of an appearance of solidarity, independence and consensus, rather than to exercise their own judgement, seems to be waning: all the Government supporters except the chairman were willing to end the enquiry into vagrancy offences at an early stage with a report recommending no immediate action.

Copies of this letter go to the recipients of yours.

W. M. L. M.
L. M. L. M.

10 SEP 1981

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bc Pass

8 September 1981

Government Observations on the Fifth
Report of the Foreign Affairs Committee

You wrote to Mike Pattison here on 7 September on the above subject. I can confirm that we have no objection to publication of the proposed White Paper on Wednesday 23 September.

I am copying this letter to David Heyhoe (Chancellor of the Duchy's office) and Peter Moore (Chief Whip's Office).

TPL

A.G. Harrison, Esq.,
Foreign and Commonwealth Office.

VB



Foreign and Commonwealth Office

London SW1A 2AH

M Pattison Esq
10 Downing Street
London
SW1

No. *Ans* 7 September 1981
~~Amended~~
Any objection?

Dear Pattison,

*TL
... 1/5*

GOVERNMENT OBSERVATIONS ON THE FIFTH REPORT OF THE FOREIGN AFFAIRS COMMITTEE

We propose to publish as a White Paper on Wednesday 23 September the Government's observations on the Report, which dealt with the British Government's role in the light of the Brandt Commission Report.

I should be grateful if you, and those to whom I am copying this letter, would kindly confirm that there is no objection to publication.

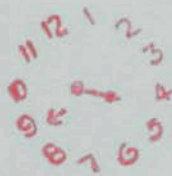
Yours sincerely,
A G Harrison

A G Harrison
Asst. Parliamentary Clerk

cc: D Heyhoe Esq
Office of the Chancellor of the Duchy of Lancaster
70 Whitehall
London
SW1

P Moore Esq
Government Chief Whip's Office
12 Downing Street
London
SW1

1-7 SEP 1981



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DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

The Rt Hon Francis Pym MP
 Chancellor of the Duchy of Lancaster
 68 Whitehall
 LONDON SW1A 2AT

7 September 1981.

MS, MS
Francis

Ann Whitelaw

You will be interested in the various criticisms of the education select committee, which has been one of the most expensive also.

Your letter of 21 May to Willie Whitelaw invited the views of colleagues on the operation of Departmental Select Committees. I am of course concerned with the Education, Science and Arts Committee and you will also know that Paul Channon is to write to you separately about his own dealings on the Arts side with the same Committee.

We have so far had three reports falling for reply on the education side. All were the product of the Committee's inquiry into the Organisation and Funding of Higher Education - the first, a single issue report on the Government policy on overseas student fees, the second, discussing wider aspects of higher education and making recommendations for change in the organisation of public sector higher education. Besides these, the Committee produced a Special Report in which they criticised the Department for its failure to produce certain papers they requested (leading, as you know, to the adoption of a firm Government stance in reply). While, as my officials have acknowledged, some parts of the main report on the Organisation and Funding of Higher Education contained discussion relevant to an issue of major policy interest at the time I cannot pretend that the recommendations made were of any help to us in policy development.

These are early days to reach a proper judgement on the Committee and I continue to hold out hopes that they will settle down to a more constructive pattern of work. I would emphasise that the Committees have clearly attempted to be non-party-political in this approach; I have been fortunate in that the Conservatives on the Committee have been diligent in their attendance. But it is hard to resist the impression that some members on the Committee, particularly the Chairman regard the Committee's activities as a valuable opportunity to gain publicity while grinding their own axes. The Chairman is known for the zeal with which he seeks to further the cause of "open Government" and the past year has seen a succession of attempts by the Committee to gain access to papers bearing on the advice tendered to me and to my colleagues. Little apparent use is made of documents thus solicited. Details of some of the main instances are in the evidence prepared by my officials and, as I mentioned above, this aspect of the Committee's activities has already led to the Government

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having to make a firm response on one occasion. We are now considering a further demand from the Committee to know of correspondence passing between the Chairman of the University Grants Committee and myself - coupled with a request for me to give oral evidence pertaining to it early in the new session. This continuing attempt to shift the line between what is made available to the Committee and what is withheld seems likely to lead to a series of fruitless confrontations.

All these activities have given rise to much unproductive work by senior officers in the Department which is tiresome at a time when we are seeking to reduce civil service numbers and promote greater efficiency. Nor is it easy to say that the substantial amount of time devoted to preparing memoranda and giving evidence for the Committee's scrutiny sessions and main inquiries has been more profitably spent. If the oral sessions, when they took place, could be regarded as well informed and constructive, this burden could reasonably be accepted. But the questioning encountered both by me and by my officials has been, in general, ill-focussed and often ill-informed.

That leads me to agree, firstly, with Geoffrey Howe's suggestion that we should think again about whether it is right to continue to exclude officers of back bench subject committees from membership of corresponding Select Committees. Much of the time we seem to be educating the Committee members rather than extending the knowledge of interested parties outside Parliament (many of whom will already be highly expert in the subjects under discussion). The conduct of proceedings suggests to me that the quality of special advisers to the Committees leaves a certain amount to be desired, ~~but~~ that Members of the Committee take little advantage of their presence.

All in all, therefore, I consider that the Education Committee has made an unimpressive start - and a surprisingly expensive one, too, if the figures in the attachment to your letter are anything to go by. But at the same time I would not wish to overlook the function fulfilled by the Committee in acting as a channel of expression for the views of outside interest groups although I would have hoped that outside groups would have been subjected to at least the same rigour of cross questioning as exponents of Government policy. The Committee's activities have not yet led to better informed discussion in Parliament - nor have they brought to light new and valuable factual information helpful to the Department, though I do accept that the Committee have encouraged the Department to make public some information which otherwise it might not have done. In general, however, I do not feel that public accountability has increased.

Copies of this letter go to recipients of yours.

Yours ever

Mark

MARK CARLISLE

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SEP 8 1981

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PART 4 ends.-

WR to F.C.O 4/9

PART 5. begins:-

S/S D.E.S to CDL 7/9

